

4/26/12

What's next?
→ develop "categories" of themes
→ supporting data needed to build/develop

SLOAN ORAL HISTORY:

historical insights

Emerging Themes

→ what is unique/moments of truth
→ decisions/change
→ incremental evolution

cover letter article

INTRODUCTION

This piece should be thought of as a "work in progress," outlining some of the themes and ideas that have been emerging from the oral history interviews that George Roth and I have been conducting over the past several months.

BECOMING A BUSINESS SCHOOL AT MIT

Engineering is undoubtedly the dominant field at MIT, and the development of the Sloan School can be cast against this backdrop. As early as 1914 (the 100th anniversary soon to be celebrated), the Institute recognized that coursework in what was loosely called "engineering management" was in order. Many distinguished alumni took courses in this area, later renamed Industrial Management.

Bill Pounds, who has close connections throughout MIT, reflected on the fact that today engineering probably sees the Sloan School as "too academic" and wondered whether Sloan has not (again citing the engineering perspective) veered too much in an academic direction. Bill's test of achieving the right balance is whether the faculty is doing research that has value to the practice of business. In other words, are faculty being asked for advice by practitioners?

Ed Schein would make another point: engineers are interested in content, in products, while much of the Sloan School (especially folks in Behavioral and Policy Sciences) are interested in process.

with what cases experience or follow as requirements/factors
for MIT Sloan
for MIT
university

challenge → abstracting from community to overall themes
→ representative or important/evaluative?
→ data to inspire or support → who, when, etc → faculty, PhDs, research funds/proj. or centers
relationship of peoples communities, dreams, goals and motivations to faculty & student experience
is students/enrollment

Several questions can be posed on this matter of how the Sloan School stands within MIT (especially in relation to engineering):

- Has the Sloan program veered too much in a technical direction?
- With respect to the Sloan minor in business, which was established several years ago, does it fit the notion of engineering being very practical and applied?
- Have the major and minor programs in business at Sloan become too academic?
- What subjects within Sloan's curriculum do engineers find most relevant? One of our interviewees speculated that the other end of MIT would grant the fact that we need to teach accounting and finance, but would they see relevance in the other subject areas of the Sloan School?

THE ONGOING CHALLENGE FACING ALL BUSINESS SCHOOLS

Like Chicago, Wharton, Stanford, and Northwestern, Sloan finds itself wanting to be both practical (sometimes called relevant) while at the same time being rigorous. This is an age-old tension; when I got to the University of Chicago, the school was coming off a long period when it had been very vocational. The same was true for Wharton, and as a result of the 1959 report by Gordon & Howell, business schools took a sharp turn in the direction of becoming more discipline-oriented. When it was established in 1952, the Sloan School—with the guidance of the first leadership team, especially Eli Shapiro—decided to move in this direction, and as new faculty came to the school and asked the dean how to go about teaching their courses, the instruction was: “draw upon research and be sure not to use any cases.”

Another way to be both practical and rigorous is when it comes time to review faculty for tenure, to place more emphasis on books (which are more likely to be read by practitioners) than refereed articles in academic journals.

As an aside, it should be noted that the MIT Economics Department has achieved a good balance. It is respected as the number one economics department in the country, with distinguished faculty, some of whom have earned Nobel Prizes; at the same time, its members are called upon to play important roles in shaping economic policy. Can the same be said for the other disciplines present in the Sloan School, such as quantitative analysis, sociology, and political science. ?

THE EVOLUTION OF THE SLOAN SCHOOL

The Sloan School, when it began in 1952, was influenced by two other program streams that had been in existence for considerable time. First is the undergraduate program and second is the Sloan Fellows Program, begun in the early 1930s. The latter was especially popular with Alfred P. Sloan, who underwrote the stipends for many of the early students and insisted on substantial participation in the program by middle managers from General Motors.

An interesting exercise would be (1) to analyze the impact of these two programs on the philosophy of the Sloan School as it got started; and (2) to look at the evolution of the Sloan School over the past almost 60 years, to understand how its current emphasis on business with an MBA, with very few students doing a thesis (still remaining a requirement for engineering graduate work) how we fit into the MIT ethos.

Speaking of the undergraduate program, soon after becoming dean in the early 1960s, Bill Pounds toyed with the idea of closing the undergraduate program and concentrating all of

the Sloan School energies at the graduate level. However, when it was realized that some of the most distinguished MIT alumni (such as James Killian) had graduated from this program, the idea was quickly dismissed.

MAJOR TURNING POINTS AND DEVELOPMENT STAGES

As just mentioned, the Sloan School has evolved from a school of management to a business school – in some ways not easily distinguished from, say, the University of Chicago or Stanford business school. Along this 60-year journey, a number of markers can be identified:

- The Ph.D. program was established in ? (it would be interesting to tabulate, by year of graduation, the number of Ph.D. students and their fields of concentration)
- Early in Dean Abraham Siegel's administration, the interest groups of the Sloan School were coalesced into three departments: Behavioral and Policy Science, Management Science, and Finance/Economics/Accounting.
- While some early examples exist of international programs, and a number of faculty were involved with helping to establish management centers in India during the 1960s, the development of the international strategy of the School crystallized while Lester Thurow was dean.
- A very important way to understand the evolution of the School is to track the physical changes. Initially, everything took place in the building purchased from Lever Brothers by Alfred P. Sloan. Then the building across the street, which had been an industrial research center was acquired, and subsequently expanded when Dean Siegel raised sufficient funds to create the Tang Instructional Center. As the school expanded, space was acquired in the

Herman Building, and across the street in Building E-40. Today (2012), most of the faculty are now housed in a new building, E-62, with the central administration next door in E-60.

- When Michael Scott Morton came to the Sloan School in the 1960s, he found the place to be quite “shabby,” and he only planned to stay for a few years while he completed his dissertation at Harvard Business School. Fortunately, he stayed (having been attracted by some interesting research work), and today the physical facilities are very different than the early days of the Sloan School.
- It would be important to have a tabulation of faculty, by interest area, for broad periods of time over the past 60 years. This should also include lecturers who have always been part of the School’s effort to relate to practice.

graphic → need multidimensional
 → Deans (leaders) } milestones
 → programs }
 → Societies }
 → awards/grants/funding }

MAJOR RESEARCH PROGRAMS

Over the years, the Sloan School has distinguished itself by going after funding from foundations, business organizations, and in some cases the U.S. government, bringing together faculty across different areas of the Sloan School to work in a concerted way on major research questions. The list that follows is only partial:

- The NASA research project started in 1961. It pulled a number of faculty together, and set in motion the important area within the School called “Management of Technology and Innovation.”
- Under the guidance of Michael Scott Morton, a project of the 1990s was instituted midway in the 1980s.
- Early in the 1980s, the Sloan Foundation made a grant to the Institute for Work and Employment Relations, which led to several award-winning studies.

accomplishments in disciplines vs. progress as school ?

- The subject of "lean," in both autos and aircraft, became a major project that brought faculty from across MIT together, and enhanced connections between Sloan and Engineering.
- The same bridge building has occurred (and continues) in the field of energy and climate change.
- Others to be added

→ integrated projects
↳ courses of study?

THE STATUS OF CENTERS

The examples just given for the most part represented research projects with a beginning and end. The Sloan School has, along the way, on several occasions, established centers that continue. The best and most successful example of this would be the Center for Information Systems Research (CISR), which was established in the 1960s by Jack Rockart, and still continues with considerable success today.

A number of centers were established under the guidance of Glen Urban as dean, and several of these centers no longer exist in part because faculty were unable to respond to practical research questions requested by the sponsors. A longer discussion could take place about the best ways to establish research centers (CISR and the Energy centers being the best examples).

TERMINATED PROGRAMS

It is always instructive to think about programs that have served their time and were subsequently terminated. These events can provide lessons for going forward:

- The Accelerated Master's Program, which enabled students to receive a master's degree in business in one year, was terminated some years ago.
- The Senior Executive Program, which was established soon after the Sloan School was launched in 1952, was terminated during the 1980s.
- As mentioned earlier, programs that fit the management label of the School (not business), such as Health Studies, and special programs for urban executives, are no longer offered.

• center that closed/left →

MAJOR IDEAS

This could be considered the bottom line for the business school, and also begins a list that the designers for the 100th anniversary celebration should elaborate:

- Experiential learning and its offshoots of process consulting and the analysis of culture. Early on, the School boasted some of the big names in organizational behavior, such as Douglas McGregor, Alex Bavalas, and Ed Schein.
- Speaking of Doug McGregor, certainly most people in business are familiar with his work on Theory X versus Theory Y.
- Peter Senge and his work on the Fifth Discipline has received considerable attention.
- System Dynamics and the work of Jay Forrester and John Sterman are well known.
- The Marketing Group, with its emphasis on customer metrics, and the prototypes for assessing the likely success of new products in the marketplace, should be in the crown of the Sloan School.
- Certainly, Option Pricing is something that Wall Street relies on today – for better or worse.
- As mentioned earlier, the NASA project set in motion what has been emulated many places around the world: the study of technology innovation.