

# Some Thoughts on Teaching Management Education at a Catholic University

by Tom Dolan and John Knauff

Cardinal John Henry Newman stated in *The Uses of Knowledge*, “Liberal Arts are of a higher value than the Useful Arts, because they teach us how to think — which is useful in acquiring any knowledge.” He said that “mental culture and competence are emphatically useful.” We agree. Today universities are service businesses. We believe a service business requires many Useful Arts to help achieve its purpose. Useful Arts are practical — they help get things done.

Marketing and operations management are Useful Arts. Theodore Levitt, the legendary Harvard Business School marketing professor described marketing as; “concerned with providing customers with a cluster of services: what they want, need or desire, how, where and when it is wanted and what price will be paid.” The key skill in marketing is the ability to get things done. The key skill in operations management is concerned “with getting things out the door.”

If we are really serious about being a unique Catholic University teaching management education, Useful Arts can help. The focus of this paper is graduate level Catholic Management Education at the University of St. Thomas.

We have team taught a Services Marketing course three times in the Graduate School of Business at the University of St. Thomas. Our offices have been located next to each other for eleven years. We represent two different disciplines: marketing and operations management. The delivery of services combines both of these disciplines — they are inseparable. We would like to share some ideas on ways to help achieve the purpose of Catholic Management Education at St. Thomas as we understand it.

Ex corde Ecclesiae, Pope John Paul II’s letter on the future of Catholic Universities states, “Every Catholic University is an academic community which in a rigorous and critical fashion assists in the protection and advancement of human dignity.” He stated that: “every Catholic University has these essential characteristics: 1. A Christian inspiration not only as individuals but of the university community as such. 2. A continuing light of the Catholic faith upon the growing treasury of human knowledge to which is seeks to contribute by its own research. 3. Fidelity to the Christian message. 4. An institutional commitment to the service of the people of God

and of the human family in their pilgrimage to the transcendent goal which gives meaning to life.”

He added “It depends to a great extent on competent and dedicated service of lay Catholics [and at St. Thomas, non Catholics] to achieve these goals.” Pope John Paul II points out the explosion of knowledge together with the rigid compartmentalization within academic disciplines makes this task increasingly difficult.

He states that “A Catholic University has to be a living union dedicated to the search for truth — a search which is profoundly inscribed in the heart of the human person.” We agree. The issue is how can we best accomplish this at St. Thomas in Management Education.

At the 1997 Worldwide Youth Congress in Paris, Pope Paul II acknowledged the problems that young people face today worldwide. He called for providing them “reasons for living and goals that will motivate their generosity.” He added, “They realize that they will only be happy if they are well integrated into a society where human dignity is respected and fraternity is genuine.” Those are worthwhile goals for Catholic Management Education as well.

Fifty years ago, St. Thomas College enrolled 2,000 students — all men — mostly ex GIs returning from World War II. The vast majority of students and faculty were Catholic. Twelve credits in Religion were required for graduation. The prayer to St. Thomas began most classes. The Mass on the opening day of the Fall Semester packed the armory. Albertus Magnus was a brand new science hall. The only business topics offered at the college were a few courses in Economics and Accounting. There were no graduate courses. Liberal arts was the focus of the education provided.

A half a century later, St. Thomas has become a comprehensive university, coeducational, with multiple campuses and more than a dozen graduate programs. The students now number 10,436 split evenly between graduate and undergraduate programs. Sixty percent of the undergraduates are Catholic. The Graduate School of Business at St. Thomas was established in 1974. It has grown to the fourth largest graduate school of business in the U.S. with 3,000 active students.

St. Thomas students in the Master of Business Administration (MBA) program are older — the average age is 32 years. Thirty percent of the students are Catholic. They work full-time for 800 different companies. They attend classes evenings or Saturdays for about five years. They are taught by a faculty of approximately 200 instructors. Seventy percent of the faculty are adjunct instructors who teach a single course one night a week at one of our seven campuses.

The St. Thomas Graduate School of Business is famous in this community for teaching the “practical application” of business theories. Best business practices are keys parts of all of our courses. Our students want “to learn something tonight that they can use at work tomorrow.” Are there some best business practices we can apply to help achieve St. Thomas’ goal of providing Catholic Management Education? We believe there are. Some of these business practices may help embed our corporate goals for a Catholic Management Education in our faculty and staff. Our graduates have a great impact on the community because they work here and most stay here after graduation.

Tom Holloran, Management Concentration Director of the St. Thomas Graduate School of Business suggested that we begin by examining an article in the November-December 1994 issue of the Harvard Business Review entitled, “Changing the Role of Top Management: Beyond Strategy to Purpose” by Christopher A. Bartlett and Sumantra Goshal. We could also look at the tactics of Medtronic Corporation, a company that has been spectacularly successful in focusing all of its employees world-wide on its business purpose. Norwest Corporation offers another good example of an organization successfully embedding its corporate goals in its employees.

Bartlett and Goshal state in their article, “Senior managers of today in large enterprises must move beyond strategy, structure and systems to a framework built on purpose, process and people. The great power — and fatal flaw — of the strategy-structure system framework is in its objective: to create a management system that could minimize the idiosyncrasies of human behavior. Today, the scarcest corporate resources are less of financial funds than the knowledge and expertise of people in the front lines.”

They add further: “Senior managers must convert the contractual employees into committed members of a purposeful organization embedded with the corporate ambition. The objective is neither to impose a tight strategic agenda on line managers nor inspire them toward some ineffable goal. They need to embed a clearly articulated, well defined, ambition in the thinking of every individual, while giving each person the freedom to interpret the company’s broad objectives creatively.”

The article discusses findings of a five year research project the authors conducted with 20 large, successful companies in Europe, Japan and the U.S. The authors state, “Executives of successful companies articulated ambition in terms designed to capture employees attention and interest rather than terms related to strategic or financial goals.”

Purpose:

“Lack of Constancy of Purpose —  
a Deadly Disease”

Edward Demming, the icon of the quality movement in Japan and the U.S said, “Everyone doing their best won’t do it — if they don’t know what to do. People must know what to do then they will do their best to turn out products and services to help people live better lives.” He talked about this as a “deadly disease — one that only top management can do anything about.” Deming said “People come to work every day, work hard, go home tired at night and never know what they are supposed to be accomplishing.”

St. Thomas’ management and board of trustees have developed an institutional vision for the university. They have worked hard to communicate this by publishing a mission statement and institutional objectives. They have tried to communicate these through articles, speeches and essays, and most recently a faculty seminar on the subject of Catholic Management Education. Plaques of the university’s mission statement even appear at the entrances of some of our buildings. However, we believe few of the faculty or staff members could tell you exactly what the mission statement says.

We teach our graduate business students that a mission statement should be a vision of what an organization is all about. It should focus on the needs of the customer rather than the technology or needs of the organization. It should be able to reflect the essential skill of the organization. It should be flexible and attainable. It should be specific enough to have an impact of the behavior of the organizations employees.

Can the University of St. Thomas’ mission statement influence the behavior of the faculty and staff of the Graduate School of Business if they can not describe it?

The first American company ever to win the prestigious Edward Demming Quality award was Florida Power and Light Company. When the Japanese examiners for the award were in Florida evaluating the company they went out into the field to find a crew installing light poles. The examiners asked these workers, “What is the mission of the Florida Power and Light Company?” The workers knew it.

Peter Drucker, the legendary writer on management practices in this country called the Salvation Army, “The best managed social sector organization in the U.S.” He said: “they are by far the most effective organization in the U.S. No one even comes close to it in respect to clarity of mission, ability to innovate, dedication and putting money to maximum use. They know how to work with the poorest of the poor and the meanest of the mean.” We need to become similarly focused on the clarity of our Catholic Management Education mission.

Medtronic Corporation has been quite successful in part because every one of its employees knows and understands its purpose. Earl Baken, the company's founder, wrote a series of essays on leadership that describes it best: "It did not take us long to decide what we wanted to concentrate on as a company. We would dedicate our lives, resources and energies to the development, manufacture and sale of devices that restored people to meaningful lives. We would focus on implantable therapeutic (as opposed to diagnostic or other laboratory) technologies, and grow the company around those technologies.

"Once that decision was made, we spent a good deal of time, I remember, struggling with the words that we felt best expressed our mission. But when we finally got it down on paper, we believed we had stated it succinctly. And nearly 30 years later, I believe the statement very effectively sums up what Medtronic is today and what I hope and trust it will be in the future.

"To contribute to human welfare by the application of biomedical engineering in the research, design, manufacture and sale of instruments of appliances that alleviate pain, restore health and extend life." These words were combined with original art work and the words "Towards Man's Full Life" and made into a medallion which was presented to each employee.

"For many years I have made the practice of meeting with small groups of new employees, welcoming them to the company and telling them something about our history and traditions presented them with a medallion (see photos at end of article). I urge our employees to keep it near by — on their desks or at their work stations remind them of the great things they are accomplishing as partners with the world wide medical community in the struggle against disease and pain. To my way of thinking that medallion links the more than 13,000 persons who now work for Medtronic around the world in a single, clearly stated, all-important purpose, which is to serve humanity through our therapeutic technologies. That is very clear."

In the mid 1980's Norwest Corporation was a company in trouble after five decades of success in the financial services business. The company lost \$125,000,000 in one year. The management was replaced and the future direction of the organization was not clear. Lloyd Johnson was hired by the Norwest Board to run the company. He was a seasoned banking executive who had a very clear purpose of the organization. He had a vision of where he wished the company to go. He wanted the company to focus on the things they did best —satisfying the financial needs of individual and small businesses.

He clearly spelled out Norwest's purpose in a video tape. He held every managing officer, branch manager and supervisor accountable for seeing that each of the company's 18,000 employees viewed this videotape. He set ambitious goals and held people responsible for achieving them. He hired his

successor who spent a large part of his time traveling throughout the corporation making certain the purpose and goals were understood. He developed a plan where every employee could become a shareholder of the company's stock. Today, Norwest is considered one of the most financially stable and well-managed financial institutions in the country. Norwest's earnings in 1996 topped \$1 billion for the first time.

If we are serious about providing Catholic Management Education we need a clearly defined purpose. If we are to be successful we need to make that purpose concrete, memorable and understood by all of the faculty and staff involved in providing Catholic Management Education at St. Thomas. Making our purpose "concrete" may mean designing a St. Thomas medallion as Medtronic did and having management present it to each faculty and staff member. We might prepare a video tape like Norwest's management did and make certain every instructor views it. It may mean distributing and discussing readings on the Catholic intellectual tradition. Wherever it takes we should do it.

We believe the essence of the St. Thomas mission statement can be included in a single, succinct sentence, "To develop within the Catholic intellectual tradition morally responsible individuals who combine career competency, cultural awareness and intellectual curiosity."

We teach our students that communication is never complete until the message is received and understood. The responsibility for understanding rests with the communicator in this case the University's management. It also requires feedback — listening to insure it is understood and embedded. This could require a great many meetings to accomplish this.

Peter Senge a Massachusetts Institute of Technology professor and author says "Dialogue means searching for that wisdom that is present in each member of a group." We need dialogue to find this collective wisdom, to make sure all of the faculty understands and agrees with the University's purpose. There are no shortcuts nor simple, easy ways to accomplish this.

When St. Thomas initiated its graduate business program in 1974 we examined other MBA models around the country — especially at Xavier University in Cincinnati, Ohio. We asked, "What is a Catholic Masters of Business Administration Program? What does it look like? How does it differ from the other MBA programs offered by hundreds of universities around the country?" They felt that the essence of a Catholic MBA program was that it respected the human dignity of its students, staff and faculty. That is the model we have tried to follow.

This respect for the human dignity of our students and faculty has led us to develop systems and policies to become easy to do business with. It is perhaps one of the reasons we have grown to 3,000 active students today.

The primary reason new students give for enrolling in our MBA program is the recommendation of a friend or associate who has taken our program. Research done on graduate students in 1996 as part of the Institutional Marketing Program indicated that 97% of our graduates would recommend our graduate management program to a friend or associate. Eighty percent of our students have all or part of their tuition paid for by their companies which indicates in part the value of a St. Thomas management education to the 800 companies these students represent.

The same institutional research indicated that “St. Thomas” implies “Catholic” to our various publics. The word “Catholic” according to the same research implies “quality.” The challenge to the University is to make these favorable perceptions more concrete and to build on them.

What does it mean to “to develop in the Catholic intellectual tradition morally responsible individuals who combine career competency with cultural awareness and intellectual curiosity?” The key seems to be an understanding of and agreement on the meaning of the “Catholic Intellectual Tradition.” Margaret O’Brien Steinfels described it as “a locus for questioning, a frame-work for ordering a standard for preferring some set of ideas over others.” She states “This tradition is universal in its breath and its interests. It is not set against the world. But neither is it accepting of every current opinion that washes up on the shores of a pluralistic culture. Catholicism has always been a church with a brain.”

Mrs. Steinfels points out that “the opening paragraph the papal encyclical *Gaudium et spes* speaks of ‘our responsibility for all that is genuinely human, for what draws the minds and hearts of men.’” We need to find ways to make this clearer to our faculty who are charged with carrying out our purpose. We need a system and a process to do this.

Process:

“A union of individuals working freely together”  
Cardinal John Henry Newman

A process is required to ensure achieving the purpose of the university namely, providing Catholic Management Education.

As Bartlett and Ghoshal point out in their article, “A statement of corporate ambition is only a touchstone for the larger process of gaining

organizational commitment. The statement must be broad enough to invite — and indeed require — the organization’s involvement in interpreting, refining, and making it operational. In practice this means tapping into the reservoir of knowledge and expertise that is widely distributed throughout the organization."

Lee Tavis, a professor at University of Notre Dame, in an article entitled “Professional Education in a Catholic University” points out, “the study of business is interdisciplinary.” So is the practice. Tavis quotes Fr. Theodore Hesburgh, a former president of Notre Dame as saying, “Universities are, by nature, mediators. Just as the priest mediates between two great extremes, finite and infinite, in universities truth emerges through the nurturing of ideas, the interpretation of opinions, and the interplay of opinions and thoughts that may go in quite opposite directions.” We agree on “the power of informed people learning from one another.” Tavis concludes, “We know how to be university but need to define and work at what it is to be Catholic in a way that enhances both.”

It is an axiom in marketing that you build on strength. You get stronger where you are already strong. The process for developing Catholic Management Education, which is to be our signature, should build on proven strengths. Operations management is concerned with the practical, with what works. It is concerned with designing and building systems that work — providing predictable, repeatable, desired results. It is not just for manufacturing. Theodore Levitt published his seminal article “The Systems Engineering of Services” in the Harvard Business Review thirty years ago.

The Catholic Intellectual Tradition is more than fifteen centuries old. It includes the works of our namesake St. Thomas Aquinas on “the common good, the good life, justice, natural law and commerce’s role in helping achieve the common good for the largest number of people.” There is a century of proven value in the Papal encyclicals on social justice and economics. There is a half century of proven success in the Aspen Institute Seminars developed by Robert Hutchins, President of the University of Chicago. Seminars that were developed in the liberal arts tradition using the Great Ideas of Western Man. The Socratic method of learning has been used successfully for two millennia. We have five years of success in the St. Thomas Aspen program teaching senior executives under the proven leadership of Ken Goodpaster and John Myser. We have a successful conference center in the Gainey facility. We have successfully tested ‘family friendly’ Aspen Seminars that have included participant’s spouses. We know from the Aspen Institute’s experience and our own that a successful seminar of this kind takes four days — and can not include more than 20 participants. Aspen seminars have proven effective in teaching understanding, trust, and respect. We know all of this and have all of these strengths. Why can’t we use them to achieve the University’s purpose?

Dr. Ken Goodpaster, holder of the Koch Chair of Ethics, at St. Thomas, said the idea of an “Aspen-like” seminar on the Catholic Intellectual Tradition has been suggested over the past year or two. It seems to be an idea that fits St. Thomas and its purpose. If we are serious about being a unique university teaching Catholic Management Education, we should explore this idea immediately because of its potential for faculty development, both full time and adjunct.

We should budget for the resources to develop a model now. We should determine if this is the process needed to achieve our purpose. It is impossible to develop morally responsible individuals in the “Catholic Intellectual Tradition” if our faculty is not exposed to and does not understand it.

People:

“The Fortune of the Lord is in his people”  
Responsorial Psalm

St. Thomas’ purpose must be carried out by its people — primarily the faculty but also the staff and students. Peter Senge, an MIT lecturer who wrote a 1990 best selling book, *The Fifth Discipline* has said, “People working together with integrity and authenticity and collective intelligence are profoundly more effective as a business than people living together based on politics, game playing and narrow self interest.” He also said, “the only sustainable competitive advantage is to become a learning organization.” He believes this advantage is derived from continuing learning, both individual and collective. A learning organization is more than just a teaching organization. To carry our purpose we need to be a learning organization — learning from each other.

“Wisdom,” Senge believes, “is present in each individual and dialogue is the only way to bring it to the surface.” In our case this means dialogue with the faculty, the staff and students. All must know the St. Thomas’ purpose, agree with it and participate in their own way with making it a reality.

Senge feels that dialogue redresses what he calls “the oppressive corporate code of silence.” He states “I believe we suffer every single day in every business meeting we go to, part of us is getting killed, but we all live in it, we can’t talk about it.”

According to an article in the October 1994 issue of *Fortune* magazine, Senge’s five disciplines can be boiled down to “People should put aside their old ways of thinking, learn to be open with others, understand how their organization really works, form a plan that everyone can agree on and

then work together to achieve that vision. Senge published a Fifth Discipline Field book in 1994 to show organizations how to apply the tools of the learning.

If we are “to develop within the Catholic intellectual tradition morally responsible individuals” our graduate school of business faculty must know something of this tradition. We need strategies to do this and tactics like, readings, interdisciplinary group discussions, video tapes and even medallions.

We should encourage our faculty and students to be life long learners. Several years ago we were interviewing a candidate for a chair in insurance. The candidate had a long and illustrious career with the largest insurance company in the area. He took early retirement as an executive vice president. He was very well thought of at the company and was also a lawyer. He was interested in the position but had never taught and wondered if he would be successful at it. While we were interviewing him John Knuaff asked him what was perhaps a seminal question, “Do you like to learn? We’ve noticed that those people who like to learn and have distinguished themselves in the practical application of their knowledge generally make excellence teachers. On the other hand,” John said, “those instructors who feel they know it all or who have stopped learning generally last only a single semester.” Do we like to learn? How do we learn from one another?

We have become a large, successful organization. The challenge is to achieve Pope John Paul II’s wish that, “A university, and especially a Catholic university, ‘has to be a living union of individual organisms dedicated to the search for truth. It is necessary to work toward a higher synthesis of knowledge, in which alone lies the possibly of satisfying that thirst for the truth which is profoundly inscribed on the heart of every human person.’”

As Peter Steinfels, the senior religious correspondent for the New York Times pointed out in his address to a 1995 St. Thomas sponsored conference on Catholic Identity for Catholic Colleges and Universities, “Catholic Identity is inescapably linked to hiring policies.” He quoted George Marsden’s history of the secularization of the nations’ Protestant colleges and universities, “Once a church-related institution adopts a policy that will simply hire ‘the best qualified candidates’ it is simply a matter of time until its faculty will have an ideological profile essentially like every mainstream university. The first loyalties of the faculty members will be to the national cultures of their professions rather than to any local ecclesiastical traditions.”

“At first,” Marsden states, “schools can count on some continuity with their traditions based on informal ties and self selection of those congenial to their heritage. Within a generation there is bound to be a shift and since

departmental faculties typically have virtual autonomy in hiring, it becomes impossible to reverse the trend and the church tradition becomes vestigial.”

Marsden points out there are a wide range of choices regarding the “religious heritage as a factor in hiring.” Perhaps the best is, “Here’s our mission statement. Are you comfortable with it?” This makes it very important to make the purpose of a Catholic Management Education clear, memorable and understandable. It makes it important that everyone involved in the enterprise know and agree to the purpose.

In marketing we say the test of a good idea is that it is self-expanding. Management Education at St. Thomas is a good idea. The growth in the number of active students is proof of that. As we move to sharpen our purpose faculty, staff and students may find they are getting more than they were buying when they first came here. It may affect the future faculty and student selection as well.

In an increasing secular world we will be increasingly perceived as different. Our people will make it so. But that is our tradition, our charter and our destiny. We must continually struggle to make it a reality.

Archbishop John Ireland who founded this institution said it best a long time ago, “St. Thomas is not Harvard, or Stanford or the University of Minnesota — all institutions of highest quality. St. Thomas is different. Dear friends, we must dare to be different.” Reverend Dennis Dease has said, “I believe even more firmly that the preservation of a vigorous Catholic identity of higher education requires a concerted, conscious effort.” Msgr. Terrence Murphy said at the 1986 St. Thomas Day celebration, “Some schools are known for the students they accept. St. Thomas is known for the students it graduates.”

If we are to become the school we wish to be we need to make our purpose more concrete and better understood. We need to put in place the process that will enable us to be successful in achieving our purpose. We need to begin a system wide dialogue with our people to find the wisdom known only to each individual as how to best achieve it.