

Comments from the Editor



Tamir Agmon,
Editor

The 2004 AIB Meetings in Stockholm was an opportunity to examine once more the nature of International Business as a unique field of research and teaching. Many of the participants in the Meetings are active in research in the different functional fields of business and management. Not a few are active in Departments like Finance, Marketing, Strategy, Management and so on. The AIB Meetings provide a group of people who are doing research and teach in different aspects of business and management to see what is common about that rather elusive field, International Business. This issue of *AIB Insights* examines some of the unique and unifying dimensions of International Business.

*In a field of research
that is global like IB
we have at least to
acknowledge and
explore other
value systems.*

AIB Insights is a unique publication. It reflects the unique nature of International Business as a field of research in business and management. The uniqueness of International Business as a field of research arises from a number of related reasons. First, more than most fields of research in business and management International Business (IB) depend crucially on the interface between the corporation and the national

state. This is evident from the name itself that connotes an interface among national units. The more modern use of the term “Multinational” instead of “International” signifies a will to move away from the real interface between two systems, corporation and national state, that represent two different value systems. In my opinion this route leads us to a dead end. It leads to include the choice among different locations with different aspects of business life in the discussion of Finance, Marketing, Organizational Behavior, Strategy and all the other fields of study within business schools. Organizationally it leads to disregard IB as a separate field within a business school, and therefore to assign scholars who are doing research in IB to the different departments.

Second, the interface between national states and corporations that stands in the root of IB as a field of research requires a value judgment on issues pertaining to IB. This may seem to be a problematic statement as research in business and management is supposed to be objective. There is no such thing as research in social sciences that is not related to a value system. The well-known hypothesis in financial economics of value maximization for shareholders, the stakeholders approach in management, and the basic assumption of non-satiation that stands in the root of most of our research, are all related to a Western value system. In a field of research that is global like IB we have at least to acknowledge and explore other value systems. This happens very rarely. In the 2004 AIB Meeting in Stockholm under the title “Bridging With the Other” almost all the research presented came from the same value system.

Third, the system nature of the research in IB calls for a real interface with other

Insights provides an outlet for short, topical, stimulating, and provocative articles. Please submit materials for consideration to the editor—Tamir Agmon at AgmonT@st.colman.ac.il. Submissions are reviewed by the Advisory Board.

Insights can be accessed through the AIB Website: <http://aib.msu.edu>

Editor:

Tamir Agmon, AgmonT@st.colman.ac.il

Editorial Assistant:

Adi Gottlieb, adig@hdq.colman.ac.il



The College of Management
Rishon Lezion, Israel

Advisory Board

Nancy Adler, McGill University, Canada

Raj Aggarwal, Kent State University, USA

Zeynep Aycan, Koc University, Turkey

Jagdeep Chhokar, Indian Institute of Management, India

Terry Jackson, EAM, United Kingdom

Betty Jane (BJ) Punnett, University of West Indies, Cave Hill, Barbados

David Ricks, University of Missouri, USA

Tagi Sagafi-nejad, Loyola College, Maryland, USA

Paul Simmonds, North Carolina A&T State University, USA

Alvin Wint, University of the West Indies, Jamaica

Atilla Yaprak, Wayne State University, USA

AIB Insights is jointly published with the *AIB Newsletter* by the Academy of International Business Secretariat. For more information, please contact: **G. Tomas M. Hult**, AIB Executive Secretary, or **Tunga Kiyak**, Managing Director, 7 Eppley Center, Michigan State University, East Lansing, MI 48824-1121

Tel: +1-517-432-1452

Fax: +1-517-432-1009

Email: aib@msu.edu

<http://aib.msu.edu>

AIB Staff:

Tunga Kiyak, Managing Director

Irem Kiyak, Treasurer

Copyright ©2004 Academy of International Business

Submission Information

- Submissions to *Insights* can be sent at anytime to the editor.
- Submissions may be electronic, by fax, or by mail. Electronic submissions are preferred.
- Submissions will be reviewed by the Editor to ensure material is appropriate for *Insights*, then the advisory board will comment on submissions.
- For consideration for specific editions, submissions must reach the editor by the following dates:

1st Quarter: December 15

2nd Quarter: March 15

3rd Quarter: June 15

4th Quarter: September 15

- Articles should be approximately 2-3 printed pages.
- Exercises, simulations, and other material should include all the information needed for use in the classroom. Material submitted should not contravene any copyrights.
- Blunders should be based on real-world events and should be new — i.e., not previously published, or disseminated in other media.

*We look forward to your
comments and submissions.*

fields of research. This is clearly true for other fields of social sciences. However, in most fields of research in business and management like marketing, organizational development, finance, accounting, strategy and so on the tendency is to become more disciplinary. IB research cannot be exclusively disciplinary, (this was obvious in a panel at AIB 2004 where an attempt to find a common methodology among a financial economist, a management scholar, and an applied psychologist ends up in what seemed to be a dialogue among the deaf). Yet, any attempt to do research in International Business that reflects the real complexity of the field is risky. The risk is to deviate from the common way of doing and publishing research in business and management and to lose the all-important peer-support. The opportunity for IB research is to stay away from the attempt to be like the other fields of research in business and management, and to carve a different way. The different way can benefit from a real conversation with other fields of study like history, psychology, philosophy, art, and literature.

One practical outcome of this problem is that veteran researchers who are well established in the functional fields should devote time and energy to unique IB research. The three short pieces that comprise this issue of *AIB Insights* are an example for that.

The first article by Nancy Adler focuses on the need to communicate with the world around us, and to examine our values. The key phrase in Professor Adler's presentation is "Courageous Conversations with Self and Others"

that leads to "Courageous Conversations with our Career". I hope that this short presentation will lead to more discussion of International Business as a view of the world.

In the second article Mary Ann Von Glinow questions the very way that we communicate and perceive the world around us. This is a difficult issue, particularly for research where we assume that the person reading our research has the same connotation as we do, to say nothing about being able to put our research in the context of what was done in the field before. Yet the world out there is polycontextual, to use Professor Von Glinow's term.

In the third article Raj Aggarwal takes both a general and a personal look at the issue of how to square the difference between what International Business research should be in order to be congruent with the way the world goes, and the need to generate accepted research using the proper analytical models and tools. As Professor Aggarwal says, the solution for the incongruence between the more narrow, restrictive functional fields' research, and the true and complex nature of the global world, is to do both types of research. To paraphrase the conclusion of Krugman's paper *The Fall and Rise of Development Economics*, we need to adhere to our analytical models and our "tools of the trade", but we have to be self aware of the limitations, and try to regain the lost knowledge by asking the right questions and by making our analytical tools good enough to transcend the limitations.

Tamir Agmon, Editor



Professor Nancy J. Adler

Professor of International Management, McGill University
Montreal, Quebec, Canada
nancy.adler@mcgill.ca

From Istanbul to Stockholm: A Reflective Dialogue on Global Leadership¹

*“Do not forget, you are here to enrich the world.
You impoverish yourself if you ever forget that errand.”*

*Nobel Peace Prize Laureate
& 28th President of the United States,
Woodrow Wilson²*

Scandinavia. Home of the Nobel Peace Prize. What more symbolically important region of the world for AIB to choose to celebrate this year’s conference theme “Bridging with the Other: The Importance of Dialogue in International Business.” Dialogue, not weapons, as the builder of a stable, peaceful, prosperous global society. In Oslo, not far from where we’re gathered here today, Iran’s Shirin Ebadi was awarded this year’s Nobel Peace Prize for her courageous efforts supporting democracy and human rights.³ In prior years, the Nobel Prize has recognized the courageous peace-making dialogues of adherents of such seemingly irreconcilable positions as those of South Africa’s Nelson Mandela and Willem de Klerk⁴, along with those of Middle Eastern leaders Yasser Arafat, Shimon Peres, Yitzhak Rabin, Anwar Sadat, and Menachem Begin.⁵

Bridging with the Other

How do we support similarly important leadership dialogues about international business? Can we rise to the challenge that Conference Chair Nakiye Boyacigiller set for us for this year’s AIB Meetings—to “Bridge with the other”? Similar to Nakiye, Klaus Schwab, President of the Davos World Economic Forum, challenged the world’s senior business leaders to enter into a new dialogue, observing that:

“In today’s trust-starved climate,

our market-driven system is under attack...large parts of the population feel that business has become detached from society, that business interests are no longer aligned with societal interests...To respond, business [must]... take the lead and reposition itself clearly and convincingly as part of society.” As a part of a global society that is distinctly multicultural—as a part of a global society filled with “others.”⁶

Global business strategist and fellow academic Gary Hamel echo’s Schwab’s sentiments as he rhetorically demands, “By what law must [global] competitiveness come at the expense of hope?”⁷

Just a few weeks ago, at the invitation of UN Secretary General Kofi Annan, more than 500 world business leaders met in New York to discuss ways to better implement the Global Compact, their commitment to the triple bottom line—good for profits, good for people, and good for the environment. The session was facilitated by a colleague of ours, a global business professor.⁸

Where is AIB in this dialogue? Which conversations with “the other” are each of us entering into? Where is our voice? What are we saying? What do we know about the most impressive bridge-building efforts among our colleagues? Do we, for example, know the details of AIB colleague Seev Hirsch’s

efforts supporting joint Arab/Jewish entrepreneurial business cooperation?⁹ Or Stella Nkomo's creative leadership development efforts among the black and white, women and men, of the new South Africa?¹⁰ How many of us know? AIB colleague Yves Doz asks us not to be detached scholars, but to have an impact. He reminds us that disinterested truth, in fact, doesn't exist.¹¹

From Istanbul to Stockholm

Last year, AIB was unwittingly brought into the center of geopolitical dynamics when the city it had so carefully chosen for its 2004 meeting became the target of terrorist bombs. We all saw the televised images of Istanbul, the literal meeting place of East and West, shattered not by cross-cultural dialogue, but by murderous hatred. With us today in Stockholm is one of our AIB colleagues, who lost a cherished family member in the terrorist attacks. Reaching out to us, in response to the bombings, our AIB colleague asks:

- "How can AIB take a stand against terrorism?"
- "How can AIB create a platform for supporting democracy, human rights, world peace and global dialogue?"
- "How can AIB offer a unified message of humanity, science, and conscience?"

Humanity, science, and conscience.

On its web page, AIB asks the question: "Will the 21st century be a celebration of one world and many cultures, or will it mark the end of civilization?"¹² Optimism or despair? Faced with a keen awareness of geopolitical dynamics, yet increasingly forced outside of the conceivable and outside of the familiar, each of us knows the profound importance of that question, yet only on our best days do we also recognize the influence we have in shaping the answer?

Standing here, in Stockholm, in the very region of the world that has honored the Nobel Peace Prize recipients, challenged by both the global condemnation and the re-engagement of business in the broader societal dialogue, we have no choice but to address the question on AIB's website.

What conversations do we need to enter into, both at this conference and in our overall professional life, to honor the aspirations of each of us to contribute to a twenty-first

century that is a celebration of one world with many cultures, and not a requiem for the end of civilization?

From Despair to Optimism

Where do we turn for twenty-first-century images of leadership, courage, and "bridging with the other"? I suggest we bridge from Stockholm to Istanbul and remember the response of the bereaved Turkish population to their terrorist-caused tragedy.

Do you remember how Turkey's leaders and the Turkish population responded?

Last year, when the first of the two bombed synagogues reopened in Istanbul, the Chief Rabbi, who was hurt but not killed, was joined, appearing hand-in-hand, by Turkey's senior Muslim cleric and Istanbul's mayor. They were joined by Turkey's political, business, and civic leadership—Muslims, Christians, and Jews gathered together. Moreover, Turkey's current political leader, Recep Tayyip Erdogan, who comes from an Islamist party, paid a formal visit to the Chief Rabbi—the first time in Turkish history that a prime minister has ever called on a chief rabbi.¹³

Out of despair, comes courage. Out of despair, comes extra-ordinary behavior. Out of despair, comes optimism.

What is the equivalent gathering and conversation for AIB and for each of us? If we, who are the world's experts on international business, cannot find a way to enter into an inclusive, constructive dialogue with "the other", is there someone else who is supposed to do it for us? And if we don't learn from the extra-ordinary behavior of our colleagues, both inside and outside AIB, how are we ever going to believe in, let alone co-create, a twenty-first century that is a celebration of one world and many cultures? I, for one, believe that the conversations we hold at AIB do make a difference—whether held in Turkey, Sweden, or next year in my home province of Quebec.

Reflective Dialogues: Courageous Conversations With Self and Others

I would like to invite you to take a few minutes to reflect on the courageous conversations you would like to have with yourself and others now, during this conference, and

in your ongoing professional life.¹⁴ Poet David Whyte reminds us that, “In any conversation, there is always more than one voice, and one of the voices must be our own or it is no conversation at all.”¹⁵ So perhaps the best place to start the conversation is with our self. Take the next few minutes to think about the courageous conversations you are not having with yourself about your leadership, life, and career? Specifically:

- What are the most important issues about the world, and your role in it, that you would like to address, or address better?
- What are the most important issues about the world, and AIB’s role in it, that this organization could be addressing, and how could we best do it?
- What are the courageous conversations that you would like to have with others, during this conference, which would help you in creating the type of world that you would most respect?

Courageous Conversations with Others

“In every conversation, there is always more than one voice.”¹⁶ I would like to invite you to reflect individually, and then share with a colleague—preferably a colleague from another part of the world—your most important contributions to global economic viability and societal well-being.

- Think about a time, over the past year, when you felt best about a contribution you made to the world. Describe it. What allowed you to make the contribution? What would have to happen for you to make more similar, or even more meaningful, contributions?¹⁷
- Think about a time over the past year when you were challenged to respond by something that happened in the world and wished you could have done something about it or acted in a more influential way? Which conversations, with whom, would have supported you in making the contribution you would have felt best about making?
- Imagine that at next year’s World Economic Forum, Klaus Schwab, in his opening address to the leaders gathered at Davos, cited AIB, for having notably contributed to the economic

and societal well-being of the planet. How would Schwab describe AIB’s contribution? What would he highlight that is so exciting it would inspire others to contribute likewise?

Courageous Conversations with Our Career

- Think about a time when you had an absolutely terrific conversation at a conference, it may even have been an AIB meeting, that was and remains, highly meaningful; a conversation that took you beyond your previous way of thinking—a conversation that altered the direction of your research, career, or life. Describe it. What would have to happen for you to have more, similarly meaningful conversations?
- What’s the one conversation you would really like to have at this year’s AIB conference that would make a significant difference in your career, your perspective, and/or your life?

There is a Moment in Your Life When You Must Speak

In 1967 at New York’s Riverside Church, Nobel Peace Prize Laureate Reverend Martin Luther King, Jr., reflected on the role of truth, courage, leadership, and speaking out:

“I’ve come to the conclusion that there is an existential moment in your life when you must decide to speak for yourself; nobody else can speak for you. There is never a good time to oppose... [others or to stand alone].

On some positions, cowardice asks the question, ‘Is it safe?’

Expediency asks the question, ‘Is it politic?’

And vanity asks the question, ‘Is it popular?’

But conscience asks the question, ‘Is it right?’ and there comes a time when one must take a position that is neither safe, nor politic, nor popular, but he must do it because conscience tells him it is right.”¹⁸

Humanity. Science. And conscience.

Welcome AIB. Have a great conference!

References

- Adler, Nancy J. (2004) "Reflective Silence: Developing the Capacity for Meaningful Global Leadership," in Nakiye Avdan Boyacigiller, Richard Alan Goodman, and Margaret E. Phillips (eds.), *Crossing Cultures: Insights from Master Teacher*. London, England: Routledge, pp. 201-218.
- Cooperrider, David L.; Whitney Diana; and Stavros, Jacqueline M. (2003) *Appreciative Inquiry Handbook*. Bedford Heights, Ohio: Lakeshore Publishers, 2003.
- "Face Value: Peace Through Industrial Parks," *The Economist*, September 20th, p. 70.
- Friedman, Thomas L. (2004) "War of Ideas," *The New York Times*, January 11th.
- Hamel, Gary (2000) *Leading the Revolution*. Boston, Mass.: Harvard Business School Press, p. 24.
- Whyte, David (2001) *Crossing the Unknown Sea: Work as a Pilgrimage of Identity*. New York: Riverhead Books, p. 56.

Endnotes

- ¹ "From Istanbul to Stockholm: A Reflective Dialogue on Global Leadership" was originally presented on July 10th 2004 as the opening plenary at the Academy of International Business Meetings in Stockholm, Sweden. Prior to the speech, an "Aesthetic Leadership Collage" of paintings, quotations by world leaders, and music supporting of the theme of the conference was projected.
- ² Quote as found in M. Shawn Cole, *Cole's Quotations* and *Laura Moncur's Motivational Quotations* at www.quotationspage.com/collections.html#coles.
- ³ The Nobel Peace Prize was established by Swede Alfred Nobel. Whereas most Nobel Prizes are awarded in Stockholm, the Nobel Peace Prize is conferred in Oslo, Norway.
- ⁴ Nobel Peace Prize given to South Africa's leaders in 1993.
- ⁵ Nobel Peace Prizes given to listed Middle Eastern leaders in 1978 and 1994.
- ⁶ As cited in Newsweek, February 24, 2003, p. 10.
- ⁷ From Gary Hamel's *Leading the Revolution*. Boston, Mass.: Harvard Business School Press, 2000, p. 24.
- ⁸ The session, held at the United Nations in New York City on July 24th, 2004 was co-designed and facilitated by Professor David Cooperrider, director of Case Western University's Center for Business as an Agent of World Benefit, based on his appreciative inquiry methodology. For more information on Professor Cooperrider's work, contact him at dlc6@weatherhead.cwru.edu
- ⁹ Supporting the highly innovative and successful work of industrialist Stef Wertheimer in building industrial parks in the Middle East, Emeritus Professor Seev Hirsch of The Leon Recanati Graduate School of Business at Tel Aviv University has developed a course and projects designed to develop cooperative Jewish/Arab entrepreneurship. See *The Economist* (2003). For more information, contact Seev Hirsch (tel: 972 3 640 8933, e-mail: hirsch@post.tau.ac.il).
- ¹⁰ For more information on the work that Professor Stella Nkomo is doing through the Leadership Development Institute at the University of South Africa, contact her at Nkomosm@unisa.ac.za.
- ¹¹ INSEAD strategy professor Yves Doz presented his recommendations against detached scholarship and his belief that "disinterested truth" does not exist as a part of the opening plenary AIB Fellows panel in Stockholm immediately prior to the presentation by Adler on "From Istanbul to Stockholm."
- ¹² For the AIB webpage, go to <http://aib.msu.edu/>
- ¹³ Facts in this paragraph describing the response in Istanbul as cited in Thomas L. Friedman's op-ed piece, "War of Ideas," *The New York Times*, January 11, 2004.
- ¹⁴ For further discussion of the role of reflection in leadership development, see Nancy J. Adler's "Reflective Silence: Developing the Capacity for Meaningful Global Leadership," in Nakiye Avdan Boyacigiller, Richard Alan Goodman, and Margaret E. Phillips (eds.), *Crossing Cultures: Insights from Master Teacher*. London, England: Routledge, 2004, pp. 201-218.
- ¹⁵ See David Whyte's *Crossing the Unknown Sea: Work as a Pilgrimage of Identity*. New York: Riverhead Books, 2001, p. 56.
- ¹⁶ Ibid
- ¹⁷ Note that the wording of the reflective questions is based on David Cooperrider's appreciative inquiry approach. For further discussion of the theoretical underpinnings of appreciative inquiry and the methodological approach, see David L. Cooperrider, Diana Whitney, and Jacqueline M. Stavros's *Appreciative Inquiry Handbook*. Bedford Heights, Ohio: Lakeshore Publishers, 2003.
- ¹⁸ From Rev. Martin Luther King's speech "Beyond Vietnam: A Time to Break Silence" delivered on April 4, 1967 at the Riverside Church, New York City as cited at <http://www.hartford-hwp.com/archives/45a/058.html>. To fit the context of the AIB conference, the phrase "oppose our government" has been changed, as marked, to "oppose others or to stand alone."



Do We Speak the Same Language?

Mary Ann Von Glinow

Research Professor of
Management and International
Business
CIBER Director
Florida International University
Miami, Fl. 33139

Introduction



The shark picture illustrates metaphorically how dangerous it is for us to assume that there is a common language of International Business. We like to blame everyone in sight for our inability to communicate. We blame organizational strictures, disciplinary silos, culture, language and a host of other things for inhibiting our ability to communicate with others. When it comes to cross-cultural communication, well, we may as well be talking about cross-species communication.



Cross discipline is like cross-species: both sides go at it in earnest, much is lost in translation, we all have different lenses, we all have different contexts, our cognitive world views sometimes

mix exquisitely with our perceptual world views, and in the end, someone gets bitten. Even with profound knowledge of another species or another culture, we bring with us our very own filters, if you will. When I chose this picture of my dog Zack, I did so for the expression in his eyes. *I think I can read* his expression because I've seen him looking at me with those soulful eyes before.

However, whether or not we know it (consciously), we think contextually, visually and metaphorically. For example, when I *think* 'dog', I *see* the picture of Zack's face. When you think of the word 'love', in your mind's eye, you probably *see* a dear one's face. Someone's image comes to mind. Similarly, cues like *enemy, unfair, scared* conjure up vivid imagery. These images are unique to us, in that my images are likely different than yours. Why? Because I have different context-based images from you. Let's take the following picture: What do you see?



WHAT DO YOU SEE?

Some of you may see a ‘Native American’ or ‘Indian’...and others may see an Eskimo walking away. We tend to *see* different images because we have patterns of recognition due to our different experiences over time. The tendency for us to *see* different things from the ‘same data’ helps us explain why communication errors and misunderstandings occur.

To explore this a bit more, people who never experience snow might not see a winter coat. If you lived for example around the equator, chances are you don’t have the same contextual referent as an Inuit would have.

This is why we think polycontextually. That is, there are many different contexts that are qualitatively different from one another that underlie our thinking. These contexts can be visual, verbal, non-verbal, cognitive, aesthetic, spiritual, emotional—in short quite varied. When one context is embedded within another, this is referred to as polycontextuality (Von Glinow, Shapiro & Brett, 2004). For example if someone says to you “I am dead serious” while using the non-verbal eye-wink, this embeds a non-verbal convention into a verbal one. People with knowledge of you, your culture will likely know which convention to “read” however many people will not understand what is meant when words are negated by behavior, particularly if the words themselves are metaphors, and not well understood. Some metaphors are not even in our awareness, we simply take them for granted without thinking about them. That is, we think metaphorically in polycontextual ways, often without being aware that we do. As one example, do you use or understand the following statements equating time with money:

1. You’re wasting my time.
2. I don’t have the time to give you.
3. How do you spend your time?
4. That flat tire cost me an hour.
5. I’ve invested a lot of time in her.
6. You are running out of time.

Is equating time with money Western-centric? Is it possible that our use of metaphors might not be known to culturally-different others? Given that some

communication is neither written nor oral, and that some verbal expressions are outside our knowledge base (slang, idiomatic expressions, jokes) I suggest that multiple contexts are only one threat to communication. The far more important divide is the qualitatively-different contexts that punctuate our daily lives, and indeed all of our social science research.

So what are the implications for IB research?

1. Why not ask yourself: what metaphors *might* be guiding my own thinking? Do you suppose they are known to others even in my own culture?
2. Ask others: What images do *you* see when you think about ____?
3. Ask: What metaphors might have guided the thinking of previous scale-constructions? Are these metaphors applicable *anywhere else*?
4. Are the answers to the previous questions referring to *one context* or *more*? Which context(s) might be missing—when we don’t constrain ourselves to *only* the verbal/cognitive context?

These contextual divides occur even within our disciplines. When we think about bridging the disciplines with one language designed to homogenize our communication, I believe we’ve committed an error of the third kind, or solving the wrong problem well. *Multiple embedded contextualizations underlie all IB phenomena!*

The bridge, at least to me, can’t be constructed. Or maybe we’ve simply asked too much of our transportation infrastructure!





Raj Aggarwal

Firestone Chair in Finance,
Kent State University,
Kent, OH 44242
Raggarwa@bsa3.kent.edu

Is IB Research too Broad to be Functional?

Nature of the Challenge for IB Academics

Presented as part of a panel at the Academy of International Business Annual Meetings, July 2004, Stockholm

I. Introduction and Issues

IB research takes a broader perspective than research in most functional fields in business. However, scholarly journals favored by promotion and tenure committees in most business disciplines do not yet reflect this breadth and there are few IB departments in US business schools. As the pun in the title of this paper hints, this mis-match poses some career challenges for IB academics.

- **Globalization of Business and Academia:** Business is becoming ever more global especially since technology and globalization are mutually reinforcing. Consequently, each academic area and discipline in business is also rapidly becoming international and global. This is reflected in all three areas of academic activity, teaching, research, and service.
- **Integrated Nature of Business:** In reality business is integrated across functional fields and success in business requires all required functional fields to work together. IB reflects this integrated breadth perhaps more than other disciplines in business.
- **Career Models and Approaches:** It is important to understand how the breadth of IB research poses challenges for its publication in functional scholarly journals favored by most departmental Promotion and Tenure groups. IB reflects this integrated breadth but scholarly journals in most function-

al fields do not yet reflect this viewpoint. In addition, there are very few IB departments. This creates some challenges for IB academics that face departmental promotion and tenure committees with little appreciation of IB scholarship.

II. Globalization of Business

As globalization creates value by allowing greater specialization, globalization is the preferred state of business. Globalization and technology are now also mutually reinforcing creating a vortex of ever increasing globalization of business.

A. The Three Forces of Globalization

- **The Overthrow of Matter:** The nature of what we call goods is changing greatly. In the industrial age, goods consisted of atoms. In recent decades, goods started consisting of electrons and recently goods are increasingly consisting of photons. As a result, goods are getting lighter, i.e., an average pound (or kilogram) of goods now cost a lot more than they used too, or in other words, the average weight of aggregate consumption per dollar is and has been declining. In addition, transportation costs per pound have also been declining. Thus, these twin trends are making it cheaper to ship goods over ever larger distances. Further, with declining tar-

iffs and other barriers, the growth of international trade and investment is further reinforced.

- **The Rise of Market Economies:** At least since the fall of communism in the late 1980s, an ever larger number of countries are changing from centrally planned economies to market directed economies. This has led to a huge reduction in internal and international barriers to commerce.
- **Creating Wealth with Trade and FDI:** International trade and investment create new wealth by allowing specialization of production (and trade to allow wider consumer choice), diversification of investment risk, and technology transfer (use of technology over a larger total market).

B. Globalization and Technology

Globalization and Technology are now mutually reinforcing.

- **Technology Enables Globalization:** Technology eliminates distance and reduces costs of doing cross-border business so that more and smaller companies can now engage in international business.
- **Globalization Raises the Value of Technology:** Technology can now be used over a larger number of geographically separated markets—raising the profitability of such technology.

Due to the reasons outlined above, globalization is a profitable activity and it may be limited only by wars and environmental limits.

III. Borders: What's Different About IB?

Institutional Differences: International cultural and historical differences expressed in legal, political, financial, industrial, and business structures and practices.

Political Risks: Expressed as changes in restrictions on cross-border flows,

cross-border taxes, tariffs and quotas, and other regulations and restrictions on businesses.

Exchange Rate Risks: Arise due to unexpected changes in currency values.

Understanding each of these areas is important for understanding the nature of IB and understanding these cross-border effects involves many different functional areas. The question posed in the title of this paper can now be answered—yes, IB is too broad to be functional! IB is necessarily inter-disciplinary.

What does this inter-disciplinary nature of IB imply for IB academic careers? I contend that this inter-disciplinary nature of IB has profound significance for IB academics—it creates important challenges. The main source of these challenges is that the inter-disciplinary nature of IB is a poor fit with the relatively narrow focus of business school departments based on traditional functional fields. In order to illustrate, I present an illustrative case study based on my experience—an experience that is not that unusual.

IV. A Case Study—My Personal Experience

- Trained in IB and Finance; Research Covers IB and Finance
- IB has been an inconsistent or a mostly minor focus at my schools—functional departments dominate
- Nevertheless, have had an IB career, e.g., with teaching and academic work in Australia, Ireland, Japan, Singapore, and Sweden.
- Publish and work both in Finance and in IB; but the two sets of scholarly journals use very different methodologies and writing styles.
- Most IB people do not know what I do in finance and most finance people do not know or care about what I do in IB; Professional progress depends primarily on work in finance. IB work is more for fun and has contributed to keeping me an active scholar longer than if I would have focused only on finance.

V. Career Strategy Implications for IB Academics

The comments in this section have benefited greatly from my role as a co-chair of a two-day AACSB seminar on business school globalization and my visits to a number of US business schools over the years to consult on globalization strategies, but they are not based on any systematic collection or analysis of empirical data and reflect only my personal and subjective assessments of the state of IB academics.

- **IB Departments:** Very few business schools in the US have IB departments—most IB faculty are part of a functional department. Tenure and promotion usually depend on departmental criteria.
- **IB Career Challenges:** Need to publish in scholarly journals valued by your department—IB journals may or may not rank highly in your department.

- **Possible Strategies:** Need to publish in both IB and functional scholarly journals; move to a school with a separate IB department.

VI. Conclusions

The Good News: Most academic disciplines and business practices are becoming increasingly internationalized; in reality business is integrated—functional silos breaking down in business which portends perhaps a similar breakdown in academia?

The Bad News: Departmental P&T groups are still generally dominated by a focus on functional scholarly journals most of which take a narrow specialized view of scholarship; academia is mostly still in silos.

Possible Career Strategies: Need to manage IB careers and publish both in IB and in functional scholarly journals.