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Business Education as a Social Transformation in the Training of Higher School Managers

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The article describes historical dynamics of basic business education paradigms, social transformation of business education and its main dominants on different time periods. It focuses its attention on the overview of the specific character of business education for the higher school managers and the practice of implementation of business education programs for higher school managers and pilot study of social-psychology qualities of higher-school managers.

Keywords: business education, basic paradigms of business education, social transformation, business education for higher school managers, professional retraining program, potential abilities of now-day educational managers.

1. Introduction

The passed 20th century was a century of revolutionary changes in the vital functions of a human being. A glance on Earth from the space was an outcome of the stupendous achievements both of science and engineering. However, being able to have a glance on Earth without flying off the ground is the triumph of the modern computer and telecommunication technologies. The world is now ruled by information. The world community of the 21st century is turning more and more into the community of knowledge where the main value defining the well-being of both an individual and the whole state is not material welfare but up-to-date and easily accessible information.

Today the Natan Rotshield's statement "The one who owns the information owns the world" can be easily reformulated – the one who

manages the information manages the world. The knowledge management means not only the new approaches but also the new extension of the contents of the professional education. A special place in the knowledge management is occupied by business education that involves professional education as well as training of those who undertake management functions in companies and organizations working in the modern market conditions and focusing on the profit making.

2. A bit of history

Although the first business schools were set up in America as far back as the 19th century (the Business School of Philadelphia University was set up in 1886), the business education started to gain real strength only in the cosmonautics development era – in the sixties of the last century.

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That period concurred with the investigations in the field of the economic and mathematical methods which were a breakthrough in the sphere of analysis and feasibility study of management solutions as well as the essential qualitative investigations in the behavioral sciences such as sociology, industrial and organizational psychology, organizational behavior.

3. Paradigm of business education

The scientific breakthrough in management disciplines resulted in the first paradigm of business education. Its main point was strict compliance with the scientific standards including a specific set of business disciplines corresponding to the appointed subjects of a scientific nature (the qualitative methods and the organizational behavior became obligatory branches of science).

The “scientific” paradigm of business education was focused on the transformation of a practical manager into a widely educated professional by means of a profound study of sciences corresponding to specific business functions such as production management, marketing management, financial management, HR management, etc. The case study coming from the practical jurisprudence was considered the main method of the training. Those programs were used for the training by the professors and teachers highly qualified in respect of science. That was how the classical MBA program appeared to train general managers so that they were prepared to ensure all business functions.

The famous aphorism of F. Bacon “The Truth is a daughter of Time not Authority” found a response in the destiny of the “scientific” paradigm of business education. That paradigm of manager training did not pass the test of time and proved to be inefficient in practice.

The multiple evidences were not to the credit of scientific methods of management

and overestimated role of analytical methods (Business-education..., 2004). The criticism was mainly caused by the training in compliance with the real situations of life. The so-called “scientific” paradigm could not catch up with the rapidly changing world that required quick strategic and structural reorganization and change. An academic manager could not adapt the scientific methods and functional knowledge to the continuously changing reality fast enough. As the European time management founder L. Zaivert said the managers built up by the “scientific” paradigm preferred doing business in the right way instead of doing the right business, solving problems instead of creating alternatives, saving money instead of using it in a better way, doing the duty instead of achieving results, cutting down costs instead of raising income.

In the eighties of the last century the business education paradigm changed. The so-called “system” paradigm appeared in the market of education. Its main idea was the adaptation to continuously changing environment as well as an active entrepreneurial position. The requirements to a manager changed from being a broad professional manager to the business innovator demonstrating more active behavior from the standpoint of looking for new opportunities, creation of new markets, rapidity and mobility. From that moment a manager was seen as a strong leader, a personality able to lead the organization to new business achievements and what is more to make a leadership team of the company management staff at any level of the organization. Then the main objective of the business education was not only to build the leadership qualities, but also to prepare a person able to solve continuously changing tasks of the company in the changing world of business.

The system paradigm considerably changed the requirements for business education and its programs. The primary

importance was assigned neither to the program correspondence to the set structure of subjects nor to the scientific level of the programs, but to understanding the program mission statement defined by the training objectives, the client group and other parameters. The focus was on the inclusion of integrative courses such as strategic management, business policy, change management, business planning, etc. in the content of the programs. Special emphasis was put on the development of the manager's personal qualities. In addition to the case study, the main training methods were professional workshops and a combination of book education and real projects implementation

Nowadays the development of global informational networks radically changes one's access to knowledge. It is believed that the competition leaders of the 21st century will be the organizations which can accumulate the necessary knowledge (technical, management, marketing, etc.) and have the personnel able to generate, perceive, apply and upgrade this knowledge as well as the managers able to manage the knowledge

Jerry Wind, Professor of the Worton Business School (Evenko, 2004), believes that the informational technologies have already given rise to the new education paradigm which differs from the previous one: a) by the teaching method (as the passive perception of knowledge has been replaced by teaching through performance of tasks coming up in the real world); b) by the content (in view of the transformation of the standardized education into the customer-oriented and personalized one); c) by time and place (as it is no longer a discreet training based on attending educational programs from time to time, but a continuous in time and place kind of training with every person being able to learn at any time and in any place according to the demand for new knowledge and skills).

4. Trends of business education in russia

What is the state of business education in Russia nowadays? Which paradigm is used by most of educational establishments that provide business education services?

The business education in Russia is an outcome of the economic transformations that took place over the last two decades. The change in the social and economic system caused a number of infrastructural changes and some changes in education, in particular. Today the education has to reflect the essence of the market relations and build its own market of educational services. Due to the market demand the business education appeared as a special segment of education. It was mostly a result of entrepreneurial efforts of the advanced Russian professorate. In the conditions of new Russia business education is traditionally understood as, first and foremost, paid education and training targeted at the customer from management or business. That is why the term of "management education" is widely used along with the concept of business education while they are synonyms as a matter of fact.

Today the main customers of business education are, first of all, private business managers. Over ten years the government has been creating conditions for the development of a new for this country class that is the class of entrepreneurs and specifically the entrepreneurs with management education. The Russian Federation government has created a system financed by the state budget and aimed at the preparation of managers for the growing business. The Presidential Training Program for managers of the Russian Federation economy has existed for more than ten years already, and it used to choose only those candidates who represented business in industry, agriculture or trade. However, the business education customers have been changing along with the deep changes

in the economy and social sphere of the country. This year the Presidential Program starts to involve managers from the system of education and health protection, not only because there are enough managers in the national industry or agriculture. The problems of business have turned into the problems of public institutions such as educational and health protection establishments. The right to free education and free medical treatment has not disappeared. However, the paid services became a kind of a framework for such organizations which enables them to exist. As a matter of fact, the development of the paid service system makes the public institutions undertake the rules of the play in the market and continuously respond to the changing and dynamic environment.

It is an interesting fact that originally the universities performed as higher business schools to reflect the business community requirements. However, after ten years the universities have to enter the business community as business units which objectively need business education so they are turning into potential customers.

Today the educational establishments have to continuously respond to the conditions relating to the world globalization, development of various work force, changing requirements to professional skills, etc. The modern management of educational establishments is a complicated system that sometimes includes incompatible or conflicting elements. On the one hand, most of the higher schools in the country remain public institutions whose activities are based on the standards and laws worked out by the government. On the other hand, the market of educational services reflects the actual market economy with high dynamics of changes and transformations that frequently contradict the legal acts passed in the period when there was another social and economic structure in the country. This is why the management of an educational establishment

today is difficult not only from the legal and economic points of view, but also from the psychological angle as there is a conflict inside the educational establishment management. This is a conflict between the management itself for carrying out the educational function based on the national academic standards and the national code of laws and the management of an educational establishment in the situation of novelty, uncertainty, in other words, the practical implementation of actions which have never been implemented by anyone before.

The pragmatic orientation of business education is becoming a “panacea” for the higher school managers. Reflecting the specific changes of the environment, the business education can provide the most adequate ways of the problem solving which will make it possible to set up a modern, i.e. adaptive, system of management in education. A solution to the problem is a competence and psychological training of the higher school managers.

The experience of business education for the higher school managers can be traced in a number of universities of the country. The extension courses for pro-rectors, deans and department managers were organized several years ago in the Tomsk Polytechnic Institute. The Tomsk Polytechnic Institute together with the London University (UK) has developed the extension program for the Russian higher school managers in the field of university management under the British Council BRIDGE project. The program is made in compliance with the leading European universities requirements to business education programs. The extension course is delivered in the form of workshops where the modern university management problems such as strategic management in a higher school, management of scientific, educational and innovation activities, higher school corporate culture, higher school HR management are thoroughly discussed taking

into consideration the relevant Russian and world experience.

The Urals State University named after A.M.Gorky has got broader experience in business education for the higher school managers. In the current academic year the Institute of Management and Business of the Urals State University has organized a number of the university strategic planning sessions that were attended by all the university administration (i.e. top managers) headed by the rector as well as by the faculty deans. Besides, the main business education models from the MBA (Master of Business Administration) and professional retraining programs (the so-called "Director Courses") to the professional competence workshops have been used for the top managers in the university.

The university top managers were the first MBA program students together with business owners and managers from the open market. The program content and methods correspond to the "system" paradigm of business education. The program content includes such integrative courses as strategic management, business policy, change management, business planning, etc. The program students put special emphasis on the manager personal qualities development section. Case study, professional skills workshops, training by implementation of real projects were the main training methods in the program.

The professional retraining program "Director Courses" worked out for the open market won the recognition of the university administration and was offered for the training of deans, heads of department and teachers from the university management reserve. The program is based on the following principle: the individual is a priority, the society and technology follow. The program content is intended to develop general management skills and build specific leadership qualities necessary to work in the continuously changing environment

The Director Courses attendees took part in a series of pilot empirical research. Enough evidence was found to prove a high potential of the modern educational managers. More than 78 % of the audience revealed the entrepreneurial potential related to initiating new ideas, business risk and close link of their personal activities and interests (including the financial ones) to the company success or failure. 54 % of the audience belonged to the so-called A-type of the classification used in the social and organizational psychology. The A-type is characterized by the aggressive involvement in the continuous struggle for achieving more and more during a shorter and shorter period of time as they believe that their success is determined by how much they have achieved and acquired in their life. It is an established fact that an educational manager can be characterized by the following psychological features: well-developed intuition; pronounced cognitive abilities and aspiration to professional growth; a pronounced internal locus of the responsibility demonstrating sensitivity to a success or a failure situation; directing efforts to a result, not the process; evident domination of interests and values related to the job, not to other spheres of life; orientation of these settings towards the future; built up reflexive abilities; pronounced self-identification with business; high self-effectiveness and self-confidence; developed and adequate system of psychological protection.

In the same time, the facts of anxiety, non-constructive emotions over the arising problems and heightened sensitivity of particular self-appraisals to a failure situation were observed. The established features have proved that the resource of the educational institution manager's psychological potential needs to be made up and the form of business education can be used to improve and even reveal potential opportunities.

An important feature of the pilot research is demonstration of an educational manager potential readiness to participate in the practical

work for the achievement of the organization goals, even if it is for the sake of the manager's personal career or business success.

Thus, we believe that the modern business education is an important resource for any university in the situation of tough competition

in the educational services market as the business education not only combines the scientific and practical orientation with the continuous growth of management competence but also continuously motivates further development of an individual.

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Бизнес-образование как социальная трансформация при подготовке управленцев высшей школы

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В статье представлена историческая динамика развития основных парадигм бизнес-образования, рассмотрена социальная трансформация бизнес-образования и ее основные доминанты на разных временных этапах, проанализирована специфика бизнес-образования для высшей школы, раскрыта практика реализации программ бизнес-образования для топ-менеджеров высшей школы, представлено пилотажное исследование социально-психологических качеств топ-менеджеров образования.

Ключевые слова: бизнес-образование, основные парадигмы бизнес-образования, социальная трансформация, бизнес-образование для топ-менеджеров вузов, программа профессиональной переподготовки, потенциальные возможности современных менеджеров образования.
