

Ethical Objectives

by Richard A. Cosier

During a lecture he gave at Purdue University two years ago, Nobel Laureate Lech Walesa told the audience that “ethics should serve as the grounds for all solutions we impose in this era.” I could not agree more—no discussion of management education would be complete without talk of the need for ethics. Now, as AACSB International faces so many wide-ranging goals, daunting challenges, and great opportunities, we must remember that we can accomplish these goals, face these challenges, and leverage these opportunities only if we never lose our focus on integrity.

With that focus firmly in place, I believe AACSB will be able to achieve five important objectives it has planned

during the next year and beyond. These objectives address closely related priorities such as globalization, assurance of learning, the impact of research, the importance of engaging with the business community, and the growing responsibility business will have to promote and support social causes.

All of these issues reflect AACSB’s recognition that neither the organization nor its business school members can ignore the need to grow with and stay ahead of an expanding world economy. Only by tackling these issues can we continue to serve the global business community effectively.

AACSB International’s new board chair believes that an unrelenting focus on ethics and adaptability will galvanize the association as it tackles important initiatives.



1. Growing Globally

Business school administrators and faculty realize that globalization should be integrated throughout b-school curricula. On campus, we are increasingly placing our students in diverse teams that mirror the workplaces they will be entering upon graduation. Off campus, we are giving students the opportunities—if not the mandate—to travel and study globally.

Undoubtedly, AACSB will grow its international membership to keep pace with these trends and with the global economy. There are more than 11,000 business schools

worldwide, and only 555 hold AACSB accreditation. Of those 555, fewer than 100 are found outside of the United States. These numbers reflect a great potential for growth throughout the world.

With their massive populations and burgeoning economies, China and India are prime areas for management education expansion. For this reason, as part of its Asia Initiative, AACSB plans to open an office in Singapore.

Africa, too, is a potential area for expansion in AACSB membership. Although many African countries struggle to resolve crises such as corruption and ethnic violence, there

Meet Richard Cosier

Prior to pursuing an academic career, Richard Cosier was a planning engineer with The Western Electric Company, which eventually would become Lucent Technologies. By making the transition to academia, Cosier embarked on a career that so far has included two deanships and positions at four academic institutions.

Cosier joined Purdue University in 1999 and now serves as the dean and Leeds Professor of Management at Purdue's Krannert School of Management in West Lafayette, Indiana. He formerly served as the dean and Fred E. Brown Chair of Business Administration at the University of Oklahoma. He served as associate dean for academics, professor of business administration, and chairperson of the department of management at Indiana University in Bloomington. He also held

a faculty appointment at the University of Notre Dame in Indiana.

With his practitioner's background, Cosier is especially mindful of the importance of connecting to the business community and raising private support for a business school's academic mission. In 1997, at the University of Oklahoma, Cosier announced an \$18 million endowment from Wall Street fund manager Michael F. Price and a matching \$12 million from the State of Oklahoma. As a result of the endowment, OU's College of Business was renamed the Michael F. Price College of Business.

In 2000, at the Krannert School, Cosier announced a \$10 million gift from alumnus Jerry S. Rawls, which completed funding of Krannert's Rawls Hall. Cosier takes pride in the fact that all three buildings in the Krannert School

complex—the Krannert Building, the Krannert Center for Executive Education, and Rawls Hall—were privately funded, constructed without tax dollars. In total, Cosier's fund-raising efforts have brought more than \$130 million to the Krannert School and Price College.

Since 2001, Cosier has been on the executive committee and board of directors of the Greater Lafayette Community Development Corporation and the board of directors of the Lafayette-West Lafayette Development Corporation. He also serves on the boards of Kite Companies, an NYSE public company, and Roll Coater in Indianapolis. Cosier has been active with the United Way of America



at the national and local levels, serving as chair of Purdue's 2003 campaign. He has published more than 60 articles and columns, has co-authored a management textbook, and has written a chapter on conflict that was included in a popular management text.

Cosier is looking forward to bringing his experience to the board of AACSB International. "I pledge my dedication to listening to all AACSB member schools and being inclusive with regard to our governance process," says Cosier. "I look forward to doing my part to help achieve our most important objective, advancing quality management education worldwide."

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still have been encouraging signs that their economies are growing. AACSB must be ready to help African business schools, particularly those in sub-Saharan Africa, produce business leaders who are prepared to help African economies prosper. Today, there are only about 350 business schools in Africa. In all of Africa, only the northern region's American University in Cairo, Egypt, is accredited by AACSB.

Yet I know that others will follow, as our organization works with business schools across the continent. In August, AACSB's chief accreditation officer, Jerry Trapnell, conducted a two-day seminar in Johannesburg, South Africa, for deans and directors of African business schools. Sponsored by the W.K. Kellogg Foundation of Battle Creek, Michigan, and the University of Pretoria's Gordon Institute of Business Science in Johannesburg, the seminar covered topics such as business school leadership and AACSB accreditation.

As AACSB expands its reach around the globe, we must take to heart the very lessons we teach our students. If

we want to encourage new membership and the pursuit of accreditation, we must resist the temptation to impose U.S.-centric standards. Although we always will promote academic quality, we also must respect the differences among cultures and traditions. While AACSB must maintain standards of excellence, we need to be flexible and fair in our academic requirements and keep overall quality as the overriding priority.

2. Promoting Peace

While significant cultural differences exist among the world's business schools, I believe that some principles and standards should be common to all institutions. These include honoring basic human rights and promoting diversity. As an accrediting body, AACSB must not lose sight of its responsibility to humanity to do what is right and just.

As a member of AACSB's Peace Through Commerce Task Force, I am proud of our organization's efforts to help produce leaders who are globally conscious and who use business to improve the common good. Through means such as student and faculty exchanges, research projects, and global business ventures, we can show how business and commerce can be used to promote prosperity and peace.

AACSB also recently has partnered with the United Nations Global Compact and other groups participating in the Principles for Responsible Management Education (PRME) Initiative. As of August, 140 schools had signed on in support of PRME. The project will work in conjunction with more than 3,000 companies from 100 countries and 700 civil, labor, and academic organizations to address issues such as human rights, free trade, and environmental responsibility.

AACSB has formed a PRME affinity group to help achieve these objectives. It is important that we continue such efforts to raise world levels of humanity while expanding our global footprint in management education.

3. Assuring Learning Outcomes

Assessment and assurance of learning (AoL) also will be areas of great importance to the organization in the coming year. Businesses that hire our students expect them to be ready to contribute from day one. Both on the undergraduate and graduate levels, those companies are making a large investment. They expect to benefit from a high value-added component when those investments—our students—hit the front door.

Students also rightfully expect that the thousands of dollars they invest in their educations will benefit them,

immediately and in the long run. That expectation is shared by government leaders, particularly in the case of public universities where elected officials expect a solid return on taxpayers' investment. And don't forget our alumni, who are aware that the values of their degrees are in part affected by the quality of the institution going forward.

As an important component of the AACSB accreditation process, seven of the 21 standards focus on AoL. They require schools to define learning goals for their programs and to link their students' learning goals to the mission of their schools. There is no doubt that AoL is difficult to measure precisely. AACSB will need to stay flexible to help schools monitor and achieve their learning objectives.

Even so, schools must meet AoL standards to ensure that their graduates enter the business world with the knowledge they will need to be successful business leaders. Our students, government leaders, and taxpayers demand that outcome; our hiring companies expect it. As AACSB institutions, we also should demand and expect it from ourselves.

4. Evaluating Research

A natural extension of learning assessment is a discussion of the meaning and value of our research. After all, it is our faculty's business school research that forms the basis of much of the knowledge we impart to students. For this reason, AACSB convened the Impact of Research Task Force, which drafted recommendations of ways to increase the overall value and visibility of business school scholarship. Task force members gathered input on the initial draft from nearly 1,000 business school professors, deans, and directors and used that input to develop a final report.

For example, task force members suggested that AACSB include in its standards a requirement that schools demonstrate the impact of their faculty's research, encourage recognition of the diversity of faculty members' research contributions, and promote greater interaction between business academics and practicing managers. (To read the full report, visit www.aacsb.edu/research/.)

Before any of these recommendations can be adopted, though, there first must be an understanding that the mission of each school will define the type of research that institution produces—and the impact that school wants to make. In addition, we must carefully evaluate how the Task Force's rec-

ommendations can be implemented. Once we have defined a framework for these possibilities, we will be better able to improve the efficiency and effectiveness of our research.

5. Engaging Business

As AACSB continues to grow the organization and expand its footprint globally, we will need more volunteers. Increasing numbers of accreditation reviews will require several hundred peer review team members each year. We will need a diverse set of trained volunteers to meet the growing demands.

Many of those new volunteers will come from the academic world, but some will come from business. That represents another challenge. We must do a better job of engaging business leaders with AACSB. We must improve the connection between industry and business schools.

For that reason, AACSB must promote greater advocacy and build a bridge to the business community. We need businesses to help us increase the public's understanding of the importance of AACSB accreditation, to raise awareness of the roles that business schools play, and to encourage financial investment in our institutions.

Looking Ahead, Working Together

As we tackle these five important issues, I know that AACSB must work to stay ahead of a swiftly moving current of technological advances. These advances are leading to new methods of delivering education and new uses of social networking in the classroom. We've already seen the impact that distance learning and the Internet have had on our profession, and it's impossible to predict what the next few years will have in store.

But regardless of delivery method, we must ensure that our high standards of management education are upheld, without exception. Moreover, it is more vital than ever that AACSB and its members integrate ethics and integrity into business school curricula. It is equally important to emphasize to our new AACSB members, regardless of geographic location, that our students, faculty, and administrators be held to the highest standards of ethical conduct.

I am particularly struck by this statement from a report prepared by AACSB's Peace Through Commerce Task Force: "Once people work together and learn that people are essentially the same, regardless of their backgrounds, making war is likely to become far less attractive than making



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money.” In fact, by pursuing common goals under common standards, we already are one step ahead and that much closer to achieving our objectives.

It’s uplifting to realize how much our organization can accomplish once we recognize the truth of that statement, that economic prosperity is a cornerstone for peace and collaboration around the world. It’s inspiring to think that what we teach in our classrooms every day can play a part in making the world a better and safer place to live.

AACSB has been the premier accrediting body for man-

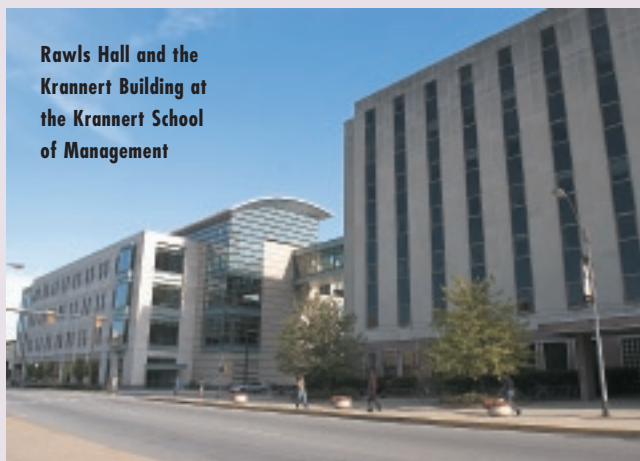
agement education since 1916. I am confident that it will continue to grow and adapt to a rapidly changing business world; it will work to ensure that our future leaders are prepared to lead our global economy. Throughout these efforts, over the coming year, it will be my privilege to serve as your board chair. **Z**

Richard A. Cosier is the dean and Leeds Professor of Management at Purdue University’s Krannert School of Management in West Lafayette, Indiana.

About the Krannert School of Management

Last fall, Purdue University’s Krannert School of Management marked its 50th anniversary. Although the school is relatively young by business school standards, it has grown considerably since its inception, now educating nearly 3,400 undergraduate, masters, executive education, and doctoral students, and boasting more than 32,000 alumni.

Krannert prides itself on producing graduates who become leaders of technology-driven enterprises, as well as on developing robust operations management, quantitative analysis, and supply chain management curricula. Building on those strengths, Krannert’s Global Supply Chain Management Initiative (GSCMI) works with companies to identify problems, develops teaching materials, helps companies and students with their professional



Rawls Hall and the Krannert Building at the Krannert School of Management

development, and shares best practices through conferences and meetings. The GSCMI annual conference attracts a range of practitioners to West Lafayette to discuss such issues as global sustainability and managing operational risk.

The Krannert School also continues to globalize its programs. Since 1999, the school has partnered with the GISMA Business School in Hannover, Germany, to provide full-time

and Executive MBA education. It also has agreements with universities in the Netherlands and Hungary for its International Master’s in Management degree, part of Krannert’s executive education programs. Most recently, the school signed agreements with three universities in China to provide cooperative educational and research opportunities for its students and faculty.

The topics of ethics and

integrity form the foundation of Krannert’s curriculum and are integrated throughout its courses. The school co-sponsors the Purdue Series on Corporate Citizenship and Ethics with the university’s College of Education. Past keynote speakers in the series have included Nobel Laureate Lech Walesa, former president of Poland; Ben & Jerry’s co-founder Jerry Greenfield; and former Senator Paul Sarbanes, co-author of the Sarbanes-Oxley Act.

As the school looks forward to its next 50 years, it promises to continue to view ethics and integrity as the foundations of management practice. The goal, says its dean Rick Cosier, is to ensure that all of Krannert’s students “learn to manage complex organizations in a social context and to use integrity in making decisions.”