

Evolution of management education in a turbulent economy

The new normality that has emerged from the economic crisis of 2008-2009 is rather different from the previous: enterprises are facing still-higher competitive pressures, margins have been trimmed, and liquidity is a problem. In order to face such tough conditions companies are looking for solutions that guarantee them maximum levels of efficiency, productivity, and competitiveness.

This commitment brought, on one side, immediate reductions of costs and, on the other, is having and it is going to have a long-lasting impact on the relationship between companies and management schools.

This has been demonstrated by researches carried out by ASFOR's Observatory coordinated by Prof Elio Borgonovi, Board Member of ASFOR in charge of Research, whose results were presented in *Global Focus* magazine, published by EFMD in January 2010.

The annual survey presented in the 2009 edition of ASFOR report on management education has involved, through focus groups and questionnaires, 95 top Italian/Italy-based foreign companies and 48 ASFOR associates. The research aimed at analyzing the impact of the economic crisis on management education, both from the demand side (companies) and the supply side (schools) perspectives.

One of the main findings is the emergence of a new kind of uncertainty regarding decisions about processes and investments in management education made by enterprises. People responsible for corporate education had to reconsider their activity considerably, questioning choices that had seemed undisputable, in order to distinguish unavoidable expenses from those that could be postponed. These choices translated in a slash of 2008-2009 budgets, cuts that seem to last lasting into 2010. The other result of ASFOR survey is that corporate learning is going to focus on training tied to an operational, productive dimension about core services and processes of the company. This approach will lead to

different types of partnership between schools of management and companies that could open new opportunities for those able to take them.

The main ground of innovation for educational institutions will be their value proposition: offering innovative solutions for education rather than competing with corporate faculties on the provision of hyper-specialized contents. Schools of management should act like strategic partners to their clients, helping Learning Officers to find the best learning solution, to train internal faculty, to refine corporate learning goals, and to plan how to achieve them.

ASFOR associates should build their value proposition on those subjects where they excel and which make them unique in the eyes of customers. We need to establish a virtuous cycle where companies become conscious clients and educational institutions make themselves recognizable offering specific competences.

In order to identify these new collaborative strategies between schools of management and enterprises, ASFOR has undertaken a new research program whose results will merge into the 2010 report on "Italian Management Education" and presented during the 8th ASFOR Annual Conference that will be held in Milan on 17 June 2010, hosted by SDA Bocconi, with the theme: "Innovative leadership models for a sustainable and global economy".

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