

INNOVATIONS IN BUSINESS EDUCATION THROUGH THE DEVELOPMENT PLANNING APPROACH

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INTRODUCTION

The management of any business organization must always adapt its policies and practices to the environment to be successful in operations. More than at any other time, we in the Philippines today, live in a rapidly changing environment. Thus, it behooves every business firm to be dynamic and relevant in its mission and be always conscious of significant changes in its milieu. To do this, it is necessary to be constantly analytical of the opportunities and threats presented by changing environmental conditions. We should be ready to dialogue with the end users of our products.

We are fortunate that our government is receptive to change in all sectors. This includes the field of education. No less than President Marcos and Minister Juan Manuel, in their numerous pronouncements, have openly opted for innovations in education. This is a very encouraging sign, where the top men of the country are aware of the need and give encouragement to make higher education relevant and responsive to the needs of our society. Surprisingly, however, we in the academic sector have not kept pace with the government and private sectors in effecting changes in our courses and programs. This is especially true with higher education. Just like the business firm, higher education must be attuned to the need of the environment to fulfill goals and objectives effectively. In fact, some sectors of society charge that we in the higher education, live in ivory towers, unconcerned with events around us.

For the nation to progress, we should gear education towards increased regional and national productivity. This is where business schools can lend and use their expertise — to hasten national growth through graduates with improved management skills to ably man business and government firms.

For many years, we have been satisfied with traditional approaches and conventional offerings in business education. With the rapid changes in technology, these approaches are no longer effective. We cannot use old tools and techniques to handle new problems and opportunities. If we

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do so, we fail to optimize our resources, and our efforts result in low productivity. We have to use new tools and new approaches.

While there are other worthy goals in education today, our economy dictates an urgent need for the development of management and executive skills for business firms. We should focus attention on the effective use of scarce resources to contribute to an increased productivity necessary for national development. These are the imperative challenges to our present schools of business.

This paper describes the use of the development planning approach in the design of business courses at the Pamantasan ng Lungsod ng Maynila, the University of the East and the University of Mindanao. These courses are aimed to make course offerings relevant to the needs of the environment to contribute to national development.

THE PLANNING MODEL

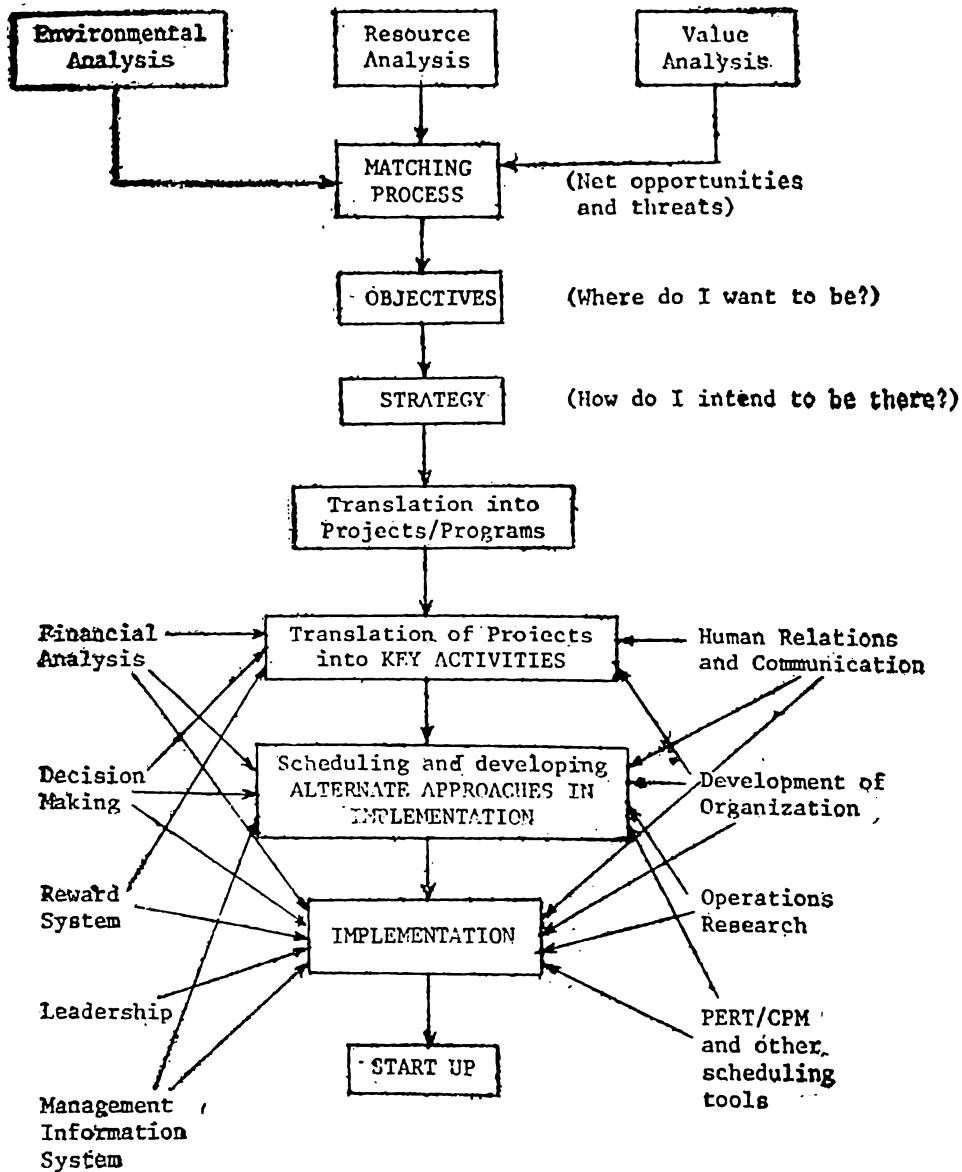
The model* used in the formulation of plans is the Business Policy Model, which requires environmental resource, and value analyses of the organization. The output of environmental analysis is the realization of opportunities and threats in the environment; that of resource analysis, the strengths and weaknesses of the organization; and that of value analysis, the values and aspirations of the firm. Such an analysis will pinpoint the opportunities and threats in the environment consistent with the firm's resources and values. For the organization to cope with its objectives, the threats in the environment would have to be resolved and the opportunities availed of. These threats and opportunities are conceptualized into projects, programs and courses, and translated into activities which are programmed, budgeted and scheduled before implementation.

ENVIRONMENTAL ANALYSIS

Based on environmental analysis, the following are the existing conditions and projected trends relevant to this study:

1. Receptivity of the present government to innovations in education especially those that will contribute to the regional and national development.
2. The development and encouragement of small- and medium-sized industries.
3. Dispersal of education resources from Metro Manila area to rural areas.
4. Dispersal of industries from urban to rural areas.

* Soriano, Emanuel V. *The Concept of Corporate Planning*.



5. Prevalent failures among small- and medium-sized firms because of poor management.
6. Standing regulation of the Ministry of Education and Culture, which requires faculty members in higher education to acquire masteral degrees.
7. Inadequacy of management know-how in government and business sectors especially prevalent in the middle management level.
8. The cultural and social values our people have regarding higher education, and the importance given to the acquisition of college degrees.
9. The prevalence of management seminars and short-term courses.
10. Educational institutions have not kept pace with innovations in the private sector and some specific agencies in the government sector.
11. Employees in business firms and in the government belong to a different category of professionals. During the first few years they undertake jobs in line with their specialization in college, and are promoted to supervisory positions. Generally, however, these employees were never exposed to management practices during their undergraduate courses, and are thus promoted to positions for which they do not have expertise. They learn by trial and error. Some succeed and go up in the rung of management, others fall down along the way. Some companies provide some kind of in-house training, but how many companies do and can afford the time and the expense?
12. There are employees and/or entrepreneurs who manage their firms with some degree of success. Either of two things can be assumed here: a) That the field offered many opportunities that even if they committed mistakes, they turned successful. In critical times, the result could have been otherwise. b) They possess business acumen and were able to do their jobs well. Again, I see here an opportunity for business schools to be of better service to those who fail to interact with the more successful ones, and to the latter who may have the potential to be more productive.
13. There are many employees in the rank and file, supervisory and managerial positions who can be further made productive. This observations becomes even more important if we realize that, in management, the supervisor multiplies himself through his subordinates. Again, while the companies may be in a position to train, how many do, and how many are able to offer effective programs?
14. There is a proliferation of management and technical seminars being offered on a formal and non-formal basis. How effective are those programs/seminars which do not require formal assessment of performance? The seminars in vogue are generally fragmental, characterized

by the absence of an integrated approach which could bring about significant effects on the participants. A number of employees attend these programs to get certificates of attendance to be used in the reckoning of promotions in the office.

15. Granted that participants learn in these seminars, there is a difference between learning and applying what one learns in the work situation. For a seminar to be successful it should aim for the acquisition of three components: knowledge, skill and improved attitude. The last one is generally missing in most seminars.
16. In any kind of program, our cultural and social values should be considered. Our people generally place a high value on college diploma, which most of these seminars do not give.
17. For those seeking higher degrees in educational institutions, such as Masters in Business Administration (MBA), the composition of the participants is usually heterogenous — from very young graduates to those belonging to top management. This situation is not conducive to effective learning because their backgrounds are varied and their needs different. This is further compounded by the fact that sometimes the professors are young and inexperienced, with limited practical experience and armed only with academic degrees.
18. A regulation by the Ministry of Education and Culture requires the writing of a thesis for an MBA degree. In most cases, this is the stumbling block of MBA students who are able to finish academic requirements but are not able to complete their theses. This situation is generally true for private schools directly under the Ministry of Education and Culture. All of these schools have to comply with the requirement. There are many cases of businessmen who have gone to graduate schools and have left without degrees for this reason. I do not agree with the thesis requirement for a professional degree like an MBA.

CONSTRAINTS OF ENVIRONMENTAL ANALYSIS

1. The top executives of the various companies who stand to benefit from advanced degrees have no control of their free time and cannot be expected to attend classes as regular students do in college. This is true for those who have attained these positions with or without baccalaureate degrees. However, this does not mean that they cannot devote time to studies. Regular classes may only limit many of them from going to school.
2. Assuming that a schedule which will intrude less into their regular business activities can be arranged the thesis requirement may remain a stumbling block.

RESOURCE AND VALUE ANALYSES

The following are the constraints of the resource and value analyses:

1. Physical facilities at the Pamantasan ng Lungsod ng Maynila, the University of the East, and the University of Mindanao are presently fully utilized.
 2. Inadequate parking areas. The University of the East is at the heart of the university belt area. The University of Mindanao is at the downtown area where parking areas are limited. The Pamantasan ng Lungsod ng Maynila also has limited parking areas.
 3. Constraints in operations due to the control of the Ministry of Education and Culture, particularly regarding fees and other dues in the University of the East and the University of Mindanao. At the Pamantasan ng Lungsod ng Maynila, Manila also controls the raising of tuition fees because students come from the low income group.
 4. Need for academically prepared faculty members, who also have business practice.
 5. The University of the East and the University of Mindanao are private corporations which earn profits for their stockholders.
- On the other hand, the strengths of these institutions are:

PAMANTASAN NG LUNGSOD NG MAYNILA

- It is the city university. Design of the courses is not subject to the Ministry of Education and Culture.
- It is funded by the city of Manila and not profit-oriented.
- The management encourages innovations and new approaches in education.

UNIVERSITY OF THE EAST

- It is considered the leading business school in the field of accountancy.
- Among the schools at the university belt area, it offers the most benefits and the best compensation to its faculty members.
- The management encourages innovations in the various colleges and it has created a healthy atmosphere for creativity among the deans.
- The management has also put more emphasis on the quality of instruction rather than on growth in size.

UNIVERSITY OF MINDANAO

- It is the leading university in Mindanao.
- The management is receptive to innovations.
- The management is also conscious of problems in faculty recruitment and is willing to get assistance from leading schools in Manila.

MATCHING PROCESS

Based on a matching of the output of the three analyses the following are the perceived opportunities and threats:

1. There is a big population in the business sector of both senior business executives and entrepreneurs who have risen to executive levels without earning any college degree. This presents an opportunity for further improvement of their managerial skills. This chance is further reinforced by the cultural and social values held by Filipinos regarding college degrees. Training, for these executives, will result to improved management ability and productivity. At the same time, it will satisfy their inherent desire to elevate social status by earning college degrees.
2. In this light, training for senior government officials and Armed Forces officers give added opportunities for institutions to contribute national goals. The expected output is improved and more effective government management service.
3. There is a tremendous opportunity for management training of professionals, presently employed in the government or business sectors. Generally, fresh college graduates start employment as specialists and are promoted after a few years to supervisory positions for which do not have any previous training. While many are able to manage, they do so by trial and error. It is expected that education toward management positions are both costly and inefficient.
4. There is an opportunity for management training of entrepreneurs and/or potential entrepreneurs. In our society, a considerable number of failures in small- and medium-sized firms exist, failures due to poor management. Generally an entrepreneur who goes into business starts out as a specialist in a field but is utterly deficient in management skills.
5. Due to the dispersal of industries into the rural and regional areas, an opportunity to develop the management skills of business executives and/or entrepreneurs in these areas exist.
6. There is a preponderance of management seminars in the Metro Manila area and other major cities in the country. More effective seminars and courses can still be offered. However, most of these seminars require attendance, subsequently making the learning process ineffective. A scheme can be developed to effect improvement such that emphasis will not only be on the acquisition of knowledge and skill but more on the improvement of attitude.
7. Graduate and undergraduate courses and programs can also be offered to homogeneous groups to encourage and speed up the learning process.
8. The Ministry of Education and Culture requires theses from all graduate programs in private schools. This requirement is a deterrent in

professional courses such as the MBA and generally discourages top business executives to avail of the program because of their general lack of time and interest in research. Thus, there is an opportunity to offer a program which can subject senior executives to rigorous management training without their being required to prepare theses.

9. In areas like Mindanao, recruitment of qualified faculty members in business and public management is a major problem.

THE INNOVATIVE PROGRAMS

Using as input these net opportunities and threats and the constraints offered by the resources and values of these institutions, the following programs and courses were developed and subsequently approved:

I. PAMANTASAN NG LUNGSOD NG MAYNILA

A. College of Business Administration

Bachelor in Business Management (BBM)

There are many professionals in business who have reached supervisory positions but whose specialized fields of training are not in business management. That they have been successful so far does not mean that they could not have performed better with formalized management training.

The College of Business Administration sees an opportunity to provide them further training in management and expose them to modern tools and techniques. In this regard it proposes a special baccalaureate degree program aimed at:

1. Broadening their knowledge in general business management; and
2. Updating their knowledge in management currently used in the more developed countries and adjusted to fit our culture and environment.

This program aims to meet the needs of supervisors who want to acquire additional knowledge in business management without pursuing the master's degree program. At the same time it offers basic subjects that will be needed by non-business graduates who may want to pursue MBAs.

The output of this program are as follows:

1. To be conversant with the latest tools and techniques in management as adapted to Philippine conditions.
2. To be adept in the analysis and decision making of administrative problems.

3. To spot opportunities for services offered by the environment and consistent with agency resources.
4. To prepare plans and projects to avail of these opportunities for services, and
5. To implement these plans and projects effectively.

B. Graduate School of Business

Master of Business Administration (MBA)

This program is a logical continuation of the BBM course. Normally, a non-business graduate will have to take basic courses in management before pursuing a graduate course in business. Hence, the BBM course will have offered the student more than ample preparation for the graduate course. Only those who have a weighted average of 2 and above in the BBM program can pursue this program.

II. UNIVERSITY OF THE EAST

A. Graduate School of Business

1. MBA for Executives

Although the Ateneo de Manila University has a similar program which was started earlier, this program is different in many ways. It requires a minimum of formal classes and is directed to individual studies. All courses require a term paper, preferably about the company of the participant. Thus, a course in Marketing will require a term paper about the participant's firm, and will deal on the problems and opportunities in this field. Upon completion of academic requirements, the student can complete within a short period the thesis requirement designed to integrate the course term papers. The thesis will deal on the strategy formulation for the participant's firm. The meetings are minimal and schedules are flexible to meet the needs of the students.

The output for the participant in this program are as follows:

- a. Improved knowledge of his firm through term papers on its operations and with particular emphasis on its problems and opportunities.
- b. He learns of other executives' experiences through routine formal and informal interaction inside and outside the classroom.
- c. Through the course design he is able to comply with the thesis requirement more easily. After completing academic require-

ments, he can integrate the course term papers to constitute a strategy formulation for his firm. This is an accepted thesis by the Ministry of Education and Culture.

- d. He acquires an increased understanding of his firm which result to more effective management.
- e. He earns the degree of Master in Business Administration.

2. Professional Diploma in Business Administration

This is awarded to those in the MBA Executives program who receive a weighted average of 1.75 or higher in the academic courses, without any grade lower than 2 after the completion of their formal course work. This is made to order for business executives who want intensive training in management. A thesis is not required here. This offers opportunity for senior businessmen to earn awards other than the usual certificate of attendance.

3. Master in Business Administration for Practitioners

This is an MBA program aimed at providing a management course specifically for middle management. Since it is a homogeneous group of middle supervisors, the learning process is encouraged. Participants share common interests and similar problems.

4. Master in Management Program for Senior Government Officials/Senior Armed Forces Officers

This program is similar to program (1) except for the concentration on Public Administration instead of business management.

B. College of Business Administration

1. Bachelor in Business Management for Business Executives Who Do Not Have Degrees

The number of units required per participant will vary according to the number of college units he has earned, his position in the business firm, the size of the organization, and the number of years of his service in the outfit. The program requires minimum class attendance. Emphasis is directed to individual study, and progress depends to effort the participant gives to his own study.

This course is ongoing and initial results have been gratifying.

It avails of the following opportunities:

- a. The cultural and social values our people hold regarding degrees.

- b. The need of senior businessmen and entrepreneurs to improve business and management know-how.

2. Bachelor in Management Program for Senior Armed Forces Officers/Senior Government Officials Who Do Not Have Degrees

This is similar to program (1) except that emphasis is on service management rather than on business.

3. Bachelor in Business Management Program for Professionals in Business

This is a two-semester business management program for professionals with baccalaureate degrees in fields other than business management. Practical applications in management are emphasized. The program aims to provide training to professionals who occupying the first rung in supervision.

This program avails of the opportunity of training professionals employed in the business sector, who have not been subjected to intensive management training. It is hoped that such program will result in improved effective management.

4. Bachelor in Management for Professionals in Government

This is similar to program (3) except that it has been specifically designed for professionals in government. Courses in programs (3) and (4) have overlaps in the graduate programs (1) and (4) in A.

5. Special Courses for Business Firms/Government

These special seminar type courses differ from usual seminar offerings in that college unit credits will be given to the successful participants. Each seminar will require the passing of a final examination plus practicum in line with the subject of the course.

These special courses for Business Firms/Government cover three special programs which are described below:

- a. The Master in Business Administration Program for Business Executives/Senior Government Officers/Senior Faculty Members who are holders of Bachelor's degrees

The requirements of this program are the same as that of the MBA for Executives. However, methodology is different. In lieu of the regular courses, seminars will be substituted. To qualify for graduate unit credits, the participant will have to pass a final

examination, submit a satisfactory term paper, and get a grade not lower than 2.

- b. Bachelor in Business Management Program for supervisors and professionals in the business, academic and government sectors.

The requirements are as specified in program (3) listed under the College of Business Administration. This program however, replaces the courses by seminars. To meet requirement, the participant will have to pass a final examination and get a grade not lower than 3.

- c. Bachelor in Business Management for Business Executives Who Do Not Have Degrees

This program is similar to program (1) under the College of Business Administration except that regular courses will be replaced by seminars. To meet course requirements, the participant will have to pass a final examination, with the optional submission of term papers.

These special programs will be offered throughout the Philippines. The University of the East will undertake the offerings in the Metro Manila area. For regional areas, the University of the East will either handle the programs through a consortium arrangement or, if regional school desire, it could provide lectures for the courses to be handled directly by the regional schools.

The implementation of these special courses in the Metro Manila area will not offer difficulties. However, in the regional areas one problem that will definitely arise is the question of how the faculty members from the Metro Manila area will adapt to an extended stay in the region they are assigned.

The operationalization of these special courses in the region will be as follows:

- 1) The regional schools will advertise the program and participants will be selected from the business executives, senior government officials and senior academic faculty members.
- 2) Once the class is constituted, all the reading assignments, cases and papers to be assigned will be sent to the region at least a month before the start of the seminar to enable the participants to study all the readings.
- 3) The actual seminar will be held at least eight hours a day for five days for the lecturettes, class and case discussions, and interaction. Evenings will be spent on peer lectures by participants in their specialization.

- 4) On the fifth day, a final examination will be given. The seminar term papers will be submitted a month later, and grades for the seminar will depend on class participation the final examination, and the term paper.

What is the expected contribution of this program? In the Metro Manila area, an improvement in professional and executive management know-how and an increase in the productivity of plants and factories are expected. Hopefully, failures in the small- and medium-sized firms will be reduced. The program will further contribute to the improvement in quality of academic personnel.

In the regions, we expect a much broader impact — better management know-how among business executives and government officials, and for the academic staff the earning of MBA degrees. At the completion of the course, the business executives and government officials can teach part-time in the business schools of the region. They generally become more effective teachers in through practical experiences. Furthermore, due to the current government policy of dispersal of industries to the rural areas, an important contribution will be the increase of capable executives to man business firms and government agencies. If such a program is held in the various regions in the Philippines, the overall effect in management skills in the business and government sectors will be far-reaching and will contribute immensely to regional development.

III. UNIVERSITY OF THE EAST IN CONSORTIUM WITH THE UNIVERSITY OF MINDANAO

An MBA program for executives that was entered into by the University of Mindanao in consortium with the University of the East, this program follows the design as discussed in item II.B.5. It was started in 1977, and will be completed by October, 1980.

ENVIRONMENTAL ANALYSIS AND SCANNING

- * INPUTS: Technological
- Socio-Cultural
- Psychological
- Legal-Political
- Economic
- Industry Structure
- Industry Practices

Other Firms in Industry

Competitive Firms in Allied Fields

Customers and Clients

Other Industries Affecting Your Industry

- * Study present situation
- * How will interaction of these factors affect the environment in general and your firm in particular?
- * Study past performances of the industry and with your present assessment, project your environment into the future.
- * The output of your analysis will be a recognition of present opportunities and threats in your environment.
- * The output of your projection into the future (planning period) will be a recognition of future opportunities and threats in the environment.

* Lecture of Dr. Isidro D. Cariño in the first joint seminar sponsored by NEC and EDPITAF in Baguio City, February, 1980.