



# Why Business Schools Need Radical Innovation

**Bodo B. Schlegelmilch**



# Business Schools under Pressure



- **Changing Competition**
- **Changing Technologies**
- **Changing Geographical Focus**
- **Changing Student Concerns**

# Competition



Infosys Mysore Campus



**One third of America's graduate degrees are now taken online**

# Technology



# Changing Geographic Focus

- While Business Schools originated from Europe; they quickly became a hallmark of the United States.
- Management knowledge was then primarily dispersed from West to East.
- Many Chinese students were studying in the USA and, to a lesser extent, in Europe.
- Today, management knowledge is much more evenly distributed.
- Chinese Universities in general - and Chinese Business Schools in particular - strengthened substantially.
- More and more international students come to study in China.
- China starts building campuses abroad.



# Evidence: International Student Flows

- United States – 28%
- United Kingdom – 11%
- Germany – 9%
- France – 7%
- Australia – 4%
- Japan – 3%
- Spain – 2%
- Belgium – 2%
- Other – 34%



**2001**

2.1 million students



**2019**

5.3 million students

- United States – 21%
- United Kingdom – 9%
- China – 9%
- Canada – 8%
- Australia – 8%
- France – 7%
- Russia – 6%
- Germany – 5%
- Japan – 4%
- Spain – 2%
- Other – 21%

Source: Project Atlas, 2019;  
UNESCO, 2019

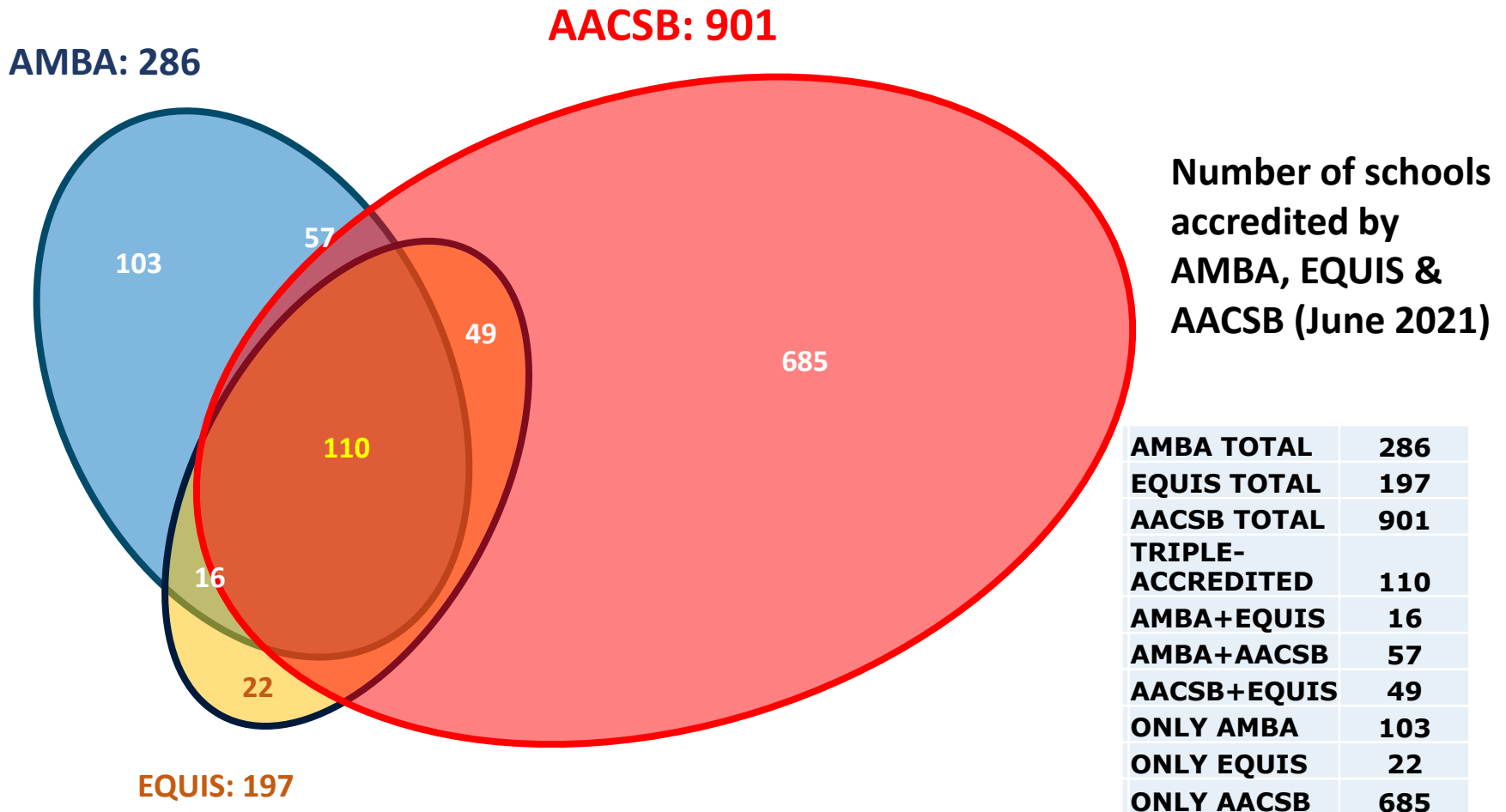
The growth rate of Chinese students studying in the United States has **declined by 30% since 2009.**

# Evidence: 30 Years of MBAs in China

- In China, the first nine MBA programs were launched in 1991.
- AMBA was the first international accreditation body that accredited Chinese MBAs.
- Today, there are 243 MBA programs in China.
- AMBA accredits 43 Business Schools in Greater China.
- In the latest Financial Times Ranking (Nov. 2020), 17 Chinese EMBA are among the top 100.
- **Top 6 rankings** involve Business Schools from China.



# Evidence: Increase in Accreditation among Asian Business Schools



AMBA accredits 43 Business Schools in Greater China and 12 in India.



# Student Concerns

whenever...



wherever...



however...



...it best suits ***THEM***

# Student Concerns

## Profit



## Planet



## People



➤ **Search for a more holistic approach**

➤ **Expect Business Schools to champion the UN sustainability goals**

## Changing competitive environment

- **New** collaborations and competition with digital platforms
  - ✓ *business model competition*

## Changing technological environment

- **New** technological resources and capabilities
  - ✓ *delivery methods, teaching tools, personalized offers*

## Changing student concerns

- **New** pedagogical approaches and revised curriculum
- ✓ Hybrid-modes, edutainment, interdisciplinary, outreach programs, sustainability, CSR.

## Changing geographic focus

- **New** focus on Asia (China)
- ✓ *Restructuring of international student and research exchanges.*

# No Time for Complacency – Business as Usual is Over

**Business Schools Need Radical Innovations,  
including Curriculum Innovation and Sustainability**



# For more Information



Prof. Bodo B. Schlegelmilch,  
Ph.D., D.Litt., Ph.D. (hon.)  
Chair

Direct: +43 (0)1 313365099 Mobile: +43 (0)676 8213 5099  
Email: chair@mbaworld.com

25 Hosier Lane London EC1A 9LQ  
www.mbaworld.com



**Institute for International  
Marketing Management**  
Welthandelsplatz 1, 1020 Vienna,  
Austria

**PROF. BODO SCHLEGELMILCH,  
Ph.D., D.Litt., Ph.D. (hon.)**

T +43-1-313 36-5103  
bodo.schlegelmilch@wu.ac.at

Schlegelmilch, B. B. (2020). Why Business Schools Need Radical Innovations: Drivers and Development Trajectories. *Journal of Marketing Education*, 42(2), 93-107.

**Free download:**

<https://doi.org/10.1177%2F0273475320922285>