

Developing **Leaders**

Quarterly

BIG PICTURE LEADERSHIP, FINE-TUNED

**LEADERSHIP IN
UNCERTAIN TIMES**

Denyer & Turnbull James

**ORGANIZATIONAL
MINDSETS**

Laurence Knell &
Shane O'Mara

**ENTREPRENEURSHIP
& SOCIAL GOOD**

Peter Todd at
HEC Paris

EMPOWERING GROWTH

Genworth &
Kenan-Flagler

A man in a brown suit and bowler hat is shown from the chest up. His face is replaced by a large, white, fluffy cloud. The background is a bright blue sky with several small birds flying. The main title 'Changing Mindsets in Organizations' is written in large, bold, yellow letters across the bottom of the image.

Changing Mindsets in Organizations

Insights from Ashridge Executive Education, Bath School of Management, CCL, Cranfield School of Management, HEC Paris, Oxford Saïd, UNC Kenan-Flagler and others

Holding Up a Mirror

A Conversation with Veronica Hope Hailey, Dean of Bath School of Management

By Roddy Millar

What is it that sets a business apart from its competitors? What is an organization's core purpose? These are the questions that Chairmen and CEOs around the world reflect on in their quieter moments. The questions are peculiarly important too for those who lead business schools currently – and the solution to both could be intertwined.

The management education sector's tectonic plates have been shifting perceptibly for the last decade. The disruptive influence of new technologies; the shift of focus from the traditional core 'codifiable' topics of finance, marketing, operations etc, to newer 'tacit' ones of leadership, organizational behaviour, culture and ethics; this stimulated in large part by the perceived failure of business schools to have sufficiently trained senior executives pre-2008.

So where does a business school position itself in today's world? Veronica Hope Hailey, the Dean of Bath School of Management, is very clear on this. Acknowledging that the University of Bath, though having just celebrated its 50th birthday, is not in the brand position of INSEAD, IMD or LBS in Europe, she sees that the School of Management has a great opportunity to leverage its position within the university as a connector of disciplines, for the commercial and organizational benefit of businesses in the South-West of England – as well as nationally and internationally.

Hope Hailey passionately believes in the importance of delivering cross-disciplinary initiatives for its business clients. "Business schools need to stop thinking of themselves as fortress-like; very focused on single disciplines" she stresses. "We need to bring in our colleagues from across the university. We have scientists doing brilliant work at Bath, and we need to work with them to help them understand the innovation and development work from a business perspective." Hope Hailey sees this ability to draw these diverse strings together for a better society as being a real differentiator for the school – but also for its students. "China is producing a great many engineering graduates. We know that those engineering graduates definitely want a year overseas, because they want some international exposure. Doing a joint engineering and management degree is going to hit a real sweet spot in China, because it differentiates. In a country the size of China producing as many engineering graduates as they do, how do you differentiate yourself? You differentiate yourself by putting different subjects together. Being able to speak to business issues in an interdisciplinary way; and that works across the world. We need people who can make sense of the diverse range of inputs we have facing us in business today."



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Hope Hailey realises that part of the problem with fostering this cross-disciplinary ability lies with the academic system itself. “The international four star journals act as a metric for assessing somebody’s ability as a pure academic. So if you’re going to get promoted to a pure chair, we want to see that you can operate at that level” but she continues “we are also looking to see that they can publish in interdisciplinary journals, because that’s the way they’re going to have an impact across the whole of their area. And publish in practitioner journals.”

At Bath Hope Hailey has instituted a new three-track careers system for faculty to build on both the pure academic research side but also to create a cohort of practice oriented research faculty too. “The pure academic track means faculty get a reduced teaching load. They still have to teach. If you can’t teach at Bath you will go. But you’ve also got to operate at a suitable standard for probation and that will include three and four-star journal articles. We are unapologetic about that. If you pass that probation, then essentially what you’re saying to us is that you are a competent teacher, but you are also a competent researcher. In return for that, we will guarantee that 40% of your time is allocated to research activity, which is usually people’s great love.”

The second route is that of a Teaching Fellow, which will have double the teaching load of the academic track, and while no research objectives are set or required, frequently teaching faculty have close collaborations with other organizations to inform their experience. The third, newer approach is Professors of Practice. Here Hope Hailey acknowledges that Bath is not the first to introduce this type of professor, but she clearly sees them as being an important new part of the mix. “Professors in Practice are people who show massive engagement with industry and practice.... it could be somebody coming from industry or government who have had an extremely successful practice-based career, where we believe in certain subject areas they could make a significant contribution.

Perhaps those CEOs should be looking to business schools to hold a mirror up to their organizations

"The staffing mix that you have is so important, because there is absolutely the space for the extremely scientific excellent researcher in management studies or business studies, just as there is in pure sciences. But equally just as a nuclear scientist may need a business person or a business academic to help them commercialise and communicate, so within the business schools, we need these Professors in Practice and these teaching only posts that actually translate and convert that into something that is digestible and accessible to people."

The importance of clusters is growing at Bath. "We've got established clusters and emerging clusters. We've got one around supply chain and operations, EDF [the French electricity company that is building the new Hinckley Point nuclear power station and that has long-standing connections with Bath] have given us this huge donation to create a supply chain innovation lab, but there's a historical pattern there. We've got this very long history of looking at business in society. We've got a huge cluster there. And we've just taken the number one academic in the world, a guy called Andy Crane, in to head that research centre. That brings people in from across all the disciplines in the school and within the university to look at these issues of sustainability, responsibility. We've got another cluster, interdisciplinary cluster around health, so we have a centre for health care innovation and improvement. Again, using data analytics but working with Department of Health in the university as well. Psychology as well. We have the traditional places but we've also got a centre for strategic risk management. That's got finance specialists, pension specialists, but it also will be reaching out into the Institute for Mathematical Innovation."

Beyond, and under-pinning, Hope Hailey's work as Dean of the School of Management, is her career and interest in management research, particularly the role of Trust and Trustworthy Leadership, and its implications for Change Management. Hope Hailey has been involved with two large research projects around this area, which led her to reflect on why consortia of large businesses were happy to pay academics to survey their organizations, rather than rely on internal surveys or the CEOs own investigations and conversations on the shop-floor. "And the reason is that people would be amazingly honest with academic researchers." The academic tag allows people to give their honest opinion without fear or favour. This is a huge and valuable benefit that Hope Hailey sets much store by "We are still, more than CEOs, much more than CEOs I'm afraid, trusted by people. Trust is bestowed on us [academics]."

The Trust bestowed on academics allows their research to be much more impartial, and that in turn is of huge value to the organizations they work with. "We do this Samuel Johnson thing of holding up a mirror to these organizations, and they would learn truths about themselves that they sometimes didn't like. I think that is really, really important. I think that's the role of good academic research. Yes, to innovate, but also to critique. If we're doing it as research, then our integrity is such that we're not doing it for consultancy rates. We will publish from it, probably, but it will probably be anonymized, or subsumed into a general piece of research. But it still tells people things that they can't find out [elsewhere]."

While no-one sets out to be untrustworthy, it is often a consequence of the politics of organizations that facts get spun, events distorted, and information is filtered as it passes upwards. Hope Hailey has seen plenty organizations where senior management are disconnected from the truth, and cases where the management was evidently not determined in seeking the truth. "If you take the (UK retailer) John Lewis or Unilever – these people *are* setting out to find it. All the senior team at John Lewis have to man a cash register in the build-up to Christmas.... The shop-floor dread it because they're not very good at it, but they have to do it. They are held accountable."



She also notes that unionised environments rank well for Trust, as senior managers have to justify their actions to the unions, it creates a mindset of greater transparency. Similarly, in partnerships, where partners are used to being closely quizzed by their co-partners on projects and projections, creating a candid atmosphere where truth, however unpalatable, is appreciated. Hope Hailey notes that where this is not apparent, then it is all too easy for senior management to become disconnected from the realities their organizations face.

It is this closing of the circle that drives Hope Hailey in her quest to make her business school ever more relevant to the real world outside academia. Making Bath School of Management a nexus within the wider University of Bath connecting deep knowledge and expertise from all sectors through a business lens, that is applicable and practical for organizations large and small, local and global. The irony perhaps

being that it is the unfair but not unusual perception of academics as being disconnected that allows them to hear the truths that they can then 'hold the mirror' back to the senior management of organizations to stop them becoming disconnected.

What set's a business apart from its competitors? What is its core purpose? Perhaps those CEOs should be looking to business schools to hold a mirror up to their organizations to answer those questions.

While Hope Hailey sees the need for balance between the rigour of academic research and the translation of that research into something relevant and applicable for the wider commercial world, she is also refreshingly honest that that balance can be difficult to achieve. She references moments early in her career, not at Bath, when she sat in on an executive education program where the program faculty was speaking passionately about a new business framework; when she quizzed him eagerly about it later, he revealed that he had "thought about it in the shower that morning". Her point being that in the early 1980's business teaching was frequently done with no research under-pinning it. As academic rigour came in in the following decades, Hope Hailey admits that the pendulum often swung too far in the other direction. "We have to understand that management studies, certainly in the UK, is still quite a new discipline. Bath is one of the oldest UK business schools, but we're only 50 years old. I think there are different stages in the life cycle. Rigour has now come in alongside relevance. But maybe at a certain point rigour slightly took over, over relevance. When you're perfecting a craft, that's no bad thing."

The Bath Dean also sees that at times management faculty in business schools generally have had a propensity to become 'sole

operators', working on their own and not in teams. This perhaps reflects management as a discipline's roots being more in the humanities or social rather than pure sciences. Hope Hailey notes that "If you're a scientist or engineer you always create research teams. And from those research teams you then get clusters, and from those clusters you get centres of excellence."

This is a model she is keen to emulate at Bath. "There will always still be room for an excellent sole operator, there are some of our professors who are just amazing on their own in their office, thinking great thoughts. There's still always a place for that. Particularly those of a more social scientific bent. But in what I call the boundary areas around accounting, finance, data analytics, we're going to see clusters of excellence. It goes back into this interdisciplinary piece, clusters of excellence forming and taking in people from other areas within the university. Yesterday I was signing off for someone in our Information, Decision & Operations group to be seconded for a period of time to our Institute of Mathematical Innovation. Fantastic. That's a university-wide institute. The dominant subject there is, as it says on the tin, mathematics. That's great. We are creating a centre of excellence around data analytics and financial analytics and we will be working with the mathematicians in the universities around that."

Despite much discussion about the need for leadership development in corporate and public organizations, and the considerable industry that surrounds it, this is the first authoritative periodical focused entirely on this area.

Developing Leaders looks at the critical confluence between the provision of executive education and the real everyday needs of organizations to strengthen their management teams, their corporate performance, and their leadership.

The publication presents the latest thinking and most recent developments in both academic and commercial executive education provision worldwide, what it is achieving and which are the best models for success, sharing the experience and expertise of top leaders and world class educators.

Developing Leaders is published in both hardcopy and online “page turning” format. The quarterly magazine complements the IEDP website - the definitive resource for executive developers worldwide.

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