CHAPTER 14

Global Success: Real World Research 'Meets' Global Practitioners

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INTRODUCTION

In this chapter we will first discuss the intensified global competition that seems to be evident between academic institutions. We will then point out two dimensions that might enhance stronger academic value creation in this emerging context. The first is more emphasis on realistic research — "real world" relevance in research. The second is bringing a balanced cross-section of leading learning partners into the classroom — "the global meeting place" — to become exposed to the tentative research results. Note that we use the term "learning partner" to signal the two-way learning that goes on when "real world, real learning" meets the global meeting place. The words "student" or "participant" perhaps indicate more of a unidirectional communication *from* the professor, and we do not agree with this. Likewise, the word "client" suggests a one-way relationship.

We shall then discuss several resulting implementation issues. The first is that, although a lot of research tends to be rather abstract, many business practitioners would prefer more "realistic" approaches. In addition, many learning settings are local — or at best regional — rather than global environments, which are increasingly in demand today. There might thus be a "disconnect", in that the research does not meet the needs of the learners.

A second implementation issue, related to the first, might have to do with the typical values set within academic institutions, which often give preference to more axiomatic, more narrowly focused research and teaching. This is in contrast to a more eclectic approach in both areas that might now be more effective.

A third implementation issue might have to do with the lack of "entrepreneurs" in academic research and teaching. These individuals take the initiative, are willing to run some risks and see new opportunities before they are obvious to everyone else.

The third part of the chapter deals with the need for cooperation to achieve global success and to make modern academic value creation more effective. A more networked approach — not so much conventional hierarchy — is essential to achieve this. Three areas of cooperation are highlighted: First, with other academic institutions — but how can this be done without becoming bogged down in excessive bureaucracy? Second, by having research centres in different geographic regions — but how can this be achieved without fragmenting one's faculty? Third, with leading corporations worldwide — but how can an action-oriented focus be maintained here?

We thus see that a number of key managerial issues in terms of the way an academic institution is run might have a central bearing on whether it achieves global success or not. In the final part of this chapter we shall discuss two such issues: (1) allocation of sufficient resources to the international dimension, and (2) adoption of a minimalist operational mode. Both are essential in order to achieve a global reach and to foster a non-bureaucratic managerial approach to keep things simple and maintain momentum. For further elaboration on several of these issues see Lorange (2008).

GLOBAL COMPETITION

Global competition among academic institutions seems to be intensifying on all fronts — when it comes to attracting both faculty and students, ensuring global research and marketing the offering. Still, many academic institutions remain for the most part rather local, serving local markets or, at most, regional ones. There are relatively few truly global academic institutions. At the university level, outstanding global institutions would include Harvard, MIT, Stanford, Chicago, Oxford, Cambridge and so on. At the business school level, there are INSEAD, London Business School, IMD and a few others.

In spite of the relatively small number of truly global academic institutions, there appears to be a clear trend toward a more global focus. It seems that global success is increasingly likely to be a determinant for strong academic value creation. Winning academic institutions thus probably need to make themselves more attractive to other globally minded stakeholders — learning partners with a global point of view, internationally oriented faculty members, corporations with an international focus and the like. How, then, can an academic institution become more effective as an attractive international academic value creator?

THE KEY ROLE OF RESEARCH AND LEARNING PARTNERSHIP

First of all, it seems vital that research should be at the forefront — but it must be research that the global community finds relevant. This might give rise to a call for a different type of research. It would complement the perhaps more widespread classical research, with its typically strong focus on axiomatically based themes, characterized by hypothesis testing and often carried out within rather narrow academic departments. Today, by contrast, more cross-functional, more eclectic research might be called for in order to tackle some of the key issues that are emerging on the international scene. This would require world-class faculty who might be able to work interactively with other top faculty on eclectic projects. There would probably be greater emphasis on a more international, often practical, outlook — perhaps shaping itself along the lines of what Joel Mokyr (2002) describes as *propositional* knowledge, focused on understanding and developing basic laws and models. Speedy transfer of this "work-in-progress" propositional research — not necessarily fully complete, but offering good ideas for further debate — into academic teaching programmes would appear to be key too.

It would be equally important to make sure that the academic auditorium is filled with learning partners who are *both* advanced — in terms of education and work experience — *and* from many parts of the world. This would constitute a global network of learners, able to bring to the table their *prescriptive* knowledge — which, according to Mokyr, is gained through experiencing, understanding and developing techniques to manage specific situations — thus complementing the propositional knowledge coming from the research. Two things appear key here: A focus on cross-cultural insights, and on discussing dilemmas rather than trying to come up with definitive "right" or "wrong" answers.

Perhaps, therefore, one can think of academic value creation as "real world, real learning" — from strong research — coming together with "the global meeting place" — achieved through a balanced global audience in the auditorium. In other words, cutting-edge research meets practical insights or, as Mokyr (2002) puts it, propositional knowledge meets prescriptive knowledge. All stakeholders in the process would learn — professors as well as learning partners. It would be a case of "lead *and* be led". And the likelihood of being able to address global issues of central concern meaningfully would indeed be higher.

SOME IMPLEMENTATION CHALLENGES

The process outlined above for modern international value creation — as set out by Mokyr and others — may have a strong general appeal as a way of pursuing global success. In practice, however, there can be real implementation barriers. Let us discuss three here.

First, as already indicated, because much research until now has often been rather axiomatic and discipline-based in nature, this may not necessarily lend itself to broader debate around more global issues. The propositional knowledge coming out of this research may not be of sufficient interest for international learning partners. In order to make this process of propositional knowledge *meeting* prescriptive knowledge work realistically, there would probably need to be some sort of minimum relevance requirement along an international dimension.

Second, since many academics have their career, remuneration and peer group feedback linked to rather narrow axiomatic realities, this could breed conservatism. Thus, in order to research more global phenomena, we would call for a "new" academic value creation process. It would typically be more cross-disciplinary, less silo-oriented and with tentative propositional research results being presented sooner. We can of course expect resistance from many classic academic sources in this regard.

The third implementation challenge has to do with identifying "academic entrepreneurs" to play a more prominent role within leading academic institutions. Such people would be good at three things:

- *Seeing new opportunities* before they are obvious to everyone else — perhaps global issues would be a particularly interesting focus here.
- *Networking with other academics* and other qualified people to develop a team of researchers who might effectively be able to study an emerging global issue that requires additional research and lead to better understanding.
- *Inspiring others* to work together in a networked setting. He/she would be a good leader in a charismatic sense, not by virtue of his/her formal position.

Overall, to improve the chances of global success, it is important to have academics with a more open attitude to critical research issues related to the international scene. They need to be willing to take risks, in terms of learning through "failure" — for example by publishing initial research outcomes quickly to stimulate debate in the classroom. This in turn can feed back into the research.

THE NEED FOR COOPERATION — IN NETWORKS, NOT HIERARCHICALLY

Although it sounds appealing in theory, it might, in practice, be difficult to have propositional knowledge meet prescriptive knowledge in such a way that academic value creation flourishes. The organizational models of formal academic institutions may typically be rather hierarchical, even "closed", and

would not necessarily be well suited to pursuing global pre-eminence. A more networked approach might be better, to ensure more eclecticism, more flexible academic career management and more internationalism. Initiatives that require cooperation are more likely to make global success a reality. I shall point out three areas of possible cooperation.

An obvious one would be to cooperate with other academic institutions that have complementary competences to offer. Access to other knowledge and resources worldwide could have an effect that is greater than the sum of its parts. Thus, both the propositional base — from joint research — and the prescriptive base — from pooled learning partners — might be strengthened.

A second area of collaboration might be in establishing research centres in key sites around the world, thus also providing a more "local focus" for a global institution. This type of research — and thus the propositional knowledge — might be more realistic, as a result of being "closer to the action." At IMD, for instance, we have created two such research centres in Shanghai and Mumbai. However, the faculty remain united in one location — in this case Lausanne — and only visit the research centres for shorter intervals of time. Keeping the faculty together, as one eclectic resource, seems important not only for research but also for enhancing global success. Off-campus research centres should not lead to faculty fragmentation, i.e. to *less* global effectiveness.

In my opinion, the establishment of campuses around the world does not necessarily achieve an international focus. On the contrary, it might lead to a *less* global meeting place, as local or regional audiences are drawn to the satellite campuses closest to them instead of travelling further afield to benefit from — and contribute to — a more complex learning environment. A single *global meeting place* — one location in the world — would probably be more effective for creating the propositional-meets-prescriptive interface in academic value creation.

A third area of cooperation might be with leading companies worldwide. This might benefit the research side by providing access to better propositional knowledge from a broad spectrum of top international players. And it might lead to more skilled and experienced executives coming from all over the world — a stronger prescriptive base. At IMD, for instance, we have cooperations with 183 corporations from 22 nations, ranging from Switzerland (37) and the United Kingdom (21) to Austria (1), Greece (1) and Kuwait (1). Global success criteria might be better articulated by leading practitioners than by anyone else, given the feel for these issues that this group of stakeholders would have.

KEY MANAGERIAL ISSUES TO ENHANCE GLOBAL SUCCESS

When it comes to implementation and cooperation, as discussed above, managerial issues are often what make the real difference. Ultimately, the goal of

global success is more likely to be attained if sound managerial practices are in place. Let us highlight two:

First, achieving a realistic global focus would require extra resources in order to attract faculty members from diverse backgrounds worldwide, overcome cultural and language barriers, and counteract formal research training biases. Also, attracting participants from all over the world usually requires heavy marketing. The bottom line is that creating a global meeting place — to foster the generation of realistic prescriptive knowledge inputs — is typically a challenging task that calls for plenty of resources.

The academic leadership must be willing to commit to pumping resources into global projects that might emerge as promising. This typically calls for some sort of "strategic budget", which can be tapped into when needed, and not only when the annual budget cycle dictates.

Second, administrative necessity calls for an action-oriented, non-bureaucratic and pragmatic way of managing. Global projects are typically be complicated enough as they are. To maintain *speed* and drive, a minimalist management approach is recommended. Too often, academic institutions end up applying rather bureaucratic procedures for managing international cooperation, which could — paradoxically — reduce the chances of global success.

CONCLUSION

We have noted that competition between academic institutions seems to be becoming increasingly global, and that sustainable success probably lies more in fostering effective academic value creation in a global context.

With this as a starting point, we prescribed an approach to academic value creation inspired by the thinking of Joel Mokyr. He prescribes that propositional knowledge from research should "meet" prescriptive knowledge from a well-balanced participant group. We would add that this could take place in a global meeting place. It is this dialogue between the two types of knowledge that, above all, might symbolize effective academic value creation in the modern context for tackling key issues of global concern.

We do, however, realize that it can be difficult to make this happen in practice, particularly because of several implementational challenges. One such implementation problem would be that many academics do not necessarily focus on practical, eclectic research. Rather they might still be attracted to more classic axiomatic — perhaps more narrowly defined — research. A second implementational issue might have to do with the more conservative bent of traditional academics, who are perhaps more reluctant to diverge from the "accepted" career path often governed by silos, peer review and classical publishing. Third, having enough "academic entrepreneurs" would be key for tackling global research issues, since this typically requires more eclecticism and willingness to take risks.

We also advocated a strong emphasis on networking — with three areas of networked cooperation — for tackling the key global issues, to make the propositional-meets-prescriptive academic value creation process more workable. The first area has to do with cooperating with academic institutions from other parts of the world, thus achieving more complementarity, but without becoming bogged down in bureaucracy. The second might be to establish research centres to foster research activities around the world, to enhance the "local focus" within a "global context" for more propositional complementarity. But this must not be done in a way that would fragment the faculty team — it must be *one* team able to tackle the globalization diversity issues. Third, cooperation with leading corporations worldwide might be another way to enhance the global academic value creating process. But action orientation and speed must be part of such cooperation, which is *not* that easy for academic institutions to achieve. All in all, networked cooperation potentially offers many opportunities that might enhance one's global focus, complementing the more traditional, academic value creation.

Finally, we pointed out that two managerial issues, i.e. approaches to the leadership of academic institutions, might prove quite decisive in whether global success is achieved or not. First, there is a clear need to allocate the necessary resources to strive to achieve a more realistic global research agenda and better global understanding. This would call for an ad hoc "strategic budget" for academic leaders to draw on in the middle of a budget cycle. Second, we highlighted the importance of minimalist simplicity in all management routines. This is in contrast with what we often find in academia, which can be rather bureaucratic and slow moving at times. Simplicity, speed, no bureaucracy and pragmatism would be called for. Global success through real world research "meeting" global practitioners might be an achievable goal, after all.

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