Up in smoke

Dispelling the myths that have grown up around technological change
Our research and teaching direct attention to the ambiguity of unsettled spaces and challenge current views about what leaders do and the skills they require

Professor Marc Ventresca, Strategy, Innovation and Marketing faculty, Saïd Business School
03  View from the Dean
Peter Tufano looks ahead to another impactful year for the School.

10  Agents of change
Dominic Barton, former Global Managing Partner at McKinsey, on how to bridge the new skills gap.

14  Combating complexity
Why a joined-up approach in business is key to creating systems-level change.

16  A new social contract
We unpack the economics of mutuality – this year’s theme for the Responsible Business Forum.

20  A sense of purpose
Looking beyond the balance sheet to a deeper role for business.

24  Inspiring impact
Dr Peter Drobac shares his vision for the Skoll Centre for Social Entrepreneurship.

26  Tales from the dark side
Illuminating learnings from the Dark Web for brands and marketeers.

30  Fintech's first-year success
Our inaugural digital Open enrolment programme is extending the School’s international reach.

32  An unlikely partnership
Sir Frank McLoughlin CBE, reflects on the challenges facing the further education sector.

36  Chapter and verse
Our global footprint is growing thanks to our alumni efforts.

40  The power of perspective
Can the Humanities shine a light on the challenges facing tomorrow’s leaders?

44  The magic words
We speak to three Excellence Award winners who are going above and beyond for the School.

48  Iron will
We take a look at the progress made by the Oxford Foundry, one year in.

52  A common goal
MBA alumna Camila Toscana Rodriguez looks back on her winning MBAT experience.

54  Highlights
Key awards, achievements and activity from across the School.

58  Facts and figures
Headline statistics illustrate the shape and size of our community.

04  Challenging the hype
How Oxford Saïd is cutting through the noise to help leaders bust the myths of technology change.

60  ‘Leaders need to keep pace with digital natives’ expectations’
Angela Ahrendts, Senior Vice-President of Retail, Apple
We must respect national differences and universal similarities even as others sow division. When the institutions of democracy are under attack, universities must defend scientific evidence, academic freedom, and open debate.

Peter Tufano, Peter Moores Dean and Professor of Finance, Saïd Business School
The 2017/18 year was strong for Oxford Said and this coming year looks equally exciting. This past year, we consulted with students, faculty, staff and alumni, and articulated six aspirational values for the School. These values establish a framework within which to judge our progress in this Annual Review.

**Excellence:** Our students, executive participants, faculty, alumni and staff have done remarkable work this year and been acknowledged widely. As reported in this Review (p54), among our faculty, Sue Dopson has been awarded the Col. Lyndall F. Urwick Memorial Prize, Thomas Powell received the 2018 Best Article Award from California Management Review, our Future of Marketing Initiative is pursuing a vibrant research agenda, and faculty members have produced world-class research, including a study on what it takes for a woman to become a CEO.

Our students have won the MBAT for a second time in two years, and triumphed at the Yale Integrated Leadership Case Competition. Among our alumni, Phyu Hninn Nyein (PGDip 2015) was awarded a Woman of the Future prize and Mohamed El Dahshan (MBA 2015) was named among Africa’s young economic leaders. Finally, our Open Programmes ranked second in the world in the annual Financial Times rankings. Bravo!

**Collaboration:** We have long benefited from our connection with the University, whether through our Engaging with the Humanities initiative (p40), our award-winning GOTO course, or our multi-departmental degree programmes. When the Oxford Foundry opened in October 2017, we turned this collaboration around, made a huge gift to the students of the University, and set an example for the Vice Chancellor’s One Oxford initiative.

**Entrepreneurial:** The Oxford Foundry, fully staffed and supported by Oxford Said, has reached out to all 24,000 Oxford students to support their entrepreneurial ambitions. As this Review shows (p48), we have touched almost 10% of Oxford students within the first year of opening, whether through building skills and resilience or by supporting new ventures. This complements other entrepreneurial initiatives, such as the Oxford Said Entrepreneurship Forum (OSEF), the Entrepreneurial Project (EP), our new undergraduate Entrepreneurship offering, and our work with the Goldman Sachs 10,000 Small Businesses programme.

**Transformational:** Our work has impact. We are proud of our work with the Education and Training Foundation, led by Sir Frank McLoughlin (p32), which helps a wide range of young people to develop the skills and capabilities needed to succeed in a variety of careers. Our institution is embedded in Oxford, but in the past year we have reached students around the world through our new digital Open Enrolment programmes (p30) and have successfully deployed the Hub for International Virtual Education. Research, such as Tim Jenkinson and Howard Jones’s work on investment consultants, has had an impact beyond the confines of academia.

**Purposeful:** We speak about purpose, and demonstrate it with research on how firms deliver purposeful strategies. Our Responsible Business Forum (p16), our work in the Skoll Centre (p24), our research and teaching on family firms and purpose (p20), our programmes on social finance and impact measurement, and our pioneering work on the Dark Web (p26) all set an example of responsible, principled research and leadership.

**Respectful:** In our exceptionally diverse student body, we must respect national differences and universal similarities even as others sow division. In an increasingly myopic world, we must respect the idea that our actions will have consequences for others we may never meet. When the institutions of democracy are under attack, universities must defend scientific evidence, academic freedom, and open debate.

Beyond these six values, a seventh unarticulated value is Gratitude. I am grateful to the many people who have contributed their time, talents and treasures to make this School and this Community vibrant, strong, forward-thinking and supportive. I hope you take pride in all that you have accomplished, and accept our thanks for all that you do. It is you that we celebrate in this Annual Review.

Peter Tufano, Peter Moores Dean and Professor of Finance, Said Business School
Through pioneering research, innovative platforms and engagement with the outside world, Oxford Saïd is cutting through the noise to help tomorrow’s leaders grapple with technological change.

Words: Simon Creasey

It’s never been so hard for business executives to lead. Established, long-standing business models are constantly being disrupted by tech start-ups who are reimagining what is possible. And many traditional businesses are trying to steal a march on rivals by innovating and investing in technology to improve their processes, and deliver products and services that are more efficient, competitive and relevant for modern consumers.

Making sense of this environment is incredibly tough. As technologies go through different stages of promise, potential, and practice, business leaders have to make an informed decision about which tech to invest in and which to ignore. They also need expert help and advice to navigate the unsettled spaces where emerging technologies meet firm capabilities and shape new markets.

Through its world-class portfolio of academic programmes, industry initiatives and strong track record of research and innovation, Said Business School is helping business leaders gain a greater insight into and understanding of the technologies that are impacting their businesses today and are set to affect them tomorrow.
From lab to market

One of these initiatives is Oxford Said’s Digitally Empowered Enterprise Lab, known as DE2Lab. ‘As a School, we were doing a lot of work in the space of digital technologies, but we were very poor at telling the outside world what we were doing and linking it together,’ explains Matthias Holweg, Professor of Operations Management and a faculty member in Technology and Operations Management, and Organisation Studies. ‘DE2Lab has the single purpose of creating a coherent platform to bring our research together and engage with outside stakeholders, be they scholars, practitioners, or policymakers.’

As part of the DE2Lab initiative, the School has identified ten technologies that will have a major bearing on businesses in the future (see the box on page 8). The lab explores what these technologies might look like within a company and the impact they might have on existing industries, business models, and society.

‘Very often we will see technologies that are touted to disrupt, and you always get big words about “wholesale change”, but that rarely ever happens,’ says Professor Holweg. ‘Yes, technology has great capabilities, but it is also based on certain economic foundations, which means applications are more limited than the people who talk about them would care to admit. It’s important to understand the economics if you want to work out what these technologies will or will not do, and that’s where the School and DE2Lab come into the picture.’

Systemic leadership

Oxford Said is also good at collaborating with internal and external partners to deliver unique insights – whether it concerns School departments, local partners like the Oxford Internet Institute and Oxford Sciences Innovation, or influential international bodies.

‘We’re currently working on projects to explore the World Economic Forum’s ideas about the Fourth Industrial Revolution (4IR), including a leadership module developing the idea of “systemic leadership” in the context of the 4IR,’ explains Professor Marc Ventresca, an economic sociologist at Said Business School and Wolfson College. ‘We’re trying to combine the School’s ability and strengths in innovation and technology strategy with our work on leadership. This is not about the technology per se. The question is, what does it mean to lead in a world where there are extremely strong drivers coming from new technologies and what they make possible for business and wider societal impacts. These are challenges for governance of streams of technologies, where the consequences of each alone, and all in real time, are only partially understood. Our research and teaching direct attention to the ambiguity of these unsettled spaces and challenge current views about what leaders do and the skills they require.’
Deciphering data

Elsewhere, Oxford Said is a partner with University College London and the University of Liverpool in the Economic and Social Research Council’s Consumer Data Research Centre (CDRC), looking at the use of big data and how the analysis of unconventional data sources and focused training can help retailers better understand their changing customer base.

‘In the retail sector, there is an existential challenge from new entrants into the marketplace who are unencumbered by existing assets. They haven’t got stores, they haven’t got a costly labour force and they’re able to understand and use technology in ways that legacy retailers aren’t because they often don’t have the skills,’ explains Jonathan Reynolds, Academic Director of the Oxford Institute of Retail Management (OXIRM), Associate Professor in Retail Marketing and Deputy Dean at Said Business School, and Deputy Director of the CDRC.

It is hoped that research in this area will provide all kinds of retailers with insights that will allow them to better identify opportunities for growth.

There are a number of other areas where big data potentially offers tremendous opportunities for businesses, adds Professor Reynolds, but interpreting it also presents major challenges. ‘Data is not knowledge, data is not insight – it’s just data,’ he says. ‘You have to know what questions to ask and with big data it’s harder to ask those questions because the data set you’re working with is often unfamiliar, unconventional and complex. It’s less flexible to interrogation and there are lots of possible answers to draw out. You need to use your judgement much more critically to evaluate the analysis that emerges. As someone once said, “if it’s interesting, it’s probably wrong.”’

Find out more about the CDRC at: cdrc.ac.uk
TECH FUTURES

Transformational technology

Other areas in which the School has taken the research lead include rapidly emerging technology sectors like fintech and proptech (for instance through the Oxford Future of Real Estate Initiative). It offers in-depth educational programmes with leading scholars in these fields and has undertaken cutting-edge research to promote a greater understanding of what impact these disruptive models might have on established business practices.

Additionally, through the work of Andrew Stephen, Associate Dean of Research and L’Oréal Professor of Marketing, and Director of the Oxford Future of Marketing Initiative, who is working in partnership with a wide range of companies from small start-ups through to global brands, the School is exploring how companies should use new technology platforms – particularly social media – for marketing purposes.

Professor Stephen points to key changes occasioned by digital marketing that redefine how markets work, how we know what consumers want, and how businesses can engage with social media and other pervasive technologies.

“We’re looking at the skills you need to understand technology-enabled transformation”

School, we’re interested in questions about transformational technologies, and what we research is how to bring those technologies into real businesses, multinational corporations and entrepreneurial start-ups. What that technology enables and the downsides of those transformational technologies at any one point in time are also critical questions. 

3D printing and the circular economy

Said Business School’s professors regularly undertake pioneering research into potential technological applications. A recent project for Matthias Holweg, Professor of Operations Management, on 3D printing and its implications for the circular economy, exemplifies this.

Professor Holweg explains that around 80% of the plastic ever made has either gone into landfill or the oceans, with around 11% incinerated and 8% recycled. ‘The question we had was whether 3D printing could help to stop this,’ he says. ‘The idea was very simple: could you collect plastic in the form of PET drink bottles, and use this locally in the recycling centre to make something new? That’s where 3D printing comes in. With PET bottles you can clean them, crush them and turn them into feed stock for 3D printing operations.’

The resulting research paper, “Disruptive Technology as an Enabler of the Circular Economy: What Potential Does 3D Printing Hold?”, co-authored by Alysia Garmulewicz, Hans Veldhuis and Professor Holweg, examined the economics and feasibility of using local waste plastic for distributed manufacturing.

Professor Holweg says the short answer to whether or not the economics of the model currently stack up is: no, not yet. But the research partners found it technically possible to create a distributed manufacturing operation using waste plastic and 3D printers.

‘We know that we can clean and recycle plastic to such a quality that it could be easily used for manufacturing, and that it is also possible to create 3D printing feedstock from waste plastic and to print from that,’ he says. ‘The problem is that the product you can make from this would not sell at a high enough price compared to what you could make from virgin plastic [newly manufactured plastic that is yet to be made into a product]. At the moment, the 3D-printed product isn’t so differentiated that you would pay more for it. But that could change in the future and we have shown that this is entirely feasible.’

Find out more about: the Oxford Future of Marketing Initiative at bit.ly/AR18_FOMI_home; the Future of Real Estate Initiative at bit.ly/AR18_FREI_home
Risk and reward

Which technologies – and disruptive businesses – will work and have longevity, and which will ultimately fall by the wayside is an area that Professor Kristina Dahlin is exploring in detail. She holds a joint position between the department of Engineering Science and Said Business School, with a focus on entrepreneurial activity and innovation.

Through her “Neophilia” research project, Professor Dahlin wants to look at the idea of disruptive innovation and determine if the second or third movers in a given market are actually more likely to benefit due to the risks involved with being first to market.

‘I want to test some of those ideas about when it is good to be novel and when it is risky and dangerous,’ she says. ‘We’re trying to see under what circumstances “hosts” (the first movers) are actually successful when they come up with a novel idea.’

Through her research, Professor Dahlin is also keen to make sure that the dangers of radical technological change are not over-hyped.

‘The point is overstated that everything is going to hell in a handbasket because a disruptive new technology is going to come along and upset you. If you’re a rich firm you will see these things coming and you will buy the technology and thrive,’ she says.

She cites the example of Microsoft: ‘Everyone has been predicting its demise for years, but it is so wealthy that as long as it identifies the right things, it is the one that can benefit.’

The challenge for Professor Dahlin, her colleagues, and business leaders more broadly, is cutting through the rhetorical hyperbole and identifying how and when, and with what intensity, technologies will impact incumbent businesses and enable new business, nascent markets and industries.

That’s because most foundational technological innovations tend to follow a similar pattern of development, what many refer to as a “hype cycle”. It starts with unrealistic expectations, then people realise the technology is a way off delivering on the more extreme developments initially promised. At that point, there is often a dive into a trough of unrealised expectations. Everyone gets disillusioned, except a few hardy souls who stick with it and make it work. However, this process can take years, so how do businesses know which tech to stand by and which to cut loose?

‘We’re helping to challenge some of this rhetoric,’ says Professor Jonathan Reynolds. ‘Oxford Said’s role is to act as a critical friend, without fear or favour, speaking truth to power and telling it like it is, rather than being caught up in the rhetoric and what it’s fashionable to believe in at the moment. Our role is to challenge some of the preconceptions and the hype – and to take the other view.’

By actively playing this role, Oxford Said will help uncover some of the answers that today’s leaders need in order to plot a robust path for their business in the future.
With the very best leaders, it’s about character. They are aware of what they don’t know. And, they can work with people and handle setbacks and extreme stress without losing it in this challenging world.

Dominic Barton, Senior Partner and former Global Managing Partner at McKinsey, and Global Leadership Council member, Saïd Business School
Change is the only constant; and that's not changed since Heraclitus first said those words 2,500 years ago. Sure, every generation thinks it's the last, but the scale and pace of technological, economic, political, climatic and social change shaping the world today are hitting new heights.

‘Of course, there have always been cycles, but there's now more variability, complexity and uncertainty in the world than ever before,’ says Dominic Barton, Senior Partner and former Global Managing Partner at McKinsey, and Global Leadership Council member at Said Business School.

‘The variables that were once fixed – the US dollar, foreign exchange rates, commodities and so on – are not fixed now. External conditions have become more uncertain than they have been for a very long period of time. That requires a different kind of leadership.’

So, this new world needs a new type of leader. But what will define the leaders of tomorrow? How will they ensure their organisations develop the skills they need to not just survive but thrive? And what role can Said Business School play in this?

The challenges of leadership
‘Early on in my career there was more of an emphasis on what you know as a leader – how you take cost out, performance management, M&A, for example – and how you did it, as opposed to who you are,’ recalls Barton, who describes himself as a ‘student of leadership’.

‘There’s been a shift. The “what” is still important, of course, but today with the very best leaders it’s about character. They are aware of what they don’t know. And, they can work with people and handle setbacks and extreme stress without losing it in this challenging world.’

If all this sounds like viewing the past through rose-tinted lenses and the present through a welding mask, think again. There’s plenty of evidence to support the notion that the business world is becoming more tumultuous and harder to predict. Few predicted a certain billionaire businessman’s ascendency to the White House in 2016, after all.

Indeed, one study suggests the average lifespan of an S&P 500 company sank from 90 years to just 18 between the years of 1935 and 2014. That means three-quarters of the companies in the index today could be gone by 2026.

‘The variables that were once fixed are not now; that requires a different kind of leadership’

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Curriculum Vitae

Dominic Barton
Senior Partner and former Global Managing Partner, McKinsey; Said Business School
Global Leadership Council member

Born: 1962, Kampala
Education: University of British Columbia, BSc economics; Oxford University, MPhil economics
Career: Joined McKinsey & Company in 1986 after a brief spell as a currency analyst for Rothschild & Sons. After 11 years as a Toronto-based management consultant, he moved to Seoul in 1997 and took over the running of the company’s South Korean operations in 2000. In 2004, Barton became Chairman for McKinsey in Asia, a role he held until 2009, when he was elected Managing Director. He served three three-year terms and was replaced by Kevin Sneader in 2018.
Agents of change

What skills will new leaders need in order to survive and thrive? Dominic Barton explains

Words: Rob Brown
This, against a backdrop of explosive technological development. Since the 1950s, the price of computer memory has roughly halved every two years. Today, you can buy a terabyte for a dollar; in 1970, that would buy a byte, a trillionth of the memory.

Such leaps present huge opportunities, of course, but they also present problems. For organisations with large workforces doing jobs that machines may soon be able to do – in call centres or factories, say – the need for swift and fundamental change is mounting.

‘This is a new phenomenon,’ says Barton. ‘We need to reskill – this is one of the biggest challenges the world has ever seen. It’s the equivalent of all the GIs coming back after World War II and needing to build their skills for a new era.’

A 2017 study by McKinsey (Jobs lost, jobs gained: Workforce Transitions in a time of automation) throws the scale of challenge we face into stark relief. Half of the world’s current work activities are technically automatable by adapting established technologies, claimed the report. It concluded that as much as 30% of the global workforce could be displaced by automation by 2030. That’s 800 million jobs.

In Barton’s native Canada, the need for change is particularly pressing. ‘Think about the 18 million workers in that country – by 2030, you could have 40% of that workforce doing fundamentally different things to what they are doing now,’ he notes. ‘The problem is that their average age is between 38 and 50, so it will cost a lot to reskill them. We think it will cost about US$15 billion a year. The big question is: who is going to pay for this? The government? Business? The employees? ‘It’s like pension reform or health insurance – of course the government will have a role, but given the speed and complexity of some of these issues, it’s clear that business is going to have to step up and solve some of this too.’

Lifelong learning
Barton echoes calls that have been made across academia and the world of business for fundamental changes to the way education is viewed. For him, the maintenance of an organisation’s skillset should be chief among any modern leader’s priorities.

‘They need to ask how they can reskill on a continual basis and ask how they should be allocating talent most
‘Diversity is critical. Diversity writ large; diversity in every dimension’

effectively,’ he adds. ‘As a leader you need to bring people along with what you are doing and motivate them. And one of the best ways to learn is to teach.’

In short, lifelong learning needs to become part of an organisation’s DNA if it is to keep up with the modern world. ‘The idea that you stop learning at 21 when you graduate is just ridiculous,’ continues Barton.

‘If you got a computer science degree from Stanford University in 1985, it’s probably completely irrelevant now – some universities are thinking of annual refresher courses for their key degrees. If you are in a company, you can’t just train people and dump them. In the past 25 years, the amount of money being spent on training and learning has been in decline, generally speaking. That’s going to have to change significantly.’

Indeed, Barton argues that business leaders today need to put the acquisition and development of talent at the forefront of their boards’ minds. By attracting talent and implementing a less hierarchical structure, organisations can attain the agility that’s needed to compete in today’s fast-changing environment.

‘AT&T has done a remarkable job,’ he adds. ‘Telecoms is an industry at the tip of the spear in technological change, and they are the largest technology infrastructure spender in the world. They’ve transformed their business if you think about the acquisition of DIRECTV and Time Warner. These are bold changes in terms of the business they’re in.

‘They’ve also done a very radical rescaling of their organisation. If you work in a call centre today, that job will be automated in five years. But rather than say “okay, you’re gone,” they’ve developed an online programme to help people figure out how they can transition from working in a call centre to online marketing.’

The lynchpins of these transformations are the leaders behind them. In many cases, one leader can’t do it all – you need multiple leaders to handle it,’ continues Barton, pointing to the partnership model that China’s Jack Ma has put in place at Alibaba. In Barton’s eyes, there’s one factor that unites successful leaders. ‘Diversity is critical,’ he says. ‘Diversity writ large; diversity in every dimension. Not just male/female, black/white, sexual orientation and those sorts of things, but diversity of experience, thought and outlook. Leaders need to broaden their horizons.’

And that, he concludes, is where the University of Oxford and Said Business School come in: with 38 colleges and 24,000 students from across the world, diversity of thought is in an abundance here. R

Dominic Barton's thoughts on...

Gender parity
‘This is an economic issue, not a moral issue, if you will. Companies perform better if there’s more diversity and there are more women involved in leadership, whether it be in management or the board...how can you claim that you’re a talent-driven organisation if you have less than 50% women? I think it’s just useful to reinforce the economics beside it.’

Agility in business
‘Companies have to increase their clock speed. Decisions have to be made faster, you have to move resources, people and capital around faster. You have to be more flexible in terms of where the opportunities are and where you need to take resources away from, because the speed of the market’s gone up. It’s very difficult to do that in a very hierarchical organisation. If you’ve got nine layers, just the time it takes to be able to get from a signal to an action, you’ve missed it. More agile organisations tend to be flatter.’

Talent as a strategic focus
‘HR has to be a strategic partner, because we think hard about how we allocate capital and spend capital, but we should be spending equal time, if not more, on the talent aspect. We should be reallocating talent, focusing on how to improve talent. And the HR person is an expert in that.’

Sources: Council on Foreign Relations; Chief Executive
Combating complexity: a joined-up approach

World-scale problems require our attention and tackling them will involve a level of collaboration as yet unseen

Words: Olly Goodall

What duties do businesses have to society? Do they have responsibilities beyond making profit?

These questions are not new. They have existed for hundreds of years, even predating the time of prominent Oxford political economist Adam Smith. Yet the responses to them are as salient now as they were in 1759, when Smith published The Theory of Moral Sentiments.

Smith’s seminal work explores how our moral ideas and actions are a product of our nature as social creatures. It also concerns the duties that we owe to one another. When it comes to business, says Peter Tufano, Peter Moores Dean and Professor of Finance, organisations – which are collections of individuals – inherit the duties that we have to one another as individuals.

Of course, businesses need to be financially viable in order to survive and to produce excellent goods and services for their customers and clients. But these basics are a starting point, not the sum total of businesses’ responsibilities. Every business is part of a wider community. ‘That community may be local, national, and global,’ says Professor Tufano. In a more connected world, businesses are increasingly finding themselves linked with suppliers, customers, employees and “bystanders” far from their communities. At the same time, global phenomena can affect relatively “local” businesses.

‘Globalisation has transformed supply chains and the jobs that are available in the supply chains,’ he continues. ‘Growing inequality and growing communication capabilities have meant that people’s expectations have changed. Ageing will affect virtually every industry and every government service.’

Professor Tufano refers to such world-scale changes – in technology, communications, demography, environmental challenges, and inequality – as “systems issues”. They cut across national borders, across sectors of society, and often even between generations.

‘Given the complexity of systems-level problems, it’s unlikely that one single approach or point of view will miraculously produce an answer,’ he says. Instead, we must ‘work to bring a diversity of approaches to thinking in order to solve these problems.’ For this to happen, we must work together. ‘At the core of these issues is the requirement for cooperation and collaboration between different types of individuals and organisations, the need for cooperation across sectors as well as countries,’ he continues.

The role of business education

Can business education help to achieve this sort of cooperation? ‘Business schools make people more effective at the individual level, at the team level, and at the organisational level. Our new challenge must be to make our leaders effective at the systems level as well,’ Professor Tufano says. ‘Huge complicated problems demand people who can work across sectors to address the issues that fall outside of the neat buckets of organisations and governments.’

Until recently though, business schools have been more attuned to the opportunities to enhance individual, team and organisational performance, than systems performance. Yet the increasing challenge for business is to work alongside leaders in other sectors to address these far more complex problems. ‘That’s why we’ve tried to put some emphasis at the School on thinking about systems-level challenges and equipping our students with the skills they need to address them,’ he says.

‘Business education has a part to play in producing leaders who can comprehend and tackle systems-level problems’
Back in 2013, Said Business School introduced Global Opportunities and Threats: Oxford (GOTO), a problem-solving community geared towards addressing some of the most complex issues that the world faces today.

The first year dealt with demography and the problems associated with ageing societies, such as those endemic to the US, China, Japan and much of Western Europe. Professor Tufano mentions one alumnus from this GOTO cohort who went on to create an organisation that combats social isolation and reduces levels of suicide among senior citizens in South Korea. The second year covered issues related to big data and data privacy. Professor Tufano reflects that, ’in retrospect, I think we were ahead of our time in focusing on these issues.’ Subsequent iterations of GOTO dealt with water scarcity, the future of work, the future of healthcare, and for this coming year, the future of energy.

But might systems issues be too large to resolve? Perhaps, but we can’t simply throw up our hands and walk away. ‘Without dealing with some of these issues now,’ he says, ‘we could be burdening our children and grandchildren with a set of problems so extreme that they are much more difficult to solve later on.’ Professor Tufano mentions the old axiom that an ounce of prevention is worth a pound of cure, and cites the former Secretary-General of the United Nations, Ban Ki-moon: ‘We don’t have plan B because there is no planet B.’

Business education has a part to play in producing leaders who can comprehend and tackle systems-level problems head on. These are not narrow “social entrepreneurship issues”. Tufano argues that all sectors of business – from the start-up to the large corporation to the mega public-private partnership – need to play roles in addressing them. While GOTO is a start, Oxford Said and other business schools have to consciously consider who they teach, what they teach, and how they teach, in order to produce the next generations of “systems leaders.” Their primary roles may be as senior business executives, or government leaders or civil society leaders. Regardless of their formal role, they must collaborate with others – from other sectors, countries, and generations – to make meaningful progress on systems-level issues such as climate change, inequality, a fundamental mismatch of workplace skills and businesses’ needs—and other complex problems.

Professor Tufano sees the School continuing to make progress on business’ role in effecting large-scale systems change. ‘In my mind, this is about people who have roles in government and civil society – and in business, especially – seeing, accepting and acting upon their responsibilities to broader economies and societies.’

He returns to Adam Smith: ‘Those duties come from basic ideas of humanity and our responsibilities to one another.’
A new social contract

What can businesses do to restore the trust deficit?

According to a collaborative project between Saïd Business School and Mars Corporation, the answer lies in the principles of mutuality

Words: Andy Davis

Public trust in corporations and their leaders is low – down there alongside politicians and estate agents – and it has been stuck at that level for at least 35 years, according to long-term polling by Ipsos MORI. The major reason for the lack of trust in the corporate world is a widespread belief that companies and the elites who lead them are interested only in their own profitability and financial gain, with little regard for the wellbeing of employees, customers, society or the environment, says Professor Colin Mayer CBE, Peter Moores Professor of Management Studies at Saïd Business School.

‘Mistrust in business is profound, pervasive and persistent,’ he recently noted.

This mistrust is compounded by the fact that the largest companies have grown to rival entire countries in terms of their economic power.

Intrinsic purpose

Professor Mayer traces the disappearance of trust in the corporate world to the so-called Friedman doctrine, advanced in 1970 by the Chicago economist Milton Friedman, who argued that ‘the social responsibility of business is to increase its profits.’ The natural consequence of accepting Friedman’s doctrine is to view both the activities and the fundamental purpose of companies exclusively through a financial lens – companies exist to maximise profit and as long as they do so they are fulfilling their obligations to society.

Not surprisingly, this notion has come under sustained challenge, particularly since the financial crisis, although it still commands support. However, the idea that companies have a much broader set of responsibilities to the rest of society is now widely accepted, and it forms the basis of the research partnership between Saïd Business School and Mars Corporation. At the heart of this project is the concept of mutuality – a focus of the School’s latest Responsible Business Forum in May. It argues that, like all other entities, companies are social actors bound into wider ecosystems by webs of shared interests and obligations that extend far beyond financial measures.

There are two major implications of accepting that mutuality is a fact of life for corporations. The first is that companies need to redefine their purpose – existing simply to maximise profits is no longer sufficient. The second major implication is that we need to find ways of measuring companies’ performance that capture far more than just their financial results.

Speaking at the May forum, he said the idea behind the Economics of Mutuality was sparked by a question from a shareholder just before the financial crisis, who asked Mars what the right level of profit was – a question that directly challenged the belief that there could be any answer other than ‘as high as possible.’

Roche said this prompted a realisation that the world is awash with financial capital, but short of other sorts: human, social and environmental. ‘Yet economics – whose purpose is to manage scarcities – did not know how to address these new scarcities,’ he said.

Manage and measure

Roche set out three principles that underpin the Economics of Mutuality. First, businesses only manage well what they measure, and it is therefore vital to develop new metrics appropriate for different forms of capital. Second, management practices decide performance, so new practices are needed that can accommodate different forms of capital. And third, if companies want to transform their business and put their purposes into practices, they need to transform the way they frame their management accounts to capture the different forms of capital.

‘We don’t want a triple bottom line or a quadruple bottom line,’ said Roche. ‘We just want one bottom line that brings all the capitals into one.’

Accounting conventions are obviously crucial to this exercise, but so is the need to ‘respect the nature of the different types of capital,’ he argued. Instead of trying to produce dollar equivalents for the business’ creation and consumption of social, human,
or natural capital, the aim should be to define the cost of creation and/or the cost of depletion of the different types of capital that the business creates and/or depletes through its activities. Instead of just calculating a price for the pollution it creates, for example, the business should clean up the water or air it pollutes and absorb the financial cost of doing so into its profit calculation.

**Transformative tech**

The spread of artificial intelligence (AI) and automation through the workplace highlights particular challenges and opportunities for the corporate world in terms of mutuality. Technology has put huge information resources at our fingertips, effectively creating the “knowledge economy” we live in today. But it also has the ability increasingly to replace human workers with machines, fundamentally altering the nature of our societies. ‘The potential for technology to transform our lives for the better is phenomenal,’ said Professor Mayer. ‘But, likewise, the potential for technology to create real damage to our society is equally great.’

The social cost of companies choosing to regard these technologies simply as ways to eliminate human roles and therefore increase profits is clear, and there is widespread suspicion that in pursuit of profit they will use AI and automation to create a jobless society.

This is therefore a crucial time for businesses to be re-examining their social purpose and reflecting on their mutual interests and obligations, for example their role in re-skilling workers affected by AI and automation, alongside governments and the individuals themselves. Mayer and Roche suggested the key for companies is to see their purpose as ‘producing profitable solutions to the problems of people and planet.’ ‘This immediately changes the game,’ said Mayer. ‘It is no longer about conflict but about co-operation.’

‘The size and power of multinational businesses mean that there is now no option but for business to transform itself and to address these problems,’ said Roche. ‘It is not only a matter of survival but a great opportunity to re-establish business as a core component of society.’

The challenge for proponents of the Economics of Mutuality is to formulate ways to account for the different types of value that companies create and deplete as they produce these solutions.

**Gig economy:**

MBA student Patrick Watson on the societal costs of tech disruption

‘We can now use our smartphones to order a taxi that turns up almost instantly, hire a dogwalker on demand, and outsource the buying of flowers. We can now order almost anything with next-day delivery.

‘But this focus on convenience rather than societal wellbeing has created the gig economy: an entire workforce without rights, questionable work hours and flexibility, and no long-term prospects. What will happen as technology develops further?

‘When Uber creates a fleet of driverless cars, will it pay to retrain people to become fleet managers? What incentive does Uber have to incorporate this into its business plan? Arguably none. But when mining companies plan a new mine, they must incorporate the environmental restoration costs when they decommission the mine at the end of its life.

‘Why do technology companies not need to factor in societal costs and retraining when they automate or disrupt a process or sector? These are costs that society has to pick up, and we only have to look to economically disadvantaged places in the UK, US and elsewhere to see what happens when this is not managed correctly.’
Purpose is the North Star. It’s something that guides a firm in turbulent times

Dr Abrar Chaudhury, Research Fellow, Saïd Business School
A sense of purpose

It’s now ten years since the global financial crisis. The reverberations are still being felt and the legacy is complex. Yet one very simple question emerged in the wake of 2008: how do 21st-century corporations reconcile profit with purpose?

Words: John Coutts
What started out as an apparently straightforward question a decade ago has developed into an investigation into the existential foundations of modern capitalism.

Research led by Said Business School in collaboration with EY, the Ford Foundation and Mars Corporation is shedding new light on the concept of “purpose” – an idea that looks beyond the balance sheet to a broader and deeper role for business in society.

‘Purpose is a venerable idea, linked to culture, mission, values, and stewardship,’ says Dr Marc Ventresca, a professor in the Strategy, Innovation and Marketing faculty at Oxford Said. ‘But today executives link purpose to more basic strategy in complex contexts, specifically how to make key decisions that initiate transformation necessary for continued survival. This is not about the purpose of any one firm, but a conversation about the purpose of the corporation.’

‘Purpose is the North Star,’ adds Dr Abrar Chaudhury, Research Fellow at Said Business School, and part of the team working with EY. ‘It’s something that guides a firm in turbulent times. Companies need some direction to identify and communicate that the products or services they offer have a purpose beyond simply the financials. Are they helping to address any societal challenge? When they think in those terms, things align in support of the longer term.’

Faculty teams are conducting pioneering research into purpose, both independently and in collaboration with external partners. One of those partners is the Beacon Institute at EY Global – an initiative that brings together business leaders and academics focused on helping organisations to create long-term value.

‘There is a consciousness around what it means to be a 21st-century business and it means moving into a more purposeful place,’ says Valerie Keller, EY Beacon Institute Global Leader and Oxford EMBA alumna. ‘People want to know how to translate this into strategy and follow that through. What we’re doing from the Beacon perspective is saying: here’s best practice and here are the steps that an organisation takes when they embark on a purpose journey to help their organisation to transform.’

The School’s work with the EY Beacon Institute was some of the first to systematically identify and explore the era of purpose within the context of business.

‘The work started with a research project launched at the World Economic Forum,’ says Dr Chaudhury. ‘When we spoke to CEOs, they would use the language of purpose. The key question for us is: what do firms “do” when they focus on purpose?’

Current research by the School in collaboration with EY is focusing on the characteristics that define purpose-driven enterprises. ‘We are looking at a sample of large global corporations that have taken initial steps on a purpose journey,’ explains Chaudhury. ‘Speaking to people across these organisations, from the C-suite to people on the ground, enables us to understand how they are using purpose in their day-to-day activities and how everyday practice is shaping purpose.’

‘The key question for us is: what do firms “do” when they focus on purpose?’

The objective, he says, is to come up with a more complete understanding of key steps in the purpose journey: how firms get started, where they encounter difficulties, and how they convert purpose principles into practice.

The roots of purpose

While the idea of corporate purpose is not new, it has gained a particular resonance in recent years. ‘The global financial crisis was a watershed moment,’ says Dr Mary Johnstone-Louis, Senior Research Fellow, Said Business School. ‘There was a re-articulation of an already-felt lack of trust in the financial system to deliver the goods and services necessary for human wellbeing.’

A crisis of faith in the system was not the only fallout from 2008. It also crystallised the idea that organisations would need to take far greater responsibility for managing risks in the wider world – including global risks to which they were contributing themselves. ‘These include risks from technology, social exclusion, income inequality, political instability, and the risks that come...’
‘Most work in business schools looks at managers and executives, but we are taking a different view’
from people who have been left out because of their gender or ethnicity,’ asserts Johnstone-Louis.

The need to engage with these world-scale challenges is driving a profound re-evaluation of what constitute core business issues, says Johnstone-Louis: ‘If you are a major buyer of a global commodity, for example, and due to climate change your supplier can no longer be counted on, you have a vested interest in understanding what’s happening with climate change. The global context has shifted.’

**Family values**

Understanding how companies build strategic purpose is a key area of study for the School. This is trickier than it sounds: in large publicly-traded companies, for example, defining and pursuing a long-term purpose, such as overcoming social inequality, can be a challenge when faced by the strictures of reporting and the demands of impatient shareholders.

Family and privately-owned companies, however, are not constrained in this way. Could such businesses provide insights into a “purer” form of purpose? Funded by the Ford Foundation’s grant-making programme, the School is researching how family and private ownership relate to the endurance, value and conduct of corporations. The businesses being studied are large, with turnovers between US$800 million and US$1 billion.

‘Most work in business schools looks at managers and executives, but we are taking a different view,’ says Johnstone-Louis, who directs the programme. ‘We are looking at the role of the owner in defining the ways that corporations behave and how they construe their purpose. We look at how they pursue that, particularly in times of market shifts, or in the case of large family businesses, in the case of generational transition.

It’s really the question of how ownership affects the corporation’s sense of its purpose and how it pursues it.’

The Ford Foundation, whose mission is to reduce poverty and injustice, focuses on capital markets and impact investing to achieve its goals. ‘Social and environmental challenges, such as inequality and climate change, are profound financial risks to investors and operating companies. Addressing these challenges has strategic advantages from a business standpoint,’ says Graham Macmillan, Senior Program Officer, Mission Investments, Ford Foundation.

‘The team at Oxford Saïd came to us with the notion that privately-held and family-run firms keep their culture and yet have to evolve generationally. Purpose could be a very important North Star that not only kept the firm bound together, under the same sort of value system that the family held, but also could provide a more durable, strategically competitive firm in the long run. They needed to conduct rigorous analysis and research to determine if that was in fact the case.’

Study in this area is continuing and the first findings will be published later in 2018. ‘What we found is that there’s a strong need for more work on owners because they have an immense impact on their organisations, they behave differently from a publicly-traded, CEO-led, shareholder-driven organisation and the impact can be mixed,’ says Johnstone-Louis.

Work at the School is also focusing on mutuality – the idea that when sharing drives business performance, greater value is created than through profit maximisation. The School is collaborating with Mars Inc on research that seeks to develop a new business management theory based around the economics of mutuality, aiming to inform the future business education curriculum and stimulate new thinking on how business can better society (read more on p16).

Research into purpose is continuing to gain momentum. So what’s the direction of travel likely to be? ‘We have metrics around sustainability, but it’s still early days for meaningful indicators of purpose,’ observes Chaudhury. ‘How do you create employee incentives that support purpose? What drives purpose from a congenial conversation to core strategic precepts? For us, the next phase is going to be working with firms to make the purpose journey more tangible and actionable.’

EY funds Scholarships to advance education and promote sustainable in Angola. Read more at bit.ly/AR18_EY-Scholarships

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**Hitting home:**

Organisations need to take far greater responsibility for managing risks.

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‘We are looking at the role of the owner in defining the ways that corporations behave and how they construe their purpose’

Dr Mary Johnstone-Louis
Senior Research Fellow, Saïd Business School
Eleven years after the Rwandan genocide ripped the country apart, Dr Peter Drobac (pictured left) arrived in the country as a clinician with Partners In Health. The team was there to help the country in its effort to tackle the AIDS pandemic. For the next decade, Drobac played a key role in the transformation of the country’s healthcare system. By the time he left, in 2017, Rwanda had delivered the steepest gains in the health of a population anywhere since records began.

To crystallise the lessons learned by the pioneering work that had been carried out, Drobac co-founded the University of Global Health Equity in Rwanda in 2013. In October last year, he arrived in Oxford to take up a new position as Director of the Skoll Centre for Social Entrepreneurship at Said Business School, where he plans to inspire the next generation of social entrepreneurs. This upcoming academic year he will pilot new initiatives such as the Impact Lab to work towards his goal, which is to drive progress on some of the world’s toughest social and environmental problems. He says, ‘We believe social entrepreneurship is an incredibly powerful tool to change the world. And our bet is that by training the next generation of leaders, we will make the biggest impact over the long term.’

How did you approach such a bleak situation when you arrived in Rwanda?
‘There were so many things to tackle all at once. We were there ostensibly to build an AIDS programme, but what do you do when a child is carried in with a tumour on her leg, turn her away? We faced those challenges every day. So we started to rebuild the hospital and the patients came flooding in. I’d see about 75 patients a day, seven days a week.’

Coming to Oxford must have been quite a contrast. How was your first year?
‘It’s an extraordinary place. The Skoll Centre brings together a world-class business school and the intellectual milieu, discovery and innovation that’s embedded in Oxford. It puts a nexus of academia and action into practice, which is where I have always wanted to be. It’s a really special spot.’

What plans do you have for the Centre now?
‘This coming year we are introducing something called the Impact Lab, which is a year-long pathway for MBAs interested in a career in social impact, whether as social entrepreneurs or in related fields. It’s a co-curricular programme woven into the MBA. Learning by doing will give students a really extraordinary skillset to tackle the problems they care about. The Impact Lab is the most exciting new thing. We are also going to partner with faculty colleagues for the Global Opportunities and Threats: Oxford (GOTO) programme.’

How does that work?
‘Every year it takes on a vital problem, for example water, or healthcare, and convenes a community of students, alumni, faculty and other experts to move the needle on it. This year we are focusing on the future of energy and exploring solutions to energy poverty. The GOTO programme is really important, it’s at the heart of what Oxford Said is trying to do: create business leaders in social enterprise that can confront deep-rooted, systemic problems.’
What experience do Oxford Said students get as a result of the School’s partnership with Skoll?

‘The Skoll World Forum on Social Entrepreneurship, hosted by the Skoll Centre, is a good example. It happens every year, it’s the largest of its kind; people like Bono and Al Gore come, along with social innovators, influencers and funders. For that week, Oxford becomes the centre of the world in social entrepreneurship. It provides a powerful platform for our work and a great vehicle to disseminate what we are doing.’

How do you shape the next generation of leaders?

‘We have alumni students doing some amazing work. We have a full MBA scholarship for really promising young social entrepreneurs: for a year they work closely with the centre then go off and do really wonderful things. Recent ventures to be awarded funding include a “smart” insulin pen, water purification and dispensing machines, and off-grid solar and battery systems in sub-Saharan Africa (see box). About 70 of our people are working around the world on every social problem you can imagine.’

It sounds like you’re carrying on the fine work done by your predecessor, the late Dr Pamela Hartigan.

‘She had tremendous passion for social enterprise. One of the most extraordinary gifts we received from Pamela was a deep well of loyalty to this Centre that comes from the impact she had on so many people. After I started, so many people wrote: “Welcome and congratulations, I just want you to know Pamela changed my life and I’ll do anything I can to support you”. That was really humbling for me, and an extraordinary sign of the impact she made here.’

Towards equality:
Conversations at the 2018 Skoll World Forum on Social Entrepreneurship were organised around the theme of The Power of Proximity.

Recent Skoll Centre support for students and social entrepreneurs

The Skoll Scholarship is awarded to five MBA students, henceforth known as Skoll Scholars, each year. Recent examples include KJ Erickson (pictured above), who launched Public Market, a new online marketplace taking on Amazon by radically reducing costs for buyers and sellers, and allowing better transparency.

Oxford Said alumnus Srin Madipalli was awarded £20,000 by the Skoll Venture Awards in 2013 for his start-up Accomable, which lists disability-friendly holiday homes. It was subsequently acquired by Airbnb in November 2017.

The 2018 Skoll Venture Award “People’s Choice”, which awards £5,000 through an audience vote, was won by Adelie Health for its work on a “smart” insulin pen for diabetics. It recently won an additional US$50,000 in funding from the EIT Health thinktank.

Oxford Said alumni duo James Steere and Kate Thiers co-founded I-Drop Water, which uses nano-purification water filtration technology to purify water. It won a Skoll Venture Award worth £10,000 in 2016, and won prize funding from the Chivas Venture competition (which the Skoll Centre helps facilitate).
The Dark Web is an unknown entity to many, but one thing experts do know is that the markets held within it can be immense. While the black markets can’t necessarily be quantified in terms of items sold and revenues made, Felipe Thomaz, Associate Professor of Marketing, Said Business School, estimates that it handles transactions worth between US$800 and US$900 billion each year.

And while the common view may be that this is exclusively an illegal economy, Professor Thomaz points out that this isn’t the case. ‘The perception is that the Dark Web is threatening and that only bad things happen there. In fact, it incorporates an interesting set of technologies of which the illegal part is likely to be very small. It’s a whole set of privacy tools and much of what is on there is legitimate,’ he explains.

Many Dark Web users see it as primarily a way to freely share their views, ensure privacy of their data and gain protection from snooping and tracking. And while it uses sophisticated technologies such as Virtual Private Networks, anonymous web browsing technology, encryption and cryptocurrencies, it very much acts like the World Wide Web of yesteryear – when privacy and protection wasn’t considered so necessary and businesses and governments did not have the means to exploit data for their own benefit. The fact that legitimate companies like Facebook and ProPublica maintain a presence in the Dark Web is testament to this.

That’s not to say there is not a lot of illegal activity in the space, such as the promotion of violence, assassination markets, human trafficking, child pornography and the trade of weapons, along with depositories for hacked data, as Professor Thomaz admits. To focus only on the positive, ignores a vast underworld of trade, and resulting capital flows.

Nonetheless, there are so many elements of marketplaces within the Dark Web that work so efficiently that it is worth trying to better understand how and why these work – and whether or not these can transform legal marketplaces as we know them today.

Starting point
Thomaz’s study into a new breed of a Dark Net Market (DNM), aims to show that these are inherently different from legal marketplaces such as Amazon or eBay. The team had to start from scratch – researching how these markets were structured and how people interacted, comparing these interactions to standard practices.
One of the team’s first findings was that unlike the classic “six degrees of separation” concept – which suggests that any two people on Earth are six or fewer acquaintance links apart – users of DNMs only have two degrees of separation.

“So you’re going through one other person to access anything else on the marketplace, which makes them insanely efficient,” explains Professor Thomaz. “Whatever you want to find, you are two steps away from it, as opposed to having to work, search, ask and converse – it’s shocking how efficient they are, much more efficient than legal marketplaces.”

One of the reasons for this efficiency is driven by the fact that there are no subcommunities – whereas for the likes of eBay and Amazon, there can be as many as 200 communities relevant to solving a single problem.

Professor Thomaz draws a comparison to a high school community, in which a lot of people make up the community but there are subgroups of people that naturally spend time together. In contrast: “In the black market, you have one giant group. Whether the size of the black market is 2,000 people or 150,000, they still behave as one entity; it looks very alien when you map it out, and non-social or non-human,” he says.

So why are there no subcommunities?
Well, all members of the DNM – vendors and buyers – are aiming to manage their personal exposure to risk. This is because they could easily be scammed; and unlike in legal entities where an individual can go to law enforcement or a marketplace moderator – there is no recourse on the Dark Web. As a consequence, users try to find out if a person is legitimate by engaging with the community – but the more they do so, the more likely it is that they make themselves visible to the authorities. And as you’re engaged in illegal activities this would come at a huge cost.

Professor Thomaz and his team concluded that the only way to resolve this tension is to organise a community into a hub and spoke system, through which one person absorbs all of the risks of the system.

“They’re connected to everybody, they provide you with all of the information you want, and you get lost in a sea of nobodies – this is what we observed. The market leaders are the ones that absorb the entire community’s risk and allow it to function, and in turn they can point you in the right direction swiftly and inform you more

‘The team found that the DNM community is more integrated and engaged than the legal communities’
‘Whatever you want to find, you are two steps away from it, as opposed to having to work, search, ask and converse’

Privacy dividend
What this suggests – and what brands and marketeers could take on board – is that providing greater privacy for individuals can create a greater sense of community. This also could help with customer retention.

‘There’s a tendency for people to join systems in threes. For example, if you joined a gym with two friends and they later left you would lose a lot of motivation to continue, but with this sort of digital structure you never have that going in, and you’re always supported regardless of people exiting,’ Professor Thomaz suggests.

However, he questions whether certain networks, such as Facebook, would be as enjoyable if they were structured similarly to a DNM because there is often a desire for closed, local friendships rather than a more global, centralised and anonymised community.

Nevertheless, as consumers become more attuned to the idea of protecting their digital footprints, there is a case for using similar software and algorithms as the DNM, which can encourage privacy while validating trust in a vendor or a buyer. Perhaps it is time for legal marketplaces to take on board community management through a central layer, using the star-network pattern as a basis to work.

‘We don’t yet know if it can work for other marketplaces,’ states Professor Thomaz. ‘However, we know it works for DNMs, and it would be interesting to try small-scale experiments to see if people prefer their privacy to be better managed and if technological advancements can be made.’

easily – the privacy leads to better communication and efficiency,’ he states.

This extraordinary level of connectivity is arranged in line with a star-network pattern; where a unique node in the centre connects all other network members. Amazon and eBay, by contrast, fell more in line with the “six degrees of separation” formation.

The team found that the DNM community is more integrated and engaged than the legal communities and this is perhaps why it operates more efficiently. Even under the threat of law enforcement activity, engagement levels superseded Amazon and approached the very high levels observed on the eBay community.
The financial services industry is rapidly changing. Over the last few years, a number of fintech (financial technology) companies have disrupted the sector and caused traditional finance companies to rethink long-standing business models.

The scale of the challenge these established businesses face is underlined by a global survey of more than 1,000 financial executives undertaken by PwC in 2017. It found that more than 80% of financial institutions believe their business is at risk to innovators. As a result, 50% of these institutions have put disruption at the heart of their strategy, and 82% expect to increase fintech partnerships in the next three to five years.

Responding to these challenges, Oxford Saïd launched a new digital open-enrolment programme on financial technology and innovation, in collaboration with global leader in education technology GetSmarter, last year.

The Oxford Fintech Programme – a hands-on, ten-week experiential online course that sits within Oxford Saïd’s Executive Education programme portfolio – attracted more than 4,000 participants from around 115 different countries globally. It was overseen by two leading authorities on fintech: Nir Vulkan, Associate Professor of Business Economics at Oxford Saïd, and David Shrier, business author, CEO of Distilled Analytics.
and Associate Fellow at the School. ‘What makes us [the online programme] different is our attempt to marry the research we do here at both the School and University level, with unmet market opportunity and demand,’ explains Bradford Peaston, Business Development Manager at Oxford Said.

Perfect partnership
Caroline Williams, Director of Open Programmes at the School, says a great deal of thought was put into the creation of the Business School’s online executive education offer to ensure it was of the highest possible standard: ‘What we wanted to do was to find a partner who understood the importance of creating an environment in which people can learn from each other and was just as passionate about executive education as we are. It was a real team effort to identify the right partner, but after many meetings with different providers, we unanimously agreed that the team at GetSmarter really got what we were trying to do.’

It was equally important that the topic of the School’s inaugural online programme was an issue that was disrupting the business landscape, so fintech fit the bill perfectly. ‘We’ve worked with senior leaders who are navigating the disruption it brings through the pursuit of more customised consumer experiences, and who are having to think very deeply around the survival of their organisations over the next five years and beyond,’ continues Williams.

Importance of experience
The online programme also needed to mirror as closely as possible what participants experience when they attend a course on campus. ‘Obviously nothing can replicate the profound experience you have when you have a number of peers around you with whom you are able to have very deep discussions, but we have tried to replicate that experience as much as possible with our online portfolio,’ she explains.

Judging by the results achieved by participants on the inaugural fintech programme, the School’s strategy paid off in spades. ‘The pass rate of our online programme is 95%, much higher than the industry average,’ says Williams. ‘So not only have we been able to attract a lot of people, we’ve been able to get them successfully through the programme, which is very exciting.’

‘Not only have we been able to attract a lot of people, we’ve been able to get them successfully through the programme, which is very exciting.’

The programme has been so successful that in addition to further evolving and improving the fintech course, Williams and her team are now exploring what to offer next. ‘We’re looking to evolve the programmes further with additional content from across our portfolio,’ she explains. ‘We’ve got fintech, blockchain and algorithmic trading out of the blocks already. We’re also designing a disruptive strategy programme with Andrew Stephen, our Professor of Marketing. We are really looking at how we use a channel that can greatly impact a large number of people.’

Participant reach is the overriding factor here. Data shows that many of the people who took part in the inaugural fintech programme were in full-time work or had other commitments that restricted their ability to attend on-campus programmes. No such restrictions exist when programmes are delivered online, which means that opportunities suddenly open up for people who might otherwise not be able to take part.

‘It enables people who haven’t come to Oxford – who perhaps felt it was inaccessible, or that the content they saw wasn’t directly relevant to their needs at the time – to enter into an intensive, high-impact experience,’ says Williams. And rather than compete with on-campus programmes, early feedback shows that the new online approach complements the existing Oxford Said experience. ‘We have seen a number of people enter into the Oxford ecosystem through this online channel and go on to study other programmes on campus, and people from on-campus programmes leap onto online.’
Sir Frank McLoughlin has seen, and learnt, many things in a long career in further education (FE) that culminated in 14 years as Principal and CEO of the highly successful City and Islington College. What he sees now is a clear link between greater access to FE opportunities and the greater good of the United Kingdom.

‘We have been pretty good as a country at focusing on Route 1: GCSEs, A-levels and university, and we are pretty close to 50% for the proportion of young people who go on to higher education – but to the exclusion of all other routes,’ says McLoughlin. ‘What about the other 50%?’ He asserts that the skills of this other half of the country are just as crucial to creating a healthy society and economy.

The need for FE has been made greater with the prospect of the UK’s Brexit. ‘As we begin to lose skilled workers from Europe, there’s a recognition that we haven’t trained enough people in a range of jobs, including nursing, physiotherapy, social care and building,’ he says.

Here the role of FE colleges is vital. This is why the Education and Training Foundation (ETF), a government-funded organisation devoted to continued professional development of the FE sector, has worked with Saïd Business School to create two courses: the Further Education Strategic Leadership Programme and Preparing for CEO Programme. The former course is designed for college principals, while the latter is for deputy principals likely to advance to the next level soon. ‘There is some fantastic and outstanding leadership in the sector, but there are also people who really need support,’ says McLoughlin, who notes that the breadth of knowledge that college leaders need to have is vast to master a very challenging role. ‘If you become the principal, you’re the chief accounting officer responsible for the finances of an organisation with tens of millions of pounds of turnover. But you’re also responsible for the talent management and progression of the thousands of people working for you. You also have all the scrutiny of Ofsted.’

Rapid roll-out

The first course was rolled out quickly: almost half of the 280 or so UK college heads have already been on it, and Dr Louise Watts, Client Director and Joint Programme Director at Saïd Business School, expects the bulk to do so eventually. The second course has been inspired by the popularity of the first, and will be particularly important, says McLoughlin, because 45% of college principals and CEOs are over the age of 55, so a huge number will retire over the next few years.

The Preparing for CEO programme explores many of the same issues as the Further Education Strategic Leadership Programme, though there is more time spent on financial resilience – because many deputy principals will have little direct experience of this. McLoughlin says there is also more emphasis on governance, since deputy principals are usually not part of the governing body and therefore not well-versed in this either. The Governance session is led by Mike Rees, former Deputy Chief Executive of Standard Chartered, who shares his insight of board meetings during the financial crisis of 2008.

The module includes a discussion about how to get high-calibre people onto the board. This is key, says McLoughlin, at a time when ‘quite a number of colleges are on the brink of insolvency.’ He recalls how much he was helped in his role as a CEO and Principal by a couple of experts in property sitting on his board. ‘We did tens of millions of pounds of property work and built up a fantastic estate,’ he says. ‘That wouldn’t have been possible without them.’
McLoughlin notes, with pride, that feedback forms for the initial tranche of course participants have generated scores of 4.5+/5.

**Adaptive leadership**
Both courses emphasise the concept of adaptive leadership – leadership in the face of a complex social problem with no easy technical solution. Irwin Turbitt, Said Business School Associate Fellow and the former number two of the Police Service of Northern Ireland, is one of those who have shared their experience – in particular, what he learnt from policing the annual Drumcree march in Northern Ireland, during which members of the Protestant community process through a mainly Catholic area.

‘The obvious thing to do might seem to be to build higher barricades and do X, Y, and Z technical things, but actually the real solution was something else,’ says McLoughlin, recalling Turbitt’s talk. ‘It was to adopt a very different approach based on working with the community.’
‘The programme has seen a coming together of further and higher education in a new way’

McLoughlin feels that the management challenges ‘were brought to life fantastically well’ by the ex-policeman in a session run as part of the first three-day residential module of every programme. Programme participants also attend a second three-day module, and the Department for Education has agreed to fund a third. The applicability to FE leaders? ‘It provokes you to think, when facing the big issues, whether you can stand back and change approach.’ To illustrate, McLoughlin recalls a conversation with a fellow college head about merging the workforces of two colleges with different pay and conditions. ‘He told me: “the finance director has told me we’ve only got three options.” I asked: “Are any of those options the right one?” After a long silence he said: “No.” It could have derailed the organisation, because some staff would have had worse pay and conditions, which would have been very bad for morale. The better all-round solution was to try to make everyone a little better off and cut costs elsewhere,’ says McLoughlin. ‘Colleges are people-based organisations, and if people are feeling alienated, you’re not going to get the results you need in the longer term.’

Multifaceted approach
Steve Mostyn, Joint Programme Director, says that the success of the programme’s intervention lies in its multifaceted approach. ‘Firstly we use a combination of Oxford faculty (such as Professor Marc Ventresca and his session, Strategy as Networks of Influence, and Professor Sue Dopson, who runs a session on Culture), and Associate Fellows of the School, such as Irwin Turbitt. This combination of faculty is supported by tutorials, and acts as the glue to connect classroom sessions to action. The tutorial is the cornerstone of the University of Oxford education with a rich history of learning application. In tutorials, led by faculty, small groups of FE CEOs and principals actively reflect on their learning and the actions that they will take back to their colleges. Participants are also encouraged to share their application stories at subsequent tutorials.’ He adds: ‘The longer-term impact of this programme has the potential to be education-sector-wide as we deepen our partnership with the ETF.’

Pondering why senior people in FE have shown such enthusiasm for both courses, McLoughlin says: ‘They would only have been interested if it had come from a prestigious provider. They’re smart people, and they don’t want to be taught by a second-rate faculty at a third-rate business school.’ However, he also acknowledges: ‘It looks like an unlikely partnership – the FE sector working with the top university in the world, and a top ten global business school – but it’s been a fantastic two-way street. FE heads have experienced the University of Oxford, but the University has also gained an understanding of the FE world.’ This is echoed by Watts, who says: ‘The programme has seen a coming together of further and higher education in a new way, which is fruitful for both sides.’

Watts also believes that college heads have found great value not only in meeting Oxford academics but in meeting each other. She says: ‘It emerged that often colleges have worked in relative isolation, but there was a real appetite to think not just about how the programme could help their individual institutions, but also what they could begin collectively to do to influence the future of their sector.’

The sector has certainly had a turbulent past, including swingeing cuts forced by the 2008 financial crisis. However, McLoughlin is excited about the priority placed on technical education by the current government and spies the stirrings of greater esteem for FE among the broader public. Watts believes the programmes help spread this sense of positivity throughout senior leadership in FE. ‘One of the aspirations for us, and for ETF, was to create a new narrative, showing that the sector can become a positive force in influencing policy and forward planning,’ she says.
Now reaching 65 international markets, the Oxford Business Alumni network is doing more than ever to strengthen ties between our alumni and their local communities.
Chapter and verse

Oxford Saïd’s global footprint is growing deeper, thanks to the active engagement of our alumni chapter and ambassador network

Words: Caitlin Mackesy Davies and Rachael Healy

Now reaching 65 international markets, and with eight new Chapters created, the Oxford Business Alumni (OBA) network is doing more than ever to strengthen ties between our alumni and their local communities.

This expansion follows a successful 2018 OBA Chapter committee election campaign and the establishment two years ago of a formal Regional Alumni Ambassador programme, which enabled us to identify interested alumni in a number of previously unserved regions.

Peer-led opportunities
Each Oxford Business Alumni Chapter is a peer-to-peer networking group that provides opportunities to gain professional development, advice, and enjoy networking activities. Chapters are regionally organised, self-funded and run by volunteer committees appointed by their peers. Groups embrace both Saïd Business School graduates and other Oxford alumni, and collaborate with US Ivy League alumni organisations, to create a wide community of like-minded business leaders.

Events range from large collaborative events – such as a well-received gala dinner held jointly with Cambridge University, INSEAD, LBS, ESADE and IMD – to educational speakers, round tables, informal meet-ups, and family-friendly social occasions. These provide an environment in which to continue dialogue with business leaders and academic experts, as well as issues pertinent to a region’s business environment.

We’re proud of the strength, breadth and dedication of our Chapter leaders and members, and encourage all alumni to get involved.

Find out more at bit.ly/AR18_OBAChapters
There are now some 19,300 members of the OBA Network, located in 140+ countries.

London hosts the largest OBA Chapter.

Total Chapter membership has grown by more than 50% over the past two years.

8 new OBA Chapters have recently been formed in: Dubai, Lagos, Melbourne, Los Angeles, San Francisco, Sydney, Toronto and Washington, DC.
How alumni are paying it forward

Tammy Simpson, PG Diploma, Global Business 2015

Tammy Simpson works in the steel industry, as Controller at Triad Metals International, and is currently based in Philadelphia, PA. When her company decided to expand its operation internationally, she enrolled at Saïd Business School to extend her global business knowledge. In the months after graduation, Tammy helped raise nearly £21,000 as a class gift – the largest that year – which went to the Dean’s Development Fund for merit-based scholarships.

‘A highlight of the diploma was the people. We had an amazing experience at the School, in classes and with each other.

‘Now I have a group of professionals that I can reach out to, who have unique experiences, all over the world. I’ve come to rely on the contingent from Asia and Canada quite a bit – in the steel industry, those places are key.

‘I fly back to England every year so I can see the people who are based there. As soon as anyone from our group flies into somewhere anyone else lives, we send out an email to get everyone together.

‘We started our class gift right at the end of our tenure and it took us about a year to get all of the money together. It ended up being a sizeable gift.

‘I contributed twice [to Giving Day]. My donations are made in the hope that they are going to help other people to be able to attend Oxford Saïd. I wanted to allow someone else to do it, to make the experience a bit easier for people who have difficulty paying for the course. That’s the first thing I think when I make a donation.’

What is Giving Day?
On 28 June 2018, Oxford Said invited its community to help it create impact across the School. Donations went towards four key areas: women’s scholarships; entrepreneurship; research; and the Dean’s Development Fund.

Our 21 Regional Chapters provide peer-to-peer networking

54 Regional Alumni Ambassadors are expanding our network reach
Betty Lam, MBA 1997

Betty Lam, now Vice President, e-Travel Retail at DFS Group Ltd, graduated from Oxford Said’s second-ever MBA class. The programme helped her make a career move from advertising into consulting and later, e-commerce. Back in Hong Kong, Betty organised casual meet-ups with classmates. As more people graduated, the network grew, eventually becoming the Oxford Business Alumni (OBA) Hong Kong Chapter. After 10 years as Chapter President, Betty has been elected to the Alumni Advisory Council (AAC).

‘Getting busy people out of their office to come and join our alumni events is not easy. Today, however, OBA HK has regular events with a good number of active members. I am proud that I have been part of this development and that we are doing something our alumni enjoy and value. ‘Many people come to our events to network and make friends (including myself) but I also enjoy conversations with alumni from different industries. We alternate types of events – including drinks, dinners, speaker events and sports – and invite speakers from various industries, allowing our alumni a continuous learning opportunity. ‘I have been involved in OBA HK Chapter for so long that I have learnt a lot about the expectations and needs of our alumni. I am hoping that through AAC, I can share my knowledge about our alumni to contribute to the development of alumni support and engagement. ‘I am looking forward to the OBA reunion! It is really exciting to be able to catch up with classmates in person after so long.’

What is the AAC?
The Alumni Advisory Council serves as the eyes and ears of the School’s community in the wider world. It works with the Alumni Relations Office to strengthen the Oxford Business Alumni Network and enhance the alumni experience.
The power of perspective

At a time of heightened political and social divisions, the importance of cross-sector and interdisciplinary learning at Oxford Saïd has never been greater

Words: Jeremy Smith

Andy Warhol once said: ‘Making money is art and working is art and good business is the best art.’ Many then and since have lauded the perspective that art in all its forms has always enjoyed a close relationship with business – and vice versa.

Such symbiosis is no mystery, yet only now as the 21st century approaches adulthood is business beginning to openly embrace the clear benefits that teaching both can reap. This is why Said Business School’s strategy to engage with the Humanities has become, in its own way, a nod to Warhol’s prescience.

‘As Millennials hunt for a connection to greater purpose,’ says Oxford Saïd’s Director for Open Programmes, Caroline Williams, the School has been quietly collaborating with the University of Oxford’s other departments to establish an open and reciprocal conversation which exposes students to the arts and humanities as part of their business studies.

Indeed, the business school is not just ‘at’ Oxford, but an integral part of the University, an orientation Williams extols: ‘People are coming to an environment,’ she says, ‘in which an intense knowledge exchange takes place. They have conversations with unique clusters of people that they simply cannot reassemble anywhere else.’

Building trust

As leaders now must tap into both the hearts and minds of their employees, and the communities and cultures they represent, the latest Edelman Trust Barometer survey shows support for this shift in focus. It cites today’s number one task for CEOs not as increasing productivity or efficiency but building trust.

With growing customer apostasy, market instability and ever accelerating technological revolution, organisations have to learn to switch from their current, traditional managerial roles to those championing leadership that can act with vision, imagination and integrity.

So how can the Humanities help to equip tomorrow’s business leaders with skill at building and maintaining trust? This is a question that Pegram Harrison, Senior Fellow in Entrepreneurship at the School, explores with his students in the highly popular MBA elective ‘Leadership Perspectives from the Humanities’ as well as in other public activities hosted through the School’s Engaging with the Humanities initiative.

With a BA in Literature from Yale, a PhD in English Literature from Cambridge, an MBA from the London Business School and current research projects on musical performance and museum leadership, Harrison can nimbly navigate the myriad tributaries that connect these two overlapping approaches to understanding the world, and how to live and work in it. He says: ‘Oxford is unique in offering its business students such deep and rich opportunities to engage with the arts and humanities in becoming better leaders. We can draw on resources that no other university or business school can, and the students enthusiastically embrace the chance to benefit from Oxford’s wonderful environment’.

‘Art, in all its forms, has always enjoyed a close relationship with business – and vice versa’
‘It is only when you start experimenting with your fears, beliefs, motives, values and ego that your own leadership style can truly flourish’

This is a view backed by Sara Wright, Client Director for Custom Executive Education at Oxford Said. She says: ‘I witnessed a session [led by Harrison] that was entitled, “Leading Experts”. It involved budding leaders looking to develop their skills who, with no previous experience of reading or conducting music, were asked to lead an established choir (the “experts”). It was emotional, heartwarming but most importantly, hugely effective.

‘It is easy to read a text book on leadership or sit in a lecture theatre, but it is only when you start experimenting with your fears, beliefs, motives, values and ego that your own leadership style can truly flourish,’ she adds.

Students who attended the class were unanimous in their praise. One observed: ‘At other business schools, it’s all modules and studying how someone builds a Fortune 500 company – it’s too formatted.’ Another added: ‘It lets you process the cognitive and emotional discovery of viewing a well-worn subject from a different angle.’ This is just one example of how integrating the Humanities into a business education can help us push beyond the status quo—a strong leadership lesson in itself.

Also, studying the Humanities in a scientific world enables us to do even more with the excellent tools and technologies we have made for ourselves. It is a complement, not a substitute, and one that we shouldn’t neglect. It enhances our potential to develop as leaders, of organisations and of society.

So what does this all mean for business? It means that we can become better business leaders by engaging with the Humanities. And there’s no better place to do that than Oxford Said. 

Thought-starter:
‘Firestack’ by Julie Brook from Oxford Said’s exhibition entitled ‘Outer Reaches: A sculptural journey across continents from the Hebrides to Japan’.

Find out more about how engaging with the Humanities encourages collaboration and teamwork at bit.ly/AR18_InSync

Learning from the best:
Danish conductor and Associate Fellow Peter Hanke (left) coaches a participant on an executive leadership workshop in Christopher Wren’s Trinity College Chapel.
The recently launched Art at Saïd initiative is a perfect complement to the School’s Humanities programme, placing extraordinary art at the centre of the School’s day-to-day environment.

Since launching in September 2017, it has hosted a number of exhibitions, ranging from Rachel Gracey’s landscape prints to Susan Moxley’s ‘Crossing the Aegean’ as well as hugely popular talks by National Geographic photographer Stephen Alvarez, art historian Michael Bird and lecturer David Boyd Hancock.

Curated by the London-based Zuleika Gallery, its principle aim is to open up an ongoing conversation between students and faculty about the aesthetic, analytic and diagnostic benefits that art can lend to a leadership portfolio.

Lizzie Collins (pictured), its curator and Director of Zuleika Gallery, believes it is a perfect fit for an institution so committed to demanding vision from its students.

‘Art is a visual metaphor of excellence, demonstrating commitment, drive and creativity,’ she says.

Indeed, such has been the success of its first 12 months, the 2018/19 programme promises further expansion and exploration of the business-art parallel. The exhibitions, staged in the School’s Link Gallery and Lecture corridor, are regularly updated and this year sculpture will make its debut among the courtyards and gardens.

‘Our focus,’ says Collins ‘is always on excellence, integrity and creating a diverse, stimulating and balanced programme. Problem-solving, creativity, vision and determination are central to running a business and at the core of being a successful artist too.’
The Saïd Business School community has identified six values that sum up its shared culture and aspirations. We find out how they were selected and what they mean to you

Words: Rachael Healy

Just over three years ago, members of the faculty, staff, alumni and student body of Saïd Business School were asked the question: ‘If the School were a person, how would it behave?’ As the School reached its 21st year, the intention was to identify and articulate its unique values. And so, the community was given the chance to help create some. The values that came from this grassroots initiative ultimately narrowed down to six words: transformational, entrepreneurial, collaborative, purposeful, respectful and excellence.

Leading the process, HR Director Mel Francis and Lee McDonald, Head of Learning and Development, are part of the team introducing the newly defined values, to enhance the working lives of everyone at Oxford Saïd. Meanwhile, living the values is the responsibility of everyone at the School. ‘The people who work here and the students create the culture,’ says McDonald. ‘If they are the ones giving us these words, it’s a true reflection of what actually is happening and what we aspire to.’

The six School values were revealed in January 2018 with an event that included a panel discussion and live voting followed by a discussion about what these words mean for staff and students. Since then, McDonald has met with teams to discuss how the values apply to their roles. This year the School’s annual Excellence Awards have, for the first time, recognised behaviour and work that reflect the new values.

Second Line IT Officer Avi Gondker won an Excellence Award after his work was recognised as making Oxford Saïd more collaborative and helping his colleagues to achieve excellence. ‘Part of the IT role is providing the right technology necessary to help the business achieve its goals,’ says Gondker. ‘The collaborative part is working with the business to find out what it wishes to achieve. We can then work to provide the necessary systems and tools, which enable more effective communication and collaboration with our students and clients, and which allow ideas and information to be shared. “Excellence” is our team striving to provide a world-class IT service to the business, and continually seeking to improve our processes and systems to increase our value to the School. We can make the business more productive, more innovative than our competitors, and help it to impress and stand out from the crowd.’

People in roles across Oxford Saïd received awards and attended a celebratory lunch hosted by Dean Peter Tufano. ‘The award-winners’ dinner was brimming with examples of how these individuals had really embodied the values,’ says Francis. ‘For the first time, we started to hear the values being talked about in a fluid way. Now people talk about them in meetings, in interactions, in describing the way they’re going to be working on projects and the way they’re working with each other.’

Annual appraisals and job advertisements have started to feature the values too. People interested in working at Oxford Saïd will know from the outset what the School’s culture is like, and those already here can find individual and team ways of working to help reinforce that culture. Staff will also soon have the chance to send ‘Thank you’ cards to colleagues, highlighting times they’ve done something positive in the spirit of one of the six values.

‘Having established the values really helps to reinforce and remind people what makes us Oxford Saïd, what is expected in behaviours at our School, and how we bring that to life,’ Francis says.

Gondker agrees: ‘I think the values will help to bring us together in our actions as one Oxford Saïd family.’
Lydia Darley
Events Coordinator

Lydia Darley has worked at Saïd Business School for four years. She organises a variety of academic programmes and one-off events within the Skoll Centre for Social Entrepreneurship. Her team nominated her for an Excellence Award after she proved herself to be entrepreneurial, collaborative and purposeful.

‘I didn’t know that I’d been nominated until my manager Nazia told me in a meeting that I’d actually got the award. It was a nice surprise because it’s not every day that you get recognised. The day after, I got a letter from the Dean saying “Congratulations!”

‘Last year we did a big conference called ‘Emerge’, so I took on a lot of additional responsibility and did a lot of work that was out of my grade. I also had some personal issues, so it was partly because I remained upbeat and positive.

‘There was some celebratory cake and tea with the team, and then the names of the award winners were mentioned in our staff newsletter. It’s nice that they do that sort of thing – not every company does.

‘Before I started working at Oxford Saïd, I went online and read all about the School, it was obvious it had values, but they weren’t as clear as they are now. I remember reading about the School being collaborative, respectful of each other and about its focus on entrepreneurship. I thought – that’s great, what an amazing way to work.

‘The values have started to become more of a part of everyday life, so it’s more obvious than when I started, there’s a lot more helping each other and more functional team working.

‘In my team, we’re changing strategy and trying to build our work specifically around the transformational and entrepreneurial values. It’s great to see that taking hold.

‘I work a lot with students and it seems that they’re also taking on living the values. Students are saying to us: “They’re so great, this is exactly why we come to Said Business School.” That’s good to hear.’
Luke Prince
Maintenance Technician

In his ten years at Said Business School, Luke Prince has worked in the grounds and on the maintenance teams. He transferred to maintenance three years ago when he was given the opportunity to train as an electrician. As well as excelling on the electrical course, his day-to-day work has gained recognition in this year’s Excellence Awards. He has worked in collaborative and entrepreneurial ways, while delivering projects that are transformational for the School.

"Since I’ve been on the maintenance team, we’ve been involved in the building of the Garden Room (extension to the dining facilities), the Oxford Foundry and other large projects – I’m currently involved in a 36-bed refurbishment over at Egrove Park (the home of Oxford Said’s Executive Education programmes)."

"My job is very hands-on, and that is my favourite part of it. You know you’ve got backing and support within the School, not just for education but if you need help or advice or special tools. I’m going to college and I’m learning new skills, bettering myself and furthering my career. It’s a good step in the right direction.

"I was called into a meeting with my line manager Michael and he handed an envelope across the table and said: "Congratulations". Then the penny dropped. I knew about the Excellence Awards and people being put forward, so I was really pleased to have been nominated. After all of the hard work on the Foundry and the Garden Room alongside the day-to-day job, it was really nice to be noticed.

"At Oxford Said, they really want you to own the job. They’ve got the confidence in you and want you to project-lead, so you perform and take personal pride in your work.

"On the Foundry and the Garden Room, I hit my targets, and delivered on all of it well within budget and time. It was non-stop, but I thoroughly enjoyed it and it’s great to be recognised for that work."
Entrepreneurship is a diverse platform that fosters passion, resilience, resourcefulness and being able to think on your feet

Ana Bakshi, Director, the Oxford Foundry
There is strength in difference. In the world of science, examples abound. Take iron: its usefulness to mankind grows when it’s fired with carbon to make steel. Alloy it with more elements and its mechanical properties can be further improved.

The same applies to business. ‘If you’re starting a business, my recommendation is recruit friends who are not like you,’ said Apple CEO Tim Cook on opening the Oxford Foundry, an entrepreneurial centre at the heart of the University, in October 2017. ‘Find people different to you, where the common thread is they want to change the world. That is the kernel of a successful company.’

Since Cook spoke these words, 2,100 of the University of Oxford’s 24,000 students have registered with the Foundry. Housed in a former Victorian ice factory, where the Wi-Fi signal is reputed to be as strong as the coffee, this is a space where ideas can be shared and percolated among minds from a diverse range of backgrounds, strengthened and fired into something real. ‘Diversity is everything,’

‘We’re the first blockchain product to receive regulatory approval for use in the pharmaceutical industry anywhere in the world’

Iron will

As the Oxford Foundry celebrates its first birthday, we speak to the centre’s director and two start-ups from the first cohort of its accelerator programme about what the future holds

Words: Rob Brown and Simon Creasey

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It’s an eye-opening statistic: on average, 25% of the price of medication is caused by inefficiencies in the supply chain and bureaucracy of the pharmaceutical industry. These take many forms, from supply bottlenecks to incorrect labelling, leading to costly recalls.

Solve these problems and you stand to not only save the pharmaceutical industry millions of pounds a year, you can also make lifesaving medication cheaper for all. Enter Veratrak, brainchild of CEO Jason Lacombe, PhD student in population science at Hertford College, and one of the ten start-ups to win a place on the first ever OXFO L.E.V8 accelerator programme.

‘The easiest way to think about what we do is a software solution that allows companies to collaborate on critical documentation throughout their supply chain,’ says Lacombe, who spent the first few years of his career as a health economist in his native Canada before moving to Oxford in 2014 to study for a masters in population health and epidemiology.

It was during his first spell at Oxford that Lacombe became a founding member of the Blockchain Society, a group dedicated to the study of the growing field of blockchain (the use of encrypted groups of records that can be updated and shared from peer to peer. This technology forms the foundation on which Veratrak is built.)

‘We’re the first blockchain product to receive regulatory approval and handling real products. We have just signed our first two-year contract with a pharma packaging organisation and are now talking to the big pharma companies themselves.’

Blockchain helps mitigate growing risk in the industry as more players outsource packaging, logistics and manufacturing operations to third parties to keep costs down. Today, critical supply chain documents are typically shared through email, fax and other means that are time consuming and fraught with the risk of error. Veratrak, says Lacombe, is a secure, auditable alternative that allows information to be shared far more efficiently.

‘We are now looking at raising capital and getting aggressive on sales and marketing. We want to sign ten more customers by the end of the year.’

Such growth wouldn’t have been possible without the Foundry, he concludes: ‘Of course we would very much still exist, but I don’t think we would have got as far as quickly. The Foundry has accelerated our growth by providing a space devoted to entrepreneurship, giving access to people with different expertise and investors. It has been incredible.’
contends Director Ana Bakshi, who has overseen more than 30 events and workshops, and more than 2,650 hours of learning at the Foundry in its first year. ‘Whether it’s different perspectives, cultural backgrounds, disciplines, ethnicities or genders, it makes economic sense to create an environment where we can be constantly learning from, and mixing with, people different to ourselves.’

**Tailored support**

One example of the bespoke support on offer is OXFO L.E.V8, an accelerator programme that in May 2018 awarded ten start-ups six months of tailored learning and advice worth £60,000 per team. Many of these ventures were born from meetings between those whose paths may not have crossed were it not for the Foundry. Energy tech venture Metronome, which won £20,000 of extra funding after pitching at a Foundry event in July, is headed up by engineering and MBA students, for example.

In short, the Foundry is helping to break down the silo culture that can inevitably creep in from having a University spread across 38 colleges. ‘It’s been incredible in giving us space to meet people with different backgrounds and skills we wouldn’t normally have exposure to,’ says Jason Lacombe, CEO of of Veratrak, reflecting on his experience of being through OXFO L.E.V8 (see previous page).

‘Many of our first employees are the people we met over coffee at the Foundry,’ says Lacombe. ‘Dan Moor, from Christchurch College, is in our commercial development team and is just finishing his MBA. He brings different skills that I wouldn’t have access to. Alex Cheema is President of the Blockchain Society, an undergraduate at St Hughes and now a software engineer for us. The Foundry has been a great place for meeting people and allowing us to fill in the gaps in our business.’

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**Zeeshan Akhtar, CEO, Pod Health**

Zeeshan Akhtar’s idea was born out of tragedy. A year or so ago Akhtar, who has been a doctor in the NHS for more than ten years, specialising in abdominal surgery, treated a 42-year-old female patient complaining of abdominal pain. He suspected a bowel blockage, which a CT scan confirmed. However, it also showed that the blockage had been caused by metastatic ovarian cancer. The patient died four weeks later, leaving behind two young children.

‘It was very poignant for me because I have a young daughter the same age as her youngest daughter,’ recalls Akhtar. ‘When you reflected on her history, it was very clear she’d had symptoms for more than a year and she had put off seeing a doctor because it wasn’t convenient for her. If we had done a blood test or had the chance to speak to her a bit earlier we may have prevented this tragedy.’

Sadly it’s a problem Akhtar sees far too often, with diseases going undiagnosed until it is too late to treat them. So he decided to come up with a solution that

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**The Foundry in five figures:**

- **2,100 members** (of Oxford’s 24,000 students)
- Members represent **87 different nationalities**
addressed this lingering issue and would allow early diagnosis. The solution was Pod Health – a prevention-led healthcare business with a network of “pods” in high-footfall areas in towns and cities across the UK where patients could gain easy access to medical experts. Akhtar drew up a plan, secured angel investment for the idea and then built up a team of fellow NHS doctors and scientists, which included Dr Rafik Salama, with whom he had done part of his PhD at Oxford.

‘We had always been interested in how we could use machine learning and artificial intelligence to begin to predict whether people are going to have health events,’ explains Akhtar.

The challenge? How to turn his idea of combining machine learning and physical diagnostic spaces into reality. That’s when he came across an advert for the OXFO L.E.V8 accelerator programme at the Foundry. Pod Health’s application was successful and the company was in the first cohort of enterprises that joined the programme in May 2018.

Akhtar admits that he wasn’t entirely sure what he would get out of it. ‘We knew we were going to get access to some specialists, an office and we were going to begin to develop the support network that we needed to progress the enterprise, but we didn’t realise that we were going to get quite the level of support that we got.’

Through OXFO L.E.V8, Pod Health gained access to advisors like Kal Patel, former EVP at Best Buy, and Ben Legg, former COO of Google Europe, both of whom have been incredibly influential in helping Akhtar and his team. As was the Foundry’s Venture Manager Alex Feyler, who Akhtar describes as ‘another member of the team’. Thanks to this expert input, the company has pivoted from being a network of diagnostic health pods to an app providing comprehensive and personalised tracking advice and analysis on a wide range of issues. In short, it gives patients greater control over their future health.

‘We’re predominantly going to be a medtech app that provides patients with their own health advisor and their own ecosystem through which they can monitor and manage their own health,’ says Akhtar.

‘That ecosystem still includes diagnostics and pods, but the focus has moved from the pods to the application, with the aim of our advisors working with users to help prevent diseases.’

Pod Health, which is already trading and working with patients, aims to launch its new application in January 2019 – an achievement Akhtar says wouldn’t have been possible without the help and support of the OXFO L.E.V8 programme and the other enterprises that took part in it.

‘We were going on a journey together with other enterprises going through similar things,’ he says. ‘We learnt a lot from them and hopefully they learnt something from us.’

Upstairs at the Foundry is where the ventures fortunate enough to be accepted onto OXFO L.E.V8 have received their own tailored support and development packages, with speakers at workshops including such big hitters as Unilever CEO Paul Polman and former Google CFO Patrick Pichette.

Scaling up
That’s not all. ‘The programme provides an entire ecosystem of support,’ explains Bakshi. ‘We have partnerships with legal firms for help with things like shareholder agreements and HR, and we provide a lot of support with scaling agreements. We also connect people with investors, so they can access a network without having to cold call venture capitalists and angel investors as early stage businesses.’

Oxford University matriculation data suggests such services are becoming increasingly valued by students. Today, 17.5% of new entrants to the University say they are interested in starting their own business. This number is growing by between three and five per cent every year. The explosion in technology is fuelling (and being fuelled by) a new spirit of entrepreneurship among the world’s thinkers.

‘The world is changing,’ adds Bakshi. ‘Technology is playing a massive part in this. That we can now connect with someone in Timbuktu or share experiences with whoever we want, wherever they are, has shifted what people strive for. The skills young people need today compared to the skills they needed five, ten, 15 years ago are drastically different.

‘You can no longer expect to get an academic degree, go straight into investment banking in a senior role and spend your career there. In this new world, experiencing university but not experiencing life is a negative. Entrepreneurship is a diverse platform that fosters passion, resilience, resourcefulness and being able to think on your feet. This is about improving employability, bridging the skills gap and upskilling students for the new world.’ A bit like adding elements to iron to make stronger and more flexible steel, then.
A common goal

Fresh from co-ordinating a champion performance at one of the world’s largest student sporting events, Camila Toscana Rodriguez explains the highlights of her MBAT experience

Words: Pip Brooking

For the second year in a row, students from Saïd Business School were crowned champions of the MBAT – a sporting tournament held in Paris each May that brings together more than 1,500 students from the top European business schools. Marketed as the ‘MBA Olympics’, the three-day MBAT has been running since 1991. It hosts a total of 25 competitions, ranging from rowing and running to Ultimate frisbee, fusion dance and even a battle of the bands.

And as Saïd Business School’s touch rugby team captain, Sam Duffy, found out, although serious athletes compete, you don’t need to have any experience to take part. He trained 20 Oxford Saïd students who had never played touch rugby before, and after eight weeks of hard (but sociable) work, a mixed team of ten came home with a gold medal – one of 15 Gold, six Silver and six Bronze medals earned by the team.

Cross-country runner Bremen Leak describes his race as ‘one of the most memorable and humbling’ of his life – because he and his fellow students earned the top six places. But, as ever with sport, taking part is not just about winning. Those involved talk about how much they valued the opportunity to blow off steam, build camaraderie outside the classroom, and shift mindsets. ‘If studying for an MBA feels like you’re running a marathon, taking part in the MBAT is more like a sprint. It’s over before you know it,’ adds Leak. Both projects have a lot in common, however. They take hard work and commitment, everyone has their own personal challenges to overcome and you’re relieved when you get to the end. But it is also a lot of fun and you get to know people along the way.

Driving force

MBA Sports Rep Camila Toscana Rodriguez (centre) was a driving force behind the team’s success this year and shares her reflections on the event:

‘With a business and hospitality management degree – and with some experience in managing sporting events – I had stepped up to the plate as MBA Sports Rep for the year. This meant coordinating MBA student attendance at varsity and rowing events and maintaining a schedule of workout classes, but the MBAT was by far the biggest event I had to organise.

‘It was a big challenge too. Each year the MBAT is organised by different students, so getting the right information at the right time wasn’t always easy.

‘At least I didn’t have to do too much recruiting among my fellow students to get them involved. We’d won the tournament last year, so Oxford Saïd took it quite seriously. The pressure was on to bring the title home again. We tried to be organised, and we tried to get good people on the different teams.

‘But first and foremost we’re students, and people were more than happy to let me prioritise my studies when I needed to. So for me it was a big lesson on trust and delegation.

‘The MBAT gives people a chance to showcase their sporting skills. But with a focus on team sports, it’s also an opportunity to put our teamwork into action outside of an academic setting. However competitive you are, when you’re studying for an MBA there is an amazing amount of collaboration. You don’t feel as if your classmates are your rivals. If someone doesn’t know how to do something, or has a question, you all help out. I’d say the whole thing was more about showcasing how well rounded we are as individuals.

‘In total, 185 people from Oxford Saïd joined in, representing more than 20 nationalities. That included those who I wouldn’t describe as sport enthusiasts or athletes, but who wanted to contribute to and support the team in whatever way they could. The weekend was open to students’ partners too, which really helped to bring our community together.

‘Wins in rowing and rugby certainly played to our strengths, while our performance in touch rugby showed our teamwork at its best. But I’d highlight our win in the dance competition as a demonstration of the way we really embrace multiculturalism at Oxford Saïd. Moving seamlessly from Bollywood steps to hip hop (with Brazilian music), to two men dancing the salsa showcased a lot of skill, and a great ability to coordinate the different styles. I’ve taken a great deal from the experience. I’ve seen how different groups of people came together and worked towards a common goal. I’ve seen people step up when someone got injured or schedules clashed. And I believe that everyone’s openness and willingness to be part of a team is ultimately what led to our success. It felt amazing to accomplish our goal in such an overwhelming way.’
MBA rankings rise six places

Saïd Business School has climbed six places to number 27 in the latest MBA rankings from the Financial Times (FT).

The percentage of female students undertaking an MBA at Oxford Saïd has increased from 31% to 41% – far higher than the industry average – and the School ranks third globally for ‘aims achieved’ (to which its alumni have fulfilled their stated goals for doing an MBA).

Average Oxford Saïd MBA alumni salaries have also risen by US$6,000 versus last year’s rankings to US$146,590.

Meanwhile, the FT ranks Oxford Saïd’s Open programmes second in the world in its latest executive education figures and first in the UK for the fourth year running.

The School’s Executive MBA has also been rated ninth globally in the FT’s business education rankings for the third consecutive year.

The news follows a win for the School at the Times Higher Education Awards in November 2017, where it was named Business School of the Year. The awards, in their 13th year, shine a spotlight on the exceptional achievements of individuals, teams and institutions.

Five tips for aspiring female leaders

Don’t wait to be asked, don’t count on others, play the long game, actively “own” your career and develop a unique leadership style – these are five recommendations to aspiring female leaders from a CEO study by Saïd Business School.

‘Claiming the corner office: Female CEO careers and implications for leadership development’, by Andromachi Athanasopoulou, Amanda Moss-Cowan, Michael Smets, and Timothy Morris, draws on in-depth qualitative interviews with 12 female CEOs and 139 male CEOs of global corporations, aimed at exploring what enables some women to become CEOs.

The research shows that the critical factor in a woman achieving the top job is still active ownership of her own leadership career. ‘This starts with acknowledging her ambitions and seeing herself as a leader, accepting the work-life compromises she will have to make, and “toughening up” to overcome both personal and external barriers,’ says Athanasopoulou, Associate Fellow at Oxford Said and Assistant Professor in Organisational Behaviour at Queen Mary University of London.

Oxford Saïd partners with Aspen Institute US

Saïd Business School has partnered with Aspen Institute US to design and run a customised leadership seminar for 20 participants enrolled on an MBA, EMBA, IMBA or MAM programmes at a Global Network for Advanced Management (GNAM) member school.

The inaugural Oxford Saïd Aspen Leadership Seminar took place between May and June in Oxford, focusing on ‘Leading With Purpose in a Networked World’. Using Aspen’s proven method of text-based dialogue, and led by an Aspen Institute facilitator, participants explored classic texts from Plato and Mencius, and contemporary texts from Jorge Luis Borges and Chimamanda Adichie, as a starting point for thinking about questions underpinning leadership in a globalised world.

The case for kindness

New book Kindness in Leadership explores and analyses the role of kindness in everyday behaviour, leadership, organisations and society.

Launched in July 2018 at the FT and edited by Gay Haskins, Mike Thomas and Lalit Johri, it draws on feedback from more than 200 business leaders and employees and finds that kindness leads to greater trust, engagement and commitment. ‘This is especially true in today’s organisational environments where people skills are so vital,’ states Haskins, who is known for her work in management development and is a former Dean of Executive Education at the School.
Act now for people, planet and profit

Unilever CEO Paul Polman has urged businesses to act now to address world-scale challenges and ensure the UN’s Sustainable Development Goals are reached. Speaking at his Distinguished Speaker Seminar in March 2018, Polman told the audience how lucky they were to have been able to choose to be in education, and how their circumstances came with ‘a duty to put yourself in the service of the others’ – the people who ‘do not have a choice’.

He identified four core problems that need to be addressed, including climate change, global governance, short-term thinking, and technological developments which give rise to increased inequality. Solutions to these challenges start with the Sustainable Development Goals (SDGs), he suggested, and require full understanding and buy-in from the private sector.

‘The ultimate role for leaders is to drive changes beyond your own self-interest,’ said Polman. ‘It is clear that in the absence of global governance that companies cannot be bystanders in the system.’

Listen to Paul Polman’s full seminar, The Changing role of business in a fractured world, at bit.ly/AR18_DSS_Polman

Shefali Roy retains fintech power title

Innovate Finance’s Women in Fintech power list has named executive MBA alumna Shefali Roy one of the most powerful women in the sector for the second year running.

Each year, Innovate Finance invites the fintech community to nominate friends, colleagues, clients, partners, and even highlight their own achievements, to shine a light on the progress being made – and the tasks yet to be tackled.

New programme for the Development Bank of Japan

Oxford Said has teamed up with the Development Bank of Japan Inc. (DBJ) to launch an executive education programme called the Global Strategic Alignment Leadership Programme (GSALP).

Aimed at high-potential future leaders from across DBJ’s business divisions, it is designed to create global leaders and transform the organisation in line with its Long-Term Vision 2030.

AI: The value of prediction

What does the future hold for individuals and organisations when it comes to artificial intelligence (AI)?

It’s all about prediction, according to Avi Goldfarb, Ellison Professor of Marketing at the Rotman School of Management, University of Toronto, and making that prediction so effective and affordable that it transforms business and society.

Speaking about the economics of AI at his Distinguished Speaker Seminar, Goldfarb said the cheaper AI prediction becomes, the more we are going to find other uses for it.

The ‘classic prediction problem’ was identifying credit-worthiness or insurance risk, and these tasks are increasingly being accomplished by AI.

He added that the value of prediction lies in its usefulness for decision-making. But an important role remains for humans in ‘judgement’ – that is, ‘knowing what to do with the prediction once you have it… [deciding] how much more valuable one decision is relative to the other.’

For more insights from Avi Goldfarb’s seminar, The simple economics of Artificial Intelligence, visit bit.ly/AR18_DSS_Goldfarb
Zaaj Business School | www.sbs.oxford.edu

56

Oxford Saïd victorious in global actuaries challenge

MBAs Mercy Akoth, Kenichi Oka, Tina Yang and Erin Connors were winners of the Society of Actuaries’ 2018 Student Case Study Challenge in Berlin. Each team was given a case study to analyse and then asked to prepare a report on a proposed long-term social programme. The School’s team was recognised for balancing minute technical detail with the bigger picture and its win entitled the School to a grant of US$1,000.

MBAs scoop raft of international wins

In January, Oxford Saïd’s Artem Katilov, Mats Multhaupt (MFE) and Rohit Vardhan (MBA) won this year’s Hermes Challenge, which pits the School against London Business School (LBS) and Judge Business School.

MBAs Sarah West Young and Senjuti Bhattacharyya received US$5,000 from a panellist to take their idea forward at the Asha London India Edtech Hackathon in February. Working with Tanuvi Ethunandan, the pair proposed a mentorship solution enabling rural Indian youth to be entrepreneurs while encouraging rural businesses to scale their operations more effectively.

Monica Camino Matta, Gregory Tsimbler and Anders Smedsrud (MBA) and Matteo Sutto and Paolo Baorda (MFE) won the 18th Wharton MBA Buyout Competition, which took place in New York in February. The ten-day contest brings together teams from the world’s leading business schools to evaluate and make recommendations for a proposed PE buyout transaction.

MBAs Lwandle Mazule, Tori Helrung, Sam Hilditch, Malina Keutel, and Marte van Oort received a €1,000 prize after winning the IESE Impact Investing Competition in Barcelona.

A team of MBAs from the Private Equity Oxford Business Network, including Jonathan NeWin, Steve Xie, Nicholas Tang, Peter Yick and Hanny Kusu competed and won against eight teams competing at the finals in March, including LBS and INSEAD.

In March, Oxford Saïd’s Arber Gjoka (MBA), Niclas Huck (MBA), Artem Katilov (MFE), Maximilian Müller (MFE) and Felix Tan (BA Economics and Management) won the Oxford Chicago Global Private Equity Challenge, an annual three-day competitive programme.

Phyu Hninn Nyein awarded in Singapore

Phyu Hninn Nyein, an alumna of the Diploma in Strategy & Innovation received the Community and Public Service award at the Women of the Future South East Asia awards in Singapore, held in March 2018.

First place for Oxford at 100th Varsity ice hockey match

Three members of Said Business School, University of Oxford’s 2017 MBA cohort – Eamon Devlin, CJ Ganns and Patrick Kolla – were among Oxford’s winning team in the centenary Varsity Ice Hockey match against Cambridge in March 2018.

The team secured a 4-3 victory in extra time. To mark the historical match, a jersey was signed by the players and entered into the Hockey Hall of Fame.
Academic awards abound

Abrar Chaudhury, post-doctoral researcher and MBA alumnus (2009/10), has been awarded the Academy of Management Organisation and Natural Environment division’s “Best dissertation award” for 2017. His prize-winning dissertation investigated the organisational and implementation design of climate change adaptation policy in developing countries.

Oxford Saïd’s Sue Dopson (pictured), Rhodes Trust Professor of Organisational Behaviour, has been awarded the prestigious Col. Lyndall F Urwick Memorial Prize for her research paper, ‘The Silent Politics of Temporal Work: A Case Study of a Management Consultancy Project to Redesign Public Health Care’. The paper, written with Gerry McGivern, Ewan Ferlie, Michael Fischer, Louise Fitzgerald, Jean Ledger and Chris Bennett, draws on a case study of a management consultancy project to discuss temporal work and politics situated between groups with different orientations.

Andrew Stephen, L’Oréal Professor of Marketing and Associate Dean of Research at Oxford Saïd, has been ranked as one of the most productive marketing academic researchers in the world by the American Marketing Association. He is the top-ranked UK professor. Academics were ranked on their contribution to marketing knowledge, based on publications of original research in global marketing journals including the Journal of Consumer Research, Journal of Marketing Research, Journal of Marketing, and Marketing Science from 2008-2017.

New appointments

Renée Adams (pictured) joins as Professor of Finance. Her research interests include the organisation of corporate boards, corporate governance, gender, and corporate finance.

Matthew Amengual joins as Associate Professor in International Business. His work explores the politics of promoting economic development that is both equitable and sustainable.

Andrew Baum has been appointed Professor of Practice. He currently leads the School’s Real Estate activity and is the director of the Future of Real Estate Initiative.

Trudi Lang joins as a Senior Fellow in Management Practice. Her research focuses on new frameworks, processes and aspects of psychological mindedness.

New professorships and fellowship announced

The University of Oxford’s Recognition of Distinction Committee has awarded Ludovic Phalippou and Felix Reed-Tsochas the titles of Professor of Financial Economics and Professor of Complex Systems, respectively.

Phalippou specialises in private equity areas that are of interest to investors in that asset class, such as fee tracking, interest alignment, and return benchmarking.

Reed-Tsochas has an academic background in theoretical condensed matter physics, and his work is being applied to a wide range of business, financial and social issues. Meanwhile, Michael Devereux has been awarded the 2018 Richard Musgrave Visiting Professorship. This annual prize, established in 2008, honours an outstanding scholar in the area of public finance.

Dr Irem Guceri, Research Fellow at the Centre for Business Taxation, has been awarded the British Academy’s Postdoctoral Fellowship to research the causes and consequences of aggressive tax avoidance by businesses.

Oxford’s Recognition of Distinction Committee has awarded Ludovic Phalippou and Felix Reed-Tsochas the titles of Professor of Financial Economics and Professor of Complex Systems, respectively. Phalippou specialises in private equity areas that are of interest to investors in that asset class, such as fee tracking, interest alignment, and return benchmarking. Reed-Tsochas has an academic background in theoretical condensed matter physics, and his work is being applied to a wide range of business, financial and social issues. Meanwhile, Michael Devereux has been awarded the 2018 Richard Musgrave Visiting Professorship. This annual prize, established in 2008, honours an outstanding scholar in the area of public finance. Dr Irem Guceri, Research Fellow at the Centre for Business Taxation, has been awarded the British Academy’s Postdoctoral Fellowship to research the causes and consequences of aggressive tax avoidance by businesses.
In 2017/18 the School saw a year of strong progress in delivering against its key objectives. Revenues grew 10% year on year to £75m, and our operating surplus grew to £3.7m, up from £2m in 2016/17. This growth continues the positive trend seen in recent years, and is allowing for continued investment in several areas of strategic priority, including ensuring we recruit and retain the very best Faculty, scholarship support and innovation.

Our accredited programmes reached more participants than ever. Enrolment was particularly strong across the MBA, Executive MBA (where the School has consolidated its move to a second intake in each academic year), and the diplomas. This growth has been achieved while protecting the diversity of the student body – over 60 nationalities were represented on the MBA, and 41% of the intake was female, for example – and underpinned by the effort the School has made with the support of many donors to grow the number of scholarships and bursaries on offer (see panel, right).

Executive education also beat targeted revenues, and the launch of the School’s digital-only open programmes in fintech and blockchain allowed the School’s expertise to reach a broader audience than ever. This aspect of our
We would like to highlight the continued support and generosity of Mr Wafic Saïd, whose gifts have helped to improve the School’s progress in education and scholarships. A special thank you also to The Linbury Trust, The Jacobs Foundation and Leo Tong Chen for their generous support in establishing new scholarships for the start of the 2018/19 academic year. Finally, we thank the founding partners of the Oxford Future of Real Estate Initiative.

We would like to recognise the generosity of the following supporters, who gave or pledged £25,000 and above to the School in 2017/2018:

- The Amersi Foundation
- BNY Mellon
- Bryan Cave Leighton Paisner
- CBRE
- Creditease
- Ernst & Young LLP
- Facebook, Inc
- Feng Guo
- Brent Hoberman
- Intesa Sanpaolo SpA
- The Jacobs Foundation
- Kantar
- Sam Laidlaw
- The Linbury Trust
- L’Oréal
- Scott and Laura Malkin
- Meltwater
- PricewaterhouseCoopers
- Redevco
- Said Business School Foundation
- Stephen Schwarzman
- Howard Stringer
- TH Real Estate
- The Goldman Sachs Foundation
- The Pershing Square Foundation
- The Skoll Foundation
- The Vladimir Potanin Foundation
- UBS
- Willis Towers Watson
- Shengqing Zhu

portfolio is set to grow over the coming year (see p30). The on-campus Open Programme portfolio improved its global ranking from fourth to second (Financial Times, Open Programmes, 2018), and over 1,200 participants attended our classroom-based courses, well ahead of target.

Custom Executive Education provides bespoke solutions to support business transformation, and ensures our Faculty remains connected with contemporary business issues. Custom revenues grew 8% year on year, buoyed by contracts with a number of blue-chip clients and more than 3,600 participants benefited from our tailored programmes.

Our strengthened financial position allows for continued investment in areas of strategic priority. Alongside growth in our investment in scholarship support, the School is actively growing its faculty base. Eight new faculty joined during the financial year, and a further seven posts are under active recruitment. Investment in digital capabilities has also been a priority. Almost a third of our custom programmes now offer a digital element, whether supporting assignments or group work between face-to-face modules, or allowing alumni to remain in touch. The MBA and Executive MBA also trialled online interventions offering students more flexibility in their learning and earlier engagement with the School.

Consistent with our strategy of embeddedness within the University, and reflecting our conviction that an entrepreneurial skillset is of value to all students, the Oxford Foundry was opened in October 2017. It provides a space in which to develop entrepreneurial talent across the University, and was made possible by the generous support of Reid Hoffman, Mohamed Amersi and others. To date, 2,100 members, evenly split between post- and under-graduate and spanning the four academic divisions (Humanities, Social Sciences, Maths, Physics and Life Sciences, and Medical Sciences) have engaged with the Foundry and it has delivered over 2,600 hours of learning. The School is now actively fundraising to ensure the Foundry’s ongoing sustainability.

The School’s key capital priority is the development of the Osney Power Station, which will provide a state-of-the-art teaching and residential facility for Executive Education participants. The School, subject to approvals, is targeting a delivery date of late 2021 (find out more at bit.ly/AR18_Giving).
In this digital social age, there are no ivory towers, everyone has a voice. They want to be heard in society and in the workplace. They want transparency; they want connectivity; they want mobility; they want freedom.

What will tomorrow’s leaders look like?
In the industrial age, people talked about leadership being about IQ. Then it became IQ plus EQ – a combination of your emotional quotient, your empathy, your compassion. Now, Alibaba founder Jack Ma and others are talking about ‘LQ’ and how we had better turn on the love quotient, because that’s what will differentiate humans in a world of artificial intelligence, robotics, etc.

Ninety per cent of leadership today is communication. When I first started at Apple over four years ago, I visited 140 stores and had coffee chats back-of-house with employees from nearly every function. This evolved to weekly videos, and last year a new internal daily comms app and social platform where they all have a voice and know their ideas are being heard. All employees are helping to shape how Apple Retail works in the future.

Communication is crucial
It’s also important to communicate your higher purpose. Early on, we started asking questions like: “What should Apple Retail be doing more of in your community?” Store teams would brainstorm for a month, feedback their curated thoughts, then we’d move to another question. This went on for six months. We were told it was one of the largest crowdsourcing exercises ever done inside a company, and it helped form Today at Apple, our new in store experience.

I don’t care what company you’re with – great companies understand that they have a larger responsibility to make an impact, not only to enrich their employees’ lives but lives in the communities they’re serving. This often requires leaders to use their intuition more than they have historically. Leaders need to feel the culture, listen to comments and ideas, be engaged and responsive. Much of this is not in data and reports.

Diversity is a given
Not everyone believed this. Early in my career, I was told by an HR executive that the board was considering the CEO’s succession plan and it might be great for me to get some coaching. I’d never considered myself to be in the running – but I said: ‘Okay, I’m always open to learning and growing.’

After day one, instinctively it didn’t feel right; being told not to talk with my hands, express emotions etc. I didn’t want them to turn me into someone I wasn’t. I’d rather sharpen my natural God-given gifts that have served me well. Isn’t this part of diversity?

We’re not doing a great job if in every one of our stores our employee base doesn’t match the community we’re serving. Steve [Jobs] talked about how technology, married with liberal arts, would impact humanity, so we wanted to get this balance right, even in our stores. We promoted 4,400 people into a newly created position, Creative Pro. Our teams are also encouraged to think creatively; diversity of thought is important for leadership to understand and optimise.

Lead with purpose
Dean Peter Tufano talks about changing the world by leading with purpose. And the School has some of the most progressive thinking I’ve seen in this space. Its board meetings are very collaborative, pulling out best practices from leaders around the world. This is aligned with what Apple CEO Tim Cook talks about: Apple’s values and strong collaboration create something bigger than ourselves.

The next generation is less inclined to traditional leadership and company infrastructure. It’s the opposite of how it once was. Leaders need to keep pace with digital natives’ expectations – to them, it is a Snapchat, Instagram, YouTube, WeWork world. They are used to learning and communicating in sound bites, with images, via videos, and want flexibility. If we want to attract and retain the greatest talent in the world, we need to understand how rapidly society is evolving. We need to evolve our leadership to serve the next generation, not the other way around.

Maybe nothing has really changed at all – they simply want to be heard, felt and loved.

Angela Ahrendts is Senior Vice-President of Retail at Apple, and a member of the School’s Global Leadership Council. Find out more about the Council at bit.ly/AR18_GLC
Leaders need to feel the culture, listen to comments and ideas, be engaged and responsive

Angela Ahrendts, Senior Vice-President of Retail at Apple, and Global Leadership Council member, Saïd Business School