Emerging Trends and Challenges in Business Academia: An Overview

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ABSTRACT

Emerging trends such as the Sustainable Business, Fourth Industrial Revolution and Business Disruption Technologies will change the way businesses are being carried out. Specialized skills and up to date knowledge is needed to handle such changes. There is an ever-increasing gap of expectations between career-oriented students and work-oriented employers. This forces management schools to offer employer-specific customized courses and allowing workspace to be future classrooms. In the globalization context, mangers will have to balance between 'local' and 'global' views. Soft skills need to be complemented with social media and social networking skills. In this direction, the paper uses descriptive content analysis method to identify some emerging trends that will influence business/management education so that these institutions can make appropriate changes to make their students future ready.

Keywords: Business Disruption, Business Schools, Fourth Industrial Revolution, Management Education, Sustainable Business.

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INTRODUCTION

Management Education is all about learning different skills and to apply them for mutual and multi-faceted growth and value creation. Its aim is to create the desired competence for the optimum and most productive utilization of man and materials. In this volatile and fast changing scenario when every other day new technology is emerging and rendering the older one obsolete and outdated, it is imperative that management education should be dynamic and responsive towards the new challenges that are knocking at its doorstep. In this backdrop, it is essential to develop necessary educational infrastructure, equipment and tools in the field of management education to equip the students with desired skills and capabilities to enable them to deliver and make a dent.

Our Management education strives to make students learn and get trained to become professional managers to handle business challenges and thereby improve organizational performance. Their small efforts gradually add up to bring out meaningful positive changes to our society. Despite so many improvements, our management education is still focused on content (imparting academic knowledge by way of theory and pedagogy) over context (practical intelligence) (Sonal 2017) and this is creating gaps between the business academics and business community (Dickinson 1983). Modern managers need to be multidisciplinary in order to face newer societal issues. Globalization, technology, demographics and social imperatives are the greatest influencers of management education now. Each of these dimensions poses both challenges and opportunities. Business schools will have to

make changes beyond curriculum in order to address these. Due to the increasingly complex nature of organizations and businesses, there is a need that the business schools impart relevant, current, and cutting edge knowledge to the students. In this backdrop, the paper is an attempt to identify some emerging trends that will change the face of business education in the next few years.

Sustainable Business

Academic research in the fields of business ethics, corporate social responsibility, sustainability, and related concepts has long been frustrated by continuing, occasionally fervent, debates regarding the meaning of "sustainability" and related concepts. Many definitions of sustainability emphasize the reduction of environmental impacts at the macro level, particularly so as to preserve inter-generational equity. For instance, sustainability has been used to capture the notion of "an economy [...] in equilibrium with basic ecological support systems [...]" (Stivers, 1976:187), and the idea that sustainable activities are those that "the needs of the present are fulfilled without compromising the ability of future generations to meet their own needs" (Brundtland, 1987).

Environmentalists have been extremely effective in picking "cascade targets" for their campaigns, that is, companies or industries whose distress resonates through an extended supply chain. So, for example, pressures for recycled and chlorine-free papers have served to keep the pressure up not only on the paper and pulp industries, but on chemical companies and the forestry industry as well. As a result, the number of industries under fire from environmentalists has

grown very rapidly "Green consumerism" has helped to spur significant shifts in the way in which some industries view the environmental challenge. As it is increasingly seen as a *competitive* and *strategic* challenge, so growing numbers of companies are adopting such techniques as life cycle analysis, environmental auditing, corporate environmental reporting and supplier challenges. Hence, successful companies will have little option but to get involved in this rapidly emerging area.

In this backdrop, there has been substantial growth of interest in sustainability in business, management and organizational studies in recent years. In the mid-2000s, the emphasis of books published in this area began to change from one which advocated 'sustainable development' to one which viewed sustainability as a management practice which could help businesses and society simultaneously. (Cullen 2015). The role of business is changing and business schools need to adapt to new demands. Data from both MBA graduates and sustainable practitioners show areas that business schools can focus on to attract the students who will become tomorrow's leaders and ensure that they have the tools to lead. These are summarized as ensuring the centrality of sustainable business; Context, demonstrating the value of sustainable business leadership and others (Graham 2019).Several business schools are making changes to their mission statements to reflect the importance of educating students in this area. Many also now offer, or are currently developing, certificate and specialization programs, as well as minors and majors focused on sustainability, with some schools rebranding their business degrees to be 'sustainable'. Others have

created sustainability-focused degree and dual degree programs or programs exploring very specific topics (e.g. green construction, social entrepreneurship) where the assumption is that sustainability is integrated throughout.

With the topic of sustainability increasing interest in established areas of management practice and organizational scholarship, the research suggests that the field of management education can make a solid contribution to this emerging discourse (Cullen 2017). Re-focusing attention on how students and organizations actually engage with the concept of sustainability in their work is required, to ensure that the field can be at the vanguard of this growing trend.

Fourth Industrial Revolution

Each of the Industrial revolutions is contrastingly different. The first one used water and stream to mechanize production of goods while the second focused on using electricity for mass production. The third revolution, the digital revolution that we are in right now, is using electronics and information technology. Stage is now perfectly set to enter into the Fourth Industrial Revolution which fuses physical, digital and biological spaces thereby impacting disciplines, economies, and industries. Studies showed that about 47 percent of the total US population felt that they are in risk and that wages and educational attainment exhibit a strong negative relationship because of computerization (Frey & Osborne 2013). This means that there will be increased job cuts and dramatic changes in job definitions and roles. Robots and smart machines will take

over not just mechanical production tasks but cognitive works as well.

The Fourth Industrial revolution will witness convergence, alignment, and integration of IT and Operations Technology with the Internet of Things. Like technology professionals, managerial professionals will also be involved and play an important role in organizational transformation to bring in the end results of cost-savings and competitive advantages (Bloem 2017). Managers, business leaders and senior executives have to understand the changing environment, challenge the assumptions of their operating teams, and relentlessly and continuously innovate. The revolution will influence management students as to how they develop careers, cultivate skills, meet people, and nurture relationships (Schwab 2017) and Business schools need to build their curriculums to empower students to become change agents.

Getting Ready for Disruptions

Emerging business disruption technologies coming in the next few years will totally change the way that businesses will be run. Companies that could not catch up with technological changes will be forced to perish. As many as 50% of Fortune 500 companies prior to Year 2000 are no longer in the list now. We are not merely talking about technology upgrades but technologies that bring about business disruptions. Needless to say, technological changes will be the biggest influencers on education in the next few years.

Business disruption technologies such as Blockchain, Internet of Things (IoT), Chatbots and Virtual Assistants,

Immersive experiences, Smart Manufacturing, Artificial Intelligence (AI) and Big Data will make increased inroads into businesses. Blockchain will go beyond crypto-currencies and will be a game changer for sectors such as banking and financial services. Internet of Things (IoT) will make dumb devices connect to the internet, exchange data and make them smarter. This leads to improved productivity, sometimes, beyond manageable levels. Machine-to-Machine communication, Predictive Maintenance and Engagement (client interaction) will be on automated mode with little or no human intervention required. The typical call-centre executive will be replaced with Chat-bots and Virtual Assistants which answer questions automatically using natural language technologies. Visualization and virtualization will become common, thanks to Virtual Reality. Smart Manufacturing brings the best of Information Technology (IT) and Manufacturing Technologies to enable flexible physical processing. Artificial Intelligence (AI) will be put to use in all departments across the organization. Organizational decision making will be driven by insights provided by bigdata analytics.

The role of managers dealing with disruptive business technologies is changing from "task managers" to "concept innovators" and for this, they need three skills – innovation, leadership and management (Maria & Alvaro 2018) and our management education should address these needs.

Social Responsibility and Community Engagement

While core higher education functions have traditionally centered on (1) research and innovation, and (2) teaching

and training, a third area of essential note is the role Higher Education Institutions (HEIs) play in community development (Goddard 2007; Duke 2008). It is now commonplace for annual evaluations of faculty members to include a review of scholarship contributions, teaching performance, and community service. We define *community engagement in higher education* to be sustainable networks, partnerships, communication media, and activities between HEIs and communities at local, national, regional, and international levels. Engagement activities between communities and higher education may be formal or informal. Example: engagement initiatives include establishing relationships; collaboration initiatives; business ventures; co-sponsored meetings, conferences, sports events, research projects; and a thousand other activities. There is an inevitable and symbiotic relationship that exists between communities and HEIs education systems to foster and carry out their purposes. HEIs in turn train students who eventually fill job vacancies and establish businesses of their own in society. Around the world, HEIs are being encouraged to foster social responsibility and community engagement in their teaching and research activities over the past decade.

The declaration from the second UNESCO Conference on Higher Education held In Paris in July 2009 state explicitly that, "Higher education has the social responsibility to advance our understanding of multifaceted issues…and our ability to respond to them…Through its core missions of teaching, research and service, it should lead society in generating global knowledge to address global challenges, inter alia, food security, climate change, water

management, intercultural dialogue, renewable energy and public health"

After the first international conference on higher education, UNESCO supported a new global network in 1999---Global University Network for innovations (GUNI). GUNI's 5th World Report on Higher Education brings together global experiences on the theme "Knowledge, Engagement & Higher Education: Contributing to Social Change" (2014). Besides, "Community University Engagement (CUE) is central to the creation of a new citizenship…This Report proposes integrating CUE into all institutional, teaching and research activities, as a way of thinking and acting." (GUNI, 2012).

The United Nations (UN) envisioned the Sustainable Development Goals (SDGs,) in 2015, with respect to social, economic and ecological goals to be met by 2030. As a result, global and national debates focused their attention on '*important societal institutions'* that can carry out and execute this agenda. It is here that our universities and Higher Education Institutions (HEIs) step in as critical actors. The role of HEIs has been historically recognized as a public good, with unique social responsibilities in producing knowledge for societal development and sustainability (HokKa Ma &Tandon, 2014). The recently published 'Higher Education in the world report, titled '*Towards a Socially Responsible University: Balancing the Global*', with the Local' (2017), (a Global University for Network in Innovation (GUNi) publication), argues:

"Social responsibility emerges as the need to reconsider the social relevance of universities in light of the encounter

of the local with the global…..The competitiveness of nations should be balanced with inclusive social development and sustainability of the entire global population (Grau et al., 2017)".

In such circumstances, our higher education system especially the business education institutions need to adjust their curriculum as per the needs of the emerging society. Hence these institutions need to integrate social responsibility and community engagement as the core areas to focus upon.

Experiential Learning

University students expect their academics make them 'career-ready', while industry wants them to be 'work-ready'. Universities are making untiring efforts to bridge these gaps. Experiential Learning, or more precisely Experiential Business Learning, involves acquiring business skills through shared experience and this will improve student outcome (Daniela 2018). This requires students to discover, process and apply information and subsequently reflecting upon what they have done (Conley 2008). Focus is now shifting away from traditional statistical concepts to the modern ones like non-linear regression, analytics, data science and business research problems where business decisions will have to be taken on live data. (James G. M 2018). Our management education will have to revise the curriculum to incorporate these needs.

Customized Courses

Management education has to move from learning-oriented to training-oriented. MBA is one of the most popular

academic qualifications world-wide. Colleges should be flexible to incorporate curriculum changes to be more industry relevant. Corporate MBA, Executive MBA or Online MBA will all get changed to a newer form - Customized MBA. Electives concentration will change from being domain specific (such as Finance) to be much more sector / industry-specific by including sub-elective (such as Insurance).

What actually followed globally is that specialized MBA degrees did come and made study paths to be more specialized, focused and fragmented. Every organization is different and so are their needs. Gone are the days where "one standard MBA curriculum fits for all" works. The traditional MBA is getting outdated and as experimented in several European countries, the contents, lecturers, course locations and framework are now customized according to the corporates who would hire the students.

New learning approaches involve three parts - Learning on-the-job, near-the-job and off-the-job. Off-the-job learning appears to be more like the traditional approach and focuses on using inputs such as frameworks, methods & tools, group work and self-reflection. By doing this, the learner can learn about his employer & management, the workflow and the team with which he works, while pursuing any business course. This way, he will be able to correlate the subject with what is happening real life. The near the- job part focuses on coaching and mentoring by peers, cross-functional exchange of experience and solving case studies. Much of the actual learning will happen on-the-job whereby the learning is gradually shifted from class-room oriented setups to "on the job" setups.

Hence, our study materials and case studies will have to be modified by replacing imaginary scenarios with specific and very relevant exercises picked from prospective employers.

Faculty-In Residence

The Faculty-in Residence (FIR) program is a recent successful experiment that promises positive results in management education. The FIR allows faculty members to temporarily relocate and live in campus residencies along with students. Studies are showing positive learning and developmental outcomes from such outside-the-classroom interaction between faculty and students (Pascarella & Terenzini 2015) in a casual and in an informal manner outside the classroom. Faculty members opting for FIR feel rejuvenated and get benefited by drawing personal and professional benefits from the experience (Golde & Pribbenow 2000).

Quantifiable student outcomes such as increased intellectual orientation, growth in autonomy and independence, interpersonal skills, gains in general maturity and personal development, improved cognitive thinking, student satisfaction and academic achievement became visible(www.colby.edu). Although the number of colleges implementing the concept is increasing but it is still a big challenge for most of the institutions imparting business education.

Work-area is the Classroom

Work areas will be venues for future classes, not University campuses. Trainers would be virtual (chatbots) or real (trainers) and teaching will be with video lessons or over

video chat sessions accessible from anywhere and scheduled at learners' convenient times. Mobile technologies improve learning experience, builds a support network that goes beyond the MBA course duration, allows case study exercises to be integrated in everyday business and reduce cognitive load on students (Frohberg 2004). Experiments in "Exchanges" concept where faculty and executives spend a semester in each other's domains have also shown positive results. It still remains a challenging task as Business schools have to build sophisticated digital infrastructure to support these.

Globalization & Internationalization

Because businesses are working in a globalized context now, it is important that business schools are also equally working towards globalization and internationalization. Increased number of students outside their home country is now in our classrooms and these numbers are increasing year after year. Countries like the US, UK, Germany etc. have reported three times increased in enrolments of mobile students compared to domestic students (UNESCO 2016). Global education will mean both transcending borders and crossing them. Our management education should not be culture-free but culture full. This means that business schools need to impart education that is relevant to both global and local setups. Course curriculums have to incorporate topics that will prepare managers to handle international environmental and cultural issues as well.

Demographic shifts (such as population distribution by age and region, urbanization, etc.) impact education needs of the regions. For example, countries with younger

population are often associated with faster productive growth. This translates to demand for educated workforce and hence increases demand for business education in the region. Similarly, a study by CSIS showed that urbanization continued to pressure educational infrastructure of cities. Though the best business schools will remain in the cities, they need more qualified faculty. The number of faculty as well as those who completed doctoral degree in management is at alarmingly low levels as of now. Investments by Business schools in doctoral degree education have not kept pace when compared to undergraduate or postgraduate levels (GFME 2008). Management bodies of Business schools have to seriously address these issues.

Social Skills, not just Soft Skills

Social media is now more or less a mainstream media, so important that no business can afford to ignore it. Research shows that professional communicators are not yet prepared for challenges that social media presents and thereby have to face several barriers due to lack of social media knowledge and skills. Hofackera et al., (2016), in his work on eight social media challenges, feels that the unpredicted evolution of social media will bring in new and complex issues and that scholars and practitioners should seek to solve these challenges.

As many as 1/5[th]of organizations surveyed by McKinsey in 2013 said they are fully social networks and see outsized benefits (McKinsey 2013). External to the organization, social networks foster innovations and translates in the form of customer gains, increased exposure and other

marketing opportunities (Ioanid & Scarlat 2017) while internally, along with Analytics, they can be used to predict employee behaviour. An E-mail based social network analysis found that employees with lower closeness centrality making less engaged conversations and showing a shift in their communication behaviour are likely to leave the organization (Peter et al. 2017). Social Intelligence, apart from general intelligence or Intelligence Quotient, is now becoming an essential skill for modern managers. Collaboration and Team success are more important in determining customer satisfaction.

Therefore, Students are to be trained not only in psychology and social sciences, but also the softer side of management and interpersonal interaction. Management programs have to make curriculum changes to include lessons that deal with these newer forms of skills as well.

CONCLUSION

This paper highlighted some emerging trends that will impact business or management education in the next few years. In particular, we observed that business schools have to prepare their students ready to manage the upcoming fourth Industrial Revolution and business disruption technologies. Experiential learning will gain importance and Universities have to customize their courses to suit companies that hire students. The FIR makes faculty interact with students in an informal manner. Meanwhile, classrooms would be shifted to work-areas for a more enriched learning environment. Globalization and Internationalization continue to be themes on which students will have to balance between "global" and "local"

views. Management students will need skills for managing social media, interacting in social networks and social intelligence abilities. Our Management Education programs should be designed keeping all these factors in mind.

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