MAGAZINE

Global
Voice

DRINK
Coca-Cola
IN BOTTLES

NUMBER 15

AN OLD THIRST, A NEW DESIRE

Social Enterprise: 21st Century Jigsaw

Covid-19 and higher education institutions

Beancounters in Popular Culture: The story behind the art

The Making of a Good Business School: Distinguishing Purpose from Profit

An alliance with a purpose

THE COUNCIL ON BUSINESS & SOCIETY

Recognising the enormous role business can and must play in helping solve large-scale, global issues facing the world, seven business schools from around the world have formed a partnership: The Council on Business & Society. Through our individual and collective efforts, we strive to create and disseminate knowledge about those issues and train future business leaders capable of and committed to solving them.

THE SEVEN SCHOOLS THAT MAKE UP THE COUNCIL ON BUSINESS & SOCIETY

- ESSEC Business School, France, Asia-Pacific and Africa
- FGV-EAESP, Brazil
- School of Management, Fudan University, China
- IE Business School, Spain
- Keio Business School, Japan
- Trinity Business School, Trinity College Dublin, Ireland
- Warwick Business School, United Kingdom

The partner schools share a commitment to and belief in the power of academic excellence, collaboration, innovation, and transformative leadership. Each is a recognised leader in management education and offers a wide range of business-related degrees and executive programmes.

COUNCIL COMMUNICATION TEAM

For further information and enquiries, please contact:

ESSEC BUSINESS SCHOOL (FRANCE)
Mr. Tom Gamble
tom.gamble@essec.edu
+33 134 439 656

WARWICK BUSINESS SCHOOL (UNITED KINGDOM)
Mr. Warren Manger
warren.manger@wbs.ac.uk
+44 2476 572 512

FGV-EAESP (BRAZIL)
Prof. And Vice-Dean Tales Andreassi
tales.andreassi@fgv.br
+55 113 799 7821

KEIO BUSINESS SCHOOL (JAPAN)
Mr. Hiroshi Takagi
hiroshi.takagi@kbs.keio.ac.jp
+81 455 642 045

SCHOOL OF MANAGEMENT, FUDAN UNIVERSITY (CHINA)
Mrs. Elsa Huang
hzhuang@fudan.edu.cn
+86 212 501 1408

TRINITY COLLEGE DUBLIN BUSINESS SCHOOL (IRELAND)
Mr. Ian Dunne
ian.dunne@tcd.ie
+353 (0) 1 896 2493

THE DEANS OF COUNCIL'S MEMBER SCHOOLS

**DEAN AND PRESIDENT VINCENZO ESPOSITO VINZI,
ESSEC BUSINESS SCHOOL, FRANCE, ASIA-PACIFIC, AFRICA.**

"AT ESSEC, WE BELIEVE THAT TRAINING STUDENTS AND PARTICIPANTS FOR RESPONSIBLE LEADERSHIP IS KEY FOR ANSWERING THE CHALLENGES OF A COMPLEX WORLD. TOGETHER WITH THE MEMBERS OF THE COUNCIL ON BUSINESS & SOCIETY, WE STRIVE TO PROMOTE RESPONSIBILITY SO AS TO IMPACT TODAY'S ECONOMY AND SOCIETY, AND SHAPE TOMORROW'S WORLD."

**DEAN LUIZ ARTUR LEDUR BRITO,
FGV-EAESP, BRAZIL**

"BEING RECOGNIZED WORLDWIDE AS A THINK-TANK, FGV-EAESP NOT ONLY PRODUCES ACADEMIC RESEARCH IN MANAGEMENT AND PUBLIC POLICY, BUT ALSO APPLIES RESEARCH VIA ITS CLOSE RELATION WITH THE CORPORATE WORLD. ITS PARTICIPATION IN THE COUNCIL ON BUSINESS & SOCIETY ENRICHES ITS GLOBAL VISION THROUGH THE MULTIPLE PERSPECTIVES GENERATED BY THE COUNCIL'S INITIATIVES."

**DEAN AND PROFESSOR XIONGWEN LU,
SCHOOL OF MANAGEMENT, FUDAN UNIVERSITY, CHINA.**

"THE SCHOOL OF MANAGEMENT, FUDAN UNIVERSITY JOINED THE COUNCIL TO COMMUNICATE, EXCHANGE AND COLLABORATE WITH OUR GLOBAL PARTNERS, ABSORB ADVANCED MANAGEMENT IDEAS AND SHARE CHINA'S UNIQUE EXPERIENCE. AS A LEADING BUSINESS SCHOOL IN CHINA, WE WILL MAKE CONTINUOUS EFFORTS TO DRIVE THE MUTUAL DEVELOPMENT OF GLOBAL MANAGEMENT EDUCATION AND THE SOCIAL ECONOMY."

DEAN MARTIN BOEHM, IE BUSINESS SCHOOL, SPAIN

"IE BUSINESS SCHOOL'S MISSION AND PURPOSE ARE BASED ON THE PILLARS OF ACADEMIC EXCELLENCE, INNOVATION AND ENTREPRENEURSHIP, TECHNOLOGY, SOCIAL RESPONSIBILITY AND INTERNATIONALISATION. AT IE WE FIRMLY BELIEVE IN THE POWER OF THE ENTREPRENEURIAL MINDSET TO CHANGE THE WORLD FOR THE BETTER. WE WILL KEEP ENCOURAGING STUDENTS THROUGH THE COBS INITIATIVES TO EXPLORE SOCIAL INNOVATION AND ENTREPRENEURIAL CHALLENGES WITH SPECIAL EMPHASIS ON UNCONVENTIONAL APPROACHES TO ENDURING SOCIAL PROBLEMS."

**DEAN TAKURO YODA,
KEIO BUSINESS SCHOOL, JAPAN**

"AS THE LEADING BUSINESS SCHOOL IN JAPAN, IT IS OUR DUTY TO INVESTIGATE HOW BUSINESS SHOULD MAINTAIN A BALANCE WITH GLOBAL SOCIETAL ISSUES. WE DESIRE TO EXPLAIN TO THE WORLD WHAT JAPAN HAS EXPERIENCED THROUGH RAPID GROWTH BY MEANS OF THE COUNCIL ON BUSINESS & SOCIETY."

**DEAN ANDREW BURKE,
TRINITY COLLEGE DUBLIN BUSINESS SCHOOL, IRELAND**

"WE ARE THE BUSINESS SCHOOL AT THE HEART OF A WORLD-RENOWNED RESEARCH-LED UNIVERSITY LOCATED AT THE CENTRE OF A EUROPEAN CAPITAL CITY AND A HUB FOR GLOBAL BUSINESS. OUR APPROACH TO EDUCATION ENCAPSULATES A PROJECT-BASED APPROACH WHERE IMPACT ON BOTH BUSINESS AND SOCIETY ARE KEY. WE ENCOURAGE OUR STUDENTS TO GRADUATE WITH A 'MORAL COMPASS' TO TAKE A STEP FURTHER IN ORDER TO EXCEL AT ETHICAL LEADERSHIP BEYOND THE REALM OF THE ORGANISATION."

DEAN ANDY LOCKETT, PROFESSOR OF STRATEGY AND ENTREPRENEURSHIP, WARWICK BUSINESS SCHOOL, UNITED KINGDOM

"AS A LEADING EUROPEAN BUSINESS SCHOOL AT A WORLD-CLASS UNIVERSITY, WARWICK BUSINESS SCHOOL IS COMMITTED TO DEVELOPING IDEAS AND PEOPLE THAT SHAPE HOW WE DO BUSINESS. WE BELIEVE IN THE POWER OF EDUCATION TO CREATE THE LEADERS THE WORLD NEEDS TO TACKLE SOCIETIES' GREAT CHALLENGES, SUCH AS GLOBAL WARMING, AGEING POPULATIONS AND INCREASING INEQUALITY."
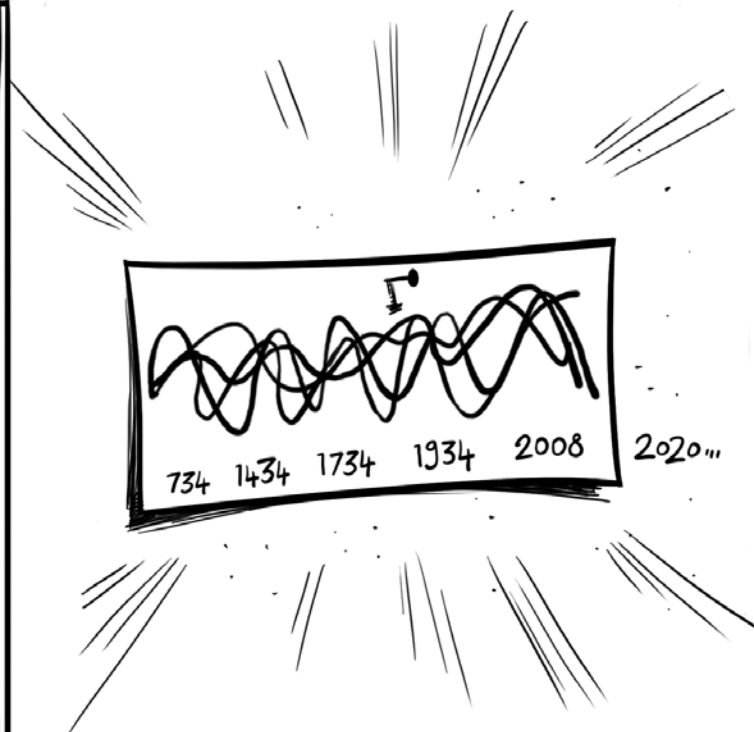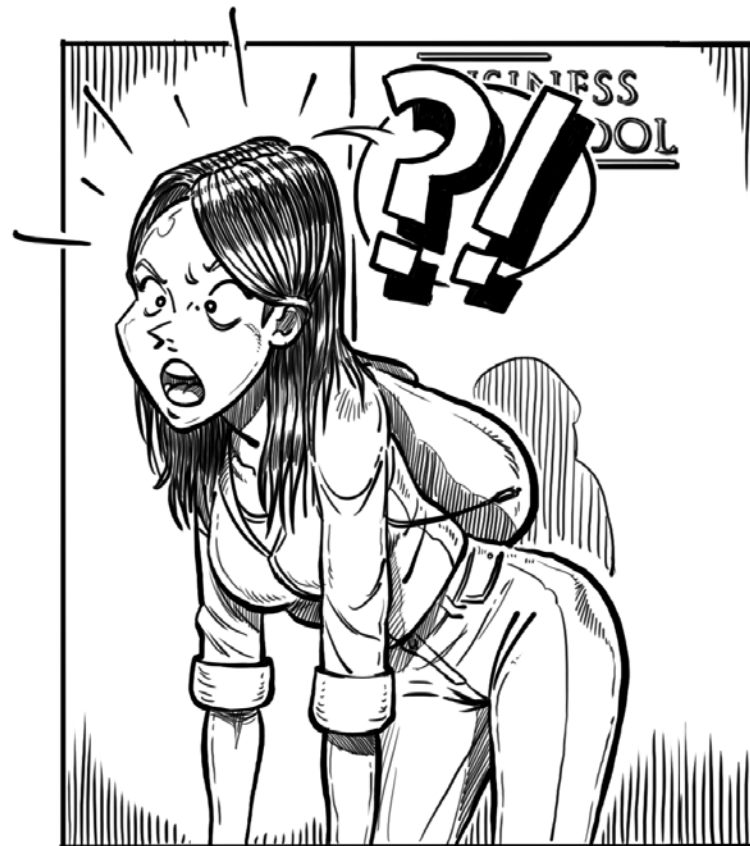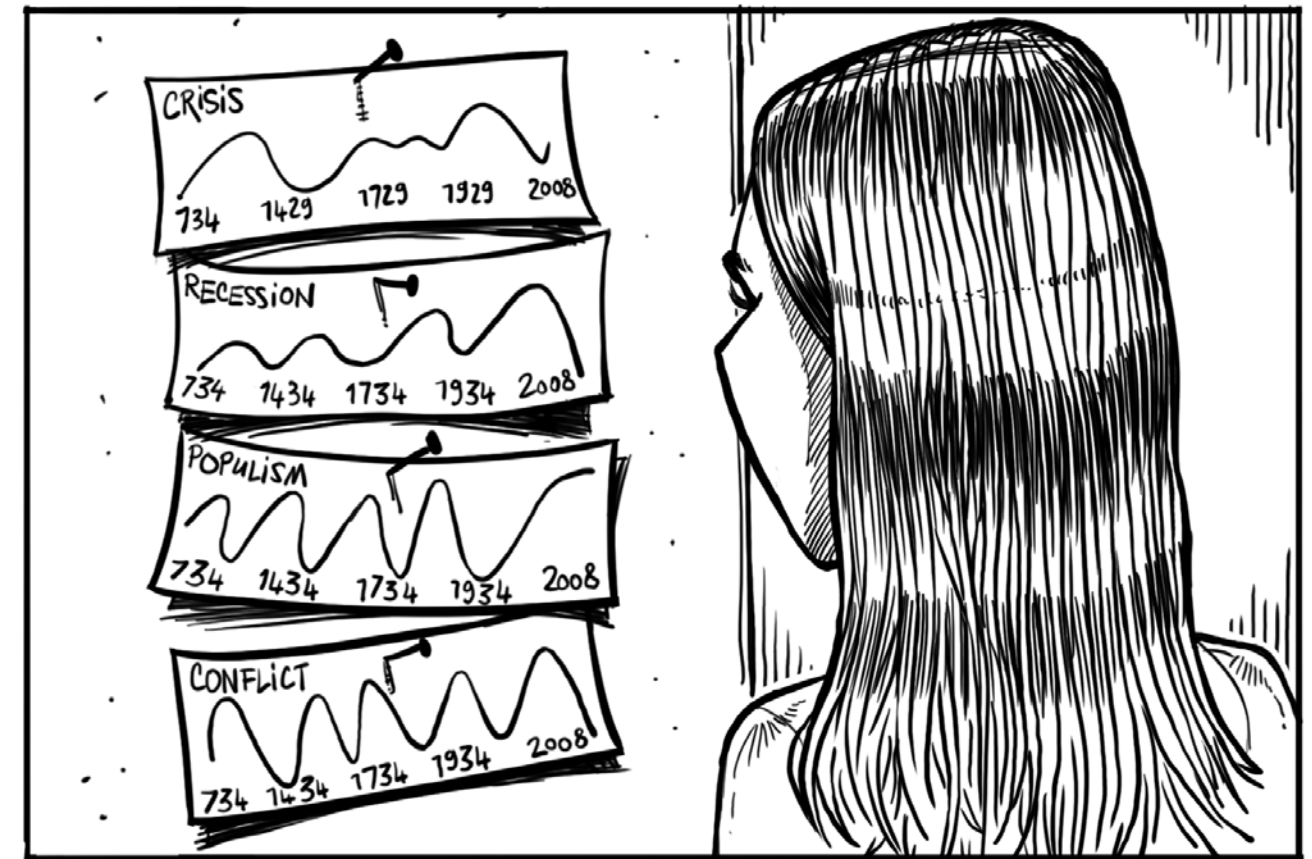
/EDITORIAL

RETHINKING "REDUNDANCY"

The current COVID-19 driven global healthcare crisis, the eventual impact of which is not yet within sight, calls for collective sense making. Beyond the immediate solutions for now, we also have to assess what the aftermath of this crisis might look like. This means rethinking our perception of "redundancy".

An article co-authored by Profs. **Tanusree Jain,** Trinity Business School, **Concepción Galdón,** IE Business School, **Mario Aquino Alves,** FGV-EAESP, **Adrian Zicari,** ESSEC Business School.

TIME TO THINK AND RE-THINK

Rethinking "redundancy". As a modern society, the destination that we have hoped to reach for decades now is one where business develops in a sustainable manner while also contributing to creating a world that is socially, economically and environmentally just and balanced.

And yet, we now find ourselves at a destination that none of us chose – a global pandemic with over 275,000 deaths worldwide, more than a quarter of a billion people on the brink of starvation, a handful of corporations owning much of our data and therefore our world, a human-induced climate threat largely attributed to corporate activity, and a sharp and unprecedented decrease in global economic activity with incalculable impact on companies and households. Rethinking "redundancy"

In a way, the COVID-19 pandemic has unravelled the dangerous impact of our cumulative decisions in conducting business as usual. Amidst this, the question that reverberates is "how did we get here"? And, more importantly, "how do we get back on track?"

EFFICIENCY WITH EFFICACY

As professors in management, we believe that the concepts of efficiency and efficacy provide one such lens to reflect upon the state of our world.

'Efficiency' can be described as doing more with less, or put another way, achieving more outputs with the same (or fewer!) inputs. Efficacy, on the other hand, is more strategic as it relates to achieving specific objectives. In other words, efficacy can be understood as arriving at one's destination – let's say the state of sustainable development – and efficiency is about reaching that state earlier or at a lower cost.

During the last few decades, we have directed our collective efforts towards achieving rising GDP at national level with consistent emphasis on increasing revenues and profitability at firm level, while creating global and national institutions that work to make this possible.

As a society, we assumed that a relentless focus on growth would increase per capita disposable incomes and solve all of our societal problems. All we needed to do was get there as efficiently as possible – meaning a concerted effort to reduce slack, create leaner structures, outsource and expand our global supply chains, standardize, automatize, and replicate.

EXPLORING ALTERNATIVE SCENARIOS

Embedded within this approach of efficiency, there has been an overoptimistic lack of consideration for alternative scenarios. We took for granted that, notwithstanding financial crises and epidemics, the scenario of a general growth pattern worldwide was the holy grail.

As such, there was no point in thinking about other possibilities, and worse, to invest resources in preparedness.

Indeed, the popularity of total quality management systems was based on the idea of streamlining. Accordingly, simply keeping assets aside for an unlikely eventuality would be against the very idea of efficiency. As such, it may be to rethink redundancy.

We argue that glorifying efficiency has greatly contributed to the health crisis we are facing today. Some of the most advanced countries in the world are struggling to produce low-technology products such as masks because it was cheaper to have them imported. In struggling to be efficient, nations disregarded the immense expected value of having essential capacities available when needed or, conversely, the terrible cost of their absence.

Countries with the best medical schools did not prepare enough doctors and even fewer trained in public health and health policies, sometimes with the rationale that limiting the number of physicians would reduce healthcare costs.

And when the surge of outpatient care left available capacity in hospitals, this capacity has rarely been kept in reserve. In a much understandable effort to contain increasing healthcare costs, most countries chose not to have slack resources.

As such, we increased efficiency by making redundancies redundant, and we forgot efficacy in the meantime. Now we realise that we arrived faster and cheaper at a wrong destination.

THE IMPORTANCE OF REDUNDANCY

With hindsight, we propose that business systems could be made more resilient to external shocks with proper 'redundancy' planning. Interestingly, the original sense of the word "redundancy" was understood as "the quality of containing additional parts that will make a system work if other parts fail".

In a curious linguistic twist, we now think of "redundancy" as an unwelcome excess, an excrescence to get rid of, as in a "redundancy plan". As we have witnessed, that lack of redundancy has exposed several firms to disrupted production lines due to shortages in essential raw materials. The result – an extremely precarious healthcare crisis with hospitals lacking basic life-saving resources both human and physical.

We are not suggesting we forget efficiency altogether. We maintain that efficiency remains important and there is indeed a moral case for using resources as efficiently as possible. We all want trains to arrive on time, the cash collection cycle to shorten, and performance parameters to improve. But, we suggest that the path to our fabled destination of sustainable development is not linear and hence cannot be attained without maintaining some redundancy.

*This article is in **French** and **Spanish** versions via The Conversation.*

OUR CONTRIBUTORS
BRAINS THAT HAVE BRAWN

TANUSREE JAIN
Trinity Business School

JULIAN FRIEDLAND
Metropolitan State University of Denver

ANNE-CLAIRE PACHE
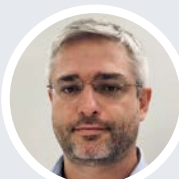ESSEC Business School

CHANTAL DARDELET
ESSEC Business School

VIBHAS SUKHWANI
Keio University

RAJIB SHAW
Keio University

ADRIANO MASSUDA
FGV-EAESP

ANA MARIA MALIK
FGV-EAESP

MARÍA-EUGENIA MARÍN
IE University

KIM HOQUE
Warwick Business School

MARK CHRISTENSEN
ESSEC Business School, Asia-Pacific

SÉBASTIEN ROCHER
IAE Nancy School of Management

PAUL RYAN
Trinity Business School

TONY DUNDON
University of Limerick

YINGYAN WANG
Keio University

VERONICA CASARIN
ESSEC Business School

BERNARD LECA
ESSEC Business School

STEFAN LINDER
ESSEC Business School

ADRIAN ZICARI
ESSEC Business School

NICOS NICOLAOU
Warwick Business School

DENIZ UCBASARAN
Warwick Business School

TINA SAEBI
Norwegian School of Economics
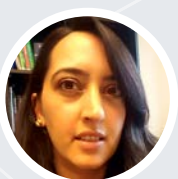
NICOLAI FOSS
Copenhagen Business School

MARLEI POZZEBON
HEC Montréal & FGV-EAESP

ISLEIDE ARRUDA FONTENELLE
FGV-EAESP

YUFEI HUANG
Trinity Business School

CONCEPCIÓN GALDÓN
IE University

SHEILA M. CANNON
Trinity Business School

/CONTENT

12 EDUCATION & SOCIETY

42 MANAGEMENT & LEADERSHIP

72 ENTREPRENEURSHIP & SOCIAL ENTERPRISE

EDUCATION

& SOCIETY

THE MAKING OF A GOOD BUSINESS SCHOOL: DISTINGUISHING PURPOSE FROM PROFIT

Business education is a game that is in dire need of a reboot, assert Profs. **Tanusree Jain** of **Trinity Business School** and **Julian Friedland** of **Metropolitan State University of Denver,** as they show the way forward for those in business and academia alike.

Related research: Reframing the Purpose of Business Education: Crowding-in a Culture of Moral Self-Awareness, Julian Friedland and Tanusree Jain, Journal of Management Inquiry, online first 2020. From Homo-Economicus to Homo-Virtus: A System-Theoretic Model for Raising Moral Self-Awareness, Julian Friedland and Benjamin M. Cole, Journal of Business Ethics, 2019.

FAIR IS FOUL AND FOUL IS FAIR

The 2013 movie, The Wolf of Wall Street, provides a good look into a life focused only on the mass-scale accumulation of wealth. No matter how that money was made. Or spent. Even the famous British economist, John Maynard Keynes, who in 1930 wrote, '… Avarice and usury and precaution must be our gods for a little longer still. For only they can lead us out of the tunnel of economic necessity into daylight.', would have possibly cringed at the extent of such greed – with caution thrown to the wind.

Almost a century has passed since then. When will the planet see that daylight? Hopefully, in the not so distant future for numbers and studies show how corporate executives, B-school students, and thought leaders are all looking at business through a new lens—of CSR, sustainability, and spirituality—signalling that the winds of change have already started blowing, ending the rein of the pay check as the sole measure of success.

altering their behavior after they get to know something that shames them or makes them feel guilty. Such as when Nike adopted an ethical code to avoid facing negative supply chain behaviors. The next level—self-reflection—is about doing the right thing after seeing the positive example of others doing so.

The third and fourth levels of MSA involve future-oriented and proactive levels of self-reflection. As such, people think about the possible harmful effects of their actions, and as a result consciously strive to do good—creating a positive impact. McDonald's and Walmart demonstrated level 3 MSA by using their monopolies to adopt more responsible sourcing across their supply chains. Patagonia, as part of its strategy, encourages consumers to avoid buying more than required and has repair guides for its products shown on its website. It is also pioneering a new line of worn-wear stores. This is proactive and strategic—stuff level 4 MSA is all about.

ONLY AN ACQUIRED TASTE

Luckily, the shareholder oriented mindset is only a result of training, and not something wired in our genes. Just as the shareholder value model displaced the consumer-centric model largely through the influence of business school professors, a new purpose-driven vision is now being championed by academics, consumers, and thought leaders. As such, B-schools are not fighting a losing battle—for they can use MSA to strategically position 'stakeholder and social responsibility'. And not only because it makes business sense.

Here, it is important that purpose and motive aren't mixed up. As such, the purpose of business is to provide goods or services that increase welfare for at least some section of society. On the other hand, the motive—or 'why someone engages in business'—could be the hunt for profits or efficiency, among others. Put more simply, profit—while necessary for a business—is only a means to an end, but not an end in itself. A confusion between the purpose and motive of business can lead to deeper problems. At its simplest, it can often result in businesses and investors viewing rapid growth as an ideal of success. This gives an incentive to indulge in rash behaviour without giving heed to the limits of the environment, or to the social ills such as undue influence over government and that are associated with large enterprises.

As such, business schools can use MSA and educate students about the difference between motive and purpose, also helping these schools stand out in such rankings as Better World MBA and Times Higher Education that do not focus on financial success alone.

DON'T DISRUPT FOR THE SAKE OF IT

This metric—as a go-to measure of success based on what is usually some new, disruptive way of doing business—also needs to be shown the door by business schools. This would pave the way for success to be known through the achievement of an intellectual challenge and the joy that one gets out of it. Another factor should be alumni life satisfaction post-graduation, and tracking alumni career choices in more

responsible organizations such as B-Corps.
Resisting such changes could well mean furthering practices that foster a culture of 'profit, power and celebrity' both in the workplace and in society at large. Think about the consequences of Facebook CEO Mark Zuckerberg's 'move fast and break things' motto on an election, and Uber founder Travis Kalanick's words and deeds regarding sexual harassment and driver salaries.

To this end, business schools need to impart education that motivates students to be 'good people' as they move forward in their careers. And, in addition, the knowledge that ethics is a key part of what success is all about.

NEW BEGINNINGS

This shift comes against the backdrop of a consumer culture that is making colleges—and business schools—give skill-based training to students—not education that boosts intellectual and critical capability. This is akin to the mix-up between the purpose and motive of business.

The motive may be financial reward. The purpose, on the other hand, should be more altruistic: diffusion of knowledge, enhancement of critical-thinking ability, leadership skills, and the like. This is essential for setting and accomplishing organisational and societal goals.

That means designing a syllabus that teaches ethical reasoning through extracurricular activities in different courses. Or using MSA in a course on social-media marketing strategy to encourage its adoption over traditional advertisements, which are more expensive. With the money saved going towards more responsible sourcing.

CURIOUSER...

However, we could ask ourselves what this all means. After all, business education should not become social service training without financial incentive or reward. As such, reward—or punishment—should only be representative of contributing—or not—to greater good.

Another way B-schools could use to achieve this goal would be to target students and hire faculty already keen in areas such as social responsibility, strengthening the school's standing to obtain funding. Given the adoption of online learning, especially in recent times, digital tools such as those on carbon footprint and screen time productivity can be used to promote better habits.

AND CURIOUSER

There's always room for improvement, of course. Some top programs have compulsory learning in areas such as philosophy and ethics, allowing students to refresh their value education. Case-study approaches can work as well. Promotional events and school literature should also change tone and start celebrating those alumni who exhibit a more

About time too, for all is not good and holy. Inequalities are sharply rising, and the front pages of leading business and national dailies are time and again rife with ethics scandals. Not to mention the impact of climate change and the current COVID-19 pandemic that continues to change life—and business—as we know it.

ONWARD AND UPWARD

One such change has been the acceptance of the stakeholder model as opposed to the previous that worshipped shareholders and their value. Leading firms such as Blackrock and Unilever are redefining the purpose of business by considering the larger community as a part of their commercial activity. The UN's Principles for Responsible Management Education (PRME) is another step in that direction. The PRME aims to equip students today—the leaders of tomorrow—with tools to strike a balance between monetary and sustainability goals. As such, it is providing food for thought on what is being taught in school as well as the basis of such teaching.

Tempering this movement is the question whether higher education—particularly at business schools—is still relevant. The availability of online courses by such top tier universities and consulting and training programmes by other players, are indicating a shift in the perception of the need of college education which is becoming exorbitantly expensive. Especially in

the United States, which has seen a decline in the number of applicants.

Such a money-minded setup—reinforcing a belief that people are motivated by selfish interests alone—is increasing pressure on students and institutions alike. The latter are perceived as a shortcut to success, measured more in terms of money than by the quality of education, even by influential ranking lists. This belief has been shown to be false, given increasing student interest in achieving a higher purpose as well. For this universities are being called upon to instil and fulfil social purpose.

PRIDE AND PREJUDICE

Business schools popularised shareholder value supremacy far and wide starting in the 1970s up until the 1990s. This caused moral incentives to disappear from the radar. It is now for the business schools to take the bull by the horns and reframe their conception of business purpose beyond mere financial success. This can be accomplished by emphasizing moral self-awareness (MSA), a motivational system comprising 4 developmental levels, driven by pride and potential shame avoidance—useful in developing civic-minded behavior in humans.

The first level of MSA—social reflection—involves people

holistic version of success. To this end, business schools should invite these alumni to speak, for they will give first-hand knowledge on how they made it. And use these insights in the classroom. Many such alumni will be women—looking for more work-life balance than men—promoting gender equality and inclusivity too.

These are responsibilities that business schools today need to gear for, given their status both within universities and in the wider cultural context. And while no change will happen overnight, a paradigm shift is definitely needed to accelerate us towards that grander daylight Keynes envisioned for business and humanity alike. ///

KEYS TAKEAWAYS

- Corporate executives, B-school students, and thought leaders are all looking at business from a new lens.

- Business schools are perceived as a shortcut to success, measured more in terms of money than by the quality of education, even by influential ranking lists.

- Business schools can use MSA and educate the students on the nuance between the purpose and motive of business.

- There is a need to impart education that motivates students to be 'good people' as they moveforward in their careers. And the knowledge that ethics is a key part of what success is all about.

- Ethical reasoning can be taught through syllabi that take into account extra-curricular activities in different courses.

- Reward—or punishment—should only be representative of contributing—or not—to greater good.

- A paradigm shift in business education is definitely needed to accelerate us towards daylight.

Trinity College Dublin
Coláiste na Tríonóide, Baile Átha Cliath
The University of Dublin

Trinity Business School

One Year to Change your Life

Full Time Trinity MBA

The Full Time Trinity MBA is an intensive project-based management programme designed to create unique and global leaders. Accelerate your current career path or transition to a new industry, you will gain the knowledge, skills and network to achieve your goals.

Delivered over one year based in the heart of Dublin at Ireland's premier business school.

→ Find out more, visit **tcd.ie/business/mba** or email us at **thetrinitymba@tcd.ie**

tcd.ie/business/mba   **#TrinityBusiness**

TOGETHER: ECOLOGICAL AND SOCIAL TRANSITION IN ACTION

The COVID-19 crisis has largely confirmed the limits of the current way in which our societies work and strengthened the pressing need to redefine our priorities, our economic models and our organisations. Prof. **Anne-Claire Pache** and **Chantal Dardelet,** Executive Director of the Together initiative, on the launch of a strategic project at **ESSEC Business School.**

"Involvement has always been a part of the ESSEC DNA and social innovation has always remained one of the major strategic focus areas of the institution," states Prof. Anne-Claire Pache, Director of the *Together* strategic initiative and a leading academic in the fields of philanthropy and social innovation. "*Together* is the fruit of deep and sincere collective consultation on the transformations our societies need – as much as on social as environmental themes that we consider very closely linked. The global crisis we are going through today shows us the extent to which the need is urgent."

GETTING IT ALL... *TOGETHER*

Developed over a period of 18 months in consultation with all the stakeholders within the ESSEC community, and endorsed by ESSEC's Dean and President, Vincenzo Vinzi, *Together* aims to deeply transform the school in its every dimension: teaching, research, and campus life. The official internal launch took place on January 20th, 2020 within the framework

© AMIRIPHOTO

"Moreover," states Prof. Pache, "we will also encourage the development of our faculty research to focus on social and environmental stakes for companies and society and help in the development of relevant learning content." On this note, the Council on Business & Society, an alliance of 7 international business schools that works on these issues and themes, will provide support in terms of this development on an international scale. ESSEC will also continue to construct a diverse and inclusive society by increasing the number of its students with scholarships from 22% today to 27% by 2023 through a strengthening of the school's policy of gender equality and respect for others.

"Finally," asserts Prof. Pache, "we want to anchor ESSEC in the regions in which we operate, notably via the development of the circular economy around our campuses."

AMBITIONS THAT LIVE UP TO THE STAKES

Among the first 50 transformation projects the *Together* initiative will tackle:

• **100% of ESSEC students will be trained in contemporary environmental and social issues.** From the beginning of the new academic year 2020-2021, every student in full-time studies will follow a substantial and mandatory programme on climate issues and challenges.

• **Knowledge and resources will be developed on issues related to the transition** via the large-scale participation of faculty. In September 2020, a new "Climate and Companies" MOOC will be launched in partnership with the consulting firm Carbone4 and a "Sustainability Case Factory" created to produce and disseminate case studies adapted to contemporary issues and stakes.

• **An exemplary environmental management system will be set up for all ESSEC campuses** by notably committing to reducing the school's carbon footprint by 25% in the next three years, by proposing healthier and more local food in the various catering outlets on our campuses, and by increasing the number of eco-citizenship workshops.

• **The development of the social diversity of the school's students will be continued.** As such, the objective to reach is set at 27% of students benefitting from scholarships at Grande Ecole level (compared to 22% today) in order to enrich companies with more diverse leaders.

• **ESSEC will be a model school firmly anchored in its local contexts** where new practices in diversity and inclusion will be tested. The Equal Opportunities Centre will coach twice as many secondary school establishments by 2022, with the training of nearly 2,500 teachers for an impact among 60,000 school students in 400 secondary schools in the area.

• **ESSEC will accompany the transformation of France's higher education ecosystem and organisations** by contributing, among other initiatives, to the FORTES Project with the Campus de la Transition.

"As such, it is the whole of ESSEC Business School that reinvents itself and replies to the expectations of its students and other stakeholders by transforming its pedagogy, its research and its campus life," says Anne-Claire Pache. "The social and ecological transition which we're just entering is essential," adds Chantal Dardelet. "And it is our responsibility as a leading business school to train responsible leaders." ///

of a day's training on the theme of "Climate and Companies" that assembled the whole of the ESSEC community – the Executive Committee, directors, professors, staff, students and alumni – in a unique workshop centred around awareness. And action.

"*Together* is an approach to transition which aims to be radical in its capacity to transform the school," asserts Chantal Dardelet, Executive Director of *Together*. "It's holistic in order to impact all of its employees, skills and areas of activity, co-constructed with all the school's stakeholders, and finally reflexive because ESSEC commits itself to applying to itself what it promotes."

TOGETHER GOES DEEP, GOES FAR

A number of *Together* initiatives have already been launched within the ESSEC, in synch with the urgent need to change the curve of climate warming to avoid overstepping the +2°C in 2100, but also to contribute to the development of more inclusive economies – with fewer inequalities – and more respectful of men and women in their diversity. To give meaning to tomorrow's leadership, ESSEC commits itself to three major areas:

• **Environmental**: to contribute to protecting the planet
• **Social and local**: in favour of the fight against social inequalities and in order to invent virtuous models of local development
• **Societal**: to become the those who craft the transformations required for the business school ecosystem and, more widely, our societies.

The pioneering spirit

ESSEC BUSINESS SCHOOL

ESSEC – 08/20 – © Romain Gaillard/Rea

UNVEIL YOUR TALENT

ESSEC EXECUTIVE EDUCATION

PART-TIME EXECUTIVE MBA PROGRAMS

▪ **ESSEC & Mannheim EMBA**
15 to 18-month part-time program in Paris, Mannheim and Singapore

▪ **ESSEC EMBA**
18-month part-time program in France and Singapore

FULL-TIME MBA PROGRAM

▪ **ESSEC Global MBA**
12-month full-time program in France and Singapore

▪ **3 majors:**
Luxury Brand Management
Strategy & Management
Strategy & Digital Leadership

FT FINANCIAL TIMES

#8 EXECUTIVE EDUCATION PROGRAMS

#7 EUROPEAN BUSINESS SCHOOL

CGEFDG · AACSB ACCREDITED · EFMD EQUIS ACCREDITED · AMBA ACCREDITED · afaq

ADJUSTING TO THE NEW NORMAL: COVID-19 AND HIGHER EDUCATION INSTITUTIONS

What are some of the key challenges faced by Higher Educational Institutions (HEIs) during COVID-19? **Vibhas Sukhwani** and **Rajib Shaw** of **Keio University,** and fellow researchers **Takako Izumi** of **Tohoku University** and **Akhilesh Surjan** of **Charles Darwin University,** explore how HEIs can draw lessons from the pandemic to stay flexible in the face of continuous change.

Related research: Managing and responding to pandemics in higher educational institutions: initial learning from COVID-19 by Takako Izumi, Vibhas Sukhwani, Rajib Shaw, Akhilesh Surjan. Emerald Insight.

> **Instead of a one-plan-fits-all approach, campuses have to develop an individualized plan based on the specific threats and vulnerabilities that they face.**

No footsteps echoed through the narrow hallways. School bells longed to escape their deafening silence. Empty classrooms stared into the void. Once bustling hives of activity, campuses turned a deathly quiet. Back at home, teachers were greeted by the pixelated faces of students on mute as the latter gazed into the digital abyss. Can you hear that silence of education?

COVID-19. The sudden global pandemic has thrown the education sector into very uncertain waters. Schools and universities are forced to shut their doors, disrupting the academic calendar and causing stress to parents and students alike. In response, many educational institutions turned to online classes and some shifted their academic calendars to cope with this extraordinary situation. But, does this dark cloud of pandemic disruption have a silver lining?

© LORADO

can suspend business, disrupt operations, create significant physical or environmental damage, or threaten the university's financial standing or public image are unfortunately not covered.

RISE FROM THE ASHES

Although the two plans have overlapping interests, many institutions keep business continuity separate from emergency management as the former goes one step ahead to restore the organization to its pre-crisis state. BCPs include detailed methods to recoup from local incidents such as building fires, regional incidents such as earthquakes or national incidents such as pandemics. As a result, it is crucial for HEIs to develop a BCP to ensure the continuity of key campus operations such as teaching, research and other supporting services.

WHAT WORKED, WHAT DIDN'T AND WHAT WILL

One of the post COVID-19 measures to undertake should be to initiate an extensive review of EMPs and BCPs to get an understanding of what worked, what did not and how current practices could be improved. If the guidelines worked, it is important for universities to go one step further to understand whether they should develop a plan that focuses on different disaster types such as biological, chemical and natural disasters, or whether an all-hazard approach would suffice to cover different types of disasters.

UNEARTHING MORE PROBLEMS

With an aim to further understand the challenges faced by HEIs around the world during the ongoing COVID-19 pandemic, the researchers went over 150 survey responses collected from 65 universities, located in 29 countries.

It was found that close to half of the responding universities had not developed a BCP yet. As a preparedness plan is crucial to maintaining safety on campus, the situation has to be fixed urgently. Other major challenges identified were lack of adequate preparedness for pandemic and pandemic-specific advanced simulation exercises, change in class style from regular to online lectures and difficulty of working from home. Despite these issues, the information sharing and decision-making processes were timely and open. In sum, it can be deduced that several organizations were unprepared for a global pandemic, but with better plans and resources such as BCPs and EMUs, more universities can potentially make faster and effective responses to global scale disasters. Gathering their observations, the researchers came up with solutions at the organizational and personal level to navigate any future crisis through resilience and adaptability.

© PEXELS - JULIA-M-CAMERON

ORGANIZATIONAL READINESS

The researchers point to seven recommendations for future organizational preparedness. First, there is a need to develop solid backup plans for meeting various crucial academic requirements such as conducting graduations, commencement ceremonies and examinations, during emergency situations. And it is extremely important to provide the necessary support to students for internet-based teaching, discussions and examination methods. Second, both a university-level and a department-level BCP is required to prepare for emergencies. The BCP should establish guidelines for switching to an online education delivery system, including the process, preparation, communication and support to do so. While developing a BCP, it is important to make it an adaptable document that can provide strategies to tackle a wide variety of disasters.

Third, a dedicated emergency management unit (EMU) should be created in all HEIs and its responsibilities should be communicated to all staff, faculty and students. EMUs should be in charge of conducting simulation exercises at regular intervals on different disaster scenarios and ensuring timely training and capacity building of task forces dedicated to such events. Next, HEIs should conduct regular awareness programs on risks, preparedness and responses for staff, faculty and students. To realize this, a thorough risk assessment is crucial, and it should follow an all-hazard approach. Currently, risk communication strategies at HEIs are built around natural disasters and laboratory-based safety risks. This should be expanded to include biological hazards, risks of sudden attack, riots, stampede, etc.

SCHOOL OF HARD KNOCKS

Challenging situations can also mean a fresh start. Despite all the maladies inflicted, the COVID-19 disruption opened doors to new possibilities of reviving the education system. As higher educational institutions (HEIs) find themselves facing the "new normal", the researchers urge the centres of learning to understand and learn from the challenges of the past, rethink education and share the lessons widely to better prepare for future pandemics.

RISING TO THE CHALLENGE

Sudden shifts away from classroom to online-based learning created tremendous changes for both lecturers and students. While the positive side of online education – the flexibility of study time – has been noted, there is much emphasis on the negative impact of COVID-19 on students' mental health.

Many students experienced extreme stress and anxiety due to the uncertainty they were constantly facing and the numerous consequences on their courses and assignments. Another serious issue – the lack of self-discipline – arose when students were self-isolated at home. And the effectiveness of online learning fell short when they engaged in internet-based distractions – surfing or talking to friends on messaging applications – during lectures with the luxury of not being caught. As such, it is important to understand that even though digital tools add value to learning and are an integral part of university education, going completely online is not the best long-term plan. Blended learning models – a

mix of online and face-to-face – are the way to go and have the potential to take over as the norm in future learning and education.

Another grave issue that shook HEIs around the world was financial uncertainty. The pandemic caused institutions to grapple with unexpected costs and potential reductions in revenue – campus shutdowns, tuition refund requests, and significant infrastructure costs necessary to make remote learning possible. Going forward, in order to survive such difficulty, the leadership will need to prepare for numerous possible scenarios, seek creative solutions and stay nimble during the times of continuous change. An exhaustive emergency management plan is a great place to begin.

THE MISSING DETAIL

Most universities have guidelines in the form of an Emergency Management Plan (EMP) or a Business Continuity Plan (BCP) that include key information on how to prepare for and respond to emergencies. These plans usually have two approaches in common – an all-hazard approach that covers the full spectrum of emergencies, and four phases of emergency management – preparedness, response, recovery and mitigation.

Sometimes, instead of a one-plan-fits-all approach, campuses have to develop an individualized plan based on the specific threats and vulnerabilities that they face. The point to take note here is that in all these courses of action, emergencies are considered events that can cause death or significant injuries to staff, students, or the public. Incidents that

HEIs should also upskill in the use of online platforms along-side classroom teaching. That means, a fair share of lectures every year can be conducted online. Additionally, universities should establish strong partnerships with local governments, other universities, private bodies, civil society organizations and communities to enable knowledge and information sharing during emergencies. Finally, universities should set aside reasonable designated funds to boost research and innovation against all forms of hazards.

PERSONAL PREPAREDNESS

The preparedness road doesn't end at the organization-level. The researchers assert the importance of involving the university community – faculty, students and staff – in disaster readiness and point out to four key lessons.

To begin with, there is a very urgent need for everyone to take adequate precautions and safety measures such as wearing masks, observing personal hygiene and maintaining physical distance to prevent infections. Equally important is to rely on authentic sources of information, rather than social media posts which are often half baked or exaggerated. For another, every academic faculty and administrative staff at HEIs should get adequate training and up-to-date awareness on safeguards against biological hazards.

In addition, it is recommended that universities give suitable exposure and training to faculty, staff and students, and also provide them with resources to learn effectively through web-based teaching methods. It is also crucial that the homes of faculty and students alike are equipped with stable and high-speed internet connection for smooth application of various methods. Above all, there is a dire need to invent radical alternatives to the conventional teaching methods to remain relatively unperturbed in the face of another giant, uncontrolled experiment of the pandemic.

WINDS OF CHANGE

Most universities do not have experience dealing with pandemics such as COVID-19, unlike responding to natural disasters. As such, this is their first significant experience with changing the styles of education and research – a clear message regarding the deficiencies of the education sector and the necessity to prepare for both frequent disasters and unfamiliar ones.

The most important elements for creating a disaster-resilient university are developing an all-hazard plan, conducting regular trainings and exercises, building strong community partnerships to generate and share knowledge, and taking innovative approaches to education and research.

HEIs will have to consider post-COVID-19 scenarios seriously and think how they can remain relevant to their students and the society at large. Internet-based teaching is relatively new for many universities, and to some extent, is forced. However, this also opens a dialogue to prove the effectiveness of HEIs in creating a knowledge society. Beyond digital technologies, HEIs need to reposition themselves to supplement the skills needed to prepare a workforce that is better equipped to respond to future challenges. Let the silence of education be broken by the winds of change! ///

KEYS TAKEAWAYS

- The Covid-19 pandemic presents a wide array of threats to the instructional, research and public service missions of higher educational institutions.

- Although a major setback, it is one within which lies the opportunity to rethink education.

- There is an urgent need for well-documented emergency management and business continuity plans to prepare institutions to effectively respond to multiple emergencies.

- Other measures for disaster resilience include adopting blended teaching approaches, conducting dedicated research on innovative methods to learning and teaching, networking with various government and private entities to facilitate sharing of information, and running regular simulation exercises to increase responsiveness.

Keio Business School
Graduate School of Business Administration, Keio University

Learn to Lead

THE KBS MBA

APPLICATION
Entrance examinations for the MBA course are held every October (Fall) and January (Winter). An application form in Japanese is on the website. Date of admission April Admission Quota 100 student/year.

LANGUAGE REQUIREMENTS
Most MBA Program classes are conducted in Japanese. Full-Time students therefore, will use Japanese in class discussions, and for reading and writing assignments.

KBS MBA =
(QUALITY OF EDUCATION)^2
X (VOLUME OF EDUCATION)^2

Keio Business School MBA Program

Our MBA program is two-year, full-time program, aimed to develop business leaders with both professional managerial skills and a sense of responsibility to society and to corporate citizenship. An emphasis is placed both on particular skill sets required in a specific business function, and on developing well-balanced skills to be an effective general manager who is capable of integrating multi-faceted business operations.

Inquiries: gakukbs@info.keio.ac.jp
Website: www.kbs.keio.ac.jp
Tel: +81-45-564-2441

OF WEALTH AND WELL-BEING IN BRAZIL
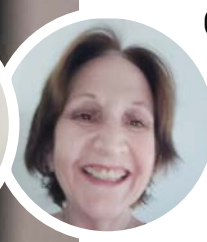
On the occasion of the 30th anniversary of the unified healthcare system in Brazil, Prof **Adriano Massuda** and **Ana Maria Malik** of **FGV-EAESP** and their fellow researchers give an account of the nation's journey on achieving nearly universal access to health, and the road ahead.

> " The development of a new 'inter-federative governance model' that will improve coordination and restore equity in the system. Is needed.

RIGHTS AND DUTIES

The seventh edition of the Brazilian Constitution recognised that the wealth of a nation was its people and made health not only a universal right but also a state responsibility. As such, it paved the way for the unified health system—or *Sistema Único de Saúde* (SUS)—which since 1990 has contributed to notably reducing the inequality in healthcare access and improving results for those who do.

The SUS targeted existing and new infectious diseases, high maternal and child mortality, and problems caused by major changes in society. These were urbanisation, the opening of the Amazon frontier, reduced female fertility, and a higher number of deaths from non-communicable diseases.

This success of the SUS was largely made possible by the decentralisation of power, for the local governments were given the authority and the funds to take decisions on public health. In what can only be a tribute to a sense of ownership towards public good, governments at three levels—federal, state, and municipal—also took part in joint commissions that took such decisions.

© BILL OXFORD

STEP BY STEP

Yet, this story of the SUS has not been without its challenges, for ever since its creation, the SUS has been underfunded. Steps to overcome this hurdle began in 1998 and real health expenditure per capita increased by almost 150% between 1989 and 2014. As such, this feather in Brazil's cap also includes the development of a private healthcare system, which is used by people with high incomes either through their own pockets or via private health insurance.

Credit still must be given to the SUS for changing the landscape of healthcare in Brazil. This involved 'rapid expansion of comprehensive primary healthcare (PHC) centres and the development of health networks for mental health services, emergency care, and specialised outpatient services'.

Further improvements were made through such programmes as those that delivered to the poorest areas in north-eastern Brazil and set standards for family health teams, which provided a wide array of health services including disease prevention and chronic disease management. And formed a core part of the SUS for PHC, despite staff shortages.

The programme for these teams became the Family Health Strategy (FHS) in 2006 as a mark of the crucial role it played in the public health system—teams covered 4% of the population in 1998 but a whopping 62% in 2018. As such, Brazil has witnessed a fall in infant mortality, avoidable hospitalisation and associated deaths, as well as decline in racial inequality in mortality. To cap it all, people satisfaction with the SUS has increased, as has accessibility to a level that is akin to high-income countries'.

CATCH 22

This Brazilian legacy of thirty years still faces its share of problems—access to specialist care is characterised by long waiting times and delays, and the FHS still does not cover the country properly. These are being dealt by leveraging public-private partnerships (PPP) that are funded by the public but run privately.

According to the researchers, the SUS has also taken measures to 'better regulate health products' and to increase their availability and affordability. These measures also include a national immunisation programme, a policy on generic medicine, an essential drugs list, and promotion of locally produced health products.

The status accorded to health in the Brazilian legal setup is a double-edged sword, for people can go to court to ensure that the government provides better access to care. The caveat is that most of these cases are filed on behalf of those wanting to access high-cost treatment not covered by the SUS. Putting pressure on an overtaxed system. Though, there are regions where people from more humble backgrounds are in the majority of those seeking justice, and access to care. For now.

FROM HERO TO ZERO

All these achievements may turn to dust, given the major changes that Brazil is facing as a society today. One such change is austerity in public spending. The researchers showed that transfer of funds from the federal to municipal level was linked with lower infant mortality, increased FHS

© VIORIKA PRIKHODKO

coverage, and a higher frequency of visits to care centres by expecting mothers; three parameters crucial to the United Nations' Sustainable Development Goals.

The study also showed that the effect of changes in national funding was more strongly felt across each of these parameters in smaller municipalities. According to the researchers, this highlights that 'federal subsidies are much more effective in smaller municipalities, which are more reliant on federal funds than are larger municipalities'.

Also prominent is the likely effect on amenable heart-related diseases, especially in municipal areas that manage resources better.

WHEN POLITICS TRUMPED HUMANITY

Other transformations include a political shift towards populism, 'testing democracy and threatening human rights'. The new fiscal policy that ended targeted federal spending on health and education is still to be replaced by a proper health plan.

Medical cooperation with the Cuban government has also ended, resulting in a redistribution of SUS resources that could seriously affect the poor. In another blow to the progress of the SUS, the Brazilian government objected to including pro-reproductive and sexual healthcare terminology in its universal healthcare programme. Arguing that use of such words boosts policies that could promote abortion.

Graphic descriptions in booklets—distributed to adolescents—that give instructions on condom use have also been banned by the government. Plus, the LGBTQ+ community been denied a special mention of being protected by the Ministry of Women, Family, and Human Rights, which states that 'diversity policies have threatened the Brazilian family'.

The Ministry of Education also supported a policy that did not allow to teachers to encourage students to talk about gender identity, diversity, sex ed, and politics. New laws also allow for guns to be more easily available, that too in a country that already has a high number of violent death cases. Something Prof Massuda and his team say does not bode well for health.

A TOAST TO NATIONAL HEALTH

As such, the researchers recommend that the SUS maintain the principles of universality, completeness, and free care, if Brazil wants to achieve universal health care. Yet, clear definitions on what is covered by the SUS at various levels and better regulation are needed to prevent unnecessary litigation, which yields unfair results for access to treatment. The SUS also needs adequate public funding to continue the good work it has accomplished in the delivery of health services. These, the researchers further contend, need to be delivered through a network that is properly integrated at the primary, secondary, and tertiary levels of care. To this end, the network also needs to take into account the private health care system, which needs to be well-regulated, and be supported by a strong PHC system.

The success of the SUS thirty years ago depended largely on the decentralisation of power. While essential at the time, this model needs to evolve to cater to the organisational burden

© NEONJELLYFISH

placed on these municipalities. This means the development of a new 'interfederative governance model' that will improve coordination and restore equity in the system.

Also needed are expanding investments in the health sector, coupled with improving policies in others such as training, industrial, regulatory, and social. And better career paths for those in the SUS and an environment that promotes social debate among the stakeholders of public health—the entire Brazilian people—for it is only they who should get to decide what is in their best interests, as they move towards better health and prosperity. *Saúde!* ///

KEYS TAKEAWAYS

- ◻ The unified health system [Sistema Único de Saúde, (SUS)] has contributed to notably reducing the inequality in healthcare access in Brazil since 1990.

- ◻ Decentralisation of power a major factor in the success of the SUS, which changed the landscape of healthcare in Brazil.

- ◻ The austerity measures introduced seriously affect the SUS.

- ◻ The overall change Brazil is facing as a society is not conducive to promoting good health policies.

- ◻ The SUS needs to maintain its principles while clearly defining its scope if Brazil is to achieve universal health access.

- ◻ Public funds to the SUS need to be adequate to prevent chronic underfunding.

- ◻ A new form of governmental cooperation is required to restore equity and improve coordination in the health system.

- ◻ An atmosphere that is conducive to debate and that includes all stakeholders of the healthcare system is also needed.

- ◻ Strong policies are required to be formed in addition to expanding investments in the healthcare sector if Brazil is to keep up the momentum it has generated since 1990.

FGV EAESP

No single university can really understand what constitutes success in other regions of the world.

That's why five top-ranked business schools in Asia, Europe, North and South America joined together to create OneMBA, the global executive MBA program that is more diverse and globally relevant than any other.

FOR CANDIDATES GRADUATED EIGHT TO FIFTEEN YEARS AGO

OneMBA

Candidates:

- Are encouraged to participate in a profile interview which aims to align expectations regarding the program. Profile analysis is scheduled after application is confirmed.

The FGV-EAESP OneMBA

OneMBA executives from around the globe continue their career while attending classes at the OneMBA partner university most convenient to them. In addition, all OneMBA executives come together for four week-long global residencies held in US, Europe, Latin America and Asia, spread over the 21-month program. Between residencies, OneMBA global teams from different world regions, work together to complete course projects. Upon completing the OneMBA Program, executives receive the OneMBA certificate issued by the five partner universities, as well as an MBA from their home university.

Target Public

Minimum of 7 (seven) years of professional work experience. Your current or expected global management responsibilities will be considered. Bachelor's Degree or equivalent.

Admission Process

Pre application: candidates fill in the pre-application form on the internet with their general information, submit their resume and confirm application by paying the application fee.

For more information on the FGV-EAESP OneMBA
e-mail: admissionsoffice@fgv.br
Phone: +55 11 3799-3488

DRIVING RESILIENCE AND RENEWAL THROUGH MOBILITY IN HIGHER EDUCATION

María-Eugenia Marín, General Director for International Relations, **IE University,** takes a sharp look at the challenges faced by international higherEd and the shape of things to come.

INTERNATIONAL EDUCATION: KEEPING IT ALIVE AND KICKING

The COVID-19 pandemic has disrupted and dismantled international academic mobility as we know it. What has always been an integral part of the higher education landscape must now find direction in uncertain and unchartered waters. International student enrollment numbers are dropping and study abroad and exchange programs have been cancelled or postponed, at least in the short term. Around the globe, degree programs have moved online and many will continue in either a hybrid or fully online format during the next academic term. This scenario coupled with lockdowns, travel bans and restrictions, and health and safety concerns, have forced higher education institutions to rethink and reassess their models.

Set-backs are not new to international higher education. In recent years the sector has been subject to increasing tensions around mobility resulting from populism, nationalist tendencies, and strong public anti-immigration discourses. The long list of strategic and financial set-backs created by the pandemic has now been added to the already existing list of political and regulatory barriers to international mobility. For this reason, it is more necessary than ever to find ways of keeping cross-border mobility alive and kicking. To this end, global partnerships and alliances between universities as well as mobility programs such as Erasmus+ need to be fostered and preserved. They serve as a catalyst for a very important task entrusted to higher education institutions – to prepare globally-minded citizens with a broader understanding and vision of the world around them.

> " Set-backs are not new to international higher education.

sity collaborations across borders. Virtual student exchanges and summer programs as well as virtual cross-border projects and activities are only a few of the initiatives that have emerged across the higher education sector in response to international mobility constraints, consequence of the COVID-19 outbreak. But more importantly the pandemic has given universities the opportunity to redefine and reshape internationalization, making it broader, more inclusive and more aligned with the new reality we are currently confronting.
The transformation underway
Internationalization in this new paradigm needs a more comprehensive focus on sustainability, diversity and equality. By committing to educate environmentally responsible students that understand the value of diversity and equality, universities can help navigate this crisis and contribute to building a more sustainable and equitable world anchored on respect, tolerance and mutual understanding.

From the experience of the current crisis, international mobility post-COVID will be transformed. It will not only be broader in scope but will also offer greater customization based on a student's particular needs and resources. Despite its limitations, virtual mobility will most likely coexist with more traditional forms of presential mobility, making available some of the benefits of an international experience to those that are unable – for any reason – to physically participate in a cross border experience. Technology will also enable and enhance maximum levels of overall interconnectedness. Physical or

presential mobility will however never be extinguished. An in-person, face-to-face international experience can never be replicated or replaced. One must breathe the air and physically explore a new environment to fully reap its benefits.

There is no substitute for the rich learning and teaching environment made possible through the internationalization of higher education. Study abroad and other cross-border experiences take students out of their comfort zone and exposes them to different cultural mind sets, languages, environments, and helps them develop critical soft skills and necessary transversal skills such as the ability to adapt and respond to uncertainty and change. To solve pressing global problems, we will need global solutions developed and implemented by globally-minded talent in a constantly changing world.

GOING MOBILE BRINGS ITS BENEFITS

International mobility has been an integral part of higher education since the founding of the first universities in 12th and 13th century Europe. By the year 1300, close to twenty-three universities had sprouted throughout the European continent and shared a teaching model and language of delivery – Latin. This greatly facilitated what was then referred to as peregrinatio academica (academic mobility), and created a space for knowledge sharing across Europe in a wide spectrum of fields. European universities opened their doors to visiting lecturers in theology, humanism, medicine and law from other European centers of learning. These university scholars were often joined at these lectures by their own students. Hence international academic mobility was born, acting as a catalyst for the cross-pollination and dissemination of knowledge and thought at the root of western culture.

The benefits of internationalization in higher education are undeniable. Over the last decades, cross-border collaborations in research have contributed to important advancements in a wide array of fields ranging from science and health, engineering and technology, to social and business sciences. Globally-oriented universities have become fertile ground for the recruitment of diverse and globally-minded talent by public and private institutions alike. Innovative start-ups that have revolutionized industries have been created and nurtured in university campuses that bring together students from multidisciplinary and multicultural backgrounds. Scholarship programs and new online formats have also allowed universities to created impact and facilitate access beyond their borders.

In this uncertain educational environment, technology has played a pivotal role in unveiling new opportunities for univer-

The pandemic has significantly altered higher education and the recovery will undoubtedly take some time. Apart from all the current hurdles that will need to be overcome, the consequences of a looming global recession will create further uncertainty in the sector and will directly impact international activity even after restrictions are lifted and regular activities are resumed. In the meantime, universities need to make their campuses safe and take the appropriate measures to reduce risks and pave the way for a full recovery of their educational operations. To ensure the collective wellbeing of society, cross-border knowledge sharing and mobility must be protected and preserved. Universities must also engage in collaborative efforts within the higher education ecosystem to streamline cross border flows of talent and knowledge.

Throughout time, international mobility has weathered many storms, and the current crises is no exception. With every obstacle that is overcome and conquered universities will have acquired greater resilience, agility and wisdom. Obstacles are often opportunities waiting to reveal themselves. ///

KEYS TAKEAWAYS

◻ In recent years, education has been subject to increasing tensions around mobility resulting from populism, nationalist tendencies, and strong public anti-immigration discourses. The COVID-19 pandemic has caused additional damage: a drop in international student enrollment, cancellation of study abroad and exchange programs, move to online degree programs and the rise of hybrid or fully online formats.

◻ The benefits of internationalization in higher education: cross-border collaborations in research, the recruitment of diverse and globally-minded talent, innovative start-ups.

◻ Study abroad and other cross-border experiences take students out of their comfort zone and exposes them to different cultural mind sets, languages, environments, and helps them develop critical soft skills and necessary transversal skills such as the ability to adapt and respond to uncertainty and change.

◻ The pandemic has given universities the opportunity to redefine and reshape internationalization, making it broader, more inclusive and more aligned with the new reality we are currently confronting.

◻ Post-COVID education will offer greater customization based on a student's particular needs and resources. Virtual mobility will most likely coexist with more traditional forms of presential mobility, technology will also enable and enhance maximum levels of overall interconnectedness. Physical or presential mobility will however never be extinguished.

ie
BUSINESS SCHOOL

INTERNATIONAL MBA

A PLACE WHERE YOUR MINDSET DETERMINES YOUR POSSIBILITIES

Our flagship full-time MBA program in Madrid. This transformational journey shapes talented professionals, pushing them to impact society and challenge the status quo through innovation and entrepreneurial thinking.

Length:	Format:	Intakes:	Location:
One-year	Full-time	September & January	Madrid

45% of the program is customizable, resulting in a personalized learning experience tailored to your professional needs. Students are encouraged to develop an Entrepreneurial Mindset to make them competitive in any industry or new venture.

Our International MBA will be the most transformative experience of your life.

More info:
ie.edu/IMBA
imba.admissions@ie.edu

MANAGEMENT & LEADERSHIP

THE NEXT
EQUALITY BATTLE
FOR BUSINESS LEADERS

> " The extent of disability disadvantage is not just a matter of concern for working-age disabled people, but also for employers.

Kim Hoque, Professor of Human Resource Management at **Warwick Business School,** takes a look at how the disability employment gap in the UK has been left to widen and contends that pressure is building for companies to do something about it.

With kind acknowledgements to Core Insights at Warwick Business School.

THE DISABILITY DISADVANTAGE

Disabled people face a significant and enduring disadvantage in the labour market. They are over-represented in low-skilled and low-status jobs, are more likely to work in jobs for which they are overqualified, and have poorer access to career progression and training opportunities. They also report lower work-related wellbeing and lower job satisfaction than their non-disabled counterparts.

They also suffer a 15.5 per cent pay gap, which means that, on average, disabled people are paid about £3,000 less per year, based on a 35-hour working week. The Trades Union Congress has recently sought to establish a 'Disability Pay Gap Day'. In 2019, this fell on November 4, this being the day of the year on which disabled people effectively stopped getting paid.

Equally worrying, if not more so, is the size of the disability employment gap. This has remained stubbornly high in the UK, and stands at around 29 percentage points, with only 53 per cent of working-age disabled employees being in work

©ISTOCK
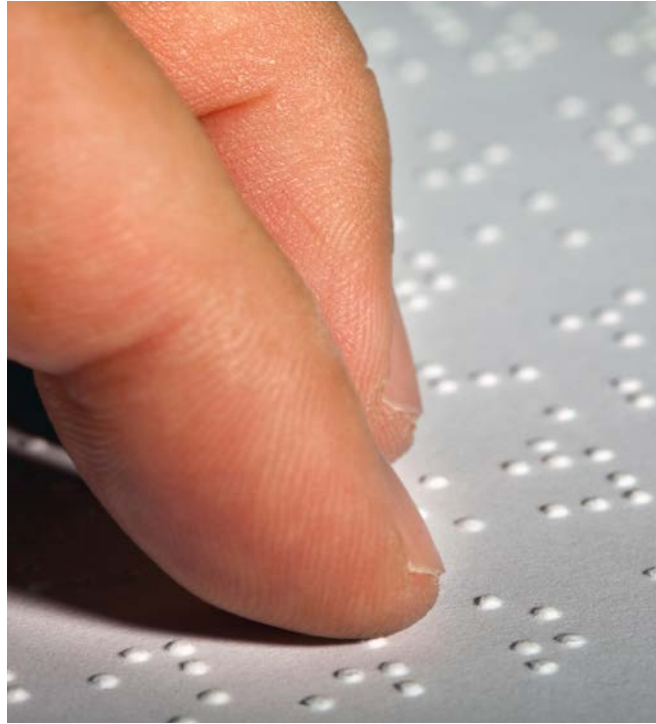
in comparison with about 82 per cent of the non-disabled working-age population. This does not compare well with other EU countries. Across the EU as a whole, the disability employment gap is around 20 per cent. Finland, France, Latvia and Sweden have gaps of around 10 per cent, while in Luxembourg it is less than three per cent.

The extent of disability disadvantage is, however, not just a matter of concern for the large numbers of working-age disabled people themselves (around a fifth of the working-age population is living with a long-term health condition or disability), but also for employers.

WHY EMPLOYERS SHOULD WORRY

This is for a number of reasons. The first is a straightforward moral argument. Disability equality is a social justice issue; hence it is something that all progressive, socially responsible employers should seek to promote. This relates not only to job seekers, but also to the organisation's existing workforce, given that most disabilities develop in adulthood once individuals are already in employment. Employers have a duty of care towards their employees as they age, enabling those who develop disabilities to stay in work. This requires significant investment in occupational health services to ensure the requisite adjustments are made and to facilitate reintegration after the onset of long-term health problems or permanent disability.

A second reason relates to the shifting focus of UK Government policy. Until recently, this has focused largely on supply-side labour market activation aimed at getting disabled people off benefits and into job-seeking activity (via Work Capability Assessments, for example). However, this approach has proved limited, as the persistently high disability employment gap demonstrates. As such, Government attention is now turning to the role of employers in helping boost employment opportunities for disabled people. One

example of this is the introduction in November 2018 of the voluntary disability reporting framework. This calls on employers to report the percentage of individuals within their organisation who are disabled or have a long-term physical or mental health condition, and provide a narrative to outline their activities in the recruitment and retention of disabled people.

The Government believes this will help employers to workforce, better monitor internal progress in building a more inclusive environment, and enable them to access a wider pool of talent and skills, with consequent gains for performance and productivity. While it is currently up to employers to decide whether they wish to heed this call, it is certainly in their interests to do so.

THE IMPORTANCE AND CHALLENGES IN DISABILITY REPORTING

The clamours for disability employment reporting to become mandatory (as has happened for gender pay gap reporting) will inevitably increase should significant numbers of employers fail to engage on a voluntary basis. Disability employment reporting is, however, far from straightforward, and remarkably few employers collect accurate data on the number of disabled people they employ.

Where they do collect data on employees' disability status, this typically happens when they apply for jobs. However, this does not provide a reliable estimate of their total number of disabled employees, as it does not account for fluctuating conditions or for the emergence of disability once people are in employment. Also, disabled people are often unwilling to disclose their status given they fear that doing so will lead to discrimination. While better data can be collected via periodic anonymous staff surveys, even here assurances need to be given that the data will be treated entirely anonymously, and the purpose of the data collection exercise needs to be made clear in order to allay fears surrounding disclosure. Nevertheless, while disability employment reporting may be difficult, it is far from impossible. The civil service already tracks the number of disabled employees at different hierarchical levels, and the National Health Service (NHS) has recently introduced its Workforce Disability Equality Standard, which requires all NHS Trusts to track specified metrics on the employment of disabled people. This shows it can be done. Hence the difficulties involved are not an excuse for inaction.

GOVERNMENT AND COMPANIES

Also indicating the Government's increased focus on the role of employers are its greater efforts to encourage sign-up to its Disability Confident campaign. Disability Confident was launched in 2016 as the successor to the Two Ticks 'Positive About Disabled People' scheme. It has three levels: 'committed', 'employer' and 'leader'. Employers signing up to the campaign are expected to make commitments regarding how they recruit, support and retain disabled people, with the commitments increasing at higher levels. At level three

('leader'), for example, employers are expected to encourage and mentor firms in their supply chain to become Disability Confident. However, the Government has become increasingly aware, given the process-orientated nature of the scheme, that it is possible for employers, even at level three, to secure accreditation without employing a single disabled person.

Indeed, my own research with Nick Bacon, of The Business School (formerly Cass), and David Allen, of Warwick Business School, suggests that neither disability employment rates nor disabled people's experiences of work are likely to be better in organisations that sign up than in those that do not, indicating that Disability Confident is largely toothless in encouraging employers to raise their game.

Reflecting this, it is increasingly anticipated that changes to Disability Confident are on the horizon that will shift the focus from process to outcomes. Indeed, in November 2019, the Government announced a requirement for Disability Confident level three employers to report publicly on their disability employment. This is a positive step. However, only 263 of the 15,124 Disability Confident firms are at level three. As such, it is possible this requirement will be extended in future to all Disability Confident employers, and also for employers to develop action plans (as they are encouraged to do where gender pay gap reporting is concerned) that lay out how they intend to increase their percentage of disabled employees.

A further indication of the Government's focus on the role of employers relates to changes to the Public Services (Social Value) Act. David Lidington, as Minister for the Cabinet Office, announced that all Government departments must take social value into account within procurement decisions. This has major implications, not least given total Government procurement expenditure was £284 billion in 2017/18. While the scheme's details are yet to be unveiled, it is likely that one of the ways companies will be able to demonstrate social value is via their positive treatment of disabled job seekers and employees. As such, the ability of employers to win Government contracts may, in future, be dependent on the manner in which they treat disabled people.

There are, therefore, clear signs of an increased Government focus on initiatives that promote employers' role in addressing disability disadvantage, and it is in employers' own self-interest to engage with these initiatives. This is not only because it may determine their success in winning Government contracts, but because it may also enable them to influence initiatives before they are implemented.

BREXIT AND A HIDDEN GIFT

On their own, these are important reasons for employers to increase their focus on the employment of disabled people, but they are not the only reasons. Employers' bodies, including the Confederation of British Industry, the Federation of Small Businesses and the Institute of Directors, have unanimously expressed alarm that the Government's post-Brexit immigration plans and the curtailment of the free movement of people will exacerbate labour supply problems and skills shortages. However, one way in which these problems might be addressed is if employers think creatively about how to make their workplaces more accommodating to disabled people, thus enabling them to draw on the large pool of disabled people who are willing to work but are currently not in employment.

This is no doubt one reason why the Government is taking the disability employment agenda more seriously. It is increasingly aware that a failure to solve labour supply problems in the post-Brexit era will have severe economic consequences. However, employers often argue that making the necessary adjustments will be dauntingly expensive and they lack the necessary expertise. This may in part be due to a lack of awareness of the available Government assistance. The Centre for Social Justice's research suggests only 25 per cent of employers have even heard of the Government's Access to Work scheme, which offers advice and financial help to employers.

In addition, many of the adjustments disabled people often need are, in reality, relatively low cost or cost-neutral. These include time off for medical appointments, greater flexibility in working patterns, opportunities to work remotely, and flexibility regarding the start and end time to the working day and in the design of jobs. These should, of course, not be viewed as disability-specific practices, but instead as progressive employment practices that employers should seek to apply to their whole workforce. By doing so, they would likely gain not only from having fewer unfilled vacancies and happier disabled employees (as studies from the US demonstrate), but also from happier non-disabled employees, thus leading to greater employee retention of both disabled and non-disabled employees, and a more motivated and productive workforce.

©JRSAK
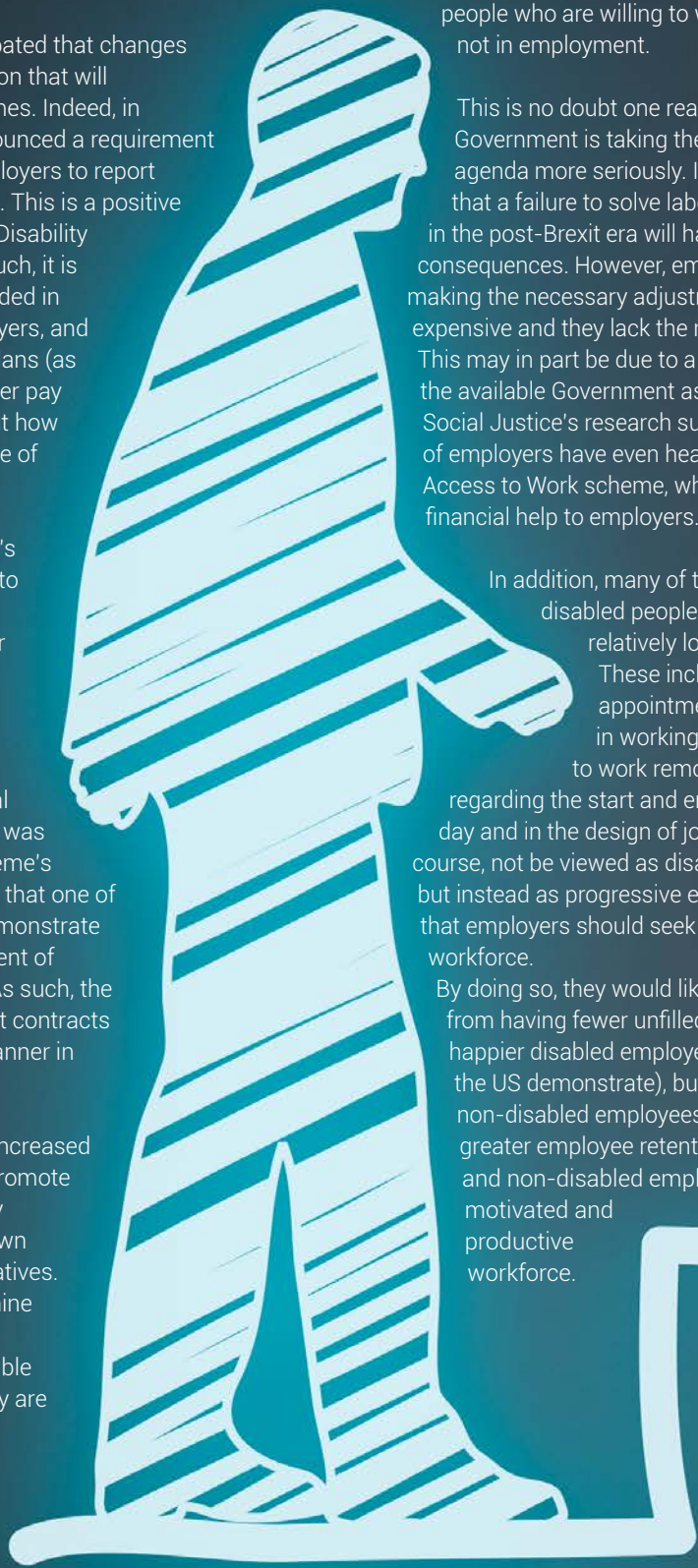
However, while the implementation of such practices may sound like a positive idea in addressing disability disadvantage, it is debatable whether they will gain much traction in the absence of leadership at the very top of the organisation. There is now considerable research showing that only when equality is led from, and championed by, the boardroom does it turn into genuine action across the organisation. It is therefore incumbent on business leaders to develop a climate in which disabled people are viewed as an asset, and their contribution to organisational effectiveness is genuinely valued. As research by Susanne Bruyére and her Cornell University colleagues shows, this involves making the employment of disabled people the responsibility of a senior board member (thus establishing it as a clear priority), placing disabled people in leadership positions, and incorporating disability goals into middle managers' performance plans. This is clearly the right thing to do to improve the working lives of disabled people. However, by developing a climate in which disabled people are able to thrive, businesses will also gain from greater employee retention, smaller skills gaps, a more motivated workforce and ultimately a more effective and profitable organisation. ///

SOURCES: *Connolly, P., Bacon, N., Wass, V., Hoque, K. and Jones, M., 2016. Ahead of the arc – a contribution to halving the disability employment gap. [pdf] The All Party Parliamentary Group for Disability. Available at: <https:// www.disabilityatwork.co.uk/wp-content/uploads/2016/11/All-Party-Parliamentary-Group-on-Disability-Ahead-of-the-Arc-Report.pdf>. Hoque, K., Bacon, N., Wass, V. and Jones, M., 2018. Are high-performance work practices (HPWPs) enabling or disabling? Exploring the relationship between selected HPWPs and work-related disability disadvantage. Human Resource Management, 57(2), pp. 499–513.*

KEYS TAKEAWAYS

- Disabled people are over-represented in low-skilled and low-status jobs, are more likely to work in jobs for which they are overqualified, and have poorer access to career progression and training opportunities. They also suffer a 15.5 per cent pay gap.

- The size of the disability employment gap is high in the UK: 29% points. Only 53% of UK working-age disabled employees are in work, compared to 82% of non-disabled. The EU rate is 20% and Finland, France, Latvia and Sweden have gaps of 10%.

- Disability equality is important for employers as part of their social responsibility. Employers have a duty of care towards their employees as they age, enabling those who develop disabilities to stay in work. But this requires significant investment in occupational health.

- UK Government policy focusing on supply-side labour market activation aimed at getting disabled people off benefits and into job-seeking activity has proved limited.

- UK Government attention is now turning to the role of employers in helping boost employment opportunities for disabled people. One example being the voluntary disability reporting framework.

- The Government believes this will help employers to workforce, better monitor internal progress in building a more inclusive environment, and enable them to access a wider pool of talent and skills, with consequent gains for performance and productivity.

- Disability employment reporting is, however, far from straightforward, and remarkably few employers collect accurate data on the number of disabled people they employ.

- A further Government focus on the role of employers relates to changes to the Public Services (Social Value) Act, where government departments must take social value into account within procurement decisions.

- As such, the ability of employers to win Government contracts may, in future, be dependent on the manner in which they treat disabled people.

- Brexit is an opportunity for the disabled: The Government is increasingly aware that a failure to solve labour supply problems in the post-Brexit era will have severe economic consequences and the large pool of disabled people who are willing to work but are currently not in employment will help to solve this.

- Many of the adjustments disabled people often need are, in reality, relatively low cost or cost-neutral (ex: time off for medical appointments, greater flexibility in working time and patterns, opportunities to work remotely).

- But research shows that only when equality is led from, and championed by, the boardroom does it turn into genuine action across the organisation.

- It is therefore incumbent on business leaders to develop a climate in which disabled people are viewed as an asset, and their contribution to organisational effectiveness is genuinely valued.

- This involves making the employment of disabled people the responsibility of a senior board member, placing disabled people in leadership positions, and incorporating disability goals into middle managers' performance plans.

- By developing a climate in which disabled people are able to thrive, businesses will also gain from greater employee retention, smaller skills gaps, a more motivated workforce and ultimately a more effective and profitable organisation.

BEANCOUNTERS IN POPULAR CULTURE: THE STORY BEHIND THE ART

What's the role of visual art in shaping what we think of others? Profs. **Mark Christensen, ESSEC Business School, Asia-Pacific** and **Sébastien Rocher, IAE Nancy School of Management,** explore the influence of cultural works on society by studying the ebb and flow of the beancounter image in the comics industry.

> "
> The extent of disability disadvantage is not just a matter of concern for working-age disabled people, but also for employers.

"Press less hard!", came the stern reply from the grumpy Mr. Boulier. Gaston, a young cartoonist of a comics company, had just requested for a new pencil to continue work on his drawing. But for Joseph Boulier, the accountant, cost control was everything. And having issued a pencil earlier in the month, the only way to keep costs under check was to tell the cartoonist to apply less pressure while drawing, although that act may prove counterproductive to the company.

Comics, and popular culture in general, perpetuate accountants in this manner. Characterized as dull and boring, joyless and lonely, methodical and conservative, they are often the victims of merciless ridicule. So, what is the reason for the continued portrayal of this beancounter image? The answer lies within the medium of comic books.

With great power comes great responsibility

ALL PROFIT AND NO ADVENTURE

The 1950s introduced the first accountants who were characterised as dishonest and always turned out to be the culprits in detective stories. The first beancounter to be identified, Mr. Lardinois, was portrayed as an austere and prudent man. Obsessively attached to rules and rigorous management of money, he was someone who constrained the hero. The fact that the hero constantly lacked money was sympathetic to the cartoonist's own personal situation and his fight to present a newspaper with a small budget.

As such, the introduction of the character of Lardinois can be seen as a means to hint at the artist's financial constraints and to rebuke managers privileging economy over expression. Similarly, the 1960s brought in Mr. Boulier, a rigid and rule abiding accountant who cared only about cost control and limited the creativity of the hero, a free-spirited cartoonist. Again, the act of Boulier refusing a pencil to a cartoonist can be read as satirising a similar situation lived by the creator himself, namely the enslavement of the artist to capitalism and economic logic.

NEW LEASE OF FREEDOM

The 1970s saw more comics in tune with the social reality and the daily life of more mature readers. Cartoonists were no longer merely perceived as generically skilled. Instead, they were distinguished by their artistic authenticity. The comic book industry became increasingly fluid and cartoonists were free from page number limitations and obligations to conceive their story around an easily recognisable hero.

Comics are one of the most influential vectors associated with mass culture due to their simplicity and easy accessibility. A longstanding art form in which images and text are joined as reflections of society, comics often highlight the economic, social and political problems of the time to arouse the satirical consciousness of its readers. As such, the comics industry forms the basis of Profs. Christensen and Rocher's efforts in understanding the mutual influences between accounting and art.

Using 117 accountant characters identified between 1945 and 2016 in European French-language comic books, the researchers show the cartoonists' motivations and capture the conditions under which a particular comic strip was created. Iconology, a popular method of studying the content and meanings of visuals, has been used to peel off the layers of the artwork.

Interestingly, three variations of the beancounter appeared over the period: those meeting the strict definition; the beancounter who is harmful to others; and, the honest, precise and trustworthy accountant. Gathering the nature of these nuances – and when they occurred in time – over the years, the researchers explored the relationship between the context of the comic book industry and the representation of the accountant as a beancounter.

Cartoonists gained a new lease of freedom of expression. They operated as a critical mirror of society and their comics were about the everyday life of the ordinary man and woman. And a more balanced representation of the accountant emerged. The accountant portrayal moved from being a constraint to a helper, appreciated by other characters. In the magazines created by cartoonists in search of artistic freedom, the accountant was mocked solely to generate laughter and was depicted as someone with no-nuisance power over others. As a consequence, the counterproductive dimension attached to the beancounter disappeared.

THE RETURN OF THE BIG BAD BEANCOUNTER

The 1980s marked another prominent change to the French comics industry – but this time, things took a turn for the worse. Publishing houses gathered around large and medium-sized generalist publishers rather than traditional actors in the comic book market. A consequence for comics publishers was the involvement of management controllers in editorial meetings, which led to profitability being weighed more than the creative aspect of comics.

Pressed by the demands of short-term profitability and the need to generate shareholder return, the largest publishers increasingly reduced potentially risky investments by eliminating opportunities for cartoonists with novel approaches to the medium. In addition, the industry became dominated by the production of comics with inflexible editorial standards. As a result of all these restrictions, the harmful beancounter made a comeback.

WITHOUT POWER

From the 1990s to the 2010s, an alternative comics industry evolved. Artists opposed the commercial logic of comic books to express art closer to reality rather than stereotypes. The few beancounter representations found during this period were those of the boring and irrelevant man who did not understand business and lost his nuisance power and influence. And, the beancounter became marginalised and neglected.

RESPECTING THE VILLAIN

2015 saw the migration of cartoonists from the alternative movement to the established publishers. This act raised the question of whether it was possible to maintain one's image and reputation as an author while working in the domain of large-scale mainstream cultural production. Once again, the harmful beancounter incapable of reasoning other than in economic terms was brought back.

Caillez was one such popular character of the time. He was a stern man, never smiling except when reducing costs. He was the defender of commercial logic, who got excited only by the search for profitability at the expense of quality and artistic expression. The creation of the harmful Caillez character, beyond the intention to create laughter, can be explained by the cartoonist's desire to regain the status of the alternative artist and mock the limits of a predominant financial logic in the comics industry. But it also seems that the Caillez character allowed the creator to display his status as an artist. The accountant was therefore the "villain", but the creator respected him because it was thanks to him that the former could maintain economic success.

THE VERDICT

The beancounter image, from its appearance in 1950 to its recurrence in 2015, was used in a similar fashion by several cartoonists to express an "artist critique" of the managers of comics publishing companies and their obsession with profitability. However, the critique was not constant nor present across all periods.

Cartoonists waited until the 1950s before launching their cultural assault on the accountant – when the accountant appeared as a menace to the artist. In the 1970s and the 1990s, alternative comic book production offered new possibilities of artistic expression and weakened the need for accountant images to fight against the domination of financial logic. In

those times, artist critique lost its edge as cartoonists who had been voicing this form of criticism in the 1960s and in the 1980s became satisfied with changes in the comic book industry. Those changes were mainly the emergence of more mature and artist-oriented production that saw cartoonists recognised as artists and comics as art. As a consequence, there was very little protest art and the beancounter remained mostly to extract humour. In 2015, the beancounter character reappeared, criticism of capitalism at a societal level becoming necessary again for artists wishing to display authenticity – such authenticity had become more difficult to exhibit after the alternative movement was absorbed by mainstream.

MIRRORING SOCIETY

Accounting and accountants are not guaranteed to be in various popular culture forms. While their absence may not signify anything regarding society or the authors' state of mind, their appearance in cultural artefacts – comics, books, paintings, for instance – may be more than mere chance. The beancounter images of accountants have been present in many societies over time. And their varying depictions indicate that popular culture may be a useful mirror of societal attitudes towards accounting.

As such, the image of the beancounter was used by artists as a means to communicate an important message. Rather than reflecting only on what accountants do, the creators used their art to express comments on issues much wider than accountants and accountancy. Their concerns reflected the pressures faced in the comics industry, the tension between for-profit values and artistic freedom and other issues relevant at the time. Since the artists' motives for using an accountant image were fluid, it is hardly surprising to observe that some beancounter representations were subject to change rather than remaining static.

On the one hand, looking at accounting from the point of view of popular culture strongly reinforces that beancounter imagery should not be expected to be permanent. On the other, it also cannot be slated that the ghost of the boring beancounter be laid to rest. As a result, Profs. Christensen and Rocher state that the communication campaigns conducted by the accounting profession to spread an engaging, modern image of its members cannot be expected to be permanent. That means, the persistence of the "boring bookkeeper" stereotype remains as an inviting challenge for the accounting research community. Boulier may be here to stay awhile! ///

KEYS TAKEAWAYS

- ◻ Comics are a critical mirror of society. Comic artists constructed the image of the accountant to serve different functions over time and to make comments on issues much wider than accountancy.

- ◻ The 19th century witnessed the artistic criticism of the capitalist society, one that operated solely on a profitability logic and oppressed freedom, autonomy and creativity.

- ◻ The strict definition of the beancounter was used when artists wanted to criticize the publishing companies that operated on money, gain and profitability. When conditions got better, the beancounter became comic relief.

- ◻ In recent years, the alternative comics movement caused the reappearance of the beancounter. Artists used the imagery to display authenticity by rejecting the profitability logic for the publishing companies they worked for.

- ◻ In spite of efforts to change the perception of the accounting profession, the beancounter image may be a recurrent challenge in the years to come.

The pioneering spirit

ESSEC
BUSINESS SCHOOL

UNVEIL YOUR TALENT

ESSEC EXECUTIVE EDUCATION

PART-TIME EXECUTIVE MBA PROGRAMS

- ◗ **ESSEC & Mannheim EMBA**
  15 to 18-month part-time program in Paris, Mannheim and Singapore

- ◗ **ESSEC EMBA**
  18-month part-time program in France and Singapore

FULL-TIME MBA PROGRAM

- ◗ **ESSEC Global MBA**
  12-month full-time program in France and Singapore

- ◗ **3 majors:**
  Luxury Brand Management
  Strategy & Management
  Strategy & Digital Leadership

FT FINANCIAL TIMES

#8 EXECUTIVE EDUCATION PROGRAMS

#7 EUROPEAN BUSINESS SCHOOL

CGEFDG   AACSB ACCREDITED   EFMD EQUIS ACCREDITED   ASSOCIATION AMBA ACCREDITED   afaq

TALENT MANAGEMENT BEFORE AND DURING A PANDEMIC: FOREVER BARKING UP THE WRONG TREE

> The segregation of employees into talent and non-talent can actually be a counterproductive approach to human resource development.

Talent management has garnered much acclaim since the early 2000s as the font of competitive advantage. But is it merited? Professors **Paul Ryan** from **Trinity Business School** and **Tony Dundon** from **University of Limerick** dissect its meaning for organisational employees and explore its implications for business in this new confusing covid-19 world.

With kind acknowledgements to Trinity Business School and Prof. Paul Ryan.

Talent is king'. 'Talent is scarce'. 'Our edge is our talent'. These are some common refrains of corporations today in their ongoing quest for the elixir of business success. Talent Management took hold in the early 2000s and, today, has become a buy-word in HR and from c-suite managers as something new or even special. It's not. The idea has certainly been bolstered by a growing publication base among academics and consultants. But who or what is this talent? Why do corporations see it as uber-essential? What is so unique in such a generic term like talent that all use? Talent management has never made any of these explicit. It is loosely defined as the "efforts to attract, select, develop and retain key talented employees with the greatest potential to impact on value generation in an organisation". Talent are supposed to be high valued leaders and employees who leverage change.

How ironic that many of those talented leaders and executives are now so visibly exposed during a global pandemic as clueless. The ruse of talent management has for so long not only ignored but actively derided those who are now stocking supermarket shelves, steer the buses, clean the wards, care for the sick and elderly, drive the trucks, pick the fruit or fix broken machines. These are the very people talent management experts would have sacked, classifying them as B or C performers because their value is not directly attributed to adding value in the name of accumulated profit or management-only defined attributed of performance. The stability of global supply chains and ready availability of everyday essentials, it turns out, rest on the endeavours of those adjudicated as the 'talentless' workers.

TALENT IS IN THE EYE OF THE BEHOLDER

In the view of the professors Ryan and Dundon, talent management can be an invidious organisation process that extends exploitation and inequality in the workplace but also spills-over into wider society. They argue that the criteria used to designate certain organisational workers as high or low talent is not only subjectively determined but excluded the voices of those it affects and is rarely if ever negotiated with legitimate workforce representatives. Talent management schemes seldom, if ever, factor in elements such as employee voice, consultation and representation. The process of identification of talent within an organisation invites questions as to fairness of the selection criteria, the makeup and motives of the decision makers and also discrimination between the definitions of 'talent' and 'non-

talent'. It is feasible under the regime of talent management that powerful groupings will unilaterally anoint the talent who are then better rewarded: extending favouritism and enlarging a self-serving elite. Scholars in the area no longer unpick and scrutinise phenomena, practice and concepts but act to reinforce a brand and movement, rather than adjust conclusions and practices as new insights are gleaned and inequities are uncovered.

Average employees can be coerced to re-adjust, re-train or to improve to set measures imposed from above, while the remainder may be ranked as non-talent who are actively managed out of a firm. This cements ongoing workplace pay disparities and provokes widespread dissatisfaction and even resentment amongst the ranks of the 'average' employee, or those who have been branded as 'non-talented' or 'less desirable' organisation members. Essentially, talent management is premised on a discourse of warfare, initially posited by senior management (typically men) as that between rival firms, but which soon becomes subsumed as warfare among employees all jostling for the higher rewards for the exclusive gain of the talent brigade. On this highly masculine battlefield, the system commonly ignores issues of dignity, stress or mental health and wellbeing.

There are of course all sorts of differentiated talented people in society: an artist, a chef, a footballer or nurse. Where does talent end and non-talent begin? And who commodifies certain types of talent and not other forms of skill, knowledge or expertise? To illustrate how much this is such a grey area subject to exploitation, the professors present a hypothetical example, from the world of sport, of a lower league football player's differential talent levels.

Although any such player would most likely have been the most talented player in his school or early age category, as the talent pool widens and opportunities narrow, this same young player may later be judged to lack the necessary talent to reach the absolute heights of his profession, such as the English Premiership or Spanish La Liga. But whilst no Messi, that individual is not, on any fair assessment, without footballing talent. It is evident then, that there are degrees of talent. The same fuzziness holds for evaluating the talent of a ballerina, actor, musician, university professor or machine operator. But what and where is the cut off point for anointment as talent? What constitutes enough talent? Again, how is that decided in the corporate world? Care workers in nursing homes who have occupied their premises of work, essentially decided to live-in, in order to protect those they care for have been some of the most undervalued and least paid occupations on the planet because such talent management experts fail to see their value beyond the profit and loss and balance sheets.

TRUE GENERATOR OF VALUE?

Profs Ryan and Dundon claim that the segregation of employees into talent and non-talent can actually be a counterproductive approach to human resource development. Corrupted organisational selection practices can make for unclear, even unfair progression opportunities and paths. Employees in the average or non-talented groups, that are excluded, can end up feeling alienated and may be disinclined to perform at their peak effort. Moreover, talent management can be viewed as a system that leads to the development of an inner sanctum of like-minded 'chosen ones' in so-called pivotal or profit-enhancing positions. The concentration of such like-for-like talent leaves little room for organisational diversity. The odds are commonly stacked in favour of those that adhere to the rules, play the political game adroitly and tow the party line. This actually diminishes ideation and creativity. Replicating sameness, a form of internal organisational cloning of so-called good talent, is not ideal for engendering innovation, a proven source of business advantage.

But all may not be lost, the professors conclude. Perhaps the biggest failing of talent management is that its essential logic works against its stated objective: value generation in its widest organisational sense. It's in the hands of organisational leaders, teachers and researchers to direct attention to reducing favouritism and unfairness. An appreciation that talent permeates all areas of the organisation would be best achieved with maximum transparency and social dialogue with employees and their representatives.

Simply said, look after all organisational members and true talent will out, across and between all organisation levels. And the time for such distributive justice in the organisation is now, since all organisation members, not a chosen few, are required more than ever to support others for a greater societal good in tackling a new pandemic affecting all. Indeed, it is the lower-paid and lower-performers classified as non-talented who are now putting their lives at risk for the so-called higher talented privileged elite, the majority of whom are allowed to manage from the security of home. When this is all over, will it be remembered which talent saved the day? ///

KEYS TAKEAWAYS

- Talent management is defined as the efforts to attract, select, develop and retain key talented employees with the greatest potential to impact on value generation in an organisation.

- Talent management has existed since the early 2000s, however it presents many faults. the definition of talent is subjective, and there are varying degrees of talents as per the party who decides what it means.

- With the practice of talent management, engagement and retention, organisations can end up demotivating workers which may actually reduce overall efficiency.

- Talent management's practices are favourable to a select few which includes shareholders and upper management while detrimental to employees and societies. talent management creates rankings, justifies differential treatment and wage discrimination.

- Talent management leads to masculine dominated cultures forcing employees to compete for higher rewards rather than collaborate. the resulting emotional stress and inequitable distribution are skewed in favour of the 'elite'.

- The criteria used to segment people as talent is subjectively determined and never negotiated with legitimate workforce representatives. it is typically the subjective views of senior managers who decides what constitutes talent.

Trinity College Dublin
Coláiste na Tríonóide, Baile Átha Cliath
The University of Dublin

Trinity Business School

Take your career to the next level

Trinity Executive MBA

The Trinity Executive MBA is designed to accelerate your career and fit with your busy schedule. Our project-based management programme gives candidates the knowledge, skills and network to achieve their goals.

Delivered over two years based in the heart of Dublin at Ireland's premier business school.

→ Find out more, visit **tcd.ie/business/mba** or email us at **thetrinitymba@tcd.ie**

EFMD EQUIS ACCREDITED | ASSOCIATION AMBAS ACCREDITED

tcd.ie/business/mba

#TrinityBusiness

> I'm innovative because the company I work for is innovative.

JAPAN WITH A MISSION: MANAGEMENT PHILOSOPHY

The philosophy of management is what connects the people with the organisations they work for, says Prof. **Yingyan Wang,** of **Keio University, Japan,** as she examines the underlying mechanisms by which people play a role in fulfilling their organisation's goals.

Related research: Mission-Driven Organizations in Japan: Management Philosophy and Individual Outcomes, Springer. With kind acknowledgements to Prof. Hirokazu Kono, Keio Business School.

Actions speak louder than words. So too in management, for firms do not necessarily walk the talk when it comes to fulfilling their mission statements they so proudly display on their sophisticated webpages that fill up the crucible of knowledge known as the internet.

As such, the establishment of a real, concrete management philosophy that is followed in letter and in spirit is what sets Japanese mission-driven organisations apart. But what is this elixir?

Research has shown that it is nothing less but the core tenets and practices that an organisation is guided by in the pursuit of its mission. Ethical values such as sustainability, trust, honesty, among others are crucial in determining right from wrong in the Japanese business context.

However, previous research has been limited to analysing the content of mission statements and how these can be made operational on a large scale. Overlooking the fact that it is the

people who will ensure that these statements are not mere platitudinal rhetoric, but statements of depth made by those who put their money where their mouths are, has been legion.

FINDING THE MISSING LINK

To fill this void, Prof Yingyan Wang analysed data from over 1,000 employees of a Japan-based general trading corporation that enjoys good social standing. In doing so, the study focuses on developing a comprehensive framework that can explain how people understand management philosophy and how its adoption is related to end results.

As such, the study draws from research that shows that a well-formed philosophy that is acted upon and representative of the company's goals and values can act as a moral compass for employees as they go about their jobs.

To this end, Prof Wang examines how employees adopt the management philosophy from cognitive and attitudinal perspectives, the factors that influence this adoption as seen from the eyes of organisational practice, and whether this bolsters job involvement and organisational citizenship.

HOW DEEP IS YOUR LOVE?

But management philosophy is not a checklist of standard to-do tasks that employees perform in their daily activities. Identifying with it requires a connection at an emotional and cognitive level and an acceptance to incorporate it with one's idea of self-concept. And to make sense of it. This identification manifests itself in highly motivated individuals, who in associating themselves with the management philosophy at hand believe it to be not only a

part of their job function, but also a representation of who they are as a person. In doing so, they exhibit a behaviour based on a theory that closely identifying themselves with a mission-driven organisation will give them the traits that are associated with their organisation. 'I'm innovative because the company I work for is innovative' is a refrain that can aptly describe this line of thought.

Helping develop this identification process is the sensemaking ability that humans possess. This is important because management philosophy is not a straight-line curve. As such, people will face various challenges in their job roles in the form of conflicting opinions, events, issues, and actions that will force people to pause and think before they can act. In doing so, humans map these circumstances – for people seek meaning in whatever they do. This reduces conflict, untangles webs of chaos, and provides a perspective on how to interpret the management philosophy. And achieve the company's mission.

PRACTICE WHAT YOU PREACH

Subsequently, organisations engage in practices that are used to convey their values, norms, and goals to their employees. According to theory, these organisational practices can influence an individual's behaviour. For mission-driven organisations, these practices include methodical processes that promote actions that do not focus on profits alone but on the serving the interests of multiple stakeholders such as support from senior management regarding CSR activities.

As seen previously, since management philosophy is difficult to understand, individuals rely on their sensemaking to join the dots to figure out what to do. For this reason, research has found that they rely on organisational practices that

signal, develop, and reinforce the ethos of the organisation to its employees. For instance, senior managers could lead by example by following the management philosophy in serving their customers' interests. Or perhaps, develop training programmes that upskill employees.

As such, philosophy-oriented practices help clarify confusion, develop the individual's faith in the philosophy, and promote collective commitment to it among organisational members—promoting individual identification of and sensemaking with the management philosophy.

GOING THE EXTRA MILE

In order to measure individual outcomes of management philosophy, it is important to take a look at two aspects—job involvement and organisational citizenship behaviour—that represent a person's behaviour.

Given that organisations have a sense of collective identity, management philosophy is the mission-driven organisation's most powerful expression of that identity. For example, employees who associate themselves strongly with a mission's identity of environmental protection will go the extra mile to decrease pollution in their daily work processes.

Building on this, the success of the mission-driven organisation's philosophy lies in the success of its actions it takes as a collective unit. As such, people will engage in organisational citizenship behaviour—actions that benefit the organisation but are not formally required—by helping others in the organisation in order to ensure that the philosophy succeeds.

SENSE AND SENSIBILITY

But why do these individuals engage in such altruistic behaviour? The answer lies in the sensemaking nature of humans examined previously. For starters, it helps people to interpret the management philosophy in their own way. As such, people are prompted to invest significant time and energy on how and what to do in order to say 'mission accomplished'—increasing their job involvement.

It also has to do with the fact that mission-driven organisations are attractive for people who show pro-social motivation, and are therefore encouraged to behave in a pro-social fashion. And theory says, corroborated by Prof Wang's study, that these people are more likely to engage in organisational citizenship behaviour.

BUILDING BRIDGES

The adoption of management philosophy, which consists of both identification and sensemaking, thus forms the central idea of this study on mission-driven organisations. This principal theme is flanked by organisational practices—rooted in this philosophy—in the west, and by individual outcomes in the east.

As such, Prof Wang's research has shown that organisational practices affect the adoption of management philosophy, in turn affecting outcomes. Thus, the adoption of management philosophy mediates the relationship between practices and outcomes.

ON THE JOB

There is also research that suggests that a higher level of corporate value exists when employees believe that ethical policies and procedures are followed by management and their fellow peers. Furthermore, the inculcation of business ethical values is a pledge of sorts taken by the company to promote these values in a formal setting.

To this end, the first and most important thing to be done by organisations looking to be mission-driven is to formulate and implement comprehensive philosophy-oriented practices—training and educational programmes, employee appraisal systems, ethical leadership of the organisation, and mentoring by managers and supervisors.

Moreover, in light of the fact that an individual's adoption of management philosophy forms a link between organisational practices and outcomes, organisations would do well to spend their energy on seeing whether individual employees are willing to follow the same management philosophy as that of the firm. The absence of this understanding will cause frustration for the organisation failing to see individuals act in the appropriate manner.

© NIKADA

Previous research has also suggested that employees at all levels should practice the management philosophy of the firm, while recognising that this complex issue may not be well understood at all levels.

To overcome this hurdle, Prof Wang suggests that senior management take charge in implementing philosophy-oriented organisational practices and that individual employees focus on adopting the philosophy into their self-concept. Exhibiting a key Japanese trait along the way—job commitment. ///

KEYS TAKEAWAYS

- ☐ The establishment of a real, concrete management philosophy that is followed in letter and spirit is what sets Japanese mission-driven organisations apart.

- ☐ Management philosophy is not a checklist of standard to-do tasks that employees perform in their daily activities.

- ☐ Organisational practices can influence an individual's behaviour. For mission-driven organisations, these practices include methodical processes that promote actions that do not focus on profits alone but on the serving the interests of multiple stakeholders such as support from senior management regarding CSR activities.

- ☐ Philosophy-oriented practices help clarify confusion, develop the individual's faith in the philosophy, and promote collective commitment to it among organisational members—promoting individual identification of and sensemaking with the management philosophy.

- ☐ The success of the mission-driven organisation's philosophy lies in the success of its actions it takes as a collective unit.

- ☐ Organisations looking to be mission-driven should formulate and implement comprehensive philosophy-oriented practices and see whether individual employees are willing to follow the same management philosophy as that of the firm.

- ☐ Senior management should take charge in implementing philosophy-oriented organisational practices and individual employees can focus on adopting the philosophy into their self-concept.

The KBS EMBA

Launched in 2015 to further realize our school mission, the Executive MBA program provides a rigorous, accredited Master of Business Administration degree built on a foundation of breadth and depth of topics, and a culture of inquiry that prepares students to become business leaders who will assume crucial leadership roles in business and society.

APPLICATION

Entrance examinations for the EMBA program are held every November, December, and January. An application form, written in Japanese, is available from our Japanese website.

Date of admission	April
Admission Quota	40 students/year

For more information on the KBS EMBA:
Tel: +81-45-564-2441
E-mail: gakukbs@info.keio.ac.jp

UNIQUE FEATURES OF THE KBS EMBA

Visionary Project:
Offers students opportunities to envision a desirable future in terms of economy, society, and value systems at individual level, then to back-cast those visions to the present time to realize their agenda.

Global Management Seminar:
Offers students the chance to understand the difference between overseas management practices and those in Japanese contexts to gain a truly global perspective on generalizable managerial practices.

Field Courses in Japan and Overseas:
Students learn logical decision-making via analyses of management practices and their backgrounds in a practical application of fundamental management theories. Client companies' strategic issues are addressed via field research and discussions with their executives and key players. In the case of overseas field courses, students are sent on short-term field study assignments with partner schools in North America, Asia and Africa.

"Education is the way to liberate every human being."

Hirokazu Kono, Dean and Professor, Operations Management, Keio Business School

ETHICS IN CONTROL SYSTEMS: LET'S GO BEYOND SIMPLE COMPLIANCE!

> " **Ethics as "Compliance tools" approach is limited, and possible contrary to the long-term success of a company.**

ESSEC Business School Profs **Veronica Casarin, Bernard Leca, Stefan Linder,** and **Adrian Zicari** unveil their research into the ethical aspects of management control systems (MCS) and their impact on employee health and behaviour.

Related research: Designing Ethical Management Control: Overcoming the Harmful Effect of Management Control Systems on Job-Related Stress published in the Journal of Business Ethics, Springer.

When we think about Ethics in the context of performance indicators and control systems, we tend to think about fraud. How to make sure that employees do not commit fraud. To be sure, fraud has been a longtime concern for company owners. Going back to biblical times, we have the story of a manager who frauds his master by undercharging clients (fifty measures of oil instead of one hundred). More recently, we may remember high profile fraud schemes like those of Enron, Parmalat, or Wirecard. In many of these cases, the concerned companies collapsed because of fraud.

COMPLIANCE: TOOLS AND REGULATIONS

Small wonder that Ethics in control has frequently been considered mainly or exclusively as an issue of fraud prevention. In the last decades, and particularly after the subprime crisis in the U.S. (and its regulatory response, the Dodd-Frank act), we have seen a consistent increase in

© PEOPLEIMAGES

related stress and the risk of burnout in employees.
In contrast, combining different financial and non-financial indicators, as it happens in the Balanced Scorecard (with its lesser emphasis on financial performance) rather than relying on financial metrics only seems to lower both, harmful threat-related stress and the risk of burnout. And our data suggest that pay-for-performance increases employees' perceived challenge (a form of motivation) without increasing the danger of burnout.

MUCH TO GAIN FROM ETHICS

Thus, Ethics in Control is not just about reducing people's leeway. This "policing" mindset has already reached its limits. We claim instead that an ethical reflection about Control tools, their use and their potential for bringing the best out of people and avoid harming them is a much-needed endeavor. And that companies, employees, and society in general have much to win if we follow this less trodden path! ///

regulations, in many sectors, both in the U.S. and in Europe. Consequently, Compliance emerged as a promising, growing professional field, well protected from crisis. Nowadays, no large company can afford not having a reliable Compliance office.
Some may even dream of a highly advanced compliance mechanism that would bring the "perfect" company, by diminishing, nay, obliterating the very possibility of fraud. In this new world of outmost compliance, all employees would necessarily do the right thing, and Ethics would be an issue of the past.
However, this "Ethics as Compliance tools" approach is limited, and possible contrary to the long-term success of a company. Don't get us wrong, of course we need to play by the rules. And certainly, management and company owners need to be sure that the company abides to the law. But an identification of Ethics with Compliance is a too narrow perspective. We need to go beyond simple compliance.

CONTROL AND EMPLOYEE WELL-BEING

In our research, we take a different path. We believe that some compliance tools are certainly necessary as long as they do not end up in excessive box-ticking and much welcome to spot and discourage unethical behaviors. But Ethics cannot be limited to that. We go a step further by asking how a Control system can be designed to be ethical. We particularly focus on how a Control system can help to develop the full potential of human beings, without damaging them.
To do so, our group has conducted several studies, using different and complementary research methods. For instance, in a study with more than four hundred managers in the UK and the U.S., we explore how a Control system can be more ethical. Among other results, our studies suggest that tight standards (e.g. a slashed budget) increase harmful job-

KEYS TAKEAWAYS

□ Ethics in control has frequently been considered mainly or exclusively as an issue of fraud prevention.

□ In the last decades, there has been a consistent increase in regulations in many sectors both in the U.S. and in Europe. Consequently, Compliance emerged as a promising, growing professional field.

□ Although management and company owners need to be sure that the company abides to the law, an "Ethics as Compliance tools" approach is limited, and possible contrary to the long-term success of a company.

□ Some compliance tools are certainly necessary to spot and discourage unethical behaviors as long as they do not end up in excessive box-ticking. Studies suggest that tight standards (e.g. a slashed budget) increase harmful job-related stress and the risk of burnout in employees.

□ In contrast, combining different financial and non-financial indicators, as it happens in the Balanced Scorecard (with its lesser emphasis on financial performance) rather than relying on financial metrics only seems to lower both, harmful threat-related stress and the risk of burnout.

□ Research suggests that pay-for-performance increases employees' perceived challenge (a form of motivation) without increasing the danger of burnout.

□ An ethical reflection about Control tools, their use and their potential for bringing the best out of people and avoid harming them is a much-needed endeavor, companies, employees, and society in general having much to win.

COUNCIL on
BUSINESS & SOCIETY
A GLOBAL ALLIANCE OF SCHOOLS OF MANAGEMENT

TIMES HAVE CHANGED

© Tempura

**Time to follow
@The_CoBS**

ESSEC
BUSINESS SCHOOL

FGV EAESP

SCHOOL OF MANAGEMENT
FUDAN UNIVERSITY

ie BUSINESS SCHOOL

K.B.S
1962
KBS BUSINESS SCHOOL

Trinity
College
Dublin
The University of Dublin

wbs
WARWICK BUSINESS SCHOOL
THE UNIVERSITY OF WARWICK

An alliance with a purpose

ENTREPRENEURSHIP

& SOCIAL ENTERPRISE

ARE ENTREPRENEURS BORN OR ARE THEY MADE?

Warwick Business School professors **Nicos Nicolaou** and **Deniz Ucbasaran,** focus on the question that has puzzled researchers for years.

With kind acknowledgements to COREinsights. From an original piece titled Are Entrepreneurs born or are they made?

> **"**
> What is more important is to demystify entrepreneurship and make people believe it's possible.

Are entrepreneurs born or are they made? It's a question that has puzzled researchers for many decades. But Nicos Nicolaou, Professor and expert in the biology of the entrepreneur, is shedding new light on the role DNA plays in shaping who chooses to be their own boss. And his results suggest that genes do matter – but only up to a point. "It's not nature, it's not nurture – it's a little bit of both," he says.

UNIQUE BUT ALSO TWO OF A KIND

Twins are a fantastic natural experiment which can help scientists tease apart genetic and environmental influences on all sorts of behaviours. Whereas identical twins share all of their DNA, non-identical twins share around half. Researchers can use this fact to look at twin concordances for entrepreneurship – the probability that one twin is an entrepreneur given that the co-twin is also an entrepreneur.

If this is greater between identical twins than their non-identical counterparts, it suggests nature plays a role in determining who becomes an entrepreneur. But if both types of twins display similar twin concordances, it would suggest that nurture plays the only role.

Nicolaou's research shows genes do indeed make some people more likely than others to become entrepreneurs. "We found that about 40 per cent of the variance in entrepreneurship is accounted for by genetic factors," he says. However, we won't be seeing a world where would-be businessmen and women undergo genetic screening before being granted a bank loan. "It's important to clarify what that means," states Nicolaou. "That does not mean that genes determine who becomes an entrepreneur. We're only talking here about probabilities and likelihoods, nothing else – this is not deterministic."

HOW INFLUENTIAL ARE GENES IN CREATING ENTREPRENEURS?

In any case, people looking for a specific 'entrepreneurship gene' will be disappointed – the genetic tendency to start a business is likely to be due to a large number of genes that manifest themselves in many ways, including through a complex dance with the environmental influences that each individual meets in their life.

Perhaps the most straightforward way genes influence our entrepreneurial tendencies is through personality. People who have inherited traits such as extroversion, creativity or an openness to new experiences, for example, are more likely to go into business for themselves.

Environmental factors might also interact with genetics to influence whether someone becomes an entrepreneur - so a person with a certain combination of genes may react more strongly to an environmental stimulus, such as a better availability of finance.

And on a more complex level, genes may lead people to seek out environments that may in turn make them more likely to become an entrepreneur. For example, people who are genetically predisposed to embrace new experiences may choose to follow an adventurous career path where they are exposed to a richer seam of potential business opportunities. "In a way we partly create our own environment based on our genes," says Nicolaou.

NATURE OR NURTURE?

Twin research can only give us an idea of the role genes play at the population level. But when we zoom in to look at individuals, it is impossible to say whether any one person's entrepreneurial zeal is down to nature or nurture.

It would be nice to know, for example, how much influence genes had on John Dymond, who seems to be the classic born-entrepreneur. He comes from a very business-minded family where his father and uncles have all at some stage run their own ventures. Dymond is now co-founder and CEO of DocDelta, a US-based tech start-up that he describes as a talent search engine for healthcare professionals. He previously spent several years working for another healthcare start-up, where he came on-board at a very early stage and helped to grow it to a multi-million-dollar company. He points to a key personality trait he believes he has inherited from his father.

"There's definitely an element of drive that is inherent in what I'm doing," says Dymond, who graduated with an MBA at WBS in 2013. "I don't like to settle. I like to be pushing forward all the time – it drives everyone mad, including my wife."

WHAT ARE THE SALIENT TRAITS OF ENTREPRENEURSHIP?

Similarly, the career to date of Neil Hutchinson, another WBS alumnus, is testament to that same kind of drive. But unlike Dymond, Hutchinson doesn't come from a family of entrepreneurs – his father was a university librarian and his mother a teacher. "I think, for me, it's probably more shaped by my environment," he says.

Having made his name in the internet marketing industry with TrafficBroker and then acquiring energy comparison website uSwitch, Hutchinson's firm Forward now focuses on both early-stage venture capital and later-stage private equity style investment.

His personal investment vehicle Neon Adventures also has many projects on the go, including a boutique hotel in Marrakech, a professional cycling team for promising young cyclists and a philanthropic project called The Kindness Initiative, which aims to make the world a better place by helping people to be kinder to one another, while he is also CEO of Paws, a pet care company.

He wonders whether it was his upbringing – particularly his father's love of sport – which gave him the drive behind his multifaceted entrepreneurial career. "I did a lot of sport growing up so I was used to competition," says Hutchinson. "I think having a competitive element is probably a key trait in an entrepreneur."

CAN AN ENTREPRENEURIAL MINDSET BE LEARNT?

Hutchinson's story is an inspiration for those people who don't come from a particularly entrepreneurial family but who dream of launching their own business. And hearteningly, Nicolaou's research backs up Hutchinson's experience.

"Environmental factors are actually more important than genes" says Nicolaou. "Even though genes do matter, I believe that pretty much anyone can become an entrepreneur with the right training, guidance, opportunities and so on."

That's where people like Deniz Ucbasaran come in. As Professor of Entrepreneurship at Warwick Business School, she definitely believes the entrepreneurial mindset is something that can be learned. "Given the proliferation of entrepreneurial education, there's obviously a large proportion of society that believes it can be taught," she says. Ucbasaran points to some of the key hallmarks of an entrepreneurial mindset – identifying opportunities and selecting the most promising ones; lean and agile thinking, and knowing how much you can afford to risk. And these can easily be learned, she believes. "There is probably a form of entrepreneurship for many people," she says. "It may not necessarily be a start-up, it may be within an established organisation or it may be a social enterprise. It's finding a match between the individual, their skills, their passions and the opportunity."

Ultimately both Ucbasaran and Nicolaou agree that in the real world of business, it doesn't really matter whether the drive to be an entrepreneur is down to nature, nurture or a little bit of both. Nicolaou says: "What is more important is to demystify entrepreneurship and make people believe it's possible and that it's not rocket science. ///

KEYS TAKEAWAYS

- ❑ 40 per cent of variance in entrepreneurship is accounted for by genetic factors.
- ❑ Research finds genetics has an influence on becoming an entrepreneur.
- ❑ "We create our own environment based on our genes".
- ❑ Genes matter but entrepreneurial skills can be taught.
- ❑ A form of entrepreneurship can exist for many people, eve within an established organisation or a social enterprise.

SOCIAL ENTERPRISE: 21ST CENTURY JIGSAW

Professors **Tina Saebi, Norwegian School of Economics, Nicolai Foss** of **Copenhagen Business School** and **Stefan Linder** of **ESSEC Business School** take us on a quest to find the missing pieces that will aid and redirect the course of research on social enterprise.

Related research: Social Entrepreneurship Research: Past Achievements and Future Promises, Journal of Management Vol. 45 No. 1, January 2019 70 – 95.

> ## Social ventures exist to lift human society as a whole, even if done bit by bit.

If one were to say that social enterprise is a new phenomenon, it would only be partly correct, for in 1953 the American economist Howard R. Bowen penned an entire book titled 'The Social Responsibilities of the Businessman' on the subject. Yet, the notion of Social entrepreneurship as a powerful business agent that can catalyse significant transformation, has only been around for a little more than a decade. Especially in academia, the rapid growth of Social entrepreneurship research, the emerging nature of the literature, and the fact that Social entrepreneurship builds on different disciplines and fields (e.g., entrepreneurship, sociology, economics, ethics) have led to a rather fragmented literature without dominant frameworks.

As such, Tina Saebi, Nicolai Foss and Stefan Linder have brought to light the multidimensional nature of social enterprise, reviewed the achievements as well as shortcomings of the increasingly broad and rich Social entrepreneurship research, and highlight the need to take a holistic approach— join all the pieces that make up social entrepreneurship and bring them under a one roof.

FINDING UNITY IN DIVERSITY

But in order to do so, it is important for Social entrepreneurship to be recognised for what it does and does not stand for. Given the differentiated research, there has been no single definition of what differentiates Social entrepreneurship for other related phenomena—CSR, philanthropy, sustainability etc. — which are often not well delineated from it. In the face of this, Saebi, Foss, and Linder focused on finding common ground among the variety of definitions.

In doing so, the researchers draw from previous research and showcase that what sets Social entrepreneurship apart from its close cousins is its hybrid nature. Commercial entrepreneurship is involved with all the traditional hallmarks of finding ways of creating value—opportunity identification, resource mobilisation and the like. Social entrepreneurship on the other hand draws on the hallmarks if and only if profitability goes hand in hand with solving a social problem.

Similarly, Social entrepreneurship differs from CSR in that the latter is an extension of a firm's traditional business activity to reach out to its stakeholders and with the aim of increasing profit. Charitable and not-for-profit organisations too are different, for their funding is usually from external sources, such as the government. Consequently, their social initiatives do not compete for resources with profit-seeking ones.

As such, they draw from the idea that 'the dual mission of social and economic value creation reflects the core characteristic of Social entrepreneurship.'

TWO BIRDS WITH ONE STONE

This hybrid nature of social enterprises manifests itself in two ways. The first is whether the people—whom the organisation wants to reach out to—are also active participants in the Social entrepreneurship's model. Aravind, which provides free eye-care in rural India, is an example where social value is created for the beneficiaries. On the other side of the coin is Unicus—a Norwegian consultancy that employs people diagnosed with Asperger's syndrome—representing a model where the beneficiaries are part of the value creation chain.

The second dimension is the extent of integration of social and commercial activities. For example, commercial activities may subsidise social ones as in the case of TOMS shoes. Or, the social activity leads to economic value capture—the case of award-winning Grameen Bank, which provides collateral-free micro-credit to the destitute in Bangladesh.

When these two dimensions are crossed with each other, the resultant matrix gives 4 possibilities – as illustrated in Figure 1.

A Typology of Social Entrepreneurship		
	Social mission	
	For beneficiaries (beneficiaries are solely recipient)	With beneficiaries (beneficiaries are part of value creation process)
Economic mission — Differentiated (commercial revenue cross-subsidizes social mission)	**TWO-SIDED VALUE MODEL**	**MARKET-ORIENTED WORK MODEL**
Economic mission — Integrated (beneficiaries are paying customers)	**ONE-SIDED VALUE MODE**	**SOCIAL-ORIENTED WORK MODEL**

First, social enterprises can have a 'two-sided value model', such as with TOMS shoes, which gives one pair of shoes to a needy child for every pair bought. Second, Social entrepreneurship may employ beneficiaries to produce goods or services sold in the commercial marketplace. For example, the UK's Jamie Oliver, who trained and hired disadvantaged youths in his restaurant, proceeds from which funded the said training. Next in line is where the beneficiaries are paying customers, as illustrated by VisionSpring, which sells high-quality eyewear to the poor at affordable prices. Last is when the beneficiaries are both internal and external customers—VisionSpring not only sells its eyewear to the marginalised, but also employs them in sales and distribution.

In order to better understand the multi-faceted expression of Social entrepreneurship, the research team studied close to 400 articles from crème-de-la-crème journals and focused exclusively on Social entrepreneurship while discounting the similar fields of sustainable, developmental, and institutional entrepreneurship or entrepreneurship in general previously mentioned. As such, the researchers identified the factors that affected Social entrepreneurship at three distinct levels—individual, organisational, and institutional—and the links that were missing.

Management phenomenon are generally multi-dimensional. As such, the research team made a multi-stage and multi-level framework capable of integrating the various levels of analysis previously discussed. Drawing on theory, this is divided into 2 stages—before and after the venture is formed.

In drawing up such a framework, the research team forged linkages between the effect of the macro-environment and the individual's goals and beliefs (situational mechanisms), the effect of these goals on individual behaviour (action-formation mechanisms), and the effect of these in bringing about broader changes (transformational mechanisms).

These linkages are important because they try to accurately describe the relationships that affect the 3 levels of analysis. As such, pursuing these mechanisms further, both before and after the venture is formed, is necessary to fill existing gaps in academia, and to find out what makes Social enterprise tick.

NEW-AGE SUPERHEROES

At the individual level, theory suggests that a key trait of social entrepreneurs is a prosocial personality—the inclination to empathise with others, coupled with qualities that promote the entrepreneurial spirit—self-efficacy, work-history with social organisations.

Yet, context is everything. While these qualities drive a person forward, people are also influenced by personal experiences—poverty, limited access to education etc.—that give a spark to further kindle the flame of emotions inside. Batman, Spiderman, the list is endless—it's the stuff superheroes are made of. Same for these entrepreneurs. The difference is between action and intent. Social entrepreneurs need to actually seek resources, gain support and mobilise them to form their

ventures. As such, research needs to expand to what the entrepreneur does to create value after the green signal is given. To this end, organisational and institutional level analysis is equally required at the venture formation phase.

DRIFTING APART

Organisational analysis results have been divergent—focused either on the ability to finance a venture, or on the importance of networking, or stressing on marketing capability to name a few. Given the case-based nature of this research, little is known about the common features that can make or break the social venture, and whether these factors are different for commercial ones.

What is known is that the hybrid nature leads to rifts that need to be addressed properly in case the venture wants to thrive. This can be done in various ways, such as hiring managers who embrace this hybridity. Yet, Social entrepreneurship's mandate requires that answers be given to what kinds of social ventures exist, and what kinds may cause what problems.

Other areas needing exploration are the link between type of venture models and the nature of the legal and organisational structure as well as in the management of the venture, the factors influencing the choice of a particular model, and the choice of model on venture success.

A COMMON CURRENCY

Research points us to the fact that the lack of strong institutions and the unwillingness of the private sector to step-up to meet social demands gives rise to social enterprises. These have been known to tackle problems with a wide array of ills that plague society today—poverty alleviation, women empowerment, inclusive growth, and so on and so forth.

Just as a fish cannot be judged by its ability to climb a tree, so too is the case with the measurement of the impact of different kinds of social ventures. But, the end goal of any social enterprise is the same—solving a social problem while staying profitable. To this end, it is imperative that a common framework be developed to gauge and assess the effectiveness of such enterprises. This void can be filled by institutions, which set the stage for social enterprises to work in and with, and thus can set some key metrics that are acceptable by a wider scholarly audience and applicable to multiple contexts.

THE ROAD NOT TAKEN

As previously seen, personal experiences are important. Yet, in societies with multiple failures, different individuals may perceive things differently. Some may want to act as the few drops of water that make the mighty ocean. Others may want to revamp the water cycle itself. To this end, exploring how institutions can affect individual behaviour—say, preference for a particular cause—is one area requiring further study.

There is also little research on the different processes for different kinds of social missions. Building on the above example of what challenge the entrepreneur takes, it is important to understand the effect of judgmental and cognitive abilities of the individual on opportunity identification and action.

Further, studies have largely focused upon sole individuals as opposed to entrepreneurial teams. This leaves a blank in Social entrepreneurship research for how team dynamics may strongly affect the kind of social mission selected, design of the social venture, the motivation of the cohort and as such, the ability to secure funding and translating thought into action.

Another area requiring exploration is the cross-level mechanisms that relate individual decisions to organisational objectives, design on a broader scale, especially after the venture has been formed.

DIVE-IN

But all is not over when the venture takes-off. In fact, one might say that the journey has only just begun. As such, better understanding and practice will require further work on relationships that link individual motivations to the social value created. Especially given the decision and resource conflicts that can arise out of the hybrid nature of the model.

Other incentives, such as certifications for ventures that conform to high standards, may also affect motivation and need to be analysed.

Moreover, as these ventures are formed by teamwork, it is important to study Social entrepreneurship on the organisational level from an ethnographic perspective. This means looking into issues that shed light on the human condition outside of isolation—team-size, hierarchy and the like. The entrepreneur may also have empire-building on the mind when forming a venture. Or not wanting to delegate tasks. Some may perhaps

lack enhanced communication skills, reducing their ability to effectively engage with other stakeholders.

THE BIGGER PICTURE

As such, there are many topics that require further exploration if we are to know the dark side of the moon that is Social entrepreneurship. However, in doing so, we must not lose sight of the bigger picture. After all, social ventures only exist to lift human society as a whole, even if done bit by bit.

To this end, research must not be limited to the triumphs of the social venture alone but rather should also focus on whether and how these ventures truly metamorphosed society on large-scale by creating value rather than redistributing it from one group to the other. Taking us all back to Howard R. Bowen and the mid-20th century. ///

KEYS TAKEAWAYS

- The diverse nature of Social entrepreneurship — owing to a foundation in disparate fields such as sociology, economics, ethics and so on—can, and to an extent, has led to fragmented research.

- Social enterprises though, aim to create social value through the capitalistic idea of a market.

- This hybrid nature of social enterprises manifests itself in two ways. The first is whether the beneficiaries are also active participants in the Social entrepreneurship's model. The second is the extent of integration of social and commercial activities.

- The researchers identified the factors that affected Social entrepreneurship at three distinct levels—individual, organisational, and institutional—and the links that were missing.

- At the individual level, theory suggests that a key trait of social entrepreneurs is a prosocial personality.

- Research points us to the fact that the lack of strong institutes and the unwillingness of the private sector to step-up to meet social demands gives rise to Social entrepreneurship.

- These linkages are important because they try to accurately describe the relationships that affect the 3 levels of analysis.

- It is important to study Social entrepreneurship on the organisational level from a perspective that sheds a light on the human condition.

- Research must not be limited to the success of the social venture alone but rather should also focus on whether and how these ventures changed society on large-scale.
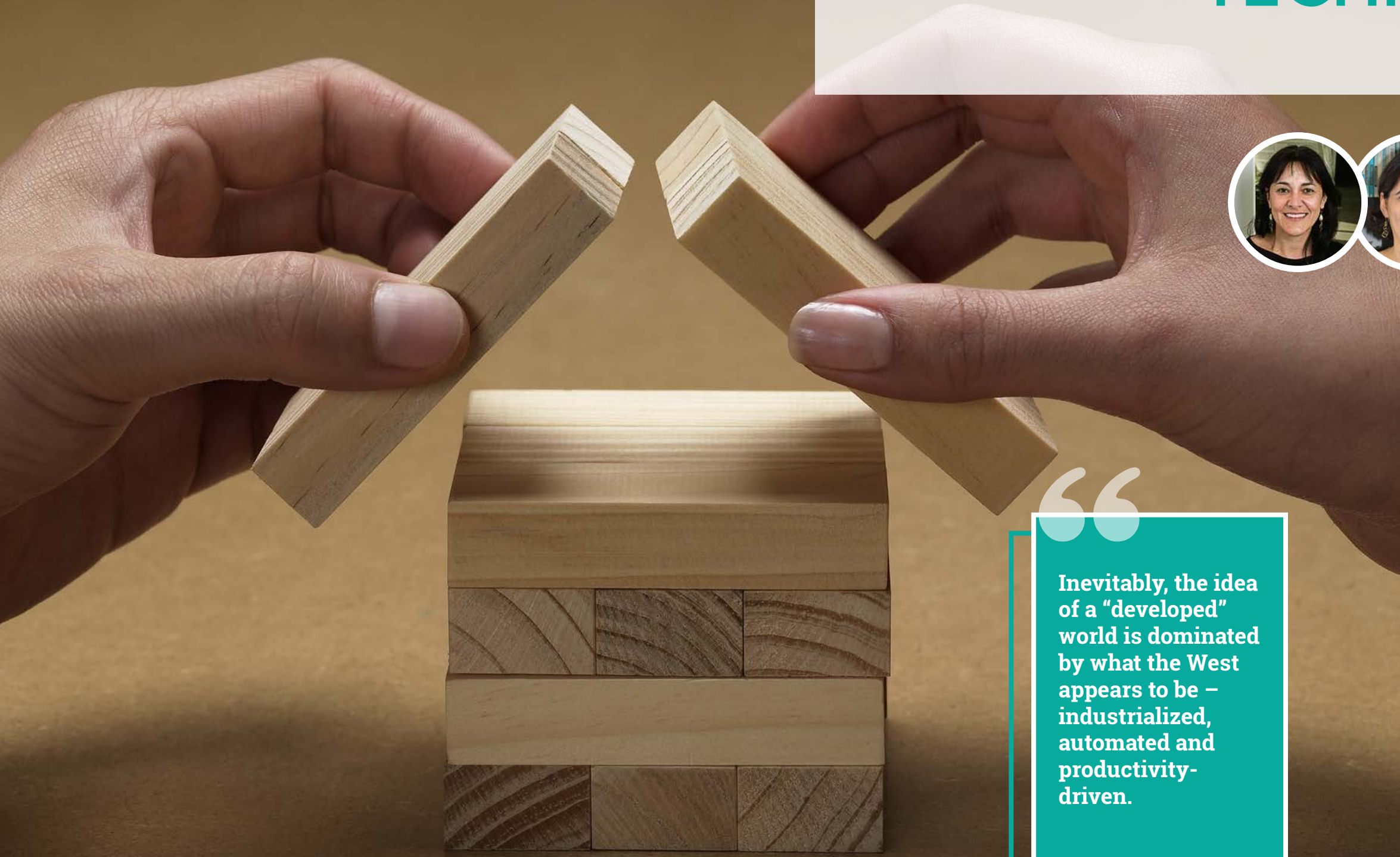
For the Change Makers

Our Executive MBA is the perfect way to learn face-to-face without the need to step out of full-time work. Study part-time in Warwick or London.

W wbs.ac.uk/go/GVExecMBA

SOCIAL TECHNOLOGY: RETHINKING TECHNOLOGICAL PROGRESS

Western ideas of development are one of the main sources of social and economic inequalities in non-industrialized countries, say Profs. **Marlei Pozzebon, HEC Montréal** & **FGV-EAESP** and **Isleide Arruda Fontenelle, FGV-EAESP** as they discuss the Latin American concept and implementation of social technology in countries that are termed "developing".

> " Inevitably, the idea of a "developed" world is dominated by what the West appears to be – industrialized, automated and productivity-driven.

What do the Unites States of America, New Zealand, England, France, Australia have in common? These countries are commonly called "First World Countries". On the other hand, Bangladesh, India, Argentina, Brazil – these countries are referred to as "developing" countries. The differentiating factor between the two groups is the term "industrialization". Is it fair to use the degree of industrialization to categorize all countries? Are there other parameters to consider? Can a technological advancement that worked for one country or region be superimposed on another?

A WOLF IN A SHEEP'S CLOTHING

After the second world war, the agriculture sector saw the emergence of the Green Revolution, seeking to "modernise agriculture". This modernization replaced human labour with machines like tractors and harvesters. Consequently, farms started yielding more crops in less time with decreased physical efforts. As a consequence, supply of crops increased and their prices started decreasing. Now more food was available at a lesser cost in the market.

But all that glitters is not gold! Pozzebon and Fontenelle dig a little deeper to truly understand the wholistic implications of Green 'Revolution'. They inferred that the purpose of modernization of agriculture was to increase productivity and efficiency. To be a part of this revolution, farmers now needed high capital to invest in modern machinery and to buy hybrid seeds, pesticides, and fertilizers. More often than not, farm labourers lost their jobs as now, machines replaced them. Additionally, this high-energy equipment demanded a dangerous amount of natural resources, thus degrading the local environment. In a nutshell, industrialization of agriculture was a one size fits all solution that neither took into account the nuances of the locals' cultures nor the well-being of their natural surroundings.

Consequently, thrusting western technologies upon non-industrialised countries caused a direct impact on the economic and social conditions in their societies. When farm labourers were replaced by machines, they slowly started to migrate to the outskirts where their quality of life started worsened. They were excluded from the industrialization revolution. Owing to this, a clear line of distinction started forming between the outskirts which were devoid of this "modernization" and the centre of the region which became a hub for "upgraded" way of life.
All in all, the western principles of "modernization" must be taken with a pinch of salt.

WINDS OF CHANGE

Various theories and movements have shaped the concept of social technology – which strived to counter industrialization with a sustainable and personalized solution to different regions and cultures. In particular, the coming together of two ideological routes essentially moulded it.

THE APPROPRIATE TECHNOLOGY MOVEMENT

The *Appropriate* technology movement bore its roots in India in the 1930s when Gandhi popularized the local spinning wheel to weave clothes. He was against large-scale manufacturing as it requires intensive capital setup and excludes human labour. The spinning wheel became a national symbol to fight against colonialism. This trend picked up. Similar theories started emerging in Europe which gave importance to small scale, low-capital and community-based technologies.

However, in the 1980s, terms like *adequate or alternate technologies* became popular – the only significant difference between them and appropriate technologies being scale. Large-scale production was now seen as a strategy to

achieve better efficiency while still focussing on sustainable technologies that required human resources, low-capital and less-sophisticated technology.

As such, the goals of these technological movements were to avoid social exclusion of certain groups and to democratize technology to suit local needs. However, there was a wave of criticism against these methods – they were implemented without the trust of the local groups. For lack of flexibility and unsuitability for local environments made them a low form of conventional technologies, which reinforced social inequalities.

CRITICAL THINKING MOVEMENT

In Latin America, there have been continuous discussions on technological development, social inequalities and the unhealthy economic dependence of peripheral countries on the central countries. CEPAL, for example, the Economic Commission for Latin America and the Caribbean, wanted an equitable distribution of technological processes across countries. Being in the periphery, Latin American countries were only given the role of producing primary goods and, as such, were ignored in the complete industrialization process. CEPAL wanted to rebalance this unequal distribution of labour, enabling regions to avoid becoming "under-developed".

While peripheral countries' labour forces kept increasing, central countries were increasingly adopting labour-saving technologies. This led to the formulation of the "dependency theory", where peripheral countries were forced to mimic western mechanization, even though they aggravated the economic and socio-political conditions. As such, the view that technology transfer is important, but needs to be modified in accordance with the local region became popular and shaped the concept of social technology.

PUTTING IT ALL INTO PRACTICE

To put to practical use the concept of social technology, a national network of 800 Brazilian institutions was set up to promote social technologies. By collating a large number of institutions, this network aimed to stimulate social technologies across different communities and sectors. A database was also created to document processes and solutions adopted by various local groups in health, agriculture, education, food sectors. Moreover, an actionable framework was necessary to get the wheels of social technology up and running. Some of the key features in that framework were:

- Local knowledge is combined with western technical knowledge – social technology does not perceive local, indigenous traditions to be better than western automation or vice versa.
- It involves the participation of local communities from the perception of the idea to its execution.
- It tries to use local knowledge to the full potential, and also sue local natural resources.
- Political trajectories of these technologies are kept an eye on. Any imbalance in technocratic power is quickly balanced.
- When a social technology has been successfully applied in one region, it tries to adapt and reframe when applying it to a different region. There would be no "transfer" of the social technology.
- The primary goal is the "well-being" of various social groups involved, their cultures and environments.

PALMAS COMMUNITY BANK – A WORKING EXAMPLE OF SOCIAL TECHNOLOGY

Inspired by microfinance principles from Grameen bank in Bangladesh, Banco Palmas was set up in Brazil. It is a community bank, which offers 2 types of microloans to locals – production and consumption oriented. Moreover, the primary goal of Banco Palmas is to create a network of producers and consumers – "prosumers" – and is the only community bank that uses social currency.

The bank's objectives are reached by evaluating the aspirations of local residents. They combined this local knowledge and system of social currency with the technical and financial expertise from Banco do Brazil – the largest commercial bank in Brazil. With this collaboration, they were able to produce local solutions such as a map of production and consumption. As it gained popularity, the concept was supported by

© ARTUR MARCINIEC

the Brazilian government – and indeed went on to influence its national policies and the creation of more than a hundred such community banks in Brazil.

MISSING FEATHERS IN A CAP

Management and business studies are dominated with the popular western paradigms of technology, and it is rare to come across studies that provide an alternate view. The "bottom-of-pyramid literature", or the knowledge found in local social groups do not make it to the academics of management studies. Inevitably, the idea of a "developed" world is dominated by what the West appears to be – industrialized, automated and productivity-driven.

As Profs Pozzebon and Fontenelle point out, the super-imposing of western ideologies on individualistic societies do more harm than good. Instead, the realms of technology, society and politics of each community must work together to formulate a tailor-made solution to advance further. ///

KEYS TAKEAWAYS

- ◻ The so-called Green Revolution meant that farmers needed high capital to invest in modern machinery and subsequently farm labourers lost their jobs as machines replaced them.

- ◻ In turn, this caused rural depopulation and worsened living conditions for those populations settling on the outskirts of cities.

- ◻ This high-energy equipment demanded a dangerous amount of natural resources, thus degrading the local environment.

- ◻ The industrialization of agriculture was a one size fits all solution that neither took into account the nuances of the locals' cultures nor the well-being of their natural surroundings.

- ◻ The Appropriate technology movement bore its roots in India in the 1930s when Gandhi popularized the local spinning wheel to weave clothes as a stand against large-scale manufacturing which requires intensive capital setup and excludes human labour.

- ◻ In the 1980s, terms like adequate or alternate technologies became popular. Large-scale production was seen as a strategy to achieve better efficiency while still focussing on sustainable technologies that required human resources, low-capital and less-sophisticated technology.

- ◻ The goals of these technological movements were to avoid social exclusion of certain groups and to democratize technology to suit local needs.

- ◻ The view that technology transfer is important, but needs to be modified in accordance with the local region became popular and shaped the concept of social technology, put into practice in Brazil.

- ◻ The idea of a "developed" world is dominated by what the West appears to be – industrialized, automated and productivity-driven.

- ◻ The realms of technology, society and politics of each community must work together to formulate a tailor-made solution to advance further.

SALES, ENTREPRENEURS, AND TIMETABLES

Prof **Yufei Huang** of **Trinity Business School, Trinity College Dublin** and Profs **Onesun Steve Yoo,** and **Bilal Gokpinar** of the **University College London** provide insights for entrepreneurs on effectively spending time to maximise sales.

A BRIEF HISTORY OF TIME

Time has been a subject of human intrigue that spans generations, professions, ages, geographies, and perhaps even the cosmos itself. From the real world where schoolchildren exult at the ring of the last bell, and physicists such as Prof Stephen Hawking who wrote extensively on the subject, to the fantastical world of Harry Potter with Time-Turners in it, time has always been of the utmost essence. So too for entrepreneurs.

This is especially so for those in the field of technology, having worked hard to come-up with new, innovative and better products than those offered by existing providers. These new-age managers need to achieve early success not only to remain flush with funds and thus, afloat but also to make a name for themselves and their offerings in order to attract funding for future growth.

As such, it is equally important for techies to know how to market and sell their products. Especially since they lack resources, don't carry a reputation that opens doors, and are still to forge formal sales processes in their organisations. What's more, they themselves are the only ones motivated towards and capable of attracting potential customers and actually convincing them—that too after considerable effort.

© ALPHASPIRIT

A TWIST IN THE ZERO-SUM GAME OF SALES

What to do then, when each potential customer – among a list of many – takes up a major chunk of an entrepreneurs' time? After all, even advancements in modern technology do not allow a person to be in two places at once. Complicating the situation even further is the dynamism—exhibited by consumer peer learning and the competition's reaction—of the marketplace.

To answer this question that can help entrepreneurs take better time-allocation decisions, Prof. Yufei Huang from Trinity Business School and fellow researchers Profs. Yoo and Gokpinar of UCL used a mathematical model to study the effect of consumer peer learning – how people decide to buy things based on previous shoppers' decisions to the product; competitors' strategy – how they prevent their customers from straying to the entrepreneur's new rival product (either same product but better quality, or same but with a lower price).

THE MODEL SET

The math is set up in a manner that allows for two sets of consumers—representing different levels of influence and streams of revenue—and for two different sellers—the entrepreneur and the incumbent.

The quality of the products—known for the incumbent and unknown for the entrepreneur—are also factored in since this is the feature that the entrepreneur wishes to base their sales on. To this end, the entrepreneur has to dedicate time and effort to line-up meetings with and educate potential customers. Yet, this does not guarantee any success. Profits of

the entrepreneur are reduced to a probability—if the new product is perceived to be better than the incumbent's—given as a function of product quality, time spent, and the associated revenue stream.

The probability in the model also accounts for the incumbent's short-term strategy—whether it be giving more service or additional benefits or a discounted price—to counter the competition posed by the new entrant.

DOUBLE WHAMMY

Consumer peer learning prompts the less influential consumer to buy a product based on the information that a more influential consumer decided to make the purchase. Without this information being available, the former would not buy the novel product. Despite its superiority.

The rationale behind this result, and proven by the model, is that consumer peer learning acts as a form of free advertisement for the entrepreneur, who would do well by investing their time in selling to the more powerful buyer—validating the authenticity and superiority of the entrant—even if that means having to pay for this endorsement.

In another scenario, the researchers show that when established providers have a high tendency to react to new entrants, it is optimal for them to go 'all-in' to retain the customer representing the larger revenue—whatever their clout.

Since it is easier for the veteran to retain a client than it is for the newbie to acquire one, the best thing the new entrepreneur on the block should do is focus on the low-revenue group.

SALES AND MARGINS: TWO SCENARIOS

- **Scenario 1:** Since it is easier for the veteran to retain a client than it is for the newbie to acquire one, the best thing the new entrepreneur on the block should do is focus on the low-revenue group.

- **Scenario 2:** However, when these factors are allowed to mix—as they usually will in the real-world—things can get complicated and depend on what each type of consumer group brings to the table. With this in mind, the bottom line of the research is that entrepreneurs should focus a large majority of their time (circa 90%) on influential buyers if the ratio of revenues of the more influential buyer to the less influential buyer is less than 80% or more than 100%.

In the first scenario, the entrepreneur avoids direct competition with the established provider (who will seek more to retain the high-revenue customer) since the influence will be insufficient to offset the stream of monies. This scenario also takes advantage of consumer peer learning.

In the second, the entrepreneur may find it rewarding to confront the existing giant—also targeting the larger and more influential buyer—as the prospect of acquiring a higher revenue and influencing the market makes up for the low probability of sale.

© ISTOCK

Moreover, when the revenue ratio of the more influential to the less influential buyer is between 80 to 100%, the old hand will want to take advantage of the former's endorsement effect as the lower value is not alarmingly different. To this end, the entrepreneur should avoid competing with the established provider and spend time on the high-revenue customer. To give further meaning to these numbers, the researchers found that in the absence of consumer peer learning and reaction from the established provider, entrepreneurs should spend more time on the client with the bigger wallet. As intuition would also suggest.

MAKE A MOVE—OR NOT

As such, Profs. Huang, Yoo and Gokpinar provide a fresh approach to new product launch strategy, for existing research predominantly concentrated on new products by established firms – usually resource-rich and drawing from their experience and economies of scale. Their seemingly infinite pockets also help maintain this dominance against upcoming firms, who face an uphill battle.

It is essential for entrepreneurs to understand the nuances at play before taking any decisions. As shown, entrepreneurs should avoid competing with an established provider for a market segment unless it represents both large and influential revenue sources. Entrepreneurs should also keep tabs on established competitors as to whether they'll react upon learning of new entrants.

The study also challenges the idea that entrepreneurs should first target influencers by proving that the best strategy could actually be to not chase those who are generally sought after—and utilise their time more fruitfully by pursuing a relationship with the child who eats lunch alone. ///

KEYS TAKEAWAYS

- Time is of essence to entrepreneurs who need to achieve early success not only to remain flush with funds and thus, afloat but also to make a name for themselves and their offerings in order to attract funding for future growth.

- Entrepreneurs themselves are the only ones motivated towards and capable of attracting potential customers and actually convincing them.

- To help entrepreneurs take better time-allocation decisions, the research team utilises a mathematical model to study the effect of consumer peer learning and incumbent reaction.

- Profits of the entrepreneur are reduced to a probability given as a function of product quality, time spent, the associated revenue stream, and the incumbent's short-term strategy.

- Consumer peer learning induces the less influential consumer to buy the product based on the information that the more influential one decided to make the purchase. Without this information being available, the former would not buy the novel product.

- When incumbents have a high proclivity to react to new entrants, it is optimal for the established firm to go 'all-in' to retain the customer representing the larger revenue.

- Entrepreneurs should thus avoid competing with the incumbent for a market segment unless it represents both large and influential revenue sources. Entrepreneurs should also be knowledgeable whether the incumbents will react upon learning of new entrants.

SOCIAL ENTERPRISE: A BOOKLET ON ENTREPRENEURSHIP FOR THE COMMON GOOD

With the publication of "Social Enterprise: A focus on entrepreneurship for the common good", Profs. **Concepción Galdón,** Director of the **IE Center for Social Innovation** at **IE University,** and **Sheila M. Cannon,** Director of the Social Enterprise Company Project on the Trinity MBA, **Trinity Business School, Trinity College Dublin,** share their message for a better world.

THE OPPORTUNITY OF GLOBAL SOCIAL ENTREPRENEURSHIP

The idea of bringing in the best possible tools to solve the most pressing problems is as ancient as humanity. However, at some point, we started drifting apart from that very reasonable intuition to "box" tools in specific sectors: Financial planning belongs to the private sector; tracking impact belongs to the third; and delivering services belongs to the public sector. With some paradigmatic exceptions, most of us fell in that trap and many remain in it. Not social entrepreneurs.

Social Entrepreneurship is a field that has been practicing and generating frameworks to continue to bring the best possible tools, regardless of the sector that created them, to solve the most pressing problems.

The seeds of social enterprise originated in different ways across the globe simultaneously: in Europe with cooperatives and then work integration schemes; in Bangladesh in the 1970s with microfinance; in Africa with ubundu and afrocapitalism; in Latin America with renowned examples of social
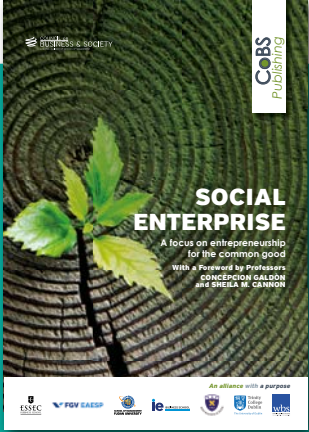
entrepreneurship, such as digital social currency; in the United States with innovative individuals in the 1980s. With a long trajectory to back it up, social entrepreneurship has never been more relevant for the world than it is today.

At this point in history, faced with the double whammy of global pandemic and climate crisis, humankind has no choice but become more creative, innovative, and collaborative in how we organise ourselves. In terms of impact on the natural environment, business-as-usual was already broken. And then, with one third of the globe's population in some form of lockdown, business ground almost to a halt. Amidst the calls to get the economy back up and running, there are also calls to rebuild differently – greener and with greater equality for all. While the pandemic is dreadful, it also brings opportunity for change.

THE NEED TO REFRAME ROLES AND RELATIONSHIPS

In this published booklet, the authors invite us to consider the importance of accelerating change towards Capitalism 4.0, creating societies and economies capable of solving problems for everyone, at scale. This requires reframing the roles and relationships of all actors in society, including companies, public administrations, NGOs and civil society.

In reinventing ourselves and how we relate to each other, we need to consider how to adapt this new model to each context. Social entrepreneurship has already proven to be relevant across the globe and capable of adapting to the needs of each region. The authors walk you through examples coming from North Africa, Ireland, Japan, India, Brazil, Italy, Malawi, Bangladesh, Pakistan, UK, Spain among others. Not only has social entrepreneurship proven capable of adapting geographically, but it has also taken various forms that have made it all the more relevant. The articles in the booklet present examples of startups and big corporations, NGOs and Cooperatives, ephemeral organizations and others that are built primarily to address social and environmental challenges in a sustainable way. And they present us with some of the tools and frameworks developed in the field of social entrepreneurship, such as microfinance, triple bottom line, and crowdfunding, that other areas might benefit from.

SOCIAL ENTERPRISE: USEFUL, TIMELY AND UNIVERSAL

Social enterprise is particularly useful and timely today because it cuts across left-right politics. Following the cold war, the idea and practice of free-markets swept across the globe as the winning ideology of the time. This is evident in the trend of the nonprofit and public sectors becoming more business-like – part of the social enterprise story. Since then, there have been growing calls for businesses to become more social. We soon realised that free-markets were not a panacea. And the concept of social business and corporate sustainability emerged as another strand of the social enterprise story.

The solidarity economy moves us beyond the dichotomy of left-right politics that holds so much conflict and division and creates a space where we can rebuild together using the best possible tools, irrespective of where they come from. As we strive to build a world in which we would rather live during the most challenging crises our generation has ever experienced, let us take advantage of so much that the field of social entrepreneurship has to offer. ///

DOWNLOAD THE BOOKLET SOCIAL ENTERPRISE: A FOCUS ON ENTREPRENEURTSHIP FOR THE COMMON GOOD

© MATT_EACOCK

READER'S NOTES

This is one of the best sites [for articles] I have ever visited. We all need to support women entrepreneurs in every aspect. The content is very informative. Thank you for sharing it.
Ashwin

These articles or blog posts are genuinely wonderful and I routinely move them on to my college students who're facing/struggling with exams and research competencies – they listen to you in a very way they really don't to me!
Moinc

Thanks for sharing this stuff, teaching innovation is one of the best points I found here, keep up the good work. Best Regards.
Fek

This is inspiring and thought-provoking. As businessmen, we indeed need to learn to live with sustainability and mind and we should also learn how to respond to environmental emergencies.
Chelsea L

Hi, I like your articles everyweek. Your writing style is witty, keep up the good work!
Anon

It's a pity you don't have a donate button! I'd most certainly donate to this fantastic blog! I suppose for now I'll settle for bookmarking and adding your RSS feed to my Google account. I look forward to new updates and will talk about this blog with my Facebook group. Chat soon!
Alena Vayon

Thanks for a marvelous posting! I really enjoyed reading it, you happen to be a great author. I will remember to bookmark your blog and definitely will come back later on. I want to encourage you to continue your great work, have a nice morning!
Lanny Battaglino

I blog often and I genuinely thank you for your information. This article has really peaked my interest. I'm going to take a note of your website and keep checking for new information about once per week. I opted in for your Feed as well.
Baten

I absolutely love your blog and find a lot of your posts to be what precisely I'm looking for. I wouldn't mind publishing a post or elaborating on a lot of the subjects you write regarding here. Again, awesome blog!
Rudolphe H.

I love the advice for students about fostering intellectual curiosity. It seems like this can lead to a love and passion for almost anything, especially the energy sector. My brother in law is very interested in futures trading. He's looking into energy market reports.
Jake G

COBS READER COMMENTS

The Council on Business & Society:
What we do

Global forum
on critical issues at the crossroads of business and society involving academics, students, policy-makers, NGOs and professionals.

Joint courses and *course modules*
bringing together the CSR expertise of the member schools' Faculty.

Exchange of Faculty
to teach business and society modules within existing programmes.

White papers
and position papers on issues key to business and society.

A *Student CSR change-maker competition*
bringing together the students of all member schools and all programmes to write a CSR-oriented article, with a certificate, prize money and appearance in Global Voice.

Communication and visibility
via the **Council Community website** and **blog** featuring regular articles, research and opinion pieces on issues relating to leadership and governance, diversity, sustainability, business ethics, energy, employee health and entrepreneurship.

A bank of shared *educational materials* between
member schools with an international dimension, available for use in classes, courses and programmes.

A quarterly *eMagazine*
featuring impact articles on CSR issues.

Council *Faculty research projects*

Inter-school *Student projects*

Student Surveys
summarising how our students view key issues facing business and society.

COUNCIL on
BUSINESS & SOCIETY
A GLOBAL ALLIANCE OF SCHOOLS OF MANAGEMENT

Getting involved

Business and Society

*A singular presence
with a global mission*

REACH US

The Council on Business & Society website:
www.council-business-society.org

The Council Community blog:
www.councilcommunity.org

in the-council-on-business-&-society

@The_CoBS

https://www.facebook.com/OfficialCoBS/

https://www.instagram.com/official.cobs/

Reduce, Re-use, Recycle

ESSEC BUSINESS SCHOOL   FGV EAESP   SCHOOL OF MANAGEMENT FUDAN UNIVERSITY   ie BUSINESS SCHOOL   KBS KEIO BUSINESS SCHOOL 1962   Trinity College Dublin The University of Dublin   wbs WARWICK BUSINESS SCHOOL THE UNIVERSITY OF WARWICK