The Bath Perspective
Thought Leadership from the University of Bath School of Management

Bankers’ Bonuses
Innovation Labs
How Does Work Feel?
The Globalisation of Professional Service Firms
With nearly fifty years’ experience of delivering high-quality management programmes, the School of Management is one of the oldest established business schools in the UK. The School is research-led, with a faculty and staff unique in the diversity of cultures and interests represented.
Dean’s Message

In the School of Management we are not afraid to question entrenched views. This edition of The Bath Perspective shows our academics’ forward thinking, illuminating how they are finding new ways of looking at problems facing business today.

The University of Bath is riding high in the media rankings: we are ranked in the top 10 of all the key UK publications, and crowning this was the bestowal of the title ‘University of the Year’ by The Sunday Times. A similarly strong picture emerges in the School of Management with our own programmes regularly taking the top 3 slots in the key UK rankings (page 36). This year our Accounting and Finance programme came 1st in The Times Good University Guide and our Business Administration programme came 3rd (after Oxford and Cambridge). We could simply revel in the glow of such accolades as we see the cream of students applying for our programmes, but we are not complacent.

In the recent rigorous review of all of the School’s activities conducted by The European Quality Improvement System (EQUIS) we had the opportunity to look carefully at what we do and how we can do it even better. I am delighted to announce that re-accreditation was granted by EQUIS (page 36) and as a result we remain in the elite club of EQUIS-accredited business schools, but we also take from the exercise a fresh view on what we are doing and how we can improve on our offering.

The addition of five new Master’s programmes to our portfolio shows we are constantly looking for new ways to meet our students’ needs and to utilise the strengths of our academic faculty. With a new Centre for Strategic Risk and the arrival of Prof. Mike Adams (page 29), the recruitment of Prof. Stephen Pavelin as Director of our world-renowned Centre for Business, Organisations and Society (page 28) plus our on-going recruitment of high-performing faculty, we are in a strong position to continue to look for further innovations based on our strengths.

In a similar shift away from entrenched beliefs, Prof. Rob Briner’s article (page 19) suggests we need to move on from the old concepts of stress and satisfaction at work, which he argues are overly simplistic and have been proven to misrepresent the complexities of our emotional experiences. Using his research, Prof. Briner suggests methods by which better explanations for the cause of feelings at work can be arrived at.

Challenging the status quo is a recurrent theme in this edition of The Bath Perspective. In his article (page 5), Prof. Ian Tonks looks at the widely-held belief that large bonuses in the banking industry are at the root of the global financial crisis and then counters it with the findings he and his team have made. His paradigm-shifting work has gained global media coverage and has been submitted to the Government’s consultation on executive remuneration.

In his article (page 28), the recruitment of high-performing faculty, we are in a strong position to continue to look for further innovations based on our strengths.

I hope that you will find the articles in this edition thought-provoking, and I encourage you to contact the authors to question their findings and further challenge our thinking. The School of Management is moving ahead – be part of it.

R. Elliott

Prof. Richard Elliott, BSc PhD MA (Oxon) Dip.M Dip.SW MCIM
In this article Prof. Ian Tonks counters the widely-held belief that large bonuses in the banking industry are at the root of the global financial crisis. This research has gained global coverage in the mainstream media and has been submitted to the Government’s consultation on executive remuneration.

In the aftermath of the financial crisis of 2007-08, a number of official policy documents have reported on its causes, and have identified executive remuneration policies in banks and financial institutions as being partly responsible. In both the UK (Turner, 2009; Walker, 2009; FSA, 2009) and the US (FCIC, 2011; US Senate, 2011), reports have blamed executive compensation structures: “inappropriate incentive structures played a role in encouraging behaviour which contributed to the financial crisis” (Turner, 2009, p. 79), and “Lehman’s failure resulted in part from significant problems in its corporate governance, . . . exacerbated by compensation to its executives . . . that was based predominantly on short-term profits” (FCIC, 2011; p. 343).

In the US the recent Dodd-Frank Wall Street Reform and Consumer Protection Act mainly focused on reforms to the regulation of financial institutions, but also introduced corporate governance provisions, including required shareholder approval for executive compensation packages (“say-on-pay”). In the UK there are proposals to split the Financial Services Authority into two separate organisations: the Financial Conduct Authority and the Prudential Regulatory Authority (which will be a subsidiary of the Bank of England); and the Vickers Report (2011) proposes to ring-fence retail banking from investment banking. With respect to executive remuneration, Walker (2009) and FSA (2009) identified potential market failures in the structures of remuneration practices in financial services, and suggested that an emphasis on short-term profits by institutional investors had encouraged executive remuneration to be focused on “variable compensation” (bonuses) related to the most recent earnings, without any consideration of the exposure to risk-taking. In response, the FSA introduced a Remuneration Code from January 2010, updated in January 2011 to be consistent with the EU’s Capital Requirements Directive (CRD3/CEBS). The principles of the Code are that firms should align remuneration structures with sound risk management practices; incentive payments should be deferred over a number of years with claw-back provisions; and performance criteria should be related to long-term profitability. But what is the evidence that incentive mis-alignment was responsible for the crisis in the first place?

Gregg et al. (2012) evaluate whether bank executives had been incentivised to take risks by examining the pay-performance relationship of executives in all UK companies, and in financial services companies in particular. They argue that if an emphasis on short-term profits in the banking sector meant that remuneration structures in banks and financial services were to blame for the crisis, then there should be evidence that in the run-up to the crisis, pay-performance sensitivities were higher in the financial services sector than in other sectors. They report that base pay compensation and bonuses of all UK executives in FTSE350 companies increased substantially over the period 1994-2006, and that pay in the financial services sector is high. Pay of the highest-paid director (typically the CEO) increased by 131.78%, and total board pay increased by 80.41% over the period 1997-2006 compared with a 41.38% increase for all employees. Table 1 taken from Gregg et al. (2012) shows how the average real pay of the highest-paid director and total board pay increased by 80.41% over the period 1991-2006 compared with a 34.8% increase for all employees.
However, contrary to the prediction that pay was over-sensitive to short-term performance, they find that the pay-performance sensitivity of banks is not significantly higher than in other sectors, and in general is quite low. Across all industries they find a weak relationship between executive pay and company performance. The estimates suggest that a 10% additional increase in company share price performance leads to a 0.68% increase in the pay of the CEO, which translates into a £3,726 increase in CEO pay at the median level of £543,200. They report that although the pay-performance relationship is slightly higher in the financial services sector for both total board pay and pay of the highest-paid director, the additional sensitivity is not statistically significant, and is still economically very small. This tiny performance-related element of executive pay means that there is little evidence that executive compensation in the banking sector depended on short-term financial performance: executives were paid irrespective of performance. In which case it seems unlikely that bankers were incentivised to take risks, and refutes the suggestion that incentive structures in banks could be blamed for the crisis.

A number of other papers have also examined the evidence as to whether mis-aligned incentives were the cause of the financial crisis. Fahlenbrach and Stulz (2011) argue any perverse incentives are dampened if the interests of executives and shareholders are aligned through executives’ ownership of company stock, and this is the basis of their empirical tests. They examine the performance of 95 US banks during the crisis, and find no evidence that banks with CEOs whose incentives were less well aligned with the interests of their shareholders performed worse during the crisis. In a comparison of the US and Europe, Conyon et al. (2010) show that the role of compensation in promoting excessive risk-taking prior to the crisis was dwarfed by the roles of loose monetary policy, social housing policies, and financial innovation. Beltratti and Stulz (2010) undertake a cross-country comparison of the performance of banks during the financial crisis, and find that it was the fragility of banks’ balance sheets, and in particular their reliance on short-term capital market funding, that explained their poor performance. On the other hand, Erkens et al. (2009) examine corporate governance policies in 306 financial institutions across 31 countries during the credit crisis. In contrast to the evidence for US banks, they find that financial firms that used CEO compensation contracts with a heavier

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<th>Industry Code</th>
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<th>Total Board Pay (£’000)</th>
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Source: Gregg et al. (2012)
emphasis on non-equity incentives (bonuses) rather than equity-based compensation performed worse during the crisis and took more risks before the crisis.

Gregg et al. (2012) also report that firm size has a larger effect on executive pay than firm return. A 10% increase in firm size measured by total assets, increases CEO pay by 2%, and this translates into an £11,815 increase in CEO pay at the median level, implying that executive pay is more sensitive to firm size than firm performance. It has been argued that remuneration packages in the financial services sector may have been partly responsible for the global financial crisis. It would appear that the mechanism for such an impact is not through the relationship between executive pay and stock market performance, but instead through the incentive for executives to ensure that their firm’s assets are as large as possible.

The reforms to executive remuneration in financial services through the adoption of a Remuneration Code may be accused of jumping the gun, since it is not clear that bonus payments over-incentivised executives in the first place. However there are two reasons why such regulations are appropriate. First, the requirement that bonus payments be fully transparent, partially deferred and performance-adjusted, ensures that executive bonuses are related to long-term corporate performance, and these seem reasonable conditions for any performance-related “variable compensation” scheme. Second, there has been a series of corporate governance reports in the UK over the last twenty years (Cadbury, 1992; Greenbury, 1995; Hampel, 1998; Turnbull, 1999; Higgs, 2003); yet these reports and recommended policies have failed to stem the dramatic increase in executive pay noted earlier. In September 2011, the Department for Business, Innovation and Skills issued a discussion paper on structures for executive remuneration. If this latest report is to have any effect, it is important that regulations stay one step ahead of the regulated.

References


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Prof. Tonks’s research focuses on pension economics; fund manager performance; directors’ trading; market microstructure; and the new issue market. He has published in leading finance and economics journals, and teaches across all areas of financial economics. As well as his academic roles he has held visiting positions at: Bank of England (Senior Houblon-Norman Fellow); Financial Services Authority (ESRC Business Fellowship); and he has acted as a consultant to a number of commercial and regulatory organisations including the LSE, the Competition Commission, and the FSA, and has advised the Department of Work and Pensions, the Bank of England, and the House of Commons Select Committee on issues in pensions.

Executive Pay and Performance: Did Bankers’ Bonuses Cause the Crisis?
Professor Paul Gregg, University of Bath, Sarah Jewell, University of Reading, and Professor Ian Tonks, University of Bath; International Review of Finance, forthcoming 2011. 12(1) March, pp.89-112.
Seducing the Subconscious: The Psychology of Emotional Influence in Advertising

Dr Robert Heath

A must-read for anyone intrigued by the role and influence of the ad world, Seducing the Subconscious explores the complexities of our relationship to advertising. The School of Management’s Dr Robert Heath uses approaches from experimental psychology and cognitive neuroscience to outline his theory of the subconscious influence of advertising in its audience’s lives. In addition to looking at ads’ influence on consumers, Dr Heath also addresses how advertising is evolving, noting especially the ethical implications of its development. Supported by current research, Seducing the Subconscious shows us just how strange and complicated our relationship is with the ads we see every day.

Writing in Prospect, in June 2012, Will Self commented on the book:

“Heath’s book is far more persuasive than any advertisement, no matter how top-loaded the latter may be with accurate information. His thesis depends on a lengthy journey through cognitive science and evolutionary psychology, and a firm grasp on how – so far as we know – the human mind actually does work (rather than how we would like it to work). Heath demonstrates quite clearly – at least to my satisfaction – that it is precisely when we pay no conscious attention to advertising that advertisers get to work on our subconscious with complete effectiveness.”

The book has also been reviewed in The Financial Times, The Daily Telegraph, The Spectator, and Times Higher Education.

Wiley-Blackwell
ISBN-10: 0470974885

Essentials of Operations Management

Alistair Brandon-Jones, Nigel Slack and Robert Johnston

This brand new, concise version of the market-leading text Operations Management has been developed for students on short courses at undergraduate, postgraduate or post-experience level. The book works as part of a mixed-learning approach with MyOMLab, a self-paced virtual learning environment which individually tailors a study plan based on a student’s knowledge and performance. Within the lab, there are a whole range of quizzes, tests, homework, cases, revision flash cards, and multimedia clips for students to use to develop their understanding of the subject.

Dr Alistair Brandon-Jones is Senior Lecturer in Operations and Supply Management, and a member of the School of Management’s IDO Group. He is also Senior Admissions Tutor for the BSc in Business Administration and teaches across a range of programmes in the School of Management. Alistair was recently awarded the Mary Tasker Prize for Excellence in Teaching.

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The global pressures on limited natural resources call for innovation practices that enable effective collaboration across complex social systems. These include scientific and technological research, business, policy-makers, NGOs and users. In other words, finding sustainable ways of living on an increasingly interdependent planet embodies complex problems that cannot be resolved by any single player or solution – be it technology, policy or practice. In recent times however, ‘innovation labs’ have sprung up across various sectors as an answer to such interconnected problems. In this article we discuss the role of innovation labs in creating a collaborative space where people from different disciplines can engage with the complexity of sustainable innovation. Our discussion relates to pioneering case studies in this field and considers the implications for developing a Future Water Laboratory that draws on the particular expertise of scientists and engineers at the University Bath in the area of sustainable water technologies.

Tackling societal challenges

Innovating more sustainable ways of living in our global society represents a ‘wicked problem’. This notion was introduced by the designers and urban planners Horst Rittel and Melvin Webber to distinguish intractable social and organizational problems from relatively ‘tame problems’: these are relatively definable and uncontentious and can be solved rationally through technical or professional expertise. In contrast, wicked problems are novel, complex and characterized by a lack of clarity about the problems' origin, having no 'right' or 'wrong' answers. Problems are wicked because the criteria to evaluate possible solutions are different for each stakeholder. This is further compounded by how each solution is part of a larger interdependent system, creating further unintended consequences and problems. In this sense, wicked problems are unstoppable. Such characteristics make wicked problems subject to political and contestable judgment, and to repeated re-solution – not solution.

Sustainable water as a ‘wicked’ problem

The wickedness of societal problems is illustrated by innovation in the area of sustainable water use. In the UK, abundance of water has traditionally been taken for granted. Yet, climate change and concerns about reducing our dependency on fossil fuels are raising our awareness of this. It has been brought home by water shortages in some parts of the UK, but also growing concerns about the increasing risk of drought in Africa and Asia. A World Bank report, assessing the social impact of climate change, suggests the resulting famine can lead to distress migration and conflicts. Since water is closely connected with our use of energy (e.g. water treatment requiring energy, but water also serving as a renewable source of energy), it is not surprising that some commentators are calling water the ‘new oil’, signalling the importance of water as a primary commodity that will influence 21st century geopolitics.

Innovation in this area requires systemic approaches because our consumption of water is embedded in a complex system, including the natural environment, the water and sewage services of water companies, government regulation, private and commercial users, and products, technologies and practices that use water and through which we use water. These interdependencies cannot be isolated locally. Global supply chains and the international operations of British business impact the local economies, society and natural environment of the ‘water crunch’ regions of Africa and Asia. As there is no single solution, various approaches are required – ranging from encouraging consumers to use less water...
in the household to stimulating innovation by universities and industry, setting standards, and shaping policy.

However, each approach is prone to limitations. Take efforts directed at influencing citizens to reduce their water consumption. Despite a small percentage of society being willing to change individual behaviours for the sake of the larger good, policy-driven efforts are constrained by cultural habits and social acceptability.

Stimulating innovation

An alternative is to stimulate innovation. For example, industry plays a role in developing new products and services that reduce the water footprint embedded in the lifecycle of consumption. This could include the sourcing of raw materials, production, distribution, consumption and disposal. However, a systemic perspective raises further challenging questions:

- How appropriate are the metrics by which companies determine the water footprint of their products and services? To what extent do these metrics measure the ‘real’ social and environmental impact of their raw materials?
- How equitable is it for sustainable products and services to be targeted only at a small niche of less price-sensitive and more environmentally-minded consumers in advanced industrialized nations?
- How can industry reduce renewable water consumption on a global scale, including emerging and developing economies?

- What is the role of global standards in influencing systemic change in industry? How should these standards be set? And how do we avoid new standards constraining innovation?

These questions illustrate the various challenges that compound and thus increase the complexity of achieving a more sustainable use of water. As Rittel and Webber argue, these kinds of problems are challenging because our pluralistic society does not allow us to articulate commonly acceptable standards of societal ‘goodness’.

What kind of leadership do we need?

Wicked societal problems call on us to engage more explicitly with their inherently political, ambiguous and contradictory character. Leadership expert Keith Grint suggests that these situations demand our ability to “ask the right questions rather than provide the right answers” and also to engage in “a collaborative process to make any kind of progress” (2005: 1478). Similarly, Tams and Marshall (2011) find that taking leadership in the emerging context of sustainable business involves continuous exploration, linking up with like-minded others, and systemic reflexivity – in other words, repeatedly drawing on one’s experiences to probe into inconsistencies between intentions and outcomes.

In sum, the challenges which society and organizations face in managing limited resources more sustainably require a widening of our traditional conception of leadership. Aside from developing the character and capability of individual leaders, they indicate the growing need for leadership which facilitates collaborative learning across diverse constituencies. This leadership probes purposefully into the complexities and contradictions of sustainable innovation.

Innovation Labs

In response to these challenges, we have observed the emergence of innovation labs as a novel approach to management learning. We define an innovation lab as a collaborative space convening people from different disciplines and resources to address complex and systemic issues through a variety of change methods. These methods are often informed by scenario-planning, design practice, and community engagement. Although each innovation lab has its unique purpose and process, they typically combine some of the following practices:

- Convening diverse people who share a common interest in a particular societal or organizational problem
- Mapping systemic issues and tensions
- Building a sense of community and shared identity
- Developing prototypes of new initiatives
- Scaling up initiatives to affect wider systemic change.

Over recent years, innovation labs have been used both in business and multi-stakeholder settings.

IDEO

In large business organizations such as Motorola and Fisher-Price, the design firm IDEO has promoted innovation labs as a means to increase the speed by
which new products can be brought to market. Here, an innovation lab aims to break down the traditional barriers between patent-driven R&D departments and the core business. It offers a dedicated physical space away from the office that is conducive to group creativity and where employees from engineering, marketing and design meet with subject matter experts. They go out to the field and observe users in their everyday life, brainstorm ideas and build prototypes. Key to the success of innovation labs is their ability to bring people from different disciplines together in order to play with fresh ideas. In that way, they offer an alternative to the barriers of compartmentalized organizational structures.

Innovation labs have gained particular momentum as a forum for engaging people across communities and organizations in social and sustainable innovation. Pioneers in this field are non-profit organizations and consulting firms such as NESTA, Reos Partners, WWF UK, and Forum for the Future.

NESTA
For example, NESTA (the UK’s National Endowment for Science, Technology and the Arts) has been running several programmes that address societal problems such as climate change, declining health and a rapidly ageing population under the umbrella of its Public Services Lab. A particular feature of these programmes is that they convene participants through a competitive prize challenge. The open competition stimulates a diverse range of innovative ideas on the chosen topic from individuals, community groups and organizations. Through a rigorous selection process, a small group of promising proposals is selected from among all entries. The Public Service Lab then works with the chosen teams, providing them with seed funding, building their capacity through non-financial support from relevant experts, and sharing learning across the peer group.

WWF UK
Other innovation labs place more emphasis on building a community of
people with common interests first, to then support them in the development of their ideas. For example, WWF UK has collaborated with professional and industry associations in setting up two labs. Its Finance Innovation Lab is run jointly with the ICAEW (the Institute of Chartered Accountants in England and Wales) and aims to create an open environment for social entrepreneurs, investment bankers and anti-capitalists, the NGO community and designers “to explore, innovate and evolve the financial system, so that it sustains people and planet”. A second initiative, the ‘Tasting the Future’ Lab, was set up in collaboration with the Foods Ethics Council, the Food and Drink Federation, and ADAS, and seeks to promote a sustainable food system. These labs are characterized by their openness and diversity, building online networks of up to 1,500 people and regular events of up to 150 participants. The labs encourage people to crowd-source new ideas and cluster around those ideas that inspire them. The organizers then work with these innovation groups to turn ideas into projects and find funding and support. In addition to generating specific projects, the emphasis is on building the capacity of a broad community. People who do not yet want to commit their time to a particular project, but who feel a dissonance between their values and their role at work, or a sense of urgency about sustainability and social justice, are invited to join in and build their conviction and confidence to act.

**Food Security Change Lab**

Similarly, the Food Security Change Lab organized by the University of Cape Town and Reos Partners (an international consulting firm with expertise in social innovation, scenario-building and labs) convenes communities of diverse people with a common interest in sustainable food security in South(ern) Africa. The unique feature of this lab is that participants ventured out into the field and built relationships across sector boundaries. Initially they interviewed more than 20 key players in the food system. They also conducted three learning journeys to different regions...
of South Africa where they visited organizations concerned about hunger and poverty. These included: street vendors in townships, food markets, food retail chains, farmers’ cooperatives, community gardens, and food banks. In a next step, they used this field research to map existing initiatives that are tackling food security in the supply chain. Based on this mapping exercise, they identified gaps in the value chain and formed several innovation teams around issues such as promoting food security among producers, distribution in low-income markets, and a “national conversation on food security”.

**Forum for the Future**

In contrast, the innovation lab of Forum for the Future convenes more exclusive groups of business people from leading organizations within particular industries to take a systemic approach to change. The Forum aims to help organizations transform the systems they operate in – like food, energy and finance – onto a sustainable footing. The lab works alongside the Forum’s projects to learn and develop more effective ways of doing this, through collaboration, innovation and action research. The Forum’s innovation process often begins with participants using scenario-planning to explore the macro challenges to building a more sustainable system within their respective sector. Through this process, participants also develop a common language and vision. Based on this analysis, they then generate ‘practical innovations’ that they prototype within their respective organizations and develop collectively. For example, in one initiative with leading organizations from the shipping industry, members committed to implementing practical innovations for long-term sustainability such as: financing new technology; reducing the life-cycle impact of vessels; producing a standard of standards to drive improved sustainability performance; and making a step change in energy technology innovation and uptake. The Forum lab is working alongside this initiative, capturing what works and lessons learned as the shipping industry works to transform itself. These collaborative industry initiatives serve as a platform for generating fresh ideas, building the leadership capacity of participants as change agents within their organizations, and exchanging learning about innovative practices. As an initiative moves through these stages and accumulates practical learning, the lab gleans and shares its findings to enable other organizations and sectors to create this kind of system-level change.

**A Future Water Laboratory**

At the University of Bath, we are currently identifying partners and funding for a Future Water Laboratory that will use these collaborative innovation practices. The project is based on the particular expertise among a considerable group of scientists and engineers at the University of Bath in the area of sustainable water technologies. Although sustainable water management depends more strongly on technologies than many of the previously discussed innovation labs, the Future Water Laboratory is multi-disciplinary. Our assumption is that the key challenges in sustainable water innovations are not related to a lack of technologies, but result from considerable human and institutional barriers in implementing and scaling up these technologies.

The aim of the Future Water Laboratory is to develop and test a toolbox of collaborative, user-centred and systemic innovation practices that integrate the social, economic and environmental dimensions of sustainable water technologies, and that will enable stakeholders to build the business case for sustainable water technologies more effectively.

**Identifying water challenges**

As a next step, we are engaging with advisors in social innovation and the sustainable water space to identify a series of water challenges with high social impact, suitable partners and participants for the Future Water Laboratory.

As illustrations, we are currently exploring the feasibility of themes such as:

- How the construction and insurance sector can adapt to the increased risks of flooding resulting from climate change
- How companies can manage consumer perceptions in order to reduce the water footprints of everyday consumption across the lifecycle of products
- How to overcome the barriers to transferring technology and building sustainable water infrastructures in water stress areas in Africa and Asia
- How sustainable water innovations can contribute to ‘smart city’ approaches –
e.g., sustainable urban development that integrates human and social capital and traditional (transport) and modern (ICT) communication infrastructure.

**Impacts**

Through the Future Water Laboratory we aim to generate several impacts. Central among them will be to build capacity among stakeholders from the water sector for responsible leadership and systemic innovation. For example, this includes:

- Stakeholders from science and engineering research who need to engage and develop networks with manufacturers, water companies, investors, policy-makers and users to develop and implement water system prototypes
- Industries in advanced industrialized countries who are interested in offering more sustainable water services, and/or a faster, less risky and more effective prototyping of sustainable water technologies
- End-users, communities and commercial organizations from developing economies who lack access to the innovation infrastructures present in advanced economies (e.g. capital investment, information about available technologies).

The learning generated within the Future Water Laboratory will also be useful to policy-makers and non-governmental organizations. In particular, it will inform our understanding of how policy enables the implementation of complex water technologies and helps overcome the obstacles presented by existing institutional infrastructures and social norms.

Looking beyond the Future Water Laboratory, our aim is also to advance innovation labs by testing and refining a toolbox of innovation practices that integrate technological, human and institutional dimensions. Through this toolbox, we seek to build capacity among research centres, NGOs and commercial technology firms in facilitating collaborative innovation practices.

We are still in the early stages of developing this project and its potentialities. Many of our ideas will evolve as we progress. The direction and impact of the Future Water Laboratory is co-determined by the partnerships we form with other players who are committed to advancing a more sustainable use of water in our society.

**References**


**Photography**

Simone Tiesinga-Poutnik

Dr Svenja Tams is a Lecturer in Organization Studies. Her research examines the cultural dynamics of individual and collective learning, in particular learning related to leadership for social change, systems innovation and careers. She consults on change and learning, and delivers leadership development. She has worked with a wide variety of organizations from automotive, energy, engineering, finance, public (NHS) and non-profit sectors. She can be contacted on S.Tams@bath.ac.uk
The Oxford Handbook of Capitalism

Editor: Professor Denis Mueller

The School of Management’s Dr Phil Tomlinson has contributed to this major new publication. *The Oxford Handbook of Capitalism* is part of a series of academic volumes published by Oxford University Press in specific subject areas in economics and the social sciences. These volumes contain specially commissioned essays from leading international figures in particular academic disciplines which give critical examination of the progress and direction of debates.

In this regard, *The Oxford Handbook of Capitalism* contains contributions from leading scholars in economics and political economy over the last half century, including the 2006 Nobel laureate, Edmund Phelps, and distinguished scholars such as William Baumol, Frederick Scherer and Richard Nelson. Dr Tomlinson contributed a chapter which was co-authored with long-term collaborator, Professor Keith Cowling from the University of Warwick. Their chapter, entitled ‘Monopoly Capitalism’, explores the nature of modern capitalism and discusses the implications of the increasing tendency for the ownership and control of production to become more concentrated within capitalist economies.

Dr Tomlinson is a Lecturer in Business Economics in the School of Management. He commented on the book:

‘It was a real honour and privilege to be invited to contribute to such a prestigious volume, and to appear alongside some of the leading scholars in the discipline over the last half century. Moreover, given the current economic crisis and debate about the nature and future of capitalism, the book is extremely timely, since the various contributions explore the many and often complex facets of the capitalist system. Academics, students and most importantly, policy-makers, will learn a lot from this volume - maybe some of the contributions will help to shape the future course of capitalism’.

Oxford University Press
The China-Latin America Axis
Emerging Markets and the Future of Globalisation

Gastón Fornés and Alan Butt Philip

The impressive growth of trade and investments between China and Latin America in the last few years has attracted the attention of the business world and policy-makers; this book is one of the first to explore and analyse this relationship in detail. It studies the trade, investment, and business of the main players at both the country/region and company levels in the current context of globalisation and the growing importance of emerging markets in the world economy. The authors conclude that there is unlikely to be any significant response from the USA that counters the increased influence of China in a region that has traditionally been perceived to be America’s backyard. Nor is there much prospect of the states in Latin America forming a sufficiently integrated economic bloc which might achieve similar benefits from regional economic integration as seen in Europe. The stimulus to economic development in Central and South America provided by Chinese trade and investment is thus destined to provide continuing and crucial underpinning to the rising prosperity of Latin America and the stability of its political authorities. The authors conclude with a set of likely scenarios and recommendations for business managers, policy-makers, and researchers.

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How Does Work Feel? Is it Simply Stress or Satisfaction?

Prof. Rob Briner, School of Management, University of Bath

In this article Prof. Briner suggests a move away from the old concepts of stress and satisfaction at work, which he argues are overly simplistic and have been proven to misrepresent the complexities of our emotional experiences. Using approaches such as goal-based theories and the psychological contract, Prof. Briner suggests methods by which better explanations for the cause of feelings at work can be arrived at.

Do you love your job? Or do you hate your job? Perhaps at different times, or even at exactly the same time, you both love it and hate it. Or maybe your job leaves you feeling just not very much of anything at all? Our feelings at and about work are always changing. They can also be messy, ambivalent, sometimes subtle and often uncertain. Do we ever really simply have ‘a good day’ or ‘a bad day’ at the office? I believe that our work, like our lives in general, are more emotionally complex.

Given this complexity it seems surprising that both researchers and practitioners have tended to think about how people feel at work in quite simple terms. If an employee feels unhappy or negative they are said to be ‘stressed’. Conversely, if an employee feels happy or positive they are described as being ‘satisfied’ or having high levels of job satisfaction. Clearly, there’s a lot more going on.

So how did we start to think of feelings at work only in terms of stress or satisfaction? What are the problems and limitations with these approaches? Why do feelings at work matter anyway? And how has our thinking shifted to incorporate more specific emotions and feelings? Before addressing these questions, it’s worth considering a little of the history of work feelings.

A history of work and well-being

The owners of the first large work organizations that emerged during the industrial revolution appeared to be largely unconcerned with either the physical or the psychological well-being of their workers. Economic concerns dominated, workers were treated as expendable and poor working conditions routinely caused injury, disease and death. While some owners or managers may have been genuinely concerned about the welfare of their workers the over-riding priority was to manufacture goods as cheaply and efficiently as possible. And, unfortunately, in some parts of the world and in some industries such conditions remain.

From preventing physical harm to protecting psychological health

In later times, often under pressure from trades unions, governments passed health and safety laws requiring organizations to take steps to protect workers. Such legislation had a dramatic effect on the physical health of employees through reducing the incidence of accidents and injuries and exposure to toxic materials. The psychological health of workers on the other hand received relatively little attention until the early-to-mid 20th century. In part this was because the improvement of physical working conditions made the psychological working conditions more apparent and important. Another reason for this shift was the rise of Scientific Management and the use of time and motion studies which decomposed whole jobs or roles into their component parts in order to maximize efficiency. While this did, in some senses, maximize efficiency and the use of workers’ effort, it also created jobs that were monotonous, repetitive and unsatisfying. Elements of Scientific Management can still be seen today in some call centre settings and in concepts such as lean management.

Job satisfaction and the idea of the happy-productive worker

The effects of Scientific Management, parodied in Charlie Chaplin’s ‘Modern Times’, were viewed by many as damaging and, partly as a reaction against this approach, the Human Relations movement evolved. From this new perspective, workers were not seen...
merely as cogs in the machine but rather as active agents who also sought stimulation and satisfaction from their jobs. Only by providing variety, feedback and allowing workers to be involved in the design of their own jobs could work become satisfying and productive. Work was viewed as something accomplished through cooperation and social relationships not through the crude use of power. Human Relations management also meant that, perhaps for the first time, the psychological well-being and satisfaction of workers was viewed as important not only for moral reasons but because workers’ feelings were assumed to directly affect their performance and efficiency at work. Hence, jobs were re-designed and humanized in ways that, it was argued, would increase both job satisfaction and productivity. The happy-productive worker idea is as strong as ever and has found expression most recently through the notion of employee engagement.

From around the 1930s to the 1970s job satisfaction, defined rather vaguely as positive evaluations of one’s job, became the main way of thinking about workers’ feelings. Many management activities were aimed at maintaining and enhancing job satisfaction. Job satisfaction surveys became seen as an important managerial tool – as they still are today – and improving job satisfaction was viewed as a means of improving performance, reducing absence, and increasing retention.

The rise and rise of stress at work
Around the 1970s, researchers and organizations slowly but surely turned their attention away from job satisfaction and accentuating the positive aspects of work towards focusing instead on job stress and the ways in which work might be harmful to psychological well-being. This approach was more about identifying and eliminating the negative, emphasizing the ways in which work can be psychologically damaging and positioning workers as potentially vulnerable. From the popularization of stress some 40 years ago to very recent times it’s probably fair to say that organizations and society more widely has become almost obsessed with ‘stress’ blaming it (whatever it means) for a wide variety of organizational, personal and social ills. While there are probably hundreds of definitions of stress, when used in a work context it refers, somewhat confusingly, both to the conditions which might produce any sort of negative feeling such as anxiety or tiredness and to the feelings themselves.

The return to satisfaction and employee engagement
While job stress is still a major preoccupation it seems that the pendulum has swung back towards positive aspects of psychological well-being – this time in the form of employee engagement which emerged around 2000. Similar in some ways to the Human Relations movement which aimed to enrich jobs in order to improve satisfaction and performance, proponents of employee engagement believe in finding ways to enhance both employee well-being and performance.
In the current economic climate the search for employee engagement can seem like a distant memory or perhaps something even best forgotten given job insecurity, redundancies, and cuts. The pendulum is perhaps swinging back, again, to focus on job stress and the negative aspects of work.

This short history of well-being at work seems to show two things. First, is that we have some difficulty recognizing that work can have both positive and negative effects on our well-being, preferring instead to characterize working life as a potential source of either satisfaction or stress. Second, that the ways we tend to think about feelings are very general: either as feeling in some way positive or good (satisfaction) or feeling in some way negative or bad (stress).

What’s wrong with the ideas of stress and satisfaction?

Failure to capture the range of employee feelings
First, as discussed in the introduction, what we feel at work is much more complicated and specific than these rather general ‘feeling bad’ or ‘feeling good’ stress and satisfaction concepts imply. Identifying and describing employees’ feelings only in these terms misses out huge parts of our emotional experience of work. This limitation has significant academic and practical consequences. It is the medical equivalent of a doctor categorizing their patients as either relatively healthy or relatively unhealthy and devising interventions or treatments to improve health in general or to cure general unhealthiness rather than investigating their patients’ specific feelings, sensations and symptoms and their specific causes.

Circular and simplistic
Second, much of the thinking around stress and satisfaction is more than a little circular and certainly rather simplistic. So, in the case of job satisfaction, it is argued that features of work that employees like and find rewarding make them feel positive and satisfied which, in turn, has positive effects on their behaviour. And, in the case of job stress, it is presumed that the things employees don’t like make them feel bad which in turn has negative effects on their well-being and work behaviour. But even a moment’s reflection provides many counter-examples. Negative feelings, such as anxiety, can be important and highly functional, directing our attention to what might be important and what we need to deal with. And positive feelings such as happiness may prevent us from seeing problems and lead to complacency as expressed in the saying pride comes before a fall.

Exaggerated claims about their effects
Third, many of the claims made by both academics and practitioners about the effects of stress and satisfaction on work behaviour and well-being are not
well-supported by the available evidence. As encapsulated in the happy-productive worker idea, job satisfaction is widely believed to be causally linked to job performance such that more satisfied employees also perform at higher levels.

However, when taken together, the available evidence suggests that the correlation between job satisfaction and performance is only fairly weak: knowing someone’s level of job satisfaction tells us little about their likely level of performance. Of more concern is that nearly all the evidence linking job satisfaction and performance is correlational hence, even where relationships are found, it is impossible to say whether job satisfaction is cause of performance or vice versa. It seems equally plausible that if job performance increases, for whatever reason, this leads to higher levels of satisfaction. Generally speaking, if we start to perform better on any task we will feel more satisfied.

Job satisfaction is believed to predict not only performance but a whole range of employee behaviours and attitudes including absence from work, lateness, quitting, and organizational commitment. Here too, the available evidence does not suggest there is no relationship at all but, rather, that the relationship is not particularly strong and almost all the evidence is correlational.

Perhaps some of the most exaggerated and at times even sensational claims are made about the effects of stress on employee behaviour, attitudes, well-being and physical health. Some researchers, including David Wainwright of the University of Bath’s Department for Health, view some of these claims as partly socially-constructed where something like a moral panic has taken hold, creating a modern epidemic of stress-related problems. This is not to say that work cannot be psychologically harmful and have negative effects on health but, rather, that the evidence for such effects suggests it is not the catastrophic problem that it is widely believed to be. Stress management activities tend to individualize problems
and focus attention away from the structural causes of some of the problems blamed on work stress.

As one would expect from the simple reasoning presented above, if satisfaction is generally a good thing then stress is viewed as generally a bad thing which has negative effects on employee behaviours such as performance, absence, lateness, quitting and commitment. The list of symptoms, illnesses and conditions blamed on stress is almost endless and includes: stomach ulcers, headaches, cardiovascular heart disease, cancer, psychiatric disorders, suppression of the immune system, increases in blood pressure, burnout, alcohol dependence, eczema, and increased cholesterol. Studies of stress at work suffer from exactly the same limitations as those of job satisfaction. In general the relationships found are not particularly strong and almost all the studies are correlational. Here too, this is not to say that negative emotions caused by work conditions might not have negative effects on health but that the links are more subtle and complex than usually implied.

Given the above, it won’t come as any surprise to learn that many workplace stress and satisfaction interventions have not been shown to be particularly effective. In part, this is because such interventions are not based on a careful analysis of how employees actually feel, and in part they are ineffective because they are based on faulty assumptions. For example, if stress is not a major cause of absence then why would an intervention that reduces stress have much effect on absence rates?

So what’s wrong with stress and satisfaction? First, describing people’s feelings at work only in terms of feeling good (satisfied) or bad (stressed) is just too crude and misrepresents the complexity of our emotional experiences. Second, these concepts are circular and over-simplistic ways of thinking about the links between work experiences, feelings and behaviour. Third, many of the claims made about how they are related to work behaviours, attitudes and health are exaggerated. And last, interventions based on these ideas have not proved to be very effective.

This analysis might be starting to sound as though I’m suggesting that employees’ feelings at work don’t matter, that they have nothing to do with employee performance, and that not much can be done about them in any case. This is certainly not so. Feelings at work are very important, in many senses, and they are strongly related to performance and to well-being but not in the ways suggested by the concepts of stress and satisfaction.

**Feelings at work do matter**

In various ways and for different reasons most of us are personally interested in how our work makes us feel. As workers, we are attracted to work that feels rewarding, satisfying and challenging. And, if we begin to feel unrewarded and unhappy at work, we are likely to start trying to change our role or find a different job altogether. Many of us expect our work to bring us some pleasure as well as, from time to time, some pain. We may also be concerned about how work makes our partners, friends and family members feel. If the people we are closest to are, for example, having a difficult time at work this can easily spill-over to affect our own feelings.

Organizations too are interested in how their employees feel. Sometimes this concern arises from genuine compassion and sense of corporate responsibility for employee welfare. Such concern may also be prompted by an organization’s legal duty of care to protect employees from physical and psychological harm. Organizations may also pay attention to how their employees feel as they believe it plays a key role in individual and hence organizational performance. Indeed managers may see the feelings and morale of staff as equally important as their skills and knowledge. Trades unions become interested in feelings at work when their members’ well-being is in some way being threatened or damaged by poor working conditions.

Anyone who has management responsibilities is likely to be concerned about the feelings of those they manage. Managers are usually involved with the allocation of tasks, the monitoring of performance and providing feedback on that performance. Each of these activities has the potential to evoke strong emotions in employees. Being aware of, understanding and shaping employee feelings is therefore a key aspect of managerial work.
Governments are also from time to time interested in employee feelings beyond health and safety concerns. The UK Government’s Department for Business, Innovation and Skills commissioned and enthusiastically endorsed the findings of a report published in 2009 ‘Engaging for Success: Enhancing Performance through Employee Engagement’ which argued that one important way the UK could gain competitive advantage and maximize organizational effectiveness was through improving employee engagement.

As customers and clients we may also be concerned about the feelings of organizations’ employees. For ethical reasons, we may prefer to buy products and services from organizations in which employees seem to be satisfied and treated fairly, whether it’s a local shop or a multinational that has outsourced its production to overseas factories. In customer service settings in particular, we may experience employee feelings quite directly.

So for many of us feelings do matter and in different ways. But if stress and satisfaction don’t adequately describe or explain feelings and their consequences, what alternatives do we have?

Getting specific about work feelings

One of the main problems with stress and satisfaction is that they are too broad. An important first step in developing our understanding is to focus on more specific and detailed feeling states such as moods and emotions.

What are moods?
Moods are usually described as relatively slow-changing, less intense feeling states which provide information about the state of self – or how we are progressing in relation to our goals – the things we are trying to achieve and avoid. They are not necessarily related to any specific event: we may feel in a good mood for no particular reason and in spite of what’s happening around us. Moods are usually described in terms of two relatively independent positive and negative dimensions. High levels of either form of mood represent strong and activated feelings such as excitement or irritation. Low levels of either positive or negative mood represent weaker and less activated feelings such as calmness or boredom.

As positive and negative moods are relatively independent it is quite possible over the course of a day to experience high or low levels of either or both. For example, on some days our moods are strong and activated and both positive and negative. The independence of positive and negative moods is also shown in research that demonstrates that they predict different sorts of behaviours. For instance, being in a positive mood is related to cooperative behaviour at work but levels of negative mood, whether high or low, are unrelated to such behaviours.

What are emotions?
Emotions are even more specific, more intense and seen as short-term reactions to specific events. Typical emotions include anger, joy, resentment and pride. Although many of us routinely experience such feelings at work they have only been researched relatively rarely, though Professor Emeritus Steve Fineman here at the School of Management pioneered some of the earliest work on the topic. Given the intensity and specificity of emotions, their links to behaviour are perhaps more obvious. What is perhaps less obvious are the ways in which individuals and organizations attempt to manage the experience and expression of emotions.

Examples of typical emotions: which do you most often experience in your job?

- Anger
- Joy
- Resentment
- Pride
- Frustration
- Schadenfreude or gloating
- Guilt
- Affection
- Disgust
- Pity
- Gratitude
- Fear

Once we get away from the simple satisfaction or stress, nice or nasty approach to employee feelings there are many challenges for researchers and managers. The subtle, complex and transitory nature of these more specific feelings such as moods and emotions means we have to work much harder to understand and interpret employee feelings and their causes and consequences.
What causes specific feelings?

There is no one explanation for what causes feelings at work. Sometimes their causes are simple and obvious. At other times their causes seem unfathomable - even to the person experiencing that feeling. Given the multiple theories around it’s useful to be aware of the wide range of explanations available and some of these are sketched out here.

Two approaches I find particularly useful are goal-based theories and the psychological contract. Goal-based theories assume that people are active and attempt to explain feelings by considering the person’s goals and the implications of recent events for the achievement of those goals. If, for example, an employee is trying to complete an important project to an urgent deadline and an event occurs which means the project may be delayed or be much more difficult to accomplish then the employee is likely to feel anxious or frustrated.

Psychological contract theory also assumes that people are active but it takes as its focus not goals but the implicit deal between employer and employee. The written, formal employment contract tells us very little either about what employees want to give and get back from their jobs or what organizations want to give and get back from their employees. According to psychological contract theory, if employees feel the deal is fair and they are generally giving what they want and getting back what they feel has been promised to them by the organization then they will experience positive feelings. If, however, they feel the organization has in some way broken a promise or violated the psychological contract then strong negative emotions such as anger, resentment and betrayal will result.

Examples of approaches to explaining why people feel the way they do at work

<table>
<thead>
<tr>
<th>Approach</th>
<th>Explanation</th>
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</thead>
<tbody>
<tr>
<td>Personality approaches</td>
<td>People feel the way they do at work because of their personalities: there are just happy and unhappy people.</td>
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<tr>
<td>Cognitive approaches</td>
<td>People feel the way they do because of the way they interpret and process information about events in their environment.</td>
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<tr>
<td>Psychodynamic approaches</td>
<td>People feel the way they do at work because of early experiences and the influence of unconscious and symbolic feelings, desires and perceptions.</td>
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<tr>
<td>Emotional contagion approaches</td>
<td>People feel the way they do at work because of how others around them feel. We ‘catch’ emotions from other people.</td>
</tr>
<tr>
<td>Cultural approaches</td>
<td>People feel the way they do at work because they have learnt from those around them how to interpret and respond emotionally to events.</td>
</tr>
<tr>
<td>Goal-based approaches</td>
<td>People feel the way they do at work in relation to their goals. Achieving goals produces positive feelings and failing to achieve goals produces negative feelings.</td>
</tr>
<tr>
<td>Psychological contract approaches</td>
<td>People feel the way they do at work because of an implicit contract or deal they have with their employer. If the deal’s fair then employees feel positive. If the organization is perceived to have violated the deal then employees experience negative feelings.</td>
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</tbody>
</table>
A more sophisticated view of performance

The evidence supporting the idea of the happy-productive worker has been challenged here several times. But isn’t there something in it? Surely it must be the case that more satisfied workers perform better than their disgruntled colleagues? Well, depending on what you mean by performance and being productive, there does seem to be something in it. In general, most researchers and organizations have only considered task performance: the formal or prescribed employee activities required to meet the stated output or production goals of the organization. Other types of performance may be more relevant.

Performance as going the extra mile and being a good organization citizen

Job satisfaction and positive feelings do seem to be causally linked to other kinds of work performance and in particular performance that is not a required part of the formal job role or job tasks but which nonetheless contributes to the overall effectiveness of the organization. Such employee behaviours include helping others, being considerate and polite, going the extra mile, and taking an interest in the whole organization. Such behaviours have a range of names including organizational citizenship behaviour, contextual performance and organizational spontaneity. The argument goes that if employees did not engage in these behaviours organizations would not only function poorly but even not at all.

Not surprisingly, something like the opposite of organizational citizenship behaviours, sometimes called counter-productive work behaviours, have been found to be associated with negative mood and, it is argued, can damage the organization. Such behaviours include workplace incivility and rudeness, gossiping, theft, withdrawing effort, sabotage and cynicism.

Emotional labour: using feelings to get the job done

Another form of performance which is closely linked to employee feelings is performance in service contexts – where employees are required to use their emotions and displays of emotions to get the job done. Classic emotional labour jobs include nurses, salespeople, air attendants, hairdressers, waiting staff, call centre workers and even university lecturers. In many of these jobs, employees display positive feelings in order to engender positive feelings and cooperation in their customers and clients. If employees feel broadly satisfied and happy in their work then such emotional labour is likely to be relatively easy for workers to perform and will be seen as genuine by customers and clients.

The links between employee feelings and employee performance depend entirely therefore on which feelings and what types of performance we are considering.

Where next for work feelings?

It does seem that we are moving slowly away from the general ideas of stress and satisfaction, of feelings at work being a

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### Examples of extra-role behaviours linked to performance: which do you see in your workplace?

<table>
<thead>
<tr>
<th>‘Positive’ non-task behaviours</th>
<th>‘Negative’ non-task behaviours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Willingly giving up time to help others</td>
<td>Withdrawing effort</td>
</tr>
<tr>
<td>Doing more than the minimum required</td>
<td>Bad-mouthing the organization</td>
</tr>
<tr>
<td>Tolerating inconveniences that are inevitable</td>
<td>Spreading negative rumours</td>
</tr>
<tr>
<td>Being polite and courteous</td>
<td>Refusing to help others</td>
</tr>
<tr>
<td>Spreading goodwill</td>
<td>Doing the absolute minimum</td>
</tr>
<tr>
<td>Protecting the organization</td>
<td>Deliberately wasting resources</td>
</tr>
<tr>
<td>Talking positively about the organization</td>
<td>Sending curt emails</td>
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Examples of extra-role behaviours linked to performance: which do you see in your workplace?
matter of just feeling bad or feeling good. It also seems too that we are shifting away from the notion of the happy-productive worker in order to be clearer and more specific about links between particular kinds of feelings and particular types of performance and employee behaviour.

However, the recent surge in interest around employee engagement suggests that we cannot resist looking for relatively crude and extremely broad-brush ways of thinking about and managing employee feelings. At the same time it also suggests that organizations’ interests in employee well-being remain largely economic rather than ethical. Employees’ feelings are still described in terms of a resource which, if the right levers are pulled, can be mobilized to drive performance. I hope the issues discussed here have shown that employee feelings are much more important, more complex and a lot more interesting than this.

Rob Briner is Professor of Organisational Psychology in the School of Management. As well as his interest in the reciprocal relationships between work conditions (e.g. characteristics, events, the psychological contract, contexts) psychological well-being/affect (e.g. emotion, moods, ‘stress’, satisfaction) and behaviours (e.g. pro- and anti-social, withdrawal and withdrawal of effort, engagement, job crafting) he has also conducted research into other areas, including the psychological contract, ethnicity, absence, work – non-work relationships, and food and organizations. He is also involved in several initiatives around evidence-based management which seek to identify ways of increasing the use of evidence of various kinds (including academic research) in management practice. He can be contacted on R.B.Briner@bath.ac.uk
The Centre for Business, Organisations and Society (CBOS) was established in 2005 in order to provide a forum for research in the area of Business and Society. CBOS is concerned with the relationship between corporations and the societies within which they operate, the ethical position of modern corporations in different societal contexts and the study of corporate social responsibility as a value-laden and strategic phenomenon.

Commenting on the work of the Centre, Prof. Pavelin said:

“The relationship between business and society offers a rich and wide-ranging array of research questions, and is fundamentally important in determining the welfare of societies throughout the world. Companies are investing big resources in corporate social responsibility (CSR) initiatives, which makes it an important strategic phenomenon. There is much about the business case for CSR that is not well understood, including the underlying mechanisms through which CSR affects corporate reputation and financial performance.

“CBOS is also trying to broaden the strategic viewpoint in the field, to expand across a number of different approaches to the subject, including those from economics, ethics and psychology. Interdisciplinary approaches can bring novel and distinctively informative research.

“Researching and understanding CSR as a strategic phenomenon is a relatively young field but Bath already has a well-established reputation and is very influential in research communities in the UK, Europe and the US, as a centre that is producing robust, rigorous and innovative research.

“There’s a strong research community at CBOS and the best part of a dozen researchers working on quite closely connected research, so you’re one knock of the door away from a researcher to share ideas with or a listening ear. It’s this community that helps CBOS to be as good as it can be. Also, close ties with leading scholars in other countries ensure that it has an international reputation for sharing ideas.”

Members of staff in CBOS have close links with postgraduate taught courses within the area of Business and Society such as the MSc in Advanced Management Practice, and our new Master’s degree, MSc in Sustainability & Management. We encourage applications for postgraduate study at the doctoral and research master’s levels.

Professor Pavelin can be contacted on: s.pavelin@bath.ac.uk

For more information about CBOS please see the website www.bath.ac.uk/cbos
Professor Mike Adams has returned to the School of Management to set up a new Centre for Strategic Risk. Prof. Adams commented: “The vision is to create a multi-disciplinary research unit that produces rigorous academic research. In the current economic climate, and particularly following the recent global financial crisis, the commercial and public policy implications of academic views on risk management are more salient than ever. “The Centre will draw on expertise already within the School of Management. I’m also hoping to set up collaborations across the University, in engineering, economics and psychology for example, to achieve our goal. This multi-disciplinary approach will provide different perspectives on risk management problems and so contribute to effective commercial and public policy decisions at both the national and international level. “In my own research, I’m currently working with colleagues in Hong Kong to explore the link between insurance and corporate governance in China, and with researchers at Sweden’s Umeå University to examine the economic institutional development of the Swedish insurance market.”

Doctoral scholars in the Centre are researching the use of reserving and re-insurance to manage earnings for cost purposes; the profitability of micro insurance schemes in developing countries; the link between property insurance and capital cost; and the role of re-insurance and cost of capital in the non-life sector.

The Centre has prestigious academic and industry supporters including the Willis Research Network, UK Government Actuary’s Department, the Wharton School, and RGA, one of the world’s largest life re-insurers. Prof. Adams has recently been awarded the Professor Kenneth Black Distinguished Service Award by the International Insurance Society (IIS), the largest insurance industry business network in the world. The award recognises his academic work in the fields of insurance and risk and his contribution to the growth and development of the Society in his role as UK ambassador. Prof. Adams is one of 12 leading academics who joined the University as part of a strategic investment in research and teaching excellence across all Faculties and disciplines.

Prof. Adams can be contacted on: M.B.Adams@bath.ac.uk

Prof. Adams (left) receiving his award from Bernhard Fink, Principal Partner GmbH, Chairman of the IIS Awards Committee.
The Globalisation of Professional Service Firms (and its Limits)
Dr Mehdi Boussebaa, School of Management, University of Bath

Global professional service firms (PSFs) are considered by many to be the future model for all organisations; as such they are emblematic of the post-bureaucratic organisation. Dr Boussebaa’s research into international PSFs has led him to consider how far they conform to the global network model that has been so trumpeted by corporate executives and prescriptive management scholars in the last twenty years.

The new multi-national corporation
‘Globalisation’ has become a dominant mantra in the business world. One only has to look at corporate websites and popular ‘airport’ business books or to note the fast-growing academic literature on the topic to appreciate its significance. Central to the discussion is the argument that (1) business is becoming increasingly global in scope thanks to various changes in the world economy (e.g. liberalisation of trade and investment flows, new developments in ICT, converging consumer tastes), and that, as a result, (2) the multi-national corporation (MNC) is or should be taking a new form (variously described as ‘global network’, ‘transnational enterprise’, ‘metanational corporation’, etc.).

Led by a cosmopolitan executive leadership team, the ‘new’ MNC abandons its ties to its country of origin, locates its operations anywhere in the world, taps into skills and knowledge wherever they might be located, and integrates its constituent parts into a unified structure by means of shared values and management practices. In other words, the contemporary MNC (hereafter referred to as ‘global network’) is both highly decentralised and tightly integrated. It also transcends national borders in terms of how it organises its operations.

However, recent sociologically oriented research in the field of organisation studies shows that the significance of this change has been considerably overstated: in practice, MNCs remain largely controlled and shaped by home-country headquarters and, moreover, embody centre-subsidiary tensions that undermine the development of unified global organisational structures.

Professional service firms
The research I have been conducting over the last ten years contributes to this debate by turning attention to professional service firms (PSFs). PSFs are interesting for two reasons. First, they have become major players in the modern world economy. The largest of these firms are considerable international organisations and often bigger and more internationalised than their manufacturing counterparts. For instance, PricewaterhouseCoopers (PwC), the largest of the ‘Big Four’ accountancies, employs almost 170,000 people in a network of offices spread across 158 countries. PSFs also play a crucial role in the functioning of the economy: they underpin the integrity of financial markets, facilitate complex international business transactions and deliver managerial advice and business solutions to a wide range of important clients, including government agencies and multi-national corporations.

Second, PSFs are often held to be organisations of the ‘future’ towards which other types of firms are converging – recall Tom Peters’s bold assertion that ‘all firms are becoming professional service firms’ (Peters, 1992: 11). As such, these organisations may have much to tell us about modern-day corporate globalisation and, in particular, the nature of the ‘new’ MNC. If, as it is claimed, PSFs are emblematic of the post-bureaucratic organisation, then, it follows that they should produce important insights into the internal workings of so-called global networks.

Is the international PSF a different kind of beast?
Given their ‘professional’ nature, PSFs are highly decentralised organisations. Unlike manufactured goods, professional services are typically produced in close interaction with clients who often require customised solutions, necessitating a form of organisation that gives professionals a high degree of control...
over their work. Professionals also embody the firm’s knowledge and typically control the client relationships they develop, allowing them to secure considerable autonomy in their work. Control in PSFs also tends to be decentralised with respect to the management of the firm (for instance, in recruitment, promotion, resource allocation, etc.) since professional norms of autonomy contravene centralised business administration.

Central control in PSFs is thus relatively weak and this seems to be especially true of international PSFs. In these, the ability of remote home-country headquarters to control the activities of overseas affiliates effectively is very limited. The locus of control rests primarily in the hands of subsidiary actors, not in their headquarters, and global integration is mainly achieved through cultural/normative control mechanisms such as shared training and inter-office networking rather than hierarchical/bureaucratic means.

Thus, international PSFs would seem to conform strongly to the global network model trumpeted by corporate executives and prescriptive management scholars in the last twenty years or so. How far is this the case in actual practice?

The case of international management consultancies

To find an answer, I have been carrying out qualitative research in some of the world’s largest international management consultancies. These firms employ thousands of consultants in hundreds of offices spread across the globe. As in the case of international PSFs more generally, they offer their services to a range of different clients. Multi-national clients are seen as particularly important because they are a major source of revenue and prestige. These clients are continuing to extend their international investments, building ever more complex cross-border supply chains and continually seeking to integrate their geographically dispersed operations more effectively. In so doing, they are generating major business opportunities for consultancies and, in particular, a multitude of ‘global’ projects, i.e. cross-national engagements involving multiple client subsidiaries. However, these clients are also creating a major organisational challenge for their consulting providers because the nature of their problems often requires the capacity to work in many different geographic locations with a consistent quality of service across countries.

How do consultancies respond to this challenge? For one, they deploy ‘global client service teams’ (GCSTs). These typically involve a core team based in the client’s home country and a number of satellite teams operating in the countries in which the client’s subsidiaries are located. Heading each GCST is a Global Client Service Partner (GCSP) whose responsibility is to ensure that the client receives the appropriate level of service on a worldwide basis. Together with his or her core team, the GCSP identifies and recruits staff for specific global projects, manages the interface between the client and the various offices of the firm, and resolves any conflicts that might arise amongst those involved in service delivery.

GCSTs are supported by a set of common work methods and service standards designed to ensure task coordination and consistency of service across countries. Such methods and standards are diffused through an array of organisational processes, including communication, expatriation, networking and training. For example, the firms invest heavily in global training programmes to help consultants from around the world develop extensive personal networks and internalise shared standards and practices.

In many ways, international consultancies exhibit features that strongly resemble those of the global network model. But scratching below the surface of the officially endorsed view of the firm described above reveals a rather more complex and messy reality.

Vertical tensions in international PSFs

In practice, international consultancies are struggling to operate as unified global networks. The key problem is that, in attempting to serve their multi-national clients more effectively across countries, they are seeking ever greater control over their subsidiaries and, as a result, becoming subject to the same sort of vertical, headquarters-subsidiary frictions observed in conventional MNCs. Underlying this problem is not only a struggle by the subsidiaries to remain autonomous but also a centre-subsidiary conflict over different ways of working and serving the client. For instance, some of the subsidiary employees I interviewed explained that so-called ‘global’ methods and standards often mean ‘American’ methods and standards, and that such
organisational ‘ethnocentrism’ inevitably leads to a degree of resistance on the part of subsidiaries whose operating standards can be very different due to cultural and institutional differences.

That said, not all subsidiaries are equally resistant to home-country domination: for instance, the British consultants I interviewed tended to discuss headquarters-subsidiary tensions in a rather general sense, as a problem that related largely to other subsidiaries, not themselves. They also did not appear overly anxious about the process of Americanisation which they observed. This phenomenon may partly be explained by the cultural and linguistic proximity between the US and the UK, and indeed this proximity was highlighted by a number of interviewees. There may also be a ‘dominance effect’ at work within the firms in the sense that the British consultants interviewed tended to perceive US management practices to be more legitimate than their own and so more acceptable at their local level. What came out most strongly from the research, however, is that subsidiary actors such as the British actually have a strong economic interest in developing global network structures and are thus not necessarily in opposition to the actions of central headquarters within the firms (more on this below).

International PSFs are polycentric animals
Increasing centralisation within international PSFs such as the ones examined here is leading to centre-subsidiary tensions similar to those observed in conventional, command-and-control MNCs. However, my research also reveals two related phenomena that depart from prior understandings of the MNC. The first is what may be described as organisational polycentrism. By this, I mean that international consultancies are polycentric rather than monocentric, as typically understood in the context of conventional MNCs. That is, their international activities are managed and coordinated not only by headquarters but also by subsidiaries with multi-national client service responsibilities. This reality leads to a global organisational structure in which control is exercised not by one but multiple centres.

Here, it is important to understand how international activities (i.e. global client projects) in management consultancies come into being. These are always the product of symbiotic relationships between the headquarters of client MNCs and the consulting partners that happen to be located in the countries in which the clients are based – i.e. ‘home-country’ partners. Thus, a British MNC with a global project will typically approach and deal with British consultants and it is these professionals who will then negotiate contract terms and fees. Once agreed, the project will also generally remain under the control of home-country partners. In effect, these partners ‘own’ the global projects they develop and always strive to retain control over them since these projects are the source of financial rewards, prestige and power within the firm. Thus, control over international activities within consultancies sometimes lies in the hands of headquarters but at other times in those of subsidiaries, depending on the nationality of the client MNC.

One implication of this polycentrism is that the extent to which subsidiaries are committed to developing global network structures partly depends on whether or not they have multi-national clients to serve across countries. For instance, UK subsidiaries serve many MNCs since Britain, as one of the most internationalised of advanced economies, is home to a disproportionate number of MNCs (see the Fortune Global 500 list). As a result, these corporate actors are more ‘centre’ than ‘subsidiary’ within the firm and, indeed, play an active role in the development and diffusion of ‘global’ work methods and service standards. The effective delivery of their global client projects depends on these organisational capabilities. Failing to develop such capabilities not only affects their profitability but also their reputation and competitive positioning.
Thus, when thinking about centre-subsidiary relations within international PSFs, a distinction has to be drawn between ‘international subsidiaries’ and ‘local subsidiaries’: the former have a strong interest in global network structures and are thus more committed to developing such structures than the latter, whose clients rarely extend beyond national frontiers. Remember that, for historical reasons, very few of the world’s economies produce MNCs.

**Horizontal conflicts in international PSFs**

A second implication of organisational polycentrism is that this phenomenon – and this constitutes the second core insight of my research – leads to the centre-subsidiary tension being articulated not only along the vertical, parent-subsidiary axis but also on the horizontal, inter-subsidiary one. As international subsidiaries seek to control and coordinate firm-wide resources towards the delivery of their global client projects, they trigger tensions with peer subsidiaries. Such horizontal tensions are of two kinds: cultural and economic.

**Cultural tensions**

It is often the case that satellite teams overseas are not always able to match the standards of the core teams of international subsidiaries which, as a result, create cross-national service quality inconsistencies. One British senior manager put it as: “The problem is that they sometimes don’t measure up to our high standards and this is a problem from the client’s point of view because we can’t offer them [the client] an excellent service here and then let them down elsewhere”. In particular, professionals outside North America and major Western European nations are portrayed as ‘not very good’ and ‘low skill’. Indeed, they are often treated as ‘cheap labour’ on the global projects of international subsidiaries. On the one hand, this provides a financial advantage for international subsidiaries but, on the other, it creates a major concern for these actors because it undermines their ability to maintain consistent standards and thereby fulfil their promise to offer the same level of service to multi-national clients wherever these might have operations around the world.

One response has been to promote ‘global’ standards through cross-national training and networking events – as noted above, the firms invest heavily in these. However, the effectiveness of this cultural control mechanism is limited in actual practice. For one, the events are typically designed and run by the firms’ headquarters and international subsidiaries with little involvement from small and peripheral offices; they therefore inevitably have a ‘foreign feel’ and seem to be too distant to be useful or relevant at the local level. Language differences exacerbate the problem: non-native English speakers’ standard of English is seen to be not always adequate for networking and participating in shared social events. Another problem is that, in practice, very few overseas offices are able to attend global training programmes: attendance at these events is very expensive, especially for peripheral offices based in small economies and far-flung lands. Note that training costs are borne by the individual offices, not the ‘global’ organisations.

**Economic tensions**

The ability of firms to deliver differentiated yet integrated multi-national client service is further constrained by economic tensions between subsidiaries. Despite their self-image as integrated global networks, the firms are structured along competing national profit centres, each striving to maximise local profits through the optimal utilisation of its own resources. Consultants – partners and those below them alike – are expected to contribute to the success of their respective profit centre. They set revenue targets which they are expected to achieve by billing their time to clients. Their financial rewards and career progress depend on fulfilling such expectations. Clearly, various non-geographical business groupings such as industry units and service lines overlay national subsidiaries, but consultants’ primary ‘home’ from a career and reward point of view remains their own national firm. Moreover, the assignment of consultants to projects always has to be approved by the heads of national firms.

Unsurprisingly, partners and those below them are primarily sensitive to the interests of their clients. As a result, they are not always motivated to devote scarce time and resources to foreign-owned global projects. Thus, a dilemma here is that pulling a valued consultant from, say, the Chicago office to work on the US arm of a global project run by the UK office may benefit the British but disadvantage the US firm.
because that resource is unavailable not only for US work but also for marketing and development purposes in the US market.

This problem can sometimes be resolved through the culture of reciprocity that the firms encourage through networking and other socialisation mechanisms. That is, it is sometimes the case that consultants in different offices feel obligated to help one another because they assume relations will be reciprocated: by helping overseas colleagues they can expect to receive similar assistance in turn.

However, reciprocity can easily break down in the face of conflicting financial interests. Moreover, whilst reciprocity is somewhat effective with regards to relations between international subsidiaries, the same is not true with respect to transactions between these core offices and smaller and peripheral offices based in nations in which few, if any, MNCs are headquartered.

Compounding this problem is the fact that peripheral subsidiaries often lack suitably qualified professionals and, therefore, prefer using their best consultants on their own domestic opportunities. Such opportunities are the source of potential repeat business and also easier to work on given the absence of foreign-based command and control.

**Conclusion**

In sum, international PSFs, like conventional MNCs, are characterised by a major disjuncture between the rhetoric of the unified global network, as enshrined in the official view of the firm, and the reality of international work on the ground. The basic problem is that these organisations, in endeavouring to provide integrated cross-national services to multi-national clients, are seeking greater control over subsidiaries and attempting to coordinate such sub-units by imposing centrally defined rules and expectations on them. As a result, they are giving rise to centre–subsidiary conflicts similar to those identified in conventional MNCs. That said, international PSFs appear to be facing an additional set of challenges resulting from their *polycentric* nature, namely horizontal, inter-subsidiary tensions. Thus, rather than being paragons of the unified global network model, international PSFs are in practice highly fragmented organisations and it remains to be seen how these entities will cope with their control and coordination difficulties as they continue to expand internationally, particularly into culturally distant nations in the Middle East and the Asia-Pacific region.

**Future research**

More details on my research can be found in the articles listed below. The next step in the research is to conduct cross-national comparative studies of international PSF management and organisation. I am currently developing a new project that will explore the phenomenon from the perspective of subsidiary actors based outside the major Western economies and, in particular, in the so-called ‘Rising Powers’ – contexts that are culturally/institutionally very different from the firms’ countries of origin and increasingly significant in the modern world economy.


Dr Mehdi Boussebaa is a Senior Lecturer in Organisation Studies in the School of Management. He is also an Associate Fellow of the Novak Druce Centre for Professional Service Firms at Said Business School, University of Oxford. His primary research investigates the organisational implications of globalisation. He has a particular interest in the institutional and political aspects of global organising and has been investigating these mostly in professional service organisations. His work has been published in leading organisation studies journals.

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News

**The Bath Perspective**

**News**

**The Sunday Times University of the Year 2011-12**

Bath was named University of the Year by *The Sunday Times*. This accolade is designed to recognise a university’s all-round excellence, encompassing a range of aspects of research, teaching, employability and the student experience.

**Good University Guide 2013**

In this year’s *Good University Guide* we are ranked 1st for Accounting and Finance. The very high levels of student satisfaction and excellent career prospects of Bath graduates are highlighted as key strengths for the University.

**Which MBA? 2012**

The Bath MBA has retained its place in the world’s top 25 programmes, locating it amongst the global elite. It is also, once again, ranked 2nd of all UK MBA programmes.

Adding to the accolades it picked up another 1st in the UK for salary increase and 1st in the UK for faculty quality.

**School re-accredited by EQUIS**

The European Quality Improvement System (EQUIS) is the European Foundation for Management Development’s (EFMD) leading international system of quality assessment, improvement and accreditation of higher education institutions in management. The School underwent a rigorous examination by an EQUIS peer review team in March, the success of which led to the School’s re-accreditation.

Professor Richard Elliott, Dean of the School of Management said: “We are very pleased to remain within this elite club of Business Schools and the award is testimony to the continued quality of the School’s output.”

**New MSc options launched**

Adding to our strong portfolio of Master’s programmes, the School has launched five new options that build on the School’s well-established strengths:

- MSc in Finance
- MSc in Finance & Banking
- MSc in Finance & Risk
- MSc in Human Resource Management & Consulting
- MSc in Sustainability & Management

View our website to find out more about our programmes: bath.ac.uk/management/courses
Shandong University visit
During a recent visit, the School of Management welcomed academics and MBA students from Shandong University. Exploratory talks on possible future collaborations were held, with both institutions showing an interest in working together.

Professor Christine Harland said “We were delighted to host and welcome Professor Xu Xiangyi and his colleagues. We had a very constructive discussion on the potential for future research-led collaboration.”

Shandong University is the official Chinese partner of the University of Bath. The collaboration has already led to a dual degree between them and the Department of Mechanical Engineering. Bath students can take a one-month summer school there each August.

Strong School of Management presence at Academy of Management conference
The Academy of Management is a leading international professional association for scholars dedicated to creating and disseminating knowledge about management and organisations. Their annual conference is held every August, providing a forum for sharing research and expertise in all management disciplines, and this year’s conference theme is “The Informal Economy”.

This year Bath is supplying an impressive 15 members of faculty who will be taking an active part in the conference taking roles such as chairing panel and presenter symposia, giving papers and leading professional development workshops.

http://annualmeeting.aomonline.org/2012

Management Article of the Year Award

Entitled ‘Against the tyranny of PowerPoint: technology-in-use and technology abuse’, Professor Gabriel’s paper examines some of the uses to which the software is put and some of its potential shortcomings. Professor Gabriel said:

“I am delighted that my article against the tyranny of PowerPoint (but not against PowerPoint) was selected as one of the five management articles of the year. As someone who has always valued the practical applications of my research, this came as a particular pleasure and I hope that my piece can make a contribution towards more imaginative and creative uses of the opportunities that today’s technology makes available to us.”

Award for learning & teaching
The School of Management’s Paul Caulfield has been awarded a University Learning and Teaching Award for his innovative approach to learning and teaching. Recognised by both colleagues and students, Paul’s contribution to curriculum design, content and delivery on the Business and Society unit of the School’s unique MSc in Advanced Management Practice (AMP) was commended and his passionate and enthusiastic approach was praised.

Paul commented:

“Working with the AMP has been great fun and a big thank you goes to all the staff and students who have supported and collaborated on these projects. It is great to be recognised in this way, and I look forward to introducing more teaching innovations in 2013.”
Doctoral Scholar wins Major International Research Prize

School of Management doctoral scholar, Ola Olaosebikan, has been awarded the prestigious Geneva Association/Shin Research Foundation Research Excellence Award for her paper on the “Determinants of the Profitability of Micro-Life Insurers in Nigeria”.

Ola’s award was presented at the 48th Annual Conference of the International Insurance Society (IIS) in Rio de Janeiro, Brazil. The conference attracted an audience of 350 senior insurance executives, regulators and academics from around the world.

Ola’s supervisor at the School of Management, Professor Mike Adams, commented:

“The Geneva Association/Shin Foundation award is a highly prestigious prize in the world of insurance. Ola’s paper was very well received by the IIS delegates and offers some key insights for insurers, reinsurers, policymakers and others interested in the role of insurance in promoting sustainable economic and social development in emerging markets.”

MSc students awarded Bryman and Bell Prize for outstanding research

The Oxford University Press (OUP) has awarded the Bryman and Bell Prize 2012 for outstanding research work to two MSc in Management students, Ms Heledd Brooks-Jones and Ms Sophie Carnegie.

The prize is awarded to the student who had made the most significant achievement with a management research project. Both students excelled and were jointly awarded the prize for the excellent research work they conducted during the Methods of Management Research (MMR) unit as evidenced in their outstanding dissertation research proposals.

Academic study exploring alcohol consumption

Dr Phil Tomlinson and Dr Rob Branston from the School of Management are conducting an academic study in the field of alcohol consumption, looking at prospective changes in the UK market.

The study is being led by final-year Business Administration student, Matthew Jones, and is being conducted in order to investigate prospective alcohol buying habits away from pubs, bars and clubs (i.e. places such as off-licences and supermarkets).

This is an important policy issue, as the UK government is currently considering introducing a minimum price for alcohol. In order to pursue this research, a large scale survey is being conducted and they would like to encourage as many people as possible to complete it. The survey should only take a few minutes to complete, to take part please go to http://fluidsurveys.com/s/bar12/

In order to thank you for your time and co-operation you will be given the opportunity to enter a prize draw, to win £250 and £100 gift cards for Amazon.co.uk.
Graduation prize giving

Three new prizes were added to the School of Management’s annual graduation prize giving awards: Barclays France Prize; Rohde & Schwarz Prize; and the Dean’s Award for Outstanding Student Contribution. In addition a one-off prize was presented by Bath & North East Somerset Council for an employee volunteering project.

Prizes were presented to the most successful graduates from the BSc in Business Administration (BBA), the BSc in Accounting and Finance (BAF) and the BSc in International Management and Modern Languages (IMML).

Each year, the prizes are sponsored by a range of companies, many of which work with the School of Management on a regular basis, providing work placements and projects as well as recruiting our graduates.

This year’s sponsoring organisations were: Danone; Deloitte; L’Oréal; Zurich; BG Group; Accenture; Ernst & Young; BP; PricewaterhouseCoopers; Barclays France; Rohde & Schwarz, Bath & North East Somerset Council.

L’Oréal, Zurich, BP and PwC are all members of the School’s Corporate Partners Scheme.

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<tr>
<th>Prize</th>
<th>Winner</th>
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<tr>
<td>The Professor Raymond Thomas Prize for the Highest Average Mark in Strategy Units:</td>
<td>Samuel Gibbs</td>
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<tr>
<td>Danone Prize for Highest Average Mark in Marketing Units</td>
<td>Harry Seal</td>
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<tr>
<td>Danone Prize for IMML Work Placement</td>
<td>Anna Standage</td>
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<tr>
<td>Deloitte prize for Highest Average Mark in Accounting and Finance Units</td>
<td>Clare Welsh</td>
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<tr>
<td>L’Oreal Prize for Best Student in Business and the Natural Environment:</td>
<td>James Brown</td>
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<td>L’Oreal Prize for Highest Average Mark in Human Resource Management Units:</td>
<td>Marie Parker</td>
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<td>Zurich Prize for Highest Mark in Treasury Management</td>
<td>Clare Welsh</td>
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<tr>
<td>BG Group Prize for Highest Mark in Supply Management</td>
<td>Kate Maley</td>
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<td>Accenture Prize for Best BBA Project Group</td>
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<tr>
<td>Ernst &amp; Young Prize for Best Overall BAF Student (4-year)</td>
<td>Clare Welsh</td>
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<tr>
<td>BP Prize for Best Performing Students in Business Strategy in the Global Economy</td>
<td>Rachel Evans, Kate Maley, Rebecca Parslow</td>
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<tr>
<td>Barclays France Prize for the best IMML Year Abroad Dissertation</td>
<td>Katherine Bond</td>
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<tr>
<td>Rohde &amp; Schwarz prize for the best IMML Work Placement</td>
<td>Zuzana Karlubikova</td>
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<tr>
<td>PricewaterhouseCoopers Prize for Highest Mark in Management Consulting: Theory &amp; Practice</td>
<td>Konstantin Bezuhanov</td>
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<tr>
<td>PricewaterhouseCoopers Prize for Best Overall BBA Student</td>
<td>Ross Barnes</td>
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<tr>
<td>PricewaterhouseCoopers Prize for Best Overall BAF Student on a 3-year programme</td>
<td>Huong Lien Nguyen</td>
</tr>
<tr>
<td>PricewaterhouseCoopers Prize for Best Overall IMML Student</td>
<td>Katherine Bond</td>
</tr>
<tr>
<td>Dean’s Award for Outstanding Student Contribution</td>
<td>Rupesh Patel, Jonathan Howell, Irina Savvinova</td>
</tr>
<tr>
<td>B&amp;NES Employee Volunteering Prize</td>
<td>Tiffany Morgan, Ben Foulkes, Luke Lawrence, Henry Tonks, James Martin-Young, James Lawrence</td>
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</tbody>
</table>
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Programmes of study

The Bath PhD
Doctor of Business Administration in Higher Education Management

Engineering Doctorate (EngD)
The Bath MBA (full-time and part-time formats)

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MSc in Management
MSc in Marketing
MSc in Accounting & Finance
MSc in Finance
MSc in Finance & Banking
MSc in Finance & Risk
MSc in Innovation and Technology Management
MSc in International Management
MSc in Human Resource Management & Consultancy
MSc in Sustainability & Management

BSc Business Administration
BSc Accounting and Finance
BSc International Management & Modern Languages