

The Move to Business Schools: How Is Industrial–Organizational Psychology Holding Up in Europe?

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Aguinis, Bradley, and Brodersen (2014) empirically documented the move of industrial–organizational (I–O) psychologists to business schools, thereby mainly focusing on the situation in the United States. However, in the last decades, I–O psychology has seen a trend toward internationalization. For instance, since the early 1990s, there has been a steady increase in the number of authors from outside of the U.S. publishing in *Journal of Applied Psychology (JAP)* and *Personnel Psychology (PPsych)*; Cascio & Aguinis, 2008). Similarly, in international rankings the number of European business schools has increased (Collet & Vives, 2013). This begs the question as to whether a similar move from I–O psychologists to business schools has occurred in Europe as in the United States.

In this commentary, we discuss the degree to which the observations and predictions of Aguinis et al. apply to Europe. We provide empirical evidence that a change of similar magnitude has so far not taken place in Europe by presenting data on the affiliations of European authors in publications and editorial boards. To explain this limited generalizability to the European context, we highlight three boundary conditions (European business university system, varying research environments, and

increased focus on interdisciplinary and applied research). We close by suggesting that in Europe modest change is likely but that it is improbable that the European situation will mirror the U.S. situation in the immediate future.

Affiliations of European Authors and European Board Members

We used the same approach as Aguinis et al. to examine the affiliation of European authors and board members of *JAP*, *PPsych*, and *EJWOP*. Contrary to Aguinis et al., 1990 served as starting year because virtually no European scholars published in some of these journals prior to 1990 (Cascio & Aguinis, 2008). We included *EJWOP* (i.e., the flagship journal of the European Association for Work and Organizational Psychology) because U.S.-based journals (*JAP* and *PPsych*) might not be the primary research outlets for European-based I–O psychologists. Note that *EJWOP* was included in our analysis of author affiliations only since 2005 (when it became available in ISI Web of Science).

Figure 1 shows the results for authorship affiliations. Given the relatively small number of European scholars publishing in these journals each year, we grouped publications over a 3-year period. Historically, European authors seem to be primarily affiliated with psychology departments (around 75–80% for both *JAP* and *PPsych*). Since 2005, there is a trend for *JAP* toward relatively more business-affiliated authors. For *PPsych*, there is a similar but less pronounced trend. Generally, *EJWOP*

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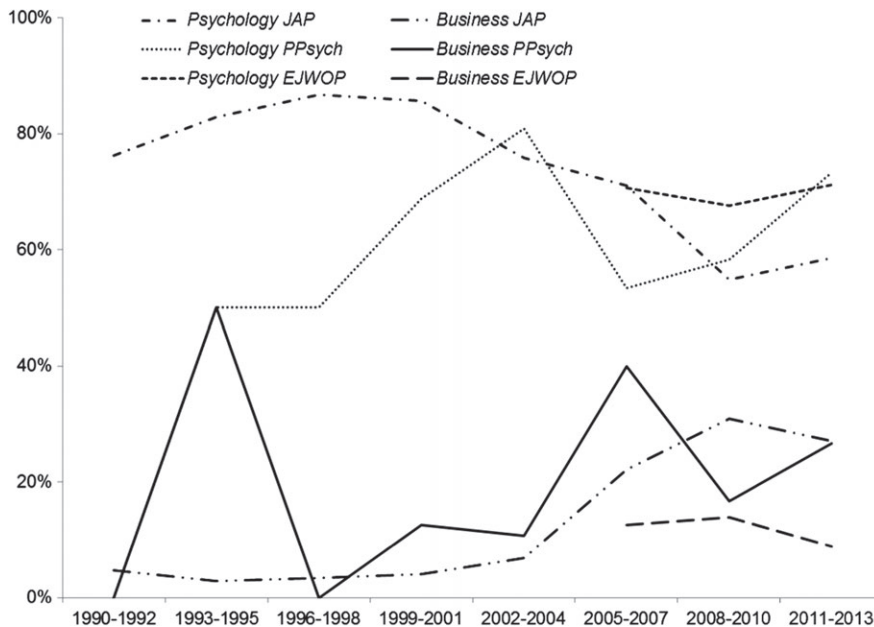


Figure 1. Percentage of European authors of publications in *Journal of Applied Psychology*, *Personnel Psychology*, and *European Journal of Work and Organizational Psychology* affiliated with business schools versus psychology departments (since 1990 for *JAP* and *PPsych* and since 2005 for *EJWOP*).

has always shown a large proportion of psychology-affiliated authors, and there have been no notable changes since 2005.

Inspection of the editorial board composition of *JAP* and *PPsych* (Table 1) indicates that few European scholars have served on the editorial boards of these journals. If this has been the case, they predominantly have a psychology affiliation. Only since the previous decade have more than two European scholars been included in the *JAP* board, with those making it in the last three terms having over 60% psychology affiliations. For *PPsych*, there were even fewer European board members, making it difficult to draw conclusions. Regarding *EJWOP*, we note a predominant presence of psychology over business affiliations, namely 75% of the board members were affiliated with psychology in the first period analyzed and 64% in the most recent period.

Overall, the picture emerging from an analysis of European scholars shows a somewhat different picture than the one

observed in Aguinis et al. They concluded that the I–O psychologists most successful in publishing and serving in the boards of *JAP* and *PPsych* are moving to business schools. Apparently, this trend is not (yet) visible in Europe. The majority of European scholars publishing or serving in the editorial boards of the three journals targeted here (*JAP* and *PPsych*, and *EJWOP*) still have a psychology instead of a business affiliation.

Contextual Boundary Conditions: The Situation in Europe

Our results indicate that so far the observations in the United States concerning a move to business schools do not seem to generalize to Europe. Apparently, European I–O psychology departments hold-up pretty well as compared to the United States. In the remainder, we discuss three boundary conditions that qualify the propositions presented by Aguinis et al. for the European situation.

Table 1. European Editorial Board Members of Journal of Applied Psychology, Personnel Psychology, and European Journal of Work and Organizational Psychology Affiliated with Business Schools Versus Psychology Departments Since 1990

	JAP		PPsych		EJWOP	
	Psychology	Business	Psychology	Business	Psychology	Business
1990–1994	1 (100%)	—	—	—	21 (75%)	4 (14%)
1995–1999	—	1 (100%)	—	—	20 (71%)	3 (11%)
2000–2004	3 (75%)	1 (25%)	1 (100%)	—	21 (91%)	1 (4%)
2005–2009	7 (64%)	4 (36%)	4 (80%)	1 (20%)	29 (76%)	8 (21%)
2010–2014	7 (64%)	4 (36%)	2 (100%)	—	25 (64%)	14 (36%)

Note. Per time period, the European editorial board composition was coded for the first issue of each new editorial term. Dashes indicate that there were no cases that matched the criteria.

Elite Business Education in Europe

The move of top I–O psychology faculty to business schools as described by Aguinis et al. is closely tied to the ability of business schools to gain a competitive advantage over psychology departments in terms of salary, prestige, and/or research funding. Along these lines, European business schools seem to be catching up: There has been a rise in both the number and significance of European business schools in international rankings during the past decade (Collet & Vives, 2013). For instance, in the *Financial Times'* inaugural MBA ranking in 1999, 20 of the top 25 schools were based in the United States. This year (FT Global MBA ranking, 2014), only 13 of the top 25 MBA schools are located in the United States, and 10 of these 25 business schools are located in Europe.

However, a closer examination of the *Financial Times'* ranking and an effort to link the data with the data presented in the previous section reveal four interesting observations. First, among the 10 European schools, 5 are public. This contrasts to the U.S. situation where only 2 of the top 13 schools are public. Second, all European top-25 schools are from Spain (3), France (2), the UK (4), and French-speaking Switzerland (1). Elite MBA programs at business schools are largely absent from other countries. The first and only Italian MBA school comes in at 31, the first German MBA school at 66, the first Dutch MBA school at 39,

the first Belgian MBA school at 100, and there is not a single Polish, Swedish, Danish, Norwegian, or Russian school in the MBA top 100. Third, the European business schools that are ranked among the top-25 MBA schools in the *Financial Times'* ranking are only responsible for a small fraction of the European JAP (4%), PPsych (9%), and EJWOP (0%) publications. Fourth, the majority (67%) of the European authors who published in JAP, PPsych, and EJWOP live in countries (such as the Netherlands, Germany, or Belgium) that do not have a top-25 business school.

One reason for these patterns might be that higher education in Europe is largely governmentally funded (with England being a notable exception) so that (a) students in many European countries can get an education without paying substantial tuition and (b) public-funded psychology departments can generally offer salaries that are closer to public business schools. In such a climate, establishing an elite business education with a clear competitive advantage in attracting faculty is highly challenging and requires circumstances that differ from the U.S. situation. In our observation, there are three typical scenarios that might make elite business schools possible in Europe. In one scenario, a private elite business school might outperform governmentally funded programs in terms of career possibilities, often understood as significant salary increases, so that

students are willing to pay internationally competitive student fees even when low fees apply for public European business education. In a second scenario, a government might decide funding elite business education in the hope that this decision will lead to long-term advantages for the local economy. In a third scenario, a private elite business school might still be able to attract enough international students who are willing to pay internationally competitive student fees to obtain an MBA in Europe. The first scenario seems to apply to Spain, and combinations of the three scenarios seem to apply to France, the UK, and Switzerland.

When these scenarios do not apply, efforts to establish top business schools tend to fail in Europe. For instance, several efforts to set up elite privately funded business schools in Germany—Europe's leading economy—were not successful because of students' unwillingness to pay the high student fees, a failure to attract the best students, and an unwillingness of the German government to fund elite business education (Karschnick, 2012; Storbeck, 2012; Wiarda, 2011). For several years, many German private business schools have been on the verge of bankruptcy, and the German media has frequently questioned the value of their education as compared to ordinary public German programs (Karschnick, 2012; Storbeck, 2012; Wiarda, 2011). In addition, the MBA brand is largely associated with American business schools so that German managers pursuing an MBA, for example, tend to go to the United States to get one (Baurmann, 2013).

The specifics of the European situation and especially the fact that not all European countries have top business schools (including some with many strong I–O psychologists) suggest that if a brain drain is about to happen, it will not so much be from psychology departments to business schools. Instead, a brain drain from European psychology departments to United States or Asian business schools seems more likely. Therefore, the challenge for European psychology departments will be

in retaining their star performers in Europe. Several psychology departments (e.g., in Belgium) have initiated actions to get top “expatriate” researchers back from other countries by installing special research chairs with considerable funding.

Varying Research Environments in I–O Psychology and Business Schools in Europe

In Europe, I–O psychology departments typically offer a master's degree while at the same time providing opportunities for their best master's students to obtain a PhD. This is unlikely to change in the future: Given the emphasis on fundamental research and quantitative publication metrics in other subdisciplines in psychology departments (e.g., cognitive psychology, neuropsychology), faculty in I–O psychology departments are even more than in the past encouraged to be prolific both in terms of producing publications and supervising PhD students. This contrasts somewhat to the situation in European business schools where historically less emphasis has been put on scientific productivity in favor of teaching MBA and executive-level courses. Although it should be acknowledged that this varies considerably across European business schools, there exists still a general tendency to favor teaching and applied consulting work vis-à-vis research in European business schools, especially those that are not competing for the top spots in the business school rankings (Müller & Storbeck, 2009a, 2009b; Storbeck, 2012). For instance, in the most recent *Financial Times* ranking (FT Global MBA, 2014), only four European business schools made it to the top 50 *research* ranking, which contrasts to their *overall* favorable ranking. Thus, relative to business schools, I–O psychology programs in Europe might put more emphasis on research, encouraged by the favorable and growing research climate in psychology departments, leading to more graduates seeking research careers.

Increasing Emphasis on Interdisciplinary and Applied Research in European Funding

Aguinis et al. also made the prediction that other subdisciplines could marginalize I–O psychology because they have more access to external funding. We acknowledge that in Europe the funding provided by governments and external funding agencies in subdisciplines such as cognitive psychology and neuroscience is also no match for the funding typically available for I–O psychologists. However, this should not automatically mean I–O psychology departments in Europe become increasingly marginalized. One reason is that in Europe funding agencies are increasingly turning to interdisciplinary research teams. For instance, Horizon 2020, the large-scale European Union Framework Programme for Research and Innovation with nearly 80 billion euro of funding available, explicitly focuses on interdisciplinary collaboratives to address a number of key societal problems (i.e., aging, innovation, security) in which I–O psychology might play a significant role. Recent research using eye tracking (e.g., Madera & Hebl, 2012), fMRI-scans (e.g., Hannah, Balthazard, Waldman, Jennings, & Tatcher, 2013) or genetic markers (e.g., Song, Li, & Arvey, 2011) shows that interdisciplinary work might also help in addressing important research questions in I–O psychology.

Apart from the increasing interdisciplinary focus, there is also a shift notable in Europe from fundamental research toward more applied research that aims at direct societal value. This should provide unique opportunities to seek external research funding opportunities (e.g., applied research, industrial partners) that might not be accessible for more fundamental areas in psychology. This trend coincides with a growing movement among European practitioners to be more critical of management gurus, hypes, and fads, thereby providing an impetus for more evidence-based management (Rousseau & Barends, 2011). To fully benefit from this evolution, I–O psychology in Europe and worldwide should try to be

on the forefront of this movement because it has the unique knowledge, techniques, and data to support this. By presenting themselves as pioneers in evidence-based management and seeking research collaboration with practitioners, I–O psychologists might be able to place themselves in a position in which they enjoy an enhanced image in society, better external funding opportunities, and a stronger strategic position relative to other psychology areas.

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