

**Does it matter? External stakeholder perceptions towards
business program accreditation**

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Abstract

This research examines external stakeholder (i.e., students, employers, business professionals) perspectives toward international and professional discipline-based accreditation of business schools. Survey responses from 117 participants were analysed using Netica's Bayesian Network (BN) software package. Findings reveal a low level of awareness of international accreditation amongst survey participants. Both types of accreditation were viewed as useful for employment and career prospects, with membership of professional bodies seen as beneficial for networking and professional development. Practical implications suggest information on accreditation (including quality indicators and benefits) could be more consistently and iteratively conveyed to stakeholders. Additionally, professional bodies and business schools could investigate further opportunities to increase awareness about the value and career-related benefits of professional body membership.

Keywords

Accreditation, career, AACSB, quality, employment, business school

Structured Submission

Overview

This research examines external stakeholder (i.e., students, employers, business professionals) awareness of and perspectives toward international and professional discipline-based accreditation of business school programs. In particular, the research sought to understand the value these stakeholders placed on accreditation as a marker of quality or graduate employability and additional benefits they may associate with accreditations. Such information helps guide decision-making processes in relation to business program accreditation at higher education institutions.

Current understanding

University business schools invest significant financial and human resources into gaining both professional discipline-based and international accreditation for their courses (Avolio & Benzaquen, 2020). These accreditations are often viewed as symbols of prestige, enhancing institutional reputation and signalling quality to prospective students (Kundu & Majumdar, 2020; Bitter, 2014; Elliott, 2013; Mackenzie Jr, Scherer, Wilkinson, & Solomon, 2019), thereby positively impacting student recruitment and enrolment. Noted internal institutional benefits to accreditation include improvements to assurance of teaching and learning, enhanced leadership, heightened research outputs, greater creativity, improved ability to attract and retain quality academic staff, and better alignment of processes and practices with school strategy and mission (Bryant, 2013; Elliott, 2013; Bitter, 2014; Zhao & Ferran, 2016). Perceived benefits to students include enhanced quality of teaching and closer alignment of the curriculum with critical employability skills (Al Motairy, 2016), particularly in the case of professional discipline-based accreditation (Attree, Neher, Jenkins, & Esler, 2022). For employers, accreditations are expected to provide more meaningful indicators of quality, content, capability, and skill development (Miles, Franklin, Grimmer, & Heriot, 2015).

Criticisms of accreditation suggest that the need to comply with discipline (or industry) based standards can result in a program design approach prioritising compliance over a holistic, transformative, student-centred, and authentic design (Wood, Auhl, & McCarthy, 2019). Analysis of professionally accredited programs in accounting has revealed gaps in learning outcomes and in

meeting minimum educational expectations of the profession (Bayerlein & Timpson, 2016).

Internationally based accreditation has been criticised as driven by the need to be competitive in an increasingly international marketplace (Friedman & Kass, 2016), leading to a global standardisation of education (Bryant, 2013), which may overlook important national and cultural nuances and regional disparities in skill requirements (Al Motairy, 2016; Hou, Morse, Ince, Chen, Chiang, & Chan, 2015).

Amongst the extant literature on accreditation, studies examining the value of accreditation from the perspective of external stakeholders are rare. For example, in a systematic review by MacKenzie Jr et al. (2019), none of the 91 studies reviewed included students, employers or participants from the business community in their surveys or interviews. Therefore, this paper seeks to address this gap by reporting the external stakeholder perception towards both international and professional/discipline-based accreditation of business courses.

Research question

As mentioned above, this research aimed to examine external stakeholder perceptions toward two forms of accreditation of university business programs, that is,

- International accreditation (e.g., Association to Advance Collegiate Schools of Business (AACSB), Association of MBAs (AMBA), European Quality University Improvement System (EQUIS))
- Professional accreditation based on discipline (i.e., accounting, marketing, HR, finance)

In particular, the research sought to understand the value external stakeholders place on accreditation as a marker of quality and graduate employability and any additional benefits they may associate with accreditation. Such information is helpful in guiding decision-making processes about business course accreditation at higher education institutions.

Research approach

Data was collected via an online survey using the Qualtrics platform. The structured questionnaire comprised 31 closed and five open questions using free-text fields to collect the data. The survey was

pilot tested through business contacts and academic peers. Issues regarding terminology, survey flow, and logic were addressed before creating a survey weblink that enabled secure and anonymous data collection. The weblink was distributed using two paths: 1) via LinkedIn social media network, and 2) via Qualtrics' data collection service. The survey was designed to be completed using various platforms such as laptops, tablets or smartphones and allowed completion across multiple sittings. Participation was voluntary, and participants could quit at any time. None of the information was identifiable by the researchers, and the data were analysed in an aggregated fashion. This research project was approved by the Charles Sturt University Human Research Ethics Committee (approval protocol number: H21484). Once collected, raw data was downloaded from the Qualtrics platform and cleaned to remove erroneous entries and out-of-the-range values. Cases with missing values were excluded, resulting in a final number of 117 usable responses from initially 124 obtained responses.

Netica's Bayesian Network (BN) software package was used to examine the data. BN is a form of statistical modelling based on empirical data that allows for identifying complex interrelationships between variables of interest (Wilson, Jenkins, Barnes, & Brooks, 2020; Lewis & McCormick, 2012). A graphical network is usually used to describe the dependency structure of these variables. While multivariable regression analyses aim to identify statistical associations between an outcome variable and one or more covariates, the BN's approach seeks to uncover any statistical relationship between the selected variables, irrespective of direct or indirect dependencies (Lewis & McCormick, 2012). Despite not being causal, BN analyses are suitable for examining survey data as all potentially dependent variables can be illustrated, and thus statistical associations can be defined holistically (Firestone, Lewis, Schemann, Ward, Toribio, Taylor, & Dhand, 2014; Manyweathers, Maru, Hayes, Loechel, Kruger, Mankad, ... & Hernandez-Jover, 2020). Figure 1 visualises our graphical network.

Most participants were engaged in full-time employment (62%) or part-time fixed hours (24%), with only 6% not employed and the remainder being self-employed or employed as contractors or casuals. The main industries of employment included educational services (15%), retail or wholesale (13%), agriculture, construction, or forestry (13%), professional services (12%), and health care 10%. In terms of occupation, management and professional level predominated (43%), followed by office administration (19%), service professionals (18%) and government (6%).

Participants were asked to indicate whether they had heard of any of the three main international business accreditation bodies AACSB, AMBA, EQUIS and the Australian Tertiary Education and Quality Standards Agency (TEQSA). The results indicate a low awareness of any of these bodies (see Figure 3), with only 30 people confirming they had heard of AACSB and only 43 people aware of TEQSA.

Figure 3: Heard of international accreditation body

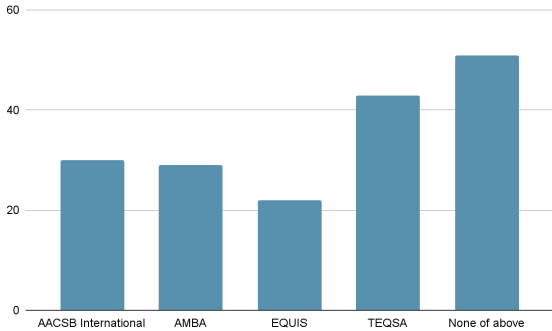
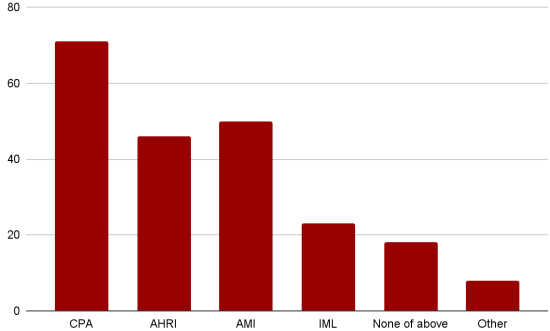


Figure 4: Heard of professional body



Awareness of professional bodies was higher, with only 18 people indicating that they had heard of none of the major Australian professional bodies (i.e., Chartered Professional Accountants (CPA), Australian Human Resource Institute (AHRI), Australian Marketing Institute (AMI) or the Institute of Managers & Leaders). Amongst these, awareness of the CPA was highest (see Figure 4).

BN analysis was undertaken to investigate whether age, gender or current or prior enrolment in business studies increased the likelihood of awareness of either international or professional bodies, with no apparent pattern emerging from the data.

Participants were asked about their attitudes to education before inquiring about specific accreditation questions. The overwhelming majority felt that obtaining a degree to get a job was essential, with almost 55% rating it as ‘highly important’ and 42% as ‘somewhat important’. Similarly, the participants believe getting a degree is ‘highly relevant’ (60%) or ‘reasonably relevant’ (37%) for their career. This clear view on the importance of getting a degree is corroborated by the fact that 71% of the respondents had at least a qualification at AQF level 4 and 54% at level 7 (bachelor’s degree).

When asked about the relevance of the accreditation of a degree for their employability, again, respondents rated the importance as ‘high’ (51%) and ‘relatively high’ (45%), with a notable pattern between high responses and increasing age. Moreover, 66% of the respondents in management-related jobs rated accreditation relevance as high and thus scored the highest across all occupations.

Qualitative responses suggested stakeholders associated accreditation with quality, credibility, and employability. Hence, it can be concluded that, if available, an accredited degree is generally perceived as relevant for getting a job, particularly in the management discipline and amongst older stakeholders.

Further insights reveal that professional accreditation bodies are valued higher than international ones. Participants were asked to indicate which accreditation they valued, with more than two-thirds preferring professional over international (32%) accreditation. When asked what they believed employers would value, the result is even more significant, with 76% indicating they believed employers would value professional accreditation more highly than international (24%). In both instances, high ratings increase with age. Given the respondents’ origin, the preference for professional accreditation bodies predominantly mirrors the Australian perspective.

Participants were asked whether they would be interested in becoming a member of a professional body whilst studying, with 48% responding ‘yes’ or indicating that they were ‘already members’ (13%). Of the 61% answering yes or who were already members, the majority stated that they would continue membership after completion of the degree, citing networking, keeping up to date with industry trends, and professional development opportunities as the most important benefits.

Contribution and Limitations

This study contributes to the extant literature by addressing a significant gap in empirical research by investigating external stakeholder perceptions towards the accreditation of business courses in higher education. Awareness of professional accreditation bodies was reasonably widespread, with 82% of participants indicating they had heard of at least one professional body. However, overall awareness of international accreditation bodies was significantly lower, with only 30 people out of 117 noting that they had heard of AACSB (the highest rated accreditation). Interestingly most viewed accreditation as useful for employment and career prospects. Ongoing membership of professional bodies was seen as important for networking and continued professional development.

Although this study provides valuable insights into the perspective of accreditation from a student and employer perspective, the study has some limitations. Methodologically, this cross-sectional dataset allowed identifying statistical relationships, however, it did not permit drawing causal relationships. Further research may therefore use multivariable regression to discover correlations, for example, whether the more professional and international accreditations a university has, the more attractive it is to students and, thus, more enrol in accredited courses. Furthermore, it should be acknowledged that the dataset encompasses a moderate number of responses and focuses on Australia. A larger dataset covering more geographical regions, such as Europe, North America, and South-East Asia, would obtain a more comprehensive perspective, allowing comparability. Lastly, as the distinction between the student, business professional, and employer perception of accreditation is blurred, presuming due to the mature age of the postgraduate students (who may encompass all three roles), a survey focussing either on the students or employers may provide a clearer picture.

Implications

The findings of this research have implications for both business schools and professional accreditation bodies. Given the significant investment and expenditure outlaid by institutions seeking and maintaining international and discipline-based professional accreditation, opportunities exist for business schools to raise awareness of their accredited programs beyond simply advertising on

websites and promotional materials. Information on both types of accreditation (including quality indicators and benefits) could be conveyed to students as part of the curriculum delivery in an ongoing and iterative manner. Additionally, professional bodies and business schools could investigate further collaborative opportunities to increase awareness about the value and career-related benefits of professional body membership.

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