Beyond Mintzberg

Managers Are Made, Not Born. But Can An MBA Program Teach A Person To Be A Good One? That Debate Will Probably Never Be Resolved. But It Drives The Evolution Of Management Education

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In 2004, McGill University professor and renowned management theorist Henry Mintzberg published his seminal book, Managers Not MBAs. In doing so, he threw down a gauntlet, dismissing generations of graduate management education practice, arguing that traditional MBA programs are not only ineffective, but actually harm companies that hire MBA grads, economies dominated by MBA-lead corporations, and North American society in general.

The crux of Mintzberg’s criticism was three-fold: Traditional MBA programs teach the wrong people (young, with little or no management experience). They do it the wrong way (business analysis in functional silos, instead of “soft” skills such as communications and negotiations in a way that cuts across silos). And the process yields the wrong outcomes (narcissistic kids under the misapprehension that they’ve been trained as managers, when, in fact, they’ve simply picked up are a few analytical skills, and nothing by way of the experience, craft, intuition and humility necessary to navigate the controlled chaos of modern business).

Mintzberg argued that 80% of MBA education is nothing more than analytic problem-solving, which reduces management to decision-making and, subsequently, decision-making to analysis. In reality, Mintzberg said, management is mostly about the soft stuff, “working with people, doing deals, processing vague information.” And the soft skills get “lost amid all the hard analysis.” Coming in for special condemnation were MBA programs such as
Harvard's, which made extensive use of case studies, which Mintzberg believes are overemphasized in MBA education, leading to a distorted presentation of the managerial process.

All of which led him to conclude, "No one should be allowed out of a conventional MBA program without having a skull and crossbones stamped firmly on his or her forehead, over the words 'Warning: NOT prepared to manage."

To say the book created a stir would be an understatement. Business schools -- and business school deans in particular -- took notice. Some repudiated Mintzberg's theories and findings outright. Others conceded that no, MBA programs weren't perfect, but were hardly the unmitigated disasters Mintzberg made them out to be. Others even moved to incorporate some of Mintzberg's proposed remedies -- raising the age and experience level of students accepted into MBA programs, attempting to create more integrated programs, cutting back on case studies in favour of theory, adding soft stuff, such as ethics and sustainability.

But that was six years ago, and nothing is static in the world of MBA education. Schools change, as do the demands placed on them. Students change, too, and the MBA programs of today are not those that Mintzberg first railed against. Many schools say they haven't been that way for years. Still, the debate over whether management can be taught -- or how it can best be taught -- is endless. The question is: How are schools of today, with or without Mintzberg, evolving and what is the MBA becoming?

NO ONE HAS a recipe for the perfect MBA program. And if someone tried to write one, it would be subject to as much debate as Managers Not MBAs. But there is one point on which schools agree: No matter how much insight Mintzberg may have provided in his book, his conclusions are not in step with the current reality of graduate management education.

"A lot of his arguments aren't as relevant today because the schools have adjusted," says Alan Hochstein, director, MBA Program, at Montreal's Concordia University. "It's now impossible, for example, to get into any reputable MBA program without a minimum of two years work experience, and in most cases much more experience than that. The average age of our MBA students is 29, far more senior and experienced than a generation ago."

As for teaching mostly analysis within functional silos, Hochstein says that's necessary in the first year of MBA programs to lay the foundations for students with limited hands-on business experience. So while there's "an element of truth to much of what Mintzberg writes," Hochstein says his criticisms of management education are far too harsh, and his proposed remedies needlessly draconian. "Condemning the entire educational model isn't helpful, and smacks of throwing the baby out with the bathwater. His idea that MBA programs should be scrapped, and management only taught to practising managers, won't work, because most will never go back to school. They're too busy."

Deszo Horvath, dean of the Schulich School of Business at York University in Toronto, likewise argues that much of what Mintzberg has been railing against in management education has been fixed. "Mintzberg's ideas are quite outdated," says Horvath. "Even when the book came out it was already outdated. We went through a period of admitting younger MBA students back in the 1990s, but quickly gave it up because he's right, it's impossible to teach
management to young people with no real-world experience. Today, our MBA students are between 28 and 30 years old, with five to seven years experience. Our part-time MBA students are 35 years old and up, and our EMBA program has a clear requirement for eight to 12 years of managerial experience."

And if the "too young" argument has been solved at Schulich, so has the over-emphasis on case studies as teaching tools. "Some schools heavily relied on case material, but we never took that approach. The case method isn't a good surrogate for the complicated world." Instead of using cases to solve problems, he says Schulich uses theory to help students identify problems. "That's where the skill lies. Once you've identified the problem, the solution tends to jump out at you."

McMaster University's DeGroote School of Business in Hamilton, meanwhile, continues to cater to young MBA students with limited business experience. By way of compensation, however, the DeGroote program is both longer than most -- 28 months versus as little as 18 months for some other programs-- and co-op, interspersing four-month work terms with academic study. "There's an inter-relationship between the academic and work portions, where they support and build upon one another," says Isabella Piatek DeGroote's manager, MBA Programs. "Students write work-term reports, and employer expectations increase as students progress through the program."

Mike Percy, dean of the University of Alberta's School of Business, says that most business schools have by now acknowledged that management is more than number crunching, and have taken steps to modify their MBA programs accordingly. "Most people will agree that a good MBA program is about informing the judgement of students and helping them understand the environment they'll be working in. To that end, most MBA programs have become team-based, so students can understand that business is inherently social, and not just a matter of technical expertise in various functions.

"There has been a move away from the primacy of analysis," Percy continues. "Firms that employ MBAs have made it clear that they're not looking for technocrats. Technical competence is taken as a given, the price of admission. It's the soft skills that allow you to manage and lead."

Accordingly, the University of Alberta takes great pains to admit a broad cross-section of students from different backgrounds, cultures and geographies, with a variety of skill sets and experiences. "What we strive for is heterogeneity," says Percy. "We want our students to see different business cultures at work, get them out of their comfort zones, push their limits as people."

But no school is more diverse than Schulich, where non-Canadians occupy fully half the MBA spaces; two-thirds boast dual citizenship; and graduates can be found in 90 countries supported by 86 alumni chapters worldwide. "We're the most globally oriented international MBA program in North America," says Horvath, who's headed up Schulich for the past 22 years, making him one of Canada's most-respected business school deans. "One of the lessons from the financial meltdown is that the global business environment is more integrated than anyone thought.
MBA grads have to be able to work in multilingual, multicultural environments in order to succeed, and business schools will increasingly be expected to attract and graduate students globally.

Schulich is also ranked No. 1 (by the Washington-based Aspen Institute) among MBA programs worldwide in integrating environmental, social and ethical issues into its curricula -- another example of the way in which MBA programs are adapting to shifting business environments, and preparing students for the latest management challenges, says Horvath. "The current generation of MBA students cares about these issues much more than previous classes. There's an increasing realization that companies can't focus only on short-term profit and shareholder value, that they have to focus on all stakeholders and think about sustainability." That creates particular challenges for MBA programs, he adds. "It's tough to integrate business functions, much tougher yet to integrate social, political and environmental concerns. But we're doing it."

Much of that integration takes place in Schulich's second-year Real World Strategy Study, where students spend six to eight months working in teams analyzing real companies and formulating strategic plans for them. "It's tough, but I have yet to hear from any graduate that this wasn't their favorite part of the program. It brings together everything they learn about analysis and business functions, working in groups, corporate social responsibility."

Even Mintzberg wouldn't argue that MBA programs have been static over the years. But the changes that have been made don't cut much ice in his opinion. "Integration isn't being done in the second-year MBA capstone projects," he insists. "Marketing isn't management. Accounting isn't management. And the sum of the functions isn't integration, even if the cases cut across functions."

Nor does he think much of those real-company analyses most MBA programs undertake as their second-year capstone projects. In Managers Not MBAs, he noted that when it comes to bacon and eggs, the chicken is involved, but the pig is committed. "MBA students play chicken in case-study exercises. They don't have to worry about the implementation of their strategies, or what happens if their grand schemes don't work. It's not a realistic simulation of management, because they don't have any skin in the game."

Surely, though, there has to be some MBA program somewhere in Canada that Mintzberg doesn't completely disdain. "Well," he says after a moment. "I've heard some good things about Royal Roads." Indeed, the iconoclastic Victoria university's MBA program comes closest to the International Masters of Practicing Management (IMPM) Mintzberg set up at McGill 15 years ago (and subsequently at other locations throughout Europe, Asia, India and Latin America), to address the perceived shortcomings of traditional MBA programs.

For starters -- and perhaps most critically -- the Royal Roads MBA caters exclusively to working professionals: the average age of students is 39, with 12 years managerial experience. With such a mature, experienced class, learning tends to take place peer-to-peer, as much as teacher-to-student. "The teacher becomes a facilitator, another voice around the table, shaping but not necessarily dominating discussion," says dean Pedro Marquez.

Compare this with IMPM's modus operandi, which sees students spend five minutes each morning writing down their reflections and thoughts, 15 minutes sharing them with their table, and an hour discussing the more interesting ideas
in a full-class plenary session. Royal Roads also makes use of the modular teaching structure favoured by Mintzberg: Students attend the university for two three-week residencies, or "experience labs," with the rest of the program being delivered online in a series of eight-week distance learning modules.

"The online component allows us to reach people who are too busy to take two years off work to get an MBA," says Marquez. "But it can be lonely, just you and your computer. The three-week residencies allow you to make relationships with other students, and form study teams, so you have a bit of a support network as you go through the 18-month program."

As with other programs, the Royal Roads MBA culminates in a real-world organizational management project. Unlike other MBAs, the company students end up analyzing most often is their own. This addresses another of Mintzberg's pet peeves: that most executive MBA programs fail to take advantage of the wealth of experience in the classroom.

"EMBAs boast that they simulate real-world experience. But why simulate when the experience is sitting in the class, each manager already with 'real world' problems that need solving. Shouldn't they be analyzing what they know best?" he wrote in Managers Not MBAs.

Yet another deviation from most business schools is the nature of Royal Roads instructors: a small group of core faculty drawn not from traditional academia, but from the executive ranks of corporations.

"Faculty at most schools follow the publish-or-perish model," says Marquez. "I don't want my faculty spending long hours publishing in triple-A academic journals. You don't have to do that to get tenure at Royal Roads. Instead, I want my faculty to have an intimate knowledge of the business community and the business environment in Victoria and beyond."

Back at Concordia, MBA program director Alan Hochstein sighs, clearly frustrated with ongoing sniping from his high-profile McGill colleague. "Henry Mintzberg says capstone case analyses don't mimic the real world. We had a team do an analysis for a company, and when it was over the company in question phoned us up and said the recommendations from our students were bang-on and were, in fact, already being implemented."

"Furthermore, MBA curricula is very fluid, always changing. After the World-Com and Enron scandals, schools started to look at where the executives graduated from, and lo and behold, they came from some of the most prestigious business schools in North America. That prompted MBA programs to start adding ethics courses, so that virtually all MBA programs today teach ethics."

Indeed, Harvard University has gone so far as to have its MBA students swear an oath of ethical behavior upon graduation. To which Mintzberg laughs. "I get the feeling Jeff Skilling would have signed that oath in a flash. They still don't get it."