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# Identifying Business Schools' Business Behaviors- employing the perspectives of Corporate Ethos

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## Abstract

Employing business schools and their MBA programs as an example in the broadest context of higher education programs, this study visualizes and reflects theoretical issues of academic capitalism and the commercialization of higher education programs. By probing, illustrating and documenting empirical business practices and assessing the degree to which business schools commercialize their education programs, this study also advances our understanding of commercialization practices of higher education programs. The findings attest to the theoretical issues of commercialization that higher education programs, in the context of business schools are highly engaged in commercial activities and are competing with the private sector for customers in the MBA industry. The findings also illustrate that business schools from many perspectives treat their students as consumers and therefore commercialize their academic programs and operations in ways that can strengthen their capabilities to attract and recruit more consumers, and to compete for reputation as well as maintain exceptional relationships and fulfill consumers' needs. This study suggests that issues such as monitoring mechanisms for commercial behaviors, balancing the advantages and disadvantages of pursuing commercial behaviors as well as how commercialization influences faculty and students in terms of the experience of teaching and learning should be scrutinized.

Keywords: business schools; corporate ethos; academic capitalism; commercialization of higher education; MBA

## 1 Introduction

This case study starts with the background of academic capitalism (Slaughter & Leslie, 1997) and the commercialization of higher education (Bok, 2003). Academic capitalism describes the occurrence of universities' and faculty's increasing concentration on market potentials. Commercialization, in reference to higher education, refers to the practice or process of higher education institution's taking on characteristics of private corporations (Bok, 2003). The commercialization of higher education is the transformation of education from a public good and service into a product that is privately owned by individuals or corporations and sold for profit (Bok, 2003; Gould, 2003; Johnstone, 2002; Giroux, 2001; Aronowitz, 2000; Slaughter and Leslie, 1997). Scholars use terms such as capitalization,

privatization, and commercialization largely interchangeably to describe the phenomena of market-driven pressures that have transformed higher education from operating for the public good into one operating as a competitive market (Bok, 2003; Gould, 2003; Johnstone, 2002; Giroux, 2001; Aronowitz, 2000; Slaughter and Leslie, 1997). What has emerged is the concept of higher education operating as an entrepreneurial industry in which institutions and other educational program providers are competing for brand reputation, financial gains and students as customers (Bok, 2003; Gould, 2003; Johnstone, 2002; Giroux, 2001; Aronowitz, 2000).

In addition, higher education is increasingly being treated by providers and consumers as commercial products that can be bought and sold like any other commodity. The tendency towards commercialization in higher education has reached the global marketplace (Currie and Newsons, 1998). This change in the educational setting has been

accompanied by changing public attitudes which favor the transformation of higher education programs from public goods to private goods, and support the imposition of a variety of marketing strategies and business behaviors on the higher education industry (Currie and Newsons, 1998).

Employing business schools and their MBA programs as an example in the broadest context of higher education, this case study aims to visualize and reflect theoretical issues of academic capitalism and the commercialization of higher education. By probing, illustrating and documenting empirical business behaviors conducted in the researched business schools, this case study aims to attest to the theoretical arguments and to advance understandings of commercialization of higher education. In this sense, this case study is significant in ways that pinpoint informative and effective realities that could be used to carry out further research such as whether students as customers in business schools perceive these business behaviors and explore their views, positive or negative at their institutions and scrutinize if these business behaviors influence their experience of teaching and learning.

## 2 Literature Review

Colleges and universities have adapted corporate patterns of culture and practices into the traditional model of higher education by imposing various market-oriented activities. Scholars believe that the most important benefit of commercializing higher education is the increased commercial and industrial revenues that balance higher education institutions' operations budgets (Bok, 2003; Gilde 2007; Geiger, 2004; Hall, 2004). Business practices in higher education also bring to colleges and universities market-oriented concepts such as efficiency, productivity and accountability from the competitive corporate world (Bok, 2003). In addition, the business practices further cause higher education institutions to become explicit and important contributors to national economic development (Kreiger, 2005; Moe, 2000).

The most decisive force that leads to the emergence of commercialization in higher education is the market itself (Bok, 2003). Entrepreneurial strategies, top-notch executive salaries, customer service, and marketing activities are all imposed in many other areas of the neoliberal world such as health care, libraries and museums, public schools and even religion (Kuttner, 1996). The higher education industry cannot be immune to the tide of the commercialization process (Bok, 2003). Higher education programs have become the biggest of big business (Ramsden, 2002) and students have become the core of the higher education market and its customers (Guilbault, 2016). According to the National Association of College Stores in the U.S. (NACS), there are 4326 colleges and universities (NACS, 2006). There are nearly 17.7 million students registered in these higher education institutions (NACS, 2006) and this number is expected to rise to 20.4 million students by 2017 (National Center for Education Statistics, 2017). Facing increasing competition to enroll more and retain current customers, higher education institutions inevitably have to conduct these market-oriented activities and to satisfy customers' needs (Leonard, 2002).

Gould (2003) argued that segments of traditional higher education programs are being developed and marketed specifically to maximize revenues, further collapsing the boundaries between for-profit and non-profit, and public and private, higher education programs. Some scholars have revealed that higher education institutions are now hiring corporate leaders to run their institutions, form business partnerships, establish mutually beneficial relationships with business-oriented legislators, and develop curricula customized to the needs of corporate interests (Aronowitz, 2000; Bok, 2003; Washburn, 2005). In this way, the commercialization of higher education represent endeavors within higher education institutions to make a profit from teaching and research as well as from other forprofit campus activities (Bok, 2003). Institutions have been seeking a broader consumer base for their educational products, increasing the visibility and importance of previously peripheral or non-existent areas of operations such as public relations, institutional marketing, and enrollment management (Gould, 2003). Furthermore, opportunities for profit also have been identified in areas of continuing and adult education, as professionals in many fields have felt the need to attain new knowledge and to learn new skills to prosper in the contemporary globalized business society. Executive educations and business programs have become increasingly popular and have proliferated into a multibillion dollar industry (Bok, 2003).

Studies show that contemporary business schools and their MBA programs are recognized as one of the highly commercialized models of higher education (Nicholls, Harris, Morgan, Clarke and Sims, 1995; Tracy and Waldfogel, 1997; Ivy and Naude, 2004). Business schools pack and brand their programs through delivering managerial knowledge, skills, and business solutions, and awarding degrees and certificates to students as customers (Pfeffer and Fong, 2004). Many business schools are looking to be deregulated from governmental constraints or independent from home institutions so as to have the efficiency to make business decisions that will facilitate their competitive advantage and marketability (Patriquin, 2009). Business schools sell business knowledge, granting degrees and certificates to education consumers (Pfeffer and Fong, 2004; Khurana, 2007). To compete in the market for more education consumers, business schools make efforts to increase a school's exposure to the media, high-traffic websites and education fairs through the marketing practices, including much endeavor on packaging (Khurana, 2007). Hager and King (2007) conducted a business analysis employing the well-known "Michael Porter's Five Forces Model" of the MBA industry to provide knowledge of the industry for education product decision markers.

Business schools have become one of the explicit examples in higher education in terms of the creation of increasing demand for their educational services (Starkey, Hatchuel, Tempest, 2004). Business schools may well fit into the paradigm of academic capitalism. However, little research is conducted to disclose and to attest to the existent business phenomenon. As such, this study intends to uncover empirical business behaviors through a commercial lens. Although there are many other sectors of higher education that conduct business activities, such as the commercialization of research findings in medical schools and contracted research at faculties of engineering, this study will only look at business schools as a case study.

## 3 Methods

We approach the exploration of identifying business schools' business behaviors by employing a content analysis method (Patton, 1990). Patton contended that content analysis is a process of identifying, coding, and categorizing the primary patterns in the data (Paton, 1990). Krippendorff noted that content analysis is an organized and replicable practice for condensing many words of paragraphs into a smaller theme of content categories based on specific rules of a coding procedure (Krippendorff, 1980). Furthermore, Holsti (1969) argued that content analysis refers to any procedure for making assumptions by impartially and systematically identifying particular characteristics of messages. Content analysis can involve any kind of examination where communication content such as written text, interviews, documents and so forth is categorized and classified (Krippendorff, 1980). In this sense, a content analysis can be a standard method for visualizing and reflecting data and facts about how business behaviors are practiced in business schools.

Stake (1998) contends that essential part of a case study research is not the method of investigation, but the object of the research is a case. A case can be purposefully selected because it is unique, revelatory or information-rich (Stake, 1995, Patton 1990). In addition, a case can also be theoretical or empirical, or at least a specific phenomenon. To satisfy such methodological requirements, two leading business schools in the greater Toronto area were chosen to be part of this case study. They are the 'Rotman School of Management' at the University of Toronto and the 'Schulich School of Business' at York University. According to the recent world top business schools ranking by the Financial Times, the MBA program at Rotman School of Management is ranked No. 1 in Canada and the MBA program at Schulich School of Business is ranked No. 1 by the Forbes in 2017. Choosing these two business schools that are of a similar background is in the hope of identifying sufficient data related to commercial behaviors for analysis.

Gould (2003) has contended that the 'Corporate Ethos' takes shape as a combination of the following framework and controls that are used to manage the everyday life of

the higher education experience. This framework can be viewed below:

- (1) management and productivity development systems;
- (2) budget controls;
- (3) marketing strategies;
- (4) the redistribution of labor;
- (5) the development of research and ancillary enterprises;
- (6) customer service orientation (p. 80-81).

Since Gould (2003) has summarized in six corporate ethos the business behaviors taking place in contemporary higher education institutions, I adapted the content analysis process by reversing the coding procedure to seek the realities practiced by the researched institutions in order to reveal business schools' business behaviors. In other words, data was collected using Gould's (2003) ethos as the themes to review the content of public postings, archives and information on the official websites, recruitment brochures and so forth of the two researched business schools. Data was then analyzed by identifying and pulling out the business activities and behaviors that reflected themes of Gould's corporate ethos. The ethos of budget controls and the redistribution of labor were eliminated from this case study due to the challenge of obtaining sufficient publicly disclosed data for further analysis.

## 4 Findings

# 4.1 Management and Productivity Development Systems

Gould (2003) explained that "management and productivity development systems" could be created by developing college/university consortia to restructure curriculum and cultivate knowledge; developing academic department structures within schools and colleges to gather and focus areas of knowledge development.

The co-designed and co-delivered degree programs may be seen to fit into this theme. The Rotman School of Management, hereafter refer as Rotman, offers combined MBA degrees with the Faculty of Law (JD/MBA) in which students are awarded both the Juris Doctor and the Master of Business Administration degrees on completing the four-year integrated program and with the Faculty of Applied Science and Engineering (Skoll BASc/MBA) in which successful students are awarded a Bachelor's degree in engineering and an MBA in six years and eight months. It also offers Collaborative Master's degree programs in Asia-Pacific Studies in which students are immersed in interdisciplinary studies of modern East and Southeast Asia as well as with the Centre for Environment in which students can pursue an MBA as well as course work in environmental areas and with the Department of Economics in which students are provided with knowledge of financial and economic theory related to financial sectors and receive the degree of Master of Financial Economics.

Likewise, Schulich School of Business, hereafter refer as Schulich, delivers combined degree programs with other colleges, too. For example, Schulich and Osgoode Hall Law School at York University offer a four-year joint program leading to joint MBA and Juris Doctor (JD) degrees; the Faculty of Fine Arts at York University established a three-year joint degree program leading to a MBA combined with a Master of Fine Arts (MFA) or Master of Arts (MA) in fine arts. Other than the joint degree programs across York campus, Schulich and the Faculté des Sciences de l'Administration de l'Université Laval in Quebec City offer a joint degree that aims to equip bilingual and bicultural managers with an enhanced knowledge of the realities and circumstances of the Canadian business environment.

# 4.2 Marketing Strategies

Gould (2003) contended that marketing strategies will be used in the process of the commercialization of higher education. This can be seen in the growing use of advertising to support the targeting of key audiences, public relations offices as well as marketing mix.

4.2.1Advertisement, public identity themes and corporate-style logos. Advertising is a method of communication aimed to convince potential customers to take some purchasing actions. It often contains the name of a product or service and explains how that product or service could benefit the consumers in order to persuade potential customers to consume that particular brand and its related products. Advertising includes any instance where a corporation pays to deliver its message through a medium. In this regard, both Rotman and Schulich participate in the MBA Tour and the QS World MBA Tour, visiting major cities around the world aiming to promote their programs and to meet with prospective MBA students globally. The panel sessions and alumni seminars these two institutions host can be viewed as advertising. In addition, in these advertising activities, Rotman uses 'Rotman School of Management' as its identity theme and corporate-style logo with limited including the name of the University of Toronto. Similarly, Schulich applies 'Schulich School of Business' as its identity theme and logo to represent its brand when conducting marketing strategies.

4.2.2 **Development of public relations offices to produce and focus press releases.** Rotman established a Media Contacts Office for media enquiries, news releases, photography requests, and arranging interviews with faculty, staff, and students. Likewise, Schulich's Media Relations Office helps put journalists in touch with faculty experts from various areas related to management in the private, public and nonprofit sectors. This office also maintains a database of past news related to Schulich. In this way, these higher education institutions have launched specific divisions to manage relations with the public and market their brands in a different way.

**4.2.3Traditional 4P of marketing mix.** The common feature of all marketing definitions is the satisfaction of

customer needs (Carlson, 1992). In the MBA industry, marketing consists of everything that a business school can do to influence the demand for its programs. Traditionally, this marketing strategy has been governed by a 4Ps analytical model that includes Product, Price, Place and Promotion (McCarthy, 1960). In the case of a business school, the products are the degrees and professional development programs that are offered. Price relates to structural aspects such as tuition fees, bursaries and scholarships, and pavment terms for tuition fees. Place refers to the program distribution format, be it face-to-face or using alternative methods. The promotions element of the marketing mix is comprised of a package of tools such as advertising, public relations and face-to-face selling, activities that could take place at an open house (Ivy & Naude, 2004). How the Rotman and the Schulich use the marketing 4Ps framework to commercialize their business programs are analyzed and shown below.

**Product.** In seeking customer satisfaction, program customization, development, and design will need to be considered as product issues. As MBA programs are business and management knowledge-related, business schools therefore use mass customization in the MBA degrees to provide a custom fit for customers enrolled from a company or an industry, or for certain groups of people who want to learn managerial techniques and skills so as to meet their future career needs and development. Various MBA programs are manufactured and treated like products from which customers can choose.

The various MBA programs with different specializations, such as the full-time MBA, Master of Finance and One-Year Executive MBA are designed to provide more choices so as to satisfy the different needs of those who wish to pursue business education. There are also combined degrees such as, at Rotman, a Collaborative Program in Asia-Pacific Studies in which established management knowledge from the East is integrated into a localized knowledge. This collaborative master's degree program has contributed to the development of an integrated and interdisciplinary research community in Asia-Pacific Studies at the University of Toronto. There are also other kinds of MBA, such as the JD/MBA, Global Executive MBA and so forth. All programs are customized to satisfy customers' various needs.

Similarly, Schulich has customized various MBA programs in order to meet various customers' needs. For example, the International MBA is customized to provide a global vision and international perspective enabling students to work more effectively internationally. The Master of Public Administration degree is designed for those who serve or wish to serve in the public sector or non-profit organizations. This program aims to provide a unique combination of management education, program analysis and evaluation, and public policy analysis and development. The MBA in Finance equips professionals in the finance industry with advanced knowledge about how to cope with

the changing global financial environment effectively and efficiently.

Place. The distribution method of MBA programs, revolves around the concept of making education available and accessible to all customers, whenever, wherever, and however they want to study. It goes beyond physical location to include days and times of lectures, opportunities to study full-time, part-time, or remotely, and access to staff outside of lecture times (Ivy & Naude, 2004). The competitive advantages of the Rotman and Schulich MBA programs that run counter to traditional programs are their flexible delivery times and locations. Altering the time and format of delivering MBA programs are strategies employed to overcome the problems of customers as students' study and work conflicts. Rotman offers several types of delivery of their MBA programs, including the full-time Two-Year MBA, the part-time Three-Year Morning MBA, and the part-time Three-Year Morning or Evening MBA. Schulich also supplies year-round full-time, part-time evening and weekend and accelerated study options so students as customers can tailor their studies to their needs.

In terms of program location, Rotman offers a global perspective of management by collaborating with leading universities worldwide to deliver a range of elective courses dealing with international management. As such, students have the opportunity to participate in exchange programs for one full term. In addition, the Rotman International Study Tours are designed to provide students with the chance to understand the opportunities and risks associated with the emergence of important markets in the world economy. Rotman was offering international study tours to regions of China, India and the Middle East, Europe and so on. Participants had the opportunity to partake in pre-tour classes and in-country site visits as well as cultural and tourist activities.

Schulich takes a different approach by extending its program locations into major markets around the world. Schulich currently has a branch campus in India and representative offices in Beijing and a Corporate Governance Centre in Moscow. In addition, Schulich opened new centres in Mumbai and Seoul. The growth in various program locations gives potential customers a wider choice of schools without needing to relocate. In this sense, both Rotman and Schulich not only can reach potential students as customers from across borders; also it means reaching local customers who have the needs of geographic concerns.

**Promotion.** The promotional elements in this study include all methods that business schools use to communicate with their target markets. While maintaining their prospectus and brochures form the focus of most institutions' promotions programs, business schools have become increasingly aggressive in their use of a range of promotional tools for students recruitment (Ivy & Naude, 2004). Advertisements promoting MBA programs appear widely in newspapers and business trade journals and magazines. These often refer to the various MBA surveys conducted both locally and globally by financial and professional journals

such as *Business Week* and the *Financial Times*. These are widely used to develop league tables, which play an important role in providing potential customers with information about MBA program alternatives. Conventions, careers fairs, and exhibitions can also be useful mechanisms for promoting a university.

Other than the promotional media, the most frequently used and emphasized selling point in promotional activities is global ranking. MBA rankings are not the only measure of a good business school but they do form part of most students' decisions about which MBA to take (Heslop and Nadeau, 2010). A number of different sources publish MBA rankings, the most well-known of which are the *Business Week* MBA rankings in the US, and the *Financial Times* rankings in Europe and the north America.

Rotman highlights its MBA programs in terms of global rankings in their promotional brochures as well as on its website. Rotman emphasizes that it is ranked 1st among Canadian Business schools in the *Financial Times* survey for the past 11 years. Similarly, Schulich advertises its MBA program by quoting its ranking by the Economists as No. 1 in Canada and among the world's top 25.

**Price.** Pricing of programs not only has a direct impact on revenues, it also affects perceptions of quality and value. Price can be used to reinforce, or even help create, an image of quality (Little, O'Toole & Wetzel, 1997). In this sense, expensive MBA programs are perceived to be high quality. Although MBA tuition fees are expensive, those who wish to pursue such degrees still can afford them and sometimes choose programs based on which charge higher fees. As such, business schools adopt different pricing strategies. Tuitions for MBA programs are about fifty percent higher than those of graduate programs in other areas such as social sciences or engineering.

In 2017, the Rotman MBA total program fee was CN\$ 98,409 for local students and CN\$ 107,770 for international students while Schulich's MBA cost CN\$ 77,900 for domestic students and CN\$ 99,400 for international students. Although charging high tuition fees, both Rotman and Schulich provide bursaries and scholarships as well as an incentive for those who wish to lessen high tuition burdens. For example, Rotman grants approximately 4 million in entrance scholarships, fellowships and awards to about 15 percent of its students. These are offered on the basis of exceptional merit and range from CN\$10,000 to CN\$40,000. Rotman also provides a subsidy for the interest incurred on a student loan for the duration the student is registered in the MBA program. Similarly, Schulich provides entrance scholarships and the awards available at Schulich are among the highest value offered to MBA students in Canada. The school's entrance awards program rewards the highest caliber of incoming students. Schulich Entrance Bursaries are available for incoming full-time MBA and IMBA students who have demonstrated financial need. Entrance bursaries are variable in value. In addition, continuing awards and graduating student awards are also used at Schulich as one of its pricing strategies.

# 4.3 The Development of Research and Ancillary Enterprises

Gould (2003) noted that the practice of the development of research and ancillary enterprises includes zeroing-in on research projects directly linked to corporate and government needs, and corporate liaisons for the production and sale of knowledge.

4.3.1Focused research programs linked to corporate and government needs. Rotman has a number of internationally-recognized research centres and institutes that address research programs related to corporations and governments as well as international society. For example, the Capital Market Institute attempts to determine how capital market mechanisms and institutions should be designed in order to create a superior environment for investors and issuers in a small, open market like Canada. The Centre for Health Sector Strategy drives a research agenda that is focused on producing actionable management knowledge for the health sector and the life sciences. The Clarkson Centre for Board Effectiveness and Business Ethics is the focus of research on business ethics and corporate governance at the Rotman School of Management. The International Centre for Pension Management seeks to be a leading global exchange for improving pension management and legislation/regulation. The Martin Prosperity Institute takes an integrated approach to the study and creation of jurisdictional advantage.

Similarly, Schulich focuses on Research in Responsible Business. This initiative addresses two main themes: sustainable enterprise (in striving for a sustainable future, economic goals have to be balanced with wider social and environmental goals) and ethics (integrity and responsibility in business). In this regard, Schulich creates and disseminates new knowledge associated with responsible business and employs research results not only to meet the corporate and governmental needs to enhance sustainable management but also to inform managers, policy makers, students, and consumers about how to integrate ethics, social responsibility and sustainability into the core of their decision-making processes.

**4.3.2**Corporate liaison for the production and sale of knowledge. Rotman invites corporations to form learning partnerships and customizes programs and results-oriented learning solutions for their corporate clients. This client-centered approach aligns Rotman's knowledge with possible solutions to corporate strategic commands in order for the school to have an influence on the performance of its client organizations. In this way, Rotman, on the one hand, is creating value using a consultative, iterative approach to design and deliver programs that fit clients' needs and, on the other, is promoting the sale of knowledge.

Schulich takes an even more direct approach to sell managerial knowledge. The Schulich Executive Education Centre (SEEC) Custom Programs offer highly focused training designed specifically to provide customers' employee groups with the skills and tools necessary to drive

organizational success. Participants, ranging from private corporations to governmental units, learn through application, interaction and reflection as they take part in role-play activities, real-work simulations and/or intensive action learning projects. Each strategy reflects SEEC's unique blend of theory and practice, combining the scholastic expertise of Schulich faculty with the real-world experience of expert industry practitioners. Moreover, the Sustainable Enterprise Academy (SEA) at Schulich provides Executive Seminars on Corporate Sustainable Development featuring leading-edge thinkers and practitioners. The seminars are designed for senior executives and leaders in business, government and civil society and are delivered by internationally acclaimed speakers and an international faculty. The Academy's Alumni Network supports the ongoing work of seminar graduates. The Academy also provides events and training for specific aspects of sustainability.

These examples illustrated above confirm that Rotman and Schulich's practices of the development of research and ancillary enterprises fall within Gould's paradigm of the commercialization process.

#### 4.4 Customer Service Orientation

Gould (2003) argued that higher education institutions will expand student-life operations and experiences by providing mentoring and advice to enhance student services. He further indicated that career counseling and internship placement as well as the growth of corporate connections will be highly utilized to augment students' career prospects.

**4.4.1 Mentoring and career counseling.** The examples exercised at Rotman and Schulich resonate with Gould's contention that a customer service orientation is part of the process of commercialization. For instance, Rotman's mentoring and advising program, called 'Rotman Ambassadors', aims to assist prospective and newly-admitted students in their transition to the MBA program. It provides both real academic and cultural information and demonstrates real Rotman experiences in the form of a role play that introduces students to its unique classroom culture and offers the opportunity to interact with both faculty and upperclassmen. In the context of career assistance, the mission of the Corporate Connections Centre at Rotman is to assist students in developing self-marketing strategies for seeking employment, to develop long-term corporate partnerships for Rotman and to empower students' successful connections to informed employers. This centre actively pursues partnerships with leading and emerging companies across many industry sectors and provides resources and holds corporate recruiting events at Rotman for students to enhance their competitive advantage. The Career Services Management System at Rotman is a resume and company information bank system that connects students and employers.

Schulich's mentorship program focuses on opportunities for current students to develop a relationship with alumni who can give advice, share working experience within up-to-date business realities within a specific industry sector, and convey academic experiences and provide career guidance. The Schulich Career Development Centre offers counseling and workshops to help students identify their strengths, determine their career objectives, develop their career plans, hone their skills for career management and put their professional development plans into action. The centre also invites Canadian, US, and offshore companies to their main campus and private job boards, to recruit for full-time, internship and summer positions. Similar to Rotman, Schulich employs a Career Portal Gateway that contains a wealth of job postings, career development resources and links only available to Schulich students and alumni.

## 5 Discussions

Higher education institutions traditionally are treated as a public good in the early history before the prevalence of commercialization. Higher education should serve the public interests of the broader context of society. It is believed that the university should zero in on producing knowledge and exploring truth (Flexner, 1930), be devoted to enhance studying and learning and provide graduates with liberal arts and social responsibility mentality to the society (Newman, 1852). Higher education institutions' policies and practices should attempt to fulfill these missions. Today, the social role of higher education is shifting from serving the public good to private financial interests and higher education institutions are forced to take business behaviors far more seriously.

The findings of this case study provide an empirical overview of how business schools take business behaviors and commercialize their programs. The findings illustrate that business schools, from Gould's (2003) perspectives, treat students as customers and commercialize their academic programs and conduct business behaviors in ways that facilitate them to compete in the MBA industry, attract and recruit more customers for financial revenue as well as maintain exceptional relationships and fulfill customers' needs. For example, the commercial practice of management and productivity development systems conducted in both researched institutions can be perceived in the creation of various combined degree and collaborative programs that essentially create a wider applicant pool of prospective students from different disciplines. The practice of marketing strategies is treated on the one hand to promote the sale of programs and schools and on the other to advocate the values, particularly potentially career-related ones, business schools are to bring to their customers. The practice of quasi-enterprise is even more straightforward in that managerial knowledge is bought and sold and business schools are competing with private sectors such as consulting companies for selling and customizing business solutions to clients and various organizations. The practice of customer service can also be seen as the extension of customer relationship management in the real business world, that is,

managing and nurturing a company's interactions with past, current and future customers, clients and sales prospects.

In order to remain competitive, business schools conduct business behaviors vigorously. While competition and commercialization is not negative in terms of enhancing academic distinction and prestige, it may be controversial to focus on improving media rankings and to perceive such controversial rankings as equivalent to academic distinction and prestige. Contemporary media rankings on business schools are based more on job placement, average starting salary and career advancement than on students' capacity to practice management and contribution to the business world. To build up competitive advantage in the MBA market, business schools, in particular those with better media rankings, emphasize and propose degree values associated with career opportunities, alumni connections and social networks through the practices of marketing strategies and customer services explicitly and implicitly. As such, business schools' concerns about rankings affect their student employment placement policies. In turn, business schools tend to emphasize career-related concerns and assertively promote to prospective students the value of their degree in the marketplace through various business

The origin of business schools admittance to land in the university setting was not to serve the need of careerrelated training. Instead, they were established with a hope of demonstrating a large capacity for public usefulness and service. They were expected to retain academic and societal missions when they were landing to the university setting (as cited in Kephart and McNulty, 1963). Today, business schools' exercising business behaviors raises the concern of possibly ignoring fundamental academic principles. They may focus more on market value and conduct more business behaviors that enhance their rankings, reputations and marketability. The findings of this case study attest to that business schools increasingly are voluntary and forced to cater to the enormous market-driven need for program choices and career services in the higher education system. The two researched institutions do carry certain level of developing research directly linked to corporate and government needs that fall under the scope for public good, the customer service orientation and marketing strategies that concentrate on career opportunities still raise anxiety of losing paradigm of liberal arts, social responsibility and values based learning. In this sense, when MBA students are immersed in a learning environment that focuses on careeroriented and value proposition, it is likely that teaching and learning about taking up social responsibility and societal missions become difficult as students tend to see many of these ideas as theoretical, unrelated and disengaged from the business world outside.

## 6 Limitations and Recommendations for Future Research

Although business schools and their MBA programs are part of the infrastructure of higher education, the findings in this case study illustrated above cannot represent the whole higher education system or be generalized to other sections of higher education. Nevertheless, the method of identifying how business schools commercialize has created a reference model for further exploration of how and to what extent other parts of higher education programs commercialize. From such an assessment, higher education faculties, departments and institutions can get a better understanding of whether their academic environment is commercialized, and to what extent it is commercialized. While business schools, or even other parts of higher education, may be favorably engaging in business behaviors that are likely to generate decent financial revenues in the educational setting, critical issues remain that are worthy of future scrutiny.

Have business schools abandoned their promise of serving society and the public community at large and shifted their focus from serving academic and societal missions to satisfying students' as customers' wants and encouraging them explicitly and implicitly to purchase the MBA degrees? Future research can therefore build on such findings to explore faculty and students' views of such business behaviors and whether business behaviors influence their experience of teaching and learning. Issues such as monitoring mechanisms for business behaviors, balancing the advantages and disadvantages of pursuing business behaviors as well as how commercialization influences faculty and students in terms of the experience of teaching and learning in the highly commercialized educational environment should be scrutinized.

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