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Developing a Public Interest School of Management

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Developing a Public Interest School of Management

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Abstract

This 'thinkpiece' paper contributes to the recent 'Business School Business' debate by examining whether an alternative form of the Business School – specifically, the public interest model – can be created. Current criticisms of conventional Business Schools are reviewed and alternative models explored. We take some examples from our own field of health management research and define the public interest School model in more detail than in previous accounts and compare and contrast it with other models of the reformed Business School. We identify certain conditions in which this form is more likely to succeed and suggest a future empirical research agenda.

Keywords

Public; Business; Management; Educational; Professionalisation; Reform

INTRODUCTION: CRISIS IN THE BUSINESS SCHOOL?

Can Business Schools go beyond what their many critics see as their current function of educating and training managerial cadres in managerial techniques and supplying advice to maximise short term shareholder value? The educational, intellectual and even moral collapse of the conventional Business School has been heralded (Khurana, 2007). Various models have recently been advocated (Pfeffer and Fong, 2002, 2004; Grey, 2004; Bennis and O'Toole, 2006, Starkey and Tiratsoo, 2007) in response to this perceived crisis.

Is this reformative project doomed as all Business Schools are essentially the same? We argue that there is some diversity in the Business School field so that further reform may be feasible as well as desirable. For example, some existing Schools term themselves 'Schools of Management' and others 'Business Schools', and this choice of language may be thought to be significant in signalling a distinct identity and ideology. Schools of Management, for instance, might be intuitively thought to be more inclined than Business Schools to adopt the public interest form (although we need empirical evidence to test this intuition, as argued in the conclusion) and to work with public and not for profit organisations as well as private firms. This paper examines the potential for creating and sustaining a 'public interest' Business School, perhaps better labelled as a School of Management, within the UK context.

Why are these questions important? Firstly, Business Schools now represent a major force in the production of management knowledge. The web site of the UK Association of Business Schools (ABS) (<http://www.the-abs.org.uk>) lists 108 members, even though the first two UK Business Schools (London and Manchester) were founded as recently as 1965. Business Schools now account for about one seventh of all students in UK Higher Education (223,041 FTE in 2005/6). The rise of the Business School is a notable feature of the UK Higher Education landscape.

Nearly all UK Business Schools are institutionally located within host Universities largely funded through the public purse. There are no profits (as opposed to surpluses) and no shareholders within such publicly funded universities. The assets are owned by public agencies charged with the advancement of knowledge and of public science. UK Business Schools have streams of public funding for teaching Home Undergraduate students and research support (where the School has a good Research Assessment Exercise ranking). Given this institutional location, governance structure and funding base, they have at least the possibility of developing as a public body which sees knowledge as a public good rather than as a for profit knowledge based business which sees knowledge as a private good and as a product in the marketplace.

Secondly, the recent literature on the Business School 'Business' provides strong critiques of conventional Schools (Pfeffer and Fong, 2002, 2004). The backlash from corporate scandals such as Enron – where key managers had Masters in Business Administration (MBAs) from highly rated Business Schools - led to sustained self criticism (Khurana, 2007; Starkey and Tiratsoo, 2007) of the educational, theoretical and moral base of existing Schools and their conveyor belt production of 'unreflective'

MBAs. Their essential value proposition has been MBA salary uplift (Pfeffer and Fong, 2004), and from this spring various deformations. New writing is seeking alternative models to this discredited form.

This paper is an initial ‘think piece’ which should pave the way to future empirical research. It will first consider various critiques of present day Schools. It will then develop a public interest model of a Business School, distinguishing it from the other models reviewed. Exemplification will be taken from the authors’ own field of health management research which intriguingly suggests the Medical School as a potential comparator. We compare and contrast the various models of reform and suggest some conditions and trade-offs associated with a public interest form.

IMAGINING ALTERNATIVE BUSINESS SCHOOLS

We now explore the developing and contested ‘Business School business’ (Pfeffer and Fong, 2004) literature. Four different criticisms of the current Business School can be detected. For a first set of practice orientated critics, the problem is that Business Schools have detached themselves from managerial practice and generated a pseudo scientific research base, dominated by the abstract research paradigm of natural science and economics (Bennis and O’Toole, 2006). The rise of economics and of finance within Business Schools is marked, leading to more use of technical quantitative methods and specialist publications. This also led to too much emphasis on teaching technique (in these critics’ view) rather than promoting broad understanding in the MBA curriculum. There is a strong criticism that current Business School research and writing reflects the career building agenda of faculty, as faculty secure tenure and promotion through publication in peer reviewed journals, even if no one reads them. Management research becomes part of career building and getting on to the tenure track, with esoteric research being more persuasive to the academic hierarchy to that with practical relevance. There has, in other words, been a process of provider capture. Bennis and O’Toole commend the counter example of psychology, which they see as moving away from a narrow natural science paradigm towards more imaginative approaches.

This is a call for a return to a world of practice and for building a practice connected professional school, such as Law Schools which rely more on case law than an abstract or scientific form of knowledge. Indeed, the Harvard case method is a teaching legacy passed on from Law Schools to Schools of Management. The MBA curriculum should be rebalanced to include more awareness of the humanities and of ethical questions so as to turn out more rounded managers. However, they do not consider how Business Schools could build management into a profession like medicine or law (for example, what might be effective mechanisms of socialisation, self regulation and control over entry to and exit from the profession?). Bennis and O’Toole finally urge business leaders to use their resource power to articulate their needs for a more practice connected School to Deans and force change, even in the face of faculty resistance. We note that such increase in corporate control makes profession building more difficult.

While we agree that Business Schools should be outwards rather than inwards facing, we would contest much of this argument and defend research intensive Business Schools. Academic research rarely impacts directly on practice in many fields, not just management research. Even in a practice connected research field such as the authors' own field of Health Services Research, the translation of good quality evidence into clinical practice is problematic (Dopson and FitzGerald, 2005). More sophisticated notions of 'enlightenment', 'knowledge creep' and the intermediary role of 'appreciative networks' which span practice/research boundaries have emerged, replacing early expectations of direct research impact (Dopson and FitzGerald, 2005). So the impact of management research may also be long rather than short term, indirect rather than direct and perceived differently by different stakeholders.

The diffusion of specific research findings may be less important than the broader construction of a thematic conversation involving both the academy and the field. There may be gradual 'concept drift' from research into managerial practice. An example of such a theme – which managerial practitioners appear to find useful - would be change management. In health management research, for example, a review of the academic change management literature by Iles and Sutherland (2001) has been evaluated as 'high impact' within the health care management field (Cranfield and Ward, 2002): the point being that this 'useful' literature review depended on the earlier accumulation of primary academic research unlikely to have been read by practitioners.

A better comparator for the Business School than the Law School preferred by Bennis and O'Toole is the Medical School. This is also a professional school but one which mixes clinical practice with a well developed, resource intensive and technically sophisticated research base. A Medical School professor treats patients in clinical practice but also engages in methodologically sophisticated research. The methodological concerns of clinical academics about the design of Randomised Control Trials (RCTs) may appear as esoteric to lay observers (e.g. the degree of statistical power) as the methodological disputes between econometricians within Business Schools. However, these statistical debates about the power of trials do relate to critical questions about the strength of evidence, the legitimate inference to be drawn from the data and therefore the strength of implications for the clinical field and for patients. Superficially esoteric debates can matter.

The case method is not enough to construct generalisable forms of knowledge, despite its use in the classroom. It is difficult to construct a research base through the use of practice orientated single cases divorced from theory building. There are many methodological issues about how robust a Harvard case is, given it over privileges the accounts of senior managers and is restrictive in the depth and breadth of data collected. The failure to develop a generalisable knowledge base would be fateful as a key characteristic of a profession (Khurama, 2007) is an expert and legitimated knowledge base. Without this, claims for professional status are likely to stall.

For a second group of academically orientated critics, Business Schools are too close to private corporations, with a consequent loss of critical distance (Pfeffer and Fong, 2002,

2004). There is in this account too much connection with management practice rather than too little. Business Schools have morphed into pale imitators of management consulting firms working on short term problems prescribed for them by their clients (Pfeffer and Fong, 2004). They are pedagogically unimaginative (unlike innovative Medical Schools which think about how to enrich the curriculum) and think little about rising or difficult issues. Business School research has in their view too narrow a focus on organisational performance and shareholder value, driven by the interests of narrow dominant groups and the growing hegemony of economics, at least in the American Schools. The failure to build an underlying professional ideology leaves Business Schools vulnerable to such degeneration.

This critique argues that Business Schools need to engage with broader themes which reflect public and policy concerns and the ‘public interest’ (Rynes and Shapiro, 2005, also use but do not define this term) rather than produce local or sectional forms of knowledge. Generous endowments from firms and large corporate donors mean that critical or even conventional social science research can be closed down as resource dependency relationships are asserted. So Business Schools need to rediscover their roots as University Departments: to become less of a Business, and more a School (Pfeffer and Fong, 2004). Medical Schools are again seen as potential role models for Business Schools given the success of their professionalisation project and their ability to balance engagement with distance:

“much as Medical Schools have tried to set themselves apart from medical device firms and pharmaceutical firms by their inter-disciplinary nature and by their presumed objectivity, professionalisation, different standards of evidence, and different goals. So might business schools derive some of the same benefits and associated prestige.”

(Pfeffer and Fong, 2004: 1517).

We note that Medical Schools face similar pressures as Business Schools in obtaining resources, in their case for expensive clinical trials. Some trial funding comes from public science funders (such as the Medical Research Council) but much from pharmaceutical firms. Medical Schools need to have safeguards to ensure that such funding does not distort clinical academics’ research findings or their publication (that is, that the negative results of trials should be reported as well as positive results).

Pettigrew (2001) criticises the recent Business School ‘relevance’ literature previously reviewed for not paying sufficient attention to underlying issues of research capacity and capability development. These are serious criticisms which need to be considered carefully. The quality of management research from top rated UK Business Schools has been critiqued by clinical researchers for: its failure to generate large scale empirical data bases; its poor approach to literature reviewing; inadequate consideration and description of methods and over extrapolation of conclusions from weak empirical findings (Lilford et al, 2003). Far from being too technically sophisticated; much management research is not sophisticated enough, at least in empirical or methodological terms.

So what type of academic field is Management? Management can in our view be seen as an applied and practice connected melange of different social sciences, rather similar to (say) social policy or socio legal studies. Many Schools grew out of economics (which developed into strategy) and sociology (which developed into organisational studies). Social psychology has also been an important influence. While each social science discipline has different themes, methods and theories; each also has its own norms of research quality conventionally asserted through peer review. Social science based research is a key knowledge asset which Business Schools could bring to the table in a way that alternative knowledge providers such as management consulting firms cannot (Pettigrew, 2001). It is a distinguishing core competence in a crowded field and needs to be fostered. At present, the social science capacity of UK Business Schools is patchy indeed.

This perspective implies that Business Schools should be located within University settings to encourage links with other social science departments (such as Law, international relations or anthropology). Business Schools which are not so located may find that their research base and ultimately credibility as a knowledge producer erodes over time. These long term advantages outweigh the possible cost to be paid in terms of: excessive cross subsidy from the Business School to other academic departments in structural financial deficit, restrictions on its operational autonomy and failure to recognise its need to innovate more rapidly, given its more volatile and competitive environment (see Lorange, P. (2008). We conclude that Pfeffer and Fong's critique of capture by the business field has merit and that 'reformed' Business Schools should develop a strong professionalisation project supported by a social science informed research capacity.

A third image of the Business School is that of the 'agora' (Starkey et al, 2004; Starkey and Tempest, 2005; Starkey and Tiratsoo, 2007). Drawing on recent work in science and technology studies (Gibbons et al, 1994; Nowotny et al, 2001) which suggests the emergence of dispersed and pluralist forms of knowledge production (so called Mode 2), (as in the new field of environmental science) which replace conventional disciplinary based academic research (so called Mode 1). In this postmodernist perspective, University research is losing its canonical authority to be replaced by a polycentric pattern of knowledge production. Starkey and Tiratsoo (2007) argue that the Business School should embrace these wider trends and become an intellectual 'agora' or open space in which many different stakeholders come together for dialogue and debate in a Mode 2 format. The Business School here becomes a knowledge broker or the nodal point in a complex network, drawing in different academic disciplines (including the sciences and humanities) and many constituencies outside the Academy. It engages in interdisciplinary or trans-disciplinary research which is co-produced with practitioners, using non traditional methods such as action research. However, this model places less emphasis on the building of the core management disciplines themselves than Pettigrew (2001), as they see them as being eroded away. So what does the Business School bring to the table apart from the facilitation of a network? Why should anyone take any notice, given strong competition for managerial time and attention? Starkey and Tempest (2005) refer to the development of the reflective managerial practitioner within the agora but say

little about developing a strong management profession or a Mode 1 style social science base (indeed they might regard such institutions as late modernist deformations).

The fourth and final model is that of the Critical School. Grey (2004) uses the traditions of Critical Management Studies (CMS) and Critical Management Education (CME) to suggest a radically different form of 'critical' Business School. This leads to an overtly politicised version of management studies where issues of power and politics are seen as overt and pervasive (Grey might say that they always are, it is just that orthodox Schools pretend they are not). So Business Schools need to be decoupled from the narrow interests which have funded them and consider much broader societally relevant concerns.

Grey sees management as fundamentally explained by the exercise of power and politics. Clearly the power perspective is an important one which sheds light (for example) on issues within industrial relations. But is this really the only fruitful theoretical perspective for the diverse range of scholars found in Business Schools? It seems closely associated with a conflictual tradition within the discipline of sociology. What about alternative and influential theories of organisational learning or decision making which derive from the more cognitive tradition of social psychology (Weick, 2001)? We acknowledge that organisational learning theory has also been critiqued for its failure to address power issues, (Contu and Willmott, 2003; Coopey and Burgoyne, 2000). What about theories of market failure or strategic groups which might be developed from a theoretical perspective rooted in industrial economics?

Grey is sceptical of the research role of the Business School. Research agendas (and in strong versions of this critique even research findings) are socially constructed, reflecting dominant values and funding streams. Sustainability, for example, might be seen as least as legitimate a research topic as profit maximisation but less likely to be funded by private corporations. Within the curriculum, the ethical and philosophical basis of management needs to be discussed further (Macintyre, 1984; Anthony, 1986) as well as narrow management techniques. Grey (2004:182) notes that the attempt to construct a 'science of management' using the bio-medical paradigm has failed, because of the differences between the natural and the social worlds. So the call by Pfeffer and Fong (2002) for Business Schools to mimic Medical Schools with their natural science base will remain unfulfilled. For Grey, CME reflects the traditional tenets of a liberal education with wider concerns for philosophy, ethics and politics and the social sciences to promote transformational personal development in the student. Recent pedagogic research also suggests it is through reformed curricula and teaching methods that engaged, self-aware and indeed 'critical' MBA students can be fostered (Garcia, 2008).

ELABORATING THE PUBLIC INTEREST MODEL

We now use the second stream of literature (Pettigrew, 2001; Pfeffer and Fong, 2002, 2004, Rynes and Shapiro, 2005) reviewed above to elaborate a public interest model of the Business School. What might a public interest Business School look like? We start with Pfeffer and Fong (2004:1503) who suggest:

“one possible function of business schools might be developing important, relevant knowledge and serving as a source of critical thought and enquiry about organisations and management and by so doing, advancing the general public interest as well as the professionalisation of management. In this role, business schools would stand connected to, but also somewhat apart from business and other organisations providing objective research and critical considerations of business, business practices and their effects on people and society in an effort not only to serve business but also broader social interests and concerns.”

This definition appears attractive but needs some unpacking. It first of all suggests an underlying research base is a core feature of a public interest Business School. The somewhat curious phrase ‘objective’ research perhaps implies that the research function should not take the form of consulting activity and should follow the standard norms of social science with freedom to publish in peer reviewed journals. But the full implications of the argument are not yet brought out. For example, there needs to be consideration of the machinery of research ethics inside Business Schools to promote research integrity (as in Medical Schools). The knowledge produced should be ‘important’ (that is - of general import, not localised or short term) as well as ‘relevant’, if Business School knowledge is to cumulate and a general knowledge base built up.

There is, secondly, support here for a renewed professionalisation project, despite its apparent failure so far. Pfeffer and Fong talk about the role of the public interest School in promoting the ‘profession’ of management. We will return to this professionalisation question shortly.

Thirdly, the use of the ‘critical’ word in this text suggests some alignment with the Critical Management current (this might be contested by Grey, 2004), at least in the soft sense of concern with the broader social impact of business practices (for example, the corporate response to climate change).

Can we move the definition on? Khurana (2007) argues that the original professional Business Schools such as Wharton were built on three key institutions: science (originally scientific management, but now we argue social science style research), profession building and location in the Humboldtian research university. These three institutions helped build a new social order in which the rising cadre of managers could be socialised into appropriate behaviour, enabling the rising occupation of management to win social legitimacy. Nor does this appear to be a localised or historically specific configuration. All three institutions have diffused internationally (now going beyond their original heartlands in the USA, UK and Europe) so that it is possible that the professional school form will also diffuse globally, at least in terms of aspiration.

So far management has not fully evolved into a profession such as medicine or law. Yet Khurana (2007) suggests that we should not accept the current failure of the managerial professionalisation project but seek to renew it. He defends professionals as having a continuing but underrecognised role in the social order which is quite different from that played by markets and hierarchies. He retrieves the concept of professionalisation from recent radical critics who have emphasised its market capture and cartel building functions. He emphasises its positive function in ensuring the appropriate socialisation of individuals likely to occupy elite or expert positions and who are not readily controllable

either by hierarchy or by markets (indeed elite professionals such as surgeons may take advantage of poorly informed consumers to over succeed in the market).

Socialisation into a profession can teach appropriate behaviour and self restraint, policed through the college of senior professionals and other mechanisms of self regulation. It is a long-term professionalisation process that produces over time in students a personal identity which values knowledge, appropriate standards of practice and norms of conduct (see Becker et al 1976 on the socialisation of medical students). The development of an expert and high quality knowledge base is fundamental to a legitimated profession. While medicine draws on the hypotheses and methods of natural science, management should draw in our view on the theories and methods of social science.

A further concern is the 'corporate capture' (Pfeffer and Fong, 2004:1510; Starkey and Tiratsoo 2007:102) of the Business School. Schools may become over dependent on corporations or individual donors for key resources such as student enrolments, for donations or access for student projects, research, and teaching cases. The governance structure of School Advisory Boards may reflect the dominance of influential corporations. Business School research and teaching may be skewed consciously or unconsciously to meet pressures from the business field (as indeed Bennis and O'Toole call for, to prevent a drift to highly theoretical research). Public interest Schools will welcome corporate engagement as part of an outwards facing orientation which will expand the wider impact and influence of the School outside the academy and within society, but also recognise dangers of corporate capture. They may need to avoid over dependence on any one funding source to retain a wider role as 'independent critics and observers of society' (Pfeffer and Fong, 2004:1510).

How might this decoupling happen? The resource flows of individual Business Schools vary and produce characteristic resource dependencies. The Research Assessment Exercise (RAE) funding stream available to some UK Business Schools for public science is important and is different from the American context. Securing fee income from many individual students (especially high fee paying Overseas students) or a consortium of funders diversifies the funding base. Some UK Business Schools are highly attractive destinations for Overseas students so it may be possible to generate a significant income stream through this route. More significant alumni funding would add to resource diversity, as might philanthropic foundations. A School which is highly dependent on one or two corporate donors, however, is liable to corporate capture.

What is the 'public interest' and how is it to be defined? Not all would agree that there is a 'public interest'. The radical right might argue that preferences are best expressed through the market, underestimating the possibility of market failure in the production of public goods such as research. Critical management scholars might argue that society is composed of conflictual interest groups that would find it difficult to agree on any common agenda. In the end, Business Schools will reflect ideologically their economic base, namely corporate flows of resources.

We agree that the concept of the public interest is not easy, but we hope to move towards a definition. We start with Pfeffer and Fong (2004) who refer to the role of the public interest Business School in addressing 'broader social concerns' rather than narrow business issues. Broad concerns presumably engage reflective business practitioners but

would also appeal to other constituencies. They are likely not to take the form of localised or immediate questions or be solely focussed on short-term profit maximisation or performance improvement. So the distinctive contribution of the public interest Business School (as opposed to other managerial knowledge producers such as management consultants) is to think and write broadly about long-term themes of interest to a variety of business and other constituencies. The research should also be in Pfeffer and Fong's word 'objective', so that the formulation of the research question, the collection of data and the reporting of the results should not be skewed by funding flows. A public interest School also seeks to make an impact on business and society and to address major questions of public interest, rather than being solely inwards facing.

What does this mean in practice? Current thematic candidates might be: sustainability and business including the business response to climate change; strategies of public services reform; devising effective regulatory regimes or understanding the nature of business in the Islamic world. The task is to specify a broad theme with long-term resonance and appeal to different social constituencies (including but not exclusively business). The theme is more important than specific findings. Different researchers or even Schools may take different views: for example, some may be in favour of market-led reforms to the public services; others a strategy of renewing professions and networks. The broader goal is a research informed conversation and debate which involves both the academy and a range of constituencies in the field.

For a theme to be legitimate, a range of business and social constituencies need to express interest and engagement. How can such engagement be assessed or even shaped? The School may need to relate to various publics rather than use a conception of one unitary public. Public sector management (Moore, 1995) writing gives us clues about managing in politicised, diverse and contested arenas, involving such managerial skills as mobilising support, building legitimacy and engaging in co-production to build alliances and constituencies. So Business Schools – or national associations such as the ABS – may need to devise stakeholder consultations to gather feedback on draft themes, stimulate dialogue and hopefully build consensus. They could consult worked examples in other fields such as health care management. For instance, the UK National Institute for Health and Clinical Excellence (NIHCE) has experience in developing sophisticated stakeholder consultation processes when consulting on its draft clinical guidelines, some of which have been highly controversial. A guideline development group consists of health professionals and patient and carer representatives as well as technical experts. Following this review, the three core principles of a public interest School can be defined as:

'support for a renewed professionalisation project, the long term development of a broad knowledge base founded on social science; corporate engagement but not corporate capture.'

This broad definition suggests the following operational positioning:

- (i) *support for a renewed professionalisation project*: this implies the development of a reflective teaching style, including at MBA level, aimed at personal development as well as teaching of technique. The curriculum should include ethical and philosophical considerations of the role of business in

society (MacIntyre, 1984) and develop critical self-reflection in the student. The curriculum should include an aspect of socialisation, aiming to instil norms of socially responsible business and shape personal identities. Such curriculum reforms will be stronger if embedded in strong self regulating institutions. The Business School should develop continuing support for socially responsible business behaviour including refresher courses (Continuing Professional Development). The School should itself take an active role in Business field wide bodies which set field wide norms through self regulation (e.g. ABS; and European Academy of Business in Society (EABIS). These national bodies could explore how effective self regulation of the management 'profession' could be developed.

- (ii) *the long-term development of a broad knowledge base founded on social science:* this supports the production of 'public science' by School faculty published in peer-reviewed journals and monographs; faculty would here seek to hold Research Council and other peer-reviewed awards; research should move beyond a dominant concern with performance to explore broader themes supported by a range of business and social constituencies; there should be a developing cumulative knowledge-base rather than a series of unconnected short term and local projects; there should be research alliances with other departments within the University; there is an expectation that faculty would normally be trained in social science (i.e. hold a relevant PhD); that the School would develop a PhD cohort to reproduce the research culture; that there would be a stress on research informed teaching especially in specialist Masters courses. This model links to a notion of so called 'phronetic social science' (Flyvbjerg, 2001) or social science which seeks to produce 'practical wisdom' and useful knowledge rather than solely engage in self referential critique.
- (iii) *corporate engagement but avoidance of corporate capture:* the School should be outwards facing and engage actively with corporate and other audiences in order to make an impact on society beyond the academy. However it should avoid the danger of corporate capture. At the governance level, this indicates a retention of a 'not for profit' status and strong integration into the host University. It suggests the safeguarding of an independent and disinterested status for faculty so they are not constrained in what they publish. It indicates the diversification of School funding flows to avoid overdependence on any one corporate funder. The School Advisory Board should here reflect different constituencies and a task for the Dean may well be to stimulate networks and connections which are presently underdeveloped (e.g. public sector; Non-Governments Organisations (NGOs); Small/Medium Enterprises (SMEs). Might Schools benefit from Deans with more industrial experience in building such external alliances, or does research and academic credibility remain a core leadership trait, at least in research intensive Schools?
- (iv) We now ask: How does a 'public interest' School vary from the other models of reformed Business Schools reviewed earlier?

The argument is summarised in **Table 1**, page 17, for ease of reference.

When compared to the practice-led model (Bennis and O’Toole, 2005), the public interest model develops a much more detailed argument about the processes of managerial profession building. The public interest model also stresses the role of social science research as a distinctive competence of Business Schools, seeing the research intensive Medical School as a comparator rather than the case based Law School. While both models stress the need for an outwards-facing orientation and for corporate engagement, the public interest model opposes corporate control (unlike Bennis and O’Toole) and wants Business School research to engage with rising and difficult research themes of major public importance.

Compared to the agora model, the public interest model has a similar desire to engage with a broad network of constituencies outside the academy – including but going beyond corporations - and to restrict resource dependence on corporations. There is a however a greater attachment within the public interest model to Mode 1 research and a scepticism about how strong a shift to Mode 2 research in science suggested by the agora model is observable in practice. We observe that the management field displays strong features of Mode 1 institution building over the last twenty years such as the growth of specialist and peer reviewed journals, e.g. British Journal of Management (BJM) and academic associations, e.g. British Academy of Management (BAM). Indeed these Mode 1 trends form part of the critique by Bennis and Toole. Unlike the public interest model, the agora model does not support a professionalisation project based on an expert knowledge base and prolonged socialisation. It is more sceptical of professional dominance, supporting looser and polycentric forms of knowledge production and exchange.

Let us finally compare the public interest model with the ‘critical’ School model. Grey (2004) similarly endorses the development of a more reflective and developmental teaching style as the public interest model. Grey (2004: 179) even uses a public interest like argument at times:

“management education has been typically, although not exclusively, informed by the interests of corporations and of managers rather than by those of stakeholders in organisations and wider society.”

Both models are wary of the corporate capture of Schools, although the public interest model appears more outwards-facing than the Critical School model, which is in danger of becoming inward looking, too theoretically-driven and not developing alliances with outside business stakeholders. There are other important differences between the two models. Grey does not consider the institutional aspect of profession building or the professions literature at all (radical critics may see the professions as elite and well paid groups engaging in labour market capture, Larson, 1977). Secondly, the public interest model places greater weight on the social science research. Grey is sceptical of the research role of the Business School. He argues that values and facts elide so that it is impossible to have value free research: the selection of a research agenda reflects dominant values. Grey is critical of Pfeffer and Fong’s call to model Business Schools on the professional schools of Law and Medicine as he considers the management discipline to be driven by values, so that the project to build scientific management is doomed to fail (unlike in Medical Schools which investigate the natural rather than the social world). However, he does not consider whether high quality management knowledge could be based on the principles of social rather than natural science. He also seems to operate

with an over restricted definition of what management research might look like. Qualitative forms of research can have high impact, alongside more conventional quantitative or ‘scientific’ research. For example, Goffman’s (1961) ‘Asylums’ is a high impact piece of health management research both academically and in terms of influence of policy and practice, despite being qualitative rather than quantitative in nature.

CONCLUDING DISCUSSION

A post-Enron literature has drawn attention to important pathologies in present day Business Schools. We have here outlined various models of reform, arguing that the public interest School is an attractive configuration. We have operationalised this model further, contrasting it with three alternative models: namely the practice-led model, the agora model and the critical model of the Business School. A public interest School seeks corporate engagement but to avoid corporate capture, to develop a social science knowledge base and to renew the managerial professionalisation project. It occupies a reformist space between the presently discredited form on the one hand and the postmodernist image of the agora and the radical model of the Critical School on the other. In some ways, it offers a modernised version of the original vision of early American Schools such as Wharton (Khurama, 2007) with the three pillars of profession building, integration in a research intensive University and a (social) science base.

What are the trade offs if a School adopts a public interest model? It implies less emphasis on executive teaching; controlling the level of faculty consulting and an aversion to ‘guru’ based forms of publication. There may be a need at University level to accept a lower financial surplus from the Business School to protect basic research and reflective teaching. It also implies limits to the ‘business facing’ stance currently seen in UK skills policy (Leitch, 2006) and resisting direct business control over the research agenda or the curriculum.

Financial flows are clearly important in supporting enduring reform. Where will the money come from to support reformed Schools? A public interest model will be easier to implement financially where there is: RAE funding for public science (only a minority of UK Schools), high alumni or philanthropic funding and high Overseas Student fee income. Schools which have large Undergraduate programmes become less dependent on their MBA programmes financially and perhaps are able to take more risks with MBA reform. The growth of non MBA PGT programmes is also a significant trend, with the emergence of ‘niche’ degrees. Achieving financial sustainability for reform will be more difficult where there is high resource dependence on one or two interventionist corporate donors or a government agency seeking to achieve distinct policy objectives (we should recall that government may also seek to steer Business Schools, as well as corporations). Graduate Schools which are highly dependent on their MBA programmes for fee income may find reform more difficult.

The public interest model may fit more easily with European rather than Anglo-American Schools, as they relate to distinct forms of capitalism (Hall and Soskice, 2001). Anglo-American economies (notably London as a global financial centre) are more dominated by banks and finance capitalism – explaining a growth of finance degrees and of

quantitative finance research – whereas European Schools relate more to an economy based on large or medium sized enterprises where the general management function remains important and with more scope for profession building.

As indicated in the introduction, this initial paper is deliberately a ‘think piece’. Future empirical research should map the UK Business School field to identify the extent of diversity and undertake intensive case studies of Schools which try to adopt the public interest and other reformatory models. What do public interest Business Schools look like in practice? We should empirically test the intuition advanced earlier: are self styled Schools of Management indeed closer to the public interest model than self styled Business Schools? A longitudinal question is whether any diverse or reformed forms endure or whether there is regression over time back to the normal Business School form.

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TABLES

Table 1: The Emphasis of the Four Models vis a vis the 3 Dimensions

	The public interest model	The practice led model	The Agora model	The Critical School model
<i>Profession building</i>	High – generates ethical behaviour and identity.	Low – no consideration of profession building.	Low – outwards facing to many external stakeholders	Moderate – low on institutions of professionalisation but high on liberal education.
<i>Social science knowledge base</i>	High – a core competence and helps profession building	Low – against any drift to abstract science	Low emphasis – shift from Mode 1 to Mode 2 knowledge production	Low – research agendas captured by dominant elites
<i>Corporate linkages</i>	Medium – balance of involvement with distance	High - desire for corporate engagement and even control.	Medium – links with corporates but also other stakeholders	Low - opposed to corporate control