

Internationalizing Business Education

By Elvin C. Lashbrooke

Executive Briefing: Business education which was once dominated by U.S. and Canadian business schools is being localized. Scores of new business schools are cropping up around the globe, particularly in India, China, and South America. There are 11,823 institutions offering business degrees of which only 1,707 (14.4%) are in North America. Only 695 (less than 6%) of the 11,823 are accredited by one of the three major accrediting agencies, AACSB, EQUIS, or AMBA. Of the 695 accredited schools, 482 (69.4%) are in North America. This paper examines the importance of these statistics.

 If business schools and business education are becoming localized, then economies will tend to become localized and the trend toward globalization will slow down or worse will reverse and move back toward isolationism and protectionism. History tells us that isolationism and protectionism are not good things and can have potentially catastrophic consequences. Rather than increasing globalization, we may see a retrenchment as a result of the global recession. We already see signs of increased nationalism and protectionism. Cries and exhortations to Buy American, give preference to domestic businesses, repeal NAFTA can be heard in executive and legislative pronouncements.

It is imperative that business schools wherever located have an international or global outlook.

Where are we now? Do we live in an integrated global economy? Is it a network of interconnected national economies or worse yet separate national economies with impenetrable borders?

If we live in an integrated global economy, i.e. if the world were flat as hypothesized by Thomas Friedman in his book, *The World is Flat*, there would be no need for internationalization of business education.

Business strategy would be uniform and applicable the world over. While there still would be language and cultural issues to overcome, the tools, techniques, and frameworks that we use to solve business problems would remain constant. Actually if faculty and administrators believe that this is the state of the global economy, there will be resistance to efforts to internationalize because it is not necessary.

On the other hand, if the global economy is a network of interconnected national economies, then business education must be able to bridge the borders, hence, the need for internationalization or globalization of business schools.

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If we have separate national economies, then internationalization will not take place because we would focus on teaching our own separate tools and techniques for each individual country. So it is only in the middle ground where internationalization of business education makes sense.

Which is it? The financial markets are the most integrated globally. Money moves across national borders with relative ease. A reality brought home by the financial crisis of 2008. But what about goods and services? Goods move across national borders; however, even with the World Trade Organization and GATT there are still many barriers to the movement of goods. U.S. International trade to GDP is less than 30%. It is the services sector that encounters the highest barriers, particularly professional services. It appears that we have an interconnected network of national economies at the moment.

Clearly, there is a need to globalize business education. Internationalizing or globalizing business education, however, does not mean actually covering the international chapter which is usually the last chapter in the textbook anyway or having an international business course. Globalization must permeate the entire college and become a way of thinking about business education and business.

The Broad School has decades of experience in the international arena. More than fifty years ago, the Broad School was instrumental in establishing the Getulio Vargas Business School in Brazil. We send about 600 students on Study Abroad programs per year and are working to increase that number. We will be offering an undergraduate business degree with an international specialization at the MSU-Dubai campus in 2011. The Broad School is home to the Academy of International Business with 3,303 members in 76 countries. MSU-CIBER (Center for International Business Education and Research) is a leader amongst the 31 CIBER's. Our faculty is the world-leading research faculty according to the Management International Review, 2004 and has the most editorial influence in the world according to the

Journal of International Business Studies, 2005. Even with all of our accomplishments in international business, we are continually striving to expand and improve our international outreach and reputation.

Defining Goals

Before going international or global, you need to define your goals. There are both institutional and educational goals. Institutional goals may include: raising the visibility of the school, raising money, providing broader opportunities for faculty research and consulting, and creating a global network of alumni.

The Broad School's institutional goals are:

- 1) Establish a Global Initiative Council to leverage the "people assets" that the college and university have around the world. Create "Cabinets" representing six world regions. Michigan State University operates on all seven continents. We will restrict our activities to six. Members will assist with: identifying corporate partners, sponsoring admission and alumni events, increasing philanthropic support for the Broad School, and marketing the Broad School.
- 2) Establish a "virtual" international business department in the Broad School. The virtual International Business Department was launched in February 2009 with 75 faculty involved in international business research, teaching, and service.
- 3) Establish a network of strategically located Global Research Centers worldwide to facilitate faculty research on an international scale. We have signed agreements with: Copenhagen Business School, Erasmus, Koc (Turkey), Getulio Vargas (Brazil), Peking (China). We are looking at business schools in: Italy, Australia, South Africa, India, and South America. We will also use the Japan Center run by Michigan State University for all Michigan Universities and MSU-Dubai campus.
- 4) Establish close partnerships and global campuses in strategic locations around the world to have a physical presence that would allow the Broad School to be truly global in scope and scale. Examples include the Japan Center and MSU-Dubai. Strategic planning is underway for additional locations
- 5) Establish a comprehensive website showcasing all global aspects of the Broad School and its on- and off-campus partners. This site was launched on April 6, 2009.

At Michigan State, nearly 1,400 faculty are engaged in international work in 176 countries.

Our educational goal is to prepare students for leadership positions in a global economy. Our educational goals are to: 1) Continually revise our curriculum and make it more robust regarding international content. Striking zeros and sevens does not make accounting international. Faculty members are encouraged to integrate international business issues into their courses. We also have international online modules created by MSU-CIBER that faculty can assign or incorporate in their courses.

- 2) Promote the International Business major, concentration at the MBA level and the undergraduate international business specialization/minor.
- 3) Establish a strategically based study abroad and international internship program to provide all of our students the opportunity to become global business leaders. The international internship program was launched on April 6th in conjunction with the Global Initiatives website.
- 4) Establish innovative online and hybrid global programs that leverage the Broad School's strategic global brand. Under consideration are a Master of International Business (MIBS) and an International MBA.

Making Decisions

Internationalization must be institutional not individual. Too often international linkages whether study abroad or research relationships are based on individual contacts or interest. Linkages based on individual friendships or a desire to visit the ancestral homeland are transitory and disappear when the individual tires of the relationship, moves, or retires. While initial contacts may be the result of individual interest, a decision must be made as to whether this contact or proposed linkage is in the best interest of the institution. Does it further the goals articulated by the business school? I appointed an Associate Dean for Global Initiatives whose task it is to decide which opportunities we will accept or not. There needs to be someone in the college who is responsible for executing the global strategic plan. Fragmented responsibility does not work. The person responsible must have a position of authority within the college which is recognized by the faculty and staff and is highly visible.

Business schools do not operate in a vacuum. There is the larger university to consider. The Broad School is fortunate to be part of Michigan State University. We are in an ideal environment to globalize business education. Under the leadership of President Lou Anna Simon, Michigan State University has made global awareness and engagement of our students, faculty, staff, and other constituencies an institutional priority. The university is recognized in the international community for its work in many areas. Nearly 1,400 faculty members currently are involved in international research, teaching and service projects and programs in 176 countries. The university has 156 international partnerships.

There are budget constraints and organizational constraints. In many respects universities and colleges are not well structured to accomplish these goals. Universities have college silos. Colleges have department silos. Disciplines are at the base of these silos.

I have no illusion that university structures are going to change. Discipline based departments and colleges are not going to disappear. So how do we overcome these obstacles? In a word –Collaboration within the

college and cross-college, with other universities both domestic and foreign, and with businesses both domestic and foreign.

Our latest global collaborative effort is the creation of a Center for Global Sustainability housed in the Broad School. Modern sustainability has four key dimensions: Economic, Environment, Ethics, and Education. The Broad Center will focus on developing and disseminating knowledge associated with these four dimensions. Clearly, this is multi-disciplinary.

Within the Broad School we are involving all of our departments plus The School of Hospitality Business. Cross-college we are collaborating with the College of Natural Resources and Agriculture (Agriculture, Food, and Resource Economics, Fisheries and Wildlife, and School of Packaging), the College of Engineering (Chemical Engineering and Computer and Systems Engineering), College of Social Science (School of Criminal Justice), and the College of Veterinary Medicine (National Food Safety and Toxicology Center). Internationally, our Global Research Centers will tie in faculty from other universities around the world. We have a group of corporate partners that are multinational, global corporations.

The strategic direction of the Broad School can be articulated by three words – Globalization, Sustainability, and Collaboration. The Center for Global Sustainability incorporates all three concepts.

Our mission is to train leaders for a global sustainable economy. We cannot do that without internationalizing business education. If the business school is fortunate enough to be on a campus such as Michigan State University it should leverage the university to take advantage of the international base that already exists. Otherwise, the business school has the opportunity to take the lead in the internationalization of education across campus. Either way it is an obligation that we owe to our students and institution. ♦ [gBR Article 04-02](#), Copyright © 2010.

About the Author

Dr. Elvin C. Lashbrooke is Interim Dean of The Eli Broad College of Business at Michigan State University. Prior to this appointment, Dean Lashbrooke served as dean of the College of Business at University of Nevada Las Vegas (UNLV), as associate dean of the Eli Broad College of Business at Michigan State University, and as chair of the Department of General Business and Business Law in the Broad School. He also served as director of Study Abroad and e-Learning Initiatives in the International Business Center after leaving the dean's office. He is the study abroad program director of the Summer Business Program at Magdalene College, University of Cambridge in England. Dean Lashbrooke earned his Ph.D. in Business (Finance) from Michigan State University.