

# **XIME CONFERENCE ON MANAGEMENT EDUCATION**

## **Country Perspectives in a Globalizing World: Brazilian Perspective (1)**

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### **INTRODUCTION**

In this paper, we present and discuss the phenomenon of Brazilian management education in a globalizing world. This paper is structured as follows: the first section summarizes the evolution of management education in Brazil, with focus on Brazilian graduate programmes; and the second section gives an overview of the challenges at stake at the international level on management education.

### **EVOLUTION OF MANAGEMENT EDUCATION**

#### **Evolution of Management Education in the World**

The first business administration course appeared in early 1881 (Wharton School). MBAs were then introduced in American business schools in 1908 and the fact that MBAs became more popular was fundamental for the expansion, all over the world, of the American model of management education. In the 1960s and 1970s, PhD and MBA programmes were consolidated in US and right after that, American business schools start to export “education products” – more specifically MBAs.

In Europe, business schools spread out was a result of both the Marshall Plan and the presence of American multinationals companies in the continent (Warde, 2000). In the earlier 1990s, the American model was already found all over Europe: Cambridge and Oxford created business schools, while French universities and *Grandes Ecoles* created their own MBA programmes.

#### **Evolution of Management Education in Brazil**

In Brazil, as in many other countries, the development of business administration schools is related to the industrialization process. The first undergraduate course in business administration in Brazil was created at Fundação Getúlio Vargas: the Escola de Administração de Empresas de São Paulo (FGV-EAESP).

FGV-EAESP was created in 1953, with the financial support of the Organization of American States – OAS – and the United States Agency for International Development – USAID, which enabled a cooperation agreement between FGV-EAESP and Michigan State University. As part of the project, professors from Michigan State remained in Brazil for 12 years and meanwhile Brazilian professors received training in the U.S. After FGV-EAESP has been created, other business schools were created in other Brazilian states, such as in Rio Grande do Sul (EA-UFRGS), in Rio de Janeiro (FGV-EBAPE and PUC-RJ) and in Bahia (EA-UFBA).

In the 1973, FGV-EAESP created the first Master programme in business in Brazil, both in business administration and in public administration and in 1976 created the first Brazilian Ph.D. programme in business.

In order to provide some guidelines of Master programmes in Brazil, a brief overview of Master degree programmes may be useful. Thus, in Brazil there are three different Master degree programmes, duly recognized by the Ministry of Education, as follows:

- Curso de Mestrado em Administração de Empresas – CMAE (Master of Science in Business Administration) – full time
- Curso de Mestrado em Administração Pública e Governo – CMAPG (Master of Science in Public Administration and Government) – full time
- Mestrado Profissional em Administração – MPA (Professional Master in Business Administration - MBA)

In contrast with the MPA Programme – MBA – that requires candidates with at least 10 years of experience, the Master of Science in Business Administration and in Public Administration do not require candidates' pre-experience. Thus, it is more in with the MSc from the Bologna Protocol.

In 2000s, three kinds of practice-oriented graduate programmes were consolidated in the Brazilian market (Wood, 2003):

- MPA (Professional Master in Business Administration – MBA), offered by major public universities and traditional autonomous schools;

- part-time Diploma programme (use the brand MBA, but are not considered as such by the Ministry of Education): minimum 360-hour duration, generally offered in two different styles: (1) general management programs; and (2) specialized programmes in business, in fields such as human resources, marketing, finances, information technology etc.;
- continuing education programmes – including in-company and corporate university programs – with different time duration and some of them also use the MBA brand name, without being considered as such by the Ministry of Education.

It is important to point out that after the 1990s; Brazilian management education took a considerable expansion and diversification. In the year 2000, there were in Brazil, according to the Ministry of Education, 969 undergraduate programs, 28 master's programs, and 10 Ph.D.'s programmes. In 2008, also according to the Ministry of Education, the number of undergraduate programmes in business administration had grown to 3,407. The number of graduate programmes has also increased: 51 master's programmes, 16 MPA's programmes and 22 Ph.D. programmes.

### **MPAs: the Brazilian MBAs?**

The term MBA in Brazil can be applied to designate a professional master programmes, part-time diploma programme, specialized programmes, including in-company courses and even it can use for name law courses (MBA in Law).

Brazilian MPAs are a hybrid model: they do not embrace the American MBAs model, but they are neither adaptation of the academic master's programs that preceded them.

The MPAs were officially regulated by the Brazilian Ministry of Education in 1998 and accredited in 2001. FGV-EAESP's MPA programme was created 5 years before the other programmes and before the regulation by the Ministry of Education. Exhibit 1 offers some information on MPA's from six different Brazilian business schools

#### **Exhibit 1 – Characteristics of MPAs Programmes**

Business School		IBMEC-RJ	FGV-EAESP	FGV- EBAPE	PUC-RJ	EA- UFBA	EA- UFRGS
Students	Created in	2000	1993	1999	2001	1999	1998
	Large firms	30%	60%	40%	40%	60%	30%
	Medium firms	40%	30%	30%	30%	10%	25%
	Small firms and others	30%	10%	30%	30%	30%	45%

Attendants per class		30	50	25 to 30	30	35 to 40	25 to 30
Course structure		6 required courses plus 3 elective courses	22 required courses plus 6 elective disciplines; international double degree option (UT-Texas at Austin, HEC, Paris, Torcuato di Tella & Nova de Lisboa)	10 required courses plus 2 elective courses	18 required courses plus 3 courses disciplines	10 required courses plus 2 elective courses	15 required courses plus one required international seminar
Lectures		45%	60%	70%	50%	60%	65%
Case studies		35%	20%	20%	20%	20%	20%
Group-based dynamics		20%	20%	10%	30%	20%	15%
Faculty profile	PhD or equivalent degree holders	95%	100%	100%	100%	90%	100%
Professors with business activities		100%	100%	100%	50%	70%	100%
Attendant Profile	Average age	36 years	28-32 years	40 years	35 years	35-45 years	35-40 years
Women		17 %	14-17 %	15-20 %	30 %	30 %	10-12 %
Top-management		20%	20%	40%	30%	10%	45%
Middle management		40%	40%	40%	40%	70%	30%
Other non-managers, consultants, auditors, entrepreneurs etc		40%	40%	20%	30%	20%	25%

**Source: Wood, 2003**

In general, Brazilian MPAs spot many differences from their American and European counterparts (Wood, 2003):

- MPAs are part-time programs: students attend courses at night and/or on Fridays and Saturdays, meanwhile keeping their job positions. Most students come from medium and large-seized companies;
- Students average age is older than in similar international MBA programmes and thus students do hold higher hierarchic positions in companies;

- The ratio of women on these programmes is quite important in the local context, despite the fact that it may be considered very low if compared to outside references;
- Small size of classes of MPAs programmes also draws the attention. The reason is simple: teaching requirements and level of the courses demand limit the number of candidates;
- Most of faculty members hold a Ph.D.; however, most of them also perform extra-academia activities, as executives at public and private companies. It is important to note that the concept of full time professors in Brazil, as it is understood in other countries, is quite uncommon. Therefore, most full time professors work for companies and bring their practical experience to the classroom.

## **CHALLENGES AT THE INTERNATIONAL LEVEL ON MANAGEMENT EDUCATION**

Although the debate about management education is not new, the importance of globalization of business schools became relevant more recently. One can say that the debate is polarized between two approaches: the critical discourse on management education and the salvation discourse on management education both in a globalized world.

### **Critical Discourse on Management Education**

Henry Mintzberg is one of the most critical authors regarding the capacity of business schools to develop managers and of course to develop international managers. He argues that management schools can no longer continue to train students by means of fragmentary case studies and disconnected theories. Warner (2000) argues that business schools fail to meet the needs of firms because they adopt a generalist discourse, without giving priority to the cross-disciplinary character of today's business environment, and more specific to cross-cultural issues. Minzberg (see Mintzberg & Gosling, 2002) proposes a model based on using students' professional experience, stimulating international practice, and applying different teaching methods, which includes special design for classrooms and high interaction among students. His motto is "learning occurs where concepts meet experiences through reflection".

Other problems pointed out by many authors regarding management education can be summarized as follows (see Alvesson & Deetz, 1996; Alvesson & Willmott, 1993; 1992; Antonacopoulou, 1999; Welsh and Lewis, 1999; Gold, Holman & Thorpe, 1999; Reynolds, 1997; Boje, 1996; Dehler, Grey & French, 1996; Grey, Knights & Willmott, 1996; Robert, 1996):

- Management education is undergoing a “commoditization” process or “macdonalization” process, that privileges “‘mass-production’ instead of individualization”, that privileges “commerce instead of education” (see Education on GATS Agreement of WTO);
- The BusinessWeek and the Financial Times rankings of leading business schools, just to cite these one, had and still have a deep impact on global management education. Many business schools are monitoring every topic in the ranking lists. In brief, the rankings produced a change on business schools from content to just image, which is just what actually matters: image.
- Many business schools around the world are promoting the “management culture”, emphasizing financial success in a short period of time and forgetting questionable ethics issues of management education. Many business schools alumni were involved in financial scandals in 2001 and 2002. An article of BusinessWeek (Schneider 2002), based on a survey made by the Aspen Institute with almost 2,000 MBA students graduating in 2001 from 13 leading U.S. business schools, shows that only 7% of males and 14% of females claimed to take into account the ethical standards of a company when evaluating a job offer.
- Ready-made prescriptions used by business schools that lead students to learn how to reproduce techniques, instead of performing the correct diagnoses and most of these theories are not applicable in foreign markets;
- Many business schools focus on teaching and not on learning; and students are regarded as spectators, or even worst as clients, of the teaching process;
- Management education is becoming a commercial asset and Western schools are engaged in competition for lucrative opportunities and in competition for foreign students (“consumers”), most of them coming from emerging markets.

### **Salvation Discourse on Management Education**

Many authors also discuss how management education might be renovated and become more efficient to face globalization (see Alvesson & Deetz, 1996; Alvesson & Willmott, 1993; 1992; Antonacopoulou, 1999; Welsh and Lewis, 1999; Gold, Holman & Thorpe, 1999; Reynolds, 1997; Boje, 1996; Dehler, Grey & French, 1996; Grey, Knights & Willmott, 1996; Robert, 1996). One can summarize the main issues as follows:

- through new learning methods;
- more connection between theory and practice;
- more influence of the local context, both at domestic and regional level;

- re-reading of the model, taking into account local and global realities, and aiming to comply with domestic, regional and international context and goals;
- international experience of students, both at the academic and practical levels, provided by mobility of students through exchange programs or even better through double degrees programmes with foreign institutions;
- international experience of faculty members and renovation of the faculty members through hiring international professors, e.g., we are not saying professor from a different nationality, but a professor with an international background;
- Joint research and joint international publications, promotion of international chairs sponsored by companies; and
- Overall, the development of students' ability for critical and analytical reasoning.

Last, but not least, to face globalization and the new rules of the game management education needs to invest a lot of money and this assumption is valid for all business school, regardless of its location in US, Europe, Brazil or in any other country in the world.

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## NOTES

This paper is based on and it is an adaptation of a paper written by Professor Thomaz Wood Jr, FGV-EAESP. The main paper has been presented at the Business Education and Emerging Market Economies: Trends and Prospects Conference, Technology Square, Atlanta, Georgia, USA, November 7, 2003. Professor Wood study is part of a 3-years project that begun in 2001 with focus on studying the management field in Brazil and funding by GVPesquisa/FGV-EAESP. The study involves four subjects: the business media, business administration schools, consulting firms, and gurus and the organizational theatre.

