



Transforming business education to produce global managers

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Abstract In recent years, globalization of businesses has occurred faster than the internationalization of business schools—in terms of faculty, students, and curriculum. Indeed, there is now a disconnect between global economic realities and the ability of business schools to produce global managers. This article discusses mission-based strategies for international business education and proposes opportunities that increase global awareness, global understanding, and global competence through student and faculty engagement and development. These changes will advance business schools' mission of producing global managers.

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1. It's a small world

A mere 20 years ago, the term 'globalization' was seldom used beyond economists concerned with transformation of the worldwide economy. Today, however, globalization as a concept is employed to emphasize the increasing integration of, and interdependence among, diverse countries. To emphasize this notion, we generally tell our students that the business world is embedded in a global economy; as proof, they need look no further than their own experiences of eating at a Pollo Campero

(a Guatemalan fast-food chain that is expanding rapidly across the U.S.), driving a Toyota, or using a Nokia cell phone. We also talk about the sale of American products abroad and the rise of global brands that are the same throughout the world (e.g., McDonald's, Apple, Coca-Cola, Disney). Such 'war stories' are but one way business faculty may attempt to internationalize the business curriculum. In recent years, globalization of businesses across the world has grown faster than the internationalization of business schools in terms of faculty, students, and what is being taught.

Indeed, there is now a disconnect between global economic realities and the ability of business schools to produce global managers. The gap between traditional business education programs and the business skills set that students need to deal

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effectively with the global marketplace was noted over two decades ago (i.e., Porter & McKibben, 1988). According to a 2002 report by the Management Education Task Force, the global scope of business was not adequately reflected in the business curriculum because, in part, “faculty themselves lack[ed] global exposure and training in global business strategy and practices” (AACSB International, 2002, p. 20). Yet, internationalization still has not become central to many business schools’ missions. Herein, we discuss best practices in international business (IB) education and propose opportunities to increase student learning, change mindsets, and advance the mission of business schools.

1.1. Accreditation pressures

The internationalization of business schools has been impacted not only by the changing economic landscape, but also pressures from accreditation adopted by AACSB International (2006). Specifically, AACSB has two standards listed under Assurance of Learning Standards. The first indicates that undergraduate degree programs will include “learning experience in such general knowledge and skills areas as . . . multicultural and diversity understanding” (AACSB International, 2006, p. 18). The second denotes that the curriculum will include “learning experiences such as management specific knowledge and skills areas such as . . . domestic and global environments of organizations” (AACSB International, 2006, p. 19). Additionally, AACSB requires, in the supporting material for eligibility of Criteria D, that “at a minimum, the school must show that within this context its business programs include diverse viewpoints among participants and prepare graduates for careers in the global context” (AACSB International, 2006, p. 9).

The approach business schools take to incorporate IB into their curricula and programs should be mission driven. Kedia and Cornwell (1994) suggested three levels in the development of a global perspective: awareness, understanding, and competence. *International awareness* is defined as having a worldview incorporated into the decision making process, while *international understanding* means that faculty and students have an adequate knowledge base and skills in dealing with the global marketplace. The third level, *international competence*, reflects the faculty and students having (or acquiring) global mindsets, as well as appropriate knowledge and skills. Each level demands a successively higher commitment of resources, a higher level of faculty development, and more emphasis on global perspective.

1.2. Role of Higher Education Act of 1965

The emphasis on developing IB education intensified with passage of the Higher Education Act of 1965 (by section 6261 of the Omnibus Trade and Competitiveness Act of 1988). This dictated creation of the Centers for International Business Education and Research, as well as continuation of previously-approved Business and International Education (BIE) programs for U.S. business colleges; funding is provided by the U. S. Department of Education. These programs are intended to emphasize international teaching, training, and research through appropriate changes in faculty, students, curricula, and the business community. The three overarching goals of these programs are to:

1. Cultivate *global awareness* (increased knowledge about the various regions of the world and their institutions, and impact on business practices);
2. Develop increased *global understanding* (increased insights into the functioning of various societies, coupled with cultural sensitivities); and
3. Enhance *global competence* (developing effective global mindsets and various behavioral skills).

To meet these objectives, CIBER and BIE first emphasize *internationalizing the existing body of knowledge in various disciplines of business*. The most direct way to do this is through faculty members. They should be encouraged and recognized for incorporating international issues dealing with various aspects of globalization and global economy in their functional areas of business. Deans and administrators of business schools are expected to actively participate in the process. Next, CIBER and BIE try to *broaden the international knowledge and experience of business faculty*. Faculty development holds the key to meeting this challenge. Courses in international and global management, international marketing, international finance, and other disciplines have been developed, and research efforts in these areas of business are recognized. The ultimate goal is to encourage faculty members to develop additional knowledge and insights regarding the international aspects of their disciplines. Finally, CIBER and BIE attempt to *develop international liaisons with business schools in other parts of the world*. This has been accomplished by developing relationships with institutions in world regions such as Africa, Asia, Europe, Latin America, and the

Middle East. Other initiatives include encouraging faculty and student exchanges, joint research, and study abroad programs. These provide the means for faculty and students to experience and learn from other cultures.

2. Mission-based approaches for internationalization/globalization

Most business schools focus on serving their local or regional markets. At these schools, IB education tends to meet the minimum AACSB standards. That is, students are exposed to international concepts, and both faculty and students have limited international knowledge, skills, and abilities (KSAs). A review of the literature demonstrates that business schools have taken three routes over the years to internationalize their curricula (Kedia, Harveston, & Bhagat, 2001), approaches consistent with the CIBER and BIE charge. Whichever approach is chosen, business schools must determine a mission-driven strategy for internationalizing their programs.

2.1. Develop global awareness

To develop global awareness, business schools follow one of two paths. The first approach, *integration*, infuses IB concepts and content into course materials across the business education core. Through integration, business students are exposed to concepts that help them develop an awareness of any international implications that their decisions may have when engaging in problem solving activities. In this approach, faculty add international content to their courses and may not have any separate IB training in their doctoral programs. They are likely to have limited IB KSAs, and will need support to develop these. A second approach, *separation*, creates a designated International Business course that bundles all the IB learning, and adds this to the business and/or major core. A separate IB course is generally led by faculty with at least an awareness of international markets. Overall, the curriculum is dominated by a domestic focus, but business students are at least exposed to the impact of foreign markets. Students in these kinds of programs develop a minimal level of knowledge and their skills are limited to domestic, functional application. Historically, this has been the approach of many schools; indeed, the first international business course (graduate) was offered at Columbia University in 1955. A faculty member who has some IB KSAs is typically chosen to teach this course, and the business school will need to support continued

development of these KSAs. The separation approach may be difficult to adapt since the business curriculum is already overcrowded with requirements.

Both of these approaches expose students to international concepts, and students develop a global awareness by having a worldview incorporated into the decision making process. In business programs that use these approaches, faculty tend to have limited international experience and are likely to have little inclination to teach and conduct research with an international orientation. To build international skill sets, faculty knowledge must be enriched. However, not every faculty needs to be internationalized. We realize that most business schools do not have the resources to fully internationalize their curriculum and faculty. Some schools may choose to follow the “international product champion” approach advocated by Alutto (1988). He noted that influential faculty can work collaboratively and influence other faculty members to get the internationalization process started.

2.2. Global understanding

The *specialization* approach to creating global understanding involves development of an IB concentration, major, or minor. Many schools have adopted this approach, but it may be vulnerable to resource constraints. Creating an IB specialization means students will acquire adequate knowledge and skills to deal with the global marketplace. Specifically, students are exposed to dissimilar cultures and differing socio-political contexts that help them develop a more rigorous understanding of the global marketplace. Business schools that follow this approach may add faculty from other countries or encourage their current faculty to take sabbaticals in various parts of the world to enrich their teaching and research resources. Additionally, faculty may also be actively involved in international business associations (e.g., Academy of International Business) or conduct research focusing on international firms, to improve their international knowledge.

2.3. Global competence

Via the previous approaches, students learn that international business is not only about the crossing of national borders (generally U.S. outbound), but also the learning experienced by managers outside their home environments. Business education programs which facilitate the development of global competence focus on students’ development of attitudes conducive to integrating and applying international experience and learning; this can be

labeled the *experiential* approach. Typically, these business education programs have international content with a cross-disciplinary emphasis. Thus, students gain an international knowledge base with a multicultural, multi-functional perspective, along with language training, area studies, and international experience (Kedia & Harveston, 1998). In addition to business program content being internationalized, students and faculty are offered an experiential component where internships, study abroad, and foreign exchange opportunities are provided (Walton & Basciano, 2006). Students involved in experiential programs will develop a global competence that reflects a global mindset, knowledge base, and skills appropriate to manage in the global marketplace. The majority of faculty here will have extensive international experience and conduct research with international collaborators (Hitt, 1998). The business school may establish collaborative arrangements with universities around the world through geographic diversification and creation of partnerships. These collaborations could create opportunities to develop international experiential learning for both faculty and students (e.g., in-depth, country-specific studies; internships in foreign companies).

3. Mission-based strategies to increase experiential opportunities

3.1. Geographical diversification

One marketplace trend for business schools is diversification into additional international geographical markets; this not only diversifies the physical site of education, but also the profile of students. A number of business schools have already made this move and have expanded into countries such as Singapore, China, and India. Several have launched campuses beyond their home base into specific regions (e.g., the University of Western Ontario-Ivey, Hong Kong and INSEAD, Singapore). Opportunity abounds for geographic diversification; indeed, the global market remains open for business schools, with opportunities in regions that have been widely neglected thus far. To be successful in offering business education programs, considerable adaptation of the content, mode, and style of education is critical. For example, individuals from some cultures are not comfortable engaging in open discussions, while people from other cultures may have no problem with this. Another challenge relates to pricing: the cost of establishing a separate campus may prove too great for many schools in the current financial

environment. Therefore, a more attractive means of geographic diversification may be via partnerships and strategic alliances.

3.2. Partnerships and strategic alliances

A wide variety of international business school partnerships exist across the world. Generally, strategic alliances involve more than just exchange of students and faculty; partners set up a structure that provides members of the alliance with network contacts and opportunities in regions far from their home countries. At the same time, strategic alliances afford student participants an avenue to enhance their global competence by taking courses in different countries and regions. Sometimes, members of strategic alliances set up dual degree programs to make their educational offerings more attractive to potential participants and encourage the flow of students and faculty in both directions, internationalizing the home campus as well as students who visit there. Finally, business school alliances supply students with access to more experiential international placements such as internships, study abroad programs, and exchange programs. In sum, alliances help business schools cope with the increasing demand for, and challenges of, internationalization of business programs.

3.3. Internal business program diversification

Business schools may also form collaborative arrangements with other academic units of their home institution (i.e., university or college). These collaborative activities can facilitate a more holistic international understanding in business students (e.g., cultural, geographical, and historical understanding of the world marketplace; foreign language skills). When this perspective dominates the business school orientation in internationalizing the program, the school facilitates development of students' global competence, knowledge base, and skills at a high level.

This mission-based approach to cultivate global competence is perhaps the most difficult to achieve, and faces some strong deterrents. The biggest criticism is that it is too expensive for students, especially given current economic pressures. Others note that few students participate in travel and study abroad programs, with only 1% of the 19 million U.S.-enrolled college/university students owning a passport (Kaufman & Johnson, 2006). However, the creation of partnerships and collaborations can facilitate development of a global competence by developing global mindset, knowledge

Table 1. Mission-based strategies to internationalize business programs

Mission-based strategy	Approach	Curriculum	Faculty
Cultivate global awareness	Integration	IB content infused throughout business core	Limited IB skill set; need to develop faculty KSAs
	Separation	Separate IB course added to required business/major core	Some IB skill set; need to develop faculty KSAs
Develop global understanding	Specialization	Separate IB major, concentration, or minor	May hire Int'l faculty to meet demand; need to develop current faculty KSAs
Enhance global competence	Experiential	IB content plus required IB experience: Internship, study abroad (semester or short-term trip)	Well developed IB skill set - teaching and research; need to support faculty KSAs

base, and skills in different cultural contexts sans the high costs associated with developing in-house international programs. Table 1 shows a summary of the mission-based strategies to internationalize business education.

It is not only possible, but also highly desirable that business schools enrich the international component of their business education by moving sequentially through the three mission-driven strategies to develop students' global mindset, knowledge, and skills. The key to advancing from one level to the next is development of faculty members' international KSAs. In practice, this is likely to be a 'messy' process. Additionally, not all business schools may be interested in—or, even want to pursue—the development of international competence; nor will all schools have the resources to attain it. If business schools fail to develop their faculty's knowledge of international business and revamp business programs to reflect changes in the global business economy, though, multinational corporations will need to provide additional training in order for international managers to function effectively across borders. Given the changes in the global marketplace, the line between domestic and international business is quickly disappearing. It is possible that business education programs which do engage in mission-driven strategies to meet this challenge may become obsolete. To overcome this possibility, internationalization of business education as a whole should be part of the mission of business schools. Government initiatives can help

business programs internationalize by developing the international KSAs of their faculty and students. Specifically, the Centers for International Business Education and Research (CIBERs) may provide an answer to faculty development in international business.

4. The role of CIBERs in facilitating change

In 1988, the U.S. government began actively supporting and funding linkages between educational institutions and businesses by establishing the Centers for International Business Education Program. Through that program, grant applications from universities proposing to host Centers for International Business Education and Research (CIBER) are reviewed for financial award. The CIBERs are to serve as national resources for teaching, outreach, and research in relevant aspects of international business and management including language, culture, commerce, markets, and security. Currently, there are 33 CIBERs across the United States, which serve as local, regional, and national resources for students, faculty members, and business people focused on sustaining and improving the global competitiveness of the American economy.

CIBER programs offer a variety of resources to help business education programs internationalize, including Faculty Development in International Business (FDIB) workshops that provide faculty

training in business concepts and enable a cross-over of talents from area studies and business. Two types of FDIB programs exist. The first focuses on educating and training faculty in different areas of international business. Programs in business faculty development are held at the University of South Carolina (seven disciplines), The University of Memphis (six disciplines), The University of Colorado (International Entrepreneurship), and Duke University (Strategies for Teaching International Negotiations). The second type of FDIB program concentrates on training and experiential learning in international business. These programs provide study abroad opportunities for faculty members to

learn first-hand about history, geography, culture, and business practices of a specific country or region; they serve as national resource centers to disseminate best CIBER teaching practices to the faculty and students of non-CIBER institutions ([Centers for International Business Education Research, in press](#)). [Table 2](#) illustrates the 2010–2011 FDIB offerings with an international experiential component.

Participation in FDIB programs has grown tremendously since the CIBER inception. As of this writing, about 163,000 faculty members have participated in FDIB programs (with 9,000 overseas). These faculty members can now bring their IB KSAs

Table 2. Faculty development in international business, 2010–2011

Winter		
Name of program	Location	Sponsor
FDIB-India	Mumbai and Chennai	Florida International University CIBER
FDIB-Mena	Dubai, Abu Dhabi, and Cairo	Brigham Young University CIBER University of Colorado Denver CIBER University of South Carolina CIBER Temple University CIBER
FDIB-China	China and Hong Kong	University of Colorado Denver CIBER
FDIB-Southeast Asia	Singapore and Malaysia	University of Wisconsin CIBER University of Hawaii CIBER
Summer		
FDIB-European Union	Brussels	University of Memphis CIBER University of Pittsburgh CIBER
FDIB-European Economies in Transition	Hungary, Bulgaria, and Turkey	University of Pittsburgh CIBER
FDIB-Russia	Moscow and St. Petersburg	University of Connecticut
FDIB-Latin America/Caribbean (Sustainability)	Brazil	Indiana University CIBER
FDIB-Africa	Kenya and Tanzania	University of South Carolina CIBER
PDIB-Mercosur	Argentina, Brazil, and Chile	Florida International University CIBER University of Miami CIBER

to bear in the classroom and their research fields. The impact of faculty development in IB is hard to ignore: approximately 18.5 million students have benefitted so far (Centers for International Business Education Research, in press).

5. Conclusions

It can hardly be expected that U.S. businesses will continue to lead and compete in a world they don't sufficiently understand. Therefore, it is an essential job of business schools to train their students in international environments, cross-cultural management, global financial markets, and international marketing—especially as these relate to the fast growing and emerging markets of Asia, Africa, Eastern Europe, Latin America, and the Middle East. Change in the competitive landscape and business school funding are likely to pose substantial challenges to business schools as regards internationalizing their programs. The outcomes of internationalized business programs are likely to be greatest when functional knowledge is learned within relevant international frameworks and combined with development of mindset, knowledge, and skill sets. The reach of internationalized business programs is likely to be broadest through infusion of the core curriculum and the deepest through discrete requirements, programs, and related experiential learning opportunities. There is no 'cookie cutter' approach to internationalizing business education. Our suggestion is that business schools follow mission-based strategies which gradually increase global awareness, global understanding, or global competence through student and faculty engagement and development. In determining the optimal

alignment of program components for their mission and learning goals, we hope business educators find our suggestions helpful. We believe that CIBERs and BIEs will continue to play an important role in helping business schools internationalize their business programs.

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