

Facilitating international business for socio-economic development: the role of business models and what business schools have to offer?

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The development of business models in the 21st century is significant to socio-economic development. Higher Education is seen as a fertile ground for developing business models. Business schools' activities dominate the higher education landscape, particularly through their MBA degree programs. This fact has challenged many to question the direct contributions of business schools to social and economic development. Business schools all over the world do face several problems, many of which are the result of offering a value scheme that mainly emphasizes on career-enhancement and higher salaries. This deviate from the aspects of business education as contrasted with the idea of organizational management as a profession. The methodology of the present study is based on a critical literature review of existing research on the emergence of business models and their contribution to socio-economic development. Business school education is also reviewed to bring to light its contribution to the development of business models that are relevant to the growth of international business. The key conclusion is that although business schools and business models have failed to address the needs of contemporary business dynamics, however, both can play an important role on leadership, management and business development if the context of programs and curricula be re-examined and improved.

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1. Introduction

The recognition of higher education to provide individuals with the needed training and skills for sustainable development has gained much attention in the world of business, commerce and in management education throughout the entire globe (Currie et al, 2010; Ford et al, 2010; Bennis and O'Toole, 2005). It is gaining further push because sustainable development has the potential to support the social well-being of people and protect the environment thus ensures economic prosperity (Fernando, 2013; Starik et al. 2010). However, the path to economic and social development is always a challenging route for politicians, development practitioners, businessmen, economic managers, as well as, graduates who are considered to be the future leaders.

In search for a smoother path for international business operations, individuals (development practitioners and managers) seek management education, expertise advice and other forms of formal training as a way of enriching their human capital development. The aim of education, expertise advice and formal training is not only to enrich their abilities but to also expose and empower them as individuals and stakeholders to the daunting task of pursuing a sustainable development agenda. Higher education has a central role to play in promoting and incorporating the pre-requisite skills needed for the conduct of international business (Junyent & Ciurana 2008, Cotton et al. 2009). Across the world, higher institutions of learning do roll out subjects, courses, and, programs that can provide the needed education in the curriculum to their students.

However, the issues remain as to *whether the curriculum of higher institutions, especially those that are business oriented, are well devised, equipped and connected to the business world*. How higher education impact on the potentials and abilities of these students and whether the students after undertaking this education is in a position to take up managerial positions in the business world, thus propel socio-economic development?

Business Schools in general are considered to be the academies for instilling managerial abilities and contributing to development of the professionalization of management. They are seen as relevant institutions developing important talents in individuals and facilitating relevant knowledge across different disciplines. Business Schools are also seen as a birthplace of critical thought and inquiry about the activities of organizations, management and international business (Pfeffer and Fong, 2004). On the contrary, Grey (2001) theorized that, business schools in their attempt to fulfill their mandate do face 'a curious dual insecurity'. That is, they fear that other institutions of higher learning may be little them because of the inclusion of 'traditional academic subjects' in the curriculum.

However, their relevance or contribution to business and development is frequently questioned, and in most cases considered to be insignificant. It is an undeniable fact that business schools have contributed positively to human development through dramatic expansion in enrolments, widening the scope of offered programs and building of ultramodern facilities for easy learning (Christopher and Rowan, 2013; Dameron. and Thomas, 2013). As an on-going debate, some business groups do share the same belief that business schools are doing a bad job in terms of providing their students with effective education and relevant knowledge necessary for propelling economic and social development (Pfeffer and Fong, 2004). The fact that higher education particularly business school education is an important tool capable of developing the human capacity, is vital to contributing significantly to international business and socio-economic development of society.

The conduct of international business is demanding, thus requires well trained graduates who will be pragmatic in their strategies (Lorenzi, 2012). Business schools within their mandate have achieved great success, but some business gurus have questioned the practical impact, particularly the theories and models taught on real business practices and the ability to innovate for sustainable purposes. The rising attention given to sustainable development, cogent need for collaboration between academic work and research, as well as, the increasing demand for business school graduates with practical experience are some of the issue necessitating this

study? This paper therefore explores the relevance of business school courses to the development of business models for international business purposes. Consequently, as part of business practice and socio-economic development, the study further cross examines the role business schools play in facilitating the development of Business models.

This research share similar views with Stähler 2002, Afuah and Tucci 2003 and Osterwalder and Pigneur 2003 considering that modeling in business starts with the educational orientation and managerial competencies of the entrepreneur which he/she can gain through business school education.

The ultimate interest of this paper is on 'how' a high-quality business oriented education can develop and equip student's ability to develop and apply a set of business models and theories in a more practical way. It is believed that businesses can grow very well through improved management skills, increased in innovation and proper application of theories, rules and processes. It is therefore important to indicate that the focus of the paper is not necessarily on the relevance of the modules/models of the curriculum of business schools but how well the student will be able to apply to real businesses in the practical world.

2. Theoretical Frameworks

2.1 Emergence of contemporary Business models

The notion of business models/ modeling lacks theoretical grounding in the world of economics, business and in management studies. There seems to be little or no literature on the emergence and development of business models. That is to say in simply terms; there is no well-known place in economic theory and in scientific research for business models (Michael et al, 2005). However in recent times, many researchers (Stähler 2002; Afuah and Tucci 2003; Osterwalder2004) both within academia and in business try to discuss and analyse the development of business models and their ability to facilitate international business for social and economic purposes.

The lack of thought of business models in economic theory can probably be traced from the difficulty in the construction and understanding of economic theories even though those theories may have the potential to solve market problems.

In the start of any business, most entrepreneurs usually have an already formulated model or plan in place before undertaking the venture (Shafer et al, 2005). Others however start with partially formed models and incomplete strategies with the hope of learning from existing firms whether successful or not. In this regard, series of market experiments may be involved as new models and innovation emerges. As competencies are established, stronger insights may result regarding the sources of innovation. Consequently, the entrepreneur may become more strategic in the way business operations are viewed over time.

Initially, the entrepreneur may have a fair picture of the foundation level and limited notions about some components at the exclusive level. The firm then grows to learn more and able to outline and scrutinise various components at the exclusive level, broadening its advantage, hence develops rules that can guide operations and on-going growth. Also, with the continual search for new ideas, business model evolution can be connected to the type of business being pursued by business gurus. It is arguable, but still remain an established fact.

Every individual business requires a different approach and model as long as they differ in operations. Models for survival, lifestyle, growth, and speculative businesses might be expected to vary in various ways if socio economic development is to be achieved. They may vary in terms of application, smartness, complexity, and uniqueness. For example, a sole proprietor of a lifestyle business who wishes to establish a big firm in the future may have an implicit model in mind at start-up. But this model may never progress beyond rudimentary decisions at the foundation level. However, as the business grows and advances, the operator might develop a set of processes with the aim of providing a complementary support to the basic model. As a sole decision maker, he may occasionally move away from the old model and bring in new ideas and elements that may be inconsistent with existing components.

On the other hand, a well organised firm or business requires a more prescribed, all-inclusive and potent model that can provide a clear direction to the business and can also ensure that both human and material resources are efficiently utilized.

In standard approaches to competitive markets, the problem of adding value is quite simple: inventions often add value spontaneously and, enjoying protection of iron-clad patents, firms can add value by simply selling output in established markets, which may exist for all products and inventions. This is an example of the features of international business (Lourenco, 201).

2.2 State of the art: basic arguments and diversity of responses with regards to business school education

Education is essential to developing good ideas, particularly, higher education. Many academics believe that business school education is critical and as such relevant to socioeconomic development (Christopher and Rowan, 2013). Others however are of the view that business school education is important but the schools themselves are on the wrong track (Bennis and O'Toole, 2004). Over decades, many business schools and their MBA programs have enjoyed increasing respectability in academia and growing prestige in the business world due to the impact they have on students' life after their period of study and the society as whole (Dameron. and Thomas 2013). To ensure standards in their education, many business schools made their admissions to be more selective and ambiguous. They also make the pay packages of graduates more impressive as the process of gaining the qualities they possess is more demanding. However in recent times, many business schools have been facing intense criticism for failing to impart useful skills through their MBA programs. They are also losing their relevance because they are failing to prepare leaders to take up the mantle of leadership which is more complex than ever image.

Most of the MBA programs studied fail to instill norms of ethical behaviour into the student, hence fail to provide a sense of direction to graduates that can lead them to good corporate jobs (Antonacopoulou, 2010).

Bennis and O'Toole (2004) indicated that these criticisms do not only come from students, employers, and the media but also from deans of some of world's most prestigious business schools, including Harvard Business School and Kellogg School of Management of Northwestern University's. McGill University professor Henry Mintzberg has been one of the

outspoken individuals who indicated that the main perpetrator of the bad job done of business schools is a less-than-relevant MBA curriculum which offers less business experience to graduates.

In fact, the argument has not just been on the face values of education, but on the causes and effects of business school education on international business and socio-economic development of individuals and society at large. Many business gurus have called for reforms in the curriculum which most business schools are heeding to. If the number of reform efforts under way is any indication to improving the skills and experience of graduates, then many scholars seem to agree with this responsibility (Lourenco, 2013; Starik et al. 2010). But it is important to indicate that genuine reform of the MBA curriculum in most business schools still remains mysterious as it is not reflecting on their graduates. As indicated by Bennis, (2004) the curriculum of business schools is only the effect of many other factors such as culture and exposure to real business issues. It is not the cause of what troubles the modern business school but just an effect. We share this same thought with Bennis.

The real cause of today's crisis in management education and development is far broader in scope and can be traced to a dramatic shift in the culture of business schools (Junyent & Ciurana 2008, Cotton et al. 2009; Bennis, 2004).

During the past several decades, many leading business schools have silently embraced an unfitting and ultimately self-defeating-model of academic excellence.

They seek to use inappropriate methods of evaluating their activities. Instead of evaluating themselves in terms of the competence of their graduates, or by how well their faculties understand important drivers of international business performance, they measure themselves virtually by the thoroughness of their scientific research which to a larger extend is unfortunate. According to Bennis, (2004), business schools have espoused a model of science that uses abstract financial and economic analysis, statistical multiple regressions, and laboratory psychology. Some of the research produced is excellent, but because so little of it is grounded in actual business practices, the focus of graduate business education has become increasingly constrained and less relevant to practitioners ((Junyent & Ciurana 2008, Cotton et al. 2009).

The paradigm shift in today's system of education has made almost none of the top-ranked business schools to be willing to employ a tenure-track professor whose major qualification is managing a business or a processing plant no matter how distinguished the person's performance is (Bennis and O'Toole, 2004). They are not even willing to employ those who write articles that are purely for practitioner. Of course, the best business schools seek to the same ideals of academic excellence with much emphasis on disciplines that are sometimes mischievous. In other departments such as law, physics and economics, senior faculty members have few responsibilities other than to attend to their disciplines. They are not required to train practitioners or to demonstrate practical uses of their work. In fact, they are free to do whatever research they deem important of which they can come out with academic articles for publications. This is the same scientific approach most business schools now adopt which does not support the rationale behind business school education.

This scientific approach only supports the scholar's interests and do not offer the students' better practical teaching that can prepare them for real world business circumstances. For the most part, universities accept this arrangement and the intellectual premise on which it rests. This does not provide the opportunity for the scholars to go deep into real world business issues; hence limit their understanding of realistic business dynamics. Graduates are the very people who suffer the consequences of this as they do not get the practical teaching from scholars. Business schools have the responsibility of making sure that their scholars have the right knowledge and experience to impart into the students. Instead of applying scientific methods in their researches, business school can demand that scholars carry out industrial and more practical researches together with students, since this approach has the potential of exposing both the scholars and the students to the real business dynamics (Davenport et al., 2003; Pfeffer and Fong, 2002; Currie et al, 2010; Ferlie, 2010; Antonacopoulou, 2010) the limits of knowledge. They leave the practical implications to others. It's very different in schools of law and medicine, which deliberately engage with the outside world. Law schools expect faculty members to be first-rate scholars. In fact, articles published in law reviews are often cited in trials. But these institutions also value professors' ability to teach. Similarly, medical schools carry on advanced biological research, but most members of the teaching faculty are also practicing doctors (Antonacopoulou, 2010; Mitroff, 2004; Currie et al, 2010).

3. Business models, what are they?

Every model is usually conceived in the mind of an individual and then followed by series of experiments to see its applicability and viability (Osterwalder et al, 2005). A model usually has various stages. The initial stage during which the model is fairly informal or implicit is followed by a process of trial and error. Also a number of core decisions are made that delineate the directions in which the firm can evolve.

At some point, a fairly definitive, formal model is in place. Subsequently, adjustments are made and on-going experiments are undertaken (Casadesus-Masanell and Ricart 2010). Siggelkow (2002) noted that various adjustments in terms of augmentation, reinforcement, and deletion are then carried out. A fundamentally sound model will classically withstand economic recessions and modest disturbances but can become dysfunctional if major discontinuities occur. All models are not the same in terms of flexibility and resistance to both external and internal pressures (economic and social conditions). When external changes undermine a model, it typically cannot be recalibrated. A new model must therefore be constructed.

In the world of international business, business models are the needed structures of the market economy that are capable of facilitating consumer choice, and influencing transaction costs. Business models can also facilitate heterogeneity amongst consumers and producers and in the long run, propel competition as the various players in the market interact (Armitage, 2012, Ford, 2010). It is therefore important to indicate that any profit oriented firm or company operating in a competitive market needs to meet most if not all consumer needs and expectations. But competing firms can best achieve or gain competitive advantage through constant discovery and high performance in their operations and the desire to meet consumer expectations. Business models are often compelled by technological innovation which engenders

both the need to make new discoveries to the market and the prospect to satisfy unreciprocated customer needs and expectations (Petrovic, Kittl et al. 2001; Gordijn 2002). In some instances, new business models can themselves signify a form of innovation, thus increasing the competitive advantage of inventing companies. It is not always easy for new business models to immediately take greater share of the market especially in today's complex international political economy.

Some are much better and easily adapted by businesses and customer and as such get stronger foundation in the business environment than others. International business is characterized by fluctuations, hence requires students to understand the economic development and its dynamics. Perhaps the only difference between international business and domestic business may be the global dimension which requires good governance, leadership and efficient management style (Mary et al, 2013). This characterisation of international business demands graduates to be familiar with the functioning of a market economy, its competition and its innovation strengths as well as its inclination to crisis and deficiencies in social and environmental respects. Education thus has a part to play in that regard. Following the beginning of the global financial crisis that hit the entire business world in 2008, much attention has been focused on the role played by business schools, intensifying concerns from both academics and businessmen about the moral weaknesses of both academics and graduating students (Currie et al., 2010 cited by Armitage, 2012). Many attributed this issue to lack of good financial and business models in the system.

But the curriculum of business school is the most blame as it fails to equip the student with the need ideas to develop such models. In actual sense, a business model symbolizes nothing less than an organisational and financial design of a business (Teece, 2010). The business world is fast growing and exhibiting different characteristics, Due to this, selecting, adjusting and improving business models has become complex and difficult. Therefore well-organised and good designed models are appropriate. However, these well and good designed models are scarce and are most likely to be highly situational with the design process been iterative. New business models can both facilitate and symbolize innovation as history establishes. But such new models must demonstrate to fit in well into the prevailing international business operations and proof to be sustainable (Teece, 2010).

3.1 Business model fitness for sustainability purposes: contribution of business schools

Business schools are really businesses that sell products and services to their clients, both students and corporations. The competition amongst them is increasing and will continue to do so for a longer period of time. Business schools, especially the top tier ones, need to sort out how to better control competitor strategy in order to improve their programs. Otherwise, most of them will run out of business considering the fast growing nature of other schools like the law and science schools. However, all things still point to the fact that business schools are under continuous pressure to authenticate their relevance to the business world. MBA programs are regarded as important step in a student's journey through the corporate business world (Mitroff, 2004; Currie et al, 2010; Ferlie, 2010). Business schools need to ensure that they are not just educating their current students, but that they are also in touch with the needs of alumni that

can strategically place them in the international world. They need to train students how to integrate various economic theories and models into strategic planning. They have the responsibility to educate the student on the kind of approaches to adopt in tackling circumstances characterised with risk and uncertainty. There is little or no doubt about ethics as productive resource when it comes to the conduct of business.

Business schools are therefore obliged to offer students the best of education that can build these competencies in them and put them in a better position to development realistic business models that can help solve the challenges confronting international business.

A model can be considered fit if it is simple, coherent and consistent over a reasonable period of time. Its sustainability also requires the model components demonstrate clear consistency at all levels of application. In this regard, consistency can be defined in terms of both internal and external fitness. The internal fitness is concerned with a comprehensible configuration of fundamental activities within the firm where as the external fitness has to do with the appropriateness of the configuration given external environmental conditions. However, it is important to indicate that the internal fitness of any model includes both consistency and reinforcement within the subcomponents of the model. An economic model with high operating leverage, low margins, moderate volumes, and fixed revenue sources may, by itself, be untenable. Further, the economics must fit with the other components of the model". A particular economic model might not be feasible in all circumstances. For instance, an economic model that calls for infiltration through market pricing accompanied with low margins of profit and high fixed costs will require a value scheme that will concentrate on medium to low quality of good and services (David, 2000; Ramon and Joan, 2010). Such a model will also need a 'target market that is fairly broad and relatively price elastic' with cost effective leadership that can competitively position the firm applying that model.

Alternatively, if ones aim is to establish a simple lifestyle business as a way of improving his/her living conditions, the business is suitable to have a more narrowly defined product and market focus. It may also have to be more dependent on customer relationships, hence will require an economic model that includes lower volumes of outputs. With such a simple lifestyle business, it may not be essential to capitalise so much on the models and their proprietary elements (David, 2000; Ford et al, 2010).

As market and environmental conditions change, so as the business model. That is to say in simple terms, the model may require revision or wholesale change of its elements. As indicated earlier, every model faces various economic and social conditions. When confronting highly turbulent conditions, a strong internal fit can undermine the firm's adaptability in the face of a poor external fit. To achieve economic sustainability, companies must not work to disrupt their own advantages and those of competitors.

Adaptability may require models with loosely fitting elements or introduction of new elements that change the dynamics among existing elements. This first level consists of definitions of what a business model is and what belongs in them and meta-models that conceptualize them. On this level, the business model is seen as an abstract concept that allows describing what a business does for a living (Linder and Cantrell 2000; Applegate 2001). In terms of sustainable development, individual wealth is important. Just as income is much more than

earned wages, wealth too is much more than finance. People value education, safety and health, and the value of these services is attributed to income. Business schools are beginning to take the lead on teaching social enterprise for the enhancement of social capital and social justice which are prerequisites for international business. In actual sense, business schools are designed to add value to the lives and careers of their graduates.

More often than not, business schools enroll good students and provide them with great life and career information, networks, skills and prospects, thus enhancing their human development (Ford et al, 2010).

3.2 Business school activities and the development of business models

3.2.1 What is the link between the two?

Many scholars in their write ups have condemned business schools for lacking a robust scientific and research foundation that could link what is been taught in the classroom to practical business activities in the real world. But the fact is that business schools add quantitative, statistical analysis and decision making to the curriculum which is capable of enriching the analytical ability of the student. Gordon and Howell's critique is one of many to attack business schools for what they do and don't do. However, it is important to indicate that, what most of these critics omit in their arguments is a flawless definition of what business schools are supposed to do in order to make their students practically oriented and be in a better position to solve real world business and market problems. They rather make flashy and inconsistent indictments that business school education particularly the MBA is nothing more than a worthless certificate or "piece of paper" (Lorenzi, 2012). Certainly, higher institutions of learning especially business schools do have something in their curriculum to offer graduates and society at large for developmental purposes. Business schools and their faculty do, to some extent, pursue the objectives of building intellectual capital for countries and industries through the provision of knowledge and evaluation of relevant management practice (Currie et al, 2010; Ferlie, 2010; Antonacopoulou, 2010). But the dominant value scheme business schools offer, particularly through their MBA degree is the development of the careers, measured mostly in terms of salary of their graduates (Pfeffer and Fong, 2004).

Some intellectuals are having opposing view in terms of the contributions of business schools to the development of human capital for socio-economic development. In terms of educating, researching and preparing students, business schools have been accused of doing a poor job (Davenport et al., 2003; Pfeffer and Fong, 2002; Starkey and Madan, 2001). Robert Kaplan (cited by Pfeffer and Fong, 2004; quoted in Locke, 1998), a former dean of the business school at Carnegie Mellon argued that business school research and teaching have contributed very little to recent developments in the world of business. This is because they fail to provide the industrial exposure to graduates. Most of the courses are taught in the classroom instead of given the student the opportunity to undertake practical internship and become business oriented. Pfeffer and Fong further argued that, "Possessing an MBA neither guarantees business success nor prevents business failure." (p. 80). No business school guarantees that earning an MBA would guarantee personal or business success and prevent personal or corporate failure. Should business schools be criticized for not doing something they never claimed to do?

Pfeffer and Fong claimed that “if what someone learns in business school helps that person be better prepared for the business world and more competent in that domain then a measure of how much one has learned or mastered the material, such as grades in coursework, should be at least somewhat predictive of various outcomes that index success in business.” (p. 81). It is an undeniable fact that education is important to human development. Institutions of higher learning serve as a fertile ground for knowledge sharing and personal development. According to Samuelson (1990) there are two main objectives that usually underpin the establishment of business schools. The first objective in his view is “to enhance our understanding of how businesses works, its wider social effects and how its performance might be improved.” The second one is to train future managers to take the mantle of leadership in the corporate business world. Samuelson claims that business schools are to some extent, successful in achieving the first objective, but failed to achieve the second objective. The reason for this according to Samuelson is that, unlike other professions, business and management are not programs to be taught in the classroom. What is supposed to be taught, but often ignored by both business schools and their critics is the indispensable need for sustainable application of what is has been taught in the school.

It is widely acknowledged that sustainable development is important in supporting the social well-being of people. It also has the potential of supporting environmental protection and the achievement of economic prosperity in the world of commerce. However, debate exists as to who is responsible for propelling sustainable development. Many opinions points to the fact that international business prosperity is a panacea to socio-economic development and that business is more prosperous when established on strong knowledge, experiences and business models, thus the need for business school education. These opinions expressed indicate that every individual involved should be able to enjoy the proceeds of any business establishment irrespective of the person’s contribution to the success of the business.

It is on this basis that intellectuals and business gurus advocate in favour of stakeholder theory which suggests that businesses should benefit a wider range of stakeholders and should not only focus on shareholder values (Freeman 1984). Economic prosperity cannot be achieved without plausible business theories and models. Considering what is been taught in our today’s business schools and the contributions to the springing up of businesses, it will be unfortunate for one to indicate ‘a no-link relationship’ between business and the development of business models.

4. Business School Education: A strategy and a source of new theories and ideas for the development of international business

The main contributions of business schools to the development of an economy and society are preparing well-educated graduates and being a source of new theories ideas and attitudes in shaping business culture (Mitroff, 2004). In recent times, business schools are regarded as a collecting ground for future founders. This is because most students who took up MBA courses in the schools end up founding their own companies and being their own bosses. Shimin Chen, an associate dean and MBA programme director at China Europe International Business School (CEIBS) in Shanghai indicated that in the past, most MBA students used to

search for jobs that are traditional salary-based with large multinational companies, consulting firms or investment banks. But today, the success of entrepreneurship in US, China and other parts of the world has made more and more of the MBA students to now take up their own initiatives towards establishing their own business.

Chen further stated that, like other business schools, CEIBS offers elective courses for its MBA students that are relevant to the establishment of business.

In recent times, most business school students now form entrepreneurship club that rely so much on the MBA student intake. It is important to note that many of these students are influenced by the positive image of entrepreneurship in their societies.

Even if the students themselves have no idea of becoming founders, the programs they took and the prevailing conditions do encourage them to take up their own initiatives. Most students after undertaking an MBA program found a great deal of support from his fellow students who are wide spread. This makes most of them to either take a decision to go it alone or go into partnership with others to form their own businesses. The cost of education in business schools is quite expensive for students (Ferlie, 2010; Antonacopoulou, 2010; Currie et al., 2010). Some seek for sponsorship as they cannot afford to fund themselves. The pressure to earn back the cost of an MBA is always the primary target of many. Those with this view do think that start-ups were not the most attractive option. However, others with long vision do follow due procedures of applying the knowledge they gain from their education with the aim of starting their own businesses. The majority who are not sponsored and having paid their MBA tuition fees and other expenses are pressurized making them to capitalise on the investment as early as possible.

Business schools programs especially the MBA programs are meant to train students and provide the necessary skills and exposure useful in running businesses. An MBA program certainly provides one with tools to tackle a variety of business problems in the corporate world and some of these tools are also valuable to the entrepreneur. This feature is one of the many that distinguish MBA graduates from others (Ford et al, 2010).

Scientists and engineers have built products but have struggled to understand many of the aspects of commercialising the products. Their area or subject of study does not necessarily provide them with such skills as a business oriented program does to students. Sarah Juliet, director of postgraduate careers and MBA programme at Cass, says: "While rankings are important to business schools, what is more important today is the focus on individual students and their individual ambitions.

One of the ways Cass has improved this focus is the recent merger of the career service and MBA programme to align more closely on content and outcomes. More people are now taking entrepreneurial paths with the aim to building a strong social and economic resilient future for themselves and the society at large. With this self-motivating attitude of graduates, business schools investing in entrepreneurship may not be getting all the credit they deserve even though they provide that self-motivating attitude in the graduate. In recent times, enthusiasm for business school education especially the MBA programs is greater than at any time. The two-year MBA, though still the gold standard of the business school world, is coming under increasing pressure as the market for business credentials fragments. This has instigated

some business schools particularly UK business schools to design their programs just for a one period.

Even those who opt for a traditional MBA no longer see the degree as the traditional route into a career in investment banking or management consulting. It is important to indicate that the incentive for change is coming from students themselves as noted by Rich Lyons, dean of the Haas School at the University of California, Berkeley (Harvard Business Review, 2014).

The availability of human capital is necessary for social and economic development of every society. Business school education seems to have more impact on the social and economic development of students than other faculties. Most of the students from business schools are considered to be more job-oriented. When you look at every 200 MBAs graduates, you get to see 200 different job aspirations for the international business community.

It is a good thing that schools are accommodating graduate needs when it comes to capabilities, behaviour and attitudes. There are a number of schools that are doing well when it comes to management education, but there is no better illustration of this than at Harvard Business School, where in 2013 just 5 per cent of graduates took up a job in investment banking (Harvard Business Review, 2014). Salaries are important to the socio-economic wellbeing of every employee as it influences and determine the living conditions. In 2013, salaries offered to graduates from the top-ranked schools of which most of them are business schools, showed a marked improvement. For the first time, those reported by European schools began to close on those reported from the US. For example, at Harvard Business School, for MBA salaries – the median starting salary for 2013 graduates was \$120,000, not including sign-on or other bonuses. At London Business School, the mean starting salary was just below \$114,000 in 2013, and just 29 per cent of LBS students went into finance, compared with 42 per cent in 2006 (Harvard Business Review). These and many seems to be the bases upon which business schools graduates particularly MBA students are assessed rather than assessing them base on the actual contributions they bring into the world of business. They could be assess base on their research ability and the level of difference they bring into society.

4.1 Business research and practice: what happens and what needs to be done?

According to Ellson (2009) the evaluation of the academic research, in terms of its contribution, is moot due to diverse and contradictory patronage. The value of any piece of work must be the ability to communicate thoughts and understanding. Outcomes must include creativity and action. It is important to reflect “a meaningful impact for business through practical output, influence and usefulness rather than a tendency to perpetuate isolation within the existed confined paradigm: (p.1161).

However, business education, nowadays, is driven by potential insularity, focusing on research that lacks critical business tenets such as change, flexibility, applicability on enterprises, experience and practice. Academics often lack the experience of practitioner, are unaware of real business needs and of the differences between business practices and scientific work. The result is often the lack of relevance of their research, where practice often shades the theory. Business is full of contradictions, complexity and confusion of events. Collaborative and synergistic research should be encouraged towards the investigation of what takes place in the real business

world, observing carefully inside companies' policies and processes. Business schools are bad practitioners of their own research. Debates till now (Pfeffer and Fong, 2002;2003;2004; Commonly 2003; Choshal, 2005; Pfeffer, 2005 as cited in Ellson. 2009) focus mainly on issues of extrinsic and intrinsic contribution to business, but the debate mainly, should consider the relevance of business schools and business research to practice. Business schools, as established in a university environment, are connected with existed norms and practices, existed values, ideologies and attitudes. Johnson (1984, cited in Ellson 2009) introduced the terms' professionalism'' as an ideology based on the concept of superior knowledge and 'professionalization'' where an occupation tries to advance its status. But knowledge without application has developed a more mechanistic than skilled business role. And professionalization is accompanied by lack of experience and needed skills that stem from the business environment.

Placement and "secondment" contributes to the development of useful research. The secondment or for a specific period exchange of academics-researchers and executives, benefits cross-fertilization of ideas and experiences and contributes to a better understanding of what takes place in academic and in the real world. Encouragement, by both sides, of individual or team based qualitative or/and quantitative research that result from participation, observation and involvement of executives and academics, encourages the flow of new ideas. This exchange introduces a more formative approach to business education and encourages the wider use of real case studies. Business schools and business should not stick to core concepts and paradigms that stiff pragmatic thought (Ellson, 2009). They should be more collaborative in matter that will expose the students to more realistic issues.

5. Conclusion

First and foremost, business school education and business models/modeling are both means for leadership and managerial development. This study has reviewed various perspectives and arguments in many articles and has demonstrated that business school education has come of age. To this study, the emergence of business models in contemporary context is like an answer to questions both in business and academics regarding the relevance of business school education to international business and socio-economic development as a whole. Many academics across different disciplines have expressed different opinions with some questioning the relevance of business school education to socio-economic development since it has failed to address the needs of contemporary business dynamics. Indeed, business schools are losing their relevance because they are failing to prepare leaders to take up the mantle of leadership which is more complex than ever imagined (Quigley, 2013; Antonacopoulou, 2010; Currie et al., 2010).

Additionally, most of MBA programs undertaken have failed to instill the appropriate norms of ethical behaviour into the student, hence fail to provide a sense of direction to graduates that can lead them to good corporate jobs in the area of international business and international political economy. Higher education is critical to leadership and management development as it enhance the capacity of individuals and brings the best of them, thus a strategy that can support the growth of international business. Too concentrated on scientific

research, business schools are contracting professors with limited real-world business experience. This results in the production of ill-equipped graduates who are wrangling with the complexities of international business (Pfeffer and Fong, 2004; Grey, 2001).

To this study, international business requires strong leadership, efficient managerial capabilities and constant innovation. An innovative business education prepares students for work opportunities in a dynamic, changing, and possibly chaotic business environment. They teach the students how to develop and apply business model and how to deal with business hardships and survive during economic recessions as always characterise international business. Like any other set up, international business is does face risks and uncertainty.

According to Chou & Chou, (2007), organizational learning, knowledge management, change management, and innovation are main sources of business sustainability, hence learning up to-date information technology ensures that graduates from business schools are adequately prepared for any task in the international community. This makes them more strategic, hence very effective and efficient. Going through the ring of globalization, we extend the scope of business school education to international business through the ability of graduates to develop and apply business models (Jenkins 2009; Mitroff, 2004). In order to reinforce the students' working capability, a competent business program is needed and must be integrated with practical business activities which can enhance managerial knowledge, risk management, knowledge management, change management, information technology management, and global business management. These managerial competencies thus prepare business students to fit well into the current business environment and the future business world even though unknown (Porter & Kramer 2006; Fisher et al. 2009 as cited in Ferlie et. al, 2010).

The business school education syndrome to a larger extend, is like operationalizing the development of business models for international business activities. For strategic purposes, education infuses leadership and managerial competencies into the global economic development process through graduates (Currie et al, 2010; Ferlie, 2010; Antonacopoulou, 2010). Still, there is room for collaborated business programs that can enable graduate come out with cogent and plausible business models for the international political and business environments. We see a tug-of-war between current business school programs especially the MBA programs and business models development, hence advocate for a more practical approach to teaching and learning in today's business schools. In fact a system that can enhance management development. The point is that, we cannot develop business models without the right form of education and exposure. Also, international business cannot flourish without plausible business models and the right human capital (business school graduates). International business requires models, leaders and managers even if it operations are perceived to be mysterious as opined by some academics and business speculators (Fernando, 2013; Starik et al. 2010; Currie et al, 2010; Ferlie, 2010; Antonacopoulou, 2010).

From the above, it is evident that the role of business schools cannot be overruled as far as globalization is concerned. What business schools need to do is to re-examine and develop better their offerings and revisit the content making sure that they make current trends of international business, change the format and modes of delivering their programs as proposed by many researchers. They can widen the curriculum to include more practical modules and

industrial attachments that will give students the opportunity to experience and practice what is been taught in school before graduating. Business school try as much as possible to link courses to industrial requirement and be in position to collaborate with the various businesses.

5.1 Limitations

The main limitation of the paper regards the methodological approach. Here, the methodology is based on a brief literature review regarding the business schools and business models. An empirical study through the distribution of a questionnaire or/and administration of interviews with a sample of participants who are policy and decision makers in Higher Education Institutions, as well as, with a sample of participants who are students, could have added value in this research as could provide more practical examples, insight awareness and critical understanding about the contribution of business schools and models in general, and to socio-economic development more specifically. Also, a thorough statistical analysis through application of inferential statistics would contribute to the above. The perspective of the paper could also be enhanced focusing more on the intellectual capital development examining the pros and cons of business education.

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