

Management as an activity pervades almost every human endeavour. But there is no unifying professional association of managers. Many now believe that to preserve and promote standards this should change. **Santiago Iñiguez** weighs up the arguments

Should management be a profession?

One of the more interesting social phenomena to appear during Middle Ages in Europe were the guilds, the origins of our modern trades and professions. The expansion of the city and the emergence of a money-driven economy rather than one based on barter saw the guilds' stature grow over the course of the 13th century.

Among the time-honoured professions that developed into guilds were jewellers, carpenters, blacksmiths and glaziers. Many guilds were established on the basis of a letter of patent or a concession by the local ruler in exchange for which the guilds agreed to pay taxes and bear arms on the ruler's behalf in times of conflict.

Germany's *zünfte*, the *métiers* in France, the craft guilds in England and Spain's *gremios* were all variations of this model of association out of which vocational studies would eventually emerge characterised by long apprenticeships under the supervision of master craftsmen.

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The guilds also became fiercely guarded repositories of expertise accessible only to members and they laid out the first career structures and established specialist niches within their particular professions.

Over time, the guilds disappeared or adapted to the needs of the market economy, giving way to chambers of commerce, professional associations—such as those of doctors, architects or engineers—and to more sophisticated, increasingly open, trade bodies.

Nevertheless, some modern-day professional organisations, such as the bar associations, retain something of the guild, although many of their privileges are now endangered by supranational legislation such as the European Union's 2006 Services Directive, which aims to create a single market for services, eliminating cross-border barriers in the process.

Historically, management has never attained the status of a formal profession in the sense of setting up a guild or association. In large part, the reason why there are

no managers' organisations is due to the flexibility and presence of management throughout such a wide range of activities.

Would it really make much sense for the head of a hospital's surgery department, the partner-director of a law firm, the founder of a high-tech start-up company and the CEO of a consumer products manufacturer to create their own guild or any other type of association?

They are all managers, and it may be that some of them have MBAs, but their shared professional interests would not extend much beyond ideas on how best to manage a budget or to motivate their workforce.

In all likelihood, they are going to be more interested in learning all there is to know about their respective professions—medicine, architecture, law—and applying these techniques, tools and ideas on management within the framework of these professions.

Looked at in detail, all forms of work reveal the presence of some kind of management. As with design we only become

aware of faults in the objects we use when they do not work. In the same way, we realise that a professional activity is being badly run when we note the absence of the basic principles of management.

For example, this could be human error during a medical procedure resulting in a wrong diagnosis or even death or an architect repeatedly going over budget on a project or failing to meet deadlines.

The need for management in all activities has helped drive the growth of management studies along with the appearance of so many new business schools and the decision by professionals from diverse fields to take an MBA degree.

It has also prompted some sociologists to predict that business studies will form part of the syllabus of primary schools in the future in the same way that literature and mathematics do.

Nevertheless the presence of management in so many areas makes it very difficult to meld the many different executive fields into a single profession, one that stands out from the rest of the applied professions.

That said, there is a growing debate, set off in America by Rakesh Khurana in his book *From Higher Aims to Higher Hands. The Social Transformation of American Business Schools and the Unfulfilled Promise of Management as a Profession* (Princeton University Press 2007) and picked up on in Europe by a range of writers, in favour of the professionalisation of management.

In which case, what are the main arguments for turning management into a profession like any other?



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**Argument one:
The keeping out the under-qualified argument**

In many cases professionalisation has been introduced to prevent those without the necessary training and skills from practising certain trades and careers.

In the case of medicine, professionalisation means that doctors have been trained sufficiently to carry out their job. But, as experience shows, keeping out those who are not properly qualified does not mean that some patients do not seek the services of those providing alternative medicine anyway.

It should also be said that the justification of maintaining professional standards has often been used to prevent professionals from other countries being accredited, typically on the basis that they have undertaken a different line of studies, or that they have not completed their training or that the standards in the country in question do not match ours.

For the purposes of this analysis, the main task here is to identify whom we would keep out of our professional association – and on what basis.

It is virtually impossible to determine who should be kept out of management. What about entrepreneurs, the most authentic representatives of management, men and women who, in the best sense of the word, are rule breakers?

Do we foresee setting up formal accreditation procedures for entrepreneurs to join the management profession? Would they only be considered professionals when their start-ups had proved to be a success over time or would they be allowed in even if their businesses had failed?

The answer to such questions is obvious: there is no point in professionalising entrepreneurs. Interestingly, almost all business schools these days say they want to create entrepreneurs; trying to professionalise them would surely be the best way to frighten them off.

Clearly, the argument of maintaining professional standards or keeping out the under-qualified would not justify professionalising management.



**Argument two:
The necessary skills argument**

Closely linked to the first, this argument says that professionalising management would guarantee that those in charge of organisations have the necessary skills to carry out their tasks.

The tendency for multinationals to recruit MBAs indicates that business school graduates possess certain skills and that they have developed certain abilities that will increase their likelihood of being successful managers.

But once again we find a number of respectable exceptions to this rule, notably in the form of successful business people who have no formal education. That said, the main objection to the argument that managers must possess certain skills is that a qualification obtained in the past does not necessarily enable anybody to face all the challenges of the future.

This is why business schools always insist that continuing the learning process throughout a management career is a *sine qua non* for success, even for entrepreneurs.

Management is a clinical profession practised in a constantly changing environment. As with medicine, where doctors update their knowledge and their techniques constantly, managers should keep abreast of the latest business theories and concepts if they are to make their decisions based on the right criteria.

The course content of an MBA today is significantly different to that taught 20 years ago. This is something that Frank Brown, the dean of INSEAD, has recently defended in an article in the *Financial Times* (June 9, 2009).

He believes that MBA graduates should update their skills base by taking short courses regularly. It is only by guaranteeing that management professionals update their skills on a regular basis that we can really start to talk about management as a profession.



**Argument three:
The improving professional practices argument**

A popular one this, and an argument that lies at the heart of Professor Khurana's proposals. He argues that the professionalisation of management would not only promote a more ethical approach to doing business but also result in better management practices.

In effect this would be akin to managers taking an oath or making some kind of commitment to society as is the case with other professions with an ethical code. Lawyers, for example, sign an ethics code when they join their respective bar associations.

That said, in the case of the bars, as with the guilds, these ethical codes are based more on sticking to technical principles associated with a profession than on any wider-reaching values.

For example, the New York State Bar Association's Rules of Professional Conduct overwhelmingly focus on the responsibilities of a lawyer to his or her client. In its preface covering the general responsibilities of lawyers, it is established that a lawyer "is a representative of clients and an officer of the legal system with a special responsibility for the quality of justice".

That reference to justice needs to be understood more in the context of respecting the judicial system and procedural principles rather than as some kind of search for abstract or absolute justice.

It is often said that lawyers are committed to their clients and the judicial system but not to society. In any event, any authority that ethical codes might have would depend in large measure on the extent to which their infraction could be punished.

Codes of conduct are to be found throughout the business world even if management is not a rule-bound profession. The majority of chambers of commerce around the world have ethics codes and mechanisms for expelling members that do not abide by them. A great many businesses, particularly multinationals, also have codes of conduct.

In this sense, the eventual professionalisation of management would not add much to the already existing process of self-regulation that has spread so rapidly and widely throughout the business world in recent years.

For their part, many business schools have codes of conduct that must be adhered to by those attending their MBA programmes. As with the legal profession's definition of its commitment to justice, establishing the exact nature of a manager's responsibility beyond that of creating economic and social value, along with the use of reason to resolve moral dilemmas, would be a tantalising and controversial exercise.

Argument four:

The regulating the activity or managers argument

Though a less persuasive argument, this is implicit in the idea of professionalising management and certainly the protectionists' goal would be to regulate managers' activity.

The creation of associations or guilds for managers would involve granting licences and authorisation to practise their profession and eventually the requirement of belonging to a specific association.

Such a solution would be in nobody's interests and, furthermore, would be counterproductive in terms of creating value. That said, in the European context at least professionalisation is generally associated with setting up some kind of regulatory framework involving limits and restrictions.

We need to advance the process of making management one of the best and noblest of jobs. In my opinion, professionalisation is not the way to do this and would be a step backwards.

Business schools are comparatively much younger than other educational institutions but more innovative when it comes to facing up to challenges. It is through better research, better programmes and a faculty more focused on the needs of the real world that we would be better equipped to provide creative responses to the demands that society puts on managers.

In sum, rather than look to the past for answers, by reviving guilds for example, we need to come up with new ways to help advance creative and socially committed management in the future. **gf**

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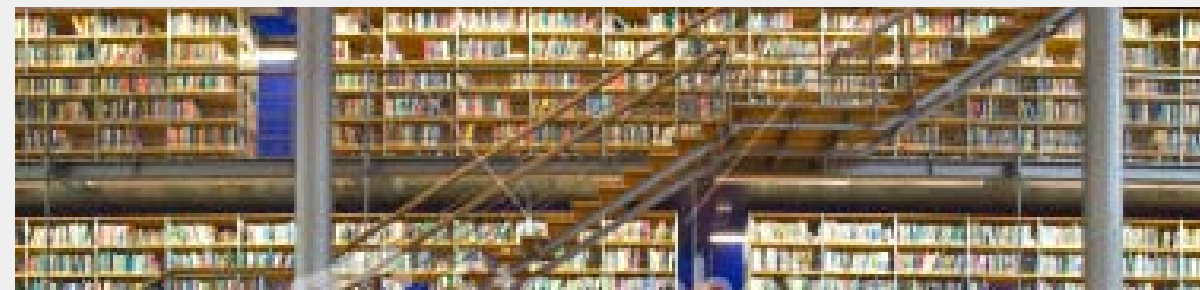


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