Developing Responsible Leaders and Entrepreneurs in Asia:

a Challenge for Policy Makers in Higher Education[1]

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What a great SEAMEO initiative: to organize an international Conference on "Leadership and Management of Higher Education" in Ho Chi Minh City! All of us here today know that Higher Education is the keystone in building the human capital we need to lead socio-economic development. But in a world experiencing globalization, digitalization, financialization, environment deterioration, income disparity acceleration, etc.… this need has become even more urgent. In our so-called VUCA world where volatility, uncertainty, complexity and ambiguity are highly visible and where the nature of work and the broader impact of firms on society are being redefined, higher education is expected to develop individuals capable of taking *leadership* roles in this emerging society. Through the enterprises they will build or join we further anticipate that these individuals will both create added value and demonstrate responsible leadership skills in whatever position of influence they reach.

From this it follows that a key question for policy makers must be how to develop their higher educational institutions, and make their learning processes conducive to the efficient and effective production of the leaders and entrepreneurs society needs. And in an environment where leadership development has become an "industry" these individuals must not be just "leaders" but "responsible-leaders", a type that in some countries is becoming a rare species! As the main value-creation institution in society, in economic development - through the products and services it put on the market, the taxes it pays to the State, the jobs it creates, the innovations it generates and its philanthropic contributions – today's enterprise must be in the hands of "responsible" leaders who will care for the needs of their stakeholders, beyond their shareholders,

So how can policy makers enhance a country's higher education system's capacity to produce this type of leaders, of policy-makers who - in state-owned or private enterprises, in public administrations or private institutions, in education and health services - will possess the portfolio of talents and range of skills they need *to take action* and contribute towards sustainable development?

To answer these questions policy makers will need to have a sense of – a scenario for – the future: in what kind of world will Asian, and particular ASEAN countries, be developing over the next 10 or 20 years? Only when they understand the *context* will policy makers then be able

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to design, build and monitor a higher education system capable of producing the type and quantity of educated citizens and leaders suitably equipped to meet the needs of their society, one which will hopefully also be a "just" society.

To try and give answers to these questions I shall begin by highlighting some of the trends likely to shape tomorrow's world, and the type of society this will create. I shall then suggest ways in which higher education could be designed in order to produce the leaders that future societies will need. In the third part I will take the case of management education - with examples from the Asia-Pacific region - before summarizing the implications of all this for policy makers.

Leaders in what context?

At a time when the benefits of globalization are being questioned, when ubiquitous digitalization is transforming our interpersonal relations *and* our way of life, when financialization means that the value of everything is measured only in terms of "money", we are finally beginning to realize that all these changes are not bringing in their wake a "revolution", but a *change of civilization*. Innovation then – even if disruptive – has become a categorical imperative. In such a context we need to define the kind of society in which we would like to live in and then design an education system that will prepare our children and future generations for a healthy and happy life in such a society. Policy makers, *aware* of this transformation and having built a *vision* of tomorrow's societal context (beyond visible economic growth) need to *imagine* how innovation (and not just technological innovation) could help higher education institutions develop – through the production and sharing of knowledge – *responsible* leaders.

We are already living in tomorrow's digitalized world, one in which education must continue to leverage technology (e.g. IT, AI…) but not become its slave. Although MOOCs and on-line course offerings can enlarge and enrich access to knowledge and learning, policy makers will increasingly come to realize that ICT technologies (even the very sophisticated) cannot and will not replace the essential learning acquired through interpersonal teacher/student and student/student relationships. We must never forget: we learn *with* and *through* others.

The world that is in the offing will also force us to re-define education as a life-long learning process, one based on flexibility and adaptability to an environment in a constant and fast flux. All this will have implications for policy makers, their bureaucracies and their administrative staff, whose well frequent allergy to change will now need to be accounted for.

Finally, if the objective of higher education is to prepare "professionals", senior administrators, leaders and entrepreneurs, for a fast changing and increasingly digitalized society, then policy makers will gain by learning from the experiments and experience of other countries and regions throughout the world. SEAMEO, amongst other organizations, will be at the forefront of contributing to such a cross-fertilization of experience across different cultures.

How can Higher Education produce the responsible leaders needed for tomorrow?

Once enlightened policy makers begin to create an institutional context in which relevant and effective learning can take place, the next vital step will be to define curricula that will induce a motivation to *learn for life* and, in order to achieve this, cultivate curiosity and responsibility for one's own learning.

While the development of the *relevant* skills (including *soft* skills) suitable to the dynamics of each economy will clearly remain a core objective of the higher education process, the grooming of tomorrow's leaders will require to cultivate also both *creativity* and a *capacity for independent judgment.* The inevitable corollary of this will be the development of teachers who, apart from their mastery of the subject matter they teach, are familiar with a diverse range of teaching methods and technologies. This in turn will place great importance on the assessment, upstream, of teachers training, of the content and process of PhD education, of the performance appraisal (and compensation) criteria of higher education faculties. In other words, enhancing the efficiency and effectiveness of ASEAN higher education will require a *system approach* that can integrate the many interdependences of a complex supply chain encompassing student selection, teacher education, curriculum design, pedagogy, facilities upgrade and HR management of Faculty (incentives, career paths and permanent learning, …).

A study of the higher education system in one SE Asian country revealed a vicious circle of factors that could, and often did - threaten teaching efficiency and effectiveness. They included low compensation, the relative unattractiveness of a teaching career, the strong temptation for moonlighting, a lack of time and physical facilities for research, limited or no incentives to produce original (and culturally relevant) teaching materials, etc.… This situation explained the resulting very modest motivation of the students and the limited efficiency and effectiveness of such higher education system. To correct such dysfunctions should be the task of policy makers: they are the keystones on which a change process can be built. They can look for examples likely to be a possible relevant source of learning, making less challenging the development of a "just" society, an eco-system in which every citizen has the opportunity to make full use of his or her talents. For unlike their predecessors, *today's* policy makers now have a wide range of higher education models and technologies that they can assess and reflect upon. Learning from others' shortcomings and mistakes, leapfrogging technologies are much more promising paths than mere cloning.

So far, *developed* countries have only demonstrated a limited capacity to produce societies where social justice and quality of life are equally accessible, which indicates that policy makers here should be cautious about trying to clone their achievements. Liberalism both in economics and governance are under pressure, democracy is being questioned, populism is at the door and the environment is deteriorating while income distribution and the benefits of growth are unequally distributed and so on. Beattie, commenting in the FT on three recent books wrote that: "… the West is often seen as being "demoralized, decadent, deflating, demographically challenged, divided, disintegrating, dysfunctional, declining"[2]. The dominant Western model is

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[2] Emmott, B. (2016), The Fate of the West, Economist Books, p.

indeed being challenged, the Eastern European socialist alternative may not appear to elicit great enthusiasm and yet, alternatives types of society (e.g. China) are seen as a "laboratory".

Any observation of developments around the world reveals that AI and machine learning (ML) are game-changing technologies, with the potential to bring enormous benefits to society through enabling citizens to tackle some of the world's greatest challenges. With the right incentives, protection and leadership, AI and ML could alleviate suffering by accelerating innovation across sectors such as climate change, poverty, criminal justice, governance, public health and certainly in education. But these technologies, and the innovations that stem from them, also bring in their wake new challenges for which we currently have no answers. Technologies, whether computer-assisted learning, internet-enabled courses (e.g. MOOCs) should remain *instruments* at the service of educators rather than becoming an end in themselves (a "finality"). Before adopting them wholeheartedly the important question to consider is what kind of individuals do we want to develop? What kind of values will they hold? Will their behavior be essentially driven only by the search to maximize their own utility (measured in terms of money making)? Higher education cannot and must not – under the cover of "skills development" or "too late to change values inculcated in early childhood" – neglect the issue of "values".

Higher Education in Management: an illustration?

To illustrate my argument, I want next to briefly discuss "management education". There are two reasons for this:

a) it is an area of great significance for policy makers, given the importance of developing a country's capacity to produce leaders and entrepreneurs able to lead development and develop the skills necessary to "manage" the mission of a Ministry of Higher Education and Universities.

b) management is not just a set of *tools* used by people in enterprises. It has to do with the efficiency and effectiveness that an organization must achieve while working towards clearly defined objectives and management – whether in the public or private sector, in large corporations or SMEs – is driven by *values*. Techniques are not neutral (e.g. DCF, NPV, ROI, etc.…) are all value-loaded.

Higher education needs to develop an awareness of the values embedded in the techniques and tools that drive behavior and at the same time encourage leaders – and entrepreneurs – to give voice to their own values.

Business schools are a good example of an educational process that focuses principally (and sometimes quasi-exclusively) on technologies and tools, often without drawing (enough) attention to values despite the fact that these lies at the core of any culture, be it "industrial", "corporate" or "national". Perhaps it helps explain why b-schools have been blamed for producing "moral morons", leaders just short of sense of responsibility or lacking a moral compass.

Changes are now taking place in management education institutions, particularly in some European and North American schools. Within these 'pioneers" institutions questions related to the "*purpose*" of the firm or to "*values*" are being discussed and debated – besides the usual teaching of models, tools and algorithms. These schools are changing and moving towards a

pedagogy that questions the "*ends*" and not just the "*means*"; which focuses on stakeholders rather than shareholders alone and which integrates "sustainability" (beyond CSR) at various levels and within the different functions of the organization. These institutions are innovating rather than hiding behind the alibi of a "value-free" education concept (to remain "neutral") or escaping responsibility by arguing that students' values have in fact been "framed" much earlier in the education process, and not in their graduate schools. But research today, based on empirical evidence, clearly demonstrates that by the end of an MBA program a student's values have changed, often significantly.

If policy makers, *aware* of the state of the planet and of their own country, culture and ecosystem, have a *vision* of what the future could hold then even as they promote the use of technologies, at heart they will remain mindful of the need to *imagine* new methods of learning conducive to the development of responsible individuals, responsible leaders aware of the value of caring for others, for society and for the Common Good. Concern for the Common Good cannot be "outsourced" to courses in "ethics", "morality" or "social responsibility" but should irrigate the whole of the higher education curriculum. This will require policy makers – as well as teachers – to internalize the *responsibility* they have in educating future leaders, and then translate that into their professional *action.*

Conclusion –

Developing responsible leaders and entrepreneurs in Asia will remain a challenge for policy makers in higher education for the foreseeable future. With budgets often failing to match needs, choices have to be made among priorities and a long-term vision is necessary to optimize the use of limited resources. Challenges will also arise from the availability or not of the *skills to manage change* (handling resistances). So, innovation and change will have to be guided by a *vision* backed by an acute *awareness* of the shortcomings of the current dominant neo-liberal system and of its current emerging change. In shaping the institutional context, in contributing to a definition of the eco-system in their own country, policy makers will need to imagine pedagogical and program content that will leverage the unescapable digitalization process (whilst not becoming its prisoner) to develop "responsible leaders" among the generation of future leaders they are fostering. Innovation can be promoted by stimulating their *imagination* and encouraged by an early education process that moves progressively away from rote learning and indoctrination. In short, the challenge will lie in the implementation by policy makers and higher education senior administrators of the five dimensions I have proposed - Awareness, Vision, Imagination, Responsibility and Action - in order to lead university and college faculties in this new direction. Learning from educational innovation in Asia (and elsewhere) should be a precious source of ideas, methods, technologies and relevant teaching materials (rooted in local cultures and socio-economic conditions). Student exchanges throughout Asia Pacific (that are more than short sightseeing tours) could enrich the learning process and – like the very effective Erasmus project in Europe – enhance a sense of responsibility among students confronted by different cultures and problems.

However, policy makers encouraging accreditation of institutions (e.g. through AACSB, EQUIS,…) or focusing on international rankings should be cautious in their use so that they

reap the benefits of these accreditations and comparisons without incorporating the many dysfunctions or perverse consequences that rankings can have on institutions.

In conclusion, through my proposals for the development of an asset - responsible leaders and entrepreneurs – that is critical to any country's socio-economic performance, governments and their policy-makers will benefit from a) an enhanced **awareness** of what is coming in their society; b) a well-articulated **vision** for their societal dynamics and the type of men and women they can expect as an output of their higher education system; c) a great deal of **imagination** to find appropriate, contingent, culturally adapted education curricula and technologies to help define priorities in allocating resources d) an explicit (and acted upon) sense of **responsibility** in policy implementation and finally e) confidence and persistence, knowing that this road to **action** is fraught with difficulties (and it takes time)!

To grow responsible leaders, I would also suggest developing an eco-system relying upon an effective cooperation between university and industry in order to foster a mutually rewarding interdependence. This partnership could enable industry and services to receive well trained graduates, and universities will gain from a teaching contribution from practitioners (and perhaps from funding for research projects that are not just useful to the enterprise, but to society as a whole). If incentives and mentorship could be developed so as to encourage faculty to pursue research (with integrity and relevance for greater social impact) and publications (including in practitioners' journals) then the result could be the progressive development of a more efficient and effective higher education process, more deeply rooted in regional socio-economic reality.

Although I have emphasized the role of management education in enlarging the pool of responsible leaders, I do not underestimate the enormous value of liberal arts disciplines in cultivating the ability to explore imagination and the capacity for emotional intelligence. By encouraging pluri-disciplinary work and teaching, by sponsoring indigenous research (not cloning Western research) the resulting creation of culturally relevant teaching materials will be paths that – over time – will produce significant results.

Additionally, the development of exchanges among countries – as Europe has done through the Erasmus project – could almost certainly produce also excellent results in Asia.

The development of *responsible leaders* in Asia – men and women who are agile, adaptable, caring, able to thrive in a very uncertain world and who see learning as a lifelong necessary investment – will remain a challenge for Higher Education's policy makers and for all education actors for some time. Their behavior will have to be embedded in a clear sense of their responsibility to educate men and women who will be concerned - not just about themselves – but about the community they live in now and will be inhabiting in the future. They will have to regard their responsibility as a *categorical imperative*. This is a tall order. We need the vision. We should remember: the present is the consequence of the future.

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