The Big Idea

Management Is Not a Profession

Some business skills can't be taught in a classroom. They have to be learned through experience. *by Richard Barker*

t is natural to view management as a profession. Managers' status is similar to that of doctors or lawyers, as is their obligation to contribute to the well-being of society. Managers can also be formally trained and qualified, notably by earning an MBA. If management is a profession, the business school is a professional school.



That perception has fueled criticism of business schools during the recent economic crisis. They have come under fire for allegedly failing in their obligation to educate socially responsible business leaders. The same perception has informed the schools' response, which has been to work toward greater professionalism. Writing in the June 2009 issue of *Harvard Business Review*, Joel Podolny, a former dean of the Yale School of Management, argued, "An occupation earns the right to be a profession only when some ideals, such as being an impartial counsel, doing no harm, or serving the greater good, are infused into the conduct of people in that occupation. In like vein, a school becomes a professional school only when it infuses those ideals into its graduates."

Podolny is in sympathy with Harvard Business School professors Rakesh Khurana and Nitin Nohria, who argued in the October 2008 issue of HBR that it was time to make management a true profession. In their view, "True professions have codes of conduct, and the meaning and consequences of those codes are taught as part of the formal education of their members." Yet, they wrote, "unlike doctors and lawyers," managers don't "adhere to a universal and enforceable code of conduct."

These calls to professionalism are hardly new. Writing in the very first issue of HBR, in 1922, HBS professor John Gurney Callan claimed, "Business... may be thought of as a profession [and] we may profitably spend a good deal of time in considering what is the best professional training for [those] who are to take important executive positions in the coming generation."

A. Lawrence Lowell, the president of Harvard University, was even more assertive in his 1923 HBR essay "The Profession of Business" (adapted from his address to the incoming class at HBS the previous September). He attributed the very creation of HBS to the emergence of business management as a distinct profession.

In contrast with these views, I will argue that management is not a profession at all and can never be one. Therefore, business schools are not professional schools. Moreover, laudable and beguiling though professional standards and ethics may be, and however appealing professional status is, hanging the mantle "professional" on business education fosters inappropriate analysis and misguided prescriptions.

Let's begin by examining what actually constitutes a profession.

What Is a Profession?

rofessions are made up of particular categories of people from whom we seek advice and services because they have knowledge and skills that we do not. A doctor, for example, can recommend a

course of treatment for an illness; a lawyer can advise us on a course of legal action. We cannot make

The MBA Debate: It's Not Over Yet

Business schools are under attack as a result of the economic crisis. MBAs, perhaps especially those from our parent, Harvard Business School, have come under fire for supposedly putting their own interests ahead of those of employees, customers, and even shareholders. Management education is broken, the indictment reads, and we need to make fundamental changes to it.

Many people believe there's some truth to these charges. The debate, therefore, is really about how business schools should respond. A number of experts, including Nitin Nohria, the new dean of HBS, argue that management should have a rigorous professional code. In a landmark HBR article, Nohria and HBS professor Rakesh Khurana eloquently called for a return to the intent of HBS's founders, which was to create a cadre of managers as skilled and disciplined in their field as Harvard-trained lawyers and doctors were in theirs.

Some experts view the issue differently. McGill University's Henry Mintzberg, for example, believes that MBA programs already straitjacket managers—by encouraging the development of narrow functional expertise rather than the integrative skills that define effective management. (See his HBR article "The Five Minds of a Manager," written with Jonathan Gosling.) This month's Big Idea feature is very much in this vein. Richard Barker, a former director of the MBA program at Cambridge University's Judge Business School, argues

Idea in Brief

The big idea: Although managers can be formally trained and qualified, and their social status is similar to that of doctors and lawyers, management is not a profession. The argument: We rely on professional bodies to define what their members should know and to certify them as fit for practice. But the abilities and learning required to be a good manager don't lend themselves to such oversight—and business education is more about acquiring the skill of integration than about mastering a set body of knowledge. A better approach: The key is to recognize that integration is learned rather than taught: It takes place in the minds of MBA students, who link the various elements of the program. Business education is not onesize-fits-all, and, most important, it should be collaborative rather than competitive.

these judgments ourselves—and often we cannot judge the quality of the advice we receive. The Nobel laureate Kenneth Arrow wrote about the medical profession, "The value of information is frequently not known in any meaningful sense to the buyer; if, indeed, he knew enough to measure the value of information, he would know the information itself. But information, in the form of skilled care, is precisely what is being bought from most physicians, and, indeed, from most professionals."

It is true, of course, that most nonprofessional providers of goods and services also have knowledge that we don't. We cannot, for instance, manufacture a computer or operate a train service. Nevertheless, we can judge whether or not our demand has been met: We know what to expect from our computer, and we know if our train is delayed. The difference is that we might act on a lawyer's advice and not know its quality, even after the case has been completed. Perhaps she gave us good advice but the case was lost, or vice versa. The outcome might have been more or less favorable had her advice been different. We are in no position to know, because the professional is the expert and we are not. There is an asymmetry of knowledge.

In some cases the knowledge asymmetry is relatively transient. A taxi driver in a foreign town provides us with a service, using his knowledge of the local geography. Once we arrive at our destination, however, we can ask a local whether the driver's route was the most direct, and thus reduce the asymmetry. But who evaluates legal advice for us? Although we could ask another lawyer, he couldn't offer a second opinion without being informed of the details of our case—which would amount to hiring two lawyers to do the work of one. Furthermore, the two lawyers

that management by its very nature cannot be defined as narrowly and precisely as a profession, and that the essence of an MBA resides not in professional training but in the broader experience of the business school as a learning environment.

Other commentators weigh in somewhere in the middle. A former dean of the Yale School of Management, Joel Podolny, asserted in his HBR article "The Buck Stops (and Starts) at Business School" that although MBA programs need to inculcate professional standards akin to those for lawyers and doctors, the curriculum should be designed along lines that Barker and Mintzberg would probably agree with.

Harvard Business Review has been a leading forum for discussion of the MBA's future. In addition to publish-

To participate in the continuing conversation, visit this article at hbr.org.

ing the articles mentioned here, the magazine has hosted a fascinating online debate (see **http://blogs.hbr.org/how-tofix-business-schools/**) joined by B-school deans and educators from around the world. The exchanges have been spirited and sometimes even testy. We urge readers to engage with them. Management education will never become more responsive to the needs of business in particular and society in general without the involvement of the practitioners who graduate and recruit from business schools.

We have invited Nohria and Khurana to comment on Barker's article at hbr.org. Please join the debate. —The Editors

A Code of Business Ethics?

A professional body determines and enforces a code of ethics. This process is fundamental to the very existence of any profession, because it enables society to trust that members of the body are serving the public interest.



Management is not a profession. It has no code of ethics, much less a mechanism to enforce one. Does that make business ethics a lost cause?

A code of business ethics is in principle achievable, albeit challenging because of management's broad and undefined scope. HBS professors Rakesh Khurana and Nitin Nohria offer a prototype in their 2008 HBR article "It's Time to Make Management a True Profession," which could no doubt provide the basis for a generally accepted code. The greater problem is enforcement. The professions have monopoly control over membership; they can restrict entry and force exit. No such model is available in management, which doesn't require a license.

might advise us differently, and we'd be unable to distinguish the better advice.

In practice, our lawyer herself implicitly assures us that we can rely on the legal advice she is giving. This relatively permanent knowledge asymmetry is the mark of the true profession; as consumers, we have no option but to trust the professionals with whom we transact. Nevertheless, we might be unwilling to transact at all without some guarantee that the services we receive meet a minimum quality threshold. That requires the existence of professional bodies, whose regulatory role enables consumers to trust their advisers, thereby making a market for professional services feasible.

For a professional body in any given field to function, a discrete body of knowledge for that field must be defined, and the field's boundaries must be established: When, for example, is something a medical or legal issue, and when is it not? There must also be a reasonable consensus within the field as to what the knowledge should consist of: If physicians cannot agree on how the human body functions, or lawyers on the nature of a contract, no discrete body of knowledge can be said to exist. The boundaries and consensus for any profession will evolve over time, but at any given moment they can be defined which is what enables formal training and certification. Certification signals competence to consumers who would benefit from it.

Professional bodies hold a trusted position. They have, in effect, a contract with society at large: They control membership in the professions through examination and certification, maintain the quality of certified members through ongoing training and the enforcement of ethical standards, and may exclude anyone who fails to meet those standards. Society is rewarded for its trust with a professional quality that it would otherwise be unable to ensure. This is the model for the legal and medical professions and others, including accounting, architecture, and engineering.

As I will argue, neither the boundaries of the discipline of management nor a consensus on the requisite body of knowledge exists. No professional body is granted control, no formal entry or certification is required, no ethical standards are enforced, and no mechanism can exclude someone from practice. In short, management is not a profession. Moreover, management can never be a profession, and policies predicated on the assumption that it can are inherently flawed.

Why Not Management?

ne might ask, If medicine can reach agreement on the requisite body of knowledge for becoming a physician, why can't business do the same for management? After all, isn't the

MBA a general-management qualification, and isn't there a reasonable consensus on MBA curriculum content? It is generally agreed that nobody should be allowed to practice medicine without schooling and certification; is society not also at risk from a business leader with no license to operate? Moreover, don't several organizations, including the Graduate Management Admission Council and the Association to Advance Collegiate Schools of Business, play roles similar to those of established professional bodies? And why shouldn't we introduce and enforce ethical standards?

Asking whether a consensus can be reached on the body of knowledge that qualifies someone to be a manager—on the basis of which society would delegate control of the training for, certification in, and practice of management to a professional body—is not the same as asking whether consensus is possible on the MBA curriculum. That is a narrower question of whether business schools can agree on what Business schools can make a difference by building on core strengths rather than emulating the professions. The subject of ethics provides excellent raw material in an environment where students are learning as much about themselves as about technical or functional subjects, and where the learning comes as much from interaction with their peers, inside and outside class, as from classroom interaction with the professor. In that environment, discussion of an ethical issue such as conflict of interest has great value: Students must consider what they would do if faced with the issue and think through the consequences. Equally important, they experience firsthand how their peers would react to their choosing one road rather than another. If a certain behavior is unacceptable to your peers, and if they are important to you personally and to your career, unethical business practice becomes less likely.

Business ethics belongs in the curriculum but can be learned effectively only in the right environment. Business schools should ensure that students understand the situations in which ethical decisions are made, and in particular that they grasp the personal implications of such decisions. The focus, in short, should be on the core strength of the business school as a learning environment.

—R.B.

they should teach. The real issue is whether what the schools do teach qualifies students to manage, in the way that an MD qualifies someone to practice medicine. I will argue that the answer is no, and that therefore management cannot become a profession.

Consider the nature of a business contract, which in its narrowest form is a detailed, precisely worded document, drafted by a professional lawyer and specifying the terms of an agreement, including prescribed remedies in the event of certain outcomes. The contract is the result of a professional service delivered to managers. Managers also seek the services of accounting firms for internal audits, of engineering consultancies for capital expenditure projects, and so on. Each transaction requires the specialized skills of a professional. Each is also an output from the professional's perspective and an input from the manager's perspective.

The manager, however, is responsible for bringing together many inputs. The lawyer is always concerned with matters of law, whereas the manager's focus may change significantly and unpredictably from one day to the next. In general, the professional is an expert, whereas the manager is a jack-ofall-trades and master of none—the antithesis of the professional.

The argument can be taken further. The lawyer writes a contract and charges for her time; her work is finite. Even when she has an ongoing relationship with a corporate client, her contribution is always a specialized input, measurable in terms of the amount billed. But the manager is responsible for the combined value generated by all inputs to the firm. Inputs are managed at varying stages in a product's life cycle, and at any given time products are at different stages in that life cycle—meaning the manager's job is never done. The manager's contribution is inherently difficult to measure and has an indeterminable impact on a variety of outcomes. The difference between the lawyer's world and the manager's is rather like that between the value of a single revenue transaction and the value of a company as a whole. As a completed output with a monetary value, the revenue transaction is relatively objective. A company's share price is subjective—dependent on imprecise assumptions concerning a range of inputs, and ultimately a best guess about the future.

All this accords, of course, with the reality that no true professional bodies have emerged in the field of

The typical U.S. MBA class is made up of



management. Consider again an analogy with medicine: Although we cannot expect an unqualified person to successfully conduct brain surgery, successful businesses are frequently run by people without MBAs. It is unthinkable that society would allow an unqualified person to even attempt brain surgery, but nobody would seriously suggest that an MBA be required for entry to management. We can, of course, offer business education, including certification in the form of MBAs and other degrees, and such education can reasonably be assumed to generate better managers. Yet the difference between a business education and a professional education is stark and fundamental: The former may help individuals

The Value of the MBA Program



improve their performance, but it cannot certify their expertise. The role of the manager is inherently general, variable, and indefinable.

Business Education

he inherent differences between the professions and management have direct implications for the design of education in each. Professional education enables an individual to master the body of knowledge deemed requisite for practice. It comprises three stages: admission, during which potential entrants are screened for intellectual ability and aptitude; a taught program, during which educators impart knowledge of the subject; and formal assessment, which leads to certification. Business education also involves admission, a taught program, and assessment, but the similarity is superficial only. If business educators, imbued with notions of professionalism, fail to recognize the fundamental differences, flaws in the business education model will inevitably result.

Admission. Professional education is about taking a given individual on the journey from having little or no knowledge or experience to becoming qualified. But business education is typically post-experience, meaning that participants are not novices. An MBA program offers them an opportunity to share, conceptualize, and better understand workplace experiences; to build on the skill of working with others; and to open up new career opportunities. To admit only students with little or no work experience, as the professions normally do, would be to misunderstand the nature and purpose of the learning experience.

A second difference is that although professional education is concerned exclusively with the individual, a quality business education depends in a distinctive way on the peer group. Thus no given candidate can be effectively evaluated independent of all the other candidates.

Suppose you wanted to provide a course in international business. Most people would probably agree that learning international business is not about the textbook acquisition of technical knowledge but, rather, about a concentrated exposure to the breadth of experience and understanding that helps make someone a better global manager. A prerequisite for learning is therefore diversity in the classroom which requires that the nature of admissions be rethought.

This is particularly a problem for management education in the United States. A typical class in a top-tier U.S. school might be made up of 70% American students, 20% international students with close ties to the U.S., and 10% genuine "outsiders." International business is taught by means of case studies, which allow students to discuss subjects ranging from trade relationships with China to cross-cultural management in Eastern Europe to outsourcing in India. This process, unfortunately but inevitably, is superficial. It is unrealistic to think that American students who have had American experiences-even when they have the benefits of a good textbook and a great professor-can conjure up a meaningful understanding of international business through class discussion, however academically gifted they may be.

Because a student at business school has a direct impact on the learning of others, the strongest class is likely to be the strongest combination of individuals. Many graduates recognize the truth of this. Jacklyn Sing, an alumna of the MIT Sloan School of Management, describes a view among alumni: "Some of the classes proved useful to their current work [but] the specifics fade in the memory. It is the people in the program that shape the experience and make all the difference." This view will be familiar to anyone who has studied or worked at a business school. For technical training to fade in the memory would be alarming in a medical doctor, but it is understandable in business school alumni. Again, that is because business education is not about mastering a body of knowledge.

The program. Consider the following finding from a formal review of the MBA program at London Business School: "The corporate leaders we interviewed indeed produced an extensive list of qualities they desired in future recruits, but almost none involved functional or technical knowledge. Rather, virtually all their requirements could be summed up as follows: the need for more thoughtful, more aware, more sensitive, more flexible, more adaptive managers, capable of being moulded and developed into global executives." LBS summarizes these requirements as attributes rather than skills. They are intrinsically soft and indefinable. They can probably be learned, especially in a business school environment, but it is not obvious that they can be taught, which is what would be expected from a professional school.

The exhibit "The Value of the MBA Program" shows some findings from a survey of approximately 600 MBA alumni of Cambridge University. In terms of its usefulness in their careers, the alumni valued the learning environment above the curriculum itself. They ranked learning that took place outside the business school classroom, and more broadly in the university, as the most useful. Next came companybased consulting projects, which are not part of the taught curriculum but are a component of small-group learning. Within the curriculum itself the softer skills of strategy and leadership were most prized. Clearly, the environment within which people learn can be more powerful than the specific material taught.

None of this is to say that functional areas are unimportant. Rather, we need to broaden our perspective on business education. Any business needs effective execution in functional areas, but that is not the role of the general manager, of the business leader. The general manager should have an understanding of these areas, and the combination of textbook learning and classroom discusThe skill of integration is at the heart of why business education should differ from professional education. sion is an effective way to achieve it. But it would be a mistake to think that business education stops there. The manager must also acquire the core skill of integration and decision making across various functional areas, groups of people, and circumstances.

The skill of integration distinguishes managers and is at the heart of why business education should differ from professional education. Yet business schools have always wrestled with how best to help students acquire this skill. The difficulty is partly structural. Faculty members almost universally specialize in one functional area and typically lack the expertise to teach (or sometimes even to crossreference) material from others. Case studies, which are typically written from a functional perspective, reinforce this limitation. The Yale School of Management has pioneered a curriculum based on the coteaching of integrated classes, but this is a challenging model that others are unlikely to follow.

The key here is to recognize that integration is not taught but learned. It takes place in the minds of the students rather than in the content of program modules. The students themselves link the various elements of the program. Thus it is vital that business schools understand themselves primarily as learning environments, where individuals develop attributes, rather than as teaching environments, where students are presented with a body of functional and technical content.

First and foremost, business education should be collaborative. Consider Oxford University's MBA program, in which a class has about 240 students, each with about six years of work experience, who represent nearly 50 countries and almost all sectors of the economy. That amounts to some 1,500 years of experience. The pedagogical opportunities in sharing it are obvious-and they require an environment in which students actively work together and learn from one another. This goes much deeper than networking, the much-cited benefit of business schools. Networking is important in the professions, too, and doctors and lawyers are equally likely to look back on school relationships with a warm glow. But in a collaborative learning environment the people around you are more than just colleagues and friends; they are an explicit and valuable

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part of your educational experience. It follows from this that effective business education cannot be delivered exclusively online, because online delivery is a teaching mechanism, not a learning environment. Dick Schmalensee, a former dean of MIT Sloan, has acknowledged, "We're trying to maximize the quality of what we deliver and don't feel going online will help us achieve that." Implicit is the recognition that business education is about more than the acquisition of textbook knowledge.

Moreover, business education is explicitly not one-size-fits-all. Most MBA students have prior work experience; each of them is building in a unique way on a unique foundation and will experience the program differently, learn different things, and emerge to pursue a different career. An important implication is that learning needs differ according to the stage of a student's career. For example, a younger student might gain little from studying the responsibilities and functions of boards of directors but might need precisely that knowledge 15 or 20 years later. In other words, business education is best delivered in doses throughout a career, rather than in a single shot at the beginning.

In this regard, the Insead model is exemplary. The one-year MBA program, which was pioneered by Insead, is successful in part because some of the fundamental benefits of immersion in a business school environment can be captured within one year; the second year conveys primarily technical or functional knowledge. Exposure to the learning environment over time, however, continues to bring benefits, so Insead also runs one of the largest executive education programs in the world. It is a lifelong learning partner, not a one-stop certification shop. That is precisely what business education should be.

Assessment. Evaluation is actually neither problematic nor contentious in technical and functional areas. It is perfectly possible—and appropriate—for ability to be measured in finance or accounting, and for students to compete for the highest grades. But we have seen that business education is about more than clearly defined subsets of knowledge like these; its essence is in softer, indefinable attributes and experiences that have relevance in interpersonal contexts. Thus we should not be surprised that an academic grading system cannot reliably predict managerial ability.

Assessment in these softer areas is problematic in two respects: It is difficult and thus perhaps arbitrary, and it risks being counterproductive because it can damage a learning environment. If a business school is a competitive environment, in which the myth is maintained that the best future business leaders will score the highest grades, dysfunctional behavior inevitably results. Why learn collaboratively if doing so helps your competitors score higher grades? Why develop attributes of leadership, of interpersonal impact, if you are graded on individual performance in functional subjects? Why immerse yourself in the learning environment if you can get better grades by immersing yourself in a textbook? How can business schools embrace the diversity of candidates' prior experiences and learning opportunities if everything comes down to performance under a homogenized grading system?

Grading is important in technical and functional areas, but the distinctiveness and vitality of business education require that a grading culture be downplayed. Students are there to contribute to and benefit from a rich learning environment; they are there to be empowered rather than ranked.

MANAGEMENT EDUCATORS need to resist the siren song of professionalism. Functional and technical knowledge is an important component of business school curricula, but it is not the essence of management or the substance of business leadership. Nor is it what makes a business school like Harvard or Stanford great. Business schools do not uniquely certify managers, enabling them to practice. Nor do they regulate the conduct of those managers according to a professional code of practice. What they do is provide learning environments that consolidate, share, and build business experience, that accelerate personal development and growth, and that help equip managers to deal with their diverse working environments. Business schools are not professional schools.

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