



BY DAVID COHEN
For Workplace News

The mutter about the next war for talent

When students enter graduate programs to pursue an MBA, they focus on what they think will get them ahead. So what are our future corporate leaders hitting the books to learn? If you thought that post-Enron and Sept. 11, business school students would be boning up on leadership, ethics, corporate culture, human resources management, and international studies, you'd be wrong. In the marketplace of what's hot, the traditional fare continues to rule the day.

In recent years, there's been a plethora of writing about how essential the right behaviours are to the success of executives. Employees, in turn, have a heightened awareness that their own behaviours and capabilities must align with company values. On top of this, there has been much social pressure on business schools to modify their curriculum based on the poor ethical and leadership behaviour of some high-profile corporate executives. All together, this has motivated some of the leading business schools to improve the quantity and quality of their human resources management (HRM) and organizational development (OD) programs, as well as their research in these areas.

When it comes to the students, however, it doesn't seem to have translated. Ask any intelligent, ambitious business school grad student what courses they want to take and they will tell you: whatever courses make a difference in getting a job.

HRM and OD programs are not on their radar screens because they don't impress recruiters and don't prepare students for entry-level grunt work. The courses they do take are those that impress the recruiter or executive at the interview. Being able to talk about Harvard University's Michael Porter and his theories of global competition, for instance, carries far more weight than understanding the impact corporate culture has on productivity as set out by McGill University's Henry Mintzberg or MIT's Edgar Schein.

The evidence is in the numbers. A recent study at 65 different business schools of 3,500 MBA students shows HRM and OD courses ranked 10th out of 12 for perceived value to graduates' future success. Another study conducted before the current growth in the number of HRM and OD offerings showed students and recruiters felt there were already too many of these courses available (1997 MBA student satisfaction exit survey, Educational Benchmarking Institute, St. Louis, Missouri). So, students are taking courses that will impress future employers, not ones that will make them better managers and leaders. Are

they wrong in their measure of the value of HRM and OD programs? Not if you ask recruiters.

A 2001 Wall Street Journal survey found recruiters seeking the best and brightest candidates evaluated education in the following ways:

1) The student is a graduate of a business school which teaches analytical and problem-solving skills; 2) The recruiter has had success with candidates from that school before; 3) The company has had success with those graduates, too; 4) The students demonstrate preparedness for the new global economy; and 5) There is chemistry or compatibility between the recruiter and the student.

MBA students are hard-wired for success. They communicate with each other about interviews. The next generation of candidates is well aware that questions on economics, problem-solving, and analytic capability mattered most, along with a general ability to click with the interviewer.

It's not surprising, therefore, that the desirability of HRM and OD courses runs shallow. There's no immediate payoff. Despite the growing understanding that the "soft stuff" really is the "hard stuff," corporations continue to send employees back to business schools to improve their technical knowledge — not their ability to understand organizational theory, or how to draw the best out of their people.

When I asked some recent executive MBA students what they thought about their required

HR course, they responded candidly that nothing they would learn in the curriculum would help them in market research or finance.

The research is clear: companies with the right ethical posture, with hiring practices which focus on values, and operate by a well-designed and company-specific set of behaviours, outperform their competition over time.

So why isn't this translating into ethical, behavioural, and leadership studies in the schools? Are the students to blame? In my view, they are just responding to the market-place. How about the MBA programs? They seem to be making efforts to educate leaders differently. So, a great deal of the fault must lie with corporations that don't value or actively seek the "softer" qualities that lead to success.

Of course, these are generalizations to which there are always exceptions, but the trend is disturbing. Wouldn't it be powerful if recruiters asked grads to find a link between productivity and organizational structure, quality and team management, customer relations and interpersonal behaviour, or values and performance? The next MBA class would get a very different message — in the curriculum of success, people matter.

Consider the message that corporations are actually giving employees through their recruiting practices. I am reminded of a client that had a value called "People Matter". The employees looked for signals that the value really was important, only to be disappointed by the ongoing practices of the company. So in the lunchrooms and at the water coolers, the value became known as "People Mutter".

Corporations can say the politically correct thing to business schools about leadership and people development needs, but if their recruiting practices don't reflect that, it doesn't "mutter" at all. Business schools would do better to shelve the ethics books and instead teach golf and Accounting Irregularities 101.

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