At the start of the new millennium the business community was jolted by corporate ethics scandals at Enron, WorldCom, Tyco, Health South and many others. These scandals rocked the confidence of investors, managers, the general public, and the academic community. In response, attention primarily focused on exposing corrupt business practices, punishing those business managers guilty of corruption, and drafting governmental regulatory responses, such as the Sarbanes-Oxley Act, to prevent such occurrences in the future. At the same time, the media challenged the academic community to better prepare future business leaders by endowing them with a strong moral compass.

In 2002, President George W. Bush called on business schools to be “principled teachers of right and wrong” (Nicklaus, 2002). The premier academic accreditation body for collegiate schools of business, AACSB International, echoed this challenge: “The time has come for business schools to renew and revitalize their commitment to the centrality of ethical responsibility at both the individual and corporate levels in preparing business leaders for the twenty-first century” (AACSB International, 2004, pg. 9).

Business school deans and renowned business ethicists at prominent universities joined the call for action. Administrators and faculty admitted that their attention had been diverted elsewhere, and that they may share in the blame for recent scandals. Amitai Etzioni, an elder statesman among business management faculty, put it simply in an editorial published in the Washington Post in 2002: “when it comes to ethics, business schools get an F” (Etzioni, 2002). A more positive assessment was provided by University of Kansas management professor Diane Swanson. She noted that “scandals at Enron (are not) … a sign that
business schools have fallen short in teaching ethics. Rather, … the scandals point out that more study is needed” (Eisenhauer, 2002).

Many elite business schools in the United States swiftly implemented new curriculum revisions to better incorporate the study of ethics, business and society relations, and corporate social responsibility into graduate business degree programs. Yale, Stanford, Duke, and Harvard were among the schools that made changes. Other universities, such as Santa Clara University, Loyola University Chicago and St. Thomas University in St. Paul, Minnesota, acknowledged that their missions emphasized attention to ethics, social issues and environmental responsibility (O’Neill, 2002).

Positive efforts taken by academic professional institutions began to emerge. AACSB International launched the Ethics Education Task Force in 2004. The AACSB announced that “the crisis in business ethics is not only a challenge for companies but also an opportunity to strengthen management education” (AACSB International, 2004, pg. 7). A year later the AACSB created the Value Proposition Task Force to encourage “management education to provide leadership and vision that continues to elevate individuals, organizations and societies” (AACSB International, 2005, pg. 12).

An “Ethics/Sustainability Resource Center” page was created on the AACSB International Web site (www.aacsb.edu) with a mission “to provide a comprehensive source for information, tools, and discussions regarding ethics, sustainability and corporate social responsibility in business schools.” Objectives included “improv[ing] ethics education in business schools … [and] promot[ing] a greater role for education on sustainable practices and corporate social responsibility in business schools.” The Academy of Management, the premier academic professional association in management, demonstrated the importance of improving management education in these areas of study when it upgraded the Organization and Natural Environment group of scholars to a division status, the highest status offered.

Acknowledging that the business scandals were global in nature and effect, the United Nations took on the quest to enable business schools and management departments to better address the need for enhanced business education. The U.N. Principles for Responsible Management Education (PRME) were launched in 2007 during the Global Compact Leaders Summit meeting in Geneva. The PRME initiative provides a framework for academic institutions to advance corporate social responsibility through the incorporation of universal values into their
curricula and faculty research. “The Principles for Responsible Management Education have the capacity to take the case for universal values and business into classrooms on every continent,” said U.N. Secretary—General Ban Ki-moon (United Nations Global Compact Web site, 2007).

By 2008, the United Nations Forum for Responsible Management Education convened leaders of 260 business schools from 43 countries to discuss “how academic institutions can instill a sense of social responsibility in future business leaders who can then bring these ethics into the corporate world” (Green, 2009, pg. 6). Attention to this issue was also exhibited in Europe when the Higher Education Funding Council for England announced that “sustainable development was a central part of the organization’s strategy for the future development of the higher education sector” (Higher Education Funding Council Web site, 2008).

Given the dramatic increase in attention to ethics, social responsibility and sustainability since the scandals of the early 2000s, we believe that an assessment of the current state of graduate management education is worthwhile to discover whether academic institutions have concretely responded to these calls for action, either through an increase in course offerings or an increase in course coverage of ethical, social and environmental issues, or both.

This assessment is made possible by a program developed by the Aspen Institute called Beyond Grey Pinstripes (BGP). Introduced in 2005, this bi-annual assessment of applicant business school curricula from around the world regarding their offerings and coverage of courses within the broad scope of ethics, social and environmental issues provides a rich database of curricular information.

**HYPOTHESIS DEVELOPMENT**

Isomorphism is the process by which institutions operating under similar environmental circumstances tend toward homogenization (Hawley, 1968). Over time, forces within a field or industry cause a firm to take on the structures and features of competing organizations (DiMaggio & Powell, 1983), even in cases where rational economic behavior would dictate otherwise (Meyer & Rowan, 1977). Institutions tend to become increasingly isomorphic in order to maintain legitimacy within their line of business (Meyer & Rowan, 1977).
Prior research has identified two main types of isomorphism: competitive, which occurs as organizations respond to common market forces; and institutional, which occurs as organizations respond to shared political and societal forces (DiMaggio & Powell, 1983). These forces and their effects on different types of organizations have been examined in a variety of contexts, ranging from multinational companies adopting the customs and practices of local businesses (Rosenzweig & Singh, 1991; Zaheer, 1995) to the strategic decision to outsource information technology (Martinsons, 1993).

DiMaggio and Powell (1983) describe three mechanisms of institutional isomorphic change: coercive isomorphism, mimetic processes and normative pressures. These mechanisms, and the ways in which they individually and collectively influence the development of business school curricula, are discussed more fully below.

COERCIVE ISOMORPHISM

Coercive isomorphism occurs primarily as a result of pressure exerted on an institution by other organizations on which that institution depends (DiMaggio & Powell, 1983). Universities often face coercive pressure to change their business school programs in response to standards imposed on potential graduates (and their employers) by industries, governmental agencies and professional associations. These standards cause universities to alter their programs in similar ways, leading to greater uniformity among business school curricula.

Examples of coercive isomorphism pressure are presented earlier in this paper when describing the actions taken by the AACSB and its Ethics Education Task Force in 2004 and Value Proposition Task Force in 2005. Other organizations joined the AACSB in a call for greater attention to business ethics, corporate social responsibility and sustainability. The strong influence these organizations tend to have on business school curricula added further coercive pressures on the schools.

The Association for the Advancement of Sustainability in Higher Education (AASHE) set a higher standard of excellence for business schools by challenging schools to include sustainability in their curriculum. The AASHE recognizes exemplary university actions in the area of sustainability and provides an e-newsletter, blogs, social networks, discussion forums and other connectivity opportunities in its quest to support sustainability among business schools (see the AASHE Web site...
The Aspen Institute, through its Beyond Grey Pinstripes program and other efforts, acknowledges the importance of social and environmental issue coverage in business school curricula and fosters an atmosphere where these efforts are expected and recognized, reinforcing the coercive pressure to transform business school curricula.

The Academy of Management, the premier global professional association for management faculty in business schools, elevated the Organization and Natural Environment group of scholars to divisional status and recently used “Green Management Matters” as the theme for its international annual meeting. It is evident that the Academy believes that attention to environmental issues should be embraced by business school faculty. In response to many different organizational forces, business schools are encouraged, if not expected, to emphasize ethics, social responsibility and/or sustainability, leading to an increased presence of social and environmental issues in the business school curriculum.

**Mimetic Processes**

Isomorphism driven by mimetic processes comes about as institutions model the behaviors of more competitive organizations (DiMaggio & Powell, 1983). Such mimicry is often a consequence of uncertainty, which leaves institutions with no clear path to success. A business school may copy the curriculum of a more successful program in order to remain competitive in the market for new students. As each university does so, it compels others to follow suit, resulting in even more homogeneity among business school programs.

Christensen, Peirce, Hartman, Hoffman and Carrier (2007) investigated the curriculum at the top 50 global MBA programs, based on the Financial Times ranking, to determine if these schools were addressing ethics, social responsibility and sustainability. They found that “a majority of the schools require that one or more of these topics be covered in their MBA curriculum and one-third of the schools require coverage of all three topics” (Christensen, et al., 2007, pg. 347, emphasis in the original). The trend-setting, competitive leverage exerted by these top 50 business schools could lead to more schools including these issues in their core courses.

Further evidence of mimetic pressure leading elite business schools to emphasize these topics in their curricula was reported in The Economist when Yale, Stanford’s Graduate School of Business and the Harvard
Business School were all featured as making sweeping changes to their curricula in the post-Enron era. Clearly social and environmental issues are, or are quickly becoming, an integral part of the business school curriculum design among leading MBA programs in the United States, which could lead to a wider adoption of these curriculum trends among other business schools.

Other models of exemplary curriculum development applying mimetic pressure on other schools can be found among emerging or niche schools. Southern New Hampshire University developed an 18-month graduate program providing students with an MBA in Corporate Social Responsibility. This program critically evaluates social and environmental issues, focuses on the triple bottom line, explores the multiple aspects of corporate citizenship, and empowers its students as leaders in developing corporate social responsibility strategy, according to the school's Web site (www.snhu.edu). At Duquesne University, students can receive a Sustainable MBA degree after completing a 12-month, intensive graduate studies program that seeks to prepare a new generation of business leaders to manage global complexity and interdependence while integrating multiple dimensions of sustainability across all business disciplines. In this program, sustainability is built into the curriculum and coursework, rather than simply added on (see mba.sustainability.duq.edu for additional information).

The integration of business ethics and sustainability across the business school curriculum is promoted by institutions as a competitive advantage when attracting prospective students and employers for their graduates. Many of the efforts regarding the integration of business ethics are featured in Advancing Business Ethics Education, edited by Diane L. Swanson and Dann G. Fisher (2008). Michigan Tech’s integration of sustainability across its graduate curriculum is featured in a Journal of Management Education article authored by the school’s dean, Christa Walck (2009).

Mimetic pressure fostering an emphasis on social and environmental issues in the business school curriculum comes from a wide variety of behaviors, ranging from curriculum changes among elite business schools to niche business schools implementing new degree programs.

NORMATIVE PRESSURES

Just as coercive forces cause institutions to conform to standards set by outside organizations and mimetic forces cause organizations to
conform to standards set by their peers, normative pressures cause organizations to conform to standards set by society at large (DiMaggio & Powell, 1983). A business school, for instance, may face normative pressure to update its curriculum in order to deflect criticism of the behavior of its graduates. Many universities face similar societal influences, so programs offered at these schools may become increasingly isomorphic.

Public appeals by President George W. Bush and United Nations Secretary-General Ban Ki-moon are just two of the many examples of normative pressures applied toward business schools to “right their ship” and address ethics, social and environmental issues in the post-Enron era. In reaction to the ethics scandals that rocked the country and the globe, society expects business schools to better concentrate on these issues in their training of future business leaders.

This normative pressure is also demonstrated by the statement of an undergraduate student at West Chester University of Pennsylvania. “In a post WorldCom, post Enron world, should colleges be doing more to prepare graduates for what lies ahead in the ‘real world’? It is safe to say that somewhere along the line ethics education has failed within this country. One need [sic] look no further than the front page of their morning paper, or the quarterly update of their portfolio, to realize how desperate this situation has become” (Wyschynskyj, 2008).

The rising importance of ethics education parallels the increased attention for sustainability education. “Climate chaos, food riots, ocean dead-zones, culture wars, raising inequalities and other indicators of change suggest human civilization must soon address the challenges of sustainability. Universities—one of our greatest assets—can play a critical role,” explains Professor R. Bruce Hull of Virginia Tech (2010). The question to be answered is whether business schools have felt these normative pressures and responded by changing their curricula to emphasize social and environmental issues.

To explore whether business schools have been affected by the three forms of isomorphic pressure described earlier and illustrated by changes in the graduate management curriculum across the four-year span of the BGP program, we hypothesize that:

H1a: There was a significant increase in the number of graduate management courses addressing social and environmental issues (SEI) between 2005 and 2009 among initial applicants (those business schools that first applied for ranking by the Aspen Institute’s Beyond Grey Pinstripes program in 2005).
In order to delve more deeply into the impact of isomorphic-induced changes to management department's curriculum, hopefully evident when testing H1a, we split the four-year time period into two segments, 2005-2007 and 2007-2009, and further hypothesize that:

H1b: There was a significant increase in the number of graduate management courses addressing social and environmental issues (SEI) between 2005 and 2007 among initial applicants (those business schools that first applied for ranking by the Aspen Institute's Beyond Grey Pinstripes program in 2005); and

H1c: There was a significant increase in the number of graduate management courses addressing social and environmental issues (SEI) between 2007 and 2009 among initial applicants (those business schools that first applied for ranking by the Aspen Institute's Beyond Grey Pinstripes program in 2005).

Hypotheses 1a through 1c deal exclusively with initial applicants—those schools that applied for BGP ranking during the program's first year of existence. One could assume that these schools did so because they had already adjusted their graduate management programs in response to the appeals of their various constituencies to include more SEI in their management curricula. In essence, these schools may have been more progressive in their approaches to curriculum development than those schools that did not initially apply for BGP ranking until 2007 or 2009. Organizational theory would predict that, due to coercive, mimetic or normative pressures, other schools might lag behind the initial applicants. However, we would expect to observe the same pattern of behavior (significant increases in the number of management courses dealing with SEI) over the first two years that later applicants participated in the BGP program. Therefore, we hypothesize that:

H2: There was a significant increase in the number of graduate management courses addressing social and environmental issues (SEI) between 2007 and 2009 among later applicants (those business schools that did not apply for ranking by the Aspen Institute's Beyond Grey Pinstripes program until 2007).

As discussed above, responses to the various forms of institutional pressure may be seen not only in the creation and offering of new graduate management courses emphasizing SEI but also in an increase in the amount of coverage of SEI in existing courses. The BGP application asked applicant schools to indicate the percentage of coverage of SEI
This information was collected during the 2007 and 2009 application process, but not in 2005. Therefore, we are only able to assess the percentage of coverage of SEI in existing courses over a limited period of time. We review the data for all schools in the BGP database in 2007 and in 2009 and also limit the analysis to include only those schools that applied in both 2007 and 2009. The latter comparison allows for a more focused assessment of responses to institutional pressures resulting in schools increasing their attention to SEI in existing courses.

H3a: There was a significant increase over time in the percentage of coverage of social and environmental issues (SEI) in graduate management courses offered by all business schools that applied for ranking by the Aspen Institute’s Beyond Grey Pinstripes program (when the percentage of coverage in 2007 is compared to the percentage of coverage in 2009).

H3b: There was a significant increase in the percentage of coverage of social and environmental issues (SEI) in the graduate management courses offered among those business schools that applied for ranking by the Aspen Institute’s Beyond Grey Pinstripes program in both 2007 and 2009.

METHODOLOGY

Sample

Data for this exploration are provided by the Aspen Institute’s Beyond Grey Pinstripes (BGP) program. The BGP program was launched in 2005 as a biennial survey of business schools and universities worldwide to assess their attention to social and environmental issues (SEI) in graduate curriculum. Since 2005, more and more schools and universities have participated in the BGP program. The number of applicant schools increased from 91 in 2005, to 112 in 2007, to 138 in 2009, the latest available dataset. Of the applicant schools with management courses emphasizing SEI, a majority are located in the United States (between 63% and 64% of all schools in 2005, 2007 and 2009), with representation from Canada, Mexico, Europe, Asia, South America and Africa.¹

BGP’s mission is to evaluate and promote innovative full-time graduate business programs from around the world that are integrating SEI into their curricula. The range of courses included within SEI is quite broad and includes topical coverage of sustainability, social issues, social responsibility, corporate citizenship, corporate social reporting,
triple bottom line, balanced score card, ethical analysis, ethical compliance, ethics training and professional responsibility. Therefore, SEI encompasses broad areas of ethics, social responsibility and sustainability.

Participation in the BGP program is voluntary. Once a school applies to the program, it is required to submit detailed course information about its full-time graduate programs’ curricula. This is in contrast to the more common approach of determining business school rankings based on opinions provided by business school deans. Curriculum information provided by each school addresses the following categorical criteria, which form the basis for Aspen Institute’s rankings of graduate business programs:

- **Student opportunity** measures the number of graduate courses offering social and environmental content and asks: How much opportunity do students have to take courses with this content?
- **Student exposure** measures teaching hours dedicated to considering social and environmental issues and the proportion of the student body taking such courses and asks: To what extent are students actually exposed to such content?
- **Course content** grants extra credit to selected courses and asks: Does the course explicitly address the role of mainstream business in improving social and environmental conditions?

BGP’s instructions to each applicant school demonstrate that course information with a focus on SEI is very far-reaching:

“This section asks about courses being offered at your business school that address social, environmental, and ethical issues in any way. We encourage you to cast a wide net when submitting courses: while courses such as ‘Business Ethics’ clearly are to be included in this survey, we seek courses that even broach these topics in one class session. For example, a core Finance course that has one section devoted to environmental, social, or ethical considerations or perhaps uses a handful of case studies which address these issues would ‘count’ in our survey. Also, as further illustration of the diversity of issues this survey covers, content pertaining to ‘theories of the firm,’ values-based leadership, and diversity/cross-cultural management would all most definitely ‘count’” (Aspen Institute’s Beyond Grey Pinstripes Web site).
However, not all information submitted by each participating school is accepted by BPG and considered in its evaluation process. As explained by the BGP guidelines:

“We ask for evidence of relevant issues in the information you submit to us. Ideally, this evidence is present in the syllabus and course descriptions that you share with us. Do note that in the past approximately 20% of courses submitted were disallowed by our scoring team. For outstanding examples of course descriptions that we have received in the past, we encourage you to view the coursework section of any of our previous Closer Look at Business Education white papers” (Aspen Institute’s Beyond Grey Pinstripes Web site).

Each school is required to provide verifiable support for inclusion of its courses in the BGP evaluation process:

“Relevance of the course content to social impact and/or environmental management must be substantiated in one or more of the three ways below. If there is no evidence of social or environmental content, the course will be disallowed.

1. Course Description (appropriate for posting on our website) - Please specifically describe how this course addresses social, environmental or ethical issues. The description may be newly written, or drawn from existing materials.

2. Syllabus - The best evidence is a complete course syllabus and a specific course description that points the scorers to the social/environmental/ethical content in the course.


Self-reported data submitted by each applicant school are checked by a team of trained experts supporting the Aspen Institute’s BGP program who evaluate, code and rank each school’s information. Some schools offered only a single graduate management course that addressed SEI, but many schools submitted more than a dozen graduate management courses that touched on SEI to varying degrees. In fact, 17 schools indicated that they had more than 25 graduate management courses qualifying for BGP evaluation, and one school reported a total of 73 courses.

By reviewing the BGP databases from 2005, 2007 and 2009, we investigate whether there were any changes in the number of courses offered and/or the percentage of topical coverage in the graduate
management curriculum involving the teaching of SEI using institutional theory as the theoretical explanation for any changes observed.

**Measures**

A one-tailed, paired sample t-test is used to assess the amount of change in the number of graduate management courses discovered in the BGP databases across the application periods (2005 to 2007 and 2007 to 2009). A chi square test is employed to examine changes in the percentage of coverage of SEI in management courses over time. Because we are interested in determining if the distributions of the data sets differ over time, a chi square test of independence is applied to compare the 2007 BGP database to the 2009 BGP database. The chi square test generates a chi square statistic ($X^2$) which can be assessed based on a predetermined alpha level of significance (0.05).

**RESULTS**

Testing Hypotheses H1a through H1c requires that the data set be restricted to only those schools that applied for BGP ranking during all three periods of the program’s existence (i.e., 2005, 2007 and 2009), which limits our analysis to data provided by only 51 schools. These 51 schools reported a total of 666 graduate management courses dealing with SEI topics in 2005. By 2007, the number of courses reported grew to 1,318 (an increase of 97.9%). The number of courses reported by these schools continued to increase, to 1,755 in 2009 (a more modest increase of 33.2%). All three hypotheses are tested with a paired, two-sample t-test of means.

Our first hypothesis is based on the assumption that change often does not occur quickly in academia and thus, significant increases in the number of courses dealing with SEI topics might not be observed if the data are compared over relatively short periods of time (2005 to 2007 and/or 2007 to 2009). Thus, a significant increase might only be observed when the comparison is made over the longer term (2005 to 2009). To test Hypothesis H1a, the average number of courses reported in 2005 (9.51) is compared to the average number of courses reported in 2009 (19.25). A paired sample t-test of the long-term increase is, in fact, significant (t-statistic = 6.837, p = 0.000), supporting Hypothesis H1a.

Hypotheses H1b and H1c are intended to identify whether any long-term increases observed when testing Hypothesis H1a are limited to a single time period or whether there was a consistent increase over both
time periods. Therefore, H1b predicts a significant increase in the number of graduate management courses dealing with SEI topics between 2005 and 2007 among the 51 schools that applied for BGP ranking during all three years of the program’s existence. The average number of courses per school reported grew from 2005 is 9.51 to 16.57 in 2007. A paired, two sample t-test indicates that this increase is significant (t-statistic = 6.236, p = 0.000). Thus, Hypothesis 1b is supported.

Hypothesis H1c predicts that the number of courses reported by the 51 schools would continue to increase from 2007 to 2009. The average number of courses per applicant school grew from 16.57 in 2007 to 19.25 in 2009, which is also significant (t-statistic = 3.924, p = 0.000) and Hypothesis 1c is also supported.

Hypothesis H2 predicts that the same pattern of behavior (significant increases in the number of courses covering SEI topics) would be observed by those schools that did not apply for BGP ranking in 2005, but applied in both 2007 and 2009. There are 37 such schools in the BGP database. These 37 schools report an average of 8.92 graduate courses dealing with SEI topics in 2007 and an average of 10.35 in 2009 (an increase of only 16.0% over the two-year period). While much more modest than the 97.2% observed by the early applicant schools, a paired sample t-test indicates that this increase is significant as well (t-statistic = 1.966, p = 0.028).

Testing the final set of hypotheses (H3a and H3b) involves a closer analysis of the percent of coverage of SEI topics in graduate management courses reported by the applicant schools and an examination as to whether the percentage of the courses devoted to such topics increased over time. Since percentage data were only collected for the 2007 and 2009 application periods, our analysis is restricted to changes in percentages over this two-year period.

Hypothesis H3a predicts that when the percentages reported in 2009 are compared to those reported in 2007, a shift from the lower to the higher percentage categories will be observed. Table 1 shows the number of courses reported in each of four categories (1% to 25%, 26% to 50%, 51% to 75% and 76% to 100%) among all schools applying in 2007 compared to all schools applying in 2009.
TABLE 1. Percentage of Coverage of Social and Environmental Issues (SEI) in Graduate Management Courses—all schools in databases, 2007 and 2009

<table>
<thead>
<tr>
<th>Percentage of coverage</th>
<th>All 110 schools applying in 2007</th>
<th>All 136 schools applying in 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>1% to 25%</td>
<td>304 (23.1%)</td>
<td>439 (25.0%)</td>
</tr>
<tr>
<td>26% to 50%</td>
<td>293 (22.2%)</td>
<td>373 (21.3%)</td>
</tr>
<tr>
<td>51% to 75%</td>
<td>191 (14.5%)</td>
<td>240 (13.7%)</td>
</tr>
<tr>
<td>76% to 100%</td>
<td>530 (40.2%)</td>
<td>703 (40.0%)</td>
</tr>
</tbody>
</table>

N (from 2007) = 1,318; N (from 2009) = 1,755; \( X^2 = 1.876, p = 0.5985 \)

The data in Table 1 suggest that, contrary to the upward shift in the amount of time devoted to SEI topics in graduate management courses predicted in Hypothesis H3a, the percentages remain relatively stable from 2007 to 2009. A chi square test also confirms that when all applicant schools are included in the analysis, the percentage of time devoted to SEI topics does not change to a significant extent (\( X^2 = 1.876, p = 0.598 \)). Thus, Hypothesis H3a is not supported by the BGP data.

However, as a number of schools included in the above analysis did not apply for BGP ranking until 2009, the inclusion of these first-time applicants in the 2009 data may have masked significant changes among those schools that had applied in both 2007 and 2009. Hypothesis H3b limits the analysis to only those schools applying in both 2007 and 2009 (although some of them may have applied for the first time in 2005 and others applied for the first time in 2007).

As can be seen in Table 2, the total number of courses increase from 1,200 in 2007 to 1,395 in 2009 (an increase of 16.3%). However, an examination of the data in Table 2 also shows that there is very little change in the distribution of the percentage of time devoted to SEI topics. A chi square test confirmed that there is no significant change in distributions over the 2007 to 2009 time period (\( X^2 = 0.327, p = 0.954 \)), and provides no support for Hypothesis H3b.
TABLE 2. Percentage of Coverage of Social and Environmental Issues (SEI) in Graduate Management Courses—only schools in both 2007 and 2009 databases

<table>
<thead>
<tr>
<th>Percentage of coverage</th>
<th>2007 data for the 90 schools applying in both 2007 and 2009</th>
<th>2009 data for the same 90 schools applying in both 2007 and 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>1% to 25%</td>
<td>286 (23.8%)</td>
<td>330 (23.7%)</td>
</tr>
<tr>
<td>26% to 50%</td>
<td>274 (22.8%)</td>
<td>307 (22.0%)</td>
</tr>
<tr>
<td>51% to 75%</td>
<td>171 (14.3%)</td>
<td>202 (14.4%)</td>
</tr>
<tr>
<td>76% to 100%</td>
<td>469 (39.1%)</td>
<td>556 (39.9%)</td>
</tr>
</tbody>
</table>

N (from 2007) = 1,200; N (from 2009) = 1,395; X^2 = 0.327, p = 0.9549

In summary, the four hypotheses predicting significant increases in the number of courses addressing SEI topics (Hypotheses H1a, H1b, H1c and H2) are supported when analyzing the BGP data. Significant increases are observed between 2005 and 2007 and between 2007 and 2009 in those schools applying for BGP ranking in all three application periods. Later applicants (those schools that did not apply until 2007) also report a significant increase in the number of courses addressing these topics over their first two years of participation in the BGP program. On the other hand, the two hypotheses predicting that schools would place more emphasis on these topics by devoting a greater percentage of time to them in their course offerings (Hypotheses H3a and H3b) are not supported by our data. The implications of these findings are discussed in the next section.

DISCUSSION AND IMPLICATIONS

Before launching into a discussion of our findings, it is important to note a few limitations. First, our sample consists of a self-motivated group of schools that chose to participate in the Aspen Institute’s Beyond Grey Pinstripes program. Rather than a cross-sectional sample of all business schools, these schools may be predisposed toward SEI in
their curricula, thus prompting participation in the BGP program. In addition, the information contained in the Aspen Institute’s database is self-reported data, although it is evaluated and scrutinized for authenticity by the Aspen Institute’s staff of reviewers. Nonetheless, we are dependent upon each school to report accurately the number of courses in its graduate management curriculum dealing with SEI and the percentage of SEI coverage in these courses. Furthermore, only limited, quantitative data was supplied by the Aspen Institute, preventing us from analyzing in greater depth the content of the courses or approaches taken in each course to emphasize SEI. These limitations could affect the results of our study and temper the conclusions drawn from this work. Nonetheless, we believe important lessons can be learned from our assessment of the BGP database of curriculum information.

This research examines the potential impact of isomorphic pressures on applicant schools in the Aspen Institute’s Beyond Grey Pinstripes (BGP) program by focusing on changes in the schools’ management curricula. We hypothesize that there will be a significant increase in the number of graduate management courses addressing social and environmental issues (SEI) between 2005 and 2009 among those schools that first applied for BGP ranking in 2005—Hypothesis H1a.

As presented in the Results section, a significant increase in the number of graduate management courses offered is discovered: from 666 in 2005, to 1,318 in 2007, to 1,755 in 2009. It appears that the isomorphic pressure exerted on business schools from a variety of sources influenced the schools’ development and offering of courses emphasizing SEI during this period. Although we cannot determine which type of isomorphic pressure led to this change in curriculum, the increase is notable. This increase is similar to the results reported by Green and Weber (2011) when they assessed changes in the accounting curriculum using the BGP database. They, too, found a significant increase in the number of accounting courses with SEI attention reported by applicant schools in the BGP database.

When we divided the BGP database into two distinct time periods we found that the increase in management courses addressing SEI occurred more prominently between 2005 and 2007 (Hypothesis H1b), than between 2007 and 2009 (Hypothesis H1c), although there is a significant increase in management courses during that period as well. On average applicant schools offered 9.51 courses in 2005, 16.57 courses in 2007 and 19.25 courses in 2009. The increase from 2005 to 2007 is
nearly 98 percent, compared to a 33 percent increase from 2007 to 2009. The significant attention to graduate management courses with SEI focus may be attributed to a number of factors, including the isomorphic pressure displayed in the media during that time.

As discussed earlier, calls for business schools to more adequately address ethics, social responsibility and sustainability came from many different leaders in our society. As such, they represent evidence of normative isomorphic pressures. From President George W. Bush to elder academic statesman Amitai Etzioni, prominent leaders challenged business schools to respond to the Enron, WorldCom, Tyco and other business ethics scandals with significant curriculum changes. Coercive isomorphic pressure was also seen during the early 2000s emanating from the AACSB, as the prominent business school accreditation organization, and the AASHE, one of the leading sustainability advocates in higher education. Both organizations emphasized the importance of SEI coverage in management courses, likely leading to the changes we observed in the BGP data.

As several business schools, and in particular their management departments, began to respond to these pressures and develop model graduate programs in the social and environmental areas, the mimetic pressure seems to have spread to a greater number of business schools, especially among BGP applicants. Whether it was the action of elite business schools or the creation of unique niche programs by other innovative institutions, the trend was underway, and other schools seemed quick to “jump on the bandwagon,” addressing SEI in their graduate management curricula as well.

It is important to note that the immediate response to isomorphic pressures exhibited by the business school graduate management curriculum was not observed in the business school graduate accounting curriculum. While Green and Weber (2011) report significant increases in the number of accounting courses with SEI between 2007 and 2009 among schools applying for BGP ranking, they did not discover significant curriculum changes between 2005 and 2007. Their results add even greater significance to our detection of isomorphic pressures leading to attention to SEI in the management curriculum as reported here.

Given the strong and quick response found between 2005 and 2007, it is not surprising that the momentum leveled off somewhat and that the increase in the number of graduate management courses emphasizing SEI from 2007 to 2009 was less dramatic (although still significant). It
will be interesting to see if this trend continues when the 2011 BGP data become available. Nonetheless, the influence of the isomorphic pressure exerted on business schools in the early 2000s appears to have resulted in a plethora of management courses emphasizing SEI.

Of course, curriculum changes can be undone as well, so it is imperative for political, academic and business leaders to continue to exert normative pressure regarding the importance of ethics, social responsibility and sustainability in business schools’ curricula. The modeling of the curriculum changes by elite business schools and niche programs in the areas of ethics, social responsibility and sustainability need to be emulated and adopted by business schools beyond those applying for BGP ranking. In addition, the initiatives undertaken by institutions with influence on business schools, such as the AACSB and the AASHE, must be maintained, if not increased, in the future.

We also examined the graduate management curriculum of business schools that did not apply for BGP ranking in 2005 but did apply in 2007 and 2009—Hypothesis H2. The change in the number of management courses addressing SEI is positive and significant. While these schools did not apply for BGP ranking during the program’s initial period, 2005, they did demonstrate a positive response to isomorphic pressures through an increase in SEI-related courses during their first two years of participation in the BGP program (2007 and 2009). We do not know from the data if these schools were late comers to the development of SEI-related graduate management courses or simply chose not to apply for BGP ranking in 2005. Nonetheless, the continued interest in the BGP program (the number of applicant schools rose from 91 schools in 2005, to 112 schools in 2007, to 138 schools in 2009), accompanied with an increase in the number of management courses reported by the applicant schools, all point toward greater attention to SEI in the graduate management curriculum and possibly the powerful influence of isomorphic pressures on business schools as a catalyst for curriculum change.

The increase in the number of graduate management courses addressing SEI issues from 2005 through 2009 is not accompanied by an increase in the percentage of coverage of SEI in these courses—Hypothesis H3a. Given the potential influence of isomorphic pressures on business schools, we predicted that management courses would also devote a greater percentage of time to SEI, but that is not supported by the data. A more in-depth exploration of the data and
collection of additional information may be necessary to better explain this contrary finding.

Perhaps the abundance of courses within the management curriculum that emphasize SEI allows each instructor to spend less time on SEI in any one course. Another possibility when observing isomorphic pressure on business schools, and specifically the management curriculum, is that there may be a lag effect. As an initial response to the isomorphic pressures, perhaps SEI is integrated into many courses on a relatively small scale. Only over time, however, will an increase in the percentage of coverage of SEI in each course be observed. As the BGP program continues, additional data could be analyzed to determine whether such an increase emerges. However, at the present time, it does not appear that the isomorphic pressures leading to the increase in the number of courses in the graduate management curriculum covering SEI extends to the percentage of coverage of SEI in these courses.

Based on our analysis of the BGP data relevant to our hypotheses—H1a, H1b, H1c and H2—it appears that isomorphic pressures, in the form of coercive, mimetic and normative pressures, influence the business school curriculum and lead to an increase in the number of graduate management courses emphasizing social and environmental issues. Future explorations should explore whether this trend continues into this decade and carries over into other business school disciplines as well.

NOTES

By 2009, 49 non-United States academic institutions with graduate management courses emphasizing SEI participated in the BGP program. These schools were located in Australia, Belgium, Brazil, Canada, Chile, China, Denmark, England, Finland, France, Germany, India, Korea, Japan, Mexico, Netherlands, Pakistan, Philippines, Scotland, Singapore, Slovenia, South Africa, Spain, Switzerland and Venezuela.
REFERENCES


Eisenhauer, L. (July 15, 2002). Scandals bolster calls for ethics training; business schools must focus on role on companies in society, teachers say. St. Louis Post-Dispatch, A5.


