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WHAT'S ONLINE

The M.B.A. Under Attack

By DAN MITCHELL

THERE is a rising reaction against management theory, according to *The Economist*. A new book by the management expert Gary Hamel, "The Future of Management," notes that several well-known executives of hot companies — among them, [Sergey Brin](#) and [Larry Page](#) of [Google](#) and [John P. Mackey](#) of [Whole Foods Market](#) — did not go to business school.

More to the point, another new book, by the Harvard Business School professor Rakesh Khurana, "charts how management science declined from a serious intellectual endeavour to a slapdash set of potted theories," as *The Economist* characterizes it ([economist.com](#)).

That book, "From Higher Aims to Hired Hands: The Social Transformation of American Business Schools and the Unfulfilled Promise of Management" is "academic" and "dense," according to *Business Week*, but it still manages to be scathing. Business schools not only fail to produce the best managers but also repudiate professionalism by emphasizing individual achievement over company loyalty, according to Mr. Khurana ([businessweek.com](#)).

Now come the contrarians. A study by Nick Bloom, an assistant economics professor at [Stanford University](#), and John Van Reenen, an economics professor at the London School of Economics, concludes that companies using the most widely accepted management theories taught by business schools outperform their peers in productivity, sales growth and return on capital ([stanford.edu/~nbloom](#)). According to the authors, "these measures of better management practice are strongly associated with superior firm performance."

"That this is at all controversial," concludes *The Economist*, "shows how far management theory has fallen from its peak," when it was expected to become a science.

SILICONE VALLEY? The entertainment industry, Marc Andreessen writes, "is in the early stages of being rebuilt in the image of Silicon Valley." And the Hollywood writers strike is only going to hasten that transformation, especially if it goes on for a long time ([blog.pmarca.com](#)).

Mr. Andreessen, the founder of Netscape, writes in his blog that the strike, "and the studios'

response to the strike, may radically accelerate a structural shift in the media industry — a shift of power from studios and conglomerates towards creators and talent.”

He compares the industry’s generally clumsy handling of new media and piracy to that of the recording industry. “The situation already wasn’t looking too good,” he writes, “but the one even more effective way to alienate viewers than attacking their viewing options is to actually kill the programs they are watching.”

HEAT UNTIL LEGIBLE The annual report of a Croatian food company, Podravka, must be baked before it can be read.

Designed by the creative agency Bruketa & Zinic, the report, titled “Well Done,” must be wrapped in foil and heated for 25 minutes before its thermo-reactive ink reveals itself, according to the design blog Dezeen, which presents pictures and cooking instructions (dezeen.com). Included as an appetizer is a small booklet with “great Podravka recipes,” according to the agency. “If you are not precise, the booklet will burn, just as any overcooked meal.”

Oh, yes, the company’s results. Podravka, which bills itself as the biggest food company in southeast Europe, reported that operating income was up 3.39 percent in the third quarter. It is safe to assume that if the annual report contained bad news, the company would not have evoked the imagery of cooking books. DAN MITCHELL

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