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## *From Techne to Paideia: Upgrading Business Education*

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### Introduction

The first business schools, which appeared in the nineteenth century in Europe and then began to proliferate as the Industrial Revolution spread to the United States – notably in the early years of the last century – were set up to train the cohorts of managers needed to fill executive positions at companies (Kaplan, 2014). Their guiding principles can be traced to the Greek philosophical concept of *techne*, a term referring to technical education in classical Athens (Parry, 2020).

The study of management soon developed into an academic discipline within the social sciences, where it has largely been confined to this day (Lamont and Molnár, 2002). But as the principles of management are now increasingly applied to noncommercial activities, it has become clear that business schools need to broaden their teaching to include not just the systems that allow for the efficient running of a company but also to developing leaders at different organizations who can tackle the challenges of an increasingly uncertain and volatile postpandemic world (Christakis, 2020; Galloway, 2020).

If it is to nurture the multitalented leaders we increasingly need in response to these challenges, business education now needs overhauling, and its horizons need broadening. I believe the best way to do this is by loosening the restraints of *techne* and providing tomorrow's managers with a solid grounding in *paideia*, another Greek philosophical concept that refers to the training of the physical and mental faculties with the goal of producing a broad, enlightened, and mature outlook that is harmoniously combined with cultural development. In other words, the humanities.<sup>1</sup> That said, for this to happen, business schools will have to rethink the way they teach and their research methodology, faculty profile, and learning analytics.

<sup>1</sup> Jaeger's (1971) book is a reference on this matter; see also Fotopoulos (2005).

## The First Business Schools

As the Industrial Revolution spread throughout Europe and the United States in the late nineteenth century, business schools responded to the needs of large corporations, notably the railroad industry, by teaching a dry combination of economic theory, management techniques, and industrial relations (Wolmar, 2012).

Harvard Business School, which was founded in 1908, sought from the get-go to meet the needs of industry. For example, alumnus George Leighton argued that railroad management ought to be recognized as a science, which meant the men keeping the country's trains running on time required a range of skills: "Management is one of the most versatile of all professions" (Cruikshank, 1987, p. 8). Similarly, Charles Eliot, the president of Harvard University between 1869 and 1909, wrote: "What can I do with my boy? I want to give him a practical education that will prepare him better than I was prepared to follow my business or any other active callings" (Cruikshank, 1987, p. 20). In the end, his son studied landscape architecture in Europe.

Wharton Business School, the first business school in the United States,<sup>2</sup> was set up in 1881. Chief among Joseph Wharton's goals was "to teach economic protection of U.S. global interests," which had already made him a powerful lobbyist for protective tariffs in Washington.<sup>3</sup>

In contrast, the vocational character of France's *commerce écoles* reflects their creation by the country's municipal chambers of commerce, to which they belonged and from which they received funding, some of them still today. Initially, the *écoles de commerce* were not recognized by universities, and it was only with the formalization of studies, and US influence, that their courses were given degree or postgraduate standing (Blanchard, 2009).

In 1959, a major change to business schools and management education took place when a report by the Carnegie and Ford foundations criticized what they saw as the disproportionate emphasis on technical and practical teaching at business schools – reflecting their

<sup>2</sup> It is commonly accepted that the first business school was Wharton (1881), although the first MBA program was launched by Tuck Business School at the University of Dartmouth (1900), with the antecedents of the mentioned *écoles de commerce* (Riccoboni, 2010).

<sup>3</sup> See Iñiguez de Onzoño (2011, p. 8).

vocational origins – and recommended a more scientific approach (Iñiguez de Onzoño, 2011, p. 126). In response, business schools at universities such as Carnegie Mellon, Harvard, the Massachusetts Institute of Technology (MIT), and Chicago began to highlight academic excellence, generating research on a par with their other social sciences schools. Since then, we have seen a huge growth in conferences and specialist journals looking at specific aspects of business education, a trend replicated in Europe and around the world (Podsakoff et al., 2005).

The result is a self-perpetuating academic marketplace. As Wharton's P. H. Shoemaker (2008, p. 120) points out: "The field has beefed up its academic standing by promoting faculty with deep scientific roles." That said, he also notes, somewhat critically: "Over time, however, these scholars often took business research in directions no longer comprehensible or relevant to business students and managers" (Shoemaker, 2008, p. 120).

In recent years, however, the nature and the impact of research developed at business schools have been subjected to further scrutiny. Some years ago, the European Foundation for Management Development (EFMD) invited me to chair a commission to define the concept of "research" for the EFMD Quality Improvement System (EQUIS) accreditation standards board,<sup>4</sup> so as to develop criteria to help auditors establish when a school applying for accreditation had developed enough research, in terms of both quantity as well as quality. The first challenge was to tackle business schools' myriad definitions of research based on what they saw as their mission.

We did this by not defining research as simply the output of contributions in academic journals, instead taking a well-known concept from business: research, development, and innovation (RDI), which would include knowledge output – from articles in academic journals to brown books on industries, including teaching materials (case studies, technical notes), books, and articles in professional journals. In effect, working on a case-by-case basis and requiring a customized analysis of the institution in question, its management processes, and its competitive standing. As a result, RDI requirements for the

<sup>4</sup> EQUIS has consolidated its status as a leading accreditation system for institution-based business schools, emphasizing connections with the corporate world, international orientation, and academic aspects such as research development and faculty (EFMD Global, n.d.).

accreditation of institutions vary: an executive education center, for example, is required to develop practice-oriented materials, whereas a university-based business school offering PhD programs would produce conventional academic research.

The RDI approach is an up-to-date tool to assess the academic contribution of an accredited school. I wonder, however, whether the scheme has produced its intended objectives.<sup>5</sup> In any case, the framework applied to most management disciplines has been analogous to that common to other social sciences.

### **The Tension between the Humanities and STEM**

Based on a belief that our world is now dominated by digital technology, over the course of the last few decades, a growing number of governments and universities have prioritized science, technology, engineering, and math (STEM) courses, assigning a secondary role to the humanities, not that this hasn't been criticized by many leading academics.<sup>6</sup> Martha Nussbaum, for example, has convincingly argued that the absence of the humanities from curricula has a negative impact on the nurturing of civic virtues and on the development of both creative imagination and critical thinking (Nussbaum, 2010). In line with classical thinking from Aristotle to Cicero, Nussbaum rightly believes that developing global citizens and strengthening our democracies requires a key role for the humanities.<sup>7</sup>

The importance of the humanities in forming the next generation of business leaders and entrepreneurs can be illustrated by comparing the approaches of US and European universities. In continental Europe, they are largely specialized and are still based on the ideas of Wilhelm Von Humboldt: undergraduates attend programs that will prepare them for a specific profession. Thus, mining engineers study subjects

<sup>5</sup> Despite new ways of assessing research in terms of its impact in the business community, the inertia at business schools, accreditation agencies, and academic institutions impedes a real transformation. This was evidenced by Bennis and O'Toole (2005): "The system creates pressure on scholars to publish articles on narrow subjects chiefly of interest to other academics, not practitioners" (p. 3).

<sup>6</sup> See, for example, Wexler (2019) or US Department of Education (n.d.).

<sup>7</sup> See Chapter 8 of Iñiguez de Onzoño (2020); see also Nussbaum (2010), as well as Nussbaum (1997), particularly the epilogue, "The 'New' Liberal Education."

like geology from the first day of university and are not “distracted” by other areas (Sorkin, 1983).

At the same time, this narrow specialization is reflected in the structure of university departments, which encourage focused research, the upside of which is a huge leap in scientific knowledge over the last century, matched by exponential growth in academic publications. This approach has created professionals with very specific skills that can be adapted and updated to meet the demands of companies and institutions.<sup>8</sup>

In contrast, many US universities and colleges offer a generalist degree program, typically focused on the humanities and the liberal arts, with specialization only happening at the master’s or equivalent level. The evidence shows that one of the many benefits of a business education rooted in the humanities is a honing of students’ ability to innovate and their capacity for entrepreneurship. This underpins the arguments of venture capitalist and author Scott Hartley (2017), who questions the division of university programs into the arts and the sciences. At Hartley’s alma mater, Stanford University, *fuzzies* is the term used to describe students of the social sciences and humanities; *techies* are those enrolled in engineering and hard sciences. In his 2017 book *The Fuzzy and the Techie*, Hartley points out that despite universities’ efforts to keep the two disciplines separate, plenty of technology entrepreneurs have a background in the humanities (Hartley, 2017, pp. 5–6).

The division between the social sciences and the humanities reflects a long-standing acceptance that we must choose one or the other. This approach is instilled in students from an early age and eventually decides students’ careers, making it very difficult to move into other professions or areas should they change their minds. I would argue that the time has come to provide young people with a grounding in the natural sciences and the humanities, allowing them to develop the soft social skills that create a more rounded personality.

Among the many people Hartley names in support of this approach are Stewart Butterfield, founder of communications platform Slack, who studied philosophy at the University of Victoria and the University of Cambridge; LinkedIn founder Reid Hoffman, who

<sup>8</sup> Specialization deepens the reach of research but may generate the so-called “silo syndrome” among university departments, enhancing isolation. See Tett (2015).

completed a master's in philosophy at the University of Oxford; Peter Thiel, cofounder of PayPal, who studied philosophy and law; Ben Silbermann, founder of Pinterest, who studied political science at Yale; Airbnb founders Joe Gebbia and Brian Chesky, who graduated in fine arts at the Rhode Island School of Design; Steve Loughlin, founder of RelateIQ, who studied public policy; Parker Harris, cofounder of Salesforce, who studied English literature at Middlebury College; Carly Fiorina, former CEO of Hewlett-Packard, who majored in medieval history and philosophy; YouTube CEO Susan Wojcicki, who studied history and literature at Harvard; and Mark Zuckerberg, founder of Facebook, who studied liberal arts at the Phillips Exeter Academy before entering Harvard (Hartley, 2017, p. 5). And last but not least, there's Steve Jobs, who attended the liberal arts institution Reed College; Jobs said, "technology alone is not enough – it's technology married with liberal arts, married with the humanities, that yields us the results that make our heart sing" (Hartley, 2017, p. 7).

There is also evidence that soft social skills help business teams perform more efficiently, as Harvard economist David Deming's research shows. "The fastest-growing cognitive occupations – managers, teachers, nurses and therapists, physicians, lawyers, even economists – all require significant interpersonal interaction" (Hartley, 2017, p. 205). Most of us know from personal experience that many of the most important things we learn are only useful in the long term and guide the formation of our personality, our worldview, our beliefs and principles, and the mental structure that allows us to order and associate the rest of the knowledge we acquire throughout life.

What's more, the value of the humanities is precisely because they are not a technical or applied body of work; they don't teach us how to use machines or apply systems. As well as helping us to develop more abstract capacities, the humanities underpin democratic societies.

A decade ago, during his second, failed, election campaign, Nicolas Sarkozy made the headlines when he asserted that only "a sadist or an imbecile" would have put the seventeenth-century novel *The Princess of Cleves* on the syllabus used to test candidates in a public service entrance exam (Iñiguez de Onzoño, 2017, chap. 9.1). I disagree; after all, why shouldn't officials have to answer questions similar to those asked of nonnationals who wish to acquire French nationality?

I would argue that knowing how to read literature hones skills that are just as useful for civil servants as understanding procedures that

will soon be carried out by machines or artificial intelligence (AI). What's more, politicians should always encourage better educational standards rather than making populist appeals to ignorance (Iñiguez de Onzoño and Ichijo, 2018, chap. 1).<sup>9</sup>

### **“Physics Envy”: The Ascription of Management to the Social Sciences**

“Institutions are social structures that have attained a high degree of resilience,” writes US sociologist William Richard Scott (1995, p. 33), one of the founders of institutional theory, the basis for many academics' research on business phenomena. “[They] are composed of cultural-cognitive, normative, and regulative elements that, together with associated activities and resources, provide stability and meaning to social life. Institutions are transmitted by various types of carriers, including symbolic systems, relational systems, routines, and artifacts. Institutions operate at different levels of jurisdiction, from the world system to localized interpersonal relationships. Institutions by definition connote stability but are subject to change processes, both incremental and discontinuous” (Scott, 1995, p. 33).

The alignment with social sciences methodology in many business schools' research led management guru Sumantra Ghoshal (2005) to note: “Our theories and ideas have done much to strengthen the management practices that we are all now so loudly condemning” (p. 75). He argues that the social sciences have an inferiority complex, what he calls “physics envy,” because their assumptions, models, and conclusions are not governed by causal paradigms. Instead, the social sciences' prevailing model is functional, an attempt to explain how individuals behave. What's more, as he points out, there's a reductionist aspect to fitting our behavior to functional paradigms. “[No scientific theory] ... explains the phenomenon of the organized complexity ... [of companies], possibly because companies are not empirically observable natural phenomena like volcanoes or animals ... [and don't] follow any predetermined pattern” (Ghoshal, 2005, p. 79). The risk of reducing the study of management to the level of scientism has been to downgrade humans to little more

<sup>9</sup> See also Prato and Wolton (2018), who provide evidence that the rise of populism may result in political disenchantment, rather than the other way around.

than *homo economicus*, whereby human behavior is simply about meeting basic needs.

Meanwhile, back in the 1970s, the Chicago School's liberalism argued that companies exist solely to maximize shareholders' return on investment.<sup>10</sup> This has led to companies being shaped by institutional theory, with corporate governance based on independent board members, separation of the CEO and the chair's functions, and the provisioning of directors with stock options so as to align their interests with those of shareholders in order to avoid agency theory (Cuevas-Rodríguez et al., 2012). Ghoshal argues that this leads to an amoral theory of business that can encourage questionable behavior. "Unlike theories in the physical sciences, theories in the social sciences tend to be self-fulfilling" (Ghoshal, 2005, p. 77).

Citing Enron and Tyco, Ghoshal (2005) fears a vicious circle in which theory and practice feed off each other. He reminds us to remember that there is always an ideology behind every management theory: "Social scientists carry an even greater social and moral responsibility than those who work in the physical sciences because, if they hide ideology within the pretense of science, they can cause much more harm" (Ghoshal, 2005, p. 87). The solution, says Ghoshal, is better social excellence objectives that reflect the interests of all stakeholders.

### **Educating Committed Leaders: Bringing Management into the Humanities**

I have long advocated that the study of management, or at least a good part of it, should align with the humanities. Experience has taught me that the reasoning behind strategic management has little to do with science: the "golden rules" of management are not written in stone. Although it's true that senior management's decision making is empirical, the underlying assumptions are nevertheless open to question.

After all, decision making in business is not like forecasting the weather: it's a constantly evolving environment, and over the years, we have seen countless times how the appearance of a disruptive

<sup>10</sup> A notable representative of the Chicago School is Milton Friedman, whose dictum, "There is one and only one social responsibility of business – to increase its profits," was once taught to managers by business schools everywhere but is now questioned or expanded to include ethical principles. See Friedman (1970).



company like Airbnb can force long-established rivals to change their business models.<sup>11</sup>

Admittedly, many MBA programs now illustrate the complex nature of strategic reasoning through simulations that can outline a wide range of future scenarios based on evaluating alternatives and outcomes (Larréché, 1987; Seaton and Boyd, 2008). Algorithms can simplify the relevant data and then indicate the best likely decision. Which is all well and good, but to be honest, if I were about to make a major investment, I'd choose Warren Buffett over an algorithm any day of the week.<sup>12</sup> Strategic reasoning can be aided by sophisticated algorithms, but there is also an intuitive dimension to choosing one variable over another, of thinking disruptively.<sup>13</sup>

Academics such as Henry Mintzberg have argued convincingly that good management is more an art than a science and that we should temper our belief that it can be taught conventionally and accept that it is best acquired through close and sustained contact with other experienced managers (Mintzberg, 2004).

Veteran campaigners who have long argued that the humanities should play a bigger role in management education have been encouraged in recent years by the growing number of philosophers now focusing their attention on business, thus providing a much-needed complementary perspective. Traditionally, economic thinkers at universities have often been associated with left-leaning political options – and thus not overly welcomed by many companies and business leaders (Tierney, 2011). It's also true to say that philosophers who

<sup>11</sup> The literature on disruption in the education sector is abundant, for all: Christensen and Eyring (2011).

<sup>12</sup> Warren Buffett, American investor and philanthropist, is the chairman and CEO of Berkshire Hathaway. His opinions on where to invest and economic forecasts are often published in leading media.

<sup>13</sup> Ed Finn, who has explored the moral dilemmas raised by the use of AI, explains: "The word algorithm frequently encompasses a range of computational processes including close surveillance of user behaviors, 'big data' aggregation of the resulting information, analytics engines that combine multiple forms of statistical calculation to parse that data, and finally a set of human-facing actions, recommendations, and interfaces that generally reflect only a small part of the cultural processing going on behind the scenes" (Finn, 2017, Kindle ed., loc. 359).

In fact, as a number of writers have shown, the configuration of algorithms is not a morally or culturally neutral issue; see Smith and Elliott (2019, Kindle ed., loc. 20).

have studied organizations have usually explored the roles of the state and government as decision makers in society rather than looking at the private sector, despite its growing influence.

That said, most business schools now include ethics in their programs, along with new disciplines such as management or leadership philosophy, driven in part by the appearance of academic journals and professional publications focusing on these issues. At the same time, growing numbers of universities are making connections between philosophy and the business world.

In conclusion, I would recommend that those who are skeptical about the role of the humanities in business education should read Nussbaum (1997, 2010). If we are to nurture managers and entrepreneurs with a global outlook and whose decisions are based on cutting-edge knowledge, who understand the impact of their decisions not just on the business environment but society and the environment, then they must be cultivated and given a solid grounding in the history, art, literature, and culture of different societies: the minimum requirement if they are to lead diverse teams. As CNN's Fareed Zakaria wrote in his 2015 book *In Defense of a Liberal Education*: "Creativity, problem solving, decision making, persuasive arguing and management" are the skills the liberal arts teach us (as cited in Hartley, 2017, p. 14).

### **The Humanization of Management: Reflections from Thought Leaders**

The great Peter Drucker once explained that he owed his impetus to modernize management theory – central to which was the importance of the individual – to John Maynard Keynes. One day in 1934, he was attending a class given by the father of modern macroeconomics at Cambridge University: "I suddenly realized that Keynes and all the brilliant economics students in the room were interested in the behavior of commodities, while I was interested in the behavior of people" (Drucker, 1993, pp. 75–76).

Since then, business schools have continued to come up with and refine theories on corporate governance, the role of the CEO, or what makes a great business leader, but at the end of the day, management boils down to working with people, which makes applying hard-and-fast rules within professional structures pointless, particularly at a time when organizations are thankfully becoming more and more diverse. It

cannot be overstressed that the human factor needs to be taken into account regarding how and what is taught at business schools.

For example, the case study, one of the most widely used methods of teaching management, recognizes that it is an organization's people who either create or destroy value. Most business schools now teach students that learning how to see things through the eyes of whomever they're dealing with is as important as economic theory.

Nevertheless, Henry Mintzberg believes that most business schools are still falling short. The problem starts with their raw material. The vast majority of MBA students are too young to learn management. "It's like trying to teach psychology to a person that has never known anybody" (Mintzberg, 2004, p. 9), he says in his 2004 book *Managers Not MBAs*, which foreshadows many of the ideas of a new generation of thinkers and academics who have dominated the debate on management education since. Mintzberg's pioneering work laid the foundations for many increasingly common practices, such as requiring work experience of applicants for MBA programs, in comparison with those applying for a master's in management, which is aimed at students with no professional experience. This is now common practice at business schools, at least in Europe.

The case study, gaming, or projects carried out in real companies appear practical but are dismissed by Mintzberg as pastiches of a much more complex reality. The outcome is students with a skill set that includes the confidence to make decisions quickly, streamline complexity, and tackle technical problems. They may be wizards of strategy, but they can't implement solutions.

Applying the equation "confidence minus competence equals arrogance" (Mintzberg, 2004, p. 74), Mintzberg's most serious charge is that MBA programs produce overconfident graduates who may be skilled in breaking down the mysteries of accounting or marketing but who have no understanding of the reality of business. Unsurprisingly, Mintzberg's statistics on value generation in businesses where the CEO has an MBA, or graduate start-ups and the large number of well-known entrepreneurs who have never been near a business school, have proved contentious. And although I have found Mintzberg's work highly illuminating, I, too, have some cavils with his arguments.

First, my own experience has taught me that management skills can be cultivated in students and young people with no hands-on business

experience, for example, in a bachelor's in business administration or a master's in management program. This type of educational environment can create the conditions within which the entrepreneurial spirit can flourish.

Quoting George Gilder, the cofounder of the Discovery Institute, Adrian Wooldridge (2009) of *The Economist* cites the myth that young entrepreneurs are "orphans and outcasts." Clearly thinking about the Bill Gates and Steve Jobs types of this world, who left college to set up their own businesses and who are frequently used to illustrate the irrelevance of university studies in becoming a successful entrepreneur, he talks about "lonely Atlases battling a hostile world or anti-social geeks inventing world-changing gizmos in their garrets" and goes on to say: "In fact, entrepreneurship, like all business, is a social activity. Entrepreneurs may be more independent than the usual suits who merely follow the rules, but they almost always need business partners and social networks to succeed" (Wooldridge, 2009, para. 1 under "Five Myths").

I would also disagree with Mintzberg's (2004) assertion that age and experience are required to fully develop managerial talent and leaders. Perhaps the main challenges for business schools in training young people are identifying young leaders, finding a way to channel their nascent entrepreneurial abilities, and then hooking them up with the main stakeholders in the business world.

Then there is Mintzberg's (2004) criticism of business schools' teaching methodology, particularly the case study, gaming, and simulations: he says the decisions made by students in these situations have no real repercussions. That can also be seen as an upside: take the analogy of a flight simulator used to train pilots. If something goes wrong, nobody dies. Instead, it gives pilots the opportunity to deal with the kind of situations that will probably happen once they earn their stripes. Similarly, cognitive psychology students are introduced to the problem of the map and the territory. A map is a faithful representation of a real territory, but it can never reproduce its aspects in full. Although the journey to knowledge requires maps to help us recreate the geography of a specific territory, we also learn not to confuse the two things (Wuppuluri and Doria, 2018).

Nevertheless, Mintzberg (2004) is correct when he says some business schools fall into the trap of believing that a case study is the same as reality. At the same time, Harvard Business School case studies

always include the following footnote: “HBS case studies are developed solely as the basis for class discussion. Cases are not intended to serve as endorsements, sources of primary data, or illustrations of effective or ineffective management.”<sup>14</sup> In other words, it’s a map, not a territory, and should not be confused with reality.

By the same token, I would say Mintzberg (2004) would be mistaken to believe that the anecdotes told by a veteran manager in a course for senior directors are largely drawn from memory and thus of questionable academic rigor, even if, as in life, many of our ideas and decisions are based on the experiences and emotions shared with us by others. I know from personal experience based on conversations with innumerable MBA graduates that the case studies they took part in have helped them to understand and address many of the situations they have faced. I suspect that the case study, along with other interactive methods used in business schools, may not be perfect but is still the most effective way to teach management skills.

Because business education is one of the most dynamic and responsive sectors in higher education, many of Mintzberg’s (2004) suggestions are being taken up by business schools and outlined in the growing body of revisionist literature. This has led many business schools to seek a balance between the teaching of hard and soft skills and to develop students’ analytical abilities and emotional intelligence. For directors, this means developing their professional ethics and commitment to social issues, along with a more technical approach to providing functional knowledge and a more general and overarching approach to the world of business.

Recently, Stefano Harney and Howard Thomas (2020) have gone a step further in converging management education and the humanities, aligning themselves with the Carnegie Foundation’s 2011 report, *Rethinking Undergraduate Management Education: Liberal Learning for the Profession* (Colby et al., 2011). “Rather than focusing solely on technical business skills, management education would welcome the humanities as the foundation of its curriculum, and the two forms of education, professional and liberal, would be melded into a holistic curriculum. Thus planted at the heart of management education, the liberal arts would by implication also face a very different future”

<sup>14</sup> Footnote available in all case studies published by Harvard Business Publishing; see <https://hbsp.harvard.edu/cases/>.

(Harney and Thomas, 2020, p. 18). In short, an association between business education and the humanities can certainly help generate a more enlightened and ethical managerial profile.

Indeed, given that the bachelor in business administration (BBA) has become the most sought-after program in many universities around the world, the merger of management and the humanities could result in a renewed platform for liberal arts studies.<sup>15</sup>

### **Some Experiences at IE Business School**

In recent years, IE Business School has introduced subjects and sessions dedicated to the humanities in our MBA, master's in management, and BBA programs.

Our goal was twofold: to broaden management studies and free them from the confines of the social sciences to the wider realm of the humanities and sciences, highlighting the interconnectedness of the models, concepts, and theories of a range of disciplines, so as to provide a better understanding of the individual in business. This in turn would help develop well-rounded managers and enlightened directors. We believe that studying history provides key references that enable directors to make better business decisions, on the basis of an understanding of the experiences of the past.

I believe that a grounding in the history of art strengthens our observational and perception skills, which are necessary for making more reflexive or considered decisions, providing a counterbalance to the heuristic approach of most people in the business world. As Drew Faust, the first female president of Harvard University, said: "History teaches contingency; it demonstrates that the world has been different and could and will be different again. Anthropology can show that societies are and have been different elsewhere – across space as well as time. Literature can teach us many things, but not the least of these is empathy – how to picture ourselves inside another person's head, life, experience – how to see the world through a different lens, which is what the study of the arts offers us as well. Economic growth and scientific and technological advances are necessary but not sufficient purposes for a university" (Faust, 2010, n.p.).

<sup>15</sup> I owe this idea to my colleague at IE University, Dr. Julian Montaña.

Many business school programs are now overspecialized and thus subject to the silo syndrome whereby academics deal only with same-subject colleagues and students are taught through the narrowest perspective on knowledge. In response, I believe the time has come to include the humanities in business education. By making the humanities a core part of all degree programs, we can cement the learning experience and develop open-minded and well-rounded graduates. This is the spirit that inspired us a decade ago to launch our executive MBA program with Brown University (IE Brown, n.d.).

It is time to bring all the benefits of a classical education to business schools: by teaching modern art, for example, we cultivate skills such as perception and observation that can help managers to take a more measured approach toward risk assessment. At the same time, studying how other societies work can help in leading cross-cultural teams. Critical thinking modules can empower tomorrow's business leaders to question unethical decisions imposed by their bosses.

The counterpart to this alignment of business education and the humanities is to teach management across all university degree programs. In fact, we might as well include management as a core subject at primary school, along with mathematics or literature, which would provide the opportunity for all children to acquire at least the basics of running an organization, a skill they will find useful even if they do not go into business. After all, good management underpins the best professional practice, whether it's a hospital or an architectural practice. If we want tomorrow's graduates, regardless of their area of study, to make the world a better place, then we're going to need them to be able to practice the best and most sustainable management practices.

### **Conclusions: Some Proposals for “Humanizing” Management**

Following my argument in support of the association of management and the humanities, and given the pivotal role that faculty play in the learning process, I would like to provide some proposals that may be key in the implementation of this strategy:

- Restructuring postgraduate management programs so that they include a variety of approaches to research, as well as cultivating a cross-disciplinary mindset in students. Doctoral programs should foster the kind of close and regular contact between

students and business leaders that can provide them with firsthand management experience.

- Modifying university tenure systems to encourage partnerships between all departments as a way to overcome the silo syndrome and encourage cross-disciplinary research. Innovation often comes as the result of combining a wide range of subjects.
- Promoting sustainable contact with business leaders, either through membership of boards or through consulting work. Overall evaluation will still emphasize research output, but we need to find a balance that will allow academics to begin incorporating these kinds of initiatives.
- Creating interdisciplinary centers that bring academic departments together with companies to work on projects. As well as producing interdisciplinary research, these centers help develop training programs that address specific issues relating to business management. Business schools' boards and advisory councils should also be aware of the strengths and weaknesses of their respective institutions. These councils are generally made up of businesspeople or alumni who can provide vital feedback about the knowledge required out there in the real world.
- Strengthening ties between research-oriented teachers and practitioners. Until now, such cooperation has usually taken the form of jointly developing teaching material, but it can be extended to other areas. Making this happen should be a key objective of department heads, who can advance joint-research initiatives.
- Establishing ways to access knowledge produced outside the academic environment. Business schools need to take on the role of knowledge hubs, collecting new ideas and models from the wider world, such as consultancies, professional fora, and a wider range of organizations and businesses. There is limitless potential for exchanging ideas and information through knowledge networks and platforms supported by social networks.
- Creating a new platform for the study of the humanities by introducing liberal arts content into the curriculum of BBA and MBA programs.
- Recruiting the support of accreditation agencies such as EQUIS so that a cross-disciplinary approach and a grounding in the humanities are included among their research and teaching criteria.



To conclude this chapter, I would like to praise the job that EFMD has done for the promotion and recognition of best practices in business education, particularly through its fostering of diversity, closeness to the professional world, and international reach. The humanistic approach is also distinctive of most of the EFMD's initiatives and programs, which paves the way for better and sustainable business education in a world with more challenges than ever before.

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