

EDUCATION

Harvard Dean Defends, Indicts Business Schools

By GARY PUTKA

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John H. McArthur has been dean of Harvard Business School for 15 years, a period of much growth—and criticism—for business education. Dr. McArthur was responsible for launching the Harvard Business School Publishing Corp., a subsidiary aimed at boosting the reach and revenues of the Harvard Business Review, the school's case studies, videotapes and satellite seminars. He also launched an internal review to create a new curriculum.

Although that resulted recently in faculty approval for year-round school, a 16-month M.B.A. and more global and interdisciplinary teaching, Harvard's reputation for innovation during Dr. McArthur's tenure has lagged behind that of other business schools. Meanwhile, business schools have been criticized for producing too many consultants and not enough managers who can produce top-quality goods.



John H. McArthur

Dr. McArthur, 60 years old, who sits on the boards of Chase Manhattan Corp. and several other companies, announced last week that he would step down at Harvard when a successor is found. In his Boston office, he fielded questions about Harvard and about the quality of U.S. business and education. Here are edited excerpts.

Q. What do U.S. companies need to do to be more competitive?

A. There's not a lot of American companies yet that are global, if I can contrast that with international. A company that's international manufactures products here or has some service here, sends its people or its products out and tries to sell them in other parts of the world. Then look at the Contour — for Ford a first attempt to get a product that is global. They pulled together all the people you need to bring out a new car and put them in one place to develop it for [all] markets. That's different from designing cars in Stuttgart and shipping them all over the world.

Q. You've said there are tougher decades ahead for higher education. Why?

A. What the business part of the economy went through 15 years ago, and health care is going through now, higher education will go through. There are too many things about it that just aren't right. Our costs are too high, and our prices are too high. We need to look at our research, the impact of the research and the value of it. There needs to be more program cutting. We cut programs around here regularly, but it's not a normal event in higher education. Things tend to get started and funded either by endowment or by government, and they go on and on.

I'm not sure that a lot of people working toward a degree wouldn't be better off another way. In large cities in Northern Europe or Japan, they have technical high schools that focus on real careers in real industries, giving world-class technical educations followed by apprenticeship programs. Students end up in their early 20s able to compete with all comers in the world. Here, people go on to something called college, and chances are after they finish they are no closer to a [good career] than they were before.

Q. You've written that universities stand accused of a "conflict of commitment." Is the charge warranted?

A. Sure. There's a question of whether people [faculty] are spending too much time on commercial activities in their interest and not enough time working with students and young faculty. Twenty years from now, with all these emerging technologies, there is going to be a vast global marketplace for content—software—of the kind we do, and something is going to happen that is analogous to musicians or athletes, where the balance [of power] has shifted to the performers at the very top level. There is going to be a group of professors who have a vast following around the world, people whose research is absolutely salient. When industrial organizations are lining up with vast resources and insatiable need for content, how is the social contract with professors going to be preserved?

Q. With your new publishing company and faculty earning large sums as corporate consultants, could you lose your tax-exempt status?

A. I don't know. I'm not a tax lawyer, but in my own mind we don't make profits on what we're doing over there. As a school, we invest \$60 million in course development and research that comes to the publishing company as zero. Their cost of goods sold is zero, so it's not hard in that instance to look great. But as a school, we have this huge nut of unallocated investment that we can only pay for from the endowment, gifts and returns from the publishing company.

Q. Has Harvard lagged behind other business schools in making itself more efficient and adapting to the changing needs of business?

A. No, I don't think we're behind. I have real knowledge about very few other schools, although I suspect I have more than most of the people who are saying those things. We'll see over the next 10 years what this next generation can do, *vis a vis* the MBA program, which is what most of that chatter is about. The changes are a big deal, especially if we can learn to operate the school year-round. I don't know anywhere else that's had this kind of discussion and is ready to go.

Q. Would you be happier if you were graduating more people who worked in manufacturing?

A. Where they take starting jobs is a matter of indifference. What you're really talking about is careers. We hope to turn out people who become business leaders. One of the great bugaboos of some of our alumni and of people who observe us from the outside is how many people go into consulting. A couple of years ago we had a study of all the people McKinsey [a consulting firm] had ever hired, and the proportion of their alumni that were CEOs and running things was about double what it is for the school as a whole. In other words, the evidence was that consulting is in fact a perfectly viable path for people to get out of here and to become leaders.

Q. How would you judge the overall quality of business education in the U.S.?

A. It's a scandal. How could it be otherwise? The entry barriers are nil. There has been explosive, uncontrolled growth in students and schools, but at the same time the supply of outstanding faculty has gone down as fewer kids see academics as an attractive career. There are 85,000 new M.B.A.'s a year. And the reason that people can sell magazines now that rate business schools is that people *know* that it matters where you get your degree. We and about a dozen schools like us haven't increased our graduates much for 20 years. We let market share shrink to preserve quality.

高教、職教與企管碩士

美國最著名的五所研究大學商學院 (School of Business) 設在哈佛大學、賓州大學、芝加哥大學、西北大學及史丹佛大學。時代與世界的變遷，使得大學教育也必須配合就業市場的取向，隨時調整課程、教育方法與捐款策略。

美國高等教育的激烈競爭，是有目共睹的事實。正因如此，大學教育永遠配合社會的需求與世界的潮流，而保持創新、實用與多元化。在物競天擇的理論下，學術與社會永保強勁的活力。同時，國際觀、多元化與實用導向，已成為各校長程策略規劃 (Long term strategic planning) 的重點工作。上述哈佛大學商學院院長 John H. McArthur 的現身說法，以及對北歐國家和日本職業教育培養的肯定態度，很值得我們參考。【李振清】