



BUSINESS SCHOOL

Assessing and Developing Your Critical Thinking, Academic Literacy and Professional Communication Skills within the University of Sydney Business School Postgraduate Commerce Program

1. What is the Critical Thinking Skills Test and how is it relevant to your study plans?

BUSS5000 Critical Thinking in Business is a compulsory unit undertaken in the first semester of the Business School's Commerce program. BUSS5000 is a unit that we in the Business School believe will result in the kind of learning outcomes that are vital to high level effectiveness and success not only in your postgraduate study in Commerce but in all walks of your business and professional life. In particular, BUSS5000 is designed to help you sharpen your skills in academic literacy, critical thinking and effective communication in a high level academic learning environment. BUSS5000 is designed to equip Commerce program students with

...critical thinking and communication competencies of immediate relevance to the academic culture of Australian universities to prepare for disciplinary study and professional employment. Students engage with theoretical frameworks and concepts in order to practice Socratic methods of questioning and arguing. Weekly classes are organized around a progressive series of learning activities which involve reflection, evaluation, interrogation, analysis and production of written and spoken texts.

As indicated in our program publicity, all students commencing studies within the Master of Commerce (and embedded/combined programs), will be enrolled automatically in BUSS5000 in their first semester of study as a requirement of their program, however, individual students who can demonstrate an existing high level of proficiency in critical thinking may be eligible for a waiver from the unit. A waiver means that you will be permitted to substitute BUSS5000 with another unit (either foundational or advanced) listed for the Commerce program (subject to prerequisites being met).

Commencing Commerce students who wish to be considered for a waiver of BUSS5000 must complete a 60-minute invigilated test in one of the scheduled sessions to be held at The University of Sydney Business School in the weeks prior to semester commencement (see http://sydney.edu.au/business/futurestudents/admissions_and_enrolment/enrolment/critical_thinking_skills_test for times and location of testing sessions). The test will allow you the opportunity to demonstrate your proficiency at comprehending an argument extracted from an academic journal article and writing a succinct counter-argument.

Although you do not need to register to attend a session, you must have first enrolled with the Business School.

You are required to be seated in the testing room no later than 15 minutes prior to the advertised commencement of your chosen session, and must bring photo identification (student card, passport, driver's licence).

You will be contacted by email during the first two weeks of semester to advise if you are eligible for a waiver from BUSS5000. Until this time, it is recommended you attend classes for both BUSS5000 and an alternate unit of your choice (subject to meeting prerequisites). If you are granted a waiver, you will then be able to withdraw from BUSS5000 and enrol in the substitute Commerce unit via the online enrolment system, MyUni.

2. How is the test structured?

The test runs for 60 minutes in total and affords you the opportunity to demonstrate your proficiency in two key areas:

1. Comprehending the argument in an academic journal article extract (approximately 1,000 words) of the type that you will be required to read, understand and respond to on a regular basis in your studies with us.
2. Demonstrating your proficiency in comprehension and critical thinking by writing a succinct counter-argument to the argument advanced in the supplied extract. Your counter-argument should be written in your own words and completed within the test period.

For illustrative purposes only, an example of the test instrument is provided below, in Appendix A.

A key purpose of the test exercise is to provide you with the opportunity to demonstrate your level of proficiency in English literacy skills, critical thinking and effective communication.

3. 'Academic literacy skills' and 'critical thinking' – what are they and how are they related?

A sound skill-base in Academic English literacy is essential to effective learning within our Business school. Likewise, the Business School sees critical thinking as an essential aspect of effective knowledge development, learning and professional conduct and integrity in the business domain. Critical thinking skills include observation; clarity in reporting, summarising and recording information and arguments; the ability to interpret and evaluate arguments independently; the ability to ask relevant questions and pursue a process of logical interrogation of ideas and academic arguments; the ability to identify and question inferences, assumptions and observations; the ability to make judgements; and the ability to reflect on these intellectual and ethical processes.

When these critical thinking skills are developed in the context of an ethical and humane framework which is itself the product of experience, interrogation and

reflection, they constitute a form of critical literacy which is evident in high quality academic communication, including both factual and persuasive writing.

The role of BUS5000 is to assist Commerce program students to further develop these skills to the point where they can be readily deployed in all aspects of learning – within and beyond the classroom. The Socratic method of questioning used in BUS5000 is designed to engender a critical, reflective approach and direct learners towards the recognition of circumscribed and/or flawed logic in academic and professional texts.

4. What form does the test take and how will your responses be assessed?

Using a rating sheet, your test response is evaluated according to a range of literacy skills, categorised into five main areas:

- A. Use of source material – does the mode of information retrieval and processing demonstrate that the argument has been well understood and communicated in the student's own words.
- B. Structure and development of the response – is the structure and development of the response clear and appropriate to the task and its context?
- C. Academic writing style – does the grammar conform to patterns of written academic English appropriate to the task?
- D. Grammatical correctness – do grammatical errors interfere with communicating the message?
- E. Critical thinking – does the answer indicate an appropriate degree of proficiency in critical analysis and critical thinking?

For each of the five criteria, a rating of 1-4 is given. The rating values are as follows:

- 1 = poor / major problems / inaccurate / inappropriate
- 2 = only fair / some problems / often inaccurate / often inappropriate
- 3 = good / minor problems / mainly accurate / largely appropriate
- 4 = excellent / no problems / accurate / very appropriate

To pass the test, and thus be issued with a waiver for BUS5000, you must achieve a 3 or a 4 in each of the five criteria.

Your written response will be rated by experienced academic assessors using a specially designed assessment form and, to ensure inter-assessor reliability, ratings will be based on sets of criterion-specific descriptors corresponding to each of the five rating values. It is important to note that the test task is not assessed in terms of 'correct' and 'incorrect' answers.

Individual feedback on your assessed level of academic literacy will be available from the Business School on request.

Appendix A: Sample Test Instrument (*Illustrative Only*)

Proficiency Test in Critical Thinking

Instructions:

- You have 60 minutes to complete all aspects of this test, including reading these instructions and the source material, and writing your response to the set task.
- The test is invigilated and subject to Business School and University of Sydney policies relating to academic honesty and conduct under examination conditions.
- This is a closed-book test. No dictionaries, study aids, electronic devices or other item that may potentially provide an individual student with an unfair advantage are to be used during the test period.

THE ARTICLE EXTRACT BEGINS HERE

Bad Management Theories Are Destroying Good Management Practices

[An extract from: Ghoshal, Sumantra (2005), 'Bad Management Theories Are Destroying Good Management Practices', *Academy of Management Learning & Education*, 4(1): 75-91.]

The corporate scandals in the United States have stimulated a frenzy of activities in business schools around the world. Deans are extolling how much their curricula focus on business ethics. New courses are being developed on corporate social responsibility. Old, highly laudatory cases on Enron and Tyco are being hurriedly rewritten. "What more must we do?", the faculty are asking themselves in grave seminars and over lunch tables (Bartunek, 2002).

Business schools do not need to do a great deal more to help prevent future Enrons; they need only to stop doing a lot they currently do. They do not need to create new courses; they need to simply stop teaching some old ones. But, before doing any of this, we - as business school faculty - need to own up to our own role in creating Enrons. Our theories and ideas have done much to strengthen the management practices that we are all now so loudly condemning.

"The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood," wrote John Maynard Keynes (1953: 306). "Indeed the world is run by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences are usually the slaves of some defunct economist.... It is ideas, not vested interests, which are dangerous for good or evil" Keynes (1953: 306).

This is precisely what has happened to management. Obsessed as they are with the "real world" and sceptical as most of them are of all theories, managers are no exception to the intellectual slavery of the "practical men" to which Keynes referred. Many of the worst excesses of recent management practices have their

roots in a set of ideas that have emerged from business school academics over the last 30 years.

In courses on corporate governance grounded in agency theory (Jensen & Meckling, 1976) we have taught our students that managers cannot be trusted to do their jobs - which, of course, is to maximize shareholder value - and that to overcome "agency problems," managers' interests and incentives must be aligned with those of the shareholders by, for example, making stock options a significant part of their pay. In courses on organization design, grounded in transaction cost economics, we have preached the need for tight monitoring and control of people to prevent "opportunistic behavior" (Williamson, 1975). In strategy courses, we have presented the "five forces" framework (Porter, 1980) to suggest that companies must compete not only with their competitors but also with their suppliers, customers, employees, and regulators.

MBA students are not alone in having learned, for decades, these theories of management. Thousands - indeed, hundreds of thousands - of executives who attended business courses have learned the same lessons, although the actual theories were often not presented to them quite so directly. Even those who never attended a business school have learned to think in these ways because these theories have been in the air, legitimizing some actions and behaviors of managers, delegitimizing others, and generally shaping the intellectual and normative order within which all day-to-day decisions were made.

Why then do we feel surprised by the fact that executives in Enron, Global Crossing, Tyco, and scores of other companies granted themselves excessive stock options, treated their employees very badly, and took their customers for a ride when they could? Besides, the criminal misconduct of managers in a few companies is really not the critical issue. Of far greater concern is the general delegitimization of companies as institutions and of management as a profession (*The Economist*: 25-31 October, 2003) caused, at least in part, by the adoption of these ideas as taken-for-granted elements of management practice.

Several scholars have recently voiced their concerns about the current state of management research and pedagogy (e.g., Porter & McKibbin, 1988; Leavitt, 1989; Hambrick, 1994; Mintzberg & Gosling, 2002; Donaldson, 2002; Pfeffer & Fong, 2002). In the main, their arguments have focused on the lack of impact of management research on management practice and the lack of effectiveness of management education for business performance of students.

In this article, I raise a very different concern: I argue that academic research related to the conduct of business and management has had some very significant and negative influences on the practice of management. These influences have been less at the level of adoption of a particular theory and more at the incorporation, within the worldview of managers, of a set of ideas and assumptions that have come to dominate much of management research. More specifically, I suggest that by propagating ideologically inspired amoral theories, business schools have actively freed their students from any sense of moral responsibility. ...

As has been extensively documented in the literature (e.g., Friga, Bettis, & Sullivan, 2003), over the last 50 years business school research has increasingly adopted the "scientific" model - an approach that Hayek (1989) described as "the pretense of knowledge." This pretense has demanded theorizing based on partialization of analysis, the exclusion of any role for human intentionality or choice, and the use of sharp assumptions and deductive reasoning (Bailey & Ford, 1996). Since morality, or ethics, is inseparable from human intentionality, a precondition for making business studies a science has been the denial of any moral or ethical considerations in our theories and, therefore, in our prescriptions for management practice.

At the same time, a particular ideology has increasingly penetrated most of the disciplines in which management theories are rooted. Described by Milton Friedman (2002) as "liberalism," this ideology is essentially grounded in a set of pessimistic assumptions about both individuals and institutions - a "gloomy vision" (Hirschman, 1970) that views the primary purpose of social theory as one of solving the "negative problem" of restricting the social costs arising from human imperfections. Combined with the pretense of knowledge, this ideology has led management research increasingly in the direction of making excessive truth-claims based on partial analysis and both unrealistic and biased assumptions.

All of this would still not lead to any negative consequences for management practice but for the distinctive feature of double hermeneutic that characterizes the link between theory and practice in social domains. Unlike theories in the physical sciences, theories in the social sciences tend to be self-fulfilling (Gergen, 1973).

A theory of subatomic particles or of the universe - right or wrong - does not change the behaviors of those particles or of the universe. If a theory assumes that the sun goes round the earth, it does not change what the sun actually does. So, if the theory is wrong, the truth is preserved for discovery by someone else. In contrast, a management theory - if it gains sufficient currency - changes the behaviors of managers who start acting in accordance with the theory. A theory that assumes that people can behave opportunistically and draws its conclusions for managing people based on that assumption can induce managerial actions that are likely to enhance opportunistic behavior among people (Ghoshal & Moran, 1996). A theory that draws prescriptions on corporate governance on the assumption that managers cannot be trusted can make managers less trustworthy (Osterloh & Frey, 2003). Whether right or wrong to begin with, the theory can become right as managers--who are both its subjects and the consumers - adapt their behaviors to conform with the doctrine. ... [T]his is precisely what has happened to management practice over the last several decades, converting our collective pessimism about managers into realized pathologies in management behaviors.

References

Bailey, J., & Ford, C. 1996. Management as science versus management as practice in postgraduate business education. *Business Strategy Review*, 7(4): 7-12.

Bartunek, J. 2002. Corporate scandals: How should Academy of Management members respond? *Academy of Management Executive*, 16: 138.

Donaldson, L. 2002. Damned by our own theories: Contradictions between theories and management education. *Academy of Management Learning & Education*, 1(1): 96-106.

Friedman, M. 2002. *Capitalism and freedom* (40th Anniversary Edition). Chicago: The University of Chicago Press.

Friga, P. N., Bettis, R. A., & Sullivan, R. S. 2003. Changes in graduate management education and new business school strategies for the 21st century, *Academy of Management Learning & Education*, 2(3): 233-249.

Gergen, K. J. 1973. Social psychology as history. *Journal of Personality and Social Psychology*, 26(2): 309-320.

Ghoshal, S., & Moran, P. 1996. Bad for practice: A critique of the transaction cost theory. *Academy of Management Review*, 21(1): 13-47.

Hambrick, D.C. 1994. What if the Academy actually mattered? *Academy of Management Review*, 19: 11-16.

Hayek, F. A. Von. 1989. The pretence of knowledge (Nobel Lecture). *American Economic Review*, December: 3-7.

Hirschman, A. O. 1970. The search for paradigms as a hindrance to understanding. *World Politics*, 22(3): 329-343.

Jensen, M., & Meckling, W. 1976. Theory of the firm: Managerial behaviour, agency costs and ownership structure. *Journal of Financial Economics*, 3: 305-360.

Keynes, J. M. 1953. *The general theory of employment, interest and money*. New York: Harcourt Brace Jovanovich.

Leavitt, H. J. 1989. Educating our MBAs: On teaching what we haven't taught. *California Management Review*, 31(3): 38- 50.

Mintzberg, H., & Gosling, J. 2002. Educating managers beyond borders. *Academy of Management Learning & Education*, 1(1): 64-76.

Osterloh, M., & Frey, B. S. 2003. Corporate governance for crooks? The case for corporate virtue. Unpublished working paper, University of Zurich,???

Pfeffer, J., & Fong, C. T. 2002. The end of business schools? Less success than meets the eye. *Academy of Management Learning & Education*, 1(1): 78-95.

Porter, M. E. 1980. *Competitive strategy: Techniques for analyzing industries and firms*. New York: Free Press.

Porter, L. W., & McKibbin, L. E. 1988. *Management education and development: Drift or thrust into the 21st century*. New York: McGraw Hill.

Williamson, O. E. 1975. *Markets and hierarchies: Analysis and antitrust implications*. New York: Free Press.

THE ARTICLE EXTRACT ENDS HERE.

* * * * *

Test Task:

In the 60 minutes allowed, and in the examination booklet provided, write a counter-argument to the argument advanced by Ghoshal (2005).

In doing so, you should seek to critique Ghoshal's assumptions, logic, generalisations and implications. You should also seek to offer an alternative interpretation or perspective.

Write your response in English and in your own words.

If you quote directly from Ghoshal's text you should use quotation marks to acknowledge that the copied text is Ghoshal's rather than yours.