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The Rise of Business Education, the ESG Revolution, and the Limited Impact on Students' Values

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Abstract
Business education has experienced a significant surge in popularity over the past few decades, with an increasing number of students pursuing degrees in business and management. However, this rise has not been without criticism. Many have argued that business education exacerbated social and environmental issues by focusing on shareholder value maximization and short-term financial performance. Paradoxically, this criticism appears under unclear educational efficiency, declining study intensity, and grade inflation (not only) at the business schools. In response to the criticisms of their shortcomings, business schools have begun incorporating Environmental, Social, and Governance (ESG) values into their curricula to try to develop responsible and ethical business leaders. Despite the promising intentions behind this shift, we argue that the impact of education on students' values may be limited. The current efforts to rebrand business schools may encourage students to engage in virtue signaling rather than foster genuine changes in values, thus creating superficial commitments to sustainability.

Keywords Business school · ESG · Grade inflation · Educational efficiency

Introduction

Business schools have seen better times than they are right now. Their societal standing as academic and professional institutions has faced extensive scrutiny and criticism, particularly in the aftermath of the global financial and economic crisis (Dyllick, 2015). As summarized by Alajoutsijärvi et al. (2015), criticisms of business schools range from being too much driven by the interests of large market players

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and so-called corporatization (Martin, 2009); they fail to impart valuable skills and not inculcating norms of ethical behavior (Bennis & O'Toole, 2005); through to criticism that they have sold out to the "tyranny of academic rankings" (Dyllick, 2015), and that their research is of little relevance and rarely applicable, with questionable impact on practice and local businesses (Pettigrew & Starkey, 2016). There is a long-standing critique that MBA programs churn out graduates who have very little insight into the complexities of management practice and leadership in particular but, on the other hand, are obsessed with finance, analysis, and corporate restructuring (some even label these graduates as "destroyers") instead of being founders and creators of sustainable companies that will be able to stay in the market (Pettigrew & Starkey, 2016). There are even more strident views that business schools promote ideologically tinged amoral theories in their teaching that actively absolve students of moral responsibility (Ghoshal, 2005).

Nevertheless, not only the alleged market indoctrination by business faculties has been criticized. Even students selecting into business schools are subject to criticism regarding their personalities, values, and beliefs. They have been described as more narcissistic (e.g., compared to psychology students; Westerman et al., 2012) and exhibit significantly more materialistic and self-centered attitudes (Gombás, 2015). Business students focus more on gaining an individual competitive advantage and improving their job prospects. On the other hand, their, e.g., sociology or psychology majors colleagues emphasize the importance of developing empathy and critical thinking skills and are more able to identify the civic and non-economic benefits of their time at university (Muddiman, 2020). Some studies show that the self-selection of these individuals is the leading cause of the specificity of business school graduates rather than their indoctrination by the schools (Bauman & Rose, 2011; but see Sundemo & Löfgren, 2025).

This article focuses on these issues, exploring whether the recent curricular reforms– the introduction of environmental, social, and governance (ESG) values especially– represent a substantive shift of business schools toward convincing their graduates to adopt the understanding of ethical conduct and sustainability that the ESG reforms declared and cultivating responsible and ethical business leaders or are merely cosmetic changes. We probe the dichotomy between the pursuit of individual self-interest or competitive advantage and the imperative of fostering societal well-being, seeking to unravel whether contemporary reforms in business schools can bridge this divide and genuinely address the criticisms leveled against them.

Criticism of Business Schools

Although the ecosystem of business schools is facing criticism, more and more students are heading to them globally, and business schools are becoming a mass affair. Reduced admission requirements go hand in hand with an increase in the paper-educated but a decrease in the truly knowledgeable (Pfeffer & Fong, 2002). Figures from the US show that the proportion of master's level degrees in business has risen from 11.2% in the 1970/71 academic year to 25.4% in the 2011/12 academic year, while the proportion of bachelor's degrees has risen from 13.7 to 20.5% over the same period. A similar trend can be observed for MBAs. While 3,200 MBA degrees were awarded in the 1950s (1955-56) across the US, by 1997-98 this number had risen to 102,000 (Pfeffer & Fong, 2002). The same increase in students took place in the UK and other countries (Pettigrew & Starkey, 2016). These figures demonstrate that within a few decades, the original few business educational institutions have become some of the largest providers of teaching and social science research in the UK. In 2012, in the UK, one in eight undergraduate students, one in five Masters students, and one in 4 international students were business and management students. A full 7% of undergraduate teachers are employed in faculties with a business and management focus (Pettigrew & Starkey, 2016).

But what are the implications of the above-described mass higher business education trend? At first glance, one might think that the education of the general population is increasing and that the population is becoming more educated as a result. Some authors, e.g., Usher (2007), welcome that education is becoming accessible to all, including disadvantaged groups. He associates high selectivity in university admissions with elitism. As Usher goes on to argue in his response to Côté and Allahar (2007), credentialism, or the belief in or reliance on academic or other formal qualifications as the best measure of a person's intelligence or ability to do a particular job, is a long-term social trend that will determine the shape of future universities. The challenge for universities, Usher argues, is to adapt successfully, not fight it.

This argument is supported by the fact that in most Western countries, higher education is usually the best way to achieve higher earnings and a good career. The difference in earnings between university-educated people and people without a university degree is used as evidence of the added value of higher education, suggesting that there is a linear relationship between the number of years of higher education and earnings (Côté, 2014). Business schools play a specific role in this, as they are also directly ranked by how much their graduates earn.

However, the added value of business higher education (and university education in general) can be much lower, as can be illustrated by phenomena such as grade inflation, "sheep-skin" effect, and reduced studying time. Grade inflation, where higher grades are awarded over time without a corresponding increase in learning, undermines the reliability of academic achievements, suggesting that the credential itself, rather than the knowledge gained, has become the primary value. Specifically, the sheep-skin effect, where the completion of a degree significantly boosts employment prospects and earnings potential more than the incremental learning acquired, stresses the market's valuation of the degree (and the non-educational benefits it shows) as a signal rather than the education it represents. The trend of students spending less time studying yet achieving high grades points to a dilution of academic rigor, raising questions about the depth of learning and engagement with the material.

Grade Inflation

Grade inflation refers to the well-known trend of improving grades over time without a corresponding improvement in academic performance (Meaghan & Casas, 1995). This phenomenon has been widely discussed in recent years (Horowitz et al., 2023). Most institutions are aware of the dangers of grade inflation in academia, but the issue is considered a controversial topic and is usually overlooked (Chowdhury, 2018).

Elite universities and business schools are areas where grade inflation is remarkably prevalent (Chan et al., 2007; Karadag & Dortyol, 2024; Kezim et al., 2005). Rampell (2011) shows that A and A- grades are the most commonly given grades in American colleges and universities. Overall, they account for 43% of all grades, compared to 31% of grades in 1988 and even as low as 15% in 1960. This trend is not only evident in the US; similar increases in overall averages and skew towards the top grades have been documented in the UK (Bachan, 2017) and Sweden (Wikström & Wikström, 2005), among others. However, this improvement in grades has not been accompanied by increased performance on standardized assessments, which are thought to best track student knowledge and skills in the long term (Finefter-Rosenbluh & Levinson, 2020).

Several reasons contribute to grade inflation, such as the pressure to maintain high student numbers, maintain the reputation of the institution, and meet the expectations of students perceived as clients of universities. In addition, Denning et al. (2021) suggest that pressure to increase completion rates, which is tied to public school funding, may also be a reason. Conversely, they refute that the cause is due to changes in student characteristics like intelligence or attitudes (Denning et al., 2021). Grade inflation leads to the devaluation of education, which undermines the value of academic achievement and makes it difficult for employers to distinguish between high- and low-performing students.

"Sheep-Skin" Effect

There is evidence of what economists call the "sheep-skin" effect of college degrees (Jaeger & Page, 1996). This effect refers to the phenomenon in which individuals who complete an entire degree program– that is, obtain a diploma or degree– earn more than individuals who leave the program just before completing it. Between 1979 and 2009, the annual earnings of 20- to 29-year-old men (not studying at educational institutions) fell by an average of 15%, but those with a master's degree or higher experienced a 31% increase (US National Center for Education Statistics, 2016). Côté (2014) elaborates that people who did study but did not complete school for some reason show a similar decline in average earnings as those who did not study at all. This evidence suggests that it is the signal of the university degree itself (showing of networking opportunities, the ability and/or opportunity to enroll at the school, etc.) that matters for higher earnings, not higher education (obtained knowledge, skills, etc.) per se.

David W. Livingstone in *The Education-Jobs Gap: Underemployment or Economic Democracy* (2018) highlights a related paradox: despite rising levels of educational attainment, many individuals struggle to find jobs that fully utilize their skills. Instead of leading to upward economic mobility, this growing education-job gap results in widespread underemployment, where workers possess more education than their jobs require. Livingstone's findings may reinforce the argument that formal credentials play a crucial role in labor market outcomes, often outweighing actual competencies, while the structure of the job market remains rigid and unable to accommodate the increasing supply of highly skilled workers (see also Wheelahan et al., 2022).

Reduction of Time Spent Studying

The trend of students spending fewer hours studying is also becoming increasingly noticeable. The amount of time spent studying is viewed as a reflection of the quality of education received, and it has been drawing more attention recently (Beblavy et al., 2013). As reported by Babcock and Marks (2011), in 1961, full-time students in the USA spent approximately 40 h per week studying, while in 2003, it was around 27 h per week. A similar trend can then be observed within Europe. There may be several reasons why this decline has occurred; Babcock and Marks (2011) highlight the development, improvement, and spread of learning technologies, changes in university standards, or the changing costs of study, indicating that the studies may have become more effective, not that they are of lower quality. However, Dolton et al. (2001) illustrate that the duration dedicated to formal university study, such as consistent attendance at lectures, is directly proportional to enhanced student performance, a correlation corroborated by multiple studies, including those by Devadoss and Foltz (1996) and Romer (1993).

In summary, the current business school system is characterized by students spending less time studying, getting better grades for it, and earning more money just for the diploma on the wall (indeed, which may signal that they are capable of obtaining it; as well as that they come from circumstances in which it is easier to get it). Business schools do not seem to have so much influence on the preferences or skills of their students that they can be criticized for their subsequent behavior. From the students' perspective, this system is also beneficial. In this context, teaching reform focused more on ESG and other ethical values (i.e., not necessarily skills, but more on attitudes and beliefs) must be seen as having little marginal power to change students' attitudes– assuming that business schools are expected to fulfill broader societal interests.

Lack of Social Interests and the Efforts to Remedy

Although the intensity of studying and the amount of knowledge imparted is decreasing, business schools are still criticized for increasingly producing narcissistic graduates with a tendency towards individualism, who are only concerned with maximizing profits, without social sensitivity, and so on. Very often, and especially in recent years, business schools have also been criticized for not teaching the correct values, meaning mainly environmental awareness, sustainability, ethics, diversity, and inclusion attitudes. As a result, business schools, with the strong encouragement of various accreditation agencies (EQUIS, AACSB), are trying to integrate these areas into their curricula (Rodenburg & MacDonald, 2021). This shift towards incorporating ESG (Environmental, Social, and Governance) values into education addresses the growing debate over the role of business in society. By embedding sustainability principles, ethical decision-making, and social equity into the curriculum, business schools aim to produce graduates proficient in maximizing profits and leading responsibly and sustainably. This evolution reflects a broader recognition of the need for business leaders to balance economic success with environmental stewardship and social well-being, marking a significant pivot in how future business leaders are trained to navigate the complexities of the modern world.

The curricula revolution is, however, implemented without considering whether or not the integration of such values significantly impacts outcomes (Pfeffer & Fong, 2002; Rasche et al., 2013). Business schools do not track, test, or evaluate the outcome effect, i.e., whether a graduate starts to behave differently, "better," more environmentally aware, or more ethically conscious in their future careers due to their education.

Ethics education in business schools is the most researched area of value or belief transfer effectiveness (e.g., Antes et al., 2009; Feldhaus & Fox, 2004; Weber, 1990). The universal finding is that a course positively impacts the attitudes or values of students if it is measured within the course completion (especially for students whose values or personality traits are coherent with the content of the curriculum). As soon as the impact of the course is measured longitudinally (e.g., four years after the course) or in another context, the effect is largely null (Weber, 1990; however, see also positive outliers, Parks-Leduc et al., 2021). The push to embed ethics in the curriculum is probably well-intentioned. Still, the implementation shows that these may be rather tokenistic courses without the capacity to really influence students' thinking and future behavior. Indeed, some ethics courses may result in measurable benefits to students and there have been improvements in teaching within the last decades; for example, instructional features such as employing multiple trainers or experiential learning were associated with the largest benefits (Watts et al., 2016; Steele et al., 2016).

However, the broader question is how much impact a course can be expected to have and whether it is even possible to significantly change adult individuals to *systematically* behave more ethically or sustainably in their future jobs. Anybody would undoubtedly like to see managers acting responsibly and ethically, but universities are meeting this challenge mainly by adding "extra ethics" to the curriculum, thus meeting the accreditation criterion, rather than making any real effort to address the problem of unethical behavior by managers (their graduates). Indeed, the dishonest behavior of managers and leaders is influenced by too many factors, most outside the influence of universities (Houdek, 2020).

Power of Rankings and Their Influence

Whether a school or university is perceived as good or not is primarily determined by recognized, usually transnational, rankings. Its position in such rankings then determines how interested potential students will be in studying at that institution (Devinney et al., 2008). Indeed, the rankings are used across fields of study and serve to orient students and other stakeholders to the quality of universities and their programs. However, there is an obsessive tendency in the case of business schools, "the business school environment is filled with rankings. This includes rankings of management scientists […], rankings of journals, and rankings of business schools" (Grolleau & Meunier, 2024, p. 325). Despite widespread scholarly criticism of such rankings, they are becoming increasingly important and linked to various accreditation bodies (Anderson et al., 2021; Peters, 2007). Some rankings only include business schools or universities with some form of accreditation– most commonly EQUIS or AACSB. AACSB, for example, is considered a leader in focusing on ethics in business education by explicitly requiring ethics to be part of the curriculum as part of accreditation (Nicholls et al., 2013).

Paradoxically, while there is much criticism of business schools themselves, there is little public criticism of the various rankings or criteria by which business schools are evaluated and to which they must conform if they are to compete. Business schools are thus forced to meet the sometimes arbitrary standards set by NGOs, media organizations, and journalists (influencing the ratings), rather than the traditional quality and performance measures set within the profession itself (Gioia & Corley, 2002). The system of business schools is becoming more uniform (for better or worse) thanks to rankings and accreditations, as business schools try to adapt to the criteria set by a multinational accreditation or ranking agency, which often does not consider cultural specificities. Devinney et al. (2008) note that rankings have gained enormous influence over the years, mainly due to their popularity and perceived legitimacy. Today, rankings are used not only by students in deciding where to study but also by employers and other external stakeholders in deciding where to recruit from and who to support financially (Gioia & Corley, 2002).

Business schools are thus motivated to reflect the requirements of the ratings in their curricula, which now increasingly emphasize social, environmental, inclusive, and similar values. However, the main focus of the ratings is still on professional success as measured by income. For example, the Financial Times ratings, one of the first widely recognized international rankings in MBA and management education, have as the main criteria for evaluating MIM programs: (1) 'weighted salary' three years after graduation, which accounts for 16% of the rating; and (2) percentage salary increase (the average difference in graduates' salaries between graduation and today), which accounts for 10% of the rating. The next 5 criteria with the highest weight (out of 19 surveyed) are e.g. value for money (6%), career progress rank (6%) and international course experience (6%). The other criteria always have 5% or less (e.g. female faculty, international faculty, female students, international students, international work mobility rank and etc.) (Chan et al., 2025).

In addition, it is critical to consider the changing role of universities themselves. Due to shifting funding structures, universities increasingly rely on private donors, external project grants, corporate sponsorships, and high tuition fees– especially from international students– to remain financially viable (Slaughter & Rhoades, 2004). As a result, many institutions face pressures to demonstrate market-oriented outcomes, which can overshadow broader academic and social objectives. From a signaling theory perspective (Connelly et al., 2011), adopting and complying with prominent rankings or accreditation standards allows business schools to convey quality and legitimacy to prospective students, grant agencies, and donors. Yet, this very reliance on external signals can reduce institutional autonomy, as schools often feel compelled to adjust curricula and research priorities to match the criteria most valued by influential ranking agencies.

It is objectively challenging to break out of this vicious circle; and the system in place encourages business schools to blindly follow the requirements of ranking and accreditation bodies on the content of their curricula, without a deeper examination of the effectiveness of the measures adopted, the content of the courses or their own organization. Only accreditation and rankings bring prestige, interest from students and potential partners, and thus additional funding to the university. The criticism that business schools produce graduates who aspire mainly to materialism is therefore misleading if the system legitimizes this behavior by ranking schools mainly on the basis of the salaries of their graduates.

Possible Negative and Positive Consequences of the ESG Revolution

However, the business school landscape is beginning to change, and ESG values are coming to the fore. What are the expected consequences of ESG integration into the existing conditions in which business schools operate (as described in the previous sections)? Let's start with the negative ones.

Another Indoctrination?

The involvement of ESG and similar strategies in curricula runs the same risk as the criticized focus on shareholder interests alone. Business schools may substitute one doctrine for another. Business schools are responsible for challenging students' folk ideas, prompting them to question assumptions, refine arguments, and consider opposing viewpoints (Nussbaum, 1997). This process sharpens critical thinking and encourages intellectual and/or entrepreneurial autonomy by pushing students beyond their comfort zones (Bain, 2004). A real education expects them to articulate coherent perspectives based on facts or applicable frameworks and theories, respond thoughtfully to counterarguments, and appreciate the complexity of issues they encounter in academic and professional life.

Academic rigor must not slide into simple "counter-indoctrination," where faculty impose a new orthodoxy (ESG) instead of nurturing open and rigorous inquiry (McGee & Block, 2022). The goal should be to facilitate independent thought based on facts and discussion of relevant theories; and the ESG revolution can bring otherwise neglected perspectives, risks, and opportunities to light. However, business schools must still protect genuine exploration of ideas, and foster the kind of intellectual engagement that can strengthen democracy and spur business development and innovation.

Greenwashing and Virtue Signaling

Many business schools highlight their commitment to sustainability and ethical leadership, yet these efforts can sometimes result in superficial displays rather than genuine value transformation. Students and institutions may thus engage in virtue signaling– projecting a socially responsible image without substantially altering practices or internalizing the underlying principles. This phenomenon resonates with the broader concept of greenwashing, in which organizations or individuals claim a heightened commitment to environmental and social responsibility for public relations purposes rather than pursuing verifiable, meaningful sustainability initiatives (Delmas & Burbano, 2011; Lyon & Montgomery, 2015). When misaligned with actual behavior, these symbolic gestures risk undermining real progress toward ethical and sustainable business practices (Ha-Brookshire, 2017).

Lack of Action

While business schools often emphasize the importance of ethics, sustainability, and corporate social responsibility, the practical application of these principles can be insufficient. Students may attend relevant courses, yet without cultivating a deeper conviction or understanding of these issues, they are unlikely to develop the skills and commitment necessary to really implement ethical and sustainable practices effectively in their future managerial roles (Pfeffer & Fong, 2002). Consequently, their values or relevant skills often remain unchanged, limiting their capacity to address social and environmental challenges beyond superficial public relations efforts. This gap between institutional rhetoric and substantive action stresses the risk that business schools' espoused values will fail to translate into meaningful, long-term improvements in responsible business conduct (Christensen et al., 2013).

Tokenism and Symbolic Gestures

Tokenism and symbolic gestures have become increasingly prevalent in business schools' adoption of ethics and sustainability initiatives, often serving as defensive responses to external pressures and to satisfy accrediting and ranking agencies (which consider the presence of courses in the curriculum, not their impact) rather than authentic commitments. Although these programs ostensibly address calls for responsible management education, they may reflect symbolic compliance more than substantive change. Schools sometimes introduce courses to satisfy accreditation demands or assuage stakeholder criticism, dedicating minimal class time to complex environmental and social issues (Delmas & Burbano, 2011). Consequently, students may gain only a superficial understanding of ethical frameworks rather than developing a robust capacity for critical reflection or moral decision-making (Christensen et al., 2013). This emphasis on "ticking boxes" rather than fostering genuine value alignment perpetuates tokenism, ultimately creating a gap between espoused principles and actual behavioral change in management education (Bromley & Powell, 2012).

Inadequate Teacher Training

Inadequate teacher training may remain a critical barrier to effectively integrating ethics and sustainability into the business school curriculum. Without educators who possess both subject-matter expertise and the skills necessary to promote responsible management, classroom discussions may lack the depth needed to foster meaningful student engagement and long-term impact (Rasche et al., 2013). Consequently, sustainability and ethics modules may devolve into perfunctory overviews rather than immersive explorations that stimulate deeper reflection on values, belief systems, and professional conduct (Figueiró & Raufflet, 2015). Ultimately, teacher training programs that rigorously equip educators with relevant knowledge and skills are essential for translating institutional aspirations into enduring changes in managerial values and behaviors.

However, there could be optimistic scenarios for business schools to promote and implement activities that have real, tangible impacts. In several action points below, we argue how integrating environmental, social, and governance values into business education may lead to positive outcomes.

Integrity

If business schools aspire to cultivate genuinely ethical and environmentally conscious leaders, they must uphold the same principles in their institutional affiliations and practices. This involves aligning funding and partnership decisions with the values they espouse, thereby refraining from associations– such as grants, gifts, or sponsorships– with entities whose conduct contradicts ethical or sustainable standards. American universities such as Yale and MIT, for example, have faced criticism for accepting significant funds from governments or organizations that engage in practices they formally denounce (Binkley, 2018). Moreover, integrity should extend to universities' internal employment policies, as even well-endowed institutions sometimes offer minimum-wage compensation to non-academic staff (Garrison, 2019), thereby raising doubts about their commitment to equitable treatment. Such inconsistencies (not taken into account in the rankings, indeed) expose a disconnect between values and institutional realities, stressing the need for greater organizational integrity to foster enduring, value-driven leadership in the business sector (Brunsson, 1986).

Pressure on Ranking and Accreditation Agencies

NGOs, public institutions, and other stakeholders committed to fostering ESG-oriented business practices– and not solely top-tier institutions– should feel emboldened to press ranking and accreditation agencies to recalibrate their evaluation criteria. Although metrics such as graduate salary levels serve as powerful marketing tools for attracting applicants, they may offer limited insight into the actual quality of teaching or the social impact of graduates (Hazelkorn, 2015). In response, alternative ranking systems that prioritize environmental and social responsibility are emerging, yet they often lack widespread influence. One example is the UI GreenMetric World University Ranking, launched by Universitas Indonesia in 2010, which currently includes 1,050 universities worldwide (UI GreenMetric World University Rankings: Background of the Ranking, 2023). This ranking evaluates six core sustainability criteria– spanning waste, water, and energy management, among others– thus focusing on tangible practices rather than symbolic commitments. By integrating such measures into mainstream rankings, accreditation bodies and ranking agencies could reinforce the importance of holistic, values-based management education.

Another example is the Corporate Knights Better World MBA Ranking (Corporate Knights Better World MBA Ranking Methodology, 2023), where the Alumni/Graduate Impact ranking has a 10% weighting, which indicates the percentage of alumni working for so-called impact organizations, which include all non-profit organisations, CK Global 100 companies, CK Clean 200 companies and all companies whose main focus is to provide solutions to social and/or environmental problems (>50% of revenues or future revenues). Thus, it is not the amount earned by the graduates that is considered, but rather where the graduates work. A more widespread use of these ratings would show whether business schools are (not) really only expected to increase the income of their graduates.

Local Impact

Despite the increasingly globalized nature of academic endeavors, business schools should not overlook the importance of engaging with the distinctive cultural, social, and environmental characteristics of their local contexts. Indeed, while such locally focused research, projects, and educational programs may not always receive high visibility in conventional rankings or accreditation frameworks, they can substantially enhance the school's legitimacy, credibility, and accountability within its immediate community (Weerts & Sandmann, 2010). By successfully addressing ESG concerns in their own regions, business schools and their graduates build valuable problem-solving capacities that can be deployed on a broader global scale (Bansal, 2003). In this way, a synergy between local relevance and international impact emerges, producing managers who are not only equipped to tackle worldwide challenges, but also deeply grounded in the specific contexts that inform real-world sustainability and ethical decision-making.

Real "Hands-on" Projects

Business schools should focus on the effectiveness of their teaching and the actions they take. If they want to have a real impact in the area of sustainability, it is effective to involve students in real-world projects. For example, the MBA program at Yale School of Management directly addresses business solutions to environmental problems. The University of Nottingham's Myemyela project brought together volunteer donors, architecture students, and a nursery school in the poorest area of South Africa, and together they managed to build a new functional building for children (Your Impact - University of Nottingham, 2018). Similarly, in teaching ethics, projects, hands-on workshops, and case-study-based work are the most effective teaching methods (Waples et al., 2008).

Conclusion

The rise in popularity of business education has brought both opportunities and challenges. While efforts to integrate environmental, social, and governance (ESG) values into curricula suggest a positive response to the criticisms leveled at business schools, questions have been raised about the form in which this integration is taking place. The risk of superficial engagement highlights the need for deeper and systemic change in the world of business education. However, no such thing is clearly visible yet. By challenging the status quo, implementing (not just signaling) ethical values, and maintaining a critical perspective on the outcomes of business education or testing them, the ground can be prepared for a new generation of managers and leaders who can more effectively link the long-term well-being of society, the environment, and the economy.

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