

HE Beyond 2015

> Thursday, June 14, 2012

> **Universities innovating and driving forward economic growth**

> Paul M. Marshall

> Chief Executive

Summary

- > Environment
- > UK Business Schools: Success in a VUCA world?
- > Tough Choices: Delivering Success in New Political, Economic and Strategic Circumstances
- > UK Business Schools: Seizing the Future
- > Conclusion

Environment: We Live in a VUCA World

Bob Johansen, *Get There Early: Sensing the Future to Compete in the Present* (2007)

- > Vulnerable
- > Uncertain
- > Chaotic
- > Ambiguous

Environment: We Live in a VUCA World

- > **Dan Brown, *An Open Letter to Educators* (2010)**
- > “You need to understand the World is changing and if you won’t change with it, the World will decide it doesn’t need you any more.”
- > 228,000 hits on You Tube
- > <http://www.youtube.com/watch?v=-P2PGGeTOA4&feature=related>

Funding Environment: England

	<i>HEFCE Grant in 1999</i>	<i>HEFCE Grant in 2009</i>	<i>HEFCE Grant for 2012</i>
Total	£4.2b	£8.0b	5.8b
Teaching excluding Fees	£2.9b	£4.8b	3.8b
Research	£0.9b	£1.6b	1.6b

Education Challenges in a VUCA world

- > **Bob Johansen, *Leaders Make the Future: Ten New Leadership Skills for an Uncertain World, 2009***
- > Digital natives have created a very different world. Successful leaders must trust and learn from the young however alien the technology;
- > A world based on straight lines and neat solutions drawn from Engineering is gone; the next big economic driver will be biology;
- > Reciprocity based innovation in the cloud will be the biggest learning opportunity in history.

- > ***Great By Choice: Uncertainty, Chaos and Luck – Why Some Thrive Despite them All***
- > **Jim Collins and Morten T. Hansen, October 2011**

Great By Choice: Myths Undermined by the Research

- > **Myth:** Successful Leaders in a turbulent world are bold, risk seeking visionaries
- > **Finding:** The best leaders did not have a visionary ability to predict the future. They observed what worked, figured out *why* it worked, and built on proven foundations

Great By Choice: Myths Undermined by the Research

- > ***Myth:*** Innovation distinguishes successful companies in a VUCA world
- > ***Finding:*** Innovation is not a trump card. More important is the ability to *scale* innovation, to blend creativity with discipline

Great By Choice: Myths Undermined by the Research

- > ***Myth:*** The VUCA world favours the speedy
- > ***Finding:*** 'Fast! Fast! Fast!' is a good way to get killed. Successful leaders figure out *when* to go fast and when *not* to

Great By Choice: Myths Undermined by the Research

- > ***Myth:*** Radical change on the outside requires radical change on the inside
- > ***Finding:*** Successful companies changed less in reaction to their changing world

Great By Choice: Myths Undermined by the Research

- > ***Myth:*** Great enterprises have a lot more luck
- > ***Finding:*** The critical question is not whether you'll have luck, but what you *do* with the luck that you get

Leadership Challenges: Success In a VUCA world

Bob Johansen, *Get There Early: Sensing the Future to Compete in the Present* (2007)

- > Vision
- > Understanding
- > Clarity
- > Agility

UK Business Schools: Success In a VUCA world?

- > 12 per cent of all domestic and EU students enrolled in the UK – undergraduate and postgraduate – are pursuing business studies; among non-EU students, it's 33 per cent.
- > There are 500,000 students studying UK qualifications overseas. Over 350,000 of these are studying BME related qualifications.
- > The UK's Business Schools are a tremendous success.

UK Business Schools: Success In a VUCA world?

**Prof. Len Shackleton, University of Buckingham,
Financial Times, June 4, 2012**

> Critics charge that schools are too detached from business, overly concerned with theory rather than practice. Staff have inadequate experience in the private sector: they are excessively interested in esoteric research for the Research Excellence Framework, rather than working with businesses. They teach too little and students do not rate their teaching particularly highly. Pedagogical innovation is limited and there are few sanctions for persistently poor teachers.

UK Business Schools: Success In a VUCA world?

**Prof. Len Shackleton, University of Buckingham,
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> Employers continue to report dissatisfaction with many students they interview. This may be related to low admission requirements, as vice-chancellors insist that business schools expand recruitment to cross-subsidise other subjects. Indeed, the overcharging of business students to keep history or arts departments open is a hidden national scandal.

UK Business Schools: Success In a VUCA world?

**Prof. Len Shackleton, University of Buckingham,
Financial Times, June 4, 2012**

> Isn't there fundamentally something wrong in many of our schools having little direct input from business and often only sporadic links with employers? Locating business schools within a university culture of excessive regulation, heavy and backward-looking unionisation, anachronistic contracts and a quasi-medieval calendar does nothing to promote excellence.

> Let's take business schools out of universities. Teaching students about business is a business itself and our institutions should reflect this.

Tough Choices: Delivering Success in New Political, Strategic and Economic Circumstances

> **ABS Established in 1992**

> 117 Members including universities and independent management colleges

> **Main Priorities 1992-2012**

> *Capacity Development*: Development Programmes and Events

> *Representation*: A Deans club responding to external change

Tough Choices: Delivering Success in New Political, Strategic and Economic Circumstances

- > **January 2012, ABS Executive** *agrees fundamental restructuring of organisation to be undertaken to reflect new political, structural and economic circumstances*
- > **Main Priorities**
- > *Representation:* Entire School working in strategic partnership with sector bodies and stakeholders proactively developing policy and leading change
- > *Capacity Development:* Development Programmes and Events underpinning and feeding into policy work

Draft Strategic Plan 2012-2015

- >The ABS is the voice for the UK's Business Schools and independent Management Colleges setting the agenda for business and management education in the UK within an increasingly international environment. It develops influential policies and promotes, communicates and lobbies on these at local, regional, national and international levels as appropriate.**

Draft Strategic Plan 2012-2015

> **The Association believes that:**

- > Members' diverse individual identities and traditions are strengths which must be respected. Challenge and debate based on mutual recognition of difference is not a barrier to collective action;
- > It is right that in accordance with their individual strategies, Business Schools and Independent Management Colleges are free to play a full role at local, regional, national and international level;
- > Business and Management Education (BME) research, scholarship, teaching and knowledge exchange are deserving of equal respect, reward and recognition;
- > Business Schools and Independent Management Colleges are fundamentally global in all aspects of their operation. There should be no unreasonable barriers to the recruitment of international staff and students to undertake legitimate research, teaching or study; and
- > In recognition of their direct social, financial and ethical impact on society, Business Schools and Independent Management Colleges have a responsibility to promote and deliver sustainable and responsible management practice.

Draft Strategic Plan 2012-2015

> **The Association aims to:**

- > Effectively represent, promote and lobby on behalf of all members to secure widespread recognition and a position of strength to influence decision and policy-making groups;
- > Share good practice and enable communication between members to improve the quality of teaching and research and to enhance the experience of staff and students;
- > Enhance awareness and profile of the sector to underpin the ambitions of members in global markets;
- > Promote the need for a diverse, distributed, range of Business Schools and Independent Management Colleges providing services that are relevant and meet the multiple needs of staff, students, business and society at large;
- > Provide a forum for shared exchange of ideas and to co-ordinate joint action amongst all bodies committed to the development of Business and Management Education in the UK and Globally;
- > Provide services that help members respond effectively to changing market conditions; and
- > Maximize the efficiency of its operations ensuring that members receive the highest level of service and protecting the overall financial sustainability of the organization.

UK Business Schools Seizing the Future

>ABS Policy Network

- >The Policy Network 2012: 'Business Schools Seizing the Future' launched in February 2012 by David Willetts, MP, Minister for HE and Science.
- >Four Focuses for its work in 2012: Internationalisation; Economic Regeneration; Sector Change; Student Experience.
- >Key speakers joining in debate with policy leaders within BME sector and wider sector stakeholders.
- >Output to be published at Liberal Democrat, Conservative and Labour Conferences in the Autumn.

UK Business Schools Seizing the Future: Working with Business

>Innovation Task Force

>The aims of the ABS Innovation Task Force are to:

- >Consider the Government's Innovation and Research Strategy for Growth report and the 2012 Wilson review on university-business collaboration in relation to UK business schools.
- >Conduct a review and analysis of engagement activities currently undertaken in the sector.
- >Consult on actions we should take to ensure that the actual and potential contributions of UK business schools to innovation and growth can be properly understood.
- >Consider barriers to success and examples from outside the UK and recommend how we can encourage and support further innovation and enhance the economic performance of the UK.
- >Establish links to policy bodies in order to ensure they benefit from management and research of relevance in a range of settings and objectives.

Will present initial report at the ABS Annual Conference in October 2016

UK Business Schools Seizing the Future: Graduate Employment

>BIS Business School Taskforce

- >Established in November 2012 as part of the government growth review.
- >Made up of Business School representatives plus the ABS, CBI, Foundation for Management Education (FME) and the British Academy of Management (BAM).
- >To explore role of Business Schools in developing the next generation of business leaders.
- >Particular focus on how Business Schools can develop the leadership and management skills of MSBs and enable them to attract and retain the best graduates and leaders.
- >To report to Ministers in October 2012.

UK Business Schools Seizing the Future: Research

>EAJG Ltd established to publish the Global Guide to Academic Journal Quality

>Executive agreed in January 2012 that no further edition of, or amendments to, the ABS journal ranking list should be published.

>EAJG Ltd established in May 2012 as a standalone company chaired by an independent Chair and Vice-Chair. Currently the ABS are the only shareholders but additional partners are being sought.

>The new guide will move away from a pure UK focus and towards a holistic global Journal Ranking Guide. The view is that this will diversify the research undertaken by UK Business School Academics.

>A new Academic Advisory Committee is being established with representatives invited from Professional Associations from across the world to meet annually to provide a forum for discussion on the methodology and any future developments of the guide.

>New Guide to be published in November 2013.

UK Business Schools Seizing the Future: International Collaboration

- > **Strategic Alliances Signed with Association of Asian Pacific Business Schools, Federation of Canadian Business School Deans, the Association of Middle-East Business Schools and the British Council (January-June 2012)**
- > These agreements focus upon capacity building, joint events, research, publications, membership on committees and added value for both membership bases.
- > The outputs from these agreements are already starting to bear fruit for the association and for members.
- > In March 2012, Paul Marshall represented the ABS as part of an official governmental delegation to Indonesia, a hugely underdeveloped international HE market, and
- > In association with the AAPBS and the University of Nottingham, the first UK/Asia Pacific Business Schools summit to take place in Malaysia at the end of November 2012.

Conclusion

- > UK HE has a series of fundamental challenges to overcome but also significant opportunities to embrace
- > UK Business Schools are tremendously successful by any measure but they are exposed to changes in the market
- > The ABS continues to play an important role in representing the Business Schools and independent Management Colleges in an increasingly competitive environment.
- > The Executive recognises that the strategy of the ABS must change to recognise the significant new challenges faced by its members and the sector as a whole.
- > Following a fundamental restructuring of its operations which is currently underway, an ambitious new strategic plan will be presented to members in June 2012.
- > Strategic partnerships are central to the delivery of the plan.

HE Beyond 2015

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> Paul M. Marshall

> Chief Executive

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