Wealth or Waste? Rethinking the Value of a Business Major

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More than one of every five undergrads is a business major, but the discipline might not deserve such a large following. Melissa Korn has details on The News Hub. Undergraduate business majors are a dime a dozen on many college campuses. But according to some, they may be worth even less. More than 20% of U.S. undergraduates are business majors, nearly double the next most common major, social sciences and history.

The proportion has held relatively steady for the past 30 years, but now faculty members, school administrators and corporate recruiters are questioning the value of a business degree at the undergraduate level. The biggest complaint: The undergraduate degrees focus too much on the nuts and bolts of finance and accounting and don't develop enough critical thinking and problem-solving skills through long essays, in-class debates and other hallmarks of liberal-arts courses.

Companies say they need flexible thinkers with innovative ideas and a broad knowledge base derived from exposure to multiple disciplines. And while most recruiters don't outright avoid business majors, companies in consulting, technology and even finance say they're looking for candidates with a broader academic background.

William Sullivan, co-author of "Rethinking Undergraduate Business Education: Liberal Learning for the Profession," says the divide between business and liberal-arts offerings, however unintentional, has hurt students, who see their business instruction as "isolated" from other disciplines. Schools are taking the hint. The business schools at George Washington University, Georgetown University, Santa Clara University and others are tweaking their undergraduate business curricula in an attempt to better integrate lessons on history, ethics and writing into courses about finance and marketing.

**Top College Degrees**

Bachelor's awarded by field for the 2008-09 academic year

- **Business**: 347,985, or 21.7%
- **Social sciences and history**: 168,500, or 10.5%
- **Health professions and related clinical sciences**: 120,488, or 7.5%
- **Education**: 101,708, or 6.4%
- **Psychology**: 94,271, or 5.9%
- **Visual and performing arts**: 89,140, or 5.6%

Source: National Center for Education Studies

Along with more than 20 other U.S. and European business schools, those institutions met last month at George Washington for a conference to discuss ways to better integrate a liberal-arts education into the business curriculum. It was organized by the Aspen Institute, a nonprofit group with an arm that studies management education and society. Other participants included Franklin & Marshall College, Babson College and Esade, a business and law school at Barcelona's Ramon Llull University. Doug Guthrie, dean of the George Washington University School of Business, is planning to draw on expertise in the university's psychology and philosophy departments to teach business ethics and he'll seek help from the...
engineering program to address sustainability. He expects to introduce the new curriculum, which will also include a core course on business and society, in the fall.

Such changes should appease recruiters, who have been seeking well-rounded candidates from other disciplines, such as English, economics and engineering. Even financial companies say those students often have sharp critical-thinking skills and problem-solving techniques that business majors sometimes lack. "Firms are looking for talent. They're not looking for content knowledge, per se," says Scott Rostan, founder of Training the Street Inc., which provides financial training courses for new hires at a number of investment banks. "They're not hiring someone just because they took an M&A class."

Business degrees have been offered since at least the 1800s, but they were often considered vocational programs. Some experts argue that the programs belong at trade schools and that students should use their undergraduate years to learn something about the world before heading to business school for an M.B.A.

Next fall, the University of Denver's Daniels College of Business will provide a required course to teach first-year students how to view business issues in a global context. The class, being piloted this spring, will have instruction in business history, ethics, social responsibility, sustainability and other subjects. Introducing such concepts early in students' academic careers should help them "connect the dots," says Daniel Connolly, associate dean for undergraduate programs at the business school.

Even some European schools, which have encouraged a narrow focus in college studies historically, are looking to expand. "Education is more than technical learning," says Alfred Vernis, director of university programs at Esade. He says the humanities need to be "embedded" in the rest of the program. Esade expects to unveil a new undergraduate business curriculum for the fall of 2013.

Are schools going far enough? It's too early to tell, many recruiters say. But in any case companies will probably continue to look at nonbusiness students to ensure a diverse pool. Facebook Inc., a hot destination for many college graduates, doesn't recruit based on a particular major. "It's not about what you have or haven't studied," says Kristen Clemmer Meeks, a recruiting manager at the social-media company. She says some jobs require more analytical know-how, though new hires for those teams can come from business, economics, math or other programs.

Margaret Copete is director of North America campus recruiting at consultancy Booz & Co., which increased undergraduate hiring 59% this academic year. She says that about a third of the newest class studied business in school, and the rest majored in subjects including math, nursing and economics. At the undergraduate level, Ms. Copete says, she's looking for students with "the basic building blocks" who can be trained "to be great consultants."

Many schools already require students to take at least some courses outside their business major. Jed Somers, a 22-year-old senior at the University of Pennsylvania's Wharton School, says that while much of his schedule was filled with Wharton-specific requirements, he enrolled in Brazilian drumming and art history, among other courses. (Wharton says about half of its students' courses are in the liberal arts.)

Mr. Somers will begin a job in fixed-income index product sales at Barclays Capital in July. He believes that studying business helped him secure the position because it showed he's "passionate" about the field. Tara Udut, the head of campus recruitment for the Americas at Barclays, says that about half the bank's new analyst hires in recent years have come from business, finance, economics or accounting but that "students from nonfinance backgrounds bring a valuable perspective." Still, she says, applicants from the liberal arts often need to "undertake extra due diligence on the industry."

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