Five Forces Driving the Future of Business Education

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Changes in higher education and shifts in learner demographics require business schools to revisit their strategic priorities, evaluate risk, and identify opportunities for innovation. AACSB has identified five forces that will help business schools achieve systemic change in response to shifting societal and business needs.

1 **Commit to positive societal impact.** As consumers and employees put pressure on companies to prioritize purpose, a new generation of learners is redefining what business education could—and should—be. Business schools are called to catalyze positive change in the communities they serve, yet many are entrenched in systems that prevent them from advancing societal impact. Educators and administrators will need to think strategically about how they can produce research with impact and develop the knowledge, skills, and behaviors required of future societal impact leaders.

Take Action

Expand incentives and success metrics for faculty to intentionally address societal impact in their research, teaching, and outreach that aligns with your institution's mission, values, and impact goals.

2 **Embed principles of DEIB (diversity, equity, inclusion, and belonging) into organizational culture and strategic planning.** From recruiting students to developing programs to hiring faculty, business schools ought to integrate DEIB into all their functions to create equitable and inclusive environments that support their missions, their culture, and the communities they serve. Just as organizations strive for workplace diversity, business schools must promote DEIB among their learners, faculty, and staff to augment the quality of the school.

Take Action

Review your strategic plan for efforts that speak to the advancement of DEIB, noting gaps or areas for improvement. Invite colleagues to do the same, and then develop a micro-strategic plan to address DEIB, ensuring input from a variety of stakeholders.

3 **Evaluate existing partnerships and create new ones to ensure the business school is solution-driven and relevant to learner and industry needs.** Business schools must assess the impact of partnerships on all areas of the school, from curriculum development and educational delivery to research and outreach initiatives, to ensure goal alignment and market differentiation. Establishing successful partnerships requires a strategic approach, such as prioritizing cross-disciplinary collaboration to tackle complex challenges or leveraging the expertise of edtech providers to improve educational delivery.

Take Action

Critically assess current partnerships and ensure they fulfill strategic priorities. Are you checking a box, or are you aligned on actionable steps? Challenge the value of the relationship against organizational goals and determine whether the pursuit is paying off.

Planning for the Future of Business Education

4 **Strategically invest in technologies that serve diversified learner needs and address educational demands of the future.** Learning has become pervasively hybrid, and business schools are expected to accommodate all types of learners. Technological innovation will enhance both virtual and face-to-face learning experiences, for example, immersive platforms for increasing remote learner engagement or AI-enabled assessments for personalized tracking of learner skill mastery. As the future ushers in a technologically driven workforce, business schools will need to keep pace with emerging technologies, like decentralized finance, or DeFi, in their curriculum and learning experiences.

Take Action

Scrutinize the learner experience for opportunities to create more experiential and individualized learning. Stay current with best practices in the evolving landscape of technology in business and develop curriculum that supports the future workforce.

5 **Equip faculty for success as their roles expand to meet new expectations in the learner experience.** Faculty face new, demanding roles and will need to adapt to technologies and hybrid models that are critical to their institution's success. In addition to teaching and managing their own research, faculty haven taken on the role of mentor, facilitator, and counselor—requiring business schools to provide different models of support, facilitate the exchange of best practices, and reward innovative online teaching efforts.

Take Action

Evaluate your faculty portfolio and determine whether faculty have the necessary skill sets to meet your institution's goals and expected learner outcomes. If not, consider diversifying faculty recruitment and assess where you need additional resources and training to ensure effective delivery across a variety of modalities.

Create Models Built for Positive Societal Impact

Positive, lasting change requires educators, businesses, nonprofits, and government to collectively prioritize societal and environmental well-being.

Success metrics for businesses are evolving. No longer measured by shareholder value alone, consumers, employees, and public perception are challenging organizations to show evidence of their impact. These same forces are motivating business schools to demonstrate societal impact and develop future leaders with socially conscious mindsets.

Business schools are uniquely positioned to spearhead positive change in their communities through teaching, research, and outreach. To help steer schools in their values and behaviors, six of AACSB's nine 2020 business accreditation standards call for societal impact, in areas including strategic planning, curriculum development, and thought leadership production. The standards also expect schools to demonstrate their impact through activities consistent with their missions, strategies, and expected outcomes.

> "The responsibility of business is to use its will and resources to advance a cause greater than itself, protect the people and places in which it operates, and generate more resources so that it can continue doing all those things for as long as possible."
>
> –Simon Sinek, Leadership Author and Visionary and AACSB ICAM 2022 Keynote Speaker

It's Not Enough to Be Good; Schools Must *Do* Good

Harvard Business Publishing

Harvard Business Review surveyed global firms and found that **58%** of those that prioritize purpose grew **10%** or more, compared to **42%** of firms without clear purpose that reported similar growth.[i]

Deloitte.

In 2020, Deloitte found that globally purpose-driven companies reported **30%** higher levels of innovation and **40%** higher levels of workforce retention than their competitors.[ii]

pwc

According to a PwC study, only **34%** of U.S. business leaders said that purpose influences decisions among leadership, despite **79%** believing that purpose is key to success.[iii]

Create Models Built for Positive Societal Impact

Former Unilever CEO Paul Polman argues that most businesses continue to miss the mark in instilling their purpose in a way that shapes the core of their business strategy and organizational operations. To correct course, Polman calls on a shift in mindset among leaders that focuses on "the long-term benefits of business and society" and a new set of metrics for company performance—one that leverages the U.N. Sustainable Development Goals (SDGs), for example.[iv] These metrics are designed to drive social responsibility and go beyond PR efforts to create meaningful change. Business schools are adopting similar metrics as the threshold for success continues to evolve.

> Given its outsized role in society and in creating the mess we're in, business has a fundamental responsibility to help clean it up by moving to net positive action. It's also irrational to think business could stay on the sidelines and watch environmental systems degrade and society sink. Business cannot be a bystander in a system that gives it life.

–Paul Polman and Andrew Winston, Net Positive: How Courageous Companies Thrive by Giving More Than They Take

Learners Spearheading Change

When intrinsic motivators hold as much weight as extrinsic ones, businesses must clearly articulate and demonstrate evidence of positive impact to attract new talent and retain existing employees.

Business schools will play a vital role in developing future societal impact leaders, equipping them with the skills needed to lead purpose-driven companies whose business models are built on the positive impact they create for all their stakeholders, rather than on pure profit.

64%
of millenials
will turn down a job if the company has weak corporate social responsibility values.[v]

77%
of Generation Z
say it's important that their employers' values align with their own. Gen Z values salary less than every other generation in today's workforce.[vi]

Developing Socially Responsible Leaders

- **BrightSide Produce** at **San Diego State University's Fowler College of Business** provides undergraduate and graduate students with hands-on experience running a distribution business that operates as a nonprofit and works with retailers to increase access to affordable healthy food options in underserved communities.

- At **Esade Business School**, students in the **Bachelor in Transformational Leadership and Social Impact** program engage with companies in finding solutions to business situations, particularly from a social impact lens. At the end of the four-year program, students create their own startup committed to societal impact.

Creating Societal Impact Leaders

Learning Experiences:
As business schools create curricula that promote and foster innovation, experiential learning, and a lifelong learning mindset, they should strive to program elements that promote positive societal impact. For example:

- Specialized courses built around SDG concepts
- Courses that embed environmental or social impacts of business processes
- Experiences that enable learners to actively apply business principles for solving community issues

4 MILLION

The number of future leaders enrolled at AACSB member schools, preparing to be the ones who solve society's greatest challenges.

Intellectual Contributions:
Research should strive to be timely and relevant—both in the classroom and in practice. To minimize redundancy and accelerate action, business schools will need to coordinate with internal and external partners to achieve a shared outcome. As business schools continue to increase their research visibility, relevancy, and application, they may need to reassess their faculty recruitment strategies to include researchers from other disciplines, industry practitioners, and influential community players. The quality of business school research may shift from a focus on publication record to one that is determined by a new set of metrics illustrating its usefulness to society, resulting in new incentive structures for researching faculty.

Research That Matters

Business schools' scholarly work is a driver for societal impact and can achieve meaningful change by:

- Focusing on cross-disciplinary collaboration and exchange
- Aligning with business needs and priorities
- Committing to real-world outcomes

AACSB Research That Matters: An Action Plan for Creating Business School Research That Positively Impacts Society

Create Models Built for Positive Societal Impact

Engagement:

The societal impact work that business schools engage in cannot be limited to the confines of the institution. Schools must maintain an open and active dialogue with stakeholders for their thought leadership to be recognized and applied. Just as faculty are called to connect with business and other disciplines, business school leaders play a critical role in advocating business schools as a force for good—spurring action that is aligned with their mission and goals.

Deans in Action

AACSB and the Principles for Responsible Management Education (PRME) recognize the systemic and transformative change required for business schools to achieve their full potential as drivers of societal impact. With that goal in mind, the two organizations, along with thought leaders and a community of business school deans, are embarking on a journey to:

- **Listen** to different perspectives spanning education, business, and communities
- **Learn** about the shifts in models and priorities among business, learners, and business education
- **Engage** with the thought leaders at the World Economic Forum
- **Commit** to achieving systemic change and action

Through a series of engagement opportunities, business school deans and their partners from around the world will commit to making a positive impact on society.
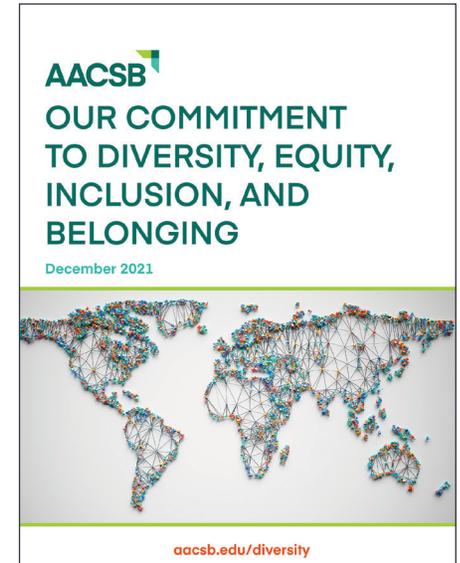
Learn More and Engage
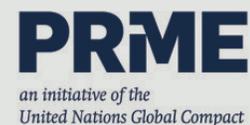
Embracing the Principles of DEIB Globally

Diversity, equity, inclusion, and belonging are not measures of success; they are imperatives.

Different Paths, One Destination

AACSB is committed to ensuring equitable access to high-quality business education in pursuit of its vision to transform business education for positive societal impact. DEIB agendas vary widely around the world and are predicated on the unique facets of each business school. Regardless of whether a school has deep-rooted DEIB strategies or is early in the process of creating intentional efforts in this space, the sense of urgency in addressing this complex topic is pervasive throughout business education globally.

Business education leaders agree that greater DEIB efforts are a priority among their global stakeholders. Business schools must evaluate the dimensions and needs (cultural, ethnic, political, demographic, socioeconomic, etc.) facing their communities and strategize a path forward. AACSB's 2020 business accreditation standards recognize the global and contextual nature of DEIB and empower schools to define and address DEIB matters most relevant to their institutions.

AACSB
OUR COMMITMENT TO DIVERSITY, EQUITY, INCLUSION, AND BELONGING
December 2021

aacsb.edu/diversity

Embracing the Principles of DEIB Globally

The Business Case for DEIB

Organizations have an ethical obligation to create equitable and inclusive environments, and research shows that business success correlates with greater diversity and inclusion measures.

For Central and Eastern Europe, studies suggest that greater progress in closing the gender gap could yield as much as 146 billion euros in annual GDP by 2030—an 8 percent increase compared to the current business scenario.[vii] McKinsey found that U.S. and U.K. companies in the top-quartile for ethnic/cultural diversity outperformed those at the bottom by 36 percent in profitability in 2019.[viii] In the Southern Hemisphere, Diversity Council Australia found that workers are four times less likely to leave their job in the next year if they're on inclusive teams.[ix]

Workers on inclusive teams are

4X

less likely to leave their jobs in the next year.

Just as organizations are compelled to increase their workforce diversity and nurture a greater sense of belonging among them, the quality of a business school will also be determined by how it promotes DEIB principles among its learners, faculty, and staff. Expectations on business schools to create learning experiences and new knowledge that advance competencies around topics related to DEIB will continue to grow.

Innovations that Inspire: Focus on DEIB

The American University in Cairo's School of Business founded a consortium that, through advocacy, data collection, and cross-sector collaboration, supports a national objective for women to represent 30 percent of board compositions in Egypt by 2030.

ESCP Business School, with campuses throughout Europe, is altering the admissions criteria for its Master's in Management program to create better opportunities for integrating students from underserved backgrounds into their cohorts. The new admissions process, called Talent Spring, focuses on learner motivation, experience, and future leadership abilities, rather than strictly on grades.

University of Birmingham's Business School in the U.K. has followed an experiential research-based guide to achieving greater gender equality in teaching and service workload allocations—key areas that research has shown deter the quantity and quality of work for female academic staff.

Fudan University's School of Management introduced the MBA Global Immersion Program, which broadens students' international horizons through hybrid courses and experiential learning. Online courses conducted by Tel Aviv University faculty are complemented by in-person courses at Fudan University and corporate visits to Israeli high-tech companies in Shanghai. The program allows for cross-cultural exchange by bringing together Chinese and Israeli faculty, scholars, entrepreneurs, and learners.

Explore All 2022 Innovations That Inspire

Terrill Drake, chief diversity officer at Harvard Business School, encourages schools to consider an integrated and holistic approach to DEIB, rather than treating DEIB efforts like a checklist, which typically doesn't produce meaningful change. The responsibility for DEIB cannot rest on a single individual—it must be operationalized so that everyone is a key player in creating desired change across all parts of the business school.

Embracing DEIB in the Business School

Real, sustainable impact in DEIB requires continuous and thoughtful action. Business school leaders will need to implement incremental changes that their faculty, staff, and learners can embrace.

How Can Business Schools Advance DEIB Practices?

1. Prioritize DEIB in organizational strategies to secure support and key resources.

It's difficult to build a clear strategy around DEIB when stakeholders have varying understandings of what the issues are or have varying levels of value for the work. Misalignment can thwart efforts to secure financial support for DEIB initiatives at many institutions that are already financially strained.

2. Publicly advocate for DEIB.

As drivers for positive societal impact, business schools have a duty to champion the principles of DEIB and navigate difficult conversations. Faculty and business school leaders report hesitation on speaking publicly about sensitive topics, worried that their well-intentioned remarks may be misconstrued. Determining the higher purpose of business school and how DEIB fits within that purpose can help schools navigate difficult conversations and communicate with authenticity.

To effectively advocate for DEIB, business school leaders must demonstrate humility, listen, learn, and commit to developing practices that result in impactful change. Beyond strategic prioritization, business school stakeholders—administrators, faculty, staff, and learners—will need to continually educate themselves on DEIB issues in their communities and become advocates for underrepresented groups.

3. Create an environment that attracts and retains a diverse group of learners.

A school's location, social norms, and demographic makeup present unique challenges in recruiting a diverse body of students. For example, a school in a metropolitan area may be more successful in attracting a diverse pool of candidates than schools in more rural locations. Many schools, even those in countries where education is subsidized, struggle to attract students from lower socioeconomic backgrounds, as there is an enduring societal perception that business schools serve the wealthy. Business schools must work to change the view of a "typical" business student in order to attract a diverse pool of candidates who can envision a future through business education.

Rethinking the admissions process is also an opportunity for schools to address learner diversity. Admissions models that consider candidates based not only academic achievement but on life experiences, leadership background, and potential may require more work on the school's part but can result in more equitable opportunities for education.

> " I want to plant a seed that suggests that standardization has a bias. Business schools have to be careful of elitism and exclusionary tactics that they're not even conscious of. They need to start demanding inclusion, and then they need to develop a shared purpose across the entire sector. This is about equitable access. "

—Michelle Gethers-Clark, Chief Diversity Officer and Head of Corporate Responsibility, Visa

4. Recruit and retain faculty from diverse backgrounds to drive DEIB actions across the institution.

For many institutions, the road to greater DEIB starts with faculty. Faculty drive the curriculum they teach, the research they conduct, and the connections they make with peers and community members. Achieving greater faculty diversity is central to accomplishing a business school's DEIB goals. A diverse faculty body helps attract a diverse pool of learners, who will then become business leaders who attract more diverse candidates into the workplace. This concept is foundational to The PhD Project, a nonprofit committed to "diversifying corporate America by diversifying the role models in the front of the classrooms."

Schools struggling to recruit underrepresented faculty might reassess their hiring criteria so that it is not limited to publication record but also encompasses a broader set of competencies, academic and professional experiences, and achievements. Establishing a more representative faculty portfolio will help schools build a more diverse pipeline for future faculty.

But hiring faculty from diverse backgrounds is not the end goal. Schools must create an environment that nurtures and empowers faculty members, especially those from underrepresented groups, to meet their full potential.

5. Develop curriculum that keeps pace with the rapidly changing workplace.

Despite the rise of DEIB in companies' strategic priorities, it continues to be an area that is underdeveloped and that business leaders are not adequately prepared to tackle effectively. Business schools play a critical role in strengthening DEIB in the workplace by equipping future leaders with socially conscious mindsets. These leaders will need to weigh long-term impacts against short-term wins within their workforces and the communities they serve.

Business schools are increasingly embedding DEIB educational offerings in their curricula, including standalone courses, course modules, certificates, and experiential learning opportunities. As such, faculty need continuous development and support to learn how to address DEIB issues appropriately and confidently in the classroom—across a variety of contexts that affect their learners.

Build Partnerships to Remain Relevant, Valued, and Competitive

In an increasingly competitive and disruptive higher education environment, strategic collaboration is critical to creating value.

The global higher education environment requires a renewed focus on collaboration, particularly among a broader variety of partners. Just as globalization has created opportunities for new business ventures, collaborations, and market access, it has also revealed the complexities of operating on a global scale with a multitude of stakeholders.

Many companies are exploring new partnership models and ecosystems that are outcomes focused rather than transactional.[x] For business schools to effectively address business and learner needs in such a complex and rapidly evolving ecosystem, they are expected to follow the lead of business. The partnerships they create will need to be solution-driven and diversified.

Will Industry 4.0 Create New Demands for Partnerships?

The Fourth Industrial Revolution, also referred to as Industry 4.0, continues to blur the "boundaries between the physical, digital, biological worlds" because of advances in artificial intelligence, the Internet of Things, and other technologies.[xi] The way consumers interact with companies and service providers will change, notably with more personalized, seamless, and efficient customer experiences. The future workplace will require new skills and knowledge, particularly those needed to keep pace with technological advances. Business schools will need to be proactive players as Industry 4.0 continues to make way, creating solution-driven partnerships with a variety of stakeholders—talent development, tech companies, learning platforms, etc.—that can inform the types of skill development needed by the future workforce.

Build Partnerships to Remain Relevant, Valued, and Competitive

Partnerships That Elevate Business Schools

External Stakeholders

Business schools need to develop stronger connections with external entities to address real-world challenges through innovation and ensure that their learners are prepared to lead.

A common criticism among business leaders is the inability of business schools to keep up with industry's changing needs. **Gallup found that only 11 percent of business leaders strongly agreed that graduates were adequately equipped with the skills their workplace required.**[xii]

Many larger corporations—including Google, PwC, and Amazon—have already created upskilling platforms with their own sets of credentials available to current and prospective employees.[xiii] Other organizations have partnered with learning platforms that specialize in flexible upskilling. Business schools can continue to address corporate needs through a combination of project-based learning, degree and non-degree learning, and microcredentials that support customized learner needs in their lifelong learning journeys.

Cross-Disciplinary Partners

Business schools have a unique ability to provide insights to other disciplines on successful venture management and business acumen. At the same time, business schools need open lines of communication with cross-disciplinary partners to infuse their expertise and insights into business school research and curricular efforts. By crossing disciplines, business schools and their academic partners leverage respective strengths to solve complex challenges spanning industries.

Cross-disciplinary collaboration comes with its challenges—including effectively managing, incentivizing, and empowering faculty to pursue collaboration, and navigating bureaucratic processes that can stand in the way. However, major disruptions, like COVID-19, have a way of forcing educators to move outside traditional academic silos to find solutions to pressing societal challenges. Such is the example of the Global Business School for Health at the University College London, which merges healthcare with management to create efficient, effective, and sustainable solutions required of global healthcare practices. Across many institutions, business schools are the natural convener for finding solutions through research, programming, and outreach to cross-disciplinary challenges.

Build Partnerships to Remain Relevant, Valued, and Competitive

Business School to Business School

The concept of "coopetition," or cooperation between competing parties, is not new in business or among business schools, but the global economy emerging from the pandemic has magnified the notion that sustainable relationships with competitors can create success for all involved. This concept becomes more evident when considering that some business school activities, like educational content delivery at the core level, can be equated to "teaching commodity ideas," as suggested by Sydney Finkelstein at AACSB's 2022 Deans Conference. If business faculty are teaching largely the same content across their core curricula, then schools may begin exploring opportunities to collaborate with other schools to deliver these core elements and leverage faculty in more effective and impactful ways.

> Most faculty members, certainly in core classes, teach commodity ideas. ... The irony is that we are in a highly differentiable industry. ... In most industries when your product is a commodity, competition is on the basis of price and nothing else. And that's an odd way to think of business school or any university for that matter.

—Sydney Finkelstein, Steven Roth Professor of Management, Tuck School of Business, Dartmouth College. AACSB 2022 Deans Conference

New Entrants

As edtech, new learning platforms, and greater access to learning content become ubiquitous, business schools are compelled to prove their competitive advantage in a changing environment and ensure that their research, teaching, and programs are relevant and agile. As schools seek to introduce more engaging and online-enabled learning experiences, partnering with edtech organizations can present significant opportunities for schools to achieve their learning delivery goals. This requires a reconceptualization in the relationships business schools create with these partners—from a school-vendor partnership to school-educational journey partnership.

Leverage Digital Transformation

In addition to serving as content for learning and skill development, digital technologies inspire new delivery methods that enable more engaging experiences and greater access for learners.

Online Learning Cannot Duplicate the In-Person Experience

The impacts of the pandemic revealed that while "emergency learning" can continue online, the future of online learning must be an entirely new experience to best serve learners and remain sustainable. With an expanded pool of learners and boundless opportunity come greater expectations of quality. Delivering digital education effectively requires different expertise, strategies, and curricular development and management than face-to-face learning.

Emerging technologies continue to create shifts in every aspect of life—including commerce, entertainment, social interaction, and work environments—and these shifts can spur business schools to reimagine what they do, how they do it, and what their value is to stakeholders. The educational experience will include quality hybrid options that fulfill learner expectations for flexibility and on-demand learning.

Strides in virtual and augmented reality, machine learning, and artificial intelligence will allow business schools to continue pushing boundaries to increase learner engagement. By leveraging virtual environments, schools connect learners and thinkers from around the world while bringing case studies to life through immersive business scenarios. While AI-enabled learning can personalize the learning experience to individual needs, algorithms also uncover patterns on student performance, helping educators optimize their strategies around competency development and mastery.

In 2019-20,
20%
of schools offered
a fully online
undergraduate program,
43%
for graduate programs.

In 2020-21, those
percentages increased to
25% and **50%**,
respectively.

*Analysis based on n=735 AACSB member schools that reported data in the AACSB Business School Questionnaire Programs Module in 2019-20 and 2020-21.

Should Business Schools Prepare for the Metaverse?

Facebook's 2021 rebranding to Meta Platforms opened a compelling discussion about how the metaverse is an increasingly likely phenomenon rather than a far-fetched idea. As this concept gains momentum, business schools may be compelled to evaluate their portfolio of learning environments and expand their immersive experiences, allowing learners the flexibility to move from in-person to virtual seamlessly. While metaverse environments can create opportunities for engaging and inclusive learning experiences, tailored to individual learner needs and interests they also present an array of new challenges, including legal, privacy, and security issues, and complexities operating in a digital marketplace. Business schools also must be cautious of oversimplification, distilling real-world challenges into virtual scenarios with few real consequences.

> **The most appealing feature of the metaverse is how it enhances creativity and innovation, and by generating more options, increases our space of individual freedom... At the same time, the limits of the multiverse reflect those of gamification: it simplifies reality; managers and other professionals move in a much more complex world.[xiv]**

—Santiago Iñiguez de Onzoño, IE University

Emerging Technologies Enter Business School Classrooms and Operations

Business schools have increasingly embraced developments in decentralized finance (DeFi), as well as blockchain and cryptocurrency. Consensys reports that the top 20 decentralized autonomous organizations (DAOs) have 14 billion USD in their treasuries, and that number is trending upward. The overall crypto asset market is also expected to continue to grow after "the largest 20 cryptocurrencies listed on CoinMarketCap … increased by triple digits" in 2021.[xv] These industries will need talent with new skill sets to effectively operate in and manage such growth.

Additionally, the World Economic Forum predicts that machines may replace 85 million jobs by 2025.[xvi] Companies face increased pressure to adapt quickly to rapid technological change and market needs so they can maximize profits and rise above global competition. Accordingly, they will need the right kind of creative and strategic talent to take them there. Rather than lamenting the possibility that certain skills or roles will become obsolete, business schools should mobilize around the new roles that will emerge, the ways new technologies can reshape management, and the types of technical and human-centered skills needed for tomorrow's workforce.

14 BILLION USD
The sum of the top 20 DAO's treasuries, which is expected to continue to grow.

~85 MILLION
The number of jobs that machines are predicted to replace by 2025.

Four Questions for Evaluating Digital Transformation Preparedness

Challenge:
How can digital technologies allow for greater differentiation in the business school?

Solution:
McKinsey & Company state that in an increasingly digitalized environment, competitive differentiation among organizations will emerge from "superior digital capabilities and technology endowment" as well as "more agile delivery," requiring that leaders establish the "right capabilities, culture, and infrastructure."[xvii] Similarly, technology presents abundant opportunity for education but more can be done to elevate the quality of online delivery and differentiate business schools from other providers. Educators are exploring immersive technologies that present solutions for improving faculty and learner engagement, while advancements in AI and data analytics can leverage new learner data, helping to personalize the learner experience.

However, before business schools start incorporating transformative technologies such as VR and AI, they should focus on implementing the necessary incremental improvements, including infrastructure, faculty training, and strategic resource allocation, in order to build a foundation for sustainable growth.

Challenge:
Will less financially prepared business schools be disadvantaged in a more technologically enabled environment?

Solution:
As much as technology is touted as an enabler of greater inclusivity among learners, the resources required to set up, train, maintain, and keep up with new innovations can cause fear of exclusion among some business schools, especially those with limited budgets or in emerging markets. Schools will need to evaluate which technologies make most sense to their learning outcomes and strategic objectives, explore where technologies can offset existing costs, and determine what constitutes their desired return on investment. To evaluate which needs can best be addressed through technology, institutions should engage in learning communities and exchange best practices with peers and industry leaders.

Leverage Digital Transformation

Challenge:

Are schools taking the necessary steps to prepare learners for potential new work environments?

Solution:

Although metaverse campuses are not expected to be a possibility until years from now, business schools are increasingly leveraging immersive technologies across their programming. Schools like NEOMA Business School are experiencing positive results through their Virtual Campus with more engaged and inclusive learning and improved support for learners' mental wellness, as well as bringing certain learning experiences to life, allowing learners to put their skills into action. NEOMA's director of digital transformation, Alain Goudey, adds that such learning experiences prepare students for the future of work as companies explore virtual work environments. Further, increasingly digitalized environments will require a more data-savvy workforce, equipped with skills for distilling complex data into actionable insights and operating alongside emerging technologies to improve business performance.

Business schools will need to be at the forefront of technological developments and consider including within their own workforces faculty and staff with the required expertise in these emerging areas.

Challenge:

How can business schools shift from a defensive mindset to one that embraces change?

Solution:

A growth mindset is key to adequately preparing learners for today's business needs. Rather than maintain rigidity in the curriculum and culture, business school leaders must become comfortable with the unknown in order to keep pace with the workforce's ever-changing demands.

As *Forbes* writer Stephen Childs explains, "to truly embrace a culture of innovation and a growth mindset, leaders and their teams together must shift from their comfort zone, get excited, and embrace new ideas and beliefs."[xviii] Associate director of Edtech Lab at Imperial College Business School Sarah Grant emphasizes that teaching designed for online delivery is different from remote teaching. Faculty will need to shift their thinking about what learning outcomes, assessments, and tools will be required, and business school leaders will need to supply faculty with the necessary support. For example, they might leverage the expertise of instructional designers to work alongside faculty in developing effective online and hyflex experiences.

Redefine the Role of Faculty in the Learner Experience

As the scope of program offerings expands, schools must equip faculty with the training and support needed to deliver quality educational experiences.

New Learning Environments Present New Expectations

Today's digital, hybrid, and in-person learning environments will continue to be enhanced by new technologies, requiring schools to think more strategically about how they meet learners' changing needs. Learners have expressed concerns about heavy workloads associated with online modalities, a lack of interaction with instructors, and a greater need for self-discipline to keep up with coursework. Both the positive and negative sentiments shared by online learners present a new set of expectations on the role of faculty. Accordingly, schools may need to restructure faculty recruitment, deployment, and development efforts to ensure that they deliver program portfolios—in-person and virtual—that are competitive and inclusive of different learner needs and preferences.

85% of U.S. students enjoy the flexibility of online learning, and

78% like the convenience it brings.

When asked what they would do if a program they were interested in was not offered online at their school of choice,

75% said they would continue to look for an online program either at the same university or another one.

–Wiley Education Services (2021)[xix]

Engaged Faculty Beget Engaged Learners

Although schools acknowledge the opportunities associated with advanced technology, they have reportedly dealt with engagement challenges among both learners and faculty.

For example, online learning requires different pedagogical techniques and even a different set of expectations and responsibilities for learners. It requires new forms of faculty training, and business school leaders will need to encourage experimentation, innovation, idea sharing, and new partnerships if they are to be successful. Hyflex models add an additional layer of complexity, as faculty juggle both face-to-face and virtual instruction. Additionally, factors like isolation, depression, and social upheaval are worsening mental wellness

among faculty and learners worldwide, and their cognitive loads are full. As business schools face overwhelmed faculty, they are urged to identify opportunities that arise with such disruption and rethink strategies for supporting and deploying faculty in ways that create engaging learning experiences.

Engaging Faculty

As expectations on faculty expand, business schools will need to provide additional support, training, and incentives to increase faculty engagement and success in their classrooms.

- **Shift the thinking.** Offering a variety of online, hybrid, and face-to-face program options is no longer a temporary solution to a challenge but a strategic direction for addressing learner needs. As business school leaders explore opportunities to rethink the educational experience, they should include faculty in the process and empower them to innovate and create the kinds of learning they want to provide to students. Some schools are exploring jam sessions and other forms of design thinking and idea sharing to get faculty involved in creating the new vision.

- **Re-evaluate partnerships and human resources.** With the growing number and availability of edtech and learning platforms, business schools will need to evaluate their human and technological resource needs. This may result in hiring staff dedicated to technological innovation and management or creating new partnerships with edtech providers that allow the school and its faculty to achieve learning goals.

- **Equip faculty with the necessary support and training.** Insufficient teaching preparation is often noted as a shortcoming of doctoral business education, and it is even more apparent in the online environment. Like the students they teach, faculty should also be lifelong learners and embrace innovation in learning delivery. Business school leaders should make concerted efforts to provide the tools and resources needed to support faculty in their own professional development.

- **Create a peer-to-peer learning environment.** Beyond training, business schools can encourage greater engagement by creating learning environments where faculty can openly learn from one another, exchange best practices, or team with more experienced colleagues or instructional designers to develop respective skill sets. The reputation and success of a business school's digital strategy will depend on how well faculty work and grow collectively.

- **Incentivize good work.** Finally, faculty will feel encouraged to continue pushing the envelope in learning delivery if they are recognized or incentivized for doing so. In addition to tenure and promotion practices, schools can evaluate what motivates their faculty and think of creative ways to reward those progressing toward more engaging learning experiences.

Supporting the Evolving Role of Faculty

As business schools serve a broader, more diverse, and more dispersed student body while also delivering a wider range of programs, the role of faculty in the learner experience will also to be redefined. Areas for business schools to focus on include:

- A curriculum strategy for degree and non-degree portfolios (e.g., microcredentials), using a modular approach to test and build new programs based on market demand.

- The impact of unlimited, free, online multimedia content on the faculty role, requiring instructors to shift from subject matter expert and lecturer to more of a coach or mentor role and create more experiential learning opportunities.

- The roles of "star professors"—those who create engaging and fun learning experiences that can be delivered at scale—and the supporting faculty and staff needed to deliver learning content.

- External pressures affecting the mental wellness of both learners and faculty, creating new interpersonal dynamics.

- The ability to maintain quality and timely learning experiences while continuing to innovate content delivery methods, which requires strategic resource allocation (faculty training, support, infrastructure, technology), collaboration, and talent identification.

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