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A PRELIMINARY REPORT ON THE PROPOSAL TO HAVE A
PROGRAM FOR GRADUATE STUDY IN BUSINESS
ADMINISTRATION AT SIMON FRASER UNIVERSITY

I. PURPOSE

The purposes of this memorandum are to explain:

- i) The *raison d'etre* for a program of post-graduate study in business administration at Simon Fraser University.
- ii) The proposed approach for such a graduate program.

II. OBJECTIVE

The immediate objective is to receive agreement in principle that Simon Fraser University should try to establish a Master of Business Administration program. It is believed that the Department could be ready to commence classes in September, 1968.

III. PHILOSOPHY UNDERLYING EDUCATION FOR BUSINESS
MANAGEMENT

Experience and "business sense" were, until fairly recently, considered to be the fundamental ingredients of business success. Accordingly, preparation for a business career took the form of in-service training or "apprenticeship." This attitude, however, has changed. In Business, as in the traditional professions, there gradually developed a systematic body of knowledge of substantial intellectual content and new emphasis began to be placed on formal education for business.

This view of business management as a profession has spread rapidly. As a result, in the United States there are more than 600 university departments and schools of business administration. In Canada, every major, established university offers business administration courses; at the graduate level alone, in Canada, at least nine English-speaking and three French-speaking universities offer advanced degrees.

The objective of a business school is to provide managers and entrepreneurs with the theory and principles on which to base decisions in an environment characterised by

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change and uncertainty. This underlying philosophy and the emphasis on theory rather than on current practice, was expressed succinctly by Alfred North Whitehead in the Aims of Education and Other Essays:

"... Whatever be the detail with which you cram your student, the chance of his meeting in after life exactly that detail is almost infinitesimal; and if he does meet it, he will probably have forgotten what you taught him about it. The really useful training yields a comprehension of a few general principles with a thorough grounding in the way they apply to a variety of concrete details. In subsequent practice the men will have forgotten your particular details; but they will remember by an unconscious common sense how to apply principles to immediate circumstances."

While one may still succeed in business without graduate training, or for that matter without a university education at all, it has become increasingly apparent that experience alone is seldom sufficient in an individual's preparation for senior executive responsibility. Such a person will advance more rapidly and will utilize his experience more effectively if he has gained the knowledge of the basic theories and principles underlying business in general; and formal advanced training at the university level is the best means of acquiring this framework.

IV. GRADUATE EDUCATION IN BUSINESS

A. The Demand For Management Skills

It has been estimated in the Ford Foundation Report on Business Education that approximately 90% of all university graduates take jobs with business firms upon graduation and most of these will be in some type of managerial position within 5 years. But, on the other hand, over 90% of university students do not study business administration in their undergraduate training.

University graduates with advanced degrees in business administration are actively sought by employers in commerce and industry, and in all levels of government. As only one reflection of this demand, business school graduates typically have a broad and attractive choice of offers upon the completion

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of their studies. At least one excellent reason for Simon Fraser University's offering of a graduate program would be to satisfy the needs of local business and government for management skills.

B. The Needs of the Students

At present only one university in the province, U. B. C., offers graduate study in business. Theirs is a full-time, day-time program designed primarily for those who are prepared to devote one or two full years of study.

From a brief sampling of the market it has become obvious to us that an urgent need exists which is not being satisfied by U. B. C's curriculum. This need is for a graduate program which would enable working executives to pursue advanced degrees on a part-time basis. Many businessmen, in middle or senior management positions, feel the need to return to university for further study, but are unable to abandon their employment completely.

As an illustration of this demand sometime ago a report appeared in the press that Simon Fraser University was planning to inaugurate a graduate program in business which would accommodate to some extent the working executive. Since then our department has been unundated with telephone calls and correspondence from interested persons. Enquiries have been received from throughout the lower mainland, Winnipeg, Montreal, Toronto and Kingston, and as far away as California and Georgia, as well as from Singapore, Ethiopia and Ireland. It is significant that many of the enquiries were from businessmen who were eager to combine their graduate studies with their employment.

This is not to say that our proposed graduate program at Simon Fraser University will be designed exclusively for the part time business scholar. On the contrary, we would expect to enroll a limited number of outstanding recent graduates who may work as TAs or executive trainees during the course of their studies.

Indeed, our strength will lie in the fact that our graduate seminars will combine the talents of both--the young graduates, for example, from mathematics, engineering,

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science, economics etc., and the more mature businessmen. Experience in graduate schools elsewhere has shown that the participation of these "businessmen--scholars," and their association with the bright young minds emerging from our colleges, greatly enriches such programs.

We are convinced that Simon Fraser University can provide an invaluable service to the community in filling this gap in management development in British Columbia.

In passing, it may be noted that one of the newest and most aggressive business schools in Canada, --that of York University--has designed its program to serve both the full-time and the part-time graduate student. Following is a quotation from the publication Canadian University, Vol. 1, No. 2, May-June, 1966:

"Part-time students will be accepted at the school, with evening classes covering the entire field of study. In addition, the school is to offer an extensive program of continuing education for management, including both live-in and late afternoon-evening programs."

C. The Needs of the University

Because of the recent, widespread growth of business schools, there is a desperate scarcity of well-trained professors in this field. At Simon Fraser University this problem is acute.

In the Department's recruiting efforts over the past two years, we have had great difficulty in attracting senior faculty of the high calibre we have come to demand. This situation--aside from salary issues--is at least partially explained by the fact that very few, if any, outstanding business professors are willing to move to a new university to teach large classes of undergraduates exclusively. As in any department, faculty members in business administration expect to spend at least part of their time with graduate students. If we are to hire new staff and retain those presently on our faculty, it is imperative that we offer graduate work as soon as possible.

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Another problem that has arisen with the growing enrollment in our undergraduate commerce courses is that of finding adequate numbers of teaching assistants. The instructional system at Simon Fraser University entails a combination of large lecture groups and numerous, small tutorials, the latter frequently taught by graduate students. As far as commerce is concerned, the lack of a graduate curriculum has resulted in a shortage of teaching assistants. In view of the burgeoning undergraduate classes, this problem will become more serious in the near future. One of the valuable ancillary benefits of a graduate program will be the availability of this sort of part-time instructors.

D. Degrees to be Offered

To begin with, the department plans to offer a degree designated as the Master of Business Administration. It is a widely recognized, professional terminal degree.

Eventually we would probably consider offering a doctoral program leading to the Ph.D. This would be intended primarily for those who wished to prepare for careers on faculties of schools of business and for research positions in industry.

E. Program of Study

Because the MBA is a professional degree the focus is on a broad education for active management participation in business. Such programs are designed primarily for persons who have already acquired a sound undergraduate education and who, in many cases, have returned to universities after being in the business world.

Typically, courses are based to a considerable degree on the theories and techniques of the behavioral scientist, the economist, the statistician and the mathematician. Thus, the program will teach not only the basic functional areas of business--finance, production, marketing and personnel--but also the disciplines that underly these functions, such as accounting, economics, law, mathematics, etc.

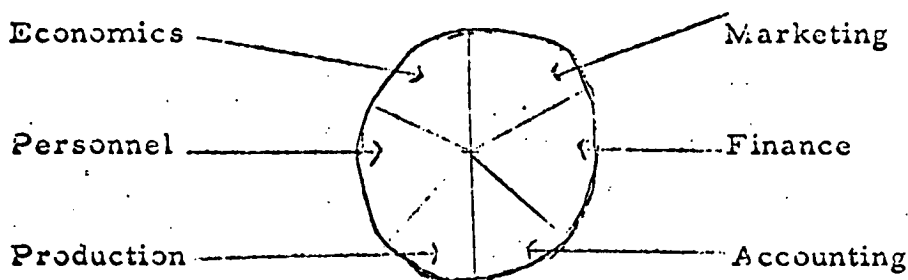
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However, the approach to teaching these subjects will be different from the traditional functional one found in many older graduate schools of business. Our plan is to present an integrated approach of these functional areas and to draw on the experience that the business man enrolled in the program has gained. The traditional way of presenting courses is to divide the business system along functional lines and teach the subjects as though they were distinct and separate units of marketing, finance, accounting, etc. Schematically, this is presented in figure 1 which is a pie diagram with the wedges representing different subject matters.

Figure 1.



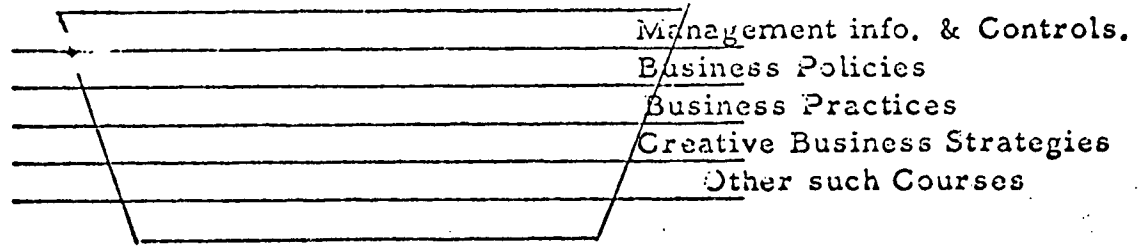
Each one of these areas is then further subdivided into specialties, e. g., marketing is split into marketing principles, marketing research, promotions, marketing institutions, etc.

Our proposed integrated approach is to look upon a business as an "operating system" and to present the subject matter by areas of "process". For example, managements' requirement for information and controls would form the backbone of a course. This would include such traditionally known areas as managerial accounting, data processing (from an operating manager's point of view) and other similar areas. Other such courses might include: "Business Practices", "Business Policy and Strategies" and so on.

This method of subject presentation may be schematically presented by the traditional diagram but here the business system would be viewed cross-sectionally as presented in Figure 2.

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Figure II



In this way all the traditional functional areas would be covered but in an integrated way with other function requirements for similar information. The need for information and controls in marketing, for example, is not very different from the similar needs in finance, production, etc. Through this method of presentation much of the needless duplication presently in business curricula could be eliminated with the result that the program would be made much tighter and cover more information. A parallel for this method of teaching can be found in some other professional schools such as medicine where the students learn about the entire nervous system and how it relates to the different parts of the body. They are not taught about the neural aspects of an arm or leg without considering the relationship to the remainder of the entire "body system."

A method of teaching business subjects in such a manner will not be without its frustrations. Textbooks are not presently written along these lines; teachers have not been taught in this way; (their previous teaching experience is along traditional lines); and few people are experts in more than one function of business. This will, of course, place a heavy load on faculty orienting themselves to such a division of subjects--but in the final analysis this is really the way a business operates.

We feel these above mentioned frustrations can be overcome by the right type of faculty member. Simon Fraser University should try to recruit senior people, preferably with some business experience, who think this "interdisciplinary" approach is better than the present traditional method. There are such people available!

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TENTATIVE CURRICULUM

The program will be a two year one; taught in the evenings (to accommodate the registrants from business); and will have one entry date a year (at least initially). .Class size will probably be limited to a manageable group; and high entrance requirements will prevail. This is designed to a quality program! There will be four courses per year (two each semester) and the students will meet at least twice a week for four hours per evening. During the summer between years there will be a major report assignment required of each student and will be on a significant problem of critical concern to some company (preferably the company with which they are employed). The course is designed to be a general management one and will thus offer the students a minimum of electives (similar to the Harvard Business School Program). The teaching method will be left open to the individual instructor but probably will contain a mix of concepts, theory and principles presented in a lecture form combined with some case discussions.

The specific course offerings have not been decided upon at this date, but they will follow the types of course suggested above.

Respectfully submitted by the
Graduate Studies in Business Committee
Co-Chairmen

The authors wish to acknowledge the contributions of Dr. J. Sheraniuk for his work in a previous document on this subject and from which we have borrowed liberally in the first part of this report.