Business school research is broken—here's how to fix it

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Researchers from Erasmus School of Economics, IESE Business School, and New York University published a new paper in the *Journal of Marketing* that examines what business schools do wrong when conducting academic research and what changes they can make so that research contributes to improving society.

The study, forthcoming in the *Journal of Marketing*, is titled "Faculty Research Incentives and Business School Health: A New Perspective from and for Marketing" and is authored by Stefan Stremersch, Russell Winer, and Nuno Camacho.

In February 2020, an article in the Financial Times stated that business schools' research model is "ill," with faculty increasingly focusing on "abstract, abstruse and overly academic topics with little resonance beyond the higher education sector."

The researchers demonstrate that business schools use the wrong research metrics and incentives with research faculty. As Stremersch explains, "We show that business schools focus excessively on the quantity of research and insufficiently on other critical aspects such as the quality, rigor, relevance, and creativity of such research." To gauge whether research incentives in business schools are indeed badly designed, they surveyed 234 marketing professors in business schools across 20 countries and completed 22 interviews with 14 (associate) deans and eight external institution stakeholders.

Results show that business schools' research incentives are badly designed for three main reasons. First, business schools use the wrong research metrics to monitor their faculty's research, often harming the quality (rigor and relevance) of the research produced by their research faculty. Second, research with lower-than-desired practical importance may hurt teaching quality, which negatively impacts business school health. Third, while research faculty feel undercompensated for the research they do, (associate) deans feel that the current compensation levels for faculty are not sustainable.

The researchers assert that business schools need to recalibrate their faculty research incentives. To do so, business schools can start with three concrete actions. First, business schools need to develop better research metrics. "Schools need to reduce the weight they place in low-effort metrics (such as the mere number of publications or citations) and increase the weight they place in effortful metrics such as awards, research creativity, literacy, and relevance to non-academic audiences," says Winer.

Second, business schools need to develop a high commitment working environment where research faculty internalize and actively contribute to the health of the business school. Such high commitment environments should improve alignment between schools and their research faculty in terms of compensation.

Third, business schools need to improve the practical importance of their faculty's research. Several (associate) deans at top business schools whom the researchers interviewed report that the business schools they lead have made more progress on rigor than on practical importance and that they are concerned about a further decline in such practical importance in recent years.

In sum, business schools need to revise their faculty research incentives to ensure their faculty produce research that lives up to society's expectations and improves managers and firms' decision making.

More information: Stefan Stremersch et al, EXPRESS: Faculty Research Incentives and Business School Health: A New Perspective from and for Marketing, *Journal of Marketing* (2021). DOI: 10.1177/00222429211001050

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