Solving the Doctoral Dilemma

by Tricia Bisoux

As director general of CENTRUM Católica in Lima, Peru, Fernando D'Alessio knows firsthand how the doctoral shortage is affecting business schools in at least one market—his own. The region, he says, now suffers from "bright flight," as young Latin Americans travel to Europe or the U.S. to earn their doctorates, never to return to their home countries for their long-term careers. Of those who receive professional qualifications at home, most go abroad to find permanent positions.

Part of the problem, says D'Alessio, is a lack of capacity in the Latin American market. "Very few business schools attempt to start doctoral programs due to the resources and faculty knowledge needed to advise students in their research," he says.

CENTRUM isn't alone in feeling the effects of a shortage of academically qualified faculty. Many business schools, especially those in the United States, must pay increasingly high salaries to attract the best faculty from a steadily shrinking pool of talent. To support the full range of their curricula, some are increasing the number of professionally qualified faculty, who can provide excellent teaching support but normally do not divert as much energy into research or publishing as their academically qualified counterparts. For many schools, the only other option would be to limit the size of their programs—or eliminate some courses altogether.
The obvious solution to the doctoral shortage would be to graduate more PhD students. But that’s not an easy proposition at a time when most schools are seeing their funding sources shrink, says Rich Soaresen, chair of AACSB International’s Doctoral Faculty Shortage Working Group and dean of Virginia Tech’s Pamplin College of Business in Blacksburg. “With budget cutbacks and economic uncertainty, we don’t know what’s going to happen,” says Soaresen. “At Pamplin, we had increased the size of our doctoral program by 12 additional students—and we’ve had to cut six of those positions.”

AACSB International estimates that business schools saw a shortfall of at least 1,000 business doctorates in 2008—a shortfall that could increase to 2,000 in ten years. To reverse the shortage, educators are experimenting with new approaches to the doctoral degree, while maintaining and enhancing its relevance in the 21st century. The six solutions outlined here offer a glimpse into where business doctoral education stands today—and where it might be headed.

1. Building Bridges to Business

In its bid to counteract the doctoral shortage, AACSB has encouraged the initiation of Post-Doctoral Bridge to Business programs, designed to help scholars with PhDs in other disciplines make the transition into business. To date, five schools offer the eight-week Bridge curriculum, including Virginia Tech’s Pamplin College; the University of Florida’s Warrington College of Business Administration in Gainesville; the University of Toledo’s College of Business Administration in Ohio; Tulane University’s Freeman School of Business in New Orleans, Louisiana; and Grenoble École de Management in France.

The Pamplin College has scheduled its Bridge program for the summer, to appeal to scholars on a traditional September-to-May contract with their current universities. Program administrators hope to enroll 50 students for its next Bridge cohort this summer—25 for its marketing track and 25 for its finance track. In 2010, the Pamplin College plans to add a track in management, creating the capacity to graduate 75 doctorally qualified business faculty. That kind of output multiplied by many schools could go a long way toward solving the doctoral shortage, stresses Frank Smith, director of Pamplin’s Bridge program.

“We target individuals who demonstrate the potential to secure a tenure track faculty position in their new field of choice,” Smith explains. That means the ideal student for the Bridge program already has earned a PhD in a field that directly applies to the business world, such as economics, statistics, sociology, or psychology. Statisticians, for example, can apply their skills to market research; economists might make the leap into finance; psychologists can translate their knowledge to consumer or organizational behavior.

Formerly a scholar in statistics at Penn State University, Shabnam Moussavi is a graduate of Pamplin’s 2008 Bridge program. She is now a visiting professor of finance at Georgia State University’s Robinson College of Business in Atlanta, specializing in research that focuses on the behavioral phenomena that affect corporate decision making. Moussavi says that when she heard about the Bridge program, she jumped at the opportunity to become doctorally qualified in finance. “I was looking for a way to become familiar with the vocabulary of finance so I could go further in my research,” she explains.

Moussavi received an intensive education in financial theory and business pedagogy—and secured an opportunity to advance her career, strengthen her negotiating power, and earn a higher salary. The experience also allowed her to “learn the academic language” of business. “It’s a real intellectual challenge to make this move,” says Moussavi. “You are exposed to new ideas and learn about the real phenomena that you’ve previously only known on a theoretical level.”

The Rise of the Executive-Scholar

More executives are deciding that an MBA may not give them all the skills they need to tackle the intricate web of interrelated problems that businesses face today. Many view a doctoral degree in business as their path to a deeper understanding of business problems and the research skills required to solve them. The model of executive doctoral education has long been the norm in French ecoles and other business schools in Europe. However, its prevalence is now growing in other regions in the world. In Latin America, for instance, regional and global trends have pushed many corporations in both private and public sectors to see the PhD as a mid-level managers to pursue their doctorates. Fernando D’Alessio of CENTRUM Católica notes that the school’s DBA program was designed to be both flexible and in-depth to meet the needs of the working professional.

In the European market, where more people are earning their bachelor’s and master’s degrees, the doctorate is seen as the big credential to add to their resumes, says Marko Pavlović, University of Ljubljana. “The pool of candidates is increasing, as the doctoral degree becomes an additional signal of differentiation in the labor market.”

Demand for programs aimed at the executive-scholar is growing, says Neal Mero of Kenesaw State University. His school recently launched an EMBA program.

"Why aren’t there more programs in the U.S. that allow professionals to pursue quality doctorate degrees?" he asks. "There is clearly demand for it, and the business community is telling us that students trained to conduct research can add value to their organizations." By staying wedded to the traditional PhD model, many business schools don’t provide the level of hands-on experience that professionals who aren’t going to give up their careers to attend a full-time residency PhD program. It’s a “sweet spot” in the market, says Mero, that many business schools have yet to tap. Eon Smith, director of the University of Stellenbosch Business School, agrees that executives comprise a growing segment of students pursuing doctoral qualifications. “Of particular interest is the large number of executive MME or EMBA students who have access to thousands of data points within their students’ companies—and a wealth of opportunities for their own scholarship.”

This is an exciting trend of individuals whose perspectives and competencies may full outside our individual disciplines," says Carlson. "We can learn a lot from them." The trend toward executive scholarships promises to come full circle, say these educators. Not only are more companies choosing to send their executives to receive doctoral education—more are hiring academically qualified business PhDs who are trained to make sense of the deluge of information business generates every day. That means that business schools with robust doctoral programs will be ideally positioned to assist these companies in their hiring. More and more, even traditionally trained PhDs may have a host of career options not just in academia, but in industry.
To make our DBA program work, we knew we had to look at models that were different from traditional U.S. models.

— Neal Mero, Kennesaw State University

2. Launching a Doctoral Startup
A few business schools are doing something relatively uncommon among contemporary business schools: They’re building completely new doctoral programs from the ground up. Among the new programs are an Executive Doctorate in Business at Georgia State University’s Robinson College of Business in Atlanta and a Doctorate in Business Administration at Kennesaw State University’s Coles College of Business in Georgia. Launching this fall, both three-year programs target working professionals and require students to be on campus only one long weekend each month. Each curriculum requires executive doctoral candidates to write and defend dissertations.

While off campus, the first 15 students in Coles’ DBA program will work on their degrees through a Web-based platform of instruction, continuous e-mail contact with faculty, and online student discussion groups. “We don’t use the term ‘part-time,’ because students still must dedicate at least 25 hours a week to their studies,” says Neal Mero, director of the program. “Our students will be on campus 30 days each year so they can accommodate their professional schedules, but those residency courses are augmented by a large amount of individual work with faculty.”

While Coles College hired additional faculty to teach its DBA students, it worked to strengthen the program even further by establishing its Global Scholars Network (GSN), which includes experts throughout the world who will make themselves available to work with Coles doctoral students. “This process is much more common in other parts of the world than it is in the U.S.,” says Mero. “To make our DBA program work, we knew we had to look at models that were different from traditional U.S. models.”

3. Moving Beyond the MBA
Case Western Reserve University’s Weatherhead School of Management in Cleveland, Ohio, has offered its Executive Doctorate in Management since 1995. EDM students meet for two to four days every three weeks for three years; while off-campus, they must devote 30 hours to their scholarship.

Weatherhead’s EDM—which served as the model for the Coles and Robinson programs—was designed to go “beyond the MBA,” says its director, Bo Carlsson. The school wanted to offer a degree of a doctoral quality that was not aimed at the academic market—one that departed from traditional doctoral formats in delivery, not rigor. “One thinks of a PhD as academically oriented, discipline-based, and full-time, and our EDM program is none of the above,” he says. “It’s transdisciplinary and aims to train practicing executives to handle the broader issues that businesses face.”

Programs tailored to executives also have one advantage that academic PhD programs do not—their students often pay tuition rather than receive stipend support from the university. At Weatherhead, that means that the EDM is self-supporting.

The broader perspectives and skill sets that executive-students offer could be a boon to the b-school classroom. “Virtually all business schools make faculty appointments in particular disciplines,” says Carlsson. “The emphasis many schools place on single-discipline performance hampers their recruitment and their delivery of their PhD programs.” If business schools are to teach the broad-based skills that today’s complex business problems demand, he argues, they’ll need faculty who themselves have gone beyond the single-discipline mindset.

4. Joining Forces
Business schools following European models of higher education have long seen the value of collaboration when it comes to doctoral programs. For schools that join forces to offer business PhD concentrations—by choice or by necessity—the whole is often more than the sum of its parts.

CENTRUM’s four-year DBA program in Peru, for example, is offered jointly with the Maastricht School of Management in The Netherlands. The program, which is offered in Spanish and English, accepted its first cohort of 25 students in August 2002 and will welcome its fourth cohort this May. The goal, says D’Alessio, is not just to provide doctoral research expertise to managers and academicians in mid-career—it’s also to offer an international perspective, something that the two schools do better together than apart.
Other schools have joined forces through networks such as the Central and South-East European PhD Network (CSEEPPhD), coordinated by national funding agencies, such as the National Science Foundation, to attract more financial support for business scholarship. To alleviate the high opportunity cost of the degree—a factor that can deter many promising students—some recommend aiding students with larger grants and shorter times to degree completion.

Perhaps the biggest area of controversy is whether a doctoral degree can be effectively delivered via part-time residencies or online technologies. But Sorensen says that the National Science Foundation support helps to attract more financial support for business scholarship. To alleviate the high opportunity cost of the degree—a factor that can deter many promising students—some recommend aiding students with larger grants and shorter times to degree completion.

Perhaps the biggest area of controversy is whether a doctoral degree can be effectively delivered via part-time residencies or online technologies. But Sorensen says that the National Science Foundation support helps to attract more financial support for business scholarship. To alleviate the high opportunity cost of the degree—a factor that can deter many promising students—some recommend aiding students with larger grants and shorter times to degree completion.

Perhaps the biggest area of controversy is whether a doctoral degree can be effectively delivered via part-time residencies or online technologies. But Sorensen says that the National Science Foundation support helps to attract more financial support for business scholarship. To alleviate the high opportunity cost of the degree—a factor that can deter many promising students—some recommend aiding students with larger grants and shorter times to degree completion.