SYMPOSIUM PROPOSAL

A Challenge for Management Education:
Incorporating Organizational Diversity into the Business School Curriculum

Abstract

Management schools are constantly being challenged to provide relevant education that will increase graduates’ competencies, opportunities and work satisfaction in new and constantly changing economic and social environments. As the global economy expands, we have seen the parallel development of a growing social economy throughout the world—a term used to describe a wide variety of socio-economic initiatives that are “outside” of the more widely recognized public or private sector. While many business schools are responding to this challenge by adding an occasional special elective in areas such as “Social Enterprise” or “Sustainable Value” or “Nonprofit Management,” there has been little discussion among educators’ about the needs and opportunities this broad and growing sector of the economy presents. This panel incorporates three speakers who present different views on the role of the social economy in the business school curriculum and about the strategies and approaches we should be employing in developing an expanded curriculum.

Panelists

Annie Camus, Assistant Professor, Organization and Human Resources Department, l’Ecole des Sciences de la gestion, Universite du Quebec a Montreal.

Lou Hammond Ketilson, Director, Centre for the Study for Co-operatives, University of Saskatchewan

Brenda Gainer, Director, Nonprofit Management and Leadership Program, Schulich School of Business, York University.

Panel Focus/Topic

In the last decade, management schools have been faced with intense criticism for a number of failings that can be summarized around issues of relevance and usefulness (Pfeffer & Fong 2002; Bennis & O’Toole 2005; Gentile & Samuelson 2005). Pointing fingers are practitioners but also employers, students, media and even academics demanding that business schools and management faculty address teaching methods, teaching content and research so as to provide actual and future leaders the necessary knowledge, skills and tools to be successful managers as well as responsible societal

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1 This symposium proposal was submitted and accepted at ASAC 2007 in the Management Education Division but the presentation was cancelled since one of the panelists could not be present because of a personal emergency. This is why we are submitting again for ASAC 2008.
members. As the need to close the gap that has expanded between management schools and the real-world of modern organizations becomes urgent, our symposium strives to draw attention to one overlooked reality: organizational diversity.

The focus of this panel is two fold. The first is that, while management education is focused on preparing students to take on roles that are both productive and satisfying after graduation, our management schools are, for the most part, narrowly focused on equipping students to work in profit-seeking enterprises within the private sector of the economy. The panelists contend that there are many organizations outside of these boundaries that have need of managerial expertise and in which graduates may find satisfying and challenging work. There is as well a growing number of social entrepreneurs enrolling in business degrees to acquire knowledge and skills to develop sustainable businesses (Tracey & Phillips 2007). In particular, the panelists concentrate on the opportunities for management graduates to contribute to the social economy, a term increasingly used to describe a wide range of organizations that includes not only nonprofit organizations such as charities and mutual associations, but other organizations that may be profit-seeking but are managed primarily to achieve a social purpose (social enterprises) or are characterized by democratic practice and stakeholder participation (co-operatives and mutual societies). In the main, business schools have developed curricula that are highly focused on limited organizational forms (corporations and entrepreneurial organizations) with limited purposes (the pursuit of profit).

The second focus of the panel is that all management students will benefit from a study of more diverse organizational forms and sectors in the curriculum, even if they do choose ultimately to work in a profit-making, private sector firm as most of them will. Familiarity with the wide range of issues and problems that social economy organizations present will strengthen students’ abilities to function in dynamic and complex environments. Moreover new organizational forms and relationships are constantly appearing in the new economy as we see the development of such phenomena as networked firms, joint ventures, public-private partnerships, and private firms’ foundations. Thus leaders of business firms also need to be equipped to deal with the issues, goals and culture of social-purpose organizations. And as corporations and business firms are compelled to undertake sustainable and socially responsible practices, they are increasingly involved in working out the interdependence between business and society, in trying to balance commercial and social objectives (Gentile & Samuelson 2005). Finally, many of the ideas that are now staples of the conventional business curriculum (sustainability, stakeholder theory, cause-related marketing) were hatched through the study of management in the social economy.

The panelists have different approaches to incorporating more organizational diversity into the management curriculum – these views being shaped by the relative weight they place on the two rationales for doing so outlined above. Each panelist will make a presentation that outlines a particular strategy. It is hoped these presentations will initiate a discussion among a wider group of management educators about the basic issue of organizational diversity as well as a discussion about the best approaches and strategies to achieve that.
The first speaker, Annie Camus from UQAM, argues that all business students should be given the opportunity to study many different types of organizations. She argues that while this may expand their employment choices, this is not the main reason to broaden the curriculum. She considers that incorporating organizational diversity into the general curriculum will allow all students to improve their managerial skills and competencies, equipping them to work in organizations increasingly characterized by complexity, pluralism, and hybridization while being increasingly focused on multiple goals such as sustainable development and social responsibility. In her view, adding social economy organizations to the general business curriculum will better equip our students to become effective leaders, regardless of the sector in which they choose to work.

The second speaker, Lou Hammond Ketilson from the University of Saskatchewan, takes a different view. Instead of arguing that the basic curriculum should be broadened to incorporate more diversity, she argues that we need multiple and specialized curricula. Basing her position on her familiarity with co-operative organizations, she argues that the general business curriculum is inadequate in terms of preparing effective leaders for enterprises that pursue social and economic objectives simultaneously. She argues that the principles developed in the business literature are generally too narrowly focused to be applied to organizations in the social economy. She believes that when “business models” are applied to social economy enterprises they may suffer—in the case of co-operatives, for example, this may lead to demutualization. She ends by describing a number of approaches to specialist education that are being offered in North American universities.

The third speaker, Brenda Gainer from York University, advocates a “matrix” approach. She uses a case study approach to examine a 40 year history of the waxing and waning of specialism vs. mainstreaming with respect to education for managers in the nonprofit sector. She identifies four distinct phases in the development of the current “matrix” curriculum which combines elements of both approaches. These phases, she argues, were the result of changes in the external environment to which the management school responded—often before a significant shift in student demand occurred. Her presentation ends by making the point that management schools should be developing new curricula continuously in response to changes in the environment that causes changes in both the opportunities graduates will have as well as the skills they will need.

The presentations will be followed by a discussion that will be facilitated by Brenda Gainer. Three main issues will be addressed:

1. **Does the idea of organizational diversity have widespread application?** Does the idea of “organizational diversity” have application to all management schools and their curricula? Does it really add to our ability to better prepare students for leadership positions in business? Or does it only apply to those schools who want to develop a special focus in particular areas (e.g. international business, entrepreneurship, etc.) to differentiate themselves?

2. **Is the conceptual framework useful?** Is the framework used to structure the discussion in terms of “specialization” vs. “mainstreaming” the most effective way to look at the question of organizational diversity in the curriculum? Are there other ways to frame the debate over whether non-business organizations “belong” in a business school curriculum and, if so, what the best strategy is?
3. Does organizational diversity only apply to the social economy? If the arguments contained in these presentations are pursued to their logical extreme, it would suggest that not only the social economy but the public sector should be included in the business school curriculum? Does that make sense?

Goal and Follow-up

The primary goal of the panel and ensuing discussion is the dissemination and exchange of ideas and information. If there is sufficient interest among the participants, we may form a small working group to work with the regional Social Economy Hubs established by the Social Science and Humanities Research Council. The working group could develop further materials to further the inclusion of the social economy in the business school curriculum.
Panel Discussion: Participant #1

Biography of Annie Camus

Annie Camus is an Assistant Professor in the Organization and Human Resources Department at Université du Québec à Montréal’s business school, l’École des Sciences de la gestion (ESG). She has been teaching management, strategy and work organization at the undergraduate level but is engaged mostly in teaching and co-ordinating ESG’s specialized MBA program for collective enterprises and social economy. Her main research interests focus on social innovations in the public and "third" sector, inter-organizational relations and institutional change. Her current research examines the dynamics of nonprofit – government relations and the institutionalization processes of social innovations such as community economic development and social economy.
Preparing the Leaders of Tomorrow: Educating for Complexity through Organizational Diversity

Annie Camus, UQÀM

The last decades have witnessed significant changes in the business and management world. Workforce demographics, work organization and organizational structures have evolved and transformed as globalization, technological innovations, and consumer demands have been shaping fast-paced, dynamic and complex markets and environments. As a consequence, management research and education has been under pressure to address constantly arising new challenges and issues. While research is expected to generate insights to help determine the nature, reasons and impacts of these ongoing transformations, management education is to provide relevant and up-to-date training and education that will develop managers’ competency to turn these new contexts into profitable opportunities and satisfying work experiences. This has in fact stimulated the burgeoning of numerous areas of research and management education curricula have started to evolve along new pedagogical methods and topics. Among complexity, network building and IT management, one of management education’s arising challenges has crystallized around the issue of diversity and diversity management. Diversity embraces a large array of differences among individuals from age, gender and ethnicity to sexual orientation, religious beliefs, income or physical ability to name a few. Increasing diversity in organizations’ workforce has supported a growing interest in the issue and reflexions on inclusiveness and integration that has lastly permeated educational and training activities. Some even speak of a “diversity management industry” with specialized consultants, trainers, workshops, seminars, etc. College and university programs are participating widely in this phenomenon, as diversity education is now often a requirement in management curricula. From diversity management courses to diversity and inclusiveness topics addressed in various core courses to leading by example by recruiting diverse students and faculty, one could say diversity is on a track to institutionalization. However, one particular type of diversity remains largely taboo in business schools and management programs: organizational diversity. Because there is more than one way to do business, different business models should be presented and better represented in management education. Organizational diversity represents this inclusiveness in management education of all forms of business as part of the business reality and not solely the typical traditional capitalistic shareholder firm. Co-operatives, publicly owned firms as well as a range of organizations included in the social economy movement are some of the alternative forms that deserve a place next to the mainstream archetype. As with individuals’ diversity, organizational diversity suffers a silent ban that rests mostly on misconceptions, false impressions, erroneous beliefs or plain ignorance.

Preparing for the real world – The real world is organizationally diverse

Major business schools in Canada as in the States claim to be “preparing the leaders of tomorrow”, “educating leaders for business and society” or “graduating men and women who will succeed throughout their careers in a complex and constantly changing world”. Thus at the heart of business and management education lies acquisition of innovative, cutting-edge knowledge and skills that prepare responsible and proactive decision-makers to face the challenges of the real world. But as the real world is composed of a wide
diversity of individuals – where no two are exactly the same – so it is composed of a great variety of organizations that differ in their very nature (legal status), in the goals they pursue, and in how they achieve these goals. Organizational diversity exists; it’s out there. As an example, there are 6 500 collectively owned enterprises (belonging to what is called “économie sociale”) in Québec that generate no less than 4% of Québec’s GDP with annual revenues of more than four billion dollars. This means a significant part of what makes up national economies and societies has in fact little to do with the so-called ‘traditional business model’. Representing the ‘real world’ through the eyes of the classic firm is a misrepresentation of reality.

Preparing for the real world – From business to organizations
Since the Industrial Revolution, our developed societies have undergone major transformations, one of the most crucial being the structuration of all social life in and around organizations. From birth to death, through school, leisure and work, all of our modern lives unfold in and are made possible because of organizations. As organizations have become the founding principle of our modern societies, management research and education is called upon to reach beyond traditional business organization and to provide knowledgeable and skilled graduates to administrate and run the wide diversity of organizations that make up our social structure’s material. Diversity is often understood as the fostering and valuing of variety of opinion and insight. There is no doubt value to the variety of insight and knowledge diverse organizational types can bring one another.

Preparing for the real world – Facing complexity, pluralism and hybridization
Among the changes that have characterized the last decades business-wise is increasing diversification and hybridization of organizational forms. Network firms, partnerships, joint ventures, public-private consortia, private firms’ foundations, copetition, boundaries and institutional identities are blurring as cross-sectoral\(^2\) interorganizational relations increase and intensify. No matter what their business is, chances are leaders and managers will have to address and handle a variety of relationships with constituents of diverse organizational types. This leads to management contexts that are more and more characterized by increasing complexity, pluralism and shared governance, collaboration and multistakeholders arrangements. Organizational diversity thus offers a particularly rich avenue to enhance management education in the face of such challenges. For example, community economic development models address issues of pluralism and shared governance. Stakeholder management has also become a key issue for the traditional business firm, an issue nonprofits and co-operatives alike have been tackling at length.

Preparing for the real world – Sustainable development and humanization
Finally, as corporations are faced with expectations of social responsibility and as sustainable development becomes more and more accepted as an imperative and not a luxury, inclusiveness of organizational diversity becomes paramount. For among alternative business and organizational models can be found organizational types that integrate in their founding principles the double or triple mission of environmental protection, social development and economical profitability. A lot can be learned from such organizations and how they answer and attend to the challenges of this triple integration. Organizational diversity is thus better education for leaders of business and society.

\(^2\) i.e. institutional sectors : private for-profit, public and nonprofit.
What is being done? What should be done?
In the recent years, business schools and management faculty have started to respond and some initiatives have been set forward. However, an overview of Canadian, Québec and France business administration and management education shows organizational diversity to be addressed in a relatively marginal fashion from elective courses to entire programs devoted to ‘non-traditional’ forms of business and organizations. But what is needed, as with diversity, ethics or social responsibility, is for business schools and management faculty to make sure every graduate has had the opportunity to widen it’s perspective and address organizational diversity through its course work. From alternative business model cases in regular class works to required courses presenting the various business and organizational models lies numerous possibilities of addressing an aspect of the “real-world” in an enriching and interesting fashion.

As with diversity management, presentation and significant representation of organizational diversity in business and management education needs to be seen as asset-building and not as cost-inducing treatment of an exception. There is both pedagogical and pragmatic value to integrating organizational diversity to management curricula for business schools, management faculties and most importantly for tomorrow’s society.
Panel Discussion: Participant #2

Biography of Lou Hammond Ketilson

Lou Hammond Ketilson is the Director of the Centre for the Study of Co-operatives at the University of Saskatchewan and also an Associate Professor of Management and Marketing in the College of Commerce. Her research interests include management in co-operatives and other democratic organizations, community development, women in co-operatives, Aboriginal co-op development, and diversity on co-op boards and governance bodies.
A Manager is a manager is a manager – or is She??

Communities are often destabilized by the impact of globalization (Bauman 1998; Cameron and Stein 2000; Scholte 2000; Bourdieu and Coleman 1991). Livelihoods and ways of life may be undermined, particularly for remote rural and Aboriginal communities as well as marginalized urban populations. Although globalization has many aspects, a key marker is the increasing domination of market relations over other kinds of social relations. This has created an increased interest in alternative forms of economic development that are more consistent with community values, as well as an increased attention to the nature and importance of social relationships in themselves and as preconditions for economic success. Among the responses to economic problems are community economic development (Douglas 1994) and the development of the social economy (Favreau and Lévesque 1996; Lévesque 1998, 1999; Quarter 1992).

Social economy is a term for which multiple definitions exist, reflecting and inviting diverse theoretical approaches (Schragge and Fontan 2000; Vaillancourt and Tremblay 2002). Social economy is used most commonly in Europe, and more recently in Québec, to describe a variety of socio-economic initiatives addressing new opportunities and needs—initiatives clearly distinguished from those associated with the public or private sector. In Anglophone Canada, the term “third sector” is most frequently used as a synonym for social economy. Those who prefer “social economy” to “third sector” or “nonprofit” consider democratic practice and stakeholder participation (rather than the lack of profit) to be key distinguishing characteristics underlying the actions of these organizations, thereby including co-operatives and mutual societies (Quarter 1992; Lévesque and Malo 1992; Schragge and Fontan 2000; Lévesque and Mendell 2004).

Social-economy enterprises direct organizational and community resources to the pursuit of social and community goals, providing flexible and sustainable tools to assist communities to achieve their own objectives in the areas of job creation and skills development, the environment, social support networks, economic growth, and neighbourhood revitalization. Today’s social economy has developed primarily in two areas: “as a strategy to combat poverty and social and occupational exclusion—initiatives in response to urgent social needs and critical social situations; and in the creation of new wealth—initiatives in response not only to needs but to opportunities in which neither the market nor the state are effectively engaged” (Lévesque and Mendell 2004, 5). Social-economy enterprises frequently grow out of broad-based community development strategies that involve a range of local partners—citizens, government, voluntary sector, learning institutions, and business (Fairbairn 2004c). Such enterprises exist across Canada built on the tradition of co-operatives and nonprofit community enterprise as well as other innovative approaches (Quarter 1992; Lévesque and Malo 1992; Schragge and Fontan 2000; Vaillancourt and Tremblay 2002; DeSantis et al. 2003).

Co-operatives have developed widely in Canada in numerous kinds of communities (MacPherson 1979; Fulton 1990; Fairbairn, MacPherson, and Russell 2000; Fairbairn 2001). They have proven to be a sustainable model for rural development (Fairbairn et al. 1991; Fulton and Hammond Ketilson 1992; Hammond Ketilson et al. 1992; Hammond
Ketilson et al. 1998; Gertler 2004) and play an exceptional role in northern communities (Hammond Ketilson and MacPherson 2001). Newer types of co-operatives such as those involved in health, housing, childcare, and neighbourhood development address the economic needs of low-income and other urban as well as rural groups. The distribution of co-operatives—their historical strength in rural communities and their new role in some indigenous and marginalized urban populations—is not accidental. It reflects the degree to which they developed by making use of social cohesion (DeSantis et al. 2003), both exploiting it and fostering it, as well as democratic structures and processes in order to thrive in settings where other forms of enterprise could not succeed so well (Fulton and Hammond Ketilson 1992; Hammond Ketilson et al. 1998; Hammond Ketilson and MacPherson 2001; Fairbairn and Russell 2004).

Governance of co-operatives and other forms of social enterprise is an example of an area that is not well understood in business schools nor addressed adequately in a typical program, but one that is central to the success of a social enterprise, particularly co-operatives, as a business. Voluntary engagement, democratic practice, and the integration of different stakeholder interests are linked to the defining characteristics and purposes of the social economy. If engagement, democracy, or stakeholder relations fail, social economy fails, even if organizations succeed as services or businesses. Rather than having only a regulatory function (for example, to control waste or prevent scandal), governance in social-economy organizations has a positive function of promoting individual and group development. Good governance and democratic stakeholder involvement develop leadership (human capital), networks, norms of trust and collaboration (social capital), and senses of common purposes among diverse stakeholders (social cohesion) (Fairbairn 2004a; Gamm and Putnam 1999; Jenson 1998; Lévesque and Ninacs 2000; Putnam 2000, 1993a, 1993b).

Conventional research and teaching on corporate governance has emphasized questions of control, legal responsibility, shareholder interests, incentives, and maximization of results. While relevant in some cases, this literature is narrow for use with social-economy organizations. In particular, a focus on simple outputs and efficiencies often leads to low-quality outcomes when delivery of public goods is involved (Stein 2001). Research on governance in co-operatives is essential because co-ops are in many respects the most highly institutionalized segment of the social economy—they have identified governance problems and distinctive approaches. Understanding the roles of volunteer directors and volunteer boards in working with professional managers, and being able to codify for social-economy organizations the best practices and resources that exist, as well as the particular competencies needed by directors and the appropriate forms of education for them is essential to the success of this valuable part of the overall economy (Alexander and Weiner 1998; Brown and Iverson 2004; CCA; Chapman 1986; Chaves and Sajardo-Moreno 2004; Crane, Matten, and Moon 2004; Malo and Vézina 2004; McClusky 2002; Reiss 1990; Spear 2004; Webb 2004).

Further, well-functioning social-economy organizations pursue human and social development as part of their own success. In so doing, they contribute to wider policy goals. But routine governance that is adequate for other purposes may not achieve these wider aims. For example, unless diversity among stakeholders is represented in governance, it is difficult for a social-economy organization to bridge between different categories of
stakeholders and promote their effective collaboration. The roles and importance of leadership/representational diversity (de Clercy and Hammond Ketilson 2004) and of the functioning of multi-stakeholder boards are two significant themes of special importance in the social economy. A third theme is the interface between voluntary boards and public authorities, as for example in the health sector: what are their respective roles and strengths? How can they work together effectively (Brooks 2002; Calton 2003)?

Today’s business schools do not make these distinctions. Rather, the assumption, mostly implicit, is that there is only one kind of enterprise model in operation, and if you know how to manage the preferred model, you will definitely know how to manage any other mutation. Co-operative organizations have suffered as a result of this assumption, resulting in managerial decisions that frequently lead to demutualization so that the behavior of co-operatives can conform to “the” model that is known.

Balance of presentation will include:

- Other management issues specific to co-operatives that are unique and currently unexamined or under examined in typical business school programs
- use a mini case on Saskatchewan Wheat Pool to demonstrate that management is not generic and that this approach to management education has resulted in co-op managers who do not understand the organization, resulting in significant damage to co-operative organizations, often demutualization
- provide an overview of how management education specific to co-operatives is being handled at the moment in North America, with suggestions for the changes required in existing curriculum and programs
Panel Discussion: Participant #3

Biography of Brenda Gainer

Brenda Gainer is the Royal Bank Professor of Nonprofit Management and Director of the Nonprofit Management and Leadership Program at the Schulich School of Business, York University in Toronto. Her research publications are concentrated in the areas of nonprofit management, arts marketing, philanthropy, and consumer behaviour. In addition to teaching in the MBA and PhD programs at Schulich, she has recently developed capacity-building programs for immigrant and refugee NGOs, social service agencies and the community housing sector. She also acts as a management consultant to a variety of nonprofit and cultural organizations.
Organizational Inclusiveness in the Business School Curriculum:  
The Long Journey

What is organizational inclusiveness? And how does it manifest itself in management education?

This presentation is based on a case study of a single business school. Unlike many case studies which look at an organization at a particular moment in time, the approach I am taking here is an historical one. The Schulich School of Business celebrated its 40th anniversary last year, as ASAC celebrated its 50th. Both events were occasions to look back and try to tease out some of the lessons our past can reveal about leadership in management education and research going forward. Schulich has been devoted to the idea of organizational inclusiveness since its foundation 40 years ago. However it has been difficult to find a way to implement this idea in a curriculum that works for both mainstream business students and those interested in the social economy.

Schulich was only named “Schulich” a decade ago. The business school at York had a different name for most of its history and one which is very relevant to the questions posed at the top of this paper. Schulich was originally called the Faculty of Administrative Studies and that name was deliberately chosen because one of the founding principles of the approach to management education that would be taught at the fledging business school was that which today we are calling “organizational inclusiveness.”

Starting Up: The Universal Tool Kit

James Gillies, the founding Dean, believed strongly that management education is relevant to all organizations whether they operate in the private business sector, the public sector or that third “leftover” sector whose name as well as definition and boundaries keeps changing—the third sector, the nonprofit sector, the voluntary sector, the independent sector or, as it is often referred to in Quebec and other French speaking nations, the social economy. The school was named the Faculty of Administrative Studies (FAS) to indicate that those who came there to study management could apply their learning to any and all types of economic organizations.

The Hybrid Model: the MBA “Platform”

Of course the late sixties, when the school was founded, was a time of government expansion in Canada. It was also a time when the large baby boom generation was reaching adulthood and a larger percentage than ever before of university-age people were going to university. The public sector became an attractive employment prospect and it quickly became apparent that many people with a talent for and interest in management were interested in studying public administration. Because there were a number of dedicated public administration programs both in Canadian universities and in the United States competing with York’s more “generic” approach to public management, FAS launched its own MPA degree in addition to the existing MBA. But it was an MPA with a difference.

The degree was based on James Gillies’ original idea that there was a certain core of management knowledge that was relevant to management in any context or sector. Thus the first year of the MBA became a standard platform of education in the basic disciplines
of business: accounting, finance, organizational behaviour, marketing, management science and economics. In the second year, however, while MBA students went on to take advanced courses in these same business disciplines, the few MPA students took special electives that pertained only to the public sector. So although the designation of a separate degree gave it the look of a specialized degree, in fact the MPA was a “hybrid” model – of the twenty courses required for the degree, at least 15 were regular business courses and only a few electives had unique specialized public sector content.

Very shortly, the MPA approach, although not the designation of a separate degree, was applied to nonprofit management education, specifically to the arts sector. Now called the Arts and Media program, this specialized program recognized that while arts organizations could certainly benefit from management knowledge and business approaches, there was a body of unique knowledge that could—and should—be taught to leaders in the arts and cultural industries. The Arts and Media program was the first of many, many specialized programs that were developed over the years in such areas as Real Property Management, Nonprofit Management, Financial Services, Health Industries Management and Business and the Environment. All of these programs were based on a platform of regular business courses that comprised at least three-quarters of the curriculum to which students added a few courses with management content unique to the industry or sector.

The Institutionalization of the Hybrid Model: Credentialing

Many of these programs were developed on the basis of a belief among a few faculty sponsors and a few industry leaders that certain industries or sectors had unique management issues and that leaders in those sectors required a unique type of education. But particularly in the fields associated with the social economy (Arts and Nonprofit), the programs were not developed in response to industry demand but rather on the basis of a belief that management education had a role to play in these organizations. FAS felt it was taking a leadership role in creating new curriculum but in reality it was often very slow to gain acceptance in the social economy.

For example, although FAS was the only business school to offer nonprofit or arts electives in the MBA program in the eighties, enrolments were very low. At the same time a separate certificate program that was not based on the MBA platform was created for the Voluntary Sector. This program was hugely popular and many graduates of the program remain leaders in the nonprofit sector today. Partly this program was successful because it was shorter and less expensive than the MBA but research suggested over and over again that the main reason for its popularity was that it was not a “platform” program. It was a dedicated program and fed into the belief of managers in the nonprofit sector that their world and their issues were entirely unique.

Schulich’s next move was an attempt to attach unique “credentials” in the form of a specialized graduate management diploma on top of the MBA degree. Thus students could now get a business degree but they could also get a separate diploma in arts management or nonprofit management, the idea being to distinguish themselves from generic MBAs and highlight their unique program. While this increased the visibility of Schulich’s specialized programs somewhat the only program to attract many students in the nineties was the Arts and Media program and much of the growth in that program was not from the
nonprofit arts organizations but from the profit-oriented cultural industries. The specialized programs continued to be recognized as add-ons to a business, as opposed to a management, degree.

**From Hybrid to Matrix**

While there is a vast amount of management knowledge that is relevant to all organizational forms, I think it is also true to say that most business schools, including Schulich, taught (and still teach) management as if it is business management. Management students interested in the social economy have always been forced to “translate” everything they learn to a different context, to request special permission to write papers on topics in nonprofit organizations and to do group work on topics that are of little interest to them. More importantly there is often a “culture” in business school that assumes the goal of management is to maximize personal benefits. Thus, by the time many students finish their “platform” they have either adapted to the business economy and left the social economy behind or they have decided that social economy organizations are marginal in business schools and that mainstream management education doesn’t apply to them.

However in the late eighties a major policy shift began in Canada that began to change this thinking. As governments began to dismantle the welfare state, they downloaded much of their previous responsibilities on to nonprofit organizations. As immigration into Canada grew exponentially, poverty increased, people began to worry about crime and homelessness grew across the country, Canadian policy makers emphasized the need for social cohesion. Nonprofit organizations were recognized as the instruments to achieve this and a number of initiatives were set up, most notably the Voluntary Sector Initiative. One of the results of the VSI was a new emphasis on capacity building in nonprofit organizations. Meanwhile a Canadian foundation based in Calgary (the Kahanoff Foundation) almost single-handedly took on the task of building the capacity of universities to meet the research and educational needs of the newly-important voluntary sector.

The Kahanoff Foundation formed a partnership with Schulich that involved financial support but that also brought new thinking to the way we were conceptualizing and delivering management education for the social economy. They had two goals: to support us in our efforts to bring “business” management education to future leaders in the nonprofit sector but also to encourage us to bring “nonprofit” management education to future business leaders. This was a revolution in our thinking. For twenty five years we had thought of business education as being generic and nonprofit education as being specialized: now we were challenged to think about management education as also being specialized—too specialized.

As a result of this change in our thinking, we developed two new approaches to our management curriculum. The first is what we call “mainstreaming.” All of our first-year MBA students are required to take a management course that is not related to a particular discipline but covers instead some of the management and governance skills that leaders require and some of the social and political issues they will face. We introduce the social economy to students in this class and also lead them through a critical thinking exercise in which they have to make management decisions within a nonprofit paradigm. By the end of
the course we hope the students have accepted that there are many different frames that managers can use to make decisions—and that only one of them is a “business” (profitability) frame.

The second change we have made is that we no longer offer specialized electives that are only of interest to people in the nonprofit program. We offer seven electives in nonprofit management and all but one of these courses is integrated into the list of standard electives offered by the traditional departments. For example, the Marketing area now offers two nonprofit courses, one on Social Marketing and one on Nonprofit Marketing and Resource Development and both of these courses count toward a specialization in Marketing as well as in Nonprofit Management. (We do the same in the Accounting area, the Strategy area, the Organizational Behaviour area and the special program in Entrepreneurship). In both of the marketing classes, more than half the students are “mainstream” students and less than half are nonprofit specialists. The mainstream students are considering a career that may include working in a nonprofit organization and the nonprofit students are learning to think inter-sectorally and not in a marginal silo.

The result of the matrix structure is that we feel we are achieving two important goals. We are finally effective at providing educational support for an incredibly important sector of the economy and one that we have always been committed to serving since James Gillies founded the school in the sixties. This is part of our current dean’s commitment to social responsibility and is also an important part of our school’s brand positioning. But more importantly, we feel that by incorporating the social economy and its “frame” into the Skills course we are now doing a better job of educating all of our graduates that go out to work in business organizations too. As a result of our efforts to “mainstream” the social economy, we think they are now better prepared to lead organizations in the new economy.