



# The Introduction of Business Education in PRC in the 1980's

# Social Context & Background

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- During the Cultural Revolution (1966-1976), college & universities were battle fields for revolution
- Cancellation of National College Entrance Exams
- Highly educated people were under political persecutions and were witch hunted.
- Economic courses, among many, were removed from the curriculum as “capitalist products”
- Eliminate business schools



# 1980s--Seeds of Business Education

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- Business schools started being set up in mid -1980s
- Marketing and business were not chief disciplines
  - Practical reason: not useful knowledge/techniques for planning economy
  - Social reason: general public still largely influenced by ideology imposed during Cultural Revolution
  - Students were admitted at a lower grade level than engineering and science students
- Focus on quantitative skills, rather than qualitative skills
  - Only three courses offered—accounting, statistics & industrial economics
- Real development of business schools took place in 1990s

# Government Efforts in MBA education

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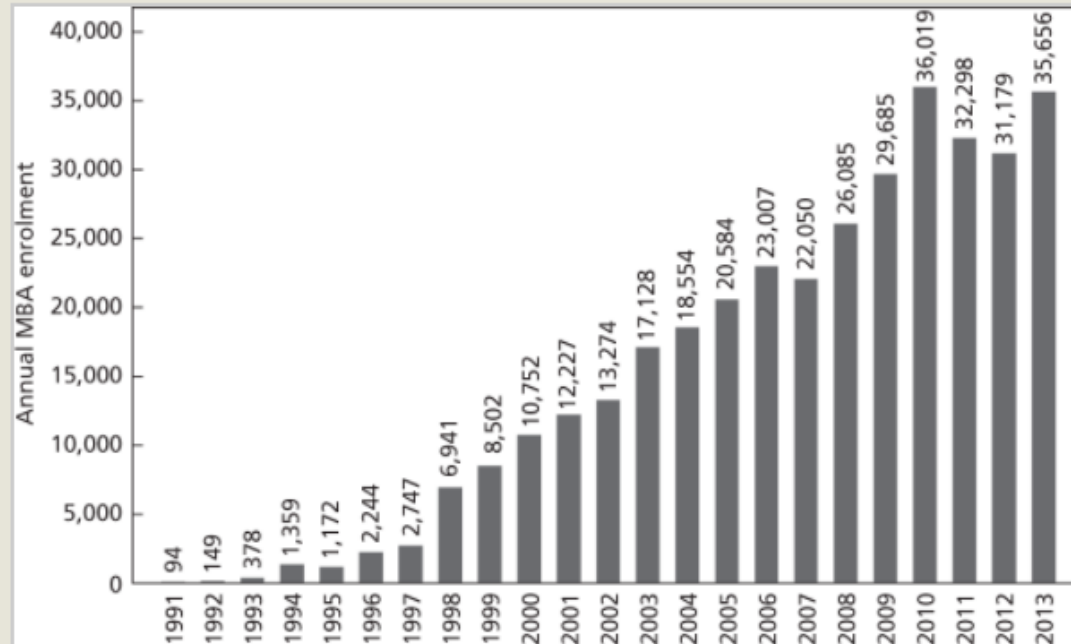
- Management training schemes in 1980s
  - “Look West” approach
  - Two trial programs—cooperative management training agreement between Chinese and United States government & European Commission sponsored program (later becomes the famous China Europe International Business School—top MBA program in Asia)
  - Attract teaching faculty from international leading business schools
  - Graduates students who hold high profile positions in government
- Fast paces
  - Government gathered professors to conduct feasibility study
  - formulate a working plan regarding training objectives, admission criteria, course structure, teaching methods and degree conferment of MBA programs

# Features of Business Education

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- Very different from Western model
  - More transmission of knowledge than encouragement of creative thinking
  - More classroom teaching than practicum
  - More academic research than experience sharing
  - More theoretical analysis than case study
  - More basic theory courses than courses that develop students' comprehensive abilities as managers and executives
- Deeply influenced by Confucian culture
  - Attaches greater importance to moral gains than to economic gains
  - Views education as the cultivation of social and political administrative skills
  - Despicable business people

# Booming Business Education



*Figure 79.2.* Annual MBA enrolment in China

*Source:* China National MBA Education Supervisory Committee.

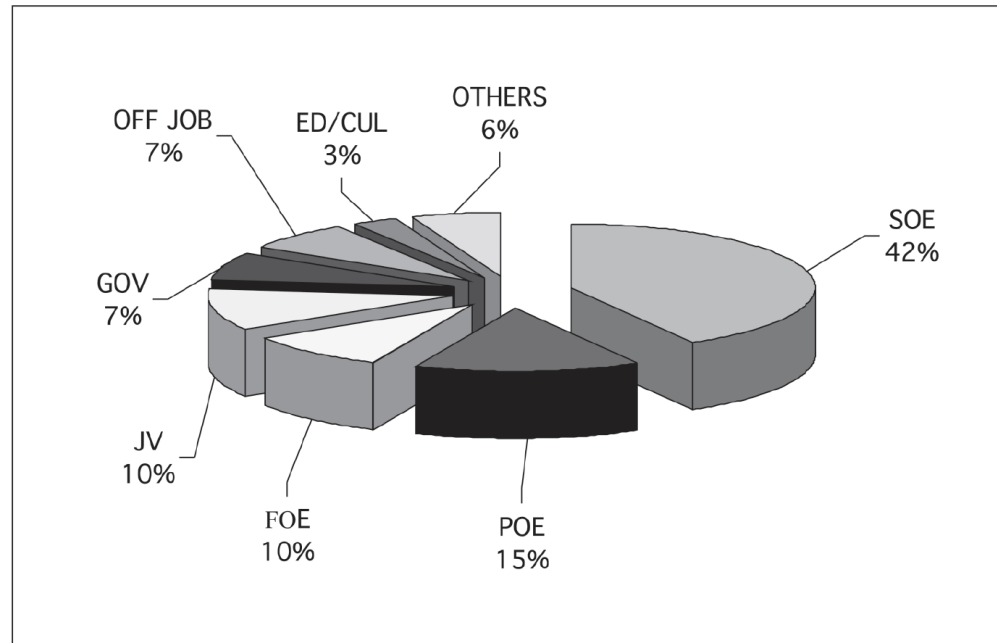
# Reason for Booming Business Education

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- Pragmatic goal—benefit & profit
- Socio-political changes
  - Replace the planned economy with market economy
  - Greater integration with the global economy
  - Foreign enterprises need local management talents
  - Implausible ideology campaign in Cultural Revolution
- Important role of State Owned Enterprises (SOEs)
  - Abide with norm and practice in the market
  - Need for educational bases for business in universities

# Important Role of SOEs

Student Composition in Qinghua MBA Programs



(<http://www.sina.com.cn> 2003/3/24)

SOE: state owned enterprises

POE: private owned enterprise

FOE: solely foreign owned enterprise

JV: joint ventures

GOV: government organizations

OFF JOB: those who quit their job

ED/CUL: educational and cultural institutions