

Evolution and revolution

Adapting to a new corporate world

Business schools now have a huge opportunity to provide the tailored sustainability programmes that the corporate world will increasingly need, argue Polly Courtice and Wayne Visser

The seeds of a future vision for business education on corporate responsibility and sustainability can perhaps be found in current weaknesses in the way these topics are taught in business schools. There are four broad areas where improvement is urgently required.

- Appreciating how significantly the role of business in society has changed over the past century.
- Challenging the desirability and sustainability of the prevailing shareholder-driven business paradigm.
- Reaching across the knowledge silos and encouraging an interdisciplinary approach to tackling the world's most pressing challenges.
- Recognising the importance of engaging not just the minds, but also the hearts (and some would say the souls) of business leaders.

The flagship educational product of business schools – the MBA – was created as a direct response to the prevailing Taylorism and Fordism of the early 20th century. This gives clear and important insights into the way in which management education was conceived – and is still promoted by some – namely as the science of business administration.

As the multinational era dawned in the second half of the 20th century, the increasing scale and complexity of business operations was matched in business schools by increasing functional specialisation and the introduction of new disciplines focused on markets, customers and competitors.

By the 1980s, business education

had shifted from teaching the science of management to teaching the science of making money.

The explosion of information technology and the emergence of serious social and environmental problems in the 1990s marked yet another shift in business, this time towards a more global perspective. In fact, both business and business educational institutions are still grappling with how best to operate in this more complex, interconnected world. The most common response has been to simply add functions like IT, health and safety, environment and public relations.

Develop real leadership

However, this reflects a serious failure to appreciate fully the interdependencies of the challenges facing business and society, from climate change and poverty to biodiversity loss and corruption. It also represents a failure on the part of companies and business schools to recognise how fundamentally expectations of the role of business in society have changed.

The result is that many companies find themselves making public commitments to take action on social, ethical and environmental issues, ahead of their actual capacity to deliver on them.

There is a great opportunity for universities (rather than only business schools) to return to their early 20th century role of developing effective leadership by providing diverse theoretical and applied knowledge to fuel innovation in business models and social progress.

Specifically, the providers of business education will need to:

- Deepen the understanding of leaders of the complex and



Complex challenges for business leaders

urgent global challenges facing business and society. Expose them more deliberately and creatively to the depth and range of knowledge that exists in its diverse faculties and subject areas, be it anthropology and philosophy or climate science and demographic studies.

- Improve the ability of executives to think far more systemically and to understand the connectivity between business and the wider social and ecological context in which they operate. Use a variety of strategic thinking tools – scenario planning, life-cycle analysis and product and policy road mapping to help them.
- Heighten the emotional intelligence of executives through more use of experiential learning, action research and multi-perspective dialogues on complex moral and ethical dilemmas.
- Challenge the prevailing world views and business models of executives by providing opportunities for interaction with individuals, organisations and situations outside of their dominant fields of experience.

There are a growing number of progressive companies and forward-thinking educational institutions that have already begun to forge the way. The more effectively we can learn from the failures of the past, the more likely we are to deliver learning successes in the future. ■

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