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Sharing views from the top

Leaders from Business Schools across AMBA's global accredited network share their challenges and propose solutions in this **exclusive** special edition



NAVIGATING BUSINESS SCHOOLS THROUGH UNCERTAIN TIMES

Having a dream, then a vision, and then a goal, must replace planning and strategy, argues **Ashot Seferyan**, Associate Dean and Director of the Executive MBA at The Russian Presidential Academy's Institute of Business Studies.

By **David Woods-Hale**

We're in the fourth industrial revolution and there is always something that is continually changing. We just don't know what it is.'

That's the view of Ashot Seferyan, Associate Dean and Director of the Executive MBA at The Institute of Business Studies (IBS-Moscow) The

Russian Presidential Academy (RANEPA). But instead of worrying about this lack of certainty in the global business world, Seferyan believes it is something to be embraced, both by Business Schools and by MBA students.

Uncertainty is (ironically) certainly a distinctive aspect of human life today. Any technological breakthrough, geopolitical upheaval, radical change in consumer tastes and behaviour, as well as a myriad of other factors have emerged or intensified in recent years and all of these can undermine even the most well thought-out business strategy.

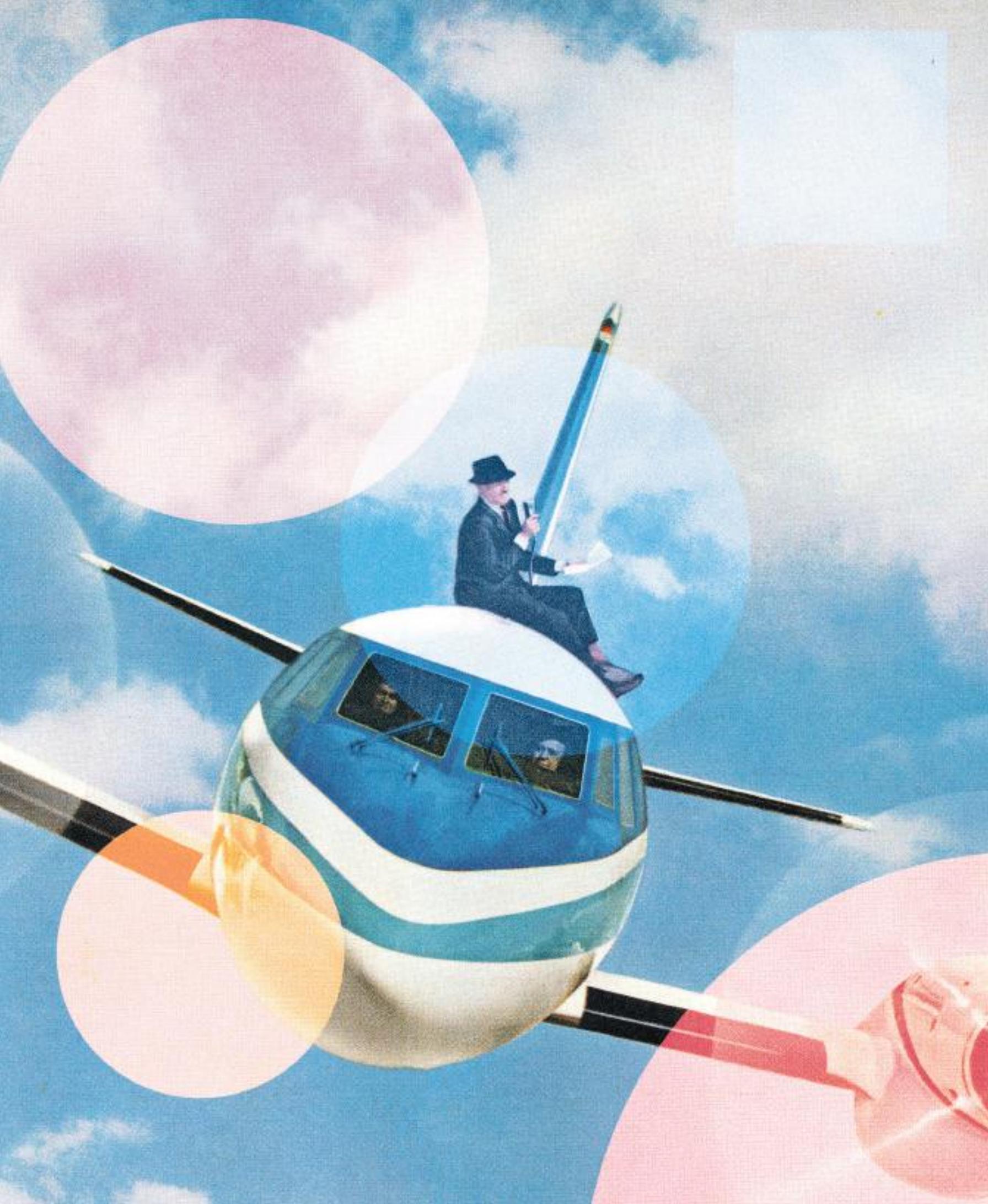
What is this uncertainty and how can leaders begin to find a way through it? What is strategic scenario planning and how can managers prepare themselves for unusual situations? How can corporates nurture cross-functional cooperation across a multidisciplinary project? What steps are most effective in a constantly changing economic environment? What is globalisation and what impact does it have not only on international, but also local, organisations?

These are questions that students on the Executive MBA programme at IBS-Moscow RANEPA seek to answer, or at least explore and debate.

The programme was launched in 2001 and, in Spring 2017, welcomed its 45th cohort, but while it is focused on the topics of strategic management, Seferyan is the first to admit that Business School leaders need to accept – and even celebrate – the fact that strategy, as we know it, may be a thing of the past.

'The economy is volatile due to the high speed of disruptive change, combined with local things,' he explains. 'Take technology alone. Who could have imagined, 10 years ago, how involved in the internet we would become? Eight years ago social media was "fun" for advanced internet users, now we can't imagine life without it. Someone in the future will invent a name for what we're going through now. Just as it was with the term "middle ages", this description of medieval Europe, which was given to the period three centuries after.

'Five years ago no one could have predicted Brexit; we just didn't think about these things. The view of considering planned scenarios, just doesn't work anymore; change is much





some countries succeeded in their modernisations and the others failed. What impact has there been on Russia from globalisation, do we have successful cases back in our history and what could we learn from them?

BUSINESS DREAMERS

And in terms of what 'great' looks like in terms of educating the leaders who will thrive in uncertainty, Seferyan's suggestion is equally insightful.

'We want to create a generation of dreamers,' he smiles. 'If you don't have a dream, you have nothing. It's the dreamers who are changing the world. A dream gives you an idea, from this comes a mission – bringing in honesty and ethics. We assume businesses will have a vision, but a dream is much wider.'

'After all, I don't recall the social and civil rights reformer Martin Luther King saying "I have a mission statement"'. He had a DREAM!

'Business Schools need to demand that their students become dreamers.'

Seferyan goes on to explain that the MBA students who dream will be the ones who will change something; and in real life, we all dream in different ways.

'In the past the bigger used to acquire a smaller,' he adds. 'Now it's the faster that acquires the slower. The world can change faster than you can hold a board meeting or redesign a programme. And there is lots more change to come, so this should be reflected in educational programmes. All true innovations are usually very radical.'

RESPONSIBLE MANAGEMENT

In terms of ethics, Seferyan believes that business people need to be honest and ethical, but argues that 'it's bigger than that'.

He explains: '[Former US President] John F Kennedy said: "You should not ask what the country can do for you, but ask what you can do for your country"'. And this is very true and important for business people. It's essential for business leaders to be involved in the social programmes of the community.

'Executive MBA (EMBA) cohorts need to be diversified and understand the dreams and visions of other countries. EMBA's need to be motivated to start change; and move to changing everything around them. They need to be

faster than in the past.'

He adds: 'Globalisation is not just about open borders, but about open minds and, as Business School leaders, we have to share a common vision in terms of our education programmes.'

This message will be familiar to most readers, but while the conundrum Seferyan describes is an everyday challenge in the Business School lexicon, his proposed solution is more compelling.

LIBERAL ARTS

He explains: 'Twenty-five years ago business education was focused on operations, HR, finance or marketing. It was thought that if these were combined, students would have an explanation and insight into the business world. Now, this is not enough. Moreover, it's partly useless.'

'The borders between "management" and "behaviour" have blurred and social situations are changing and, importantly, having an impact on business education. Business School leaders need to be concerned not just with how the internet has impacted on business, but on life as a whole – because work is no longer confined to nine-to-five.'

'Life is not all about business anymore. Ordinary life goes on after work –

'GLOBALISATION IS NOT JUST ABOUT OPEN BORDERS, BUT ABOUT OPEN MINDS AND, AS BUSINESS SCHOOL LEADERS, WE HAVE TO SHARE A COMMON VISION IN TERMS OF OUR EDUCATION PROGRAMMES'

Business Schools must therefore apply their courses to life – going beyond business. The need to consider social, the liberal arts as well as ecological and environmental factors.'

As part of the MBA course at IBS-Moscow RANEP, the School connects business to the arts, bringing in actors and writers, historians and sociologists to talk to EMBA students in order to demonstrate how they – like business leaders – are working toward creating a new world.

Seferyan adds: 'Students have the opportunity then to learn about strategy from the likes of Leonardo Di Vinci or Michelangelo, Shagal or Aivazovsky – who would have prepared for months or years in order to create their masterpieces. What lessons in leadership, management and ethics could be learned from Tolstoy and Dostoevsky, Shakespeare and Chekhov? The same is true of historical sociology. Students could learn why

motivated to think not in terms of finance and money, but in terms of how their thinking will improve over the course of their EMBA courses and their careers.'

But, in terms of responsible management, although most AMBA-accredited Business Schools ask for three years' work experience, Seferyan is of the opinion that this isn't enough, at least for executive students.

He says: 'At IBS-Moscow RANEP, we ask for an average of five-to-seven years, and our typical EMBA student has 15-18 years' work experience and not less than seven in top management. They come not only to gain experience, but to share it. Students come to class and expect the School to manage the discussion, rather than lecture them.

'They want to present ideas to classmates and discuss them. They want to explore if their ideas – even marketing plans – from Europe will work in Asia. They don't come to gain knowledge. They have it. They come to discuss experiences.'

STRIKING THE BALANCE

Continuing this train of thought, there is an ongoing debate about practical versus theoretical MBAs and the role of active learning in the Business School programmes, in which students are more actively involved in the learning process – but this has implications for cohort make-up, faculty, location and programme design as much as Schools' relationships with businesses and the wider society.

Seferyan asks: 'Who are the faculty? Are they mostly university professors or practitioners?'

But he adds: 'Too much of one or the other would be wrong. The same is true of local versus foreign experiences. In our case, our students need to work out how to apply international learning and international experiences to Russia and understand how their counterparts behave in similar roles but in different countries or cultures.

'An EMBA allows students to meet friends and colleagues to share ideas and find answers.'

A CONSTANT CHALLENGE

Considering the role of Business School leaders in adapting to this 'fourth industrial revolution', leading change in business rather than reacting to it,

'WHAT LESSONS IN LEADERSHIP, MANAGEMENT AND ETHICS COULD BE LEARNED FROM TOLSTOY AND DOSTOEVSKY, SHAKESPEARE AND CHEKHOV?'

Seferyan is philosophical. He explains: 'As Business School leaders, we have to be constantly challenging, changing and learning; we need to offer education in business for students, but we're in the business of education ourselves. The specific products we're offering are changing much faster – and we need to be flexible.

'We can't just teach using case studies anymore and we need to innovate as Business Schools as well as teaching innovation. The classroom is vital for learning – but face-to-face learning in itself is not enough and new technologies will reshape the landscape; blended learning will be crucial in the new environment. Many current professions will be gone in 10, or even five, years and this brings us to a new level of education. 'But, returning to his views about volatility and uncertainty, he has reservations about how Business Schools can continue to prepare leaders of the future to plan and strategise. Surely, planning a strategy in an uncertain and perpetually changing climate is impossible to do?

'Programmes need to consist of a certain number of core things, but

as business education changes and becomes more mature, "strategy" is the issue, which should be discussed in the class from many points of view and different angles,' says Seferyan.

'We know there is a need to change – it's hard to predict the future environment, but we have to look "over the fence". Putting this into the context of Russia, we can learn much from our geographical neighbours (first of all China) and predict from them, what kind of innovations, will change our lives.

'In saying that, the environment makes it impossible to have a long-term plan anymore. In the past, strategy and planning was everything. Now it's about a dream, a vision and a goal.'

In summing up, Seferyan's views are in the same vein as the business guru Peter Drucker, who famously wrote that 'culture eats strategy for breakfast'. He's clear in his belief that we're in a culture of change; of confusion; and uncertainty. And this culture has most certainly shaken up Business School strategy as much as those of the businesses with which they prepare MBA students to lead.

There's no clear answer for how to plan, but generating a culture – not of confusion, but of agility – having a dream, then a vision, and then a goal is something that, in Seferyan's view at least, should be the core of the EMBA and the Business School strategy.

He concludes: 'In strategy, we stop with a goal – but business leaders never know what will happen next, so we have to prepare them to keep moving and move faster. This is the nature of our environment and we can't change that; but we can work out what positive things we can take from it.'

And is he positive about the impact of the fourth industrial revolution on the business world?

'Of course! I'm enthusiastic about the future. I'm dreaming of success after all...'

