Association to Advance Collegiate Schools of Business (AACSB) Accreditation Standards: An Analytical Study of its Implications on Business Faculty Members

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(Received: 9-2-15 / Accepted: 5-4-15)

Abstract
This paper is to analyze the implications of AACSB standards and policies on faculty members in accredited business schools and in those schools seeking accreditation for their business programs. The paper shows a historical background of AACSB and highlights the impact of each of the twenty-one standards on business faculty members. It examines AACSB 'strategic management standards' and their effect on faculty objectives and performance. The paper also highlights the influence of 'participants' standards' on the job and role of business faculty. The 'participants Standards' of AACSB require from a business school to have the appropriate participants whom they can achieve the mission. The paper also includes a review of the 'assurance of learning standards' in AACSB and the way these standards influence faculty preparations and teaching style. With AACSB accreditation the curriculum is not totally controlled by faculty members; in addition to outcome assessment, AACSB allows stakeholders to give their input on how skills and knowledge criteria are attained.

Keywords: AACSB, Business Faculty, Strategic Management, Participants, Assurance.

Introduction
Higher education Institutes (HEI)s seek accreditation either from local ministries of education as an obligatory requirement in order to be considered by the government in the country or from international accreditation bodies in order to add value to the quality and reputations of the programs they offer; someHEIs hunt for both national and international accreditations to certify the quality of their programs. Schools are keen for accreditation given that it is a quality stamp to attract top students, allows transfer of credits, and is used as a benchmark to improve performance (Suskie, 2009). In the United States, and different from many other countries; the federal government does not certify universities (Reeb, 2005, p. 53). The Association to Advance Collegiate Schools of Business (AACSB) has been the accreditation body dominating business education undergraduate and postgraduate programs for about 90
years in the US (Miles, Hazeldine, and Munilla, 2004, p. 29). The AACSB has also reached Europe and Australia and some countries in Asia and the Middle East.

The purpose of this paper is to analyze the implications of AACSB standards and policies on faculty members in accredited business schools and in those schools seeking accreditation for their business programs. The paper shows a historical background of AACSB and highlights the impact of each of the twenty-one standards on business faculty members. The first section examines AACSB 'strategic management standards' and their effect on faculty objectives and performance. Dill and Soo (2005) found that the promotions of faculty members, their annual evaluations of research, teaching, and administrative service in AACSB accredited business schools are measured against the strategic objectives that support the mission of the school. The second section analyzes the influence of 'participants standards' on the job and role of business faculty. According to Miles, Hazeldine, and Munilla (2004, p. 32), 'participants standards' have a great impact on faculty, they primarily determine the balance between teaching, research, and faculty overload, they also force faculty to keep currency in their disciplines and pedagogical skills. The third section reviews the 'assurance of learning standards' in AACSB and the way these standards influence faculty preparations and teaching style. According to Sampson and Betters-Reed (2008, p.26) "Assurance of learning required us to adjust our internal view of the world to an external model of learning effectiveness and accountability". Learning assurance is prominent to demonstrate accountability to all stakeholders and the quality of the programs in addition to meeting the legislature and accreditation requirement (Zhu & McFarland, 2005).

**Historical Background of AACSB**

According to "AACSB" (2011) this organization has accredited 485 business schools in the US and 66 in Europe and Australia. In 2003, the AACSB reviewed its accreditation standards and policies and transformed its reaffirmation process from 10 years reaccreditation process to a 5 years review cycle (Corcoran, 2006). The reason of these changes would be a response to globalization, diversification, and more proliferation of technology and even because of the emerging of new competing accreditation bodies at that time like the European Foundation for Management Development quality standards (EQUIS). The EQUIS accredited 60 universities in 2003 that offer business programs in North America, Australia, Europe, and Africa (Corcoran, 2006). The new reaffirmation process considers that each business school has its unique mission, distinct stakeholders, and different resources that lead to specific expectations (Miles, Hazeldine, and Munilla, 2004, p. 29). The new experimental process aims to “create an ongoing ‘accreditation maintenance process’ rather than a series of periodic reaccreditations” (AACSB International, 2002, p. 1). The new policies of AACSB have three main focuses: strategic management, policies and processes related to faculty and students and all stakeholders, learning assurance policies and quality management (AACSB International, 2003).

According to Andrews et al. (1994), traditionally schools of business aimed for AACSB accreditation in order to improve the university's faculty performance, funding, image, and curriculum. Accreditation is a quality stamp from a third party to all stakeholders of business schools to objectively assure that the school adopts acceptable curriculum and management practices. The purpose of AACSB in higher education is similar to the purpose of ISO9000 and ISO14000 in the industry, these bodies globally certify for appropriate management and quality.

In 1991 the AACSB set new standards for the accreditation process that were primarily mission driven (Munilla, Bleicken, & Miles, 1998, p. 58). Some scholars like Slone and LaCava (1993) consider that the updated standards were placed to shore up the position of management education and create a competitive advantage; those changes may be also
considered as a reaction to the business and social concerns that were raised in the 1990s on organizational behavior including academic institutions especially that the 1991 standards basically focused on matters related to technology, environment, regulations, politics, and ethics.

In 2001, the AACSB created the Blue Ribbon Committee (BRC) that had a purpose to increase the value of the reaccreditation processes and standards to keep pace with the 21st century requirements where continuous improvement and quality assurance are crucial ("AACSB", 2011). The BRC role is to aid the AACSB to “develop a process of accreditation based on an initial accreditation review followed by a continuing process of accreditation maintenance” ("AACSB", 2011, p. 9). The BRC and the experimental maintenance framework are process driven but yet they include certain outcome mandate; they are evolutionary more than revolutionary with an objective of improving management education (Miles, Hazeldine, and Munilla, 2004, p. 30). According to both the traditional and the experimental frameworks, a business school should demonstrate high quality and have qualified faculty and innovative scholarly practices in order to be accredited (Wynne and Filante, 2004). During reaccreditation procedure, under both frameworks, the school should provide evidence of a minimum of two peer-reviewed, published journal articles in 5 years review period. Academic assessment and improvement are common principles in both frameworks (AACSB International, 2003). Table 1 show the difference between the traditional standards of AACSB and the updated standards updated in 2003.

**Table 1:** Comparison between the traditional process and the experimental process of AACSB

<table>
<thead>
<tr>
<th></th>
<th>Traditional Process</th>
<th>Experimental Process</th>
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<tbody>
<tr>
<td>Accreditation lifetime</td>
<td>Ten Years</td>
<td>Five Years</td>
</tr>
<tr>
<td>Accreditation drivers</td>
<td>Outcome driven</td>
<td>Process driven</td>
</tr>
<tr>
<td>Reporting manner</td>
<td>Self study</td>
<td>Assessing strategic plan through annual reports</td>
</tr>
<tr>
<td>Mission</td>
<td>All Business Schools should have the same mission, a required mission statement but outcomes are not assessed according to the mission</td>
<td>Missions diversity is accepted and the school's performance is assessed as a function of its mission and resources</td>
</tr>
<tr>
<td>Standards</td>
<td>Six major standards</td>
<td>3 major standards</td>
</tr>
</tbody>
</table>

Although there have been changes between the AACS 1991 and AACSB international 2003, the core foundation remains the same and includes: academic quality driven by a clear mission, outcome evaluation, and scholarly involvement. AACSB accreditation is not a guarantee of a successful future for universities that offer business programs. A study done by Porter and McKibbin (1988, p. 173) revealed that “20 to 25 years of academic business school research has yielded little or no fundamental knowledge that is relevant for the management of contemporary or future business organizations”. Hasan (1993, p. 48) stated that "business schools with the creativity, vision, and courage to launch timely, bold reforms . . . will be rewarded handsomely by free market competition forces, which are the ultimate regulator of
the academic quality of business schools”. This statement and the efforts of AACSB to add value to higher education institutions and their stakeholders through accreditation propose more innovation in the curriculum and strategy of business schools.

The Implications of 'Strategic Management Standards' on Business Faculty Members

The 'strategic management standards' of AACSB require from a business school to have a specific mission presented in a mission statement; the school's processes should be linked to its mission and also all actions, future planning, using of resources, and evolution should be guided by this mission ("AACSB", 2011). Strategic planning and implementation are dominant in AACSB standards that are mission driven, thus faculty activities such as pedagogical approaches, curricula design, and research type should be aligned with the mission (Nellen and Turner, 2006). When AACSB standards are closely analyzed, a direct and an indirect impact of these standards appear to influence faculty, their objectives, and professional life to a great extent. Professors are often creative and innovative and favor a flexible environment, yet AACSB policies set strategic boundaries of initiatives in business schools. AACSB distinguishes between primary and secondary stakeholders; the primary stakeholders are: students, administrators, faculty members, and potential employers; secondary stakeholders are: alumni, funding agencies, and peer institutions (AACSB, 2005). Indisputably, students are the chief stakeholders who should give their input in the strategic management process. This stakeholders' approach in AACSB policies oblige professors to share their power with those stakeholders and primarily students which gives a picture of customer orientation across business higher education.

Strategic Management policy of AACSB primary affects faculty members in business schools through the component of standard 2 and which states:

The mission incorporates a focus on the production of quality intellectual contributions that advance knowledge of business and management theory, practice, and/or learning/pedagogy. The school’s portfolio of intellectual contributions is consistent with the mission and programs offered ("AACSB", 2011).

Intellectual contributions requirement from faculty in standard 2 includes three categories: Pedagogical research and learning, contribution to practice, and discipline-based scholarship (AACSB International, 2008). From each category, individual business schools can decide the virtual emphasis of contribution, yet standard 2 indicates that “the portfolio of faculty contributions must fit with the prioritized mix of activities as stated in the mission statement and demanded by the degree programs and other activities supported by the school” (AACSB International, 2008, p. 23). Standard 2 requires from every faculty member to contribute to all of the three categories, but the whole faculty should demonstrate adequate development that supports the mission (Roller, Andrew, and Bovee, 2003). As part of the accreditation maintenance procedure, every five years the school must submit its portfolio to demonstrate intellectual contributions including consistency with the mission (AACSB International, 2008, p. 24). According to Arlinghaus (2008), in the last decade AACSB increased its expectations of the volume and emphasis of research since the business community requires from faculty to be more real-world oriented.

An AACSB accredited business school is free to define its missions based on the emphasis of teaching versus research; however the school should develop criteria to classify the consistency of faculty with its mission (Koys, 2008). The 'strategic management standards' are represented in the first five standards of AACSB; Table 2 presents an analysis of the impact of these five standards on business faculty.
Table 2: An analysis of the impact of AACSB strategic management standards on business faculty

<table>
<thead>
<tr>
<th>Strategic Management Standards</th>
<th>Impact on Faculty</th>
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<tbody>
<tr>
<td>Standard 1: Mission Statement</td>
<td>The mission of the business school should align with the university's mission. Beside business students and alumni, faculty members are required to give their input in developing and reviewing the mission of the business school.</td>
</tr>
<tr>
<td>Standard 2: Intellectual Contributions</td>
<td>AACSB requirement of intellectual contribution has an impact on how faculty members distribute time between research, teaching and service to the university.</td>
</tr>
<tr>
<td>Standard 3: Student Mission</td>
<td>The mission statement of the business school should target the population of students. The mission of the business school should be congruent to the mission of the university and the mission is a reflection of the resources of the school.</td>
</tr>
<tr>
<td>Standard 4: Continuous Improvement Objectives</td>
<td>Continuous Improvement: A system that the schools adopt for continuous improvement. Faculty should continuously improve, and the core value of faculty practices should be based on quality management.</td>
</tr>
<tr>
<td>Standard 5: Financial Strategies</td>
<td>Financial Strategy: The school should have enough financial resource to attain its mission. The key element for an academic department to thrive is to become central to the business school's mission.</td>
</tr>
</tbody>
</table>

The Implications of 'Participants Standards' on Business Faculty Members

The 'participants Standards' of AACSB require from a business school to have the appropriate participants whom they can achieve the mission. Thus, the school should accept students with appropriate characteristics to its educational programs, faculty with appropriate qualifications to provide the programs, and overall quality (Cotton et al., 1993). In general, these standards necessitate a mix of appropriate faculty and students to attain high quality that hold up the school's mission ("AACSB", 2011). According to "AACSB" (2007, p. 37), “A participating faculty member actively engages in the activities of the school in matters beyond direct teaching responsibilities. Such matters might include policy decisions, educational directions, advising, research, and service commitments”. Koys (2008) confirms that business faculty members in AACSB accredited business schools are involved in school governance like advising, committee membership, educational directions and policy making in addition to research and other services to the university. This participative role makes faculty active in different areas in their career and help the school to be accredited by AACSB that gives personal benefits to the faculty members. Hedrick et al. (2010) pointed out that business faculty in AACSB accredited schools have higher salaries, more published research and less teaching hours than business faculty in non-accredited schools.

‘Participants standards’ and policies of AACSB primary affects faculty members in business schools through the component of standard 10 and which states:

The faculty of the school has, and maintains expertise to accomplish the mission and to ensure this occurs, the school has clearly defined processes to evaluate individual faculty member’s contributions to the school’s mission. The school specifies for both academically qualified and professionally qualified faculty, the required initial qualifications of faculty (original academic preparation and/or professional
experience) as well as requirements for maintaining faculty competence (e.g., intellectual contributions, professional development, or practice).

This standard focuses on individual professional and academic qualifications of faculty members. The standard specifies that "[a]cademic qualification requires a combination of original academic preparation (degree completion) augmented by subsequent activities that maintain or establish preparation for current teaching responsibilities” (AACSB International, 2008, p. 44). A faculty member must have a doctoral degree and should be involved in activities that guarantee currency in his/her area of expertise, and further academic preparation and subsequent activities are also required from faculty teaching in different area from their specialties (Smith, Haight, and Rosenberg, 2009, p. 220). Faculty members should meet this requirement when they are initially hired, they are considered professionally qualified if they stay involved in relevant activities to their teaching realm. Initial academic qualification is pivotal, nevertheless, this standard specifies:

Regardless of their specialty, work experience, or graduate preparation, the standard requires that faculty members maintain their competence through efforts to learn about their specialty and how it is applied in practice. Likewise, faculty members must engage in constant learning activity to maintain currency with their fields’ developing research and theory (AACSB International, 2008, p. 47).

Participant standards should match the strategic management standards such that faculty research contribution criteria at research-focused business schools should be more rigorous than those of business schools that have teaching-focus mission (Meier and Kamath, 2005).

The 'participants standards' are primarily included in nine standards of AACSB; Table 3 presents an illustrative analysis of the impact of these standards on business faculty.

**Table 3:** An analysis of the impact of AACSB ‘participants standards’ on business faculty

<table>
<thead>
<tr>
<th>Participants Standards</th>
<th>Impact on Faculty</th>
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<tbody>
<tr>
<td>Standard 6: Student Admission</td>
<td>The quality of the students admitted to the business programs has a great impact on the nature, quality, and pedagogy of classes.</td>
</tr>
<tr>
<td>Standard 7: Student Retention</td>
<td>Faculty Academic standards and retention practices of business classes should be consistent with the business school’s mission.</td>
</tr>
<tr>
<td>Standard 8: Staff- Sufficiency Student Support</td>
<td>Every department should have sufficient resources allocated to academic placement and advisement.</td>
</tr>
<tr>
<td>Standard 9: Faculty Sufficiency</td>
<td>Business schools should have adequate faculty members to cover the offered courses and balance with student class load.</td>
</tr>
<tr>
<td>Standard 10: Faculty Qualifications</td>
<td>Faculty hired in the business school should be academically qualified and present published research.</td>
</tr>
<tr>
<td>Standard 11: Faculty Management and Support</td>
<td>Research expectations, teaching, and service workloads should be clear for faculty and continuously reviewed. Faculty should also have mentoring programs and understanding of plans and decisions regarding resource allocation.</td>
</tr>
<tr>
<td>Standard 12: Aggregate Faculty and Staff Educational Responsibility</td>
<td>Adequate resource should be allocated to staff and faculty development. The business school should provide a student centered learning experience as well.</td>
</tr>
<tr>
<td>Standard 13: Individual Faculty Educational Responsibility</td>
<td>Individual faculty members have three basic responsibilities: Have ample knowledge in their disciplines, develop pedagogical technologies, and give feedback on students’ performance.</td>
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<tr>
<td>Standard 14: Student Educational Responsibility</td>
<td>Faculty members should encourage and help students to create intrinsic motivation in their learning and to contribute to their peers’ learning</td>
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### The Implications of 'Assurance of Learning Standards' on Business Faculty Members

The 'Assurance of Learning Standards' include AACSB requirements from faculty, students, and the business community to contribute to students learning which is the basic activity of higher education. Educational goals should be always revised to guarantee continuous improvement in business programs ("AACSB", 2011). The new accreditation standards that AACSB adopted in 2003 require from business schools new techniques to assess students’ learning, by entailing assurance of learning standards (Pringle & Michel, 2007; Thompson, 2004). Martell (2007, p. 196) found that the reason of AACSB adopting the assurance of learning standards was a reaction of stakeholders’ dissatisfaction and their insistence that faculty need to teach students what they will use in the business real world. The standard of learning assurance measures the performance of students and depend primarily on the results to continuously improve the program (Martell & Calderon, 2005); however what is important for stakeholders is the learning goals of the school much more than the accomplishment levels of students (Matt, 2009). Kelley, Tong, and Choi (2010, p. 299) study shows that:

> Faculty frequently participate in assessment tasks, including defining the learning goals of the degree program, developing instruments to measure student learning, and creating and implementing changes to improve student learning. Major causes of faculty resistance to assessment include the demanding time commitment and the lack of appropriate knowledge required to conduct assessment.

Before 2003, the AACSB assurance of learning weighed ten percent only, but that policy was changed with the accreditation maintenance process and increased to thirty percent. In 1991, the idea of outcomes assessment was firstly adopted, nonetheless there was no framework that business schools can rely on in order to measure outcomes, and thus many schools used indirect measurements like employers and alumni feedback (Elizabeth and Elizabeth, 2010). In 2003, the AACSB required from business faculty to articulate definite learning objectives, measure those objectives through appropriate assessment, analyze results to resolve weaknesses and address success, and then take action accordingly (Elizabeth and Elizabeth, 2010). Palomba and Banta (1999, p.5) argue that the vital emphasis of assessment is on the program and not on individual students because the aim of assessment is to check the contribution of educational programs on students’ development and growth.

The increased focus of the new standards on assessment and learning assurance has a pivotal influence on faculty members at business schools. These standards have an impact on developing the curriculum where teaching skills should go parallel with teaching content in the educational process. Assurance of learning standards for undergraduate programs comprises of communication, ethics, analytical decision making, information technology usage, creating value chains, globalization, organizational leadership, multicultural and diversity appreciation (Clarke, 2004). Additional learning requirements relate to business
schools that offer master and doctorate programs, which include developing leadership skills, using innovation, developing research skills, and graduate students' research related outcomes (Clarke, 2004).

With AACSB accreditation the curriculum is not totally controlled by faculty members; in addition to outcome assessment, AACSB allows stakeholders to give their input on how skills and knowledge criteria are attained. Undoubtedly, faculty member will be influenced by the learning standards assurance in different manners. According to AACSB requirements undergraduate and postgraduate curricula should be highly specified and documented. Formal assessment of learning outcomes should be integrated within the curriculum and revision procedures. The result of these standards would be more standardized curricula between accredited business schools.

The 'Assurance of Learning Standards' are determined in seven standards of AACSB; Table 4 presents an analytical illustration of the impact of these standards on faculty members.

**Table 4:** An analysis of the impact of AACSB assurance of learning standards on business faculty

<table>
<thead>
<tr>
<th>Assurance of Learning Standards</th>
<th>Impact on Faculty Members</th>
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</thead>
<tbody>
<tr>
<td>Standard 15: Management of Curricula</td>
<td>Faculty should coordinate with other business school staff to enhance curricula and its impact on learning.</td>
</tr>
<tr>
<td>Standard 16: Bachelor’s or undergraduate level degree</td>
<td>Faculty should develop particular educational goals for undergraduate students and provide enough expertise in achieving these goals.</td>
</tr>
<tr>
<td>Standard 17: Undergraduate Educational Level</td>
<td></td>
</tr>
<tr>
<td>Standard 18: Master’s level degree in general management (e.g. MBA) programs</td>
<td>Faculty should develop learning goals for masters students that include analytical thinking, innovation, and leadership skills.</td>
</tr>
<tr>
<td>Standard 19: Master’s level degree in specialized programs</td>
<td></td>
</tr>
<tr>
<td>Standard 20: Master's Educational</td>
<td>If the business school offers doctoral program, faculty should develop learning goals such as research abilities and teaching abilities.</td>
</tr>
<tr>
<td>Standard 21: Doctoral level degree</td>
<td></td>
</tr>
</tbody>
</table>

**Recommendations and Conclusion**

AACSB is the best way that chairmen, deans, and provosts can use in optimizing faculty productivity and accomplish the school's mission. This approach is predominantly successful when business schools have shortage in doctoral faculty, it also helps to keep older faculty productive and current (Arlinghaus, 2008). AACSB’s aim is pursuing excellence and continuous improvement throughout business programs (“AACSB”, 2011). The accreditation standards and policies of AACSB primary focus on faculty members in the business school. Faculty can use AACSB standards as a benchmark to give high performance even the school is not applying for this accreditation body. Teaching skills is essential for AACSB, diagram 1 is a suggested teaching model that faculty members can use to guarantee learning for all students and thus match AACSB teaching standards and policies.
Diagram 1: Business Teaching Model in HEIs
In order to be prepared for AACSB accreditation, faculty members are also recommended to focus on six objectives equally as displayed in diagram 2.

Diagram 2: Six Key Components for Faculty High Performance

A business school has the choice to choose its learning goals and the strategies it will use to improve; nonetheless business schools interested in AACSB don’t have the choice if they will improve (Martell, 2007). There are some actions that faculty in AACSB accredited business schools did which can be used as a benchmark in order to be prepared for AACSB standards. Some of these actions include the faculty of the business school at Idaho State University who added a module focusing on writing skills in relation to business content (Pritchard, Saccucci, and Potter, 2010). The Fox Business School at Temple University found weaknesses in the communication skill of business students, faculty worked on developing communication skills in a business context through preparing students for better writing and presentation skills by replacing the ‘General Education Public Speaking’ module with a new ‘Oral and Communication Skills in a Business Environment’ module (Arlinghaus, 2008). The Business Administration School at Ohio Northern University found weaknesses in the business students' quantitative skills in which they changed the curriculum of quantitative subjects (Ehie and Karathanos, 1994). Business schools have different reasons to pursue AACSB accreditation, for some schools accreditation is inevitable, for others it is for the purpose of improving quality (Heriot, Franklin, and Austin, 2009). Strategic management, participants' role, and assurance of learning are the three main standards that AACSB looks for in a business school in order to get accredited. These standards primarily impact business faculty members; simultaneously faculty qualifications have a vital role in AACSB accreditation process.

References


