

A COMPARATIVE ANALYSIS OF THE AMERICAN AND ROMANIAN BUSINESS EDUCATION PROGRAMS

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Abstract. *The purpose of this paper is to present a comparative analysis of the business education programs offered by Auburn University's College of Business, Alabama, U.S.A. and Faculty of Business Administration, Academy of Economic Studies, Bucharest Romania. This comparative analysis is conceived in a larger perspective of the two different cultures and traditions in developing business education programs. The analysis is performed taking into consideration several dimensions, from the curriculum structure to the academic work with honesty and integrity.*

Keywords: business education, higher education, university programs.

Introduction

The focus of this comparison is the programs and practices of the Auburn University's College of Business, Auburn, Alabama, U.S.A. and the Faculty of Business Administration, Academy of Economic Studies, Bucharest, Romania. Thus, a better understanding of the two institutions is warranted. Since its founding in 1856, Auburn University has grown to 23,000 students and is the largest public university in Alabama. Auburn University is a comprehensive university offering 130 different majors across thirteen colleges and schools. The colleges and schools at Auburn University include: College of Agriculture, College of Architecture, Design and Construction, College of Business, College of Education, School of Forestry and Wildlife Sciences, Graduate School, Honors College, College of Human Sciences, College of Liberal Arts, School of Nursing, School of Pharmacy, College of Sciences and Mathematics, and College of Veterinary Medicine.

Auburn's College of Business was established in 1967. In the fall of 2005, the total student enrollment totaled 4,081. Of this total, 3,608 were undergraduate students, and 473 were graduate students. Faculty members at the same point in time totaled 100. Auburn is accredited at both the undergraduate and graduate levels by the Association to Advance Collegiate Schools of Business (AACSB International), which is the premiere accrediting agency for College Schools of Business in North America.

The College of Business is organized into six academic units. There are five units that are traditionally associated with American schools of business. These units are: Accounting, Economics, Finance, Management, and Marketing. At Auburn, there

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is a sixth unit, Aviation Management and Logistics, which is relatively unique to Auburn.

Students may earn a Bachelor of Science from the College of Business with one of thirteen concentrations (majors). These majors are: accountancy, aviation management, business administration, economics, entrepreneurship and family business, finance, human resource management, information systems management, international business, logistics, marketing, operations management, and professional flight management.

The Academy of Economic Studies was established by the Royal Decree no. 2978, dated April 6, 1913. It is the largest and the most prestigious Romanian university dedicated to Economics and Business programs, at all levels (www.ase.ro). There are over 23,000 full time undergraduate students, and over 9,000 graduate students (master and doctoral programs). Also, there are over 17,000 students enrolled in distance learning programs. The university is structured into ten faculties: Business Administration (in foreign languages); Computer Science, Statistics and Economic IT; Accounting and Information Systems; Commerce; General Economy; Economics and Technology of Agriculture and Food Production; Finance, Insurance, Banking and Stock Exchange; Management; Marketing; International Business and Economics. The Faculty of Business Administration was established immediately after 1990, as a result of a UNESCO program, offering all its courses in foreign languages (English, French, German). Starting with about one hundred students, the faculty has now over 2,000 full time students enrolled. Some of them are coming from other countries through different international programs.

Starting with the academic year 2005-2006, the whole Romanian higher education system has been structured according to the Bologna requirements (Bratianu, 2005). The economic studies have been structured as follows: first cycle – 3 years (6 semesters, 180 credit points); second cycle – 2 years (4 semesters, 120 credit points); third cycle – 3 years (6 semesters, without credit points evaluation). The undergraduate accredited university programs, named according to the Romanian legislation “specializations” are the following: Economics; Business Administration; Management; Marketing; Statistics and Economic IT; Finances; Accounting; International Business and Economics; Administration Sciences. Accreditation of these university programs has been performed by the National Council for Academic Evaluation and Accreditation (an official body working under the Romanian Parliament control), and validated by the Ministry of Education and Research.

Curriculum

To demonstrate the curriculum differences between American Schools of Business and the Academy of Economic Studies, we first present a description of the curriculum required to earn a Bachelor’s Degree in Business Administration from

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Auburn University. The 2006-2007 Auburn University Bulletin describes the Bachelor's degree in Business Administration in the following manner:

The Business Administration curriculum is an interdepartmental degree designed to provide maximum course flexibility and broad-based preparation for future careers opportunities. Students are required to demonstrate basic oral and written communication skills, familiarity with technological tools and an understanding of the interrelationship between the U.S. and foreign countries. The Business Administration curriculum prepares students for entry-level managerial and staff responsibilities in business, government and non-profit organizations.

A total of 123 semester hours of credit must be earned for a Bachelor of Science degree from Auburn University. Each hour of semester credit equates to one hour of class time per week for seventeen weeks during a semester. The total hours of credit required for a Bachelor's degree consist of those required by Auburn University as a whole, and those required by the College of Business. First, across all colleges and schools, all students at Auburn University are required to take fifty credit hours designated as the common core courses. These common core courses include: six hours of English composition, six hours of world literature, six hours of history, three hours of social sciences, seven hours of calculus, eight hours of science, three hours of ethics, three hours of fine arts, and eight hours of non-major electives. The second group of semester hours is the set required by the College of Business. The total number of hours required by the College of Business is 73 credit hours. These hours can be further distinguished by those hours required by all College of Business students regardless of area of study and those specific to a major, business electives, and those required just for students of a specific major. All College of Business students regardless of major take a common set of courses that constitute 32 credit hours. These classes include: three hours of statistics, two hours of contemporary issues, three hours of micro economics, three hours of macro economics, three hours of financial accounting, three hours of managerial accounting, three hours of business law, three hours of principles of marketing, three hours of principles of management, three hours of principles of finance, and three hours of strategic management. The remaining 41 credit hours required by the College of Business varies by major.

As noted in the description of the Business Administration major, this major focuses on great flexibility in its curriculum and broad-based preparation. It requires the following hours: 2 hours for Introduction to Management Information Systems; 2 hours for Introduction to Operations Management; 3 hours of a Management Elective; 3 hours of an Accounting or Finance Elective; 3 hours of a Marketing or Economics Elective and 3 hours of International Business Elective; 18 hours of Business Electives, and 7 hours of Free Electives (either College of Business courses or Auburn University Electives). In contrast, the other College of Business majors are slightly less flexible. For example, a degree in marketing requires the following hours: 2 hours for Introduction to Management Information Systems; 2 hours for Introduction to Operations Management; 3 hours of Professional Communications;

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3 hours of Consumer Behavior, 3 hours of Marketing Research; 3 hours of Marketing Strategy; 12 hours of Marketing Electives, and 10 hours of Free Electives.

At the Academy of Economic Studies, the new university curriculum for business administration, according to the Bologna requirements is designed for 180 credit points (3 years of studies, each year of two semesters). That means a number of 30 credit points on each semester. These credit points are distributed as follows. First year: Microeconomics (5), General Informatics (4), Applied Mathematics (5), Fundamentals of Accounting (4), Business Law (4), Enterprise Economics (4), English (2), French/German (2), Finances (5), Macroeconomics (4), Marketing (5), Entrepreneurship (5), Internet Technologies for Business (3), Business Ethics (4), English (2), French/German (2). Second year: Statistics for Business (5), Data basis (3), Business Management (4), Financial Management (5), Financial Accounting (5), Commercial Law (4), English (2), French/German (2), Economic Information Systems (4), Customer Relationship Management (5), Management Accounting (4), European Business Environment (3), Econometrics (4), English (2), French/German (2), Contemporary Economic Doctrines (3). Third year: International Marketing (5), Quality Management in Business (5), Monetary and Financial Economics (4), Human Resources Management (4), Negotiation Techniques (4), Investment Strategies in Business (5), Insurances and Reinsurances (3), Economic-Financial Analysis (5), Intercultural Management (4), Economic Projects and Enterprise Games (4), Banking Operations and Techniques (4), International Financial Relations (4), Financial Audit (4), Fiscal Policies (4), European Union Law (5).

A comparative analysis of this curriculum with the American curriculum offered by the Auburn College of Business yields several conclusions. The Romanian curriculum is made of more and smaller pieces, which increases the necessary student effort for understanding and integrating them into a more general perspective. The number of courses and their associated credit points for Economics and Finances dominate by far this curriculum, in comparison with the number of courses for Management and Marketing. A simple computation shows that the relative importance of Economics and Finances in the whole curriculum is represented by 42%, while the Management and Marketing represent only 22% of the total number of credit points of the whole curriculum. This unbalanced situation reflects the old mentality that Management and Marketing are economic fields of studies. Actually, in the former socialist historical period Management and Marketing were considered capitalistic products and their importance was very much decreased. Unfortunately, even now there are many professors in this university who try to downsize the importance of these disciplines in favor of economic disciplines. Thus, they would like to preserve some of the advantages of having so many courses in Economics and Finances, which means actually many teaching hours and many associated norms available for them. To be realistic, in socialism we did not have a free market economy and thus we did not have business activities. Things changed only after 1990, and thus performing business and developing a business university education are quite new things. On the other hand, economic education is quite old and that explains its dominance in any curriculum offered by the Academy of Economic Studies.

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In Romania, the higher education curriculum structure is conceived as a block structure, with a composition able to match the requirements established by the National Council of Academic Evaluation and Accreditation for each specialization (i.e. accounting, management, marketing etc.). There are no major and minor fields of studies. The curriculum structure has a core of courses designed for the given specialization which are compulsory for all the students enrolled in that specialization, and some other related courses offered on an optional basis. From this point of view, the curriculum is rather rigid and hard to change and adapt to new requirements. Its design is based more on historical grounds than on future needs of the labor market. Its flexibility with respect to students' freedom to choose is limited by the accreditation procedures, which still reflect the old mentality of uniformity and control tower decision-making process.

In the American system, students choose their courses according to their major and minor fields of studies, and for each chosen course there will be a class of students. In the Romanian system, students enroll in a certain specialization from the very beginning, i.e. from their admission to the university. Thus, student classes are formed based on these specializations and all students in such a class must follow the same curriculum. Elective courses are very few and only in the last semesters. This is a situation inherited from the previous overcentralized education system, when all curriculum decisions were made at the Ministry of Education level. Now, curriculum decisions are made at the university level, but they are severely restricted by the accreditation procedure which is based on national standards approved by the Ministry of Education. The direct consequences of this situation is that two different universities offering the same specialization (i.e. management, marketing, business administration) will have essentially the same curriculum. The liberty a university has to innovate its curriculum content and to adapt it to the labor market needs is very limited. This limitation is further enlarged by the old way of considering the teaching activities of professors based on given norms, by legislation. In other words, a professor position is basically defined by the number of teaching hours. Since all professors have their status secured until their retirement age, it is very important to keep the total number of teaching hours and the same courses as much as possible without any modification.

We may conclude that inertia forces to any change in the curriculum come both from legislation and from academic management mentality. A significant change in the legislation of higher education is necessary to come up with some new concepts concerning the design of university curricula.

Goal of a Business Education

The goal of Auburn's College of Business is to prepare students to become effective and socially responsible managers of business, industrial organizations, and government agencies and responsible citizens and leaders of society (Auburn Bulletin 2006-2007). Effective and socially-responsible managers are not just men and women

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who know facts about business topics, but instead are able to make good decisions made on the basis of business knowledge (Dess, Lumpkin & Eisner, 2007). Accordingly faculty members at the College of Business emphasize not only the core knowledge associated with the various disciplines, but also emphasize the processes of critical thinking and decision making.

To help illustrate the goals of a business education, the objectives from the syllabus of an Auburn College of Business course titled Strategic Management (MNGT 4800) are reproduced below:

1. Provide an opportunity to integrate the knowledge and skills acquired in earlier classes. This is the College of Business' "capstone" course and requires the integration of various functional-level courses such as accounting, finance, operations, and marketing.
2. Learn how managers make resource deployment decisions for the long-term survival and prosperity of an organization.
3. Provide an understanding of the concepts and theories of Strategic Management.
4. Enhance creative and critical thinking in decision processes affecting strategic analysis, strategy development, and implementation.
5. Enhance written and oral presentation skills.

As one can see, the learning objectives for this course involve not only learning the new concepts and theories associated with the course, but also learning how to think creatively and critically using the new concepts. In addition, because communication skills are vital to success in the American workplace, the course objectives also include enhancing written and oral presentation skills.

At the declaration level, the goal of business education at Academy of Economic Studies is pretty close of that formulated above. However, there is a large gap between such a declaration and the real situation. By tradition, economic education in Romania has been based on accumulation of knowledge and not on developing skills to process it efficiently. Teaching has always been a one-way process directed from professor to the student. It was considered an act of courage for a student to ask questions of his/her professors or to express some of his/her personal views. Only recently, have some professors tried to encourage students to participate actively during class presentations. However changing the style is not so easy. It is interesting to note that while the majority of senior students are quite passive, the freshmen are more open and eager to take an active part in class presentations, and to develop a two-way communication process. In this way, the quantitative knowledge transfer is changing slowly into a new qualitative process. Looking carefully into the content of the curriculum presented above, rarely would someone discover any course on critical thinking or decision-making process. This is the best demonstration that the Romanian business education goal is still in a deficient state without concrete support from the curriculum content. These graduates will have a lot of knowledge, yet they

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will have difficulties in making good managerial decisions, especially in contexts with high uncertainty levels.

The American goal for business education is coming from a strong free market economy with a high degree of competition and globalization. To prepare professionals for such markets it is necessary to emphasize the skills and capabilities for good decision-making, and creative solutions development (Sternberg, 2003). Critical thinking and strategic vision are important targets for business education. In Romania, the market is far from being a free economy functional market, due to many direct and indirect state control mechanisms and to the many ways of politically influencing its functionality. Competition is still substituted with different pre-arranged scenarios and biased criteria. For this transition situation it is really hard to define a clear and consistent goal for business education. Yet, it is the university's responsibility to do it and to prepare professionals for a future market economy and not for the present one.

Pedagogical Methods

Given the broad objectives of a business education at Auburn University, it should not be surprising that the pedagogical toolbox contains more than just lecturing. Lecturing is a good way to provide a basic understanding of the concepts. However, to help students learn the concepts more deeply, a wide variety of tools are needed. Tools that help students understand the concepts sufficiently to make good decisions are required. At Auburn, professors attempt to relate the academic concepts to real life through providing real life examples, and showing videos that highlight the concepts. Company visits are another tool used to expose students to real-life business situations. Companies host classes for tours of and presentations about their operations. Students find that these tours illustrate how to use the concepts that they have learned in class in the workplace.

The grading components from the syllabus of the Auburn College of Business course titled Strategic Management (MNGT 4800) illustrate the variety of pedagogical tools used in classes at Auburn's College of Business. In this class, the students are given grades for three exams, a grade for an analysis of a case, and multiple quizzes. In addition students in this class are placed in groups and tasked with making decisions that impact the long-term performance of a simulated company. In conjunction with this simulation, a grade for how well their company performs, along with a grade for a shareholders' report and presentation to a shareholders' meeting are assigned.

Another pedagogical tool used at Auburn to help expose students to real life work issues is the invitation of business executives to address classes. Several times a year, businessmen and women, who had lead world-class companies, come to campus for several days to lecture students. Recently, executives from Unite Parcel Service, General Motors, Inc., Dell, Inc., and many other notable companies have been guest

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lecturers at the College of Business. Often, the focus of the discussions is how to lead in an ethical manner. These lectures enrich and add to those of faculty members as students are exposed to real situations similar to which they will be exposed to someday.

One very important tool used with Auburn students is the internship program. Students may earn up to 3 hours in Accounting, Economics, Finance, Logistics, Management, or Marketing for internship credit. Auburn has both domestic and international internship programs. For example, in the summer of 2006, a number of students worked in London earning internship credit. To earn credit, the students must work full time for a company for one semester. In addition, the student is required to write a report on what she/he learned about concepts from the relevant discipline.

At the Academy of Economic Studies, higher education has been traditionally based on teaching from professors part, and on learning from class notes and books from students part. There have been always seminars, i.e. hours designed for applications, but they have been used for strengthening the theoretical concepts and not for developing practical skills. During the summer, students used to have some weeks spent in the real life of different companies, but not based on working contracts. Not being an employee and having a given responsibility means not to be a real player of the organizational life, which means an inadequate position to acquire tacit knowledge and to weld it to the explicit knowledge obtained in classrooms (Bratianu, 2006). After 1990, even these practical activities have been degraded since all the economic life has been dramatically changed. We hope that in the near future, when the education legislation will be improved, these summer practical activities to be transformed into internship programs. In the school seminars, there are some simulations and enterprise games students play, but they are few and not consistent with the whole spectrum of courses offered by curriculum. Most of the applications are based on classical thinking models which stress static, deterministic and linear thinking. Almost all the problems students have to solve are well formulated and having only one answer which can be obtained by applying some methods, formulae or predefined schemes. However, being a businessman or a manager one never has to solve well defined problems and to apply some well known formula to get the right answer. By a well defined problem we mean a clear formulation of a certain situation, with complete data and information, and with almost zero degree of uncertainty. Making decisions in such a risk free and clearly defined knowledge environment it is very easy for students and very far from the real life (Bratianu and Murakawa, 2004).

Recently we adopted for teaching different management topics the case study approach. However, in Romania there is a real problem in choosing the most significant case studies. If we consider cases from the Romanian transition period, good things are hardly separated from the bad things since most of the fast growing companies have somewhere in the shadows political people and mechanisms to promote them in a pseudo-competitive market. The “success” stories proved to be more and more based on direct personal relationships and well controlled situations than on hard work and creative thinking. If we would consider only the case of some

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pieces of legislation given for one day and for some very special people it would be enough to understand how difficult it is for professors to select meaningful cases without being trapped in all highly planned scenarios and media distorted interpretations. Yet, there are a few cases based on hard work and innovation, but it will take some time to know more about them and to get enough information to be able to formulate such study cases. Then, we turn up to study cases from books, i.e. mostly cases from U.S.A, U.K. and Japan. Here, students have a natural attitude of considering them not being enough fitted for the Romanian business environment and they might be right. Such cases like Microsoft, Dell Computers, Starbucks, Google etc. are real success stories but for business environments which are so far from the Romanian situation today. Bill Gates, Jack Welch, Sam Walton, Richard Branson or Louis Gerstner, Jr. could never performed so well in such a transition period, although these changing economic environments offer the most interesting opportunities for creative minds.

Ideas to invite speakers from business to talk to our students are excellent. However, it is hard to find the best people to be invited since most of those who really have something to say are not interested in sharing their experience with students or are too busy to accept such invitations. In the Faculty of Business Administration there are some good examples in this respect but only for the master programs. For undergraduate students these occasions are rare and they happen mostly as a result of student organization projects. It is an excellent practice and we have to find the best ways of convincing the Romanian businessmen to accept to come and share their experience and way of thinking with our students.

Approach to Academic Dishonesty

The final topic of discussion is the differing approaches to academic dishonesty. Academic honesty is critical to education. Academic dishonesty has a corrosive effect and spreads rapidly unless unchecked; accordingly, Auburn takes a firm approach with students who practice academic dishonesty.

To ensure students know what is expected of them, academic dishonesty has been defined, and the definition has been published in the Tiger Cub, which is the student handbook. In the 2005-2006 Tiger Cub, academic dishonesty was defined as the following:

Auburn University expects students to pursue their academic work with honesty and integrity. Violations of this principle may include:

1. The possession, receipt or use of any material or assistance not authorized in the preparation of any essay, laboratory report, examination or class assignment to be submitted for credit as part of course or to be submitted in fulfillment of a University requirement. The possession, receipt or use of

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unauthorized material while an exam or quiz is in progress, or cheating of any other nature, will be a violation of the Code.

2. Knowingly giving assistance to another in such preparation.

3. Selling, giving, lending, or otherwise furnishing to any other person any material that can be shown to contain the questions or answers to any examination scheduled to be given at some subsequent date in any course of study, excluding questions and answers from tests previously administered and returned to a student by the instructor.

4. The submission of themes, essays, term papers, tests, design projects, similar requirements or parts thereof that are not the work of the student submitting them. When direct quotations are used, they should be indicated, and when the ideas of another are incorporated into a paper, they must be appropriately acknowledged. Almost every student has heard the term “plagiarism.” Nevertheless, there is a danger of failing to recognize either its full meaning or its seriousness. In starkest terms, plagiarism is stealing—using the words or ideas of another as if they were one’s own. If, for example, another person’s complete sentence, syntax, key words, or the specific or unique ideas and information are used, one must give that person credit through proper documentation or recognition, as through the use of footnotes.

5. Altering or attempting to alter an assigned grade on any official University record. This violation may also be subject to review and action by the Student Disciplinary Committee.

6. An instructor may delineate in advance other actions he or she considers a violation of the Code. For example, the teacher may consider it dishonest or unethical to submit the same paper for credit in more than one course unless specific permission has been given in advance.

Because of the importance of academic honesty, faculty members use a common approach to academic dishonesty. Once a faculty member catches a student cheating, the faculty member meets with the student to inform him that the faculty member plans to report the incident. The next step is to send a letter to the student with copies to the Associate Provost for Academic Affairs, the student’s dean, the faculty member’s dean and department head. All evidence is then sent to the Associate Provost for Academic Affairs. The Associate Provost subsequently makes a decision and informs the student and the faculty.

Theoretically, academic dishonesty is prohibited at Academy of Economic Studies as well, from the same basic reasons. However, the concept of “private property” became an operational concept in everyday life only after 1990, and still there some mental barriers in accepting the full meaning of the “copy right”. More than that, in the former socialist regime the concepts of intellectual work and intellectual property have been severely damaged. It is very difficult now to change these cultural values which generate academic dishonesty, but not impossible. There are some efforts in this direction taken by the university management and the faculty

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staff, but their outcomes still have little impact on the students' behavior. There are necessary new ways and motivation mechanisms such as fair competition and value recognition in order to change the mental set up of students. Also, faculty staff should adopt a more clear cut attitude toward any attempt of cheating from students part in performing their homework activities and taking school exams.

Conclusions

Business education at the Academy of Economic Studies, Faculty of Business Administration is a relative new university program by comparison with the Auburn' College of Business, reflecting the new changes in the Romanian economy. Although there is a solid background in the Economics programs offered by this university, business education needs a fresh new look and a different learning perspective than the traditional education in the Romanian higher education. The comparison we performed between these two education programs show the need for the Romanian curriculum to be restructured in a market driven approach, reducing traditional courses in Economics and increasing those courses able to contribute more to developing critical thinking and strategic analysis.

Traditional teaching methods based on knowledge quantity should be changed with new approaches emphasizing knowledge quality and skills development. Actually, it should increase the tacit knowledge intake by direct experience in the real business environment. Thus, internship programs and management simulations should be integrated in a substantial way in the business education programs at Academy of Economic Studies.

Finally, the university is a special environment where knowledge and values are shaped and integrated in a special mental model for each future professional in the field of business and management. As a logical consequence, a clear cut attitude from the faculty staff and academic management should be taken to discourage students dishonesty.

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