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Research? Most people cannot understand it

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By Ian Wylie

Should business school students be made to foot the bill for academic research that no one reads? Not any more, says Larry Zicklin, a former chairman of Wall Street investment firm Neuberger Berman, a clinical professor at New York University's Stern School and a lecturer on ethics at the Wharton school at the University of Pennsylvania.

With academic journals under increasing attack from several quarters, Mr Zicklin has upset some colleagues in urging schools to cut tuition fees by making faculty members focus more on teaching and less on publishing research in journals. He points to research that uses the University of Texas at Austin as a case study and says that fees could be halved if 80 per cent of faculty with the lowest teaching loads were to teach only half as much as the 20 per cent with the highest teaching loads. He predicts that the rise of massive open online courses, or Moocs, and other market forces will conspire against schools that fail to act.

Research can't be the criteria for hiring or promotion

What is your issue with business school research?

Research adds so much to the cost of education, especially at business school. But the evidence about research also suggests that most people can't understand it and no one seems willing to pay for it. I don't see many corporations stepping up to pay for it.

Academics do it because they are interested in doing it, but it's also the mechanism by which they get promoted and secure tenure. Because research is an important part of business school rankings, it has created the value system by which academics are rewarded.

That system has served schools and students until now, so why the need for change?

Business schools aren't aware of the tsunami that's about to hit them. The era of charging \$200,000 for an education is over. Research is such an expensive part of business school education that institutions are going to have to cut back on research. On the teaching front, the days of a lecturer standing in front of just 25 students, with little emphasis on quality of teaching or a school's best professors being absent from the classroom because they're doing research, are coming to an end, too.

Technology is beginning to allow great teachers and researchers to become rock stars. For example, why should great teachers sell their services by the hour when they can sell them by the pupil? Why teach 200 students a year when you can teach 200,000? Why should students have to take a course at a time and place of the school's choosing? This tsunami will wash away bricks and mortar too.

But you do see some value in research, don't you?

Yes, there is a place for research but it has to be kept in its place. It can't be the criteria for hiring or promotion. Teaching ability should be the primary factor. Students are entitled to the best teachers that schools can secure, but not the best researchers. They don't need the person who invents theoretical models to teach them those models. They need someone to teach them who is a good transmitter of information.

Business, after all, is about getting partial information, filling in the blanks you don't know and making good judgments. That's what I tell my students: "I'm here to teach you good judgment. You don't need me for the facts."

So how should research be funded?

Research follows a bell-shaped curve: some academics do it really well, many do it moderately well and some are really terrible at it. Who wants to fund those who are mediocre or terrible? But that's what we do now – paying mediocre academics to conduct research that they should not be doing and writing articles and books that people never read.

I think businesses would pay for good research if they were confident that the researchers were the best. But just as mediocre players don't make it in professional sports, there is going to be no room for mediocre faculty members in the future.

I agree that we must protect pure research in the pure sciences but less so in the business schools.

How have your ideas been received?

Some of my colleagues are not pleased but they are entitled to disagree. And a number of them have admitted to me privately, "I know it's a silly system, but that's just the way it is." That's the way it has been, I reply. But not in the future – because the money to sustain it won't be there in the future.

So I'm pursuing this agenda at Wharton and at City University of New York where I chair the Baruch College Fund, because when the storm comes it's going to hit everyone. We are going to go through the same disintermediation in education that the media, finance, manufacturing and technology sectors have already been through.