

## **CORPORATE SOCIAL PERFORMANCE FOR GENERIC STRATEGIES IN PRIVATE BUSINESS SCHOOLS OF BANGLADESH: A HOLISTIC APPROACH**

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### **Introduction**

Business education has been recognized as an important factor over the years for the proper management of business in a broader societal setting. Business institutions represent the relationship among the members of the society such as the employees of the concerned organization, its customers, entrepreneurs, competitors, law enforcing agencies, and other stakeholders. Since there is hardly any society today that can run its economic activities successfully for a long time without business educated professionals, the present millennium business education has been an inevitable solution to improve the overall performance, profitability, satisfaction and welfare of the stakeholders and their inter-relationships especially in the objective of attaining a good society. In such a situation the holistic approach may be an integrated and effective tool for the Business School (B-Schools) to transform human beings into human resource, scattered raw materials into quality finished products tax from the citizens into Government's revenue and utilize the same for the management of the business affairs of the organization, product development, customer's satisfaction,

society's welfare and development of the nation as a whole by imparting higher education in business administration for the society's people. Realizing this importance of the study of business administration, a number of B-Schools have already been established or emerged and come forward to take the responsibility of the overall development of a country or the globe.

### **Rationale of the Study**

Holistic means care for the whole. The holistic approach to the corporate social performance of the B-Schools involves looking at the whole system of learning processes within a B-School rather than just concentrating on individual components or modes of delivery. This approach aims to help the B-Schools ensure the balance in its corporate social performance with the help of a well designed system. The overall result from the practice of the holistic approach can actually be greater than the sum of the individual parts. These are the reasons because of which the holistic approach has been considered as the important tool to reveal, examine, analyze and ensure the development of keen sense of social responsibility and commitment on the part of the B-Schools to fill the gap of competent and skilled HR for the sustainable development of Bangladesh. Moreover, the rise and rapid development of new and existing B-Schools and their curriculum changed the conventional pattern of graduation by offering the diversified syllabus of behavioural sciences, sociology, operation research, management science, and applied business administration studies. As a result, it has become essential for the B-Schools to possess Total Quality Management (TQM) including the state of the art technology, knowledge, skills, competencies, resources and infrastructures. Towards this end, the B-Schools began to follow the Holistic Approach in practice to ensure a broader, balanced and integrated relationship among the stakeholders at micro level and the society of nation at macro level. Indeed, the holistic approach assists the B-School of Bangladesh in providing business education in the following ways.

- \* Relationship Marketing Management --- Ensures economical, technical and social ties among the students, teachers, B-Schools and other stakeholders.
- \* Integrated Marketing Management --- Devises marketing activities and assemble fully integrated marketing programs to create, communicate and deliver value (e.g., academic and professional excellence through quality education and job placement) for the students.
- \* Internal Marketing Management ---- Brings integration among the senior management, marketing department and the other departments to help in hiring, training and motivating able teachers to serve students well.
- \* Social Responsibility Marketing Management ---- Confirms ethical, environmental, legal, and social context of marketing activities and programs for B-Schools.

### **Objectives of the Study**

The present paper endeavors to study the ways how the B-Schools of Bangladesh by following the holistic approach may become efficient and effective corporate social performers through the application of generic strategic in their area of concentration/respective domain (arena). The detailed objectives of the study are - - -

- to know about the conceptual aspects and background of Business Schools and their offerings
- to depict the brief profile of the sample B-Schools of Bangladesh to study their corporate social performance
- to draw the findings from the study on the performance of the sample of B-Schools
- to place recommendations to develop generic strategies for better performance of the sample of B-Schools.

### **Sampling Design**

In the study the stratified sampling method has been followed to choose the sample B-Schools. The permanent campus of the four private universities in Chittagong and their Faculty or Department of Business Administration has been considered as the main criteria of B-School Sample Selection.

### **Methodology of the Study**

In this study, primary data have been collected through the field survey based on a structured questionnaire through direct interview method. For primary data collection 30 individual respondents have been interviewed who are the students, staffs and teachers of the selected B-Schools while the secondary data have been collected on the basis of the selected universities brochures, web sites, journals and prospects, etc. The paper is mainly based on an empirical research work to study the real life scenario of the corporate social performance for generic strategies through the holistic approach.

### **Conceptual Aspect of Business School**

A business school (B-School) is an institute or college or university that offers instruction in the course of studies on general business principles and practices. In the study a business school is a private university which offers a Bachelor of Business Administration (BBA) or Master's of Business Administration (MBA) Degree. They include schools of "business", "business administration", "management". The business administration degree offered by a business school provides theoretical and practical training to help graduates/undergraduates gain a better understanding of general business management functions. BBA and MBA inclusive of general education or inter disciplinary subjects of behavioral science and analytical decision, and core courses with specialization are respectively Bachelor or Master's Degree in Business Administration, which attract people from a wide range of academic disciplines and professional background. The BBA/MBA degree can have specific focus such as marketing, HR, Accounting, Finance or MIS.

### Background of Business Schools

To cope with the emergence of the country's rapid industrialization and fierce competition US companies sought out scientific approaches to management and thereby the MBA designation as an embodiment of the same of its first kind was originated in the United States. Towards this trend the first American business school, Wharton School of the University of Pennsylvania, was established in 1881 and 62 years after the world's first business school ESCP-EAP was established in 1819 in Paris. Later on in the year 1900 the Tuck School of Business as a part of Dartmouth College conferred advanced degrees (master's) in the commercial sciences, the fore bearer of the modern MBA and in 1940 the University of Chicago Graduate School of Business, the second oldest US business school began to offer working professionals the Executive MBA (EMBA) program, a mainstay at most business schools today. In 1950 the first MBA degrees were awarded outside the United States by the University of Western Ontario in Canada, followed in 1951 with the degree awarded across the Atlantic by the University of Pretoria in South Africa. In 1964, University College Dublin became the first European university offering the MBA degree and in 1968 the Asian Institute of Management was founded. This is how the MBA degree has been adopted by institutes, colleges or universities (B-Schools) worldwide, and all the six continents have B-Schools offering MBA Programs.

### Basic Offering of B-Schools

The basic types of Business Administration (BA) Programs are mainly offered by the B-Schools are of the following nature.

- ✓ **Full time MBA** Programs normally lasting two years designed for regular students
- ✓ **Accelerated MBA** Programs lasting 18 months or less and involving a higher course load

- ✓ **Part time MBA** Programs normally last 3 years or more and hold classes on weekday evenings after normal working hours or weekly holiday. They typically consist of working professionals, who take a proportionately light course load for a longer period of time until the graduation requirements are met.
- ✓ **Executive MBA (EMBA)** Programs last two years or less while working full time to meet the educational needs of managers and executives, allowing them to earn an MBA degree
- ✓ **Distance learning MBA** Programs hold classes off-campus generally through correspondence courses by postal mail or email, non-interactive broadcast video, pre-recorded video, live teleconference or videoconference, offline or online computer course
- ✓ Besides the various types of MBA Programs many B-Schools are now also offering years or minimum 120 credit hours Bachelor of Business Administration (BBA) Degree. In the study the sample Business Schools provide BBA and MBA programs, which normally last four for the former and one to two years for the latter.

### Admissions criteria of B-Schools

The Graduate Management Admission Test (GMAT) test, significant work experience, academic transcripts essays, references or letters of recommendation, and personal interviews are the most common admission criteria for the admission into a B-School. Most programs base admission on. Though to get into a BBA/MBA program of a reputed B-School an applicant needs to take a (GMAT) and be accepted by the program based on its selection criteria, the sample B-Schools take written and viva type admission test as per their own guideline and academic policy. The said schools are also interested in extracurricular activities and community service activities as the important criteria for admission.

### Profile of Sample B-School

The Present study confines to four B-Schools of Chittagong namely University of Science & Technology Chittagong (USTC), Premier University (PU), International Islamic University Chittagong (IIUC) and Southern University (SU). The common aspects of the selected B-Schools have been mentioned chronologically:

- Each of the selected B-Schools offers 4-year Bachelor of Business Administration (BBA) program and Regular and Executive MBA Programs of 1 to 2 years duration on the basis of the students' academic background.
- Each of them follows North American Model of Exam, Semester System, Teaching method, presentation, case studies, project work, dissertation, etc.
- Medium of instruction is English.
- Each of them has affiliation of links with the international B-Schools
- As per UGC guideline and policy, each of the university maintains rich libraries comprising of text and reference books, journals, audio and video cassettes, news letters.
- USTC and IIUC has the arrangement of accommodation or hostel for their students
- Each of the selected B-School has the auditorium within their university campus

### Current Set Up for Corporate Governance of the Selected B-Schools

- Right to Admit Students
- Right to set up a reasonable fee structure
- Right to constitute a governing body
- Right to appoint staffs
- Right to take disciplinary action

**Table 1** exhibits the brief profile of the named academic institutions.

**Table 1: Profile of the Four Sample B-Schools**

Profile in Brief	USTC	PU	IIUC	SU
<b>Form of Organization</b>	Private University	Private University	Private University	Private University
<b>Governed by</b>	The Private University Act, 1992 (amended in 1998)	The Private University Act, 1992 (amended in 1998)	The Private University Act, 1992 (amended in 1998)	The Private University Act, 1992 (amended in 1998)
<b>Monitored by</b>	University Grants Commission (UGC) & Ministry of Education (ME)	University Grants Commission (UGC) & Ministry of Education (ME)	University Grants Commission (UGC) & Ministry of Education (ME)	University Grants Commission (UGC) & Ministry of Education (ME)
<b>Sponsored by</b>	Janasheba Foundation		International Islamic University Chittagong Trust (IIUCT)	AJ Foundation
<b>Life of School</b>	Since 2-11-1992 (15 Years)		Since 1995 (12 Years)	Since December 5, 2001 (5 and half years)
<b>Location</b>	Main Office: Campus Foy's Lake, Chittagong.	Main Campus – near the Chittagong Medical College FBA near the WASA, Dampara, Chittagong	Main Campus – Chittagong, Permanent Campus – Kumira, Dhaka Campus --	Chittagong ; Dhaka; Rajshahi ; Jessore; Rangpur, Main Administrative Office: Mehedibag Road, Chittagong 4000; Bangladesh.

Profile in Brief	USTC	PU	IIUC	SU
Form of Organization	Private University	Private University	Private University	Private University
Vision		Develop knowledgeable HR for the developing societies in general and Bangladesh in particular.	Develop a group of qualified and competent graduates and scholars with the Islamic values.	Academic Excellence
Composition of Governing Body				Chairman/President Vice-Chairman / President Founder Secretary General Member Representative Secretary
Authority of Syndicate Members				
Reporting System				

### Findings & Analysis

The findings of the study have been analyzed through the SWOT Analysis in the following.

**SWOT Analysis:** In this section an effort has been made to draw a Strength Weakness Opportunity & Threat (SWOT) analysis. The Field survey based on the opinions of the respondents has revealed the different SWOT areas, which have been exhibited, in the tables ranging from **Table2 to Table5**.

### Strengths (S)

**Table2: Strengths of B-Schools of Bangladesh**

Strengths	Frequency
Professors from both Academia and Industry	100%
Specialized Departments / Units for Business Admin	98%
North American Semester of Education	96%
Profession – centric Curriculum	95%
Sound Examination System (First Term, Mid Term & Final Exam)	95%
Standard Question Pattern (MCQ, short type, Broad type, Case Study Specific problems etc.)	91%
Own Rich Library	88%
Internet & Computer lad facilities	83%
Common room and cafeteria facility.	73%

**Source: Field Survey**

### Weaknesses (W)

**Table3: Weakness of B-School of Bangladesh**

Weaknesses	Frequency
Scarcity of Full Time Resourceful Professors & Professionals	99%
Poor Feed-back system due to teachers scarcity	94%
Limited Industry-academia interaction	98%
Limited Job Placement Facilities	96%
Lack of technical support for Technology based Business Issues	97%
Lack of own transportation system	100

**Source: Field Survey**

### Opportunities (O)

**Table4: Opportunities of B-Schools of Bangladesh**

Opportunities	Frequency in %
Increased trend of higher education in Business Admin	95%
Young and unemployed generation	94%
Open Credit System for Professionals & Housewives	93%
Scholarship for Meritorious and need based students	52%
Financial assistance for poor students	32%
Affordable Tuition Fees	73%
Course Waiver by Examination and/or for Academic Professional Experience	67%
Credit Transfer facility with foreign universities	23%
Acceptance of UGC Approved Inter-University Credit Transfer	89%
Professors & Students Exchange Program	48%
Installment Facilities for Tuition Fees Payment	90%
Delay in completion of BBA/MBA Degree in Public B-Schools	56%

**Source: Field Survey**

### Threats (T)

Being a part of corporate social performance for generic strategies in B-Schools of Bangladesh, the five forces model of Michael E. Porter has been considered in this paper as the basis of finding and analyzing the threats from the other B-Schools. The five forces in the present study are ---

- i. the risk of new entry by potential competing B-Schools (competitors),
- ii. the extent of rivalry among established B-Schools (firms),
- iii. the bargaining power of students (buyers),
- iv. the bargaining power of academic and logistic support providers (suppliers), and
- v. the threat of substitute programs (products),

The stronger each force is, the more competitive the industry and the lower the rate of return that can be earned.

**Table5: Threats of B-Schools of Bangladesh**

Threats	Frequency
the risk of new entry by potential competing B-Schools (competitors)	90%
the extent of rivalry among established B-Schools (firms)	88%
the bargaining power of students (buyers)	87%
the bargaining power of academic and logistic support providers (suppliers)	71%
the threat of substitute programs (products)	98%

**Source: Field Survey**

### Recommendations

Based on the related review of the brochure, prospectus and web site literature of the selected B-Schools, the described model and the findings of this study, the following recommendations have been forwarded to ensure a highly satisfactory corporate social performance for generic strategies in the sample B-Schools of Bangladesh through holistic approach.

1. Considering the Five Forces model of Michael Porter as the base and applying the generic strategies like cost leadership, differentiation and focus, the sample B-Schools may defend themselves against the competitive forces and establish as good corporate social performer (i.e., the institution that makes reasonable earnings, reduces costs, increases the relationship among the stakeholders and ensures social welfare as a whole). The following generic strategies may be applied by the sample B-Schools.

#### a) Cost Leadership

Offering the popular Business Administration Programs like BBA/MBA with the affordable (i.e., low) tuition fees is one of the competitive advantages for a B-School. This is the reason to

possess such advantage and sustain their markets with profitability and society's welfare the sample B-Schools may apply the cost leadership strategy aiming to be the quality education provider with the lowest possible tuition fees. For this the said B-Schools aim to drive cost down through all the elements of providing education from sourcing professors to operation costs. The cost leader usually aims at a broad student market, so sufficient number of students can cover costs. The main aim of such strategy may be to drive tuition fees down but will not sacrifice quality education in any way.

### b) Differentiation

To be a successful social performer through the holistic approach the next strategy of a B-School may be the differentiation of its offerings (e.g., BBA/MBA Program). Such strategy may be applied by focusing its effort on particular segments and charging for the added differentiated value. A B-School, for example, may differentiate its MBA Program by focusing only its value to the Doctors & Pharmacists, or Engineers of Bankers. Hence, the programs will be unique among the competitors and it will help the sample B-Schools to offset its costs by generating higher revenue through premium tuition fees for the B-Schools in one hand and maximum output for their students on the other hand. Since any such differentiation can be copied by the competitors, the sample B-Schools shall focus on continuous innovation and improvement of their programs.

### c) Focus or Niche Strategy

It will be suitable on the part of a B-School to apply focus or niche strategy when it can neither afford a wide scope low tuition fees (cost) leadership nor a wide scope differentiation strategy. The sample B-Schools may, in this regard, focus their efforts and resources (e.g., Innovative Programs, High Profile Intellectual Professors, Good Infrastructures, etc.) on a narrow, defined segment of the students. This strategy will be more suitable for a comparatively weak B-School that suffers from

resource constraints. Table 6 exhibits the generic strategy for satisfactory corporate social performance of the sample B-Schools through the Five Competitive Forces Model of Michael Porter.

**Table6: Generic Strategies and B-Schools Industry**

B-Schools Industry Forces	Cost Leadership	Generic Strategies Differentiation	Focus
Threat of new entry by potential competing B-Schools (Entry Barriers)	Ability to charge comparatively low tuition fees through the appointment of full time teachers deters potential competing B-Schools.	Committed teaching, strong logistic support (e.g., lab, counseling and educational facilities) and students loyalty can discourage potential competing B-Schools	Focusing target market oriented BBA/MBA Programs (e.g., MBA for Engineers, BBA for Women) develops core competencies that can act as an entry barrier.
Rivalry among established B-Schools	Better able to compete on affordable tuition fees.	Brand loyalty (e.g., reputation of the B-Schools for Academic Excellence and Job Placement facilities) to keep students from rival B-Schools.	Rival B-Schools cannot meet differentiation focused student needs.
Bargaining power of students	Ability to offer lower tuition fees for the students.	Large numbers of students have less power to negotiate because of uniqueness of the program (e.g., convenient time slot, best teaching faculty) and a few close alternatives.	Large numbers of students have less power to negotiate because of uniqueness of the program (e.g., convenient time slot, best teaching faculty) and a few alternatives.
Bargaining power of academic and logistic support providers	Better insulated from powerful academic and logistic support providers	More capable to offer quality education to students at B-School industry price.	Superiority in offering quality education to students at B-School industry price.

B-Schools Industry Forces	Cost Leadership	Generic Strategies Differentiation	Focus
Threat of substitute programs	Can use low tuition fees to defend against substitute programs of the other B-Schools.	Differentiated attributes of he students such as students occupational status (e.g., BBA for Housewives) reduces threats of substitute programs	Specialized programs (e.g., Master of Bank Management) and core competency (e.g., Teachers are reputed Bankers) protect against substitutes.

2. In order to ensure quality intake a B-School first needs to be concerned with whether or not the applicant can handle the quality of course work. The quantitative score of GMAT or B-School's own test and academic transcripts may help determine this. Once the school determines that the student can succeed academically, they may examine the remainder of the application to evaluate the applicant's experience and leadership abilities.

3. Business School of BBA/MBA programs may be accredited by external bodies which provide students and employers with an independent view of their quality, and indicate that the school's educational curriculum meets specific quality standards. In Bangladesh a separate accreditation body may be formed with the active support from the Ministry of Education, UGC, leading national and international research organizations, professional certification providing authority like Association of MBAs (AMBA), CFA, ACCA, CIM, CIMA, CMI, ICA, etc. and the association of industries like BGMEA, Chamber of Commerce.

4. Rankings by the UGC or any independent accreditation authority based on unbiased evaluation and scientific approach may improve the performance of the sample B-Schools by encouraging more competition. Rankings should concentrate on the concerned school, differentiated qualities (e.g., a school may use highly reputable faculty to teach a daytime program, and use adjunct faculty in its evening program).

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