

THE CHANGING FRENCH GRANDES ECOLES MODEL FOR MANAGEMENT EDUCATION

Michael Bryant

1 THE FRENCH GRANDES ECOLES SYSTEM	S. 44
2 THE GRANDES ECOLES OF MANAGEMENT (GEMS)	S. 44
3 THE INTERNATIONALISATION OF THE GEMS	S. 46
4 CONCLUDING REMARKS	S. 49

1. The French Grandes Ecoles System

The French higher education system is comprised of universities and other institutions called the **Grandes Ecoles**. These specialized institutions “were founded by the French State in the mid-18th century to provide qualified technicians not only for the army, but also for administrative and strategic economic sectors, such as energy and agriculture”.¹ The established universities were not providing this type of education at the time. In line with the ideas of the French revolution, the state introduced a competitive entrance examination system based on meritocratic principles to counteract the traditional privileges of the nobility.² The first **Grandes Ecoles** were set up in engineering, followed by management schools at the beginning of the 19th century. Today, about 40 business schools are recognised within the federation of *Grandes Ecoles* (*Conférence des Grandes Ecoles*) and recruiters continue to prefer hiring graduates from these management schools in contrast to the state universities.³

By the late 20th century, the *Grandes Ecoles* system had become the target of social criticism for reproducing an elite from the same privileged backgrounds.⁴ In recent years, pressure has increased to make the schools more accessible to students from more diverse social backgrounds.⁵ Even more importantly, globalisation is adding to the pressure to reform: “as the business

world becomes more international, so the value of a French elite diploma begins to lessen With globalization, the bright **énarque** (graduate from ENA – *Ecole Nationale d’Administration*) or **polytechnicien** (graduate from *Ecole Polytechnique*) thus faces a challenge which will require all his Grecian wisdom in the new climate of industry”.⁶

2. The Grandes Ecoles of Management (GEMs)

The French business schools suffered for many years as the poor cousins of the engineering schools. Although some business schools were admitted to the *Conférence des Grandes Ecoles* when it was established in 1973, in many ways they only really gained the status of *Grandes Ecoles* when the reform of the competitive entrance examination system was introduced in 1996. This brought the business schools in line with the engineering schools where a two-year preparatory programme had been in place for decades. In comparison with the top elite schools such as ENA and the *Ecole Polytechnique*, the French business schools are really ‘*petites*’ (small) **Grandes Ecoles**.

Table 1 gives a summary of the chronology of the main events in the development of the French business schools over the past two centuries. The first business school in France was founded in 1819 to provide vocational training. Other schools were set up during the 19th and early 20th century. From the outset these schools enjoyed close links with the business world. The academic model was based on the practical, applied approach of the engineering schools rather than that of the universities.⁷ Indeed, according to Thietart “For many years, up until the early 1970s, French business

1 Blanchard, M. (2009): From „Ecoles Supérieures de Commerce“ to „Management Schools“: transformations and continuity in French business schools. In: *European Journal of Management*, 44(4), pp. 586-604. (p. 587)

2 Charle, C. (2006): *Les Elites de la République, 1880-1900*. Paris: Fayard.

3 Barsoux, J.-L.; Lawrence, P. (1990): *Management in France*. London: Cassell Educational Limited; Blanchard (2009), op cit.

4 Bourdieu, P.; Saint Martin, M. (1987): *Agrégation et ségrégation. Le champ des grandes écoles et le champ du pouvoir*. In: *Actes de la Recherche en Sciences Sociales* 1987, pp. 2-50; Bourdieu, P. (1989): *La Noblesse d’Etat. Grandes écoles et esprit de corps*. Paris: Les Editions de Minuit.

5 Dardelet, C. (2010): *Ouverture sociale des grandes écoles. Livre blanc des pratiques. Premiers résultats et perspectives*. Paris, France: *Conférence des Grandes Ecoles*.

6 Ardagh, J. (1999): *France in the new century: Portrait of a Changing Society*. Harmondsworth: Viking, p. 100.

7 Grelon, A. (1997): *Ecoles de commerce et formation d’ingénieurs jusqu’en 1914*. In: *Entreprise et Histoire*, pp. 29-45.

Table 1: Chronology of Main Events in the Development of the French Business Schools

DATE	EVENT
1819	Creation of first business school - Ecole Spéciale de Commerce Paris
1871	Creation of ESC Le Havre and ESC Rouen
1872	Creation of ESC Lyon and ESC Marseille
1881	Creation of HEC Paris
1889	State recognition for business schools
1947	Decree recognising business schools as institutions of higher education
1964	New legal status and name – ESCAE (Ecoles Supérieures de Commerce et d'Administration des Entreprises)
1985	Creation of the Chapitre des Grandes Ecoles de Management
1991	Break-up of the ESCAE network
1996	Reform of the classes préparatoires programmes
1997	ESSEC – first French business school to be accredited by AACSB
1998	HEC Paris – first French business school to be accredited by EFMD - EQUIS
2001	Launching of a state-run quality assessment process

schools were considered as trade schools rather than academic institutions”.⁸

By the end of the 1970s “there was a structured field of business schools, divided into three groups: the Paris schools (HEC, ESSEC, ESCP), struggling for the leadership, the 17 ESCAEs (Ecole Supérieure de Commerce et d'Administration des Entreprises), and the other schools”.⁹ These other private schools had various statuses, some officially recognised by the state while others were not, offering programmes of three to five years in duration. This hierarchy of schools led to increasing national competition from the 1980s onwards. The ESCAE began recruiting nationally rather than locally. The overall number of business schools, managed by the Chambers of Commerce or private organisations, increased from 78 in 1980 to 297 in 1992. In order to maintain ‘brand image’ within this growing market, a select group of the Grandes Ecoles of management created an inner circle of institutions within the Conférence des Grandes Ecoles, called the **Chapitre des écoles de management**. It was set up in 1985 with 12 founding members and by 2012 about 40 GEMs belonged to this select group.

Competitive tensions led to the break-up of the ESCAE network in 1991. Schools gained more independence and began issuing their own degrees, but still under the control of the government. The names of the schools were changed again, this time to **Ecoles Supérieures de Commerce (ESC)**, and their hierarchy was determined essentially by the percentage of top candidates that were admitted from the preparatory classes.

Outside of France, the dual system of universities and Grandes Ecoles had always been difficult to explain. Academic partners abroad did not understand the level of the final degree awarded to the students in ESC system. Some argued that

8 Thietart, R. (2009): The research challenge of French business schools: the case of the Grandes Ecoles. In: Journal of Management Development, 28(8), pp. 711-717. (pp. 712-713)

9 Blanchard (2009): op cit, p. 592.

it was an undergraduate level degree; others accepted that it was a Master's level qualification. The 1996 reform clearly positioned the **Diplôme ESC** at the post-graduate level. This recognition was later reinforced by the Bologna regulations and by a newly introduced French government accreditation system. This quality assurance process was imposed by the Bologna agreement and it led to an audit system that recognised the GEM degrees at Master's level by granting the **Grade Master** (Master's level certification) for their ESC or Grande Ecole degrees.

The last decade has brought multiple changes to the business schools in France. Some have sought to position themselves more distinctively on the national and international market by re-branding themselves with new names.¹⁰ Some have broken away from the chamber of commerce sphere by adopting a new governance structure. In fact, by the end of 2012 very few of the GEMs remained under the direct aegis of the chambers of commerce which have re-organised themselves into regional units. The French business schools are entering a period of considerable re-structuring and consolidation with several mergers and take-overs leading to bigger units with the aim of increasing visibility and international credibility.¹¹

3. The Internationalisation of the GEMs

The intensification of national competition in the 1980s drove the French GEMs to seek out local distinctiveness in an attempt to create differentiation on the business school market. Internationalisation emerged as a key factor to establishing such distinctiveness. The main objective was to attract the best students through offering study abroad opportunities on an exchange basis with

no supplementary fees. Furthermore, schools were spurred on to adopt internationalisation strategies following the 1985 European Act to create a Single Market in 1992. A need had arisen to train managers educated with the appropriate skills and knowledge to operate successfully in this integrated European economic context.¹² The importance of these schools in preparing students for managerial positions in a more diverse, international context has been recognised.¹³

During the 1980s and early 1990s, internationalisation concerned mainly student mobility. This was understandable since internationalisation was used to improve market position and attract the best students by promising them opportunities to study abroad. The GEMs were well placed to include international experience in their programmes since the students all have to master two foreign languages as an entry requirement.¹⁴ The French management schools also seized the opportunities offered by the ERASMUS programme that was launched in 1987. Indeed, business students quickly became the dominant group benefiting from the mobility grants offered.

At the same time, schools extended their international partnership agreements to give more students opportunities to study abroad as part of their management education. As an integral part of preparing students for study and work abroad, schools increased the emphasis on multicultural content in the curriculum with the aim of developing a certain mindset in their students so that they would be open to other cultures. Internationalisation at home was also driven by the introduction of the new ERASMUS-SOCRATES

12 Lazuech, G. (1999): *L'exception française: Le modèle des grandes écoles à l'épreuve de la mondialisation*. Rennes, France: Presses universitaires de Rennes.

13 Tregaskis, O.; Dany, F. (1996): A comparison of HRD in France and the UK. In: *Journal of European Industrial Training*, 20(1), pp. 20-30.

14 Bryant, M. (1993): *The Integration of Foreign Languages into Management Education: An Evaluation of Trends in France, Germany, the United States and the United Kingdom*. Clermont-Ferrand, France: Groupe ESC Clermont Graduate School of Management Research Centre.

10 Ramanantsoa, B. (2007): Brand management pour les Business Schools. Une véritable arme stratégique. In: *Revue Française de Gestion*, 178/179, pp. 125-131.

11 Blanchard (2009), op cit.

programme in 1996.¹⁵ Brussels could no longer meet the financial demands of the very successful ERASMUS scholarship programme. As an alternative to going abroad, internationalisation at home promoted curriculum innovations with more global and cross-cultural contents delivered by visiting faculty in a foreign language.

Another dimension of internationalisation involved welcoming international students onto the campuses in France. During the 1980s and 1990s, these international students were predominantly exchange students attending the host school thanks to reciprocal partnership agreements whereby students paid their tuition fees at the home university. The idea of recruiting fee-paying degree-seeking students only began to take on importance towards the end of the 1990s. Schools were happy to welcome exchange students because their presence helped to internationalise the campus and create some form of multicultural experience for students and faculty alike.

Compared to business schools around the world, the French GEMs were, and still are, relatively small, lacking the critical size to compete on a global market.¹⁶ During the 1980s, the US model for management education – the MBA degree – had become a globally recognised passport to an international career. As a result, European schools struggled with two options. Some chose to import the MBA model, considering that this was the hallmark of an international school.¹⁷ Others have argued for the creation of a European model.¹⁸

Partnership agreements were a way of gaining legitimacy abroad for the French GEMs. Some schools such as the **Ecole européenne des affaires**

(EAP) or the **European Business School (EBS)** set up networks across Europe to enable students to spend part of their studies abroad within an integrated degree programme. By the end of the century, most schools could boast dozens of university partners abroad and flourishing student exchange programmes. For many GEMs, a minimum six months in a university or in a company were mandatory to graduate. Since almost all the schools had introduced this international experience requirement, study or work abroad, student mobility had become a commonplace dimension of internationalisation at the French business schools and is no longer considered a competitive advantage. Indeed, by the year 2000, indicators of internationalisation at French GEMs had evolved far beyond student exchanges, languages and courses in international business and cross-cultural competencies.¹⁹

In the past decade, international accreditation has become a key strategic objective for the French business schools.²⁰ The main international accreditation agencies for business schools – AACSB International (the Association to Advance Collegiate Schools of Business) and EFMD (the European Foundation for Management Development) – were well placed to offer their quality labels to schools in France. During the 1990s, the AACSB had run a pilot scheme for accrediting non-US business schools. It was trying to determine how the standards, based on the US business school education model, could be modified to take into account the wide diversity of management education systems around the world.²¹

15 Wächter, B. (2003): An Introduction: Internationalisation at Home in Context. In: *Journal of Studies in International Education*, 7(1), pp. 5-11.

16 Bergadaà, M.; Thietart, R.-A. (1990): L'enseignement de gestion à l'horizon 1995: une analyse prospective. In: *Revue Française de Gestion*, 78; Lazuech (1999) op cit.

17 Abdemessed, T. (2007): Le modèle 'grande école' dans la compétition mondiale. In: *Revue Française de Gestion*, 33, pp. 157-172.

18 Durand, T.; Dameron, S. (ed) (2008): *The Future of Business Schools. Scenarios and Strategies for 2020*. Houndsmills: Palgrave Macmillan.

19 Echevin, C.; Ray, D. (2002): Measuring Internationalisation in Educational Institutions. Case Study: French Management Schools. In: *Higher Education Management and Policy*, 14(1), pp. 95-108; Duvergé F. (2006): Le livre blanc du chapitre des écoles de management de la conférence des grandes écoles. Paris, France: Chapitre des écoles de management; Conférence des Grandes Ecoles (2009): *Les Grandes Ecoles sur la Scène Internationale*. Paris.

20 Conférence des Grandes Ecoles (2013): *Livre blanc: Accréditations internationales des business schools*. Paris, France.

21 Flesher, D.L. (2007): *The History of AACSB International*. Vol. 2: 1966-2006. Tampa, Florida, USA: AACSB International.

One of the top French GEMs, ESSEC, based near Paris, was the first school outside North America to achieve AACSB accreditation in 1997.²² This was a clear sign to other GEMs that this accreditation was within their reach. Another factor drove the French GEMs towards the AACSB accreditation path. Following its pilot study, the AACSB introduced new standards in 2003 which reflected a new philosophy in its accreditation processes.²³ The new standards enabled applicant schools to demonstrate quality within their own cultural and educational environment, rather than conform totally to a US-centric model.

The EFMD had set up the European Quality Improvement System (EQUIS) in 1997 in direct competition to AACSB. The accreditation criteria require that schools demonstrate internationalisation on an institution-wide basis. Schools began to internationalise their faculty by recruiting abroad. They have also been insisting on French faculty with fluency in English. Research has become a critical dimension for schools to gain international recognition.²⁴ Schools have been scrambling to improve intellectual contributions both quantitatively and qualitatively. Above all, under the EQUIS standards, schools must show that they undertake joint research outside their home country. The ability to attract and recruit international students has become another key component in the accreditation process. Schools must establish effective partnerships not only with universities abroad, but also with international companies.

According to **Dameron and Monceau**,²⁵ accreditation has helped to make the schools more professional. As the French schools increasingly recruited international students on a fee-paying basis, accreditation labels have also become a necessary tool to signal the quality of the education being offered, especially to potential candidates abroad who knew little, if anything, about the elite French GEMs.

At the same time, schools face numerous challenges in their race to gain international recognition through accreditation.²⁶ The gap between teaching and research is growing. The business schools are running the risk of losing one of their prime competitive advantages compared with the French universities, their close cooperation with the business world. Finally, schools are tending to follow similar strategic development agendas thus confirming the trend towards isomorphism in the French business school field.²⁷

In recent years, the GEMs have become increasingly involved in off-shore activities, especially in Eastern Europe, Asia and on the African continent. A school's ability to export and operate abroad is now recognised by accreditation agencies and rankings as an indicator of participation in a global business education market. Schools are judged like business units that have decided to do business abroad after building up a strong presence on the national market. In this way they can be considered to have moved along to one more stage in the internationalisation model of the firm.²⁸

22 Nioche, J. (2007) : La montée en puissance des accréditations non étatiques. In: *Revue Française de Gestion*, 9, pp. 219-232.

23 Thompson, K.R. (2004): A Conversation With Milton Blood: The New AACSB Standards. In: *Academy of Management Learning and Education*, 3(4), pp. 429-439.

24 Dameron, S.; Durand, T. (2008): Management Education and Research in France. In: Durand and Dameron (ed.) (2008), op cit, pp. 162-185; Thietart (2009), op cit.

25 Dameron, S.; Manceau, D. (2011): *Quel impact des évaluations externes sur le système d'enseignement supérieur de gestion français?* Paris, France: FNEGE (Fondation Nationale pour l'Enseignement de la Gestion des Entreprises).

26 Scherer, R. F.; Javalgi, R. G.; Bryant, M.; Tukul, O. (2005): Challenges of AACSB International Accreditation for Business Schools in the United States and Europe. In: *Thunderbird International Business Review*, 47(6), pp. 651-669.; Dameron and Manceau (2011), op cit.

27 Blanchard (2009), op cit.

28 Johanson, J.; Vahlne, J.-E. (1977): The Internationalization Process of the Firm – A Model of Knowledge Development and Increasing Foreign Market Commitments. In: *Journal of International Business Studies*, 8(1), pp. 22-32.

4. Concluding Remarks

The French business school field continues to witness a period of considerable instability and institutions are increasingly confronted with issues of globalisation and internationalisation. The schools are struggling to assure their development and their future survival. To achieve these aims they are adopting different strategies of partnerships, mergers and alliances. Even the competitive entrance examination system has come under scrutiny. Recently, the newly created France Business School, the merger of four well-established Grandes Ecoles, decided to abolish the traditional selection system for admission to its programmes. This was partly in response to the demands of the business community which is more concerned about the quality of the educational output rather than the level of candidates on entry. As the French management schools face the challenges of a highly competitive environment that is forcing institutions to change and transform themselves on a continual basis, globalisation and internationalisation continue to impact on the individual schools and on the Grandes Ecoles model itself.

Michael Byrant, France Business School,
International Accreditations.