SCENARIOS: LEARNING FROM THE FUTURE

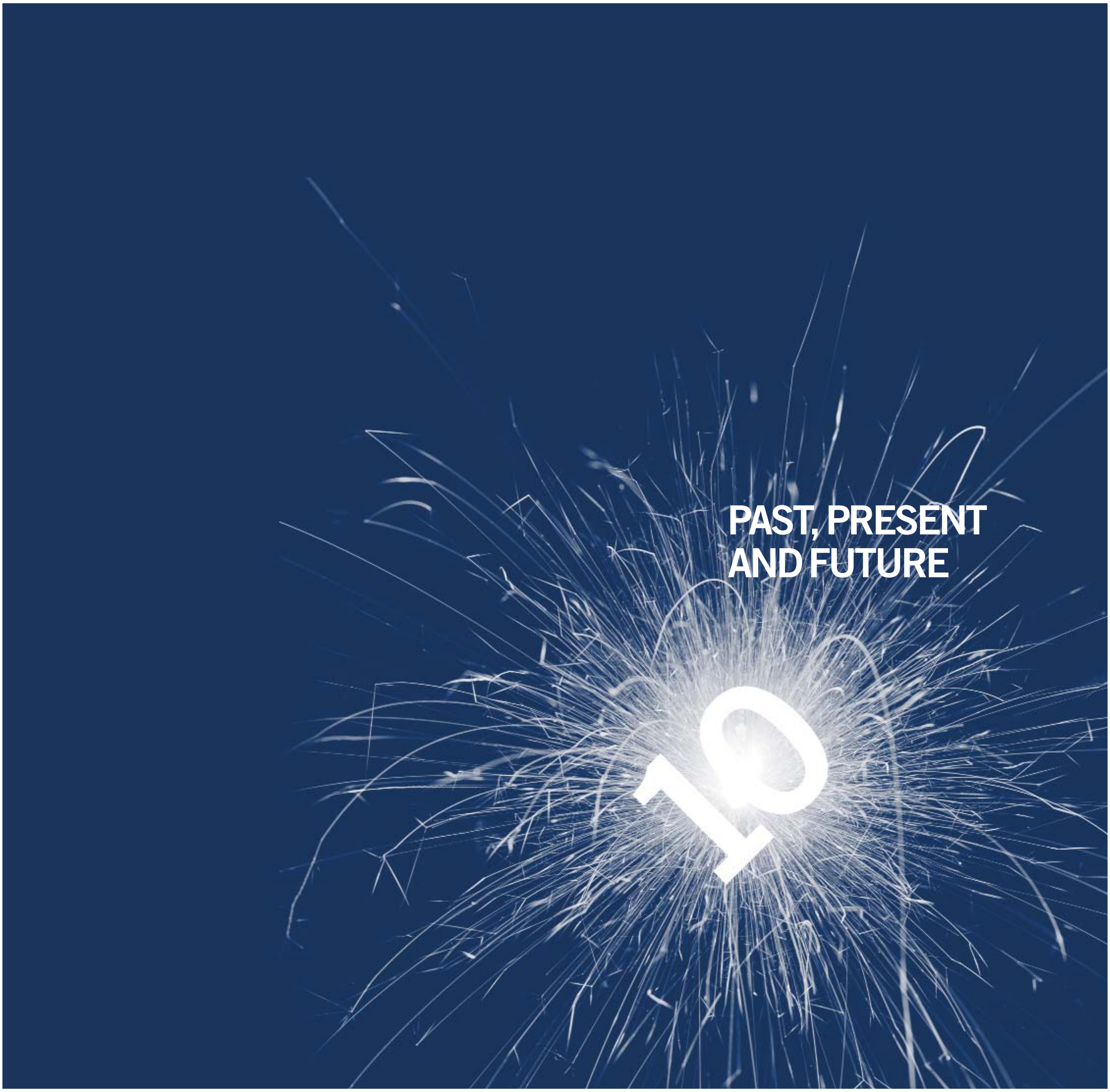
MANAGEMENT CONSULTING: THE WORLD'S NEWEST PROFESSION

INTERVIEW: CREATING BEAUTY AT L'OREAL

BUSINESS AT oxford

THE MAGAZINE OF THE SAID BUSINESS SCHOOL

TENTH ANNIVERSARY ISSUE: SUMMER 2006



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Publisher: Maike Bohn
Editor: Anthea Milnes

Designed at: Loewy, London
Photography: Rob Judges and Greg Smolonski

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oxford SAID BUSINESS SCHOOL

Ten years on

by Anthony Hopwood

2006 marks the tenth anniversary of the School's formation. Ten years ago, the first MBA class matriculated, and the Saïd benefaction was announced, enabling the former School of Management Studies to become the Saïd Business School.

A lot has been achieved in a short period of time. From the very humble beginnings that some of you will remember, the Saïd Business School has rapidly acquired an international reputation for the excellence of its programmes, the dynamism and entrepreneurialism of its students, and for its investment in new and emerging areas of study.

Business schools are generally conservative places, spending a great deal of time looking sideways at what others are doing. Innovation is therefore rather slow. But being a newcomer, the Saïd Business School has had the opportunity to look forward, anticipating the emerging needs of a rapidly changing business world. This has rightly given the School a reputation for practising what it preaches – a rare phenomenon in the arena in which we operate.

I was particularly delighted in January of this year, to see our achievements reflected in the ranking of our one-year MBA in the global top 20 MBA programmes by the Financial Times. Not bad for the "new kid on the block".

Sadly, even though the School is in the midst of many exciting new initiatives, 2006 will also see my departure as Dean. I have had a truly exciting seven years in office, revelling in the contact I have had with such excellent students, a rapidly developing faculty and some of the most innovative entrepreneurs in the international business community. I have thoroughly enjoyed striving to give the University of Oxford a business school to be proud of.

So many people have helped me in this endeavour. The effort has been a collective one, mobilising the resources of a risk-taking group of students, a supportive university, a hard-working faculty and a most generous group of benefactors. Together we have created an institution of significance that I sense is only just starting on an upward trajectory.

Rafael Ramirez talks to Jeremy Atiyah about dealing with uncertainty

Learning from the future

What if there is a sudden pandemic of bird 'flu? What if the oil runs out more quickly than we expect? What if there is a bloody revolution in China? According to Rafael Ramirez, Fellow in Strategic Management at Saïd Business School, anyone who runs a big business or an army or a political party or a local authority should be thinking about these and other possibilities. But the important thing for decision-makers is not so much being able to predict what will happen, as being able to cope with uncertainty.

Ramirez spends much of his time helping organisations to imagine diverse possible futures. This process, known as scenario-making, enables organisations to become more resilient and to address the unexpected more effectively. Previous participants on the Oxford Introduction to Scenarios programme, which Ramirez directs, include vice-chancellors of universities, governors of central banks, planners of insurance and energy companies, and heads of local authorities.

"What we do in scenarios is to contest the assumptions on which people's perceptions of the business environment and plans are based," says Ramirez. He likens the process to putting a new model of an aeroplane through a wind tunnel. You do it to test how the aeroplane model will react to all conceivable weather conditions – crosswinds, headwinds, tailwinds, and perhaps even tornadoes. The question is: what makes a good test?

Scenario-work is not a new field. In fact it was employed in the early phases of the Cold War. There are two main traditions: one is methodologically driven and focuses on the situations that enable people to imagine the future; the other is based on individual and group perceptions of the world, and the biases we bring to this activity.

In business practice, one of the most celebrated exponents of the scenario was the late Pierre Wack, a Frenchman who gained at least some of his inspiration from long stays in Indian ashrams (and whose personal papers and library have now been brought to Templeton College). Wack famously described scenario-work as "the gentle art of re-perception".

Working for Shell in the early 1970s, Wack persuaded the company to carry out an intellectual exercise. What would happen, he asked – and how should the company respond – if the main oil producing-countries of the world clubbed together and forced up the price of oil? Largely because of Wack's work, Shell was able to respond more quickly and appropriately than the other oil companies when the OPEC countries did in fact start restricting their output in 1973.

These days, scenario-work is fundamental to major policy and business decision-making. No company, no matter how intelligent and rational, can simply "plan" the future. "The future is turbulent," says Ramirez. "It helps to put your plans through the scenario-process. Having done that, you either re-jig your plan, or you stick with it, while taking a bet on a certain outcome. Good scenario-work will help you to better assess the risk you are taking."

Sometimes organisations make sure their plans are robust in many different scenarios. Sometimes they "bet the farm" on one scenario happening, as in the case of the mobile telephone networks when they paid vast sums for their 3-G licenses. Telecoms companies gambled that new technology would become quickly available and that customers would increase spending on 3-G enabled services. Of course, this future did not become reality, and the companies involved wrote off billions as a result.

In a sense, all of us engage in scenarios automatically. "If it rains, we'll go to the cinema," we say, "or if it's sunny, we'll go to the beach." For some people, even that discussion will be hard. But for a global organisation to talk and think in these terms is infinitely more difficult. Can, for example, a company prosper, if it has multiple unresolved views? Will a senior executive who holds multiple views be as respected as one that has decided on a single course of action?

According to Ramirez, the answer to this question is "yes". Scenarios help organisations to articulate unresolved views, and to render differences of opinion constructive. In a turbulent world, successful leaders are less likely to be those who know where they want to take us, than those who can help us to prepare for different circumstances.

"Traditionally, to qualify as 'man of the year' in major business journals, you would need to be a man who knew what he wanted, delivered what he wanted, and was proven right by events," says Ramirez. "Organisations and businesses like to lionise a senior figure; a wise, all-seeing father-figure who sets norms and targets, to which the organisation can then conform."

But according to research, the sustainability of that model is on the wane. CEO tenures are much lower than they were one or two decades ago. "There is clear evidence that since 9/11, there has been a jump in the use of scenario thinking and scenario planning," he says. "To admit to uncertainty, to develop and keep several options open, and to know when to change your mind is now regarded as much more legitimate."

There are many opinions on how to conduct scenario-work, although the subject is notoriously hard to research. "The most interesting data tends to be confidential," Ramirez acknowledges. "Big businesses do not want to disclose their strategic thinking. It is difficult to compare like with like – how Boeing do scenarios with how Airbus do theirs, for example."

Scenarios are not only applicable in business. "We know from social psychology work, that uncertainty and anxiety can be dealt with in very regressive ways," explains Ramirez, who is currently writing a book on how scenarios can be of help in particularly turbulent conditions. "But you can also deal with it in more developmental ways. Scenarios can be deployed in ways that help people to develop into fuller human beings, to engage with others constructively, and to avert violence."

Scenario-work, in fact, claimed some credit for the peaceful handover of power in South Africa in the 1990s. Earlier work on the future of South Africa by big business there had identified a "low road" and a "high road". This paved the way for the then illegal ANC to consider what options would be available to it, if it were to gain power. The careful scenario-work – enabled by a seconded Shell scenario planner – helped the transition from apartheid to become the remarkable success we now know it to be.

So how does the "gentle art of re-perception" occur? How does the collective mind change? "In convening www.oxfordfuturesforum.org, colleagues and I orchestrated conversations among 70 researchers and practitioners on how it happens," says Ramirez. "With expertise in neurology, cognitive science, and decision psychology, Oxford is a wonderful community in which to experiment ways of understanding scenarios with actual decision-makers in the real world. My research seeks to engage these points of view, to clarify the process and improve the practice." Until then, the answer remains uncertain.

RAFAEL RAMIREZ

The next **Oxford Introduction to Scenarios programme** will take place at the Saïd Business School's Egrove Park campus from 14-16 June, 2006. For further information go to www.sbs.ox.ac.uk/execed/open/scenarios

Management consulting may finally come of age, argues Christopher McKenna

The world's newest profession

Soon after I began teaching strategy at the University of Oxford's Saïd Business School, one of the MBAs whom I supervised came to talk with me. The economic downturn in 2000 had left most business school students scrambling to find jobs when only a year before they would have been considering offers from several well-known employers.

The student began by describing his work experience; he had served as a general manager both in his family business and also in another traditional company before he decided to pursue an MBA. The man, in his mid-twenties, explained that he was having a difficult time finding a job in either a management consulting firm or in an investment bank because neither group of professional service firms was hiring during the current recession. Did I have any suggestions or contacts that I could offer him?

My initial response was simple and reasonable, or so I thought. Given his work experience and the fact that he was so clearly a superb general manager, why wasn't he looking for a challenging job within an industrial company that would suit his newly acquired "Master of Business Administration" degree?

The student smiled at me and indulged my naïveté by replying that if he had really wanted another job in industry, why would he have spent all that time and money to acquire an MBA? The MBA, after all, was the de facto qualification for an elite position within a professional service firm and therefore a job in general management was obviously a waste of the potential value of his hard-earned degree.

I soon recognised both how common this perspective is among business school students and how the faculties in business schools persist in deluding themselves that their central purpose is to train MBAs to enter large industrial corporations.

In 1999, just before the decade-long expansion in management consulting was about to crash, cultural critic Nicholas Lemann mused in The New Yorker about what he called an extraordinary "development" in the history of Western culture. As Lemann argued, the United States had decided, "in effect, to devote its top academic talent to the project of streamlining the operations of big business," by directing its best and brightest students into management consulting.

Just as perplexing, in Lemann's words, was the fact that "if the old disrepute of business in elite universities is now suddenly gone, then why shouldn't young graduates just go all the way, and work in actual companies instead of consulting firms and investment banks?"

Lemann's question cut to the heart of my exchange with the graduate student in Oxford: just how had it come to pass that nearly one-third of the top MBA graduates and one sixth of all elite undergraduates (whether at Oxford or Yale) now began their working lives as management consultants? What explained the remarkable dominance of the world's newest profession?

Nicholas Lemann's own answer to the question of why management consulting had come to assume such importance in American society was less theoretical than pragmatic. In Lemann's view, the best students were drawn to jobs in the elite consulting firms because these firms offered students, "that odd upper-meritocratic combination of love of competition, herd mentality, and aversion to risk."

Where law (in America) or accounting (in Britain) had once been the means further to burnish the credentials of those graduates who were uncertain of what to do next, management consulting now fulfilled that role. In other words, for those students who couldn't yet decide what to do with their lives, but did not want to appear directionless, management consulting promised the credentialed path to future glory.

By 1997, surveys showed that in both America and Europe, management consulting had become the top career choice for graduates and that a position within McKinsey & Company was considered the dream job on both continents. At the end of the twentieth century, an entry-level position in a management consulting firm was not only a safe job to accept after completing a university degree, but a partnership within one of the elite management consulting firms had become the preferred path for promotion to the very highest executive positions throughout the world.

Implicit in Lemann's analysis was the question of just how this relatively new group of quasi-professionals – generally less well understood than other business professionals such as lawyers, accountants, and investment bankers – had come to command such prominence within such a short period of time. Less than 40 years earlier, in 1962, the managing partners of the top management consulting firms had felt that it was necessary to explain to the MBAs at the Harvard Business School via their Career Guide just why they would want to join one of the leading consulting firms and just what, more precisely, was actually involved in pursuing a career in management consulting.

It was no coincidence that Marvin Bower, then Managing Director of McKinsey & Company, described management consulting as "one of the newer professions" when he addressed the MBAs at Harvard in 1962. In particular, Bower was a leading advocate of the ongoing professionalisation of management consulting and professional status was a constant topic of concern as consultants gained economic and cultural status. Yet management consulting never achieved full professional status during the twentieth century.

The double entendre in my book's title, *The World's Newest Profession*, plays off both the longstanding perception that consulting is an emerging profession and also the widespread public apprehension that the advice proffered by consultants constituted little more than corporate pandering. Both elements, as I argue throughout the book, were long-standing concerns in the evolution of management consulting firms and in consultants' continuing quest for both autonomy and respect. In particular, as long as both insiders and outsiders to consulting accepted that the profession was still young, management consultants could dismiss any perceived ethical failings as symptomatic of the profession's adolescent development.

At the beginning of the twenty-first century, no credible observer could still honestly claim that management consulting constitutes a young professional field. For example, Booz Allen & Hamilton, which was founded in 1914, is now older than the corporate giants, Walmart, Microsoft, and Amazon.com, combined. While the market for consultants expanded at a double-digit pace during the 1990s, those pounds (and dollars) were added to a mature frame, not an adolescent skeleton.

The recent scandals in corporate governance, the relative stability of the leading consulting firms, and the renewed emphasis on personal accountability, all suggest that a focus on professional values, and the "old-fashioned" goal of full professional status, might just succeed at this historical moment. All cynicism aside, management consulting may finally become the "world's newest profession", but first consultants will finally have to accept responsibility for the brave new world that they worked so hard to create during their extraordinary rise to power in the twentieth century.

CHRISTOPHER MCKENNA

Christopher McKenna is University Lecturer in Management Studies at the Saïd Business School. His book, *The World's Newest Profession: Management Consulting in the Twentieth Century* will be published by Cambridge University Press in june 2006.

Vision 2020

Keely Stevenson looks into the future of the Royal Bafokeng Nation

KEELY STEVENSON

When Sonny Bardhan, Peter Bisanz, François Bonnici, Keely Stevenson and Lauren Weymouth embarked on the one-year MBA programme at Saïd Business School in 2004, they little imagined that their studies would involve working for the royal family of an 800-year-old African kingdom.

Following a year of intensive management study, the five classmates were invited by Princess Tirelo Molotlegi of the Royal Bafokeng Nation – a traditional kingdom in the rural Northwest Province of South Africa – to audit their economic development agency. The purpose of the team's two-month Strategic Consulting Project was to provide the Bafokeng royal family with a strategic review of the agency, which supports King Kgosi Leruo Molotlegi's vision that the kingdom should be self-sustainable by the year 2020.

"Vision 2020", as the 20-year development programme is known, focuses on responsibly deploying the kingdom's new-found wealth to transform their economy from a resource-based into a knowledge-based one. The programme was made possible when, in 1999, the late King Kgosi Lebone Mollwane Molotlegi won a ten-year legal battle for royalty payments from Impala Platinum Holdings (Implats) who have mined the rich platinum deposits located in the kingdom since the 1960s. Now, the royal family is investing the royalties in designing world-class education, healthcare, and economic and social development projects for its 300,000 odd members. The combination of newly-available capital and visionary leadership seemed, to the team from Oxford, to be a winning one.

Once in the kingdom, the team, all of whom were members of the Oxford Business Network for Social Entrepreneurs, discovered that the daily experience of running an economic development agency was far tougher than they had realised. "It was a powerful part of our MBA learning experience," says Stevenson, a Skoll Scholar. "From governance to client relations, we realised just how critical social entrepreneurial approaches are to all aspects of an organisation." To better understand the market conditions in the Bafokeng Nation, the team interviewed over 100 small, medium and micro-enterprises. This resulted in a number of solid recommendations for Bafokeng micro-enterprise services.

The project also addressed the challenges in designing an appropriate governance structure for the development agency given its unique situation as a legal charity within South Africa funded by the royal family's wealth. Throughout, the team was impressed with the Bafokeng's focus on transparency and accountability. "The Kingdom aims to create a model that shatters the stereotype of corrupt African leaders," says Weymouth.

The team's recommendations at the end of the project were well received by the Royal family. "The Oxford team made an important contribution to the Bafokeng," said Princess Tirelo Molotlegi who managed the project and

is also Africa's first black female helicopter pilot. "As a strong black community, we are dedicated to responsibly using our resources to empower our people to be self sufficient – healthy, educated and economically active agents of change."

Vinay Menon reports on the inaugural Oxford-India Business Forum in New Delhi

The test for india

The inaugural Oxford-India Business Forum was held in New Delhi on 6 March, 2006. The event brought together an impressive panel of speakers, including Montek Singh, the Deputy Chair of the Planning Commission of India, N.K. Singh, former Finance Secretary, and Lord Chris Patten, Chancellor of Oxford University to debate the challenges facing the booming Indian economy. Vir Sanghvi, Editorial Director of the Hindustan Times Group, moderated the discussion.

Sponsored by Tata Consultancy Services (TCS), India's largest IT services firm and CNBC India, the event saw the cream of corporate India in attendance. S. Ramadorai set the ball rolling with an erudite opening speech on India's need for an "educational master plan" as a vital catalyst for sustainable growth. The panel explored this and related issues over the next hour-and-a-half, in a free-wheeling discussion that centred round the challenge of sustainable growth.

N.K. Singh noted that the true growth challenge for India was to look for ways and means of luring back the intellectual capital India has scattered all over the world, while Montek Singh emphasised the need to utilise India's foreign exchange reserves for the development of infrastructure. Patten drew on his experience as the last governor of Hong Kong and former EU Commissioner to draw interesting parallels between the growth trajectories of India and China. Of particular interest were the divergent strategies adopted by the two countries in their use of fiscal discipline for economic growth.

In the audience were industrialist Arun Firodia, Chairman of Kinetic Engineering, Prem Shankar Jha, one of the finest columnists in Indian journalism, and M.A.K. Pataudi, noted Oxonian and former Indian cricket captain.

The calibre of speakers and the quality of the debate were testimony to the efforts of those who organised the event – in particular Anthony Hopwood, Stephan Chambers, Tarun Ramadorai and an enthusiastic team of MBA students. Ramadorai commented: "My vision for the event was to have students of the business school enter into a real, positive, and mutually profitable engagement with the country. This happened very naturally as a consequence of the incredible efforts of the students involved. I am confident that we will build on the excellent work already done – we have guaranteed sponsorship for at least another two years."

Although the event is over, the positive effects of the Forum are just starting to be realised. Dee Broquard, Head of the School's Business Projects Office notes: "The Forum helped initiate exploratory talks with leading institutions such as the Confederation of Indian Industry (CII) and the Tata Energy Research Institute (TERI). In fact, as a follow-up, the head of TERI, Dr R.K. Pachauri visited our school shortly thereafter to observe work being done at the James Martin Institute of Science and Civilization."

The Forum, which will be held annually, will serve two main purposes. First, it will provide a platform to debate key issues surrounding India's growth, be it the future of outsourcing or the impact of its restrictive labour market on infrastructural development. Second, it will help delegates to tap into the immense intellectual capital in India, whether by learning about winning business policies from India's corporate leaders or by attracting the brightest student talent from its universities to study at Oxford.

During his wider tour of Indian cities, Chris Patten talked at length to the media about strengthening ties between Oxford and India. The Oxford India Business Forum was a small but significant first step in that direction.

The **2007 Oxford India Business Conference** will be held in April 2007 in Mumbai. For details visit www.sbs.oxford.edu, where relevant details will be posted nearer the time.

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Finance matters

Finance is central to tackling some of the big economic, political and social questions of the day argues Colin Mayer

Traditionally, people in business schools have fallen into two camps – those who love finance and regard it as intellectually challenging and core to a business school's mission, and those who hate it and regard it as technically obscure and irrelevant. The division has been significant and costly because it has resulted in a failure to exploit areas where interaction between finance and other disciplines could yield valuable benefits and new insights. The way in which finance is developing in Oxford is quite different and hopefully avoids the harmful separation that is observed elsewhere.

The first distinguishing feature of finance at Oxford is its interdisciplinary nature. Oxford has outstanding finance faculty in the economics, law and maths departments, as well as at the Business School. This allows the University to address teaching and research of finance from a broader perspective than other universities. For example, we can look at every aspect of credit derivative markets (the new financial instruments based on traditional bond and loan markets) from their regulation through their ratings to the application of numerical analysis techniques to their pricing.

The second related feature is the cooperation of departments across the University in the design of courses, in particular at post-graduate level, that are tailored to the needs of financial institutions, companies, regulators and government. One example of this is the recently launched Masters in Financial Economics. This nine-month programme, which integrates courses from finance and economics, has attracted an exceptional body of students from across the world for a course that takes them from little technical background to a high level of expertise in finance.

Similarly, the University is currently giving thought to the introduction of a new Masters in Law, Finance and Economics to be jointly run by law, finance and economics faculty. This is particularly tailored to people seeking careers in corporate law, taxation, competition policy and regulation departments of companies, law firms, investment banks and public sector agencies. The courses have been designed in conjunction with practitioners to ensure their relevance to potential recruiters of our students.

One consequence of this suite of postgraduate programmes in finance is that the University will be able to offer the most comprehensive doctoral programme in finance of any university. In addition to the MFE and the LFE, the maths faculty is launching a full time Masters in Mathematical Finance designed for students seeking careers in quantitative finance. With these three Masters programmes in place and other graduate programmes in economics, law and maths also available, research students in finance will be able to select a training programme that is precisely tailored to their requirements.

Finance is making a major contribution to the most rapidly expanding area of teaching in the Saïd Business School – executive education. This year the School admitted its first students on to the new Diploma in Financial Strategy, a course designed for Chartered Accountants seeking to develop their careers by becoming Chief Financial Officers (CFOs) and Chief Executive Officers (CEOs). The course incorporates finance, accounting and strategy modules, and has been designed to provide students with a thorough understanding of the principles of finance, strategy and internal control.

This interdisciplinary approach to finance is a feature of research as well as teaching at Oxford. Research across the University is coordinated by an umbrella organisation, the Oxford Financial Research Centre (OFRC), which organises joint working papers, conferences and workshops. For example, there are working papers in financial economics and mathematical finance and a regular programme of workshops in law and finance, including one on insolvency held at the Business School last year.

The Business School has recently established the Oxford University Centre for Business Taxation (CBT). Funded by the Hundred Group of Companies, which comprises the finance directors of the largest companies in London, the Centre has the ambitious goal of becoming the leading centre for business taxation in the world. It mirrors the other research centres in the Business School in bringing the intellectual capacity of the University as a whole to bear in addressing major practical and policy issues. In this case the focus of the Centre will be on the impact of taxation on business activities and the way in which business taxes should be designed to meet economic and social objectives.

In a world in which businesses are increasingly international and globally mobile, serious questions arise about the ability or desirability of governments raising tax revenues from their corporate sectors. Will companies be able to exploit national differences in tax regimes to their advantage? And will competition between countries to attract multinationals inevitably result in the elimination of corporate taxes? There cannot be a more opportune or important time at which to establish the Centre for Business Taxation.

Addressing these questions will require the application of a broad set of academic tools. Some of the issues about the impact of taxation on business behaviour require empirical analyses of large company data bases with which applied economists are familiar. Some involve important questions of jurisdiction and national sovereignty with which lawyers and political scientists are familiar. Some relate to social policy, environmental and corporate governance issues. The CBT will be firmly interdisciplinary in nature, drawing on the rich intellectual resources that the University as a whole offers.

The finance group in the Business School intends to develop similar research expertise in several other areas. It is particularly strong in the fields of corporate finance and corporate governance and, together with the Law Faculty in Oxford and the School of Management and the Law School at Yale University, it is launching an international comparison of the influence of legal systems on shareholder activism – the role of financial institutions, such as pension funds and life assurance companies, in the monitoring and control of corporations.

COLIN MAYER

Some of the most exciting opportunities for cross-disciplinary research lie within the Business School itself. The study of financial institutions and markets is critical to many of the School's existing research centres. For example, the Skoll Centre for Social Entrepreneurship is looking at how different financial institutions and markets can help promote social programmes. The question of whether investors can be incentivised to finance activities of broad social as well as narrowly defined private benefit is one of the most critical issues that economies will face over the next few decades. To avoid the growing disparities that exist within countries let alone between nations will require the harnessing of private capital for social programmes that benefit those without as well as those with access to financial markets.

Far from being dominated by obscure, technical issues, finance is central to tackling some of the big economic, political and social questions of the day. There are few universities in the world that are better placed to address them than Oxford and there are few institutions that are more willing to face the formidable challenges that they pose than the Saïd Business School. Hopefully, its interdisciplinary approach to finance will finally put to bed the divisions that have pervaded business schools to date.

Radical evolution

Joel Garreau imagines the future of human nature

We are at a turning point in history. For the first time in hundreds of thousands of years, our technologies are not just aimed outward – at modifying our environment, making fire, clothes, agriculture, or cities. Instead, they are increasingly aimed inward – at modifying our minds, memories, metabolisms, personalities, and progeny. If you can do all that, then the question is, can you change human nature? And will this be happening on our watch?

I think that that is exactly what we are facing, and not in some distant science fiction future, but right now in our generation. We are the first species to take control of our own evolution. I call this "radical evolution".

Radical evolution is a third wave of evolution. It took hundreds of millions of years to get from bacteria to vertebrates, and then it took a long time to get chimpanzees who could walk on their hind legs. About ten thousand years ago we hit a second wave of evolution – "cultural evolution" – when we began to live in fixed settlements and invented writing so that we could record and store our thoughts. It took thousands of years to get from there to the Roman Empire, and then another 1,800 years to get to the Industrial Revolution.

More recently, from the first powered flight to walking on the moon was only 66 years. So you can see that we are on a curve of exponential change. We are in the realm of Moore's law, according to which our rate of technological development will double every two years or so. One of the things to keep in mind about the arithmetic of Moore's law is that it means that the last 20 years is not a guide to the next 20 years. It is at best a guide to the next eight. This is why we have to start focusing on how we are going to co-evolve with these challenges. We have a long way to go and a short time to get there.

There are four technologies that are driving change. I call them the "grin" technologies – genetics, robotics, information and nanotechnology. Let me give you a couple of examples.

In summer 2004, a man named Matthew Nagle who is paralysed from the neck down and has had a chip implanted in his head, became the first human to send an email with his thoughts. A computer deciphers the brain waves picked up by a brain implant inserted into his motor cortex.

Wearing an exoskeleton suit in a lab at the University of California, Berkeley, subjects have lifted 180lbs (45kg) and reported that if felt they were carrying little over 5lbs (2kg). The Berkeley Lower Extremity Exoskeleton, or Bleex, is part of a US defence project designed to be used mainly by infantry soldiers.

My question is what are these developments and others like them going to mean for who we are as human beings? What are they going to mean for our civilisation?

There are basically three scenarios. The first one is the "heaven" scenario. Ray Kurzweil, inventor, entrepreneur and author of *The Singularity is Near: When Humans Transcend Biology* is the "poster child" for this. He thinks that if you can live for another 20 years, technology will be moving faster than you are ageing, and you will effectively be immortal. Under the "heaven" scenario, we are able to conquer stupidity, ignorance, ugliness, disease, pain, suffering, being fat, forgetfulness, and possibly even death.

There is a mirror image possibility, which is the "hell" scenario. Proponents of this scenario ask what could happen if these new technologies get into the hands of bumblers or fools or psychopaths. The famous example is the Australian mousepox incident. While trying to find a way to curb the rampant mouse population in Australia, scientists developed a deadly form of mousepox, which kills all mice without fail, even if they have had retroviral drugs and a vaccine that would normally have protected them. Mousepox is a very close relative of smallpox, and the assumption is that any reasonably talented graduate student in a well equipped lab could do this sort of manipulation. The worst case is that we will wipe out the human race within the next 25 years, or even wipe out all life on Earth.

One of the problems with the "heaven" and "hell" scenarios is that the people who advocate them usually don't see them as possibilities; they see them as predictions. They can only see one way for things to end. This means that the "heaven" and "hell" advocates talk past each other. If you focus on one of these scenarios to the exclusion of the other, you might see all the problems but none of the opportunities, or vice versa. This is why I have got very interested in the third scenario, which I call "prevail".

The "heaven" and "hell" scenarios are techno-deterministic. They are visions of the future in which technology shapes our history in an inevitable fashion. The story goes: The world is changing beneath our feet; there's not much we can do about it; hold on tight; the end. Great special effects, but not much in the way of plot! The stories that we tell about the future of human beings usually have way more reverses and loops as we muddle through. And that's the heart of the "prevail" scenario.

It's not about finding the middle ground between "heaven" and "hell". To go back to Moore's law, "heaven" and "hell" are based on the notion that what matters is how many transistors you can get to talk to one another, because that's what drives this curve of exponential change. "Prevail" fundamentally believes something else, which is that what has been critical in human history in the past, has been not how much gear you can get to communicate, but how many perverse, creative, intelligent, unexpected human beings you can get to talk to each other. "Prevail" is about the humans, not about the gear.

So are we going to co-evolve with our challenges? Are we going to invent new social forms and new social agreements in a fashion that more or less matches our challenges? Will there be two parallel curves of exponential change?

There are some reasons for cautious optimism. On 9/11 the fourth aeroplane never made it to its target; not because the air force was so quick on the trigger or the White House was so smart, but because the 60 people on board that 'plane, empowered by the technology of their mobile 'phones, figured out, diagnosed and cured their society's ills in under an hour flat, at the ultimate expense to themselves.

I have a hunch that's what this kind of co-evolution looks like. That's a bottom-up solution. They weren't waiting for anyone at Harvard or Oxford to tell them what to do. That is the essence of "prevail". It's basically a bet on humans being surprising; it's a faith in humans coming together in unprecedented ways to be unpredictably clever.

JOEL GARREAU IS CULTURAL REVOLUTION CORRESPONDENT FOR THE WASHINGTON POST AND AUTHOR OF A BOOK CALLED *RADICAL EVOLUTION*. THIS IS AN EXCERPT FROM THE KEYNOTE SPEECH HE GAVE AT THE FIRST WORLD FORUM ON SCIENCE AND CIVILISATION. THE FORUM WAS ORGANISED BY THE JAMES MARTIN INSTITUTE AND TOOK PLACE AT THE SAID BUSINESS SCHOOL FROM 14–17 MARCH 2006.

Business as usual

Three men in a boat

There were three Saïd Business School rowers in the boat that won the 152nd University Boat Race on 2 April 2006. Defending champions Oxford won by five lengths against Cambridge in a time of 18 minutes 26 seconds. Oxford's decision to use automatic pumps inside their vessel to bail out surplus water proved crucial in the race, as rough waters made conditions difficult.

Canadian Olympic Silver medal winners **Barney Williams** and **Jake Wetzel** last came to British attention during the Athens Olympics, finishing just behind the British Coxless Four. Williams, who was also on the winning Oxford crew last year, is completing an MSc in Management Research, and Wetzel is taking the new Masters in Financial Economics programme. The cox, **Seb Pearce**, is also on the Masters in Financial Economics programme.

The Clifford Chance Centre supports innovation in law firms

A **Financial Times** story of 6 April announced the launch a new ranking of the most innovative lawyers and law firms in the UK. **Laura Empson**, Director of the Clifford Chance Centre for the Management of Professional Service Firms, has been invited to advise the FT on the ranking, and to comment on the submissions from law firms. The results will be published in an FT special report at the end of June, which is intended as a guide for the users of legal services seeking to judge their suppliers against the best practitioners in the sector.

The same **Financial Times** story, which was entitled "In pursuit of modern practice", cites Clifford Chance as an innovator for instituting a programme of executive management training in conjunction with the Saïd Business School. **Laura Empson** comments in the article that the most unusual aspect of Clifford Chance's programme was that it extended beyond lawyers to business services staff. "Modern law firms understand that management is a job in its own right and should not be left to well-intentioned lawyers who treat their business support professionals as back-room boys," Empson is quoted as saying.

The Saïd Business School welcomes...

LINDA SCOTT University Lecturer in Marketing and Fellow of Templeton College.

Brief biography: Before coming to the Saïd Business School, Scott was Associate Professor in Advertising, Art & Design, Gender Studies and Communications Research at the University of Illinois. Prior to her academic career, she worked in the advertising industry. She has published two recent books, *Fresh Lipstick: Redressing Fashion and Feminism* and *Persuasive Imagery: A Consumer Response Perspective.*

Greatest achievement: Charging American feminism's most sacred cow and living to tell the tale.

Thinking about: I am especially interested right now in putting together a symposium to inquire into the ways that ordinary market activities can be harnessed for the economic empowerment of women, particularly in developing countries.

Hopes to achieve: I have two books in the works, in addition to various article-length projects. One book is an application of rhetorical theory to advertising as a cultural form that uses multiple symbol systems. The other is an extension of "Fresh Lipstick" to the present generation of women.

Other passions: My new life partner, who is all about music, food, and literature. My children, who have grown to be interesting, progressive people, in spite of having grown up in a small Midwestern town.

Customised programmes

German business is turning to Oxford for some down-to-earth management expertise. The **BMW Group's Experienced Manager Programme**, the fifth module of which took place at Saïd Business School's Egrove Park in March 2006, was described as "a major success" by Andrew Mackichan from the BMW Group's Management Development team. Meanwhile in February 2006 two more German giants – the automotive manufacturer **Hella** and the **Metro** retail chain – announced that they had decided to work with the Saïd Business School on leadership programmes.

The Saïd Business School is currently running a programme for 250 of the most senior partners at **Deloitte**. The aim of the programme, which started in May 2005 and will continue until December 2006, is to enable the partners to enrich the conversations they have with clients and prospective clients at the most senior board levels. The School will deliver twelve workshops in all, each of which will be attended by 24 Deloitte partners who are designated Lead Client Service Partners and work across a range of services including tax, auditing, corporate finance and consultancy.

The Saïd Business School recently ran two pilot programmes designed to help public sector IT professionals deliver government policy. These workshops follow the formalisation of a "Government IT Profession" in 2005 and represent the first stage in the development of a "Government IT Academy". They should help the government to achieve its ambitions for technology which include: to create joined up leadership and governance for public sector IT professionals; to ensure reliable project delivery; to improve supplier management; and to create a systematic focus on innovation.

The changing face of retailing

The Saïd Business School's **Oxford Institute of Retail Management** (OXIRM) has been awarded a British Council of Shopping Centres research grant to examine the challenges and opportunities facing shopping malls. OXIRM's project will look at how retail business models and retail formats will change over the next ten years. OXIRM's Director, **Jonathan Reynolds**, will be working on the project together with Fellow in Retailing, **Elizabeth Howard**, and Senior Research Associate, **Christine Cuthbertson**.

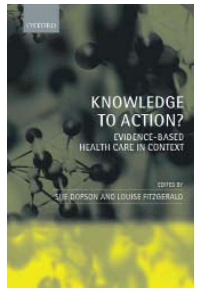
Retailing in Russia and the old CIS has undergone 20 years' change in two, Clive Woodger told the **Oxford Retail Futures Group** at their meeting in February. Recent developments outlined by Woodger ranged from the now transformed state centrepiece, "GUM" to "Crocus City" – Moscow's latest temple to consumerism, and the sprawling "Tvoi Dom", where you can buy everything from a table-lamp to a helicopter, and which works despite breaking every rule in the retail book.

Rankings success

Oxford University has once again been recognised as the best in the country for undergraduate business and management education in the Guardian's annual University Guide. Among the criteria assessed by the Guide are teaching quality, staff-student ratios and graduate job prospects. This success follows the Financial Times ranking of the School's MBA programme as the best one-year programme in the UK earlier this year. Overall the one-year MBA climbed five places and is now ranked among the top 20 programmes globally.

Book corner

January 2006 saw the publication of **Loizos Heracleous'** new book, *Flying High in a Competitive Industry: Cost-Effective Service Excellence at Singapore Airlines.* The book, which is published by McGraw-Hill, asks how Singapore Airlines has managed to outperform other flag-carriers for decades, in an industry where it is notoriously difficult to succeed consistently.



Sue Dopson's book *Knowledge to Action: Evidence-Based Health Care in Context* received warm praise in the British Medical Journal in February 2006. "Anyone with even a passing interest in how and why changes in health care succeed, or fail, could do far worse than take a look at this book," wrote reviewer Matt Williams, a specialist registrar in clinical oncology. The book, which was co-authored with Louise Fitzgerald, was published by Oxford University Press in 2005.

Chris McKenna's book on *The World's Newest Profession: Management Consulting in the Twentieth Century* will be published by Cambridge University Press in June 2006. The book reviews the rise to power of management consultants during the twentieth century and asks how consultants came to have so much influence on professional life. (See page 6 for further information.)

In April 2006, Oxford University Press published a book by **Mari Sako** entitled *Shifting Boundaries of the Firm: Japanese Company – Japanese Labour.* Drawing on data collected from interviews at Toyota and Matsushita and their respective unions, the book examines the organisational strategies of Japanese corporate management and union leaders in Japan, and looks at the implications for corporate restructuring, jobs, and labour market flexibility in other developed countries.

Laura Empson has completed two substantial contributions to the prestigious *International Encyclopedia of Organization Studies*, forthcoming from Sage. Her contributions on "professional service firm" and "the professions" define these concepts, review relevant contemporary literature and identify future research directions. The entries are available via the Clifford Chance Centre website www.sbs.ox.ac.uk/ccc

Conferences

Robert Redford and **Al Gore** were among the speakers on the opening day of the **2006 Skoll World Forum for Social Entrepreneurship**. The Forum, which focused on the theme of "sustainable routes to wealth and well-being", which ran from 29–31 March was opened by **Jeff Skoll**, whose most recent venture, Participant Productions, garnered eleven Academy Award nominations in 2006 for films such as Good Night and Good Luck, North Country, and Syriana. (See page 26 for further information.)

In March, **Chris McKenna** presented his research on the history of law firms at the **2006 Davis Conference on Qualitative Research** held at the University of California, Davis. His paper was entitled: "Squaring the magic circle: A comparative history of law firms in London and New York, 1950–2000". In April, he presented his work at a conference on **Globalization of the Legal Profession** held at the University of Indiana at Bloomington. His presentation was entitled "Creating a global profession: International competition among law firms, 1950–2000".

At the **European Accounting Association Congress** in Dublin in March, **Fiona Anderson-Gough** presented a co-authored paper on "Critical accounting as key to technical competency: How to integrate the technical with the critical: and why".

In April, **Marc Ventresca** co-convened a research workshop on, **Innovation Journalism: Exploring New Directions for Research on Media, Entrepreneurship, and Innovation** at Stanford University, sponsored in part by Innova, the Swedish Council for Innovation.

Jonathan Reynolds gave the keynote speech at a Barclays Corporate Seminar on **The Impact of China on Retail and Wholesale Companies** in April. His subject was "Retailing in China: Quantifying and Qualifying the Opportunity". He also gave the keynote lecture at the annual meeting of the **Economic and Business Education Association** at New College, Oxford, in March on the subject of "The Marketing of Marketing". At the annual conference of the **Norwegian Institute of Purchasing and Logistics** in Oslo in April, he presented a paper on "The Future of European Retailing".

This year's **Oxford Private Equity Network** conference in April provided some valuable insights into the rapidly growing world of private equity. Around 200 delegates gathered to hear various leading practitioners discuss key issues facing the industry. Speakers included: **Humphrey Battcock** of Advent International, who identified the main characteristics of private equity; and **Guy Hands** of Terra Firma, who claimed that private equity is a much more successful performer than the publicly quoted sector. Subjects under discussion included the many challenges facing the industry, such as the overvaluation of target companies, high borrowing levels and the possibility of unwelcome government action.

Paulo Quattrone recently convened the **Second Workshop on the Process of Reform of University Systems**. The workshop, which focused on the theme of "University and sustainable economic competitiveness" took place in Venice in May 2006. **Anthony Hopwood** moderated a discussion at the workshop. Speakers included Umberto Paolucci, the Vice-President of Microsoft EMEA and Stephen Cunliffe, President and CEO of Nestlé Prepared Foods.

Laura Empson has been invited by the UK government's **Department for Constitutional Affairs** to present her research on partnerships at a conference on the theme of "Delivery of justice and legal services" to be held in London in September. The theme of the conference is the implications of the Clementi review on the provision of legal services in the UK.

Richard Whittington will be a keynote speaker at the June **Organization Studies** workshop in Mykonos, and in August, he will be giving the opening keynote speech to the **European Business History Conference**, Copenhagen. From September to December, Whittington will be Alfred Chandler International Visiting Scholar at the Harvard Business School.

What's more…

HRH the Prince of Wales has appointed **Anthony Hopwood** as Chairman of the Prince's Foundation for the Built Environment. In this capacity, he will work with the Prince and the Director of the Foundation on issues of urban design and regeneration. Hopwood will take up the role after he retires as Dean of the Saïd Business School later this year.

In addition, **Anthony Hopwood** has been presented with a Lifetime Achievement Award by the American Accounting Association and is the first non-American ever to receive such an award.

In April 2006, **Angela Wilkinson** joined the Saïd Business School as Director of Scenario Planning and Futures Research. Over the past decade, Wilkinson has worked on a broad range of scenario and strategy projects on behalf of Royal Dutch Shell and its strategic stakeholders. In addition, she has directed several ambitious public-private initiatives, aimed at using scenario-based processes to effectively frame and address global concerns, such as AIDS and the ongoing availability of water.

Peter Healey of the James Martin Institute is co-ordinating a €1.3 million EC funded research project entitled "Researching inequality through science and technology". The project, which will run for three years, aims to understand the ways in which science and technology both contribute to and sometimes mitigate inequalities. Other institutions involved in the project range from Eduardo Mondlane University, Maputo and the Ankara branch of the Middle East Technical University to the Georgia Institute of Technology.

For the second year in a row, **Chris McKenna** has been nominated as one of Oxford University's three best teachers and has been put forward for an individual award under the National Teaching Fellowship Scheme. The Scheme recognises and rewards individual excellence in teaching in higher education in England and Northern Ireland. 50 individual awards of £10,000 are made each year.

At the beginning of April, **CFA Institute** announced its partnership with the Saïd Business School – the first such agreement under its new CFA Programme Partner initiative. As a CFA Programme Partner, Saïd Business School will include in its **MSc in Financial Economics** curriculum more than 70 per cent of the study required for all three levels of the Chartered Financial Analyst (CFA) Programme, meaning that business students seeking the highest qualifications for a career in finance can now combine their academic studies with preparation for their professional examinations.

Skoll Centre launches new magazine

The Skoll Centre for Social Entrepreneurship has launched a new magazine called ***Postings***, which gives an overview of the Centre's current acti-vities, introduces its staff, fellows and students, and provides information on its research, teaching, networks and social innovation programmes.

Each edition conveys a particular viewpoint. The fist issue, which explores the new market for social development in China, includes contributions from Will Hutton, author of a forthcoming book on China, *The Writing on the Wall*, and He Fan, the youngest ever adviser to the politburo.

The autumn edition of Postings is being produced in conjunction with Alliance, the leading international philanthropy journal. Following this year's Skoll World Forum, it will make a detailed survey of capital market development for social change. The Skoll Centre's Director, Rowena Young, is a guest editor.

ANTHONY HOPWOOD WITH PRINCE MICHAEL OF KENT

Profile:

Anthony Hopwood

"If just one name were to be submitted to answer the question, 'Who developed European accounting research?' Professor Anthony G. Hopwood would doubtless be the one," commented Professor Jan Mouritsen of Copenhagen Business School on awarding Hopwood an honorary doctorate in the year 2000.

"It all started," Hopwood recalls, "with my PhD." After graduating from the London School of Economics, Hopwood went as a Fulbright Scholar to the Graduate School of Business at Chicago. It was on the doctoral programme there that he was forced to take a compulsory course in organisational theory and sociology, an area he was completely unfamiliar with. The course, which was taught by Paul Goodman, changed Hopwood's life.

At a time when the whole notion of studying business in the real world was alien to Chicago academics, Hopwood announced to his professors that this was precisely what he wanted to do. "They thought it was crazy," he says, "but in the end I went to a steel company and did a thesis on how accounting was actually used in the real world."

The thesis set Hopwood off on the course he has followed for the whole of his professional career, creating a new stream of work on the organisational and sociological aspects of accounting, which has subsequently become highly influential, particularly in Europe. "It's about understanding how accounting has impacts, has consequences, what they are," Hopwood explains, "understanding how accounting gets tied up in configuration of organisations and is related to broader patterns of social change, and is different at different points in time and in different countries." It is the need to appreciate these processes that Hopwood has pushed throughout his career and with which his name is now synonymous.

Along the way, Hopwood managed to create some important institutions. He founded and is editor-in-chief of the journal Accounting, Organizations and Society, one of the few intellectually significant management journals to be edited outside the US; and he played a key role in establishing the European Accounting Association, thereby contributing to the creation of the first pan-European networks in accounting.

In recognition of his achievements, Hopwood has notched up five honorary doctorates from European universities. In 1998, he was voted Distinguished Academic of the Year by the British Accounting Association; and in 2005 the European Accounting Association granted a new EAA Award for Academic Leadership to Hopwood for his contribution to the development of the EAA. Subsequent awards will be named after him. He has also been presented with a Lifetime Achievement Award by the American Accounting Association and is the first non-American ever to receive such an award.

As if that were not achievement enough, Hopwood has devoted the last seven years to another academic success story: the creation of a world-class business school at Oxford University. He did not anticipate being Dean. In fact, in July 1999 he was happily ensconced at the Saïd Business School as Professor of Accounting, working on two books on information flows in the fashion industry, when his predecessor departed within a three-day period. "On the third day," Hopwood recalls, "I was in Brussels and the Vice Chancellor called me and asked if I would take over."

Hopwood's vision has always been of what he describes as an "intelligent" business school; one that draws on lots of different knowledge bases but is thoughtful and analytical in a way that is relevant to both academics and practitioners. "Business is so interesting," he says, "and most business schools are so boring."

Hopwood has done things differently. He has appointed faculty that share his belief in processes, practices and action, rather than statics or comparative statics; and to the traditional core business school disciplines of finance, accounting, strategy and marketing, he has added applied research centres that mirror the knowledge-intensive end of an emergent economy. These developments, he says, mean that the School can maintain a dialogue not only with the forefront of intellectual developments but also with the practising community. "Good management is appropriate management in context," he says. "I wanted us to invest seriously in understanding context."

"We are looking to the future, not sideways at what other schools are doing," Hopwood is fond of saying. And now, Hopwood is looking to his own future. It will not be one of idleness. HRH the Prince of Wales has appointed Hopwood as Chairman of the Prince's Foundation for the Built Environment. In this capacity, he will work with the Prince and the Director of the Foundation on issues of urban design and regeneration.

ANTHONY HOPWOOD IS PETER MOORES DEAN OF OXFORD UNIVERSITY'S SAID BUSINESS SCHOOL AND STUDENT AT CHRIST CHURCH, OXFORD.

Jeremy Atiyah tracks down the MBA class of 1996

Where are they now?

DIRK PÖSCHL, who was born and raised in the former GDR, escaped to West Germany four months before the fall of the Berlin Wall. Having discovered the West, he proceeded to do his undergraduate studies in New York and Paris.

He spent some time working as a management consultant before coming to the Saïd Business School in Oxford in 1996 to do his MBA. His choice, he says, was based mainly on the reputation of the University itself. It also tied in with his desire to study in Europe.

He has no regrets. "Oxford gave me the chance to become part of strong worldwide network," he says. Pöschl remains in regular contact with as many as ten people from his MBA class.

After leaving Oxford in 1997, he went to work as a consultant with Burlington Consultants in London; then he joined CSK Europe in Frankfurt in 1998.

Since then he has been specialising in start-ups. In 2000, he became founding CEO of uni.de AG in Germany, a Student Internet portal that was sold to Firstream Group (France) in 2001. Pöschl subsequently stayed on as CEO of Firstream's Student Holding, with operations in Paris, London, Madrid, Milan and Munich.

Later, he became founder and CEO of SyncMagic SAS (Paris), a software and service company in 2D/3D animation. He remains head of the supervisory board of SyncMagic SAS.

His most recent start-up has been that of the EOS Partnership. This is a boutique corporate financing firm, based in Frankfurt, which specialises in assisting small and medium sized companies in Germany, France and the UK. It also manages a Luxemburg-based investment fund that provides seed-investment for start-up companies.

"My plans for the future are to expand the EOS Partnership," Pöschl says. "I am interested in promoting entrepreneurship and working closely with institutions like Saïd Business School to help get good business ideas off the ground."

DIRK PÖSCHL AND FELLOW ALUMNI

NOVELLA SPRINGETTE is now back working in St Kitts and Nevis, her native country, after a six-year stint in New York.

She originally came to Oxford, as she puts it, because she was "attracted by the idea of being part of the Oxford experience". The team-work involved in the summer project was for her the most stimulating experience. She still stays in touch with some of those she worked with on the project – "we attempt to touch base at least once a year," she says.

When Springette relocated to the United States in 1999, she found that having the Oxford MBA on her resume opened many doors for her. It helped her to win interviews, and the job-offers flowed. She eventually rose to the position of Senior Manager of Application Development with a large Manhattan-based firm called Town Sports International.

Right now she is self-employed, working as an IT consultant to the government of St Kitts and Nevis, managing several major projects, including the implementation of an ASP site for the Customs Department.

Her ambition is to expand into other businesses. Having noticed how expensive food has become in St Kitts and Nevis, she is investigating the possibility of setting up an online wholesale business. "The market seems to exist for more reasonably-priced options that would break the stranglehold that big businesses currently have," she says.

When she thinks about Oxford today, she recalls that her MBA class consisted of five women and 44 men. "I started the programme with a daughter who was only fifteen days old," she says. "The other students, and especially the MBA staff, adopted her as an integral part of the programme, and spent a lot of time with her. I cherish that memory and always will."

KAZUHIRO TAKEI was one of two Japanese students in Saïd Business School's first MBA intake. He felt that he needed to do an MBA because he wanted to pursue a career in corporate law. As he puts it himself: "A good doctor needs to know the patient properly." Before coming to Oxford, he had already graduated from Harvard Law School and was placed among the top 10% of the students.

Now, ten years on, Takei is a highly successful practising business lawyer in Tokyo. Not only is he a partner at Nishimura and Partners, the largest law firm in Japan, but in the year 2005, he was chosen as the number one business lawyer in Japan, in a survey of 1,000 business lawyers conducted by Nikkei Newspaper (the Japanese equivalent to the Wall Street Journal). He works in the corporate field, on mergers and acquisitions and corporate strategy, and intends to continue in the same field.

Apart from practising law, Takei has served as a member of several Japanese government committees, including committees on corporate taxation and on mergers and acquisitions. He is also currently teaching a course in Advanced Corporate Law at the law school of Tokyo University.

His favourite memories of Oxford are simply of the colleagues with whom he studied. He remains in close contact with the other Japanese student from his MBA class, Masaki Takayanagi, who is now working as Director for Investment Banking for Daiwa Securities in London. Looking back, Takei feels that Saïd was a good choice for him, in view of the opportunities for cross-faculty communication presented by the University as a whole.

Peter Snow looks back at twelve years of the BA in Economics and Management

"The most over-subscribed course at Oxford"

It is only ten years since the first Oxford students graduated in economics and management (E&M) but to the first 20 students it seems like ancient history. When they matriculated in 1994, there was no business school, just a tiny school of management squatting in the Radcliffe Infirmary. Sneha Patel recalls struggling past trolleys, the reek of antiseptics, pedalling out to Templeton College for tutorials, and quizzical looks from PPE students when she mentioned the new-fangled subject she was studying.

Since then E&M has not looked back. Currently it admits some 90 students annually, but it is the most over-subscribed course at Oxford, with at least ten applicants for every place. For years, Oxford undergraduate business courses have topped the Guardian university rankings. Colleges are increasingly keen to have E&M students, and this year E&M embarked on a new course in finance shared with the undergraduate PPE programme.

Course director Richard Whittington explains what makes E&M special: "It is an academic not a vocational course in management. We are educating students who, hopefully, will be leaders in their chosen fields in 20 years, and we are inculcating the future skills they will need – teaching them to think independently using the toughest materials."

Students agree. "Intellectual rigour – that's what Oxford gives you," says Patel. "It teaches you to look at something and not take it at face value. To argue with it and tear it to bits."

"To be honest, it wasn't what I was expecting," says Toby van der Meer, another of the E&M "guinea pigs" and now Citibank's UK marketing director. "But in retrospect it was absolutely right: it built rigour and focus." He details a couple of instances where the exacting quantitative techniques he learnt came in useful: as a consultant he advised on the launch of the internet bank Egg and also Channel 5, in both cases using multiple regression analysis to assess the interplay of different market factors.

Economics and management may seem strange bedfellows, one abstract and mathematical, the other wordier and more experiential. Alexander Graah, E&M class of 1998 and now a clothing entrepreneur, believes the strength of studying the two is the way that "together they help build a complete picture of the business world". For Keith Blois, a previous course director, E&M's blend of quantitative and qualitative creates real synergies, especially in areas like finance, strategy and marketing.

One of the things that particularly pleases Daria Luchinskaya, a current second-year E&M student at St Anne's, is the connections the course makes possible: For instance, the combination of the two subjects helps students to see how economic theory applies to the real world, and teaches would-be economists about the structure of the firm. Plus it helps them to appreciate the links between the activities of firms such as mergers and acquisitions and broader economic factors.

E&M consists of a series of compulsory core courses – introductory economics, mathematics and statistics, and an introduction to management in the first year, followed by micro- and macroeconomics in years two and three, supplemented by six options taken from a list of 21 possible topics ranging from finance and strategic management to international economics.

"Students like that combination of a good basic grounding with the ability to specialise across a broad spectrum," says course coordinator Caroline Pearce. For Luchinskaya an option like command economies and their marketisation has particular resonance because of the insights it offers into her native Russia as well as into other global giants in transition such as China.

So is there a typical E&M student? I asked van der Meer what he would expect of an E&M student who came to him for a job: "A combination of rigour and brainpower," was the answer, "but also a very can-do, practical attitude, reflecting of the sort of people who apply for the course, what it teaches and the community they forge during it."

E&Ms, most of whom go into finance or consulting, generally do outstandingly well in their careers. Some try a range of alternatives before finding their niche.

After graduating Patel went into investment banking but decided "it was not what I wanted to be doing for the rest of my life. I wanted to deal with things I could touch, feel and see. So I took ten months out, worked on a yoga farm in the Bahamas, then gardened and taught. Then I went to San Francisco and joined the high tech industry – for me the perfect combination of strategy and finance. When the dot.com boom came crashing around our ears I went into consultancy and now work as a project manager at the University of California Davis Medical Centre."

Glenn Smith (class of 2001), although now planning a career in advertising, taught business studies and economics at a secondary school in London through the Teach First scheme, which he found "very challenging but also enriching".

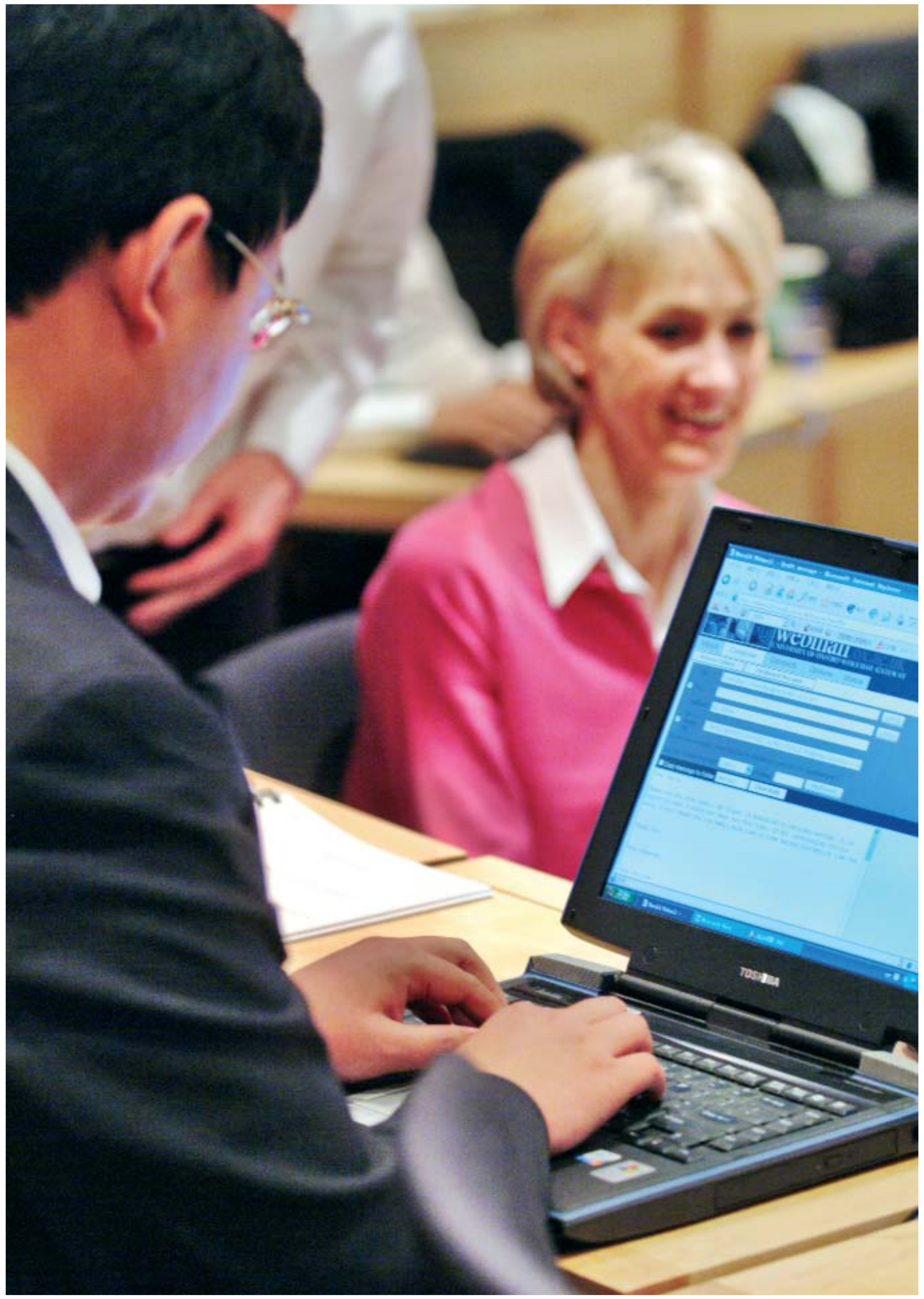
Oxford undergraduates generally make their friends within their colleges, but E&M friendships are equally course-based if not more so. This was especially true of the original class. "The community started small but spread like wild fire," says Toby van der Meer. "We bonded very tightly and have never lost that. I have lived and worked with members of the year, I play poker with others and I was best man at one of their weddings. Perhaps more than anything the network has turned out to be the main thing."

Patel, who is getting married this summer, vividly remembers the first class's last afternoon in Oxford : "It was idyllic – playing on the meadow below Magdalen Bridge, drinking wine, kicking a ball around but even then thinking, 'We're about to say goodbye to all of this.'" Somehow, I don't think they will ever quite say goodbye to it all.

All E&M graduates are cordially invited to a **reunion event** at the Saïd Business School on 16 September, 2006. For more details contact Jo.Whybra@oba.co.uk

What a waste!

British businesses waste £75 million a year on ineffective executive education, says Caroline Scotter Mainprize



British businesses and public sector organisations could be wasting up to £75 million a year in poorly conceived and delivered executive education programmes that are not achieving their aims, according to a new report from the Saïd Business School, entitled "Strategic Tool or Just Nice to Have? The Role of Executive Education in the UK".

61 per cent of organisations develop their senior staff through commissioning individually tailored courses, a market estimated to be worth around £120 million a year. But only 35 per cent of HR directors and 21 per cent of other executives believe that their current training and development programmes are meeting corporate strategic objectives.

The report is based on the results of two in-depth telephone surveys conducted by Benchmark Research to discover the views of both the HR departments commissioning the development programmes and the executives who participate in them. Among its findings are:

- 69 per cent of senior executives view executive education as very important or critical to strategic success
- But in only 11 per cent of cases would the Chief Executive or other board member take a central role in commissioning a programme
- 92 per cent of HR directors said that they would be increasing their use of leadership programmes in the future
- 44 per cent of executives questioned said that an individual (boss or mentor) had had the greatest positive influence on their personal development at work

"A good executive development programme can have a transformational effect on both individuals and the organisation, as long as it is carefully briefed and managed," says Tim Morris, Associate Dean of Executive Education. "Business education, like any other form of education, is about more than simply acquiring skills. In the most successful examples, learning is integrated into the culture and vision of the organisation to accelerate the execution of strategy – and even to create strategy."

A full copy of the report is available at www.sbs.oxford.edu/execed

The art of strategy

Thomas Powell and Richard Whittington talk to Anthea Milnes about Oxford's distinctive approach to strategy

The discipline of strategy is at the heart of most business schools. The Saïd Business School is no exception in this regard. However, its approach to the subject is exceptional. So for this anniversary issue of Business at Oxford, I asked Thomas Powell and Richard Whittington to tell me how the strategy group has evolved at the School over the past ten years, and to explain what makes Oxford's approach different to that of other leading business schools.

"Right from the beginning," Whittington recalls, "there was a sense that the strategy group wanted to take a different approach". Initially, an important aspect of this was teaching differently, using the traditional Oxford tutorial system to foster critical thinking.

"Of course we want students to understand what they read," Powell says, "but we also require them to go deeper. We ask: what's wrong with the theory? What is the evidence for it? Where are the gaps?" What this means in practice is that eighteen-year old undergraduates are asked to read articles from Administrative Science Quarterly or Strategic Management Journal and to take a critical view on them.

One reason that the strategy group is good at driving students to think outside conventional management wisdom is that many of its members were not trained in a mainstream business school environment. From the outset, the group's approach was not only more critical than that of most other business schools, but also more cross-disciplinary.

"North American schools expect their strategy faculty to have strong backgrounds in economics or sociology, and to do quantitative, statistical research," Powell explains. Oxford, in contrast, appoints exceptional faculty who show promise across a whole range of research areas. The group includes conventionally-trained researchers, but it also includes people with a broad range of academic backgrounds, including historians, philosophers, and political scientists.

Of course, the Saïd Business School was not always as attractive an employer as it is today. "Initially, it was risky for people to come here," Whittington says. "Before we moved into the current building, we had substandard teaching facilities and a heavy teaching load. Many people predicted that the School would fail, and at times it was hard to explain to my wife what I was doing here."

Despite the dire predictions, the strategy group grew and thrived. David Faulkner was appointed in 1995, Richard Whittington in 1996, and by the end of the 1990s, Peter Johnson, Fiona Murray, Robert Pitkethly and Laura Empson had joined them.

The growing group comprised mostly qualitative researchers, rather than quantitative researchers. "We were more grounded in the European traditions than in the American traditions of strategy," Whittington says. The group was, and still is, interested in how business works in the real world. "Of course, we do teach statistics," Whittington says, "but our approach is firmly grounded in reality".

"I do some quantitative work myself, but it is not the only way to make sense of the world," Powell adds. "To understand strategy, you need to immerse yourself in management practice."

Strategy at the Saïd Business School is not considered as a series of abstract nouns, but as a series of activities. This strong practice tradition fits well with the broader strategy of the School. Where Whittington looks at what people do when they're doing strategy, Marc Ventresca looks at how people behave in networks and institutions and Victor Seidel looks at what entrepreneurs and venture capitalists do.

In the last couple of years, the strategy group has expanded further. First there was the successful incorporation of entrepreneurship faculty into the strategy group. "This happened partly by accident, because the strategy group was seen as an interesting place to be," Whittington explains. Rather more deliberate was the merger with the international business group, which shared a social science-based, eclectic approach with the strategy group, and saw a natural home with them. In the last year, the group has expanded again, incorporating faculty such as Rafael Ramirez and Loizos Heracleous from Templeton College following the merger between executive education at Oxford and the Saïd Business School.

So from a select group of three or four people specialised in strategy, the group has now grown to around fifteen members of faculty working across a range of disciplines. The group, newly renamed "strategy, entrepreneurship and international business" (SEIB), has diverse interests, from strategy in professional services, through intellectual property, to economic and political reform in China. What binds its members together is their shared interest in combining organisational sociology and political science with the humanities to produce non-traditional interpretations of competition, markets, technologies and institutions.

"We are not a typical strategy group," Powell summarises. "We are theoretically and methodologically inclusive, integrating diverse intellectual traditions and research perspectives. In doing this, we have been fortunate to recruit outstanding faculty with global reputation and experience."

The Oxford approach to strategy is reflected in some of the unusual electives and perspectives currently on offer to students: Thomas Powell teaches an elective on competition, strategy and performance that looks at what competition in the business environment has in common with competition in other arenas such as sports, pageants and politics; Marc Ventresca teaches strategy implementation using a distinctive social networks approach; Chris McKenna brings historical perspectives to bear on professional services; Dana Brown offers an in-depth understanding of Russian and Eastern European politics; while Eric Thun's political science background informs his teaching on China. Other members of the group draw on dialogues from literature, philosophy, psychology and other disciplines – influences that come from outside the walls of business schools.

The group is global in its origins and outlooks. Members have their PhDs roughly equally from Europe and the United States. They are high achievers, publishing regularly in leading European journals such as Human Relations, Journal of Management Studies, and Organization Studies, and in leading American journals such as Academy of Management Review, Strategic Management Journal, Organization Science, and Strategic Organisation. They are active in major international conferences and professional associations, and hold many editorial board memberships.

Recent and forthcoming book publications by members of the group include Mari Sako's *Shifting Boundaries of the Firm*, Alex Nicholls' Fair Trade, Loizos Heracleous' *Flying High in a Competitive Industry*", and Chris McKenna's *The World's Newest Profession* (see page 6).

For the future, the group's plans include developing its seminar series, developing the doctoral programme, offering students the best possible portfolio of classes, making connections and networks to schools around the globe, and bringing in visitors and researchers to enrich the learning environment. Running workshops and conferences are also on the agenda.

So what have the highlights of the last ten years been? "Moving into the new building made a tremendous difference," Whittington says. "We can go out and recruit without being embarrassed." "More recently, seeing the group coalesce is great," says Powell. "It's coming together through social and cultural processes – we co-teach, have productive conversations, and we're making unexpected connections."

After ten years, the strategy, entrepreneurship and international business group has established itself as a force to reckon with. "In every business school, the strategy group bears a key intellectual responsibility," Powell says. "We know that, and we're prepared to take up the challenge".

THOMAS POWELL AND RICHARD WHITTINGTON

The unseen university

Jeff Skoll introduces the Skoll World Forum on Social Entrepreneurship 2006

For nearly 1,000 years, Oxford has been a pillar of the establishment. It has had a role in educating four British and eight foreign kings, 47 Nobel Prize winners, 28 foreign presidents, seven saints, 86 archbishops, 18 cardinals and one pope. Not to mention Hugh Grant!

All of this stately history tends to obscure the fact that occasionally important rebellion also occurs here. After all, it was here that John Wyclif challenged the pope in the fourteenth century; that John Locke stood up for natural rights in the seventeenth century; and that academic colleges were first established for women back in 1878. That is the other Oxford University – the "unseen university."

For me, the Skoll World Forum, the Skoll Centre, is where rebellion is being defined in the twenty-first century – not just for Oxford, but for the world. You might not know it, because we're not waving placards and beating drums in the streets, but social entrepreneurs are rebelling against the collective thinking of billions of people, rebelling against one of the worst ideas that has every gripped mankind – namely that the problems that surround us are so big that ordinary men and women can't make a difference.

Five years ago, Bill Clinton, the former president of the United States, came to Coventry and made a speech where he looked at the problems of the world today: environmental degradation, poverty, human rights violations and so on. He said that, although it seems that many of these problems are half a world away, through advances in technology like satellite and the internet, we can no longer choose not to know about these problems. We can choose not to act, but we can no longer choose not to know.

It's true. Whether it is disease and hunger in Africa, or poverty in the Middle East, or lack of education across the developing world, we all know the problems. However, unlike most people, social entrepreneurs see these problems as a call to action rather than a cause for despair. That's what we mean at the Skoll Foundation when we say that social entrepreneurs have two kinds of power. The first is to directly work on the problem – bringing clean water to rural villages or education to those who can't afford it. The second is the power to inspire – to prove to the cynics of the world that people can actually get involved, make a difference and crack the problem.

Some charities give people food. Some charities teach farmers to grow food. But social entrepreneurs aren't happy with that. They have to teach the farmer to grow food, teach them how to make money, turn it back over to the farm and hire ten more people. They're not satisfied until they have transformed the entire food industry.

At the same time, like other idealists, social entrepreneurs look at the world through rose-colored glasses, but they never forget the green eyeshades of the accountant – measuring return on investment, measuring results and finding new ways to scale up their sustainable social impact.

At the Skoll Foundation our job is threefold. First, we support social entrepreneurs by investing in their organisations through grants. Second, we support their work by connecting social entrepreneurs together through events like the Skoll World Forum and through our online community, SocialEdge.org. Third, we support social entrepreneurs by celebrating their work and showing the world the results – the positive social change.

It's the third part of this mission that I have been most entrenched in over the last few years. I think it's clear to all of us that if we only celebrate social entrepreneurs at events like this and at schools like Saïd, then we're not doing our job. We need a bigger ballpark. And that's where the power of the media comes in. That's one of the reasons I started my own company, Participant Productions, in Hollywood – to create films that can make a difference in the world.

Storytelling is so powerful. As one example, I want to give you a little update on a project that we announced last year at this Forum. The project is called The Gandhi Project. It was the idea of a friend of mine, Kamran Elahian, who was doing some social work in the West Bank in Ramallah and was very discouraged that the Palestinians around him saw violence as their only recourse.

Coincidentally, the night before I had this conversation with Kamran, I'd seen the movie Gandhi again. I asked him, "What do people think about Gandhi in the Palestinian territories?" And he said, "Well they don't really know much about him." Sure enough, the movie had never been dubbed into Arabic.

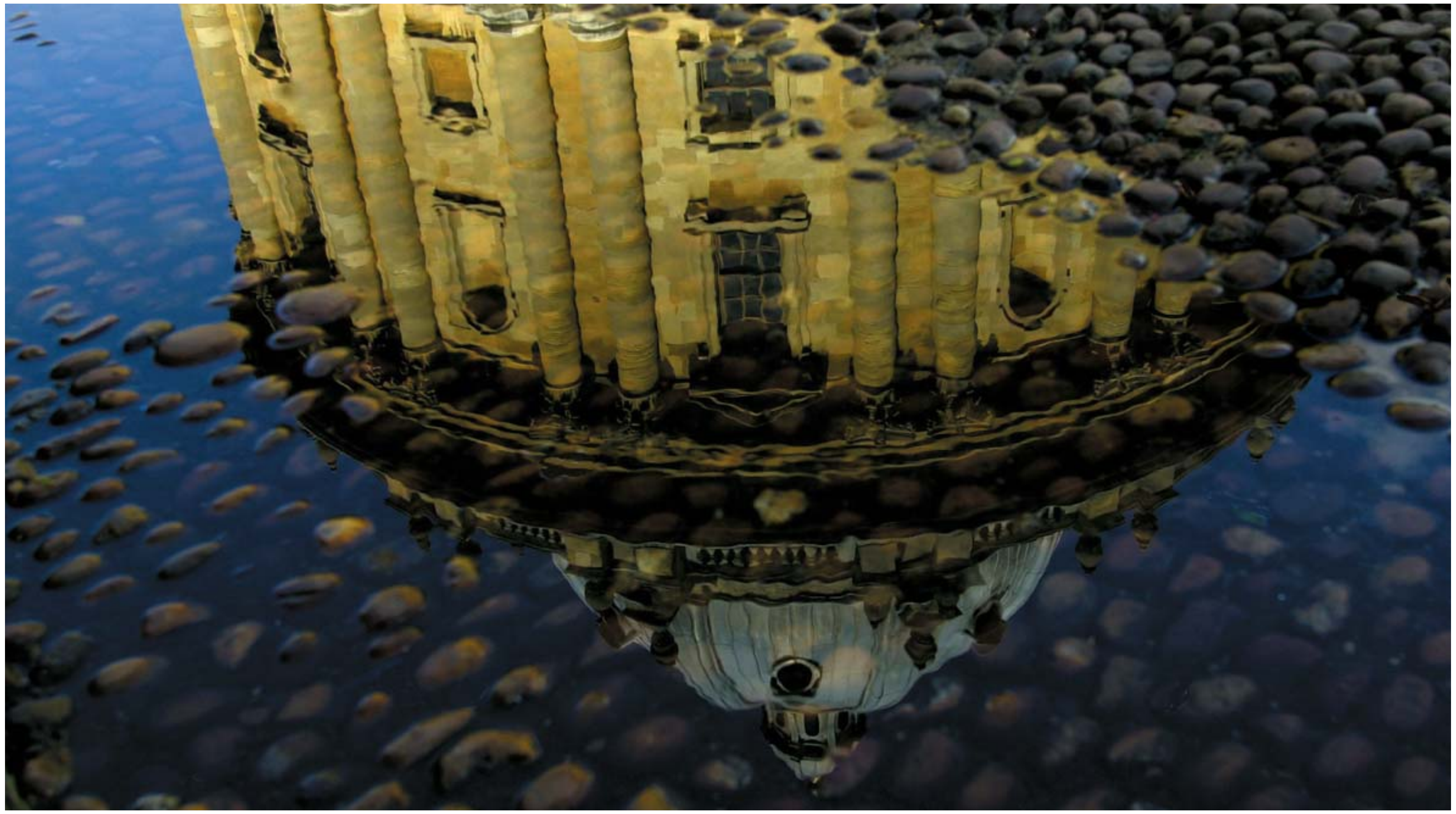
JEFF SKOLL IS CHAIRMAN AND CEO OF PARTICIPANT PRODUCTIONS, AN INDEPENDENT FILM-MAKING COMPANY WHICH FOCUSES ON THE PUBLIC INTEREST. HE WAS THE CO-FOUNDER OF EBAY AND IN 1999 SET UP THE SKOLL FOUNDATION, WHICH FUNDS THE SKOLL CENTRE FOR SOCIAL ENTREPRENEURSHIP AT THE SAID BUSINESS SCHOOL.

So, by the good graces of Columbia Pictures, who gave us the right to do it, and the wonderful work of a Palestinian filmmaker, Hanna Elias, who did the dub using Palestinian actors, we were able to create an Arabic-dubbed version of the film. With our partners at the Global Catalyst Foundation and Jake Edwards, who produced and financed Gandhi, and Sir Ben Kingsley, we went from the Forum last year directly to Ramallah, where we had a première of the movie. We also had premières in East Jerusalem and Bethlehem. After that, we worked with local NGOs on rolling out the movie in schools and community centers, in refugee camps and even in private homes. Following those screenings were discussions.

It has been a remarkable process. The response has been beyond what we had hoped. After a lot of these screenings, we've seen Palestinian youths who've said, "You know, before I saw this movie, I was thinking about becoming a martyr (a suicide bomber), but now I see that there might be another way."

So through the power of this great story about a great social entrepreneur, Gandhi, we hope to reach a few hundred thousand Palestinians by the time this project ends in 2007. It's too early to tell if it will make a difference, but like all of you, we have to count on hope and faith and belief that this is really working.

It is hope that will transform the world, and that's what all of you do. Your work creates the peaceful communities, the kindness and the inspiration that show others that people can really make a difference. Through your work, many more people are leading healthy and productive lives. It's the hope that you give the world – the hope in people, the kindness, the hard work and the brightness of our shared future that I think is the antidote to many of these entrenched problems around the world. That to my mind is really rebellion – the unseen university.



Creating beauty

Geoff Skingsley tells Anthea Milnes what's new at the world's biggest beauty company

L'Oréal is a company where innovation counts. "We may not be producing i-pods or PSPs," says Geoff Skingsley, the firm's recently appointed executive vice-president of human resources, "but innovation is as central to our way of thinking as it is to that of high-tech companies".

Some of L'Oréal's innovations are, as one might expect, beneath the surface. "When you invent a new sun filter that better protects people from harmful rays, or a new mascara brush" Skinglsey says, "you are contributing to making products better, or making them perform better, or making them easier to use." The company boasts that in the past ten years it has invested more than two billion euros in cosmetic and dermatological research, and registered hundreds of patents around the world.

To ensure that its innovations translate into a source of competitive advantage, L'Oréal cultivates good communication between its scientific community and its marketing community. At one end of the innovation process are scientists looking at molecules and how different materials relate to one another. At the other are marketers scanning their environment for new fashion and beauty trends. In between are applied researchers and product developers. "It's a funnel effect that leads inexorably to the launch of new products," says Skingsley.

The reason that the innovation process works at L'Oréal, according to Skingsley, is that, while many beauty companies simply try to think of different ways of marketing the same thing year after year, L'Oréal uses innovation to keep its brands alive. L'Oréal's marketers are steeped in the notion that the best marketing ideas come from innovation and consistently use innovation to ensure that products have relevance, pertinence and surprise value. With eighteen brands to manage, ranging from Lancôme and Vichy to Garnier and Maybelline, this is no small challenge.

Other L'Oréal marketing initiatives are more spectacular. Previous showpieces have included: the construction of an Ambré Solaire garden at the Chelsea Flower Show; signing up Natalie Imbruglia as an international spokesmodel for the company; and the creation of the Colour Trophy, which encourages hairdressers to use L'Oréal hair colouring products and hairstyling products to create leading-edge statements in hairstyling.

Skingsley, whose own background is in marketing, recalls that in the early days of street marketing, he went out with decorated vans and enthusiastic volunteers to launch a product called "Pumping Curls". The idea was to take people off the street, curl their hair, give them vouchers, and hope that they would rush off to the nearest shop to buy them. "Whatever the product, we try and make sure that our marketing is as active and as relevant as possible," says Skingsley.

Perhaps most familiar to business school readers are L'Oréal's innovations in recruitment. Nearly 40,000 students signed up for the most recent L'Oréal e-Strat Challenge, the final of which was held recently in Paris. The game provides students with the opportunity to put themselves in the virtual driving seat of one of the world's leading cosmetic companies. e-Strat was the second business game launched following the earlier success of the marketing competition Brandstorm. 2006 saw the launch of a third more industry orientated game, Ingenius, aimed at engineering undergraduates.

"The single greatest benefit of recruiting in his way," Skingsley says, "is that it allows a very large number of people to find out about our industry in a way that we couldn't achieve otherwise." People who play the games get to understand that L'Oréal is a real business, rather than relying on the rather one-dimensional view they may have received from a TV ad or a poster ad. Specifically, the company hopes that by demonstrating to business students how dynamic and exciting the cosmetics industry is, people may reconsider their preconceptions about working in it.

The presence and reputation of these business games on a large number of campuses around the world, have combined with the inherent attractiveness of L'Oréal's brands have, to make the company highly attractive to graduates. In graduate surveys, particularly of European business students, L'Oréal consistently appears as one of the top employers of choice.

So where does L'Oréal see its future? Like many companies, it is looking to the growing middle classes in India and China as a likely source of growth. From 1994-8, Skingsley was general manager of L'Oréal in India (1994-8), so he is well qualified to comment on how L'Oréal can grow its sales in the country. "The Indian woman," he says, "has been interested in how to optimise personal presentation for thousands and thousands of years. The trick for a company like L'Oréal is how to make its products and technologies relevant to the Indian consumer." The idea is that the brands' positioning remains the same worldwide, but the company makes sure that the product mix is appealing as possible to the local consumer, adjusting textures, perfumes, and the way products are described to fit with the local marketplace.

However, Skingsley stresses that India and China are not the only territories the company is interested in: "We actually believe there's plenty of potential for growth in all our markets, even the mature ones." One way for L'Oréal to achieve this is to develop brands specifically aimed at particular cultures. Softsheen.Carson is an African American brand, based on an in-depth understanding of black skin and black hair; while Shu Uemura is a Japanese brand, born out of the company's laboratory in Japan and made in their Japanese factory. L'Oréal was recently honoured at the World Diversity Leadership Summit in Prague for its achievements in the area of product diversity.

Coco Chanel once said: "Fashion is something in the air… you feel it coming, you smell it… in the sky, in the street; fashion has to do with ideas, the way we live, what is happening.". So how does one stay ahead in a field that is dominated by passing fads? According to Skingsley, it's all about who your partners are. In L'Oréal's case this means understanding where fashion is going by working with hairdressers and leading make-up artists, and by keeping an eye on what is happening in retail, interior design and other sectors. This helps the company to identify the areas outside the beauty industry that it can learn from and apply to the cosmetics field.

"It's a combination of innovation and marketing that has made us successful and that we want to continue make us successful in the future," Skingsley says. "We would argue that our approach to product development and our approach to marketing is very much about innovation and forward thinking. The L'Oréal Chair of Marketing at the Saïd Business School in Oxford is one expression of that."

GEOFF SKINGSLEY IS EXECUTIVE VICE-PRESIDENT OF HUMAN RESOURCES AT L'ORÉAL, PARIS.

THE APPOINTMENT OF PROFESSOR DOUGLAS AS THE L'ORÉAL CHAIR OF MARKETING FOLLOWED AN INVESTMENT OF £1.8 MILLION BY L'ORÉAL TO DEVELOP THE SAID BUSINESS SCHOOL AS A GLOBAL CENTRE OF MARKETING EXCELLENCE.

MBA STUDENTS EXCEL AT L'ORÉAL E-STRAT CHALLENGE

Two teams of Saïd Business School MBA students beat 13,000 entrants from 125 countries to make it through to the semi-finals of this year's L'Oréal's e-strat Challenge. Alex Snelling, L'Oréal's Recruitment Director (UK) commented: "We are delighted to have Saïd Business School students entering the competition and look forward to seeing future cohorts build on the impressive performance of the two teams this year."

Making misery matter

Doug Holt asks how we can mobilise collective action on major social and environmental issues

Today's humanitarian and ecological crises are largely due to a failure of collective will, not a lack of resources or ideas. Viable solutions exist, but their implementation requires overcoming any number of entrenched political and economic interests. People must come together to push incumbent institutions into action, be they governments, multinational companies, or multilateral organisations.

Easier said than done. Crises such as global poverty and climate change are, for the average person, impenetrably complex, of unimaginable scope, and lacking in immediate self-interest. People do not understand what collective responses to these problems should look like, much less feel compelled to join up. It is hard to imagine a more difficult set of social issues to "market". But it must be done, and current efforts, mostly by the large NGOs, are not up to the mark. NGOs rely increasingly on the techniques of conventional mass marketing to mobilise people. And just as these techniques are losing traction in the commercial sector, they are also ill-equipped to generate the enthusiasm, perceived efficacy, and durable commitment required to build social movements.

In the project I am currently working on, I stretch the idea of social entrepreneurship to include innovations in how to mobilise collective action. Social entrepreneurship tends towards a model of social change driven by passionate individuals implementing new ideas. While such people are surely essential, a thousand brilliant small ideas, passionately pursued, will not resolve the world's most acute problems. If we require collective action at the level of the nation and, increasingly, the Earth, then we must take on how to get large populations to think and act differently. This is a social marketing problem on a massive scale.

In my research, I am focusing on how to mobilise Americans on issues of African poverty and climate change. American governments and companies have been notorious laggards on both issues, in part because American citizens have been relatively inert. As a result, the US devotes a minuscule percentage of gross national income (GNI) to alleviating world poverty (just 0.17% in 2004, according to the OECD, compared with 0.38% in the UK and an average of 0.8% in Scandinavia). The US also has by far the highest rate of carbon emissions per person.

To develop new mobilisation strategies, I am adapting my research on commercial brands. In my book How Brands Become Icons (Harvard Business School Press, 2004), I use historical analysis to develop a model explaining how the world's most powerful brands have been able to bring together large numbers of devoted "followers". Successful social movements work in much the same way. To that end, I am conducting new research to adapt the model to mobilising citizens around acute social and ecological issues through three components:

1. Revisionist historical analysis
I am revisiting historical accounts of comparable social movements of the past – such as American civil rights, and the anti-sweatshop and anti-Apartheid movements – to extract marketing lessons.

2. Jubilee 2000 and Make Poverty History case studies
Paul Haynes, a research assistant at the Skoll Centre, is working with me to conduct detailed case studies of these two campaigns. There is much to learn from both their successes and failures.

3. The dynamics of American citizenship and social justice activism
In order to develop proper strategies it is necessary to develop a detailed cultural understanding of prospects, that is, people who might be won over – in this case, American citizens who sympathise with alleviating global poverty and addressing climate change but have not committed to collective action. I will be conducting field interviews in the US this summer.

My research will inform a book that sets out a strategic blueprint for mobilising American citizens on these issues, which should also have wide application in Europe.

My hope is that the research will stimulate a new generation of entrepreneurial endeavours.

DOUG HOLT IS L'OREAL PROFESSOR OF MARKETING AT THE SAID BUSINESS SCHOOL. THIS ARTICLE ORGINALLY APPEARED IN POSTINGS, THE MAGAZINE OF THE SKOLL CENTRE FOR SOCIAL ENTREPRENEURSHIP. FOR FURTHER INFORMATION GO TO WWW.SBS.OX.AC.UK/SKOLL/POSTINGS

Alumnus: Ernest Darkoh

Delivering healthcare to vulnerable populations

The Forum of Young Global Leaders, an affiliate of the World Economic Forum, recently announced that Saïd Business School alumnus Ernest Darkoh has been named a Young Global Leader 2006.

Established in 2004 by Professor Klaus Schwab, Executive Chairman of the World Economic Forum, the Forum of Young Global Leaders is a unique, multi-stakeholder community of the world's most extraordinary young leaders who are ready to dedicate a part of their time and energy to jointly work toward a better future.

Darkoh was born in the United States to Ghanian parents, and his family moved to East Africa when he was a child. Life there was often a challenge. Crime was rife, poverty endemic, and health care was unreliable. When he was 19, one of Darkoh's friends died at a local hospital; doctors had refused to treat him because they thought he might have AIDS.

Early on, it looked as though Darkoh would combat this by becoming a doctor himself. He returned to the United States and enrolled in the University of Wisconsin-Madison where he triple-majored in chemistry, biochemistry and molecular biology. He followed this with a medical degree from Harvard.

Finding, however, that his medical studies focused on treating diseases that he wouldn't face in the developing world, he set his sights on public health, earning a master's at Harvard. He felt, though, that he lacked the training to put into action what he had learned, so he completed his education with an MBA at Oxford.

In 2000, Darkoh went to work in McKinsey's New York office. In 2001, he worked on a project to create the strategy for Africa's first major public distribution of antiretroviral AIDS drugs.

The United Nations Program on HIV/AIDS had predicted that the life expectancy in Botswana could drop to 29 unless something changed. Working on this project, Darkoh says, changed his life completely. He found his calling, and a way to put to use all his diverse knowledge and training.

McKinsey's client subsequently hired Darkoh to implement the team's plan, and within three years, he had a third of the country's HIV-positive people receiving treatment. Before his arrival, almost no one knew whether or not they even had the virus.

In 2005, Darkoh handed over the reins of the program to a local counterpart. Since then, the program has continued to thrive and is currently treating 60,000 people, representing more than half of all the treatment eligible people in the country.

Darkoh has now gone on to form his own company, BroadReach Healthcare, dedicated to expanding access to health care across the globe. As chairman, he leads BroadReach's efforts to identify better ways to deliver care to vulnerable populations and to develop the infrastructure, capacity, and supporting systems needed to allow for the rapid implementation of healthcare interventions.

He has consulted as far away as China, but is currently focusing on increasing the access of antiretroviral medications in Ethiopia, the Caribbean and South Africa, which currently has the highest number of HIV-positive citizens in the world.

Despite a non-stop schedule that keeps him constantly on the go – he travels so much that he doesn't even keep an apartment – Darkoh says he considers this a once-in-a-lifetime opportunity.

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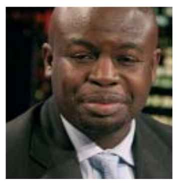


ERNEST DARKOH

LUCY KIMBELL IS CLARK FELLOW IN DESIGN LEADERSHIP AT THE SAID BUSINESS SCHOOL. IN TRINITY TERM 2006 SHE IS TEACHING AN ELECTIVE ON DESIGN LEADERSHIP ON THE SCHOOL'S ONE-YEAR MBA PROGRAMME.

Design thinking: the future of business education?

By Lucy Kimbell

Look around you for a moment. Everything you see has been through a design process of some kind. Someone, possibly a person educated in design but quite likely not, has made decisions about the arrangement and appearance of signs, forms and processes.

In organisational life, much of the designing that goes on is what researchers Peter Gorb and Angela Dumas refer to as "silent design". Designing activity in organisations is found not just in functions such as marketing or product development, where we expect to see designers involved, but also in the design of processes and systems.

In discussing design, the initial emphasis is often on its visual qualities. We can easily see the designing activity that results in consumer products, in fashion, in our homes, and in the built environment we inhabit. As sophisticated consumers we are to some extent also co-producers and co-designers of these artefacts.

But it's harder to locate the designing activity in business processes of the sort that emerge within organisations, the kinds of artefacts that people engage with everyday that, apparently, no one has designed with intent.

Management education and research with its foundations within social science has, of course, already found ways to investigate the effects of these signs, forms and processes. But a number of researchers and educators are now arguing that design has something to offer management research and education.

In Germany, the new Zollverein School of Management and Design has just begun educating its first cohort of MBA students in an interdisciplinary programme which seeks to teach students both management and design skills in an innovative way. In the US, Stanford has set up a "d-school" which uses "design thinking to drive multidisciplinary innovation" bringing together students from engineering, IT, medicine, business and the humanities to solve problems in a "human-centred" way.

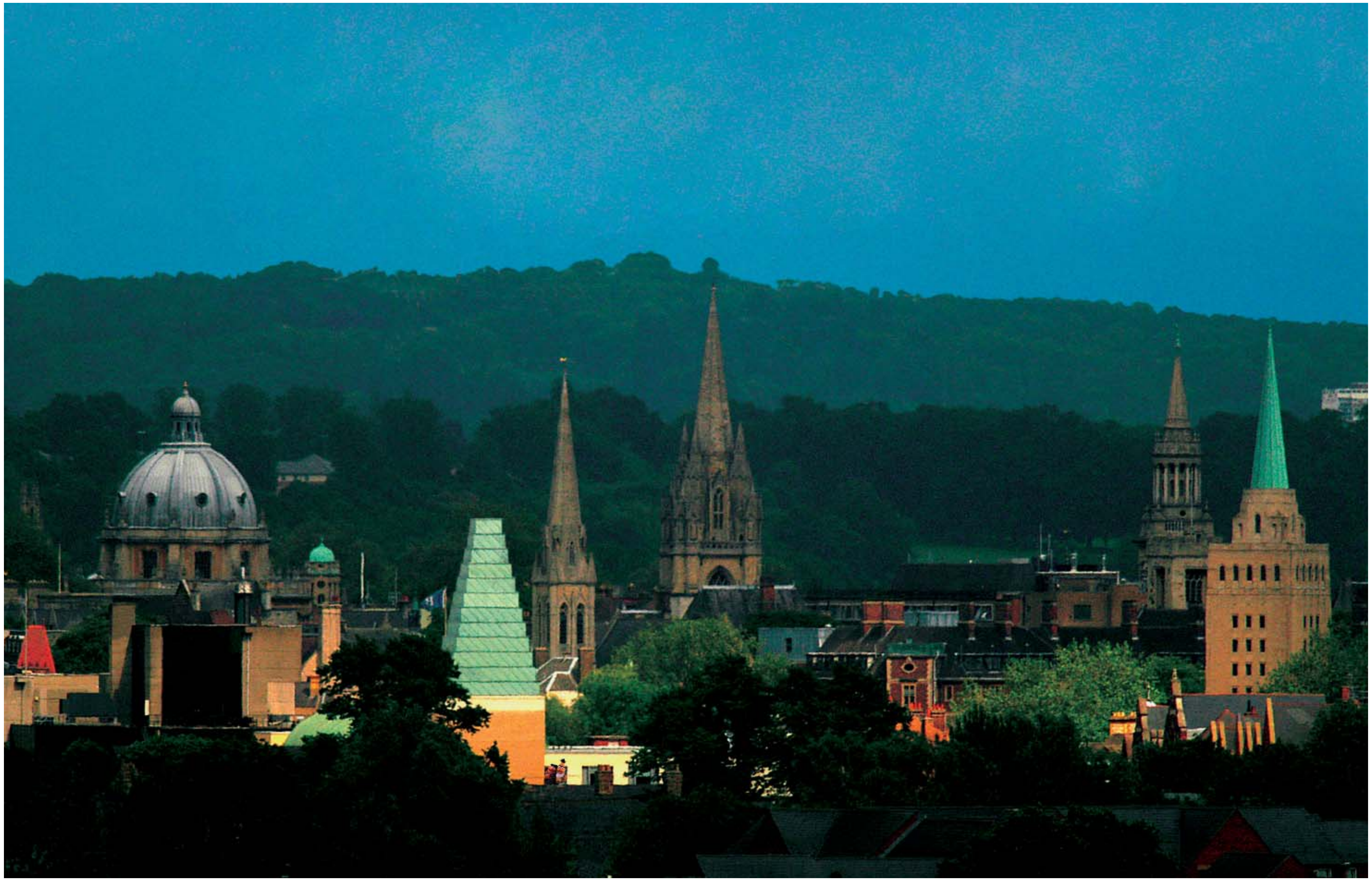
In the UK, the recent report to the Treasury by Sir George Cox about creativity in British business argued for better links between business education and design education. It proposed the setting up of five specialist centres to bring together students, researchers and businesses in a shared environment, involving collaborative research and professional development. Many of these ideas are not new, but they are now finding an audience among decision makers who face complex problems where no one discipline has all the answers.

"Design thinking" is difficult to define, and is closer to a distributed set of practices than an agreed, singular model of thought. If management education helps students to grapple with complex problems, designers have practices which emphasise visualising ideas collaboratively, not in the sense of merely making an attractive picture, but giving form and meaning to different knowledge and opinions during decision making. If management education should help students reflect on the possible impacts of decisions, design practice has developed methods of testing ideas rapidly through sketching, modelling and prototyping; product designers build physical prototypes and interaction designers and experience designers build "experience prototypes". If management education helps students consider whether to engage stakeholders in strategy making, designers have skills in designing engagements, conversations and interactions.

The first MBA elective in design leadership at Saïd Business School will expose students to these ideas and practices and ground them in skills they can take forward into their work as entrepreneurs or managers. This is a good start. Looking ahead, it's worth asking whether these ideas and practices should be part of the core curriculum. Reaching 225 students rather than 20 on an elective: now that would be design leadership.

Oxford University: Past, present and future

By John Hood



What is the real business of the University? Never an idle question and one given extra vitality perhaps by the tenth anniversary of the Saïd Business School, an enterprise that has been a signal success in its first decade and one in which Oxford can and does take considerable pride.

The University, of course, has a few more decades under its belt: eighty of them at least. The extraordinary scope of this history can be read in many ways. It may be seen, for example, as a heavy burden and it can also be seen as a priceless anchor; it helps to explain how Oxford can be so powerfully both a British cultural icon and a modern global brand.

So what runs through and across this amazing institution: past, present and future? From this perspective, the core business of the University is surely the advancement of knowledge and understanding. That is what we have always been about and that is what we must and will continue to be about, I hope and expect, for the next eighty decades.

The notions of a knowledge economy and a knowledge society have become commonplace in recent years. Oxford has never really been about anything else. The challenge for Oxford must surely be not only to maintain but also to enhance its pre-eminent position in the centuries-old Exchange of ideas.

What has changed of course is that the Exchange has got a lot bigger and a lot more competitive: like the Oxford brand it has gone global. We are rightly enthusiastic about embracing that reality. We have every reason to be confident but no excuse to be complacent. Our great history helps to equip us for what lies ahead but it does not guarantee success. That is why we have to go on working hard to create the right conditions.

While Oxford is not a business and never will be, money and finance both matter. Put simply, we need to generate the resources to attract and retain the best, whether we are talking about people, buildings, or facilities. And when it comes to resources, the funding streams that flow through Oxford are many and varied.

Most of them run in well-established channels: public and private, individual and corporate. And like all streams, some are more seasonal and predictable than others. This is a reality that Oxford has lived with and partially been shaped by for generations. But global change is upon us in university finance too, and that inevitably influences what is likely to be in the various financial streams on which we depend. Building the great Oxford of the future from the great Oxford of today is going to require a lot of first-rate rain-making.

How are we going to do that? Well, we certainly have to try to create the right conditions for ourselves; we have to ensure that we have enough freedom of movement and action to go about our business. This means making sure Oxford's own hand is on the tiller, and it means making sure that the vessel itself is entirely seaworthy for the long voyage ahead.

That is why we must continue to offer our many friends and stakeholders a vision of Oxford sufficiently compelling and exciting to command the means to bring it within reach. The vision is of a university of pre-eminent quality, attracting the best and most promising minds, regardless of personal background, to a unique scholarly environment, one where their talents can develop and flourish for the benefit of human wisdom and the common good. It is a vision not only for the next decade but for many more Oxford decades to come.

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