

Study finds business school research raises students' salaries

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The value of academic research performed at business schools has been questioned for the past two decades, some even calling it irrelevant to the real business world.

But a study by Russell Crook, assistant professor of management in the College of Business Administration at the University of Tennessee, Knoxville, finds that scholarly research conducted by business professors seems to have an impact on the salaries of their [students](#) after graduation.

The paper, co-authored by Jonathan O'Brien of Rensselaer Polytechnic Institute and Paul Drnevich and Craig Armstrong of the University of Alabama, concludes that "the level of scholarly research activity at business schools appears to add considerable [economic value](#) to MBA students' future salaries."

The paper, "Does Business School Research Add Economic Value for Students," is in the current issue of Academy of Management Learning and [Education](#) and can be viewed at <http://journals.aonline.org/AMLE/articles/AMLE-2010-Vol9-No4-638-651.html>.

Crook found that scholarly research at business schools appears to add as much as \$24,000 a year, or 21 percent, to the MBA students' future salaries.

"What we discovered is that research-intensive schools generally do a better job than nonresearch-intensive schools in helping their students acquire and hone their knowledge, skills and abilities, which pays high financial returns to the students when they go out into the real business world and get a job," Crook said.

Crook collected data on the salaries of MBA graduates three years after they graduated from 658 business schools in the U.S. and around the world. He chose the three-year mark because, at that point in their careers, the graduates were "more reflective of the value of the knowledge, skills, and abilities provided by the business school education." He then compared this to data on research productivity at each school obtained from a social science citation index. He factored in other information that might influence salaries, including the school's reputation and financial resources.

The analysis revealed that the amount of faculty research published in the most influential journals was significantly related to higher salaries in graduates.

"Even if the research the professors are conducting isn't directly related to what they are teaching in the classroom, it may help them hone analytical skills and emphasize a more rigorous approach to problem solving that resonates with the students," Crook said. "Plus, these professors are creating knowledge and keeping abreast of cutting-edge developments in their fields. This is better than simply teaching from textbooks written by others."

Provided by University of Tennessee at Knoxville

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