

# Solving the Doctoral Dilemma

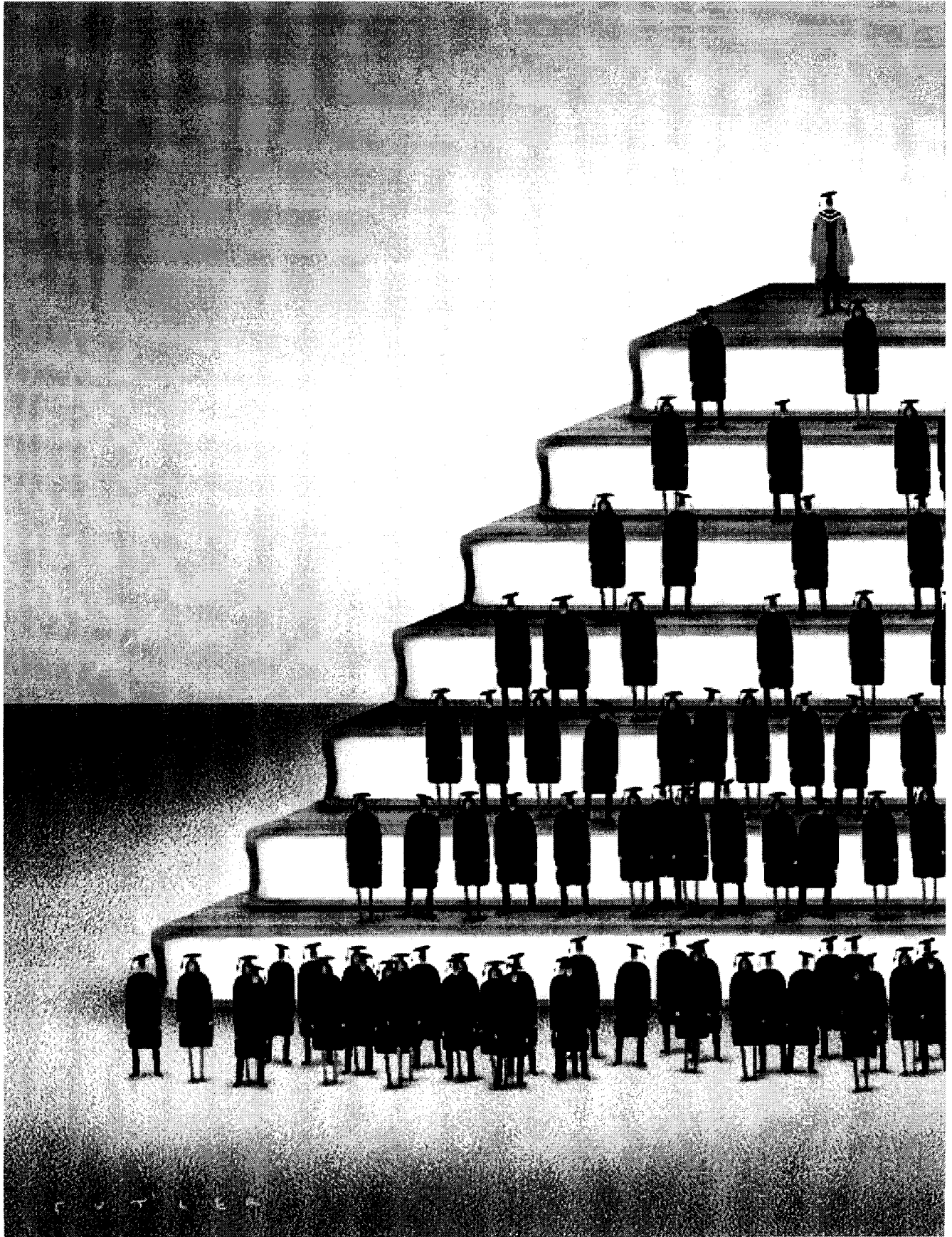
by Tricia Bisoux

**A**s director general of CENTRUM Católica in Lima, Peru, Fernando D'Alessio knows firsthand how the doctoral shortage is affecting business schools in at least one market—his own. The region, he says, now suffers from “bright flight,” as young Latin Americans travel to Europe or the U.S. to earn their doctorates, never to return to their home countries for their long-term careers. Of those who receive professional qualifications at home, most go abroad to find permanent positions.

Part of the problem, says D'Alessio, is a lack of capacity in the Latin American market. “Very few business schools attempt to start doctoral programs due to the resources and faculty knowledge needed to advise students in their research,” he says.

CENTRUM isn't alone in feeling the effects of a shortage of academically qualified faculty. Many business schools, especially those in the United States, must pay increasingly high salaries to attract the best faculty from a steadily shrinking pool of talent. To support the full range of their curricula, some are increasing the number of professionally qualified faculty, who can provide excellent teaching support but normally do not divert as much energy into research or publishing as their academically qualified counterparts. For many schools, the only other option would be to limit the size of their programs—or eliminate some courses altogether.

Business schools must teach for an ever more intricate business environment, while they face a shortage of academically qualified faculty. Should the long-standing model for the business doctorate change to meet these demands? And, if so, how?



The obvious solution to the doctoral shortage would be to graduate more PhD students. But that's not an easy proposition at a time when most schools are seeing their funding sources shrink, says Rich Sorensen, chair of AACSB International's Doctoral Faculty Shortage Working Group and dean of Virginia Tech's Pamplin College of Business in Blacksburg. "With budget cutbacks and economic uncertainty, we don't know what's going to happen," says Sorensen. "At Pamplin, we had increased the size of our doctoral program by 12 additional students—and we've had to cut six of those positions."

AACSB International estimates that business schools saw a shortfall of at least 1,000 business doctorates in 2008—a shortfall that could increase to 2,000 in ten years. To reverse the shortage, educators are experimenting with new approaches to the doctoral degree, while maintaining and enhancing its relevance in the 21st century. The six solutions outlined here offer a glimpse into where business doctoral education stands today—and where it might be headed.

### 1. Building Bridges to Business

In its bid to counteract the doctoral shortage, AACSB has encouraged the initiation of Post-Doctoral Bridge to Business programs, designed to help scholars with PhDs in other

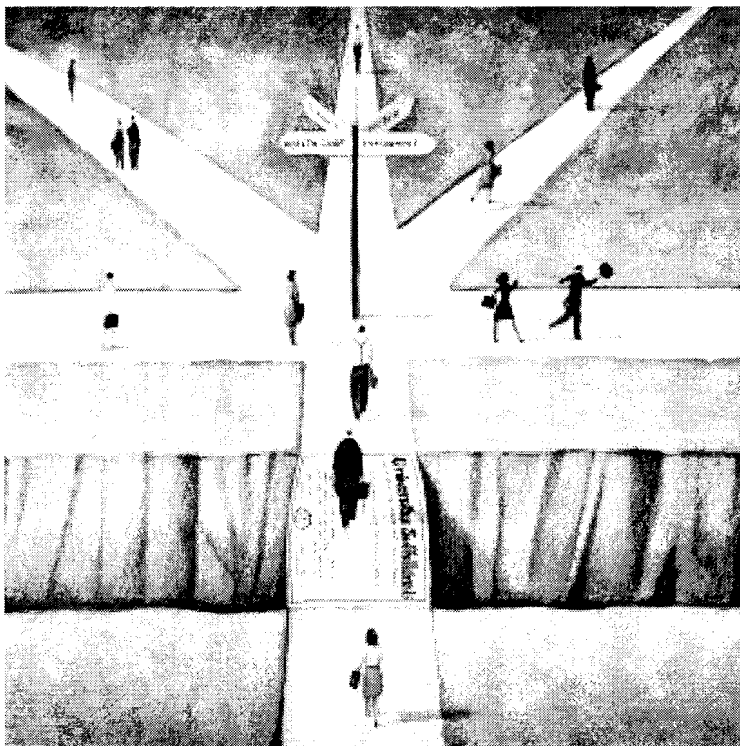
disciplines make the transition into business. To date, five schools offer the eight-week Bridge curriculum, including Virginia Tech's Pamplin College; the University of Florida's Warrington College of Business Administration in Gainesville; the University of Toledo's College of Business Administration in Ohio; Tulane University's Freeman School of Business in New Orleans, Louisiana; and Grenoble Ecole de Management in France.

The Pamplin College has scheduled its Bridge program for the summer, to appeal to scholars on traditional September-to-May contracts with their current universities. Program administrators hope to enroll 50 students for its next Bridge cohort this summer—25 for its marketing track and 25 for its finance track. In 2010, the Pamplin College plans to add a track in management, creating the capacity to graduate 75 doctorally qualified business faculty. That kind of output multiplied by many schools could go a long way toward solving the doctoral shortage, stresses Frank Smith, director of Pamplin's Bridge program.

"We target individuals who demonstrate the potential to secure a tenure track faculty position in their new field of choice," Smith explains. That means that the ideal student for the Bridge program already has earned a PhD in a field that directly applies to the business world, such as economics, statistics, sociology, or psychology. Statisticians, for example, can apply their skills to market research; economists might make the leap into finance; psychologists can translate their knowledge to consumer or organizational behavior.

Formerly a scholar in statistics at Penn State University, Shabnam Mousavi is a graduate of Pamplin's 2008 Bridge program. She is now a visiting professor of finance at Georgia State University's Robinson College of Business in Atlanta, specializing in research that focuses on the behavioral phenomena that affect corporate decision making. Mousavi says that when she heard about the Bridge program, she jumped at the opportunity to become doctorally qualified in finance. "I was looking for a way to become familiar with the vocabulary of finance so I could go further in my research," she explains.

Mousavi received an intensive education in financial theory and business pedagogy—and secured an opportunity to advance her career, strengthen her negotiating power, and earn a higher salary. The experience also allowed her to "learn the academic language" of business. "It's a real intellectual challenge to make this move," says Mousavi. "You are exposed to new ideas and learn about the real phenomena that you've previously only known on a theoretical level."



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## The Rise of the Executive-Scholar

**M**ore executives are deciding that an MBA may not give them all the skills they need to tackle the intricate web of interrelated problems that businesses face today. Many view a doctoral degree in business as their path to a deeper understanding of business problems and the research skills required to solve them.

The model of executive doctoral education has long been the norm in French *écoles* and other business schools in Europe. However, its prevalence is now growing in other regions in the world. In Latin America, for instance, regional and global trends have pushed many corporations in both private and public sectors to send their high- and mid-level managers to pursue their doctorates. Fernando D'Alessio of CENTRUM Católica notes that the school's DBA program was designed to be both flexible and in-depth to meet the needs of the working professional.

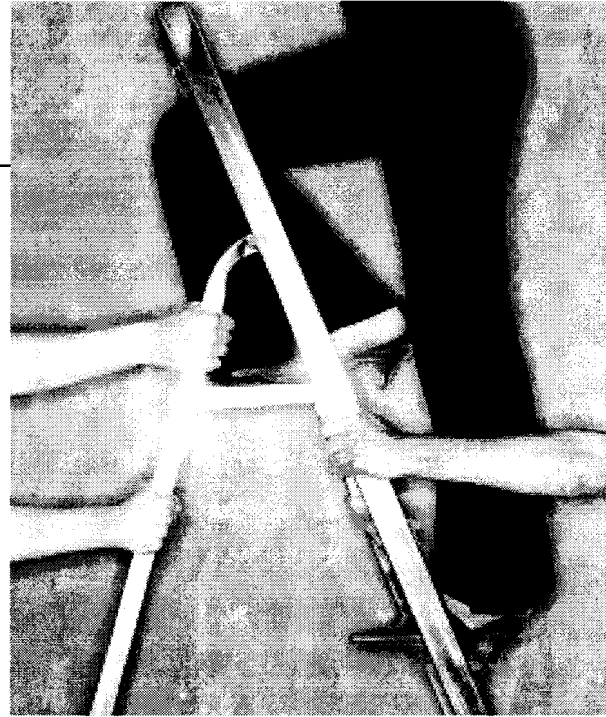
In the European market, where more people are earning their bachelor's and master's degrees, the doctorate is seen as the big credential to add to their resumes, says Marko Pahor of the University of Ljubljana. "The pool of candidates is increasing,

as the doctoral degree becomes an important signal of differentiation in the labor market."

Demand for programs aimed at the executive-scholar is growing, says Neal Mero of Kennesaw State University. His school received 400 inquiries to fill 15 spots in its DBA program. "Why aren't there more programs in the U.S. that allow professionals to pursue quality doctorate degrees?" he asks. "There is clearly demand for it, and the business community is telling us that students trained to conduct research can add value to their organizations."

By staying wedded to the traditional PhD model, many business schools don't provide an option for professionals who aren't going to give up their careers to attend a full-time residency PhD program. It's a "sweet spot" in the market, says Mero, that many business schools have yet to tap.

Eon Smit, director of the University of Stellenbosch Business School, agrees that executives comprise a growing segment of students pursuing doctoral qualifications. "Of particular interest," he says, "is that large conglomerates, like South African national electric-



ity supplier ESKOM, now enter cohorts of senior managers to participate in our doctoral program as part of their information management strategy."

Because executives often pursue their doctorates while working full-time, they do not provide the advantage of traditional PhD students: research assistance to faculty. That may concern some professors who rely on the help of doctoral students to conduct research. But faculty should not underestimate the power of executives' connections, says Bo Carlsson of Case Western Reserve University's Weatherhead School of Management. By working with executive-scholars, faculty may have access to thousands of data points within their students' companies—and a wealth of opportunities for their own scholar-

ship. "This is an exciting set of individuals whose perspectives and competencies may fall outside our individual disciplines," says Carlsson. "We can learn a lot from them."

The trend toward executive scholarship promises to come full circle, say these educators. Not only are more companies choosing to send their executives to receive doctoral education—more are hiring academically qualified business PhDs who are trained to make sense of the deluge of information business generates every day. That means that business schools with robust doctoral programs will be ideally positioned to assist these companies in their hiring. More and more, even traditionally trained PhDs may have a host of career options not just in academia, but in industry.

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— Neal Mero, Kennesaw State University

## 2. Launching a Doctoral Startup

A few business schools are doing something relatively uncommon among contemporary business schools: They're building completely new doctoral programs from the ground up. Among the new programs are an Executive Doctorate in Business at Georgia State University's Robinson College of Business in Atlanta and a Doctorate in Business Administration at Kennesaw State University's Coles College of Business in Georgia. Launching this fall, both three-year programs target working professionals and require students to be on campus only one long weekend each month. Each curriculum requires executive doctoral candidates to write and defend dissertations.

While off campus, the first 15 students in Coles' DBA program will work on their degrees through a Web-based platform of instruction, continuous e-mail contact with faculty, and online student discussion groups. "We don't use the term 'part-time,' because students still must dedicate at least 25 hours a week to their studies," says Neal Mero, director of the program. "Our students will be on campus 30 days each year so they can accommodate their professional schedules, but those residency courses are augmented by a large amount of individual work with faculty."

While Coles College hired additional faculty to teach its DBA students, it worked to strengthen the program even further by establishing its Global Scholars Network (GSN), which includes experts throughout the world who will make themselves available to work with Coles doctoral students. "This process is much more common in other parts of the world than it is in the U.S.," says Mero. "To make our DBA program work, we knew we had to look at models that were different from traditional U.S. models."

## 3. Moving Beyond the MBA

Case Western Reserve University's Weatherhead School of Management in Cleveland, Ohio, has offered its Executive Doctorate in Management since 1995. EDM students meet for two to four days every three weeks for three years; while off-campus, they must devote 30 hours to their scholarship.

Weatherhead's EDM—which served as the model for the Coles and Robinson programs—was de-

signed to go "beyond the MBA," says its director, Bo Carlsson. The school wanted to offer a degree of a doctoral quality that was not aimed at the academic market—one that departed from traditional doctoral formats in delivery, not rigor. "One thinks of a PhD as academically oriented, discipline-based, and full-time, and our EDM program is none of the above," he says. "It's transdisciplinary and aims to train practicing executives to handle the broader issues that businesses face."

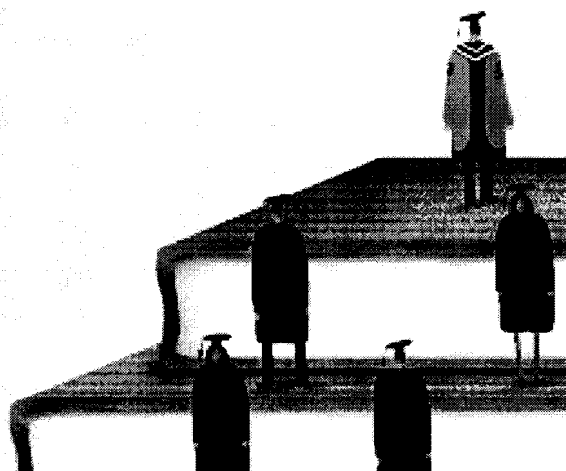
Programs tailored to executives also have one advantage that academic PhD programs do not—their students often pay tuition rather than receive stipend support from the university. At Weatherhead, that means that the EDM is self-supporting.

The broader perspectives and skill sets that executive-scholars offer could be a boon to the b-school classroom. "Virtually all business schools make faculty appointments in particular disciplines," says Carlsson. "The emphasis many schools place on single-discipline performance hampers their recruitment and their delivery of their PhD programs." If business schools are to teach the broad-based skills that today's complex business problems demand, he argues, they'll need faculty who themselves have gone beyond the single-discipline mindset.

## 4. Joining Forces

Business schools following European models of higher education have long seen the value of collaboration when it comes to doctoral programs. For schools that join forces to offer business PhD concentrations—by choice or by necessity—the whole is often more than the sum of its parts.

CENTRUM's four-year DBA program in Peru, for example, is offered jointly with the Maastricht School of Management in The Netherlands. The program, which is offered in Spanish and English, accepted its first cohort of 25 students in August 2002 and will welcome its fourth cohort this May. The goal, says D'Alessio, is not just to provide doctoral research expertise to managers and academicians in mid-career—it's also to offer an international perspective, something that the two schools do better together than apart.



Other schools have joined forces through networks such as the Central and South-East European PhD Network (CESEEPHD), coordinated by the Faculty of Economics at the University of Ljubljana (FELU) in Slovenia. The purpose of CESEEPHD is to promote and facilitate cooperation among its member schools located in Slovenia, Austria, Hungary, Croatia, and Bosnia-Herzegovina, explains Marko Pahor, director of FELU's PhD program.

Member schools work together to organize common courses and seminars, exchange students, and encourage collaboration. Courses at FELU, for example, are offered in a modular format, which "allows participants from the whole region to easily join in the program," says Pahor.

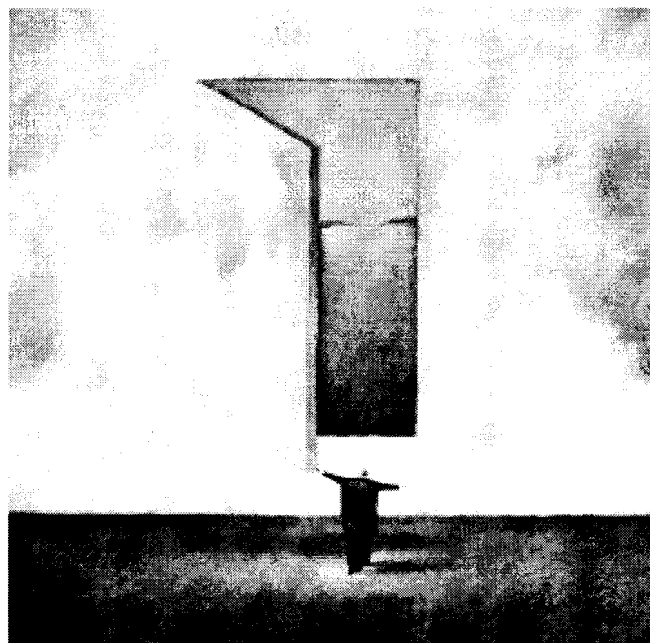
Another successful collaboration to deliver the doctoral degree involves HEC Montréal, McGill University, Concordia University, and University of Québec at Montréal in Canada. Students in the full-time, four-year program enroll at one university but have the option of taking courses on any of the four campuses, which are less than 30 minutes apart via public transportation. Each student works with a dissertation committee that includes at least three faculty, and at least one of those faculty members must teach at a school other than the student's own. Two schools offer courses in French, and two offer courses in English.

The collaboration began in 1976 because school administrators were aware of the limited number of resources available, especially at the PhD level, explains Françoise Bellavance, director of the PhD program at HEC Montréal. Students benefit from learning from a wider range of faculty, and the schools work together to build a greater foundation of strength from which to operate the program. "It's a challenge to coordinate the program across the campuses," Bellavance says, "but we think the collaboration is an advantage."

### 5. Investing in Scholarship

While the MBA is the breadwinner and a source of prestige for many business schools, the PhD is often considered a drain on resources—and, as a result, somewhat expendable. But that view of doctorate programs is shortsighted and can lead to weaker programs at all levels, says Debra Shapiro, director of PhD programs at the University of Maryland's Smith School of Business in College Park. The Smith School recently launched its \$12 million PhD program initiative, in an effort to attract the best and brightest to its PhD program.

"By graduating high-quality scholars who produce top research, we contribute knowledge to the field and increase the visibility of our school," says Shapiro.



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The challenge is to sustain the resources to support a strong PhD program that includes not just courses and faculty interactions, but also guest speakers, workshops, and online resources aimed at building a community of scholarship, says Shapiro. She points out that the economic crisis threatens to shrink resources at a time when job losses send more people back to school to pursue their doctoral degrees.

And while an MBA program may drive a school's short-term reputation, a PhD program drives its long-term status in the market, says Bellavance. "If you want to attract top faculty and have a reputation for innovation, you need to have a strong PhD program," he says.

Bellavance wishes that HEC Montréal could invest more in its program. Capacity, Bellavance says, is not a problem for the four schools involved in the Canadian collaboration. About 450 students are now registered across all four universities, and the schools have the faculty available to accept even more qualified candidates. The problem is providing students the financial support they need to complete the program.

Right now, only about 30 percent to 40 percent of students in the joint program receive governmental scholarships of approximately CAN\$22,000 per year. Students who enroll from outside Canada have an even more difficult time finding funding because they have no access to government support.

HEC Montréal tries to support students with research grants and its own funds, but finding more financial support for business doctoral education is still a "big issue," not only for HEC Montréal, but for all business schools, Bellavance says. "We are probably not financing them enough for the four years, and that's a problem. We could attract more students if we could more fully support them."

### 6. Making a Case for Innovation

While increasing the capacity of business schools to serve more students is one way to mitigate the doctoral shortage,

it's not the only way, say many educators. Organizations like AACSB want to raise the profile of the degree among governmental funding agencies, such as the National Science Foundation, to attract more financial support for business scholarship. To alleviate the high opportunity cost of the degree—a factor that can deter many promising students—some recommend aiding students with larger grants and shorter times to degree completion.

Perhaps the biggest area of controversy is whether a doctoral degree can be effectively delivered via part-time residencies or online technologies. But Sorensen of the Pamplin College argues that the terms “part-time” and “online” do not necessarily exclude academically challenging doctoral courses of high quality.

“U.S. schools shy away from the online model because it has been tainted by online programs that have taken a ‘trade school’ approach,” Sorensen says. “But the schools that have offered online doctoral education have been innovative. We simply need more schools to use innovative delivery *and* do a quality job at it.” If business schools intend to mitigate the impact of the doctoral shortage and produce research that continues to make significant contributions to the real world, he argues, they will have to develop more innovative approaches in their doctoral programs.

### Change on the Horizon

Not everyone supports radical changes to the traditional model. After all, what happens to the rigor of scholarship if students aren't on campus full-time? What happens to the support that most doctoral candidates provide to their faculty advisors? “To become skilled at scholarly thinking and writing requires an intensive amount of time,” says Shapiro of the Smith School. “If students aren't focusing on their degrees full-time, they will not have the ability to engage with their studies. I just can't imagine that programs that make it easier to study for the PhD would be feasible.”

There is one point, however, on which most agree: Schools that invest in their post-graduate degrees have an incredible opportunity to raise the profile of their programs and graduates. Some administrators hold that if business schools do not produce the number of doctorally qualified faculty they need to teach tomorrow's students, they will be forced to adjust their approaches. If the current climate is any indication, attention to doctoral education is likely to intensify, as schools adopt more innovative scholarship models, create more collaborative programs, invest more resources, and more fervently promote the value of doctoral education in business. ■



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