Rethinking the Performance of Management Education,
some elements for a more socially responsible field

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Abstract
Are management faculties teaching socially desirable principles? Are management alumni generating beneficial impacts in society? How effective and sustainable are the practices nurtured by business schools?

This paper is triggered by the obligation to reflect about the social accountability that should be expected in the field of ME; insisting on the need to acknowledge the pervasive ubiquity of business, and the structuring role that management education –ME- plays within society. Pondering the question of ‘how ME performance should be assessed and improved?’, this article adapts Donna Wood’s model of Corporate Social Performance as a frame of reference to rethink the responsibility of management education through the exploration of principles of social responsibility, processes of responsiveness, and outcomes of behavior. While the existence of multiple levels of analysis is acknowledged -institutional, organizational, and individual-, emphasis is placed upon the reflection of the discretionary power -its limits and possibilities- that individual professors and researchers might have.

Key Words
Management Education
Business Schools
Social Responsibility
Stakeholder Management
Impacts
Programs
Policies
Individual Discretion
Otra mirada al desempeño de la Educación en Administración: algunos elementos para una disciplina con mayor responsabilidad social

Resumen

¿Están incluyendo las facultades de administración principios socialmente deseables dentro de sus currículos? ¿Están los egresados de las facultades de administración generando impactos benéficos en la sociedad? ¿Cuán efectivas y sostenibles son las prácticas implementadas por las escuelas de negocios?

Este trabajo surgió de la obligación de reflexionar sobre la responsabilidad social que se debe esperar del campo de la Educación en Administración –EA– insistiendo en la necesidad de tomar conciencia de la generalizada ubicuidad de los negocios y del rol estructurante que la EA representa dentro de la sociedad. Al reflexionar sobre la pregunta ‘¿Cómo debe ser evaluado y mejorado el desempeño de la EA?’, este artículo adapta el modelo de ‘Desempeño Social Corporativo’ de Donna Wood como marco de referencia para repensar la responsabilidad de la educación en administración; mediante la exploración de principios de responsabilidad social, de procesos de respuesta y de resultados de comportamiento. Aunque se reconoce la existencia de múltiples niveles de análisis – institucional, organizacional e individual– se hace énfasis en la reflexión del poder discrecional –sus límites y posibilidades– que puedan tener los profesores e investigadores en su individualidad.

Palabras Clave

Educación en Administración
Escuelas de Negocios
Responsabilidad Social
Grupos de Interés
Impactos
Programas
Políticas
Discreción Individual

Introduction

The ubiquity of the business ‘institution’ is undeniable, its organizations permeate multiple spheres of human life, and individuals are easy prey to the seducing chants of its appeals. Abundant evidence points to the porous interface and to all types of existent links between business entities and their environments.

The omnipresence of business phenomena leads the reflection to the domain of business training and education. Management schools are a privileged place where business concepts and practices are conceived and promoted; where normative and ontological definitions, as well as practical prescriptions strive for legitimacy and reproduction acceptability. In fact, many of today’s crises and shortcomings of economic actors and institutions are attributed to the way mainstream management
scholarship has permeated the minds and actions of its constituents. Even leading academics from the field (Ghoshal, 2005), (Bennis & O’Toole, 2005) have outspokenly expressed their deep concerns to scholar and practitioners’ communities.

The influential role of management schools is quite incommensurable; its effects –either positive or negative- are replicated in multiple settings, across time and geographic space, by ever flowing alumni cohorts. Intellectual prestige, social status, economic returns and political power, are just some of the assets that business academia irradiates. As a matter of fact, it could be stated that business education configures one of the most significant structuring processes within society. Having access to a privileged audience, business education embodies the power to promote ideas and project ideals, foster principles and forge behaviors; thus shaping patterns of thinking and actions that influence individuals and organizations. As a tribune with unique advantages, schools of management are responsible not only to its direct interlocutors, but to all the sectors of society that might be impacted by them.

Aware of the pervasiveness of business dynamics, and of the amplifying effect played by management education –ME- within these phenomena, it is compulsory to avow the obligation to reflect on the social responsibility that should be demanded to the field of ME; in other words, its required social performance. Are we teaching socially desirable principles? Are management alumni generating benefic impacts in society? How effective and sustainable are the practices nurtured by business schools?

Acknowledging that many dysfunctional and adverse effects of business practices are sustained by short-sighted schooling, but convinced of the power of leverage that education offers in terms of opportunities for change, social responsibility, ethics, and overall learning this
article articulates some ideas to promote thinking about the institutions, organizations and individuals that constitute the field of ME. In fact, any solid reflection about businesses has to be reflexive in regards to the educational processes that nurture and perpetuate them; some sort of ‘double loop’ analysis is indispensable as a means to conquer a deeper understanding of their inner foundations.

The exhortation for social responsibility from the actors that gravitate within the business universe might conveniently start by the quest and enactment of more socially aware ME assumptions and practices, which should be absolutely respectful to human nature in order to avoid the arbitrariness that could emerge from any normative analysis (such as the one herein proposed). Genuine openness to critics and eagerness for social improvement (e.g. tolerating diverse conceptions on how to overcome shortcomings and enhance potentialities), should orient the discussions about ME.

By recalling the etymological sense of ad-ministrare (to serve), maneggiare (to direct with a degree of skill), and educare (to lead out or lead forth); it is easier to remember that the purpose of management education should be to provide intellectual or moral instruction that will enable those who receive it, to better serve and direct. The origin of the concepts of administration, management, and education stresses the need to address multiple questions around the issue of social responsibility. For example, what does the expression ‘to better serve and direct’ mean, when applied to ME? Whose interests should ME serve? What kind of direction should be promoted by business schools? Questions like these should (and hopefully would) continuously be posed; by means of them, multiple positions might be stirred, spurring a kaleidoscopic set of answers that deserve immediate attention.

At this stage, the need for an analytical frame of reference appears evident. It has become imperative not only to include all possible voices and levels of concerns, but also to be aware of ideological stands. With these elements in mind, as well as the problems of responsible management education, this article has adopted the Corporate Social Performance model developed by Donna Wood (1991) and adapted it to analyze the field of ME. As it will be shown below, among other advantages, this model offers an integrative frame for analytical examination (and ulterior research) of multiple factors of ME, hence it systematically addresses diverse dimensions of societal concerns. Besides, the model constitutes a useful antidote against instrumental manipulations, in the sense that it encourages the revision of coherence among principles, conducts, and outcomes.

The general question triggering this reflective exercise, is how ME performance should be assessed and improved. Recognizing that multiple levels of analysis -institutional, organizational, and individual- are permeated by the field of ME, and following the analytical construct of Wood’s model, the following three subsidiary questions are articulated: 1) what is the relevance of social responsibility principles to the field? 2) How diverse processes of social responsiveness can be implemented by business schools? 3) which outcomes in terms of impacts, programs and policies should be considered by the organizational field of ME? In general terms, a concern for the limits and possibilities of the discretionary power individual professors/researchers might have, has inspired this reflection. In the quest for a more socially responsible field, the final part of the article provides some elements to nourish ethical thinking, while offering ideas for concrete action.

1. How should the performance of ME be assessed?

Several theoretical notions previously developed to evaluate the social performance of business organizations can be extrapolated to the field of ME, thus enhancing the plausibility of the reflective exercise herein proposed (i.e. to explore the social performance of ME). The idea is to discover/ articulate the most comprehensive framework that could serve as a model to interrogate the performance of ME, for both, academic research projects and pragmatic decision making.
The literature about social performance of business firms offers illuminating perspectives. Some authors examine the spectrum of strategic alternatives that organizations have or create in their interrelations with the environment. For example, Christine Oliver (1991) conjugates the perspectives of institutional and resource dependence theories, and builds upon them in order to offer a typology of possible strategic responses through which organizations might face institutional processes. Ten institutional dimensions are used to hypothesize the occurrence of alternative strategies, which reflect the varied degrees of organizational conformity-or resistance-to institutional processes. Other authors, emphasize the interiorized features and capacity of the company to filter out environmental stimuli and get politically involved in relevant social issues (Schuler & Rehbein, 1997), (Schuler, Rehbein, & Cramer, 2002), (Andersson, 2000). From a complementing perspective, other authors focus on the contextual elements that dictate the concrete obligations required from “business people and their firms” (Pasquero, 1997a), or on the empirical assessment of social performance (Vaara, 1995), (Clarkson, 1995), (Wood & Jones, 1995). Even if all of the previously mentioned authors propose elements that enrich analysis, none provides a general framework, comprehensive enough to illuminate the multiple factors that affect the social performance of any organization.

It is in the context of this profuse material, that an integral model acquires more notoriety. Such is the case of the seminal work of Donna J. Wood (1991) who has worked upon preceding models (specially Wartick and Cochran's, *The evolution of the corporate social performance model*, 1985) in order to articulate “a coherent, integrative framework for business and society research” (1991, p. 691). The enhanced definition of corporate social performance —CSP— elaborated by Donna Wood—and which builds upon Wartick and Cochran’s previous conceptualizations—includes:

*a business organization’s configuration of *principles *of social responsibility, processes of social responsiveness, and policies, programs, and observable outcomes as they relate to the firm’s societal relationships. (Wood 1991: 693, emphasis added).*

This definition is at the base of the improved framework proposed by Wood, which, as table 1 indicates, has the advantage of unequivocally addressing multiple issues (including many left undressed by previous schemes), while conjugating business and social performance, and “a wide variety of motives, behaviors, and outcomes actually found in business firms (Wood, 1991:693). As Wood herself points out, the rationale for the conceptual framework takes into consideration: “(a) business and society’s developmental history as a field of study, (b) the goodness of fit of the new CSP model with existing literature, and (c) the quality and nature of research questions that can be posed because of this new way of thinking about corporate social performance (Wood, 1991:694).

This rationale, which serves as a template for analysis, is fully compatible with a wide array of axiological and epistemic approaches to social performance. Diverse theoretical orientations can nourish reflection upon the whole set of variables that the model incorporates, without being conditioned by or altering its structure; and, as the author claims, multiple values can be tested in it1.

The following sections will deal with the application of Donna Wood’s model to the field of Management Education. The purpose is to examine the three levels of *Responsibility Principles*, the three *Responsiveness Processes*, and the three types of *Behavior Outcomes*. The argumentation proceeds by: 1) specifying what each one of the nine elements of the model stands for; 2) offering some digressions around additional conceptual developments that support their incorporation in the model, and 3) elaborating some reflections related to the field of ME.

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1 Since this article applies the model to the field of ME, and we are not precisely talking about corporations; from now on the concept of Social Performance —SP, will be replaced by the more specific *corporate social performance* —CSP— more pertinent to conventional business organizations.
2. Principles of Social Responsibility

Wood’s model of Social Performance embodies “the basic idea of corporate social responsibility”, which signals that “business and society are interwoven rather than distinct entities; therefore, society has certain expectations for appropriate business behavior and outcomes (1991:695). This core idea is common ground among experts; for example, Jean Pasquero (in press: 27), (Pasquero, 2002) insists that it is necessary to acknowledge that organizations are not isolated from the environment, and its entities hold exigencies that exceed economic considerations; therefore organizations are liable to the surrounding society.

The principles of SP are thus illuminated by the idea of Social Responsibility –SR-in all of the three levels; institutional, organizational and individual. Following Wood, for each level there is a corresponding principle, with its own focus, value, origin and theoretical support, and of course, realm of application. Let’s list them before entering a detailed examination of each.

1- The Responsibility Principle of Legitimacy
2- The Responsibility Principle of Public Responsibility
3- The Responsibility Principle of Individual (Managerial) Discretion
4- The Responsiveness Process of Environmental Assessment
5- The Responsiveness Process of Stakeholder Management
6- The Responsiveness Process of Issues Management
7- The Behavior Outcome of Social Impacts
8- The Behavior Outcome of Social Programs
9- The Behavior Outcome of Social Policies

2.1 Legitimacy - The Responsibility Principle at the Institutional Level

This principle, applied at the institutional level, emerges as a consequence of every firm’s generic obligations as business organization (Wood, 1991). The original definition, provided by Davis, 1973, and recalled by Wood (1991, p.695) states that “Society grants legitimacy and power to business. In the long run, those who do not use power in a manner which society consider responsible will tend to lose it”.

Several authors have provided empirical evidence and theoretical clarity to support the existence of the principle of legitimacy. Probably, the most informative account is provided by J.J. Brummer (Theories of Institutional Legitimacy, 1991) who demonstrates that “Legitimacy” is a concept with descriptive and normative dimensions; admitting degrees, and not just and all-or-nothing categorization; therefore institutions can be classified according to several levels or categories of legitimacy. According to
Brummer, there are five levels of legitimacy\(^2\), and nine strategies of justification\(^3\) that organizations might implement. The combination of both, the strategies of justification, and the relations of accountability, as well as their mutual interrelation, define the ultimate level of legitimacy (Brummer, 1991).

When we apply Brummer’s framework to ME, we find that, in general terms, organizations in the field of ME usually enjoy the highest levels of legitimacy; which translates into the highest institutional autonomy, and internal authority. Although benefiting from a privileged position in society, this situation is paradoxically risky for business schools, given the high levels of abdication of choice and critical questioning that might emerge. Unfortunately, this is not just a hypothetical situation for business schools, according to the critics formulated by scholars such as Henry Mintzberg, Warren Bennis, James O’Toole and Sumantra Ghoshal; as well as many other stakeholders.

Fortunately, there is some good news that constitutes a source of hope, such as the penetrating statement of critics -evidencing some degree of reflexivity-, and the encouraging developments within the stream of responsible business research.

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\(^2\) Brummer’s Categories, Levels or Degrees of Legitimacy (from cero to five)

0. Organizations or groups that are viewed as illegitimate.
1. Minimal degree of legitimacy
2. Organizations that receive internal and external support, but are closely watched and regulated by their members and other organizations.
3. Broad base of constituent and social support
4. Good deal of latitude and autonomy.
5. Highest institutional autonomy and internal authority. (Paradoxically they resemble certain category 1 organizations, given the high levels of abdication of choice and critical questioning.

\(^3\) Brummer’s typology of the strategies of justification that organizations use in order to claim ‘institutional’ legitimacy:

1. The Power Theory of Legitimacy
2. Legitimacy as Conformity to Law
3. Conformity to current standards
4. Procedural Theories of Legitimacy
5. Formal Theories of Legitimacy
6. Performance Theories
7. Legitimacy and Rights
8. Legitimacy and Respect for persons
9. Inclusion of Duties and Non-duties – Full range of responsibilities

Applying Brummer’s typology of the strategies of justification to the field of ME, it is possible to conclude that claims for legitimacy must always rely on and seek the highest degrees and categories. That is, it is supported by high performance, and permanent respect for other’s rights and persons. Consisting with its status of multiplying vector to business –and the corresponding amplifying role in society-, if ME aspires to remain as a privileged institution, lower strategies of justification shall never be acceptable. As a matter of fact, ME is obliged to assume all legal and moral responsibilities, and to include duties and non-duties. In other words, it should observe the full range of economic, legal, moral, and social responsibilities. Only at this level, ME will find greater respect and autonomy, and will require less supervision and regulation.

2.2 Public Responsibility: The Principle of the Organizational Level

This principle, originally formulated by Preston & Post in 1975, states that ‘businesses are responsible for outcomes related to their primary and secondary areas of involvement within society (Wood, 1991). Here we can see that, in the world of business, and in many other sectors of society, organizations are not liable for all social problems, but for those related to their activities. Nevertheless, when applied to the field of ME, we should try to see beyond the immediate effects that business schools might provoke.

In their latest publication Warren Bennis and James O’Toole (Bennis & O’Toole, 2005) recall that “most
business schools –BS- claim a dual mission: to educate practitioners and to create knowledge through research”. Even though the emphasis in either axis has changed through different time periods, today both realms of activities appear as undeniable responsibilities for BS. The particular nature of the areas of involvement of BS implies that they have enlarged responsibilities. The effects generated by the teaching and research activities have amplified impacts across time and geographical locations. Business graduates, have the capacity to alter, either positively or negatively, the organizations where they work, replicating in varied forms and degrees the teaching received at school.

Additionally, the knowledge produced by academic institutions might contribute to the configuration of alternative orders of cognitive, normative and even regulatory nature, depending on the receptivity to their ideas. To put it in other words, BS are in charge of activities (research and education) which are highly influential to their institutional settings. In fact, the evolution of the interactions between society and BS manifests the agency of BS in transforming the contexts where they operate. (This is what some sociologist, like Giddens would refer to as a structuring process. An illustrative explanation of the general process can be found in A Theory of Structure: Duality, agency, and Transformation - (Sewell, 1992)).

What is important to notice here is the amplifying effect of the activities of BS and ME, and the way through which each educative organization should assume responsibility for the consequences of their actions in all areas of involvement. For example, in the same way that some BS brag about the deeds of some of their graduates, or earnestly promote the academic achievements of their faculty, in the same measure (or even more) BS should avow their failures and omissions in terms of producing socially relevant knowledge and responsible business practitioners.

The accountability of ME organizations is even more obvious when we concede that institutional forces and structures do not impose inescapable patterns in the interaction between organizations and their environments. Some authors have demonstrated how organizations filter elements of the environment and pursue strategic advantage through political means (Schuler & Rehbein, 1997), (Schuler et al., 2002); while others have shown multiple alternative responses that organizations can enact towards the environment. For example, let us recall the strategic responses -typified by Christine Oliver- through which organizations might face institutional demands (Oliver, 1991).

If we admit that the map describing the boundary regions between organizations and their environments have to be redrawn, including the spheres of influences and alliances (Badaracco, 1991), new avenues for reflection about accountability are opened, and issues like power and international regimes gain greater stage. In this context, the idea of expanding the analysis of ME responsibility to the global level becomes imperative, as much as it is pertinent to consider normative proposals, such as the model of Business Citizenship: From Domestic to Global level of analysis (Logsdon & Wood, 2002). In fact, we should ask ourselves: Which organizations are more amenable to behave as global citizens than those that participate in ME, with their influential role in the formation of elites, creation and diffusion of knowledge, and active participation in alliances with scientific, economic, social and even political actors?

In today’s global world (thanks, to a large extent to BS), the principle of public responsibility requires that organizations within the field of ME assume the concept and practice of ‘global business citizenship’, linking it to ethical norms and strategy. As explained by Jeanne Logsdon and Donna Wood (2002), the concept of Global Citizenship constitutes an indispensable requirement to assure the healthy survival of organizations. Besides, enhancing their acceptance by stakeholders worldwide, it assures the pertinence of their research and teaching activities.
A central premise is that when ME organizations act as global citizens, their freedom and accountability will simultaneously increase; their adaptability to changing environmental conditions is enhanced, and payoffs (less conflict, more stability, social legitimacy) will consolidate. Additionally, as people around the world recognize the relevance and pertinence of ME, greater demand for their services will keep flowing.

The notion of business citizenship illuminates ME, because it shows how to avoid the pathologies of ethical relativity and normative imperialism (denounced by Logsdon and Wood); pathologies that might so easily take place within business schools. ME and all related organizations in the field will benefit when hyper-norms are respected, and when implementation of teaching and research methods is executed with cultural sensibility.

2.3 Discretion - Responsibility at the Individual level

“One may argue about the degree of difference that the influence of this or that individual made in shaping events. But to try to reduce the behaviors of individuals to that of impersonal social forces not further analyzable into the conduct of men who…make history…is a form of false consciousness of bureaucrats and administrators who close their eyes to all that proves incapable of quantification, and thereby perpetrates absurdities in theory and dehumanization in practice”

Isaih Berlin –
Quoted by Sumantra Ghoshal (2005: 79)

While economics is about how people make choice, sociology is about how they don’t have any choice to make.

Bertrand Russell

Just as ME organizations are invited to act as global citizens, individuals are amenable to behave as citizens with universal scope; at least that is what Donna Wood and other authors exhort us to do (Wood, 1991), (Logsdon & Wood, 2002), (Pasquero, 1997b). Unfortunately, the scientific pretensions of business studies have excluded any role for human intentionality or choice, and denied access to the moral and ethical considerations of management theories (Ghoshal, 2005) and, in the aura of quantification, questions of judgment, imagination, and practical wisdom are often marginalized (Bennis & O'Toole, 2005).

The principle of moral discretion at the individual level helps restore the significance of each person, and her/his capacity to actively engage within surrounding actors, instead of just being perceived as the result of blind determinisms. Wood defines the principle of managerial discretion stating that “managers are moral actors. Within every domain of corporate social responsibility, they are obliged to exercise such discretion as is available to them, toward socially responsible outcomes” (Wood, 1991).

When we extrapolate the principle to the field of ME, the unique capacity for discretion of its members is vividly manifested. Academics, both as professors and researchers are among the group of professionals that enjoy greater levels of autonomy when it comes to defining their areas of interests. Their research subjects and possibilities of expression at work are less conditioned by external forces than the choices imposed onto some other jobs. Nevertheless, there are always risks of being prisoners to ways of thinking and institutional pressures. That is why a critical and reflexive attitude is always imperative.

If we agree with Sumantra Ghoshal that “…social scientists carry an even greater social and moral responsibility than those who work in the physical sciences because, if they hide ideology in the pretense of science they can cause much more harm” (Ghoshal, 2005), then elements for critical research and pedagogy shall be enacted
by educators. For example, those suggested by Mats Alvesson and Stanley Deetz: the search for insights (through hermeneutic understandings and archeology of knowledge), the practice of knowledge critique (by means of deconstruction and the genealogy of knowledge), and of transformative redefinition (exploring the process of concept formation, the possibilities of resistance and awareness) (Alvesson & Deetz, 2000).

The principle of discretion compels researchers and teachers to *emancipate* themselves from intellectual subordination and to get rid of the ‘psyche prisons’ (to use the label popularized by Gareth Morgan) that so easily pervade organizations and persons. This liberation should have the augmented effect of liberating their audiences as well. The first step would be to stop spreading the ideologies that business schools tend to diffuse, and instead to question all the assumptions, many of which are inertially taken as founding premises (Ghoshal, 2005). For example, just a simple reflection about the notion of human agency, and what it means in philosophical terms might help overcome the helpless instrumentality inherent in the management definition of agents. In philosophy ‘an agent’ is respected as ‘a person who acts’, without implying that the action is on someone else’s behalf (as is the case in Olivier Williamson’s theory), but on the contrary suggesting capacity for autonomy.

Just like different theories highlight the capability of organizations to co-create their environments (Pasquero, In press); other authors rescue the importance of human agency for social action. For Emirbayer and Goodwin, who make a critical analysis of the relationship between networks, culture and the problem of agency: “Human agency… entails the capacity of socially embedded actors to appropriate, reproduce, and, potentially, to innovate upon received cultural categories and conditions of action in accordance with their personal and collective ideal, interests, and commitments” (Emirbayer & Goodwin, 1994).

As Mark Granovetter demonstrates, both over socialized, and under socialized accounts of (economic) action fail to render full account of the structure and processes of social relations in which individuals participate (Granovetter, 1993). For him, individuals are neither totally subdued by institutional forces, nor independent atoms that the utilitarian and methodological individualism presume, but actors who are capable of purposive action, embedded in concrete, ongoing systems of social relations (Granovetter, 1985).

A pertinent example to revivify the incidence of individual actors in enacting the interdependency between the world of science and the economy, is provided by Michel Callon et John Law, who, from the complementing perspective of the sociology of translation (*de la traduction*, in French), indicate how networks could be constructed, by active actors that mobilize heterogeneous socio-technical elements and sets of relations, where information and material goods might flow (Callon & Law, 1989).

Likewise, many other theoretical regards reinforce the view that individuals have a saying in social order: the theories of negotiated order (Strauss, 1991), the ideas of Crozier about systems of concrete action and strategic actors, and Friedberg’s dimensions of organized power (Friedberg, 1992), which rehabilitate the level of consciousness and the role of deliberate action of participants.

It is unlikely to find a unified position regarding the debate about human agency. Multiple existing interpretations about such a complex, spirituous and ever changing phenomena impede positivist definitions. But more than an insurmountable epistemic problem, this impasse actually constitutes an opportunity for the advancement of conscious teaching and socially responsible research in ME.

The contention herein supported is that there exist sufficient evidence and theoretical formulations to build a case in favor of human discretion and agency in the philosophical sense, (as opposed to Williamson’s notion of agency); and even if there are multiple limits to this autonomy, thanks to the self-fulfilling tendency of social theorizing
(whose dangers Sumantra Ghoshal recalls when he explains the process of double hermeneutics (Ghoshal, 2005), the fact of promoting the principle of individual discretion increases the level of effective discretion of those individuals exposed to the idea. Therefore, human intentionality and its possibilities, can overcome the fatalities and limits of determinism.

Subsequently, the supporting premises of the discretion principle can 'responsibly' promote its normative contents. Paraphrasing Wood's 1991 formulation, it is possible to argue that: a) scholars exist in organizations and societal environments that are full of choices; b) their actions are not totally prescribed by professional procedures, job definitions, resources or technologies; c) professors are moral actors in every domain of their lives. Because academics posses discretion, they are personally responsible for exercising it and cannot avoid this responsibility through reference to rules, policies, or procedures.

In their triple condition of individuals invested with discretion, being components of a field –ME- that institutionally seeks legitimacy, and acting as embedded participants in organizations that, through networks and purposeful action, can co-create their environment; scholars face ineludible responsibilities and challenges for social performance. The research, teaching and overall academic roles demand the production of socially desirable outcomes, through plausible processes of responsiveness.

In this respect, the following sections will help us explore the processes and outcomes that co-constitute the concept of social performance in the sense retained by this article.

3. Processes of Social Responsiveness

The reflection about guiding principles needs to be followed by a conscious and a concrete action aimed at specific outcomes; otherwise they would fall into the reign of speculation. This is the reason why the responsibility principles have to be accompanied by responsiveness processes. Donna Wood rescues the framework proposed by Ackerman in 1975, in order to define environmental assessment, stakeholder management, and issues management, as the processes that could be combined to provide a systematic and operational reference, useful to articulate empirical evidence, and conceptual analysis about responsiveness.

4. Environmental Assessment

Adequate responsiveness requires notions of organizational frontiers and environments to be thoroughly revised; even the identity of the focal entity has to be open to deep questionings. As a matter of fact, the idea of what organizations can do in relation to their surrounding context has evolved according to the different conceptions of the environments, the organizations and their problematic interfaces. From seeing organizations as dominated by their backgrounds, to perceiving them as co-creators of their environments (by processes of enactment, networking, negotiation, strategic behavior), the status attributed to organizations have changed through time. Historical evolution tells us how the contemporary theorizations, that recognize the autonomy and engaging capacity of organizations, and having arrived after previous representations, were transformed along with the evidence provided by grounded research findings.

Specifically, conceptualizations have varied from the most passive and defenseless postures provided by the idea of population ecology (Hannan & Freeman, 1977), passing through the perspectives on resource dependency (Pfeffer & Salancik, 1977) and information uncertainty and dependence (Aldrich & Mindlin, 1978) that emerged during the 1970s; continuing with perspectives that emphasize the need for socio-cultural (institutional) adaptation (Meyer & Rowan, 1977), (DiMaggio & Powell, 1983), (Zucker, 1987), (Powell & DiMaggio, 1991). After decades of perceived subordination, today's conceptions of organizations highlight the autonomous nature and collaborative capabilities, which introduce innovative possibilities for responsiveness. (For a complete account on how
organizations have evolved from dependant to autonomous actors, see (Pasquero, 1990) and (Pasquero, In press).

What is important to emphasize for the field of ME is that, environmental assessment constitutes a permanent obligation to be executed by BS and all other actors that participate in ME. Stress on the pro-active power of agents improves the capability for environmental assessments. Transcending the possible determinism derived from the environment is a must; appeals to passive and dependent elements have to be dismissed, for they just would encourage irresponsible in-activeness.

When assessing the environment, organizations within the field of ME should assume an open, extrovert attitude (Pasquero, 1990) - Enjeux sociétaux et mutations organisationnelles dans les sociétés industrielles, while being attentive to surrounding institutional processes. For example, the analysis by Andrew Hoffman in relation to the history of corporate environmentalism illustrates several elements that must be considered when estimating how environment dynamics might alter the range of action: varying from the macro to the micro level of scope, he suggests to pay attention to the organizational field itself, dominant institutions, and organizational cultures and structures (Hoffman, 2001).

Beyond the subtleties of each element of his framework, Hoffman exemplifies the importance of consulting separate sources of data –laws, journals, media reports, public data and case history; depictions about the environment should triangulate the input offered by several informants, acknowledging the role of perceptions and interpretations introduced by individuals. For, the environment is not just an outside entity that can be partially diagnosed, but it is as well, a social construction.

As Richard Scott demonstrates, environments are complex structurings, where macro level institutions, meso level governance structures -of fields and organizations- and micro level actors, are permanently codetermined by processes of socialization, identity formation, sanctions, infusión and imposition, opposed to dynamics of interpretation, innovation, strategic choice and invention (Scott, 1994). These process and dynamic features of the environment reinforce the importance of adopting ‘extrovert’ capabilities, so environmental assessment will be the result of active dialogue and not just passive resignation to immutable facts.

Organizations belonging to the field of ME should realize the power they hold co-creating the environment, and the corresponding responsibility to engage in its structuring. Conventional monitoring should moved from facts collection to facts integration, still taking note of critical resources, uncertainty of eventual unfoldings, and socio-cultural pressures relevant to the whole institution of ME. A historical review of their roles should include those of interrelated organisms (such as the stakeholders that will be considered below) in a way that they will make comprehensible how previous and future ‘negotiated’ orders and networks might be enacted, specially in a global world, where education is sometimes perceived as a tradable service, and generates outputs-graduates, research, intellectual networks- that might impinge world wide effects in multiple groups.

5. Stakeholder Management

If sound responsiveness capacity is to be built by/within actors, be they individuals or collectivities, consideration about the needs and expectations of other entities is a sine qua non condition. Stakeholder management -the second process of social responsiveness- is solidly supported by ample theoretical developments and carefully grounded evidence.

As Donna Wood recalls, the landmark work of R. Edward Freeman (Strategic Management: A Stakeholder Approach, published in 1984) showed the existing links between the organizational functions and their external stakeholders. The recognition of these relationships and their ulterior
consequences, gave life to different research focus. Some projects targeted at the concept of stakeholder management. Others on how companies actually manage multiple stakeholder relationships. Another branch focuses on the process of administering those links, and even some more, contribute to stakeholder thinking as they work within other disciplines, like economics, political science, strategy and ethics (Wood, 1991).

Updated reflections on stakeholder theory can be found in the article by Thomas Donaldson & Lee E. Preston who review the concepts, evidence, and implications related to the theory (Donaldson & Preston, 1995). Ronald K. Mitchell, Bradley R. Agle and Donna J. Wood offer another good reference, providing a comprehensive theory of stakeholder identification, and defining criteria to discern ‘who and what really counts’ (Mitchell, Agle, & Wood, 1997).

Some reflections about stakeholder stimulate synthetic efforts, for example; Jörg Andriog, and Sandra Waddock explain the emergence of stakeholders relationships, as well as the process of engaging with constituents, by pointing out to the possibilities of integrating theories of strategy, performance and responsibility (Andriof & Waddock, 2002).

To be sure, just a few years before that publication -1999-, Jeffrey S. Harrison and R. Edward Freeman coordinated a research forum about ‘stakeholders, social responsibility, and performance’ (Clarkson Centre for Business Ethics at the University of Toronto); identifying some critical issues -e.g. whether organizations approach stakeholders instrumentally or by the intrinsic normative commitment, how to balance the divergent demands of different constituents, etc.- (Harrison, 1999). From their examination of avenues for research, the present article retains here their questioning —and eventual eroding- of the ‘foundational assumptions of research in management theory’; 1) that normative and descriptive research can be separated; 2) that theoretical and empirical research are distinct (Harrison, 1999). Their suggestion that management research has normative and descriptive consequences, while being simultaneously theoretical and empirical is fully meaningful, —especially when trying to be responsive to stakeholders—.

When one examines the implications of this for management education, interesting findings emerge. For example, defining criteria for stakeholder identification and salience is not a neutral academic exercise. Determining who and what counts is at once descriptive and normative; and whatever conclusions are reached, they will impinge upon theory and practice. Suggestive evidence for this argument is found in Mitchell, Agle and Wood’s definitions of attributes: power, legitimacy and urgency; as well as in their acknowledgement of the altering role that human perception plays in defining the attributes (Mitchell et al., 1997).

Freeman’s 1984 definition of stakeholder as ‘any group or individual who can affect or who is affected by the achievement of the firm’s objectives’ is widely quoted by other scholars, and even if it doesn’t offer the precision that some academics might wish (as neither does his 1994 principle of ‘who or what really counts’), it provides the core idea that attention has to be given to a wide range of parties that might have a saying in the actions of the organization. If we accept the thesis of Donaldson and Preston that “stakeholder theory is unarguably descriptive,… also instrumental,... its fundamental basis are normative...”, and “...managerial in the broader sense of that term” (Donaldson & Preston, 1995), then we have to agree upon its huge relevance for the field of management education.

With the purpose of being attentive to the stakeholders of management education, we might emulate Margaret Blair, by asking “Whose Interest should organizations from the field of ME serve?” A thoughtful response to this question would require revisiting the existent and historical conceptions about BS, their definitions and its goals. Borrowing the answer that Blair provides for business corporations, we could state that, ME’s
“... resources should be used to enhance the goals and serve the purposes of all those who truly have something invested and at risk in the...” field’s organizations. (Blair, 1995). From this perspective, control rights must be given proportionally to the parties concerned so resources would be consequently used.

By keeping in mind the concept of risk bearing, and acknowledging the different types of assets that different parties contribute to the organization, important implications for practice and research emerge. The challenge for BS is not only to promote stakeholder thinking, but to explore new perspectives that related concepts nourish in order to excel in their own performance. The call is to be able to discern all potential ‘interested parties’ who participate in terms of contributions and risks, to foster collaborative work, and -why not- to empower them with adequate level of control rights, (thus reducing the temptation to push costs and risks onto other stakeholders).

Likewise, it would be interesting to research the legal definitions and prevailing ‘social’ conceptions about what ‘management or leadership education’ means in several epochs and geographic contexts. A comparative analysis might provide conceptual edge and depth, stimulating both more socially pertinent research and more reflective practice. By the same token, another research and pragmatic challenge, derived out seeking responsiveness towards stakeholders, is the need to conceive theoretical ideas and practical mechanisms to help harmonize short and long-term perspectives.

In the recent diagnosis about ‘How business schools have lost their way’ (Bennis & O’Toole, 2005), and about how ‘Bad management theories are destroying good business practices’ (Ghoshal, 2005), the authors mention an abundant sample of parties that have expectations, might benefit, or bear risks as a consequence of the ideas and practices executed by business schools: diverse levels of government, accreditation organizations (e.g. AACSB), competing in-house universities, or profit-oriented management education entities, donors, business press, journal editors, communities at diverse geographic scale, powerful forums like the Business Roundtable and the World Economic Forum, academic networks like the Academy of Management... the list goes well beyond the set of immediate stakeholders -deans, faculty and students. Additionally, the prescription that the contributions and risks of all stakeholders should be included evokes the awareness that the actions of the graduates of business schools would impact the lives of all employees and their families, those of their clients and suppliers, uncountable number of customers... This certainly proves the obligation of ME to transcend the conventional concern for shareholders.

For all agents belonging to the field of ME, achieving a higher level of responsiveness towards all its stakeholders represents an urgent and fundamental endeavor; it is a necessary condition towards obtaining recognition as a socially responsible and pertinent field. Enhancing responsiveness implies that ME stimulates openness to every agent that might have a ‘stake’ in the actions and omissions of business schools.

In this sense, and admitting that there are not perfect recipes, the “Theory of ‘Stakeholder Enabling” offered by Jerry M. Calton and Nancy B. Kurland serves as an enriching point of reference. Instead of hierarchically defining and excluding stakeholders depending on their influence, this critical/postmodern proposal embraces: “(a) epistemology of interdependent, connected knowing; (b) ontology of interactive organizational forms; and (c) praxis of organizational discourse. (Calton & Kurland, 1996)

By “replacing privileged managerial monologues with multilateral stakeholder dialogues”, sensitive and innovative ways of considering management issues can emerge. This posture helps to illuminate a more responsible process, through which the field of ME can better serve all its stakeholders: by a renewed ontological consciousness –acknowledging the interrelated nature of social systems-, and more coherence
between theoretical formulations and concrete respect for people’s life.

6. Issues Management

In Wood’s model the label of issues management –IM- is seen as a process of social responsiveness, free from any given policy orientation and independent from particular descriptions of behavior or of their resulting outcomes. IM involves the design and implementation of internal and external processes to monitor and respond to social issues (Wood, 1991).

Issues management concerning the field of ME requires the consideration of increasing amounts of claims and related topics. The classification between internal and external processes to face the issues provides a heuristic way to critically collect and treat them. The following paragraphs try to echo and embrace some of the outspoken blames pointed at BS.

Internally, several procedures should be adopted in order to strive for improved levels of performance. Some plausible aims could be: 1) to avoid the marginalization of those scholars that do not focus efforts on quantitative research; 2) to recast the value of teaching at undergrad and graduate levels; as well as continuing education; 3) to stimulate the participation of faculty on community service and involvement, either through action-research programs or advising-consulting tasks; 4) to critically re-examine the professional and academic model favored in each organization; 5) to favor imagination, common sense and the acquisition of abilities for effective problem solving; 6) to incorporate proceedings and to install critical spirits, sound judgmental wisdom, and ethical education for responsible decision making by future graduates; 7) compose plural advisory –or directors’- boards. Although these ideas have been eloquently proposed by scholars and practitioners (like Ghoshal and Bennis & O’Tool), there is still a long way to achieve a meaningful level of implementation.

Externally, issues management must exceed the configuration of public-affairs management, with a proactive awareness and receptivity to societal demands (Pasquero, 1990). Monitoring could include benchmarking how other professional schools are responsive to their environments (Bennis & O’Toole suggest learning from law, medicine, and dental schools, where practice is always associated to relevant research and pertinent teaching). External management of issues exhorts BS to get engaged in collaborative ventures and alliances that might help them to improve the gathering and processing of information; and to optimize resources’ availability, having as bottom line the purpose to better serve their constituents.

7. Outcomes of Behavior

This third facet of the performance model contains three types of outcomes: “the social impacts of corporate behavior, regardless of the motivation for such behavior or the process by which it occurs; the programs companies use to implement responsibility and/or responsiveness; and the policies developed by companies to handle social issues and stakeholder interests” (Wood, 1991). At this stage all kinds of implications for educators, for managers, and for the other stakeholders should be incorporated into the evaluation for performance; the following sections offer some specific reflections for each type of outcome.

8. Social Impacts

Social impacts could be defined as all kinds of effects (even those hardly noticeable), positive or negative, voluntary or not, produced by an organization and impinged upon society. For the conventional field of business, hundreds of studies have been done about issues as diverse as: corruption and private-public partnerships, employment generation and labor abuse, customer satisfaction and product liabilities, environmental disasters and community development, aesthetic impact and wealth generation... the list might extend indefinitely as new concerns and research projects get going; business impacts proliferate all over the place.
In the field of ME the list is not shorter. The reason is that to a significant extend, the effects of business organizations could be largely attributable to what gets taught -or omitted from being taught- in business schools. Even though some might argue that the world of ME is harmless because of its gravitation around ideas, current epistemological knowledge has made us aware of the power of ideas. Take for example the much famous quote of Kurt Lewin, who sentences that “nothing is as practical as a good theory”; plus the clever thought of John Maynard Keynes quoted at the epigraph. The concluding remarks of these intellectuals help us to affirm the enlarged influence of management education, and to become aware of the consequences of what students might learn... and ignore.

As antidote for the arbitrary dictatorship of ideas, we could insist on the need to treat them with insightful interpretation; promoting their critical deconstruction -especially regarding their origins and purpose-; and searching creative/imaginative redefinitions, oriented by the principles of responsibility and ethical questioning.

If, and only if ME engages into practicing strict self-criticism towards the ideas it produces, the world of employers and employees, consumers, and all other stakeholders might expect more benevolent outcomes, as the ulterior impacts of wiser decision making of BS graduates. Faculty will then produce the knowledge so ardently needed to make of business activities proper means towards improving quality of life. Besides, teaching will be more fulfilling for professors, and learning more congruent for students.

8.1 Social Programs

In the category of programs we can include all planned events or arrangements, and all measures and activities that seek particular kinds of behavior. Programs usually imply committing resources to long term processes or one time projects, but, like Donna Wood stresses, they are always aimed at ‘specified ends’.

Following the sharp analysis of Sumantra Ghoshal, and Warren Bennis & James O’Toole, some of the measures to be adopted could be: (1) curriculum designs, socially pertinent and relevant; diffusing the knowledge and skills that stakeholders expect. (2) Recruitment, promoting and tenure procedures consisting with the principles of responsibility at the institutional, organizational and individual level. (3) The questioning about appropriated epistemic models to orient research; in order to get rid of the tyranny of the ‘pretense of knowledge and ideology-based gloomy vision’—as denounced by Ghoshal-, and presented as the ‘scientific’ (positivist) model by Bennis and O’Toole. (4) Promotion of intellectual pluralism. (5) Greater proximity between faculty and business settings, for example, by means of stages, internships, grounded research.

It is worth to reiterate that the active listening to stakeholders and environmental scanning constitute irreplaceable sources of ideas towards socially performing programs for organizations dedicated to management education. In this sense, management professors should conduct a permanent interrogation about the quality of listening, and sensitivity taken into consideration for the design and delivery of education programs.

8.2 Social Policies

As Donna Wood clearly summarizes, social policies are established “to institutionalize socially responsible motives and socially responsive processes”. Policies are installed to guide decisions in areas which are reiteratively problematic, or of great interests for the organization; their function is to reduce ambiguities and improve effective handling of dilemmas, threats and opportunities. In other words: “Ideally, corporate social policies and programs would encompass fulfillment of all three objectives across all domains of the firm’s operations and behaviors” (Wood, 1991).

Since the three objectives are derived from the responsibility principles (legitimacy, public responsibility, and individual discretion) programmatic outcomes in ME should reflect the
links between responsibility and policy. In other words, social policies should: (1) try to uphold the legitimacy of ME in society (institutional Level); (2) assume Public Responsibilities and improve BS adaptability and fit with its environment (organizational level); (3) to create a culture of ethical choice, which will support and encourage individual actors to exercise the options available to them in the fulfillment of social responsibilities (individual discretion level). The defy for the institution of management education, is therefore, an integral one, in which educators, colleges and universities, and all interested parties participating of the field are called to participate, suggesting solutions and formulating more sound and sustainable policies for action.

Conclusions

“In essence, social scientists carry an even greater social and moral responsibility than those who work in the physical sciences because, if they hide ideology in the pretense of science they can cause much more harm”

Sumantra Ghoshal

The organizational field of management education constitutes a “recognized area of institutional life” –as DiMaggio and Powell would probably say;- and as such, it might be exposed to coercive, mimetic and normative pressures towards isomorphism (DiMaggio & Powell, 1983). Given the enormous incidence of the field in multiple spheres of society, these pressures should be critically assessed (at individual, organizational, and institutional levels) in order to avoid thoughtless –and painful- uniformity in our management education programs.

As countervailing forces to the standardization inertia of the field, it is possible to highlight the dynamics that significant information loads and diversity can introduce, as well as the intelligence seeking attitude of most of its actors, the social nature of its deliberations, and the never neutral content of the ideas produced and diffused throughout the field. This sui generis potential to oppose a critical isomorphism can be enhanced when we recall that, unlike many conventional organizations that gravitate around the world of business; individuals and organizations participating in education convey multiple rationalities, well beyond the homo economicus orientation assumed as the prevailing driver for actors in the economic sphere.

As a matter of fact, in order to properly approach the field, it is compulsory to give a high preponderance to the idea that normative conceptions inhabit related institutions and the totality of the actors of the field, individuals and organizations alike. In other words, we must keep in mind that actors act, not just representing a play or following a blind script, but constructing (enacting) their own choices (within the limit of embedded relations), according to the guidance offered by certain axiological criteria, like those supplied by ethical and philosophical postulates, and religious beliefs.

Therefore, the assessment of ‘social performance’ requires the recognition that activities realized by actors must be examined ethically. Normative assessments become a must for business education. Assumptions regarding the contents that get taught in business schools have to be continually
questioned; to the same token that pedagogical practices need to be challenged in terms of their guiding principles and posterior effects, either desired and unforeseen.

With this purpose in mind, schemes to orient decision making could be conveniently implemented. A useful example, is the frame proposed by Jean Pasquero (working document *Logiques et Éthique* AL2005-v2), in which motivations, executions, and effects of every activity are differentiated, in a way that allows the simultaneous interpretation of their underlying logics, according to its economic, political or social content. Afterwards, all of these elements are to be submitted to an evaluation of their acceptability (legitimacy), selecting as criteria one or several of the value systems derived from ethical reflection. The following matrix (Figure 1) of analysis summarizes Pasquero’s proposal, which adapted to the purpose of the present article, helps us to think about the impact that management education generates to society.

**Figure 1.** Matrix to think about the impact that management education generates to society

<table>
<thead>
<tr>
<th>Action Logics →</th>
<th>Economic →</th>
<th>Political →</th>
<th>Social →</th>
</tr>
</thead>
<tbody>
<tr>
<td>Driving force →</td>
<td>Search of efficiency</td>
<td>Influence seeking</td>
<td>Value development and/or adjustment</td>
</tr>
<tr>
<td>Time orientation→</td>
<td>Short term</td>
<td>Medium Term</td>
<td>Long Term</td>
</tr>
</tbody>
</table>

**Dimensions of the activities:**

**Motivations:**
- Objectives and Principles of justification

**Executions:**
- Includes the means of action (strategies)

**Effects:**
- Including secondary effects

This frame complements Wood’s model in the sense that it makes explicit the need for ethical reflections at each level of analysis (which corresponds to the three principles of social responsibility), and for every domain or logic of action. Besides, it offers a truly heuristic tool, operative and applicable to multiple areas of the field of ME.

Although the discussion about the value systems, that should guide ultimate decision making and assessment, goes beyond the purpose of this article; at least one model can be indicated in order to nourish the reflection. For its holistic design and coherence, as well as its pertinence and adjustability to the needs of management education, the model proposed by Gerald F. Cavanath, Dennis J. Moberg, and Manuel Velasquez deserves to be mentioned. Their deep conceptualization constitutes an operative ground to the effort of “making business ethics practical”. By the combination of *utility, rights & duties, justice* and *caring* criteria —The URJC- model, provides a solid device to check upon the acceptability of the ideas, decisions and practices of the business education programs and delivery systems, (Cavanagh, Moberg, & Velasquez, 1995). (For a complete description of the philosophical
fundaments of these and other theoretical frames, as well as their pragmatic implications see Pasquero, 1997b).

Combining the universe of ethical considerations and Donna Wood’s model, would enable organizations and individuals from the field to reintroduce moral agency into business scholars and professional practitioners. Individual discretion, for managers and scholars, establishes a solid way to assure the enactment of organizational responsiveness and the obtainment of responsibility principles.

Ideas for ennobling the role of management education are not scarce; the inspirational self-criticism of the field, conducted by leading scholars is cleverly accompanied by abundant ideas that contribute to install desirable levels of moral agency. Rethinking management education, re-instituting common sense, valuing imagination, building the capacity to face complex non-quantifiable activities, promoting pluralism, fostering diverse forms of scholarship, as well as welcoming many other initiatives already sustained by critics and experts… all of these ideas will more likely be implemented when activities and actors of the field are dignified by acknowledging the need to promote human intentionality and meaningful action which, consequently, would enact more socially responsible and performing organizations.

Bibliography


