



THE UNIVERSITY: AN INSTITUTION OF SOCIETY

The purpose of business studies in the present society

Problems and challenges

1. ABSTRACT IN ENGLISH:

The popularity of business studies in today's University system is clearly demonstrated by the number of candidates, places and specialisations available in higher education institutions. On the other hand, the existence of multiple social, economic and ecological crises raises valid questions regarding the content, purpose and focus of these studies for the wellbeing of the modern society. Analysing the existent literature, this paper present and discusses three main problems of the business studies available in higher education institution: (1) focus on short-term profitability; (2) fragmentation and specialisation; and, (3) lack of connection with other types of studies.

2. KEYWORDS: business studies, problems and challenges, modern society

3. FIELD OF KNOWLEDGE: business studies (social and legal sciences)

4. SUBJECT AREA: Evaluation and Institutional Quality

The Scientific Committee reserves the right to decide the final area of the proposals.

5. PRESENTATION CATEGORY: Oral Presentation

The Scientific Committee reserves the right to decide the final presentation category.

6. DEVELOPMENT: 7.500 – 10.000 characters (with spaces)

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a) Objectives

Based on a relevant and actual literature review, this study attempts:

- (1) to analyse the role of business schools in the present-day society;
- (2) to identify the main problems which determine a negative influence of business schools on the socio-economic situation;
- (3) to discuss the future challenges raised by the present socio-economic disequilibrium;
- (4) to propose several necessary changes in the structure, content and focus of business studies.

b) Description of your work

Business schools raise a lot of expectations considering their role in the structure and functioning of the modern day society (Cornuel, 2005). The transition of Central and Eastern European countries initiated at the beginning of the 1990s, the accelerated economic development of China and other emerging countries, such as India, Brazil and Mexico, and the quick globalisation of the world economy, increased the importance and the need for business specialists capable to lead, organise, create value and jobs, and, generally, to increase the wealth of various business organisations and nations. On the other hand, the increased complexity and interdependence of the economic activity at national and international level, with other social activities, such as education, culture, health, social assistance, politics and public administration, required a new profile of business managers, capable to accurately anticipate or identify the existing problems, and then to create and to implement swift solutions for an improved functioning of the socio-economic system (Wallace, 2010).

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The popularity of business studies is proved by the large number of candidates, available places and specialisations from various types of higher education institutions dedicated to this study area (Edmunds and Richardson, 2005).

A general survey of the recent literature on the role of business schools in the modern society points out to the following problems (Cavico and Mujtaba, 2009; Datar et al., 2010; Khurana, 2007; Locke and Spender, 2011; Morsing and Sauquet-Rovira, 2011):

(1) focus on short-term profitability;

The curriculum of many business schools is centred on the theories of economic liberalism, which consider profitability as the only important purpose of a business organisation. Increasing profitability becomes thus the goal that justifies any means, encouraging ethical relativism and freeing the students from any sense of moral responsibility (Ghoshal, 2005). On the other hand, these theories encourage a short-term business orientation, which in real life can significantly damage long-term opportunities, and relationships with suppliers, customers and distributors (Bellow and Feron, 2011; Mitroff, 2004).

(2) fragmentation and specialisation;

The increased specialisation of tasks and posts in medium and large business organisations, on one hand, and the internal development of various business disciplines, on the other hand, have determined an increased fragmentation and specialisation of business education (Raffo et al., 1998). This trend is in line with the general transformation of university education, which has lost in the last 50 years the aura of universalism and interdisciplinarity (Burke, 2007). However, the perspective



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that business studies represent a specialised ‘toolbox’ for obtaining organisational profits, neglects the need of small business entrepreneurs for a more generalised and interdisciplinary approach (Raffo et al., 1998). On the other hand, most business schools teach exclusively the economic theory and the business perspective of developed, capitalist countries, although some of these schools may be located in emerging or poor economies.

(3) lack of connection with other types of studies.

Given the complex and dynamic interdependence among various social forces, business education cannot be considered as an independent part of social studies. The trends towards increased isolationism has lead the world economies to the present manifestation of multiple, interrelated crisis. There is an increased need for a more diversified and open approach of business education, which also includes in the academic curriculum cultural and science studies. Even when these courses are present in some business schools, they are organised and delivered in a very fragmented way, being separated by discipline or time of delivery (Sullivan, 2011). This isolationism and fragmentation reduces the capacity of business graduates to fully understand the impact of their decisions on society.

c) Results and/or conclusions

Considering the situation discussed in the previous section, it is imperative a change of course in the functioning, structure and focus of business schools in order to create more social and economic harmony in the present day society. The following propositions outline some of these changes, although the list is by no means exhaustive:

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- a. business schools should become not only specialized institutions of teaching and learning, but also centres of knowledge creation and dissemination, which attempt to develop creative thinking and a holistic vision regarding the role of business activities in the present day society;
- b. business schools' curriculum should be modified to include, on one hand, information regarding the short- and the long-term impact of business decisions and activities on society and environment, and on the other hand, courses designed to increase the responsibility of business specialists for the harmonious development of the present day society (such as business ethics, ecological and equitable business, social corporate responsibility);
- c. the criteria for evaluating academic research in business studies should be centred around its impact on an extended set of socio-economic values, which go beyond simple profit maximization to include increasing and balancing stakeholder value, creating more social and economic justice at organisation, national and international level, and creatively solving the socio-economic problems of the modern society.

The implementation of these propositions may seem utopic at the present moment, although several initiatives point out in this direction: e.g. following the recent corporate scandals many US business schools developed a renewed interest in teaching business ethics (Cavico and Mujtaba, 2009; Sims and Felton, 2006); while international accreditation organisations (AACSB and EQUIS) have recently introduced on their agenda new criteria for evaluating business schools' research.



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There are many specific challenges for the future implementation of these changes. Business education does not represent an isolated social activity, but just a part in a complex and dynamic society system, being influenced by contextual, social, economic and political factors. The start of the global financial and economic crisis in 2008, coupled with an ongoing and aggravated ecological crisis, has clearly shown the limits and the problems of the present economic system. However, as in the case of business studies orientation, most of the proposed solutions are focused on local changes and a short-term perspective, lacking the capacity to reform a system that has become too complex to be understood and controlled (Cornuel, 2005). A change in the focus of business education, by implementing the three propositions presented above, could represent a first step towards finding global, durable and sustainable solutions to the inter-related crises of the modern-day society.

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