**Extended Essay**

**Nothing Succeeds Like Failure: The Sad History of American Business Schools**

The business school is not a happy place to work, where the best of times and the worst of times prevail, in an age of wisdom and an age of foolishness. It has become in the oft-cited words of Karl Popper ‘a shit show’.  Many will argue that if you don’t see this then you are either a cynic or suffer from the kind of mediocrity of intellect that the business school has for so long thrived on. Indeed, it has become almost an obligatory side-line for many academics employed in business schools to exorcise their guilt and doubts about the value of their academic endeavour by regularly publishing papers that damn the relevance and/or rigour of the knowledge produced by those employed in these institutions. In a dark twist of parasitic logic there are even some journals that make this critique part of their mission statement. Where else in the university do colleagues bemoan the proliferation of vanity, envy, and pride, and even gluttony, sloth, and acedia?

We know, for example, that business school students are more likely to cheat than in any other faculty. Conn (pp.204-5) cites a study published in this journal that shows that 56% of MBA students cheat in their classes (Butterfield et al., 2006), but this holds for professorial staff as well, as detailed in Denis Tourish (2019). Plagiarism, research misconduct, data forgery, falsification and manipulation are legion, and notable cases such as that of James Hutton, once Professor of Accounting at Bentley University, with 37 paper retractions to his name (to date), seem to confirm in many people’s eyes the tarnished if not moribund status of scholarship in business schools. Despite or perhaps because of these practices academic staff are paid far in excess of their colleagues elsewhere in the university. With ‘market competitive rates’ and other enhancements and inducements professoriate salaries in the UK of £150,000+ are now becoming a norm.

Against this background we may have long suspected the world of management executives and their corporations only patronise the business school for the purposes of respectability and accreditation and that the Deans of these schools are staging a merry dance for their clients and academics who spend their time filling up server space with gigabytes of carbon expensive ‘knowledge’.  There is also more carbon burning international travel clocked up on the books of the business school for which the future might condemn its perpetrators to the newly emerging category of ‘the polluters’, or certainly a candidate for trial for the crime of ‘ecocide’ currently being debated at the United Nations as a possible amendment to the Rome Statute of the International Criminal Court.

The nepotism, corruption and vanities of the business school world was recently exposed in the popular book ‘Golden Passport’ written by journalist Duff MacDonald and published in 2017, at least insofar as the Harvard Business School is any indication of what is happening elsewhere. If Harvard is the model to which many schools aspire, we might suspect similar stories to be found legion in campuses across the world. In the UK Martin Parker has exposed in excruciating detail what can only be described as a mixture of brutal macho-management, utter incompetence and ugliness at University, Ltd. exercised during two years of change management in their ‘European business school’ (Parker, 2014). A group of academics employed at various business and management schools in the UK also recently published an excoriating ethnographic account of management practices at Civic Business School in the UK (McCann et al., 2020), which included bullying, intimidation and toxic leadership exercised blindly by a small ‘groupthink’ of mutually supporting senior leaders at Civic. So bad has the situation become that Parker (2019) has now called for a wholesale ‘shut down’ or ‘bulldozing’ of the business school. Should he have his way, Parker may be saved his redundancy by virtue of the fact that he now works in a management school, a subtle but important difference in the world of business and management studies.

Into this fray enters Stephen Conn’s important and illuminating book with the wonderfully or darkly ironic title *Nothing Succeeds Like Failure: The Sad History of American Business Schools* (2019). What sparked the research for this book was the poor state of furniture in the senior common room in the history department at Ohio State University which Conn and his colleagues realise are hand-me downs from the far more well-endowed business school. Far more well-endowed financially, but intellectually bereft, Conn suspects there is something amiss in this arrangement. Drawing on original archival research and the discipline of trained historical scholarship Conn brings a very useful and nuanced account of the rise of business schools. He notes that the US business school has evolved against a central tension in US higher education marked by the desire for both ‘economic utility and social openness; rarified research and the creation of an intellectual elite. Practicality versus purity; educated everyman versus [the] highly trained expert’ (p.6). With rigorous attention to historical evidence Conn is able to show the multi-faceted and entangled power-knowledge practices out of which US business schools emerged. Before Wharton was instituted 1881, widely regarded as the first business school, Conn explores the practices and training offered in the collegiate schools of business that was developed in tension with a multiplicity of ‘proprietary schools, commercial museums, mercantile libraries, schools run by business themselves and … public high schools’ etc. (p.35). The account of the Philadelphia Commercial Museum under the direction of William Wilson is particularly instructive and indeed somewhat inspiring showing how another configuration of knowledge is possible, albeit one that in this case sought to serve US imperial interests. The role of data, mapping and archival discipline, and rigour of attention invested in the aesthetics and curatorial practices of knowledge pursued by Wilson stands in marked contrast to the exercise of narrow technical specialism by many in the contemporary business school.

Chapter 2 traces the difficulties of developing business and management as a profession taking guidance from Louis Brandeis definition of the professions and quoting C A Ayers to the effect that ‘the cultivation of its mind cannot be shared with apprenticeship for trade’ (p.67). The chapter takes the reader up to the 1959 Carnegie and Ford reports which details and bemoans academic standards noting that ‘Business schools do not get the brighter students’ and that ‘undergraduate business schools . . . have become the dumping ground for inferior students who probably should not be going to college at all.” (p.69). Chapter 3 charts the rise of neoclassical economics as the most dominant paradigm for understanding economy within business and the study of business management. However, unlike economics the quest for discovering the underlying scientific principles that govern business have not been found – and indeed in many parts of the business school today there is a paradigm pluralism if not paradigm wars, and even according to some paradigm proliferation (Hassard and Cox, 2013). The study of a formal and abstract and rigorous academic discipline like economics was however useful in elevating the pretensions of the collegiate school system in contrast to the less academic leanings of the trade or proprietary school system. Conn notes here the difficulty the business school has had in developing its own distinctive academic or intellectual expertise and where economics has always defined the content of courses in economics for business school students. Chapter 4 shows the high levels of racism and sexism in attitudes and employment practices. Conn shows that the enrollment of black students at Berkeley business school peaked at 7% in 1989 but dropped again to 3% by 1992 (p.138). Attendees of the management conference circuit should carefully read the story of Delta Sigma Pi uncovered by Conn in this chapter, which as one of the biggest professional business fraternities in the USA wielded significant power in appointments and promotions. The macho culture of frat style drinking and openly sexist exclusion of women was matched only by the formation of an informal and ‘auxillary’ group for women known as the ‘Royal Order of the Pink Poodles’ organized nationally into ‘kennels’. According to the records, the ‘kennels’ were only closed in 1995.

Conn’s history of the business school reveals much that is shameful, but more shameful for the fact that so much of what he finds is still alive and well. At this point in reading the book one does begin to wonder how the history department has fared over the years. Have they been any more progressive in the appointment of female or black professors, or has their curricula and syllabi been reformed to accommodate the history of racism, violence, genocide and empire upon which US and other western societies and economies have been built? Chapter 5 is particularly good at showing the entanglement of US business with the rise of fascism in Germany. Here we are reminded that Albert Sloan was instrumental in developing business between General Motors and Nazi Germany who were able to invade Poland on the back of technology and equipment provided by GM. German internal politics should “not be considered the business of the management of General Motors” Sloan reported to his shareholders, noting that ‘the German market was “highly profitable.”’ (quoted in Conn, p.168).

The final chapter ups the ante showing how the little which passes for knowledge expertise in the business school has nothing to contribute to economic development, and if anything it is in fact implicated in a self-defeating logic that encourages corruption and greed that destroys wealth and local communities. From the promulgation of models of shareholder value, to the teaching of creative accounting techniques, the promotion of financial entrepreneurship, and the cultivation of heroic individualism, business schools are implicated in the practices exposed in the spate of corporate scandals in the 2000s and the 2008 global financial crash. Conn traces the activities of Jeffrey Skilling and Rajat Gupta, both graduates of Harvard, who both went to jail, Skilling after helping to siphon and leverage money through and out of Enron, and Gupta for insider dealing committed during his time as managing director at McKinsey. Meanwhile business schools stand by and at best wring their hands of such practices, but it takes very careful research and analysis to work out the ways in which the business school is implicated and indeed responsible for empire, slavery, violence, systematic corruption, corporate scandal, economic degeneration, poverty, ill-health and inequality. Is the business school more responsible than any other knowledge practice in the university, for example? What about the scientists who work for the military-industrial complex, engineers working on military technologies, university laboratory assistants working with big pharma, neoclassical economists teaching the ‘natural’ laws of demand and supply, and even historians teaching atheoretical value-free knowledge that believes a fair assessment of empire is possible and could show its possible benefits?

Despite the colorful and enlightening cases that Conn details, the response will be that there are nonetheless good people, good individuals in the business school. It will be said that there are many well-meaning individuals in the business school, and many who firmly believe in the possibilities of ‘business and society’ and of education as a way of developing students to realize their full potential. For every Skilling or Gupta there are hundreds of green tech entrepreneurs or social enterprise start-ups, and the business school can still be transformative for people excluded from the traditional professions and established middle class occupations. Something more than anecdotal trade-offs is required in order to debate the value of the business school and its relative implication in the worst excesses of a globalizing system of neo-liberal capital. Something is at work beyond the actions of individuals, but not necessarily ‘behind their backs’ as in the classic modern sociologies associated with critical realism, cultural dopes, and false consciousness. Michel Anteby (2013), cited by Conn, provides a very subtle account of how a prevailing system of moral commitment and character, for example, is forged at Harvard and he does this by use of ethnographic methodology.

It is probably safer to assume we are all implicated as actors and beneficiaries of systemizing practices of economic accumulation, whether as an author of academic papers published in commercial journals or as employees of universities run as private corporations. Working as an academic in a business school also places one right in the eye of the storm, and cheek by jowl with some of the most rabid apologists for private wealth, free market economics, and what I have begun to call the ‘businification of the world’ (O’Doherty, forthcoming). Where Conn notes early in his book the tension in US higher education between economic utility and social openness, practicality versus purity, he tends not to trace this tension as it gets played out in business schools and appears blind to the tensions, dialectics, differences and contradictions in research, curriculum design and other business school activities. For every Jeffrey Skilling in the US business school system, for example, there is a Matthew Statler at Stern, whose work on the social impact programming and curricula is exemplary of how business and management studies can be harnessed for far more noble values and intellectual adventure (Küpers & Statler, 2020). Instead of this nuance, Conn prefers sweeping generalisations of the sort ‘business schools serve as the handmaids to corporate capitalism in the United States in a way that no other campus enterprise does’ (p.11).

This interpretation may be explained by virtue of the fact that his focus is exclusively on US business schools. If he looked outside the confines of the USA he would surely have occasion to employ his characteristic nuance and subtlety. If Conn had sat in a few more introductory lectures in business and management he may be surprised that the syllabus is far from offering a handmaid to capital. Indeed, I often suspect the teaching and curriculum at business schools are far more subversive of management and corporate capital than what is found elsewhere in the university – but perhaps not necessarily be design. By contrast, distinguished professors from the humanities are amongst some of the most naïve with respect to big business and management and thereby can become some of the worst deans and Vice Chancellors of universities as they become taken over by real estate developers and experts in financial services. As I wrote with my colleague Peter Case, a careful reading of Buchanan and Huczynski’s *Organizational Behaviour*, which is one of the most mainstream and popular textbooks in organizational behaviour used in business schools,leads one into the equivalent of *Alice in Wonderland.* In this respect, the text is of limited practical value for managers. Not only is it physically unwieldy, it is also replete with the most impractical of suggestions and preparation for real world ‘application’. Any effort to employ the ‘class exercises’ for example will find the exercise rapidly descends into farce and chaos in most undergraduate or postgraduate class (O’Doherty & Case, 2003; see also Lilley, 1998). Hence, it should come as little surprise that similar outcomes prevail when practical managers seek to extract and employ the kind of policies and practices contained in this popular genre of student textbook (O’Doherty, 2017: 63-103).

The tracing of contradiction and paradox in central to Marxist historiography of course, as is difference, antagonism and multiplicity in more poststructural theory and methods developed through Nietzsche into Foucault and contemporary exponents of archaeology and genealogy. The historian can bring much to our understanding of the current dilemmas and failures in the business school. Indeed there has been talk of a ‘historic turn’ in organization studies announced back in 2004 by Clark and Rowlinson (2004), and historical research has become one of the fastest growing disciplines in business and management studies. Complete with special issues, conference streams, regular edited collections of papers with distinguished university presses, and even the emergence of contending paradigms (Mclean et al., 2021), history is proliferating and developing in exciting ways by business school scholars. Conn might worry that the intellectual quality of this practice of history lacks the custodial discipline exercised by professional historians, but then the conditions provided by the business school might also provide the very basis for innovation and originality in scholarship that escapes the controlling influence of long established and highly institutionalised departments of history, or economics, sociology, anthropology and psychology. These constitute the major academic disciplines out of which business and management education has been forged in the 20th century, but the business school might also provide an opportunity to think outside the confines of their conservatism and their ‘discipline and punishment’ that played such a central part in the consolidation of the modern nation state which is surely also handmaid to the rise of global capital.

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