

THE FUTURE OF EDUCATION

EDUCATIONAL HYBRIDS

THE IMPORTANCE OF PHYSICAL ARENAS TO
ENGAGE ALL SENSES.



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After a spring of online education in 2020, most faculty and students around the world seem to agree on two things: (1) the transition to online education was easier than expected and (2) that face-to-face education is still preferable and should be the base for future developments. ***In this chapter, we argue that face-to-face interaction should be the foundation of educational hybrids at the Stockholm School of Economics (SSE) because it can mobilize all senses.*** When on their first day, students come to our neo-classical designed main building on Sveavägen 65 in the city center of Stockholm, they can see, hear, smell, taste and feel what SSE is about. This is an aspect of learning experience that digitalization cannot offer (at least not yet). However, with careful complementation of digital elements, we believe SSE can improve the delivery of our educational programs and thereby also improve how we meet our educational mission. In this chapter, we will tell you why.

FC Barcelona and the importance of Camp Nou for building a world-class football club

FC Barcelona is one of the most popular football clubs in the world. Founded in 1899 (ten years before SSE), the club's motto "Més que on club" ("more than a club") highlights how FC Barcelona has moved beyond the game of football and has become an integrative part of Catalonia and the Catalan culture.

The heart and soul of FC Barcelona is the Camp Nou arena. Located in a central area of Barcelona, it has become the symbol of the values that FC Barcelona stands for. For example, having a strong focus on "solidarity", the arena's 100,000 seating capacity is very close to the official membership numbers so that all members should together be able to watch the club's home games. Similar to a musical festival (e.g. Roskilde in Denmark) or a religious gathering (e.g. St Peter's Basilica in Rome), the physical experience is essential for FC Barcelona. When the club plays its biggest rival Real Madrid, all senses of the club's fans are engaged. The crowd watches the game as they sing together, hug each

other or savor the hot dog they buy at half time. In fact, the physical attraction of Camp Nou is so extraordinary that the daily tours of the arena generate almost as much revenue as the game tickets. ***"Més que on club" would only be a marketing gimmick without the physical arena.***

However, Camp Nou in itself is not enough to create a world class football club. In order to sign Lionel Messi, Gerard Piqué and the other stars, FC Barcelona is dependent on digital revenues from TV-deals, company partnerships and social media memberships. Despite the importance of the identity of the club, the 100,000 members in FC Barcelona need to be complemented with the 300 million followers on social media. Thus, FC Barcelona has shown how the tension between physical and digital domains is not an either/or-decision. To win championship titles, FC Barcelona is dependent on both the physical presence at Camp Nou and the commercial power of digitalization to become a global brand.

Within business education, the growth of global brands has become a trend for quite some time. If one would say that Harvard Business School is "the FC Barcelona of business education" most people would know what you mean. Interestingly, physical buildings also play an important role here. When you enter the campus of Harvard Business School (HBS), you can feel the history and sense the legacy of being part of a world class institution. Even though the carefully crafted identity of "the business school for CEOs" is very different from FC Barcelona's, having physical buildings that manifest a particular identity is crucial.

With COVID-19, it is interesting to discuss and problematize the future of educational hybrids. How important will physical educational settings be? When (if ever) will online alternatives be so much cheaper for students that they will not choose to attend a traditional university? Or in the short term, will students pay tuition if classes are held through Zoom and not on campus? On May 20th, Cambridge University announced that all its lectures would be held online during the academic year of 2020/2021. Small group sessions could still be held on campus if social distancing requirements were upheld, but all large lectures

would be online. If this sets a standard for other universities and business schools, what will the future look like?

Similar to the developments in sports, we might face an increased dominance of a few global brands. Marketing professor Scott Galloway from New York University Stern School of Business (NYU Stern) has argued that COVID-19 can turn many American universities into “Zombies” and that the top universities will be the winners. Taking the Massachusetts Institute of Technology (MIT) as an example, Galloway says:

In ten years, it's feasible to think that MIT doesn't welcome 1,000 freshmen to campus; it welcomes 10,000. What that means is the top-20 universities globally are going to become even stronger. What it also means is that universities Nos. 20 to 50 are fine. But Nos. 50 to 1,000 go out of business or become a shadow of themselves. I don't want to say that education is going to be reinvented, but it's going to be dramatically different.

However, delivering hybrid programs will most likely be challenging. In an article in the Financial Times, Copenhagen Business School professors Carmelo Cennamo and Michael Mol argued that online education has several limitations:

The classroom atmosphere, interactive dynamics and on-campus socialisation are perceived as critical aspects missing from online education, which highly degrades the overall learning experience.

Thus, similar to FC Barcelona and its reliance on Camp Nou, it is likely that business schools will develop hybrid solutions.

Educational hybrids – combining technical, organizational and identity hybrids

Looking at research regarding types of hybrids, the literature highlights how hybrids can be divided into technical, organizational and

identity hybrids (Battilana & Lee, 2014). ***When we discuss “educational hybrids”, we see that technical issues related to physical and digital delivery is not enough to describe the complexity of educational hybrids.*** In fact, as Figure 1 shows, the concept of the business school can be seen as a hybrid of “business” and “school”. SSE, MIT and HBS are all combining elements from both the private sector and the university sector. For example, most business schools have a not-for-profit part where degree programs and much of the faculty are placed, while they also have a for-profit Executive Education company which sells education as a commercial product.

The first challenge to address when it comes to educational hybrids is therefore to position the business school's *organizational identity* along the continuum between “business” and “school”. Acknowledging this issue is important because it has implications for governance, decision-making and financial risk taking. For example, if a business school sees itself as more of a “school”, the university logic is strong. Governance occurs normally through various committees where the decision-making process is allowed to take time. Furthermore, if the business school has a strong school identity, it is normally quite risk averse when it comes to financial risks. Each year is about making a small profit and steadily building a strong financial position in the balance sheet. Today, many business schools (including SSE) has a strong school identity. However, there are exceptions. Coming from the language company EF, Hult International Business School is a recent example. Named after the founder and owner, Bertil Hult, the school has climbed the international rankings in recent years. Being part of the EF Group, Hult International Business School has had a strong “business identity” which has enabled them to expand operations quickly throughout the world.

A second hybrid dimension concerns the *technical mode of delivery*. Even though digital education has been present for many years, COVID-19 has forced both students and faculty to learn how to use the digital format in a more sophisticated way. Addressing the tensi-

on between digital and face-to-face education is not simply resolved through decisions taken on the program level. Important decisions must be taken on the micro-level in the classroom too. For example, if teachers hold a physical lecture, should they be filmed? If this occurs, who owns the teaching material, the school or the teacher? Based on what has been learned during COVID-19, we see that tensions between the physical and digital modes of delivery arise on four levels: school level, program level, course level and session level. One challenging issue that we envision is the balance between consistency among levels and individual autonomy for course directors. Historically, SSE with its strong school identity, has preferred a high level of individual autonomy. This has worked well because course directors have been experts in their fields and have known how to design courses using suitable pedagogical formats. With new digital opportunities, quality standards will most likely be set to manage student expectations. How will this be done? What does this mean for course directors who want to innovatively experiment with digitalization? What creative freedom will they have? What happens with course directors who prefer more classical pedagogical formats? Will this be allowed?

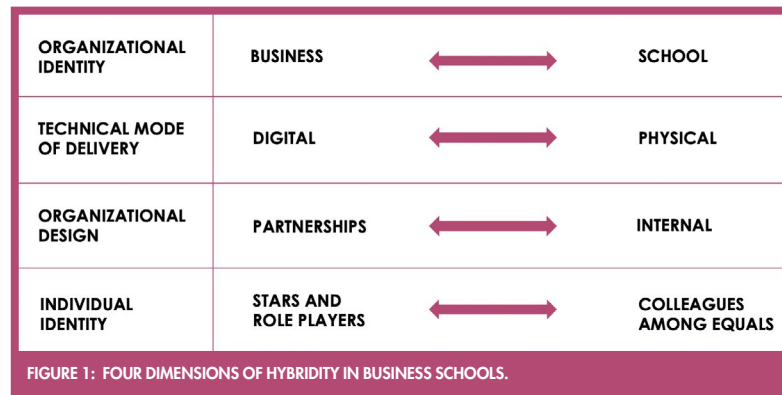
A third dimension of hybridity concerns *organizational design*. Should the organization carry out its activities internally or through partnerships with others? Historically, business schools have independently arranged the large majority of activities within the school. With new digital technologies, this may change. For example, it might be that different schools decide to offer courses together to a larger extent than today. In many business schools, you use similar textbooks in economics, accounting, marketing and strategy. Now when students and faculty are familiar with Zoom, we might see partnerships with schools of similar status. For example, SSE is part of CEMS, an organization which consists of a number of the best business schools in the world. Through CEMS, the participating schools offer a joint degree in Master-in-Management. Already prior to COVID-19, there were pilot projects to leverage digital technology. Here we see further potential for

development. Partnerships might also be attractive for global brands. Seeing a strong potential for integration between the university sector and the high-tech sector, Professor Scott Galloway predicts that Google, Microsoft and Apple will offer large commercial partnerships with top universities:

Ultimately, universities are going to partner with companies to help them expand. I think that partnership will look something like MIT and Google partnering. Microsoft and Berkeley. Big-tech companies are about to enter education and health care in a big way, not because they want to but because they have to. Let's look at Apple. It does something like \$250 billion a year in revenue. Apple has to convince its stockholders that its stock price will double in five years, otherwise its stockholders will go buy Salesforce or Zoom or some other stock. Apple doesn't need to double revenue to double its stock price, but it needs to increase it by 60 or 80 percent. That means, in the next five years, Apple probably needs to increase its revenue base by \$150 billion. To do this, you have to go big-game hunting.

With potentially more commercial actors entering the business education sector, there is also a likelihood that tensions around the fourth dimension of hybridity, *individual identity*, will increase. Historically, business schools have been run by a strong professional logic where individual faculty members develop over many years and are finally seen as “colleagues among equals”. A career for a professor normally starts with a PhD program between the ages of 25 to 30 and ends 40 years later when the professor retires. If business schools change towards being more “businesses” than “schools”, then it is not unlikely that we will see the emergence of new hybrid identities. In fact, Professor Scott Galloway is an example of such a hybrid. His formal title at NYU Stern is “Clinical Professor” which means that he focuses his work primarily on teaching and interaction with practice. Among business

schools in the US, clinical professors have been common for a long time. They bridge the divide between academia and practice and fulfil an important role of “translating” the language and work practices between the two worlds. With increased digitalization and commercialization, we might see that new hybrid identities such as clinical professors or digital pedagogues increase in frequency, but we might also face a clash between views regarding employees. ***When the value is both created and captured in a shorter period of time compared to traditional academia, the “colleagues among equals” notion might be challenged with a tiered view on employees where you have “stars and role players”.*** This trend towards academic stars was of course already ongoing before COVID-19. Professors with high status and long publication records were normally paid higher salaries than their peers. However, with increasing digitalization and commercialization, it might be that a larger number of successful teachers also become “stars”, increasing the tension between individuals and the collective within academia.



Thus, in the same way that FC Barcelona needs to manage tensions related to hybridity, so will business schools. As we have shown in this section, hybridity goes beyond the blending of physical and digital elements. It also concerns the issue of identity (both organizational and individual) and if one wants to organize a business school’s activities internally or through partnerships. As hybridity research has shown

(c.f. Smith & Besharov, 2019), this is not an easy task but something that requires holistic thinking. But what does this really mean? The way we see it, it means that in order to deliver high quality education, there will be a need to use combinations in various dimensions, in various ways, and with various stakeholders. For example, what used to be delivered as a traditional program, with entirely physical delivery modes, only done by SSE’s own faculty members, will run the risk of quickly becoming obsolete and fade away from the map of international business education in the 21st century. Instead we foresee that there will be dynamic processes where different programs, courses and sessions will move between different parts of the four continua described in Figure 1. For example, one course could be delivered to a large extent through digital media, together with external partners both from academia and practice, while another course could be delivered by one faculty member delivering teaching through traditional pedagogical formats. Thus, teaching and learning will take place in a dynamic environment where all these aspects constantly will change and develop.

As we see it, two key factors for managing educational hybrids are the importance of an overall educational mission of a school and the school’s focus on adding value to the learning processes. The overall educational mission of a business school is what can help to frame and guide the educational efforts taking place at the school. This can be seen as the overall guiding star for the school’s activities. Without this guiding star, there is a risk that different programs and courses will be separate units that could become generic, stand-alone products that easily could be copied, or replaced, by other actors.

Adding value to the learning processes means that the focus needs to be on how to contribute to the processes among the learners, rather than only on the delivery mode. When assessing different options about hybrids in various dimensions, the focus needs to be on how the different activities will contribute to the learning processes. Key questions will arise. For instance, how can we adjust on the four continua in order to better support the learning processes among our learners?

In what way can we best add value, from a learning point of view? By being more digital? Or less digital? Through more partnerships? Or less partnerships? And so on. This in turn, points to the importance of constantly assessing and challenging the way business education at a school is carried out, which in itself becomes a crucial learning process. We will need to constantly continue to learn, not only during but beyond a COVID-19 time period.

A vision for the future – SSE becomes a school for “all senses”

Given the four dimensions of hybridity, how can SSE become a top-20 business school in the world? In this final section, we outline a vision for how SSE can leverage its physical arenas to deliver on its educational mission, FREE.

Similar to a football club, SSE has physical arenas. The main one is the *City arena* which consists of the building on Sveavägen 65 in a central area of Stockholm (plus a number of buildings in the very same vicinity). This is “the Camp Nou of SSE” where all degree programs are hosted (BSc, MSc, PhD, Executive MBA) and where the large majority of faculty has their offices. When students, faculty, alumni and external stakeholders refer to SSE, they normally refer to this building. However, SSE also has two other important arenas that are part of its competitive advantage.¹ In Sigtuna, 40 minutes north of Stockholm, our *Countryside arena* Kämpasten is located. Kämpasten is a customized learning facility for Executive Education. It is close to Arlanda Airport and nestled in a calm and beautiful landscape. To have both a top-class city arena and a countryside arena is rare among business schools. Most schools have focused on being either a city school or a countryside school. Still, a third physical element that is part of building the SSE experience is what can be called the *Partner arena*. SSE has one of the largest Corporate Partnership programs in the world with more than 110 partners. Many of these companies are leaders within their industries.

¹The Financial Times has ranked the Stockholm School of Economics as the best business school in the Nordic region for the past 20 years.

Within 30 minutes from our City arena, students and faculty can visit Ericsson’s 5G lab, Atlas Copco’s test mine or H&M’s showroom stores. **So, to complement the many digital opportunities that now exist, SSE can add physical experiences that engage all the senses in a human body.** This in turn can help the learning processes by making it easier to remember experiences as we tend to relate experiences to the physical context where they took place.



Figure 2 describes the key elements of the SSE educational experience. As a starting point, the school’s overall mission is to “through scientific teaching and research, strengthen Sweden’s competitiveness”. The mission highlights the importance SSE places on interaction with the external stakeholders from all areas of society. **SSE is not just a school that does research and teaching; we also want to have an impact and strengthen Sweden’s competitiveness.** Historically, there has been a strong focus on the private sector, but during the past years, an increased focus has been placed also on the public and nonprofit sector. After COVID-19, we see this focus on society as an important part of SSE’s future development.

To align and coordinate activities across educational programs, the educational mission of FREE plays an important role. Starting with a

fact and science-based mindset, three letters emphasize the personal development of the students, as shown in Figure 2. In a world of Artificial Intelligence, fake news and big data, SSE believes that reflection, empathy and an entrepreneurial mindset are essential characteristics of future leaders. However, based on what has been learned this spring, we also believe that SSE needs to refine how physical and digital elements are combined. It will not be enough to say that a hybrid is needed.

Being in the middle of the COVID-19 pandemic, we realize that our vision could be outdated in a number of months or even weeks. Still, we feel that SSE's competitive advantage in terms of its physical arenas should form the start for its vision. By combining our three arenas, we can offer a variety of environments for learning to take place, regardless if the learners are pre-experience undergraduate students, or senior executives. ***Similar to FC Barcelona and Camp Nou, we believe that world-class education relies on learning processes where all senses are mobilized.*** With digital technology, we mobilize our eyes and ears. However, we do not engage with taste, smell and feel. This we can do with a physical experience. When students visit Atlas Copco's mine and can touch the drill and smell the environment, learning becomes more real and interesting. We move beyond textbooks and Zoom lectures. Physical environments help transfer energy to the learning processes by offering exciting sensory experiences, be it in a neo-classical building in the City arena, in a beautiful center in the Countryside arena, or in a spectacular Partner arena.

Nevertheless, digitalization opens up for new innovative solutions. Instead of being in Stockholm, one could envision that students travel to other countries and cities during a course. Similar to a TV production, they can form small projects and report back to their fellow students in Stockholm what happens in Kairo, New York and Berlin when it comes to financial markets, business model innovation or public policy. Imagine if students everyday engage with new physical and digital experiences. Instead of being singularly confined to the Stockholm arenas that we have today, students are able to explore the world physically at

the same time as they interact digitally with fellow students, faculty and other decision-makers. This would give them opportunities to expand perspectives and experience learning in different physical environments using all their senses. SSE's educational mission is FREE. We believe both students and faculty need to FREE up their minds to fully grasp the potential that most likely will emerge after COVID-19.

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