NEWS RELEASE: A new era in management education for Australia

A major review of management education has underlined the need for greater engagement between business schools and industry to ensure universities produce the business leaders Australia needs to continue to prosper.

“Management educators must prepare managers as leaders and decision makers who are adept at dealing with uncertainty” at a time of huge economic, technological and organisational change, the Future of Management Education report from the Australian Business Deans Council (ABDC) says. “It is not enough to create an economy that is ideas rich but execution poor.”

The Future of Management Education (FoME) initiative was devised by the ABDC, in collaboration with the federal Department of Industry, because of growing consensus that management education needed to recalibrate in line with a changing and challenging business environment. It was set in the context of concerns about Australia’s performance in productivity and innovation.

Over the past 18 months the initiative has produced a scoping paper, held consultative forums with business and community, and run three Innovative Practice Trials (IPTs) at business schools around Australia. These IPTs brought in businesses as partners, “clients” and advisers and involved experience-based as opposed to conceptual learning.

“There’s a clear need for innovative management education practices that use experiential learning opportunities to ensure the next cohorts of business managers can operate in a contemporary, dynamic and complex business environment,” the president of the Australian Business Deans Council, Professor Michael Powell, says.

“These studies demonstrate the importance of business schools and industry working together to develop and implement new models of management education,” says Professor Powell, who is Pro Vice-Chancellor, Business, Griffith Business School.

Project Director Professor Roy Green, Dean of UTS Business School in Sydney, says the landmark study addresses the changing demands of employers and students. “There’s an increasing emphasis on ‘boundary-crossing’ skills that build on specialised knowledge but encompass attributes such as collaboration, communication, leadership, problem solving and critical thinking,” Professor Green says.

The report makes four broad recommendations aimed at business schools. While noting that there will be a diversity of approaches, it says business schools must:

• Dispel any misunderstanding or confusion about their role and set out clearly what they are offering business and the community.
• Deepen collaboration with business to develop innovative models that are ‘experiential’ and relevant and promote the interaction of business and society.
• Develop, in collaboration with partners, leading-edge management intervention programs that combine analytical and integrative or design thinking, and which use technology and online resources for award programs and executive education.
• Recognise that graduate attributes can no longer be confined to areas of specialised knowledge.

In addition the report calls on business to “engage actively with business schools in all aspects of management education, including teaching, learning and research”.

Business schools and business need to move away from transactional relationships to engaged partnerships, the report says. “Business and academia jointly have to invest in a quality education that will produce world-class business leaders”.

Australia has about 1.5 million managers, accounting for about 13 per cent of Australia’s working population. They manage and lead a workforce of 10 million people. Research suggests that high-performing workplaces can be 12 per cent more productive and 16 per cent more profitable.

ABDC acknowledges the valuable input of the Business/Higher Education Round Table (B/HERT) and the IPT Directors to the implementation of The Future of Management Education initiative.

Download the full report here.

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