Our Strategic Intent
2016-2020
Business Not As Usual

The University of Sydney Business School
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Introduction

In the next five years we have the opportunity to create a truly distinctive business school, one with a clear sense of purpose, a commitment to providing a transformational educational experience, and, through our research, an influential and respected voice. This document provides a detailed guide to how and why we can build such a business school. It is an aspirational paper, a statement of strategic intent. The paper is based on the view that change is necessary and should be embraced. We need to challenge notions of business as usual, the things taken for granted because they are the norm. We should question such notions not necessarily to reject them but to be sure that we have not overlooked a superior alternative, a better way of doing things. The tagline—“business not as usual”—refers to a vision of internal and external transformation: imagining a School that operates differently to what it does now and, in doing so, helps to create a society that has, in some critical ways, different mindsets and different practices to what currently exist.

This articulation of our strategic intent covers a wide range of topics but it is important to acknowledge here that there are some things it does not explicitly address even though they are of concern to many of us in the Business School. Perhaps the most obvious one is the fact that, in terms of student load, ours is a big School and has grown very rapidly in recent years. The challenges of coping with ever larger enrolments, organizing, staffing and administering extra classes, as well as securing and providing the additional support that is commonly associated with large numbers of international students, may seem for some of us a major obstacle to achieving some of the aspirations described here.

Clearly, the load issue needs to be addressed. We should seek to stabilize, rebalance and diversify our coursework student cohort. We need to acknowledge, however, that there will always be limits to our ability to achieve with any accuracy our target loads and our desired ideal profile. Furthermore, we will always need to be cognisant of our need to meet our role and responsibilities as part of the broader institution to which we belong.

What is arguably more important than load issues is ensuring that we develop and maintain a reputation for enrolling and graduating high quality students. We cannot be in a situation in which the effectiveness of our educational initiatives is thwarted by having students who do not have the capacity to participate fully and meaningfully in the kinds of educational initiatives proposed in this document. We will need, therefore, to decide how we will assure the quality of our student intake and of our learning outcomes.

A final prefatory point: we are but one part of the broader entity, the University of Sydney. The University is currently engaged in its own strategic planning exercise. The decisions arising from the University’s discussion papers on education, research, organizational design, and organizational culture and values will shape our future. We will play our part in their realization and in achieving other University goals including the targets that have now been set for increasing the representation of women in the University. Our strategic plan is consistent with what the University is proposing. Indeed, in many respects we have the opportunity to be an exemplar of what the University would like to achieve.

Section 1: An Influential Voice on Major Issues and Trends

The vast majority of our academics, as at most business schools, are employed as discipline experts. We will and must continue to impart deep disciplinary knowledge and engage in cutting-edge disciplinary research. A commitment to high-quality disciplinary expertise is unlikely, however, to be the sole basis on which we can claim to be especially relevant and influential. Furthermore, we will be failing our stakeholders, in particular our students, if our approach to teaching and research were to be completely dominated by a disciplinary focus.

An important part of what will make us distinctive is to have a focus on major trends and issues. The Business School must be a vehicle by which we can help others understand and respond to the complex forces of change enveloping all of us. A focus on trends and issues, and their local and global impact,
will also provide us with an inherently important research agenda and be a fundamental basis by which we participate in public policy debates and exercise thought leadership.

An Illustration: Megatrends

To illustrate the kinds of things that might feature in our research and program agendas, we should consider the “megatrends” which, in the period 2016 to 2020 and beyond, will exercise an ever greater influence over the world in which our students will pursue their careers. Their illustrative value lies in the fact that the cumulative impact of these megatrends will be enormous. As Hajkowicz puts it, megatrends are “gradual yet powerful trajectories of change that will at some point express themselves with explosive force and throw companies, individuals and societies into freefall”.

What then are these megatrends? Here we identify five. Others would provide a slightly different list. The aim here is simply to offer examples to act as a conversation starter.

Resource security and sustainable development

The first megatrend is the increasing difficulty of ensuring resource security. This is a continuation of a longstanding, but now ever more acute, problem, that of meeting the enduring challenge of finding ways to do more with less, coping with the scarcity of our natural resources, protecting biodiversity and habitats, and maintaining the health of ecosystems in a world where the effects of climate change will become more profound and more threatening. The criticality of this challenge is highlighted in the United Nation’s 2030 Agenda for Sustainable Development, formally adopted by the UN General Assembly in September 2015, and hailed by Secretary-General Ban Ki-moon “as a universal, integrated and transformative vision for a better world” and “a plan of action for people, planet and prosperity”. The agenda comprises seventeen Sustainable Development Goals aiming, inter alia, at promoting sustainable growth, consumption, agriculture, water and energy; ending poverty and hunger; achieving gender equality; reducing inequality; building resilient infrastructure; and combatting climate change and its impacts.

Ascendancy of emerging economies + urbanization

The second megatrend is the growing ascendancy and transformation of the developing world: the shift in the global economy’s centre of gravity toward emerging markets like China, India and Latin America. Equally important as this directional shift in the global economy is that the locus of economic activity and dynamism in emerging economies is in their cities—not just the better-known cities but in a host of small- and medium-sized cities—all of which are experiencing extraordinary growth.

Flows and connectedness: positive and negative

The third disruptive force is the flows and linkages that characterize a new phase of globalization. There is now a greatly heightened form of global connectedness in trade and in movements of capital, people, and information. The world economy has and will continue to become more intricate. However, the existence of an increasingly complex web of economic interlinkages confers both advantages and potential dangers. Dobbs et al. argue that “Companies have never been more able to reach more new customers, tap into new sources of financing, and find new sources of supply and demand. But greater global interconnections have also produced a proliferation of channels that can transmit shocks across sectors and borders.” Tett makes a similar point: “Ideas—good and bad—spread easily. So do people, pandemics, and panics.” Phenomena as diverse as the global financial crisis and the ever-growing threats to cyber security are examples of the negative aspects of connectedness or, as Ian Goldin refers to it, the “butterfly defect”.

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1 Stefan Hajkowicz, Global Megatrends: Seven Patterns of Change Shaping Our Future (2015)
3 Dobbs et al. (2015).
Technology
A fourth megatrend is what Dobbs et al. describe as “the acceleration in the scope, scale, and economic impact of technology”. In human history the status quo has always been challenged by technological advances but what is different today is the ubiquitous presence of technology and the velocity of change. Our world is one in which processing power, information flows, and connectivity are increasing at an exponential rate, scale can be gained at unprecedented speeds, the life-cycle of products and companies is being ever shortened, and entrepreneurs and start-ups can more readily challenge large, established businesses. The boundaries between businesses are becoming increasingly blurred. This is a world of digital disruption, with digital platforms enabling new business models and new entrants to shake up existing industries.

We are entering what Brynjolfsson and McAfee call “the second machine age”. Rapid developments in artificial intelligence, smart machines and robotics will have profound effects on labour markets. Certain types of jobs (particularly those that are in some sense routine or predictable) will become redundant, work processes and work spaces will be radically redesigned, and the economy will become less labour-intensive. A new world of work will emerge. For some, higher education will not necessarily continue to secure the advantages that it is often assumed to provide.

Another aspect of this fourth megatrend is the greatly enhanced ability to extract and pool digital data from diverse sources and in volumes hitherto unimaginable. We are experiencing a data revolution made possible by a dramatic improvement in the tools available to us to capture, organize, store and analyse data. We can now crunch vast quantities of data. A major challenge will be determining how to use so-called big data to create value, to generate customer insights, to create new and better products and services, to invent new business models, and to improve decision making. The reality is that, concomitant with the emergence of big data, there is a mounting shortage of those who have appropriate data analytic skills and who can convert data into knowledge and insight.

Demography
The fifth megatrend is a constellation of profound and historically unprecedented demographic changes occurring in countries around the world, be they rich or poor. Most notable is the ageing of the population, something fuelled by increased life expectancy and declining fertility rates. The combination of longer lives and fewer children means that the workforce will shrink. Furthermore, those who are in work will have to support an ever-growing number of retirees. A related aspect of this demographic megatrend is a dramatic increase in lifestyle related illnesses (such as type II diabetes and cardiovascular disease) and in the incidence of age-related diseases such as dementia. Healthcare costs will spiral and become an ever-increasing proportion of public expenditure. An ageing population and shrinking workforce will also raise questions about retirement ages and the fiscal burden of funding retirement. More fundamentally it will challenge existing norms and force us “to change the way we think about the elderly—as consumers, customers, employees, and stakeholders”.

Strategic Implications
Building on existing research expertise to achieve scale
The trends discussed here give rise to a host of topics and challenges which would form the basis of a rich and engaging research agenda. We are already tackling some of these trends and issues. The question we need to address, however, is how should we best organize our research agenda to

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6 Dobbs et al. (2015)
8 See CEDA (2015).
11 Dobbs et al. (2015)
achieve focus and scale so that we can be a true force in policy debates and be recognized nationally and internationally for the depth of our expertise on particular issues?

**Reassessing our educational priorities**

There are also some clear educational priorities that emerge from a focus on trends and issues, such as the five megatrends outlined above. For example, understanding technology—responding to it, anticipating it, and taking advantage of it—has become a core skill of business leaders. We should be recognized as a business school that develops this skill. Likewise, we should be a business school that prepares our students for the new world of work, one in which additional education may not provide protection against job automation and one in which our students will regularly shift careers and are likely to work in jobs that are yet to be invented. Furthermore, we must be a leader in Australia and beyond in the field of data analytics. We must ensure that we are an institution that produces graduates with deep analytical talent: data scientists as well as data-savvy and insightful managers who understand the need for, and the challenges of, gathering, analysing, interpreting and acting on data.

**Incorporating messy problems into the curriculum**

A focus on trends and issues will be an important part of what makes us distinctive but what will reinforce that distinctiveness is an approach to curriculum design in which, in both undergraduate and postgraduate programs, we confront students with “messy” or “wicked” problems—problems in which the requirements are inconsistent, trade-offs are unclear and controversial, there is no obvious right or wrong answer, views on the causes of the problem and how to solve it will differ widely, and, because of interdependencies, an attempted solution to one problem will reveal, or potentially create, other problems. Each of the megatrends discussed above, by themselves and even more so in their interaction, yield these kinds of problems.

Be it in generalist or specialist degrees, our students need to face the challenge of tackling messy problems and devising and defending possible solutions to them. Why? Because messy problems are the way of the world and because the ability of our students to think and to reason will be greatly enhanced by working together to consider complex, ambiguous and intractable scenarios. We will also have to reassess and rebalance our pedagogy to make greater use of design thinking which, as argued in Section 5, is an approach especially suitable for considering messy, ill-defined problems.

**Rethinking our organizational structure and hiring criteria**

Several questions arise from a commitment to building a reputation as being a business school that focuses on the trends and forces affecting existing and future business environments. One is about the kinds of expertise we should be seeking in those we hire. Another is how we best organize ourselves to deal with the inherently multi-disciplinary nature of complex issues. Section 3 considers both of these questions and argues in favour of us making greater use of a team-based approach. An additional question is to do with the kinds of partnerships in which we should engage and how we can best benefit from the diverse perspectives and expertise within and outside the School—in other parts of the University and with those external to it. This topic is explored further in Section 4 below.

A final point: this call for a focus on major trends is not driven simply by a desire to stand out from the crowd or, forgive the pun, just to be trendy. Rather, it is driven fundamentally by a view that the purpose and responsibilities of educators and researchers in a business school should include a commitment to build awareness of, illuminate, and suggest responses to, the emerging opportunities, problems and challenges that feature in current and future business environments.

**Section 2: An Advocate for Responsible Management Education**

An essential aspect of what will make us distinctive, and something that we should do simply because it is the “right” thing to do, is to supplement disciplinary knowledge and a mastery of technical skills with an educational agenda that is about developing and employing a critical mindset. We must construct our programs so that our students are forever questioning the notion of “business as usual”. We ourselves must use the same approach in looking critically at what we do. Furthermore, part of our
research and public policy agenda must be to question the status quo and, where we judge change to be necessary, be advocates of alternative approaches.

A critical (as well as constructive) stance on how organizations should function, and business be conducted, has to be grounded in a clearly articulated, and inherently normative but defensible, view of what the purpose of business should be. We have an additional reason to ponder the topic of purpose, for our University has boldly proclaimed that the notion of “leadership for good” is part of our DNA and that our institution’s role is “to make people’s lives better”. If we are to achieve clarity on what these noble sentiments mean for us in the Business School, we must pause to reflect on what the proponents of “conscious capitalism” would call our “higher purpose”.12

We have then two additional ways in which we can be distinctive. One is to be a business school that critically examines the notion of business as usual through the lens of what we think the purpose of business should be. The other is for the Business School to be an exemplar of an institution that questions the status quo. We must be a business school that practises what it teaches.

Rethinking the Purpose of Business: Two Examples

Example 1: Shared value
One way in which the notion of business as usual is being challenged—and with it conventional notions of the purpose of business—is the increasing attention being paid to how the private sector contributes to, but also potentially is the most important means of solving, public problems. The role of business in helping to solve public problems is at the heart of “shared value”, a notion popularized by Michael Porter and Mark Kramer and one that recognizes the importance of “the intersection between society and corporate performance”.13 Shared value seeks to reframe societal issues as business challenges and, encouragingly but perhaps over optimistically, its proponents suggest that they can be resolved as win-win outcomes, with both business and society benefiting jointly. As Porter and Kramer put it, the realization of shared value demands of leaders “a far deeper appreciation of societal needs, a greater understanding of the true basis of company productivity, and the ability to collaborate across profit/non-profit boundaries”.14

Example 2: Plan B
An alumnus of the Business School, Keith Tuffley, is the Managing Partner & CEO of something called The B Team, a coalition of globally renowned leaders in the public, private and social sectors.15 The B Team champions the end of business as usual (Plan A) and demands instead a “Plan B for Business”. The B Team has declared that “the world is at a critical crossroads”. It argues that “Global business leaders need to come together to advance the wellbeing of people and the planet. In fact, we think business has to think this way in order to thrive. The private sector can and must redefine both its responsibilities and its own terms of success; a Plan B for concerted, positive action that will ensure business becomes a driving force for social, environmental and economic benefit.” Plan B extends the primary concern of business beyond profit to people and planet, and has the ultimate aim of achieving a sustainable market economy.

14 Ibid.
15 The members of the B Team are Marc Benioff (Salesforce), Sir Richard Branson (Virgin), Sharran Burrow (International Trade Union Confederation), Kathy Calvin (UN Foundation), Bob Collymore (Safaricom), Gro Harlem Brundtland (The Elders), Arianna Huffington (Huffington Post), Mo Ibrahim (Celtel), Guilherme Leal (Natura), Strive Masiyiwa (Ecobank), Blake Mycoskie (Toms), Ngozi Okonjo-Iweala (Minister of Finance, Nigeria), Francois-Henri Pinault (Kering), Paul Polman (Unilever), Mary Robinson (Mary Robinson Foundation Climate Justice), Ratan Tata (Tata), Zhang Yue (Broad Group China), Muhammad Yunus (Yunus Centre), and Jochen Zeitz (Kering and Harley-Davidson).
16 See http://bteam.org/about/.
Proponents of Plan B argue that we face ten challenges, which are perhaps better expressed as ten goals that business must seek to address:

- Drive full transparency: Be open, transparent and free from corruption, with good governance and accountability at all levels of our organizations.
- Foster collaboration: Work with other businesses, governments, trade unions, and civil society to foster open dialogue and forge new partnerships that accelerate positive change.
- Restore nature: Ensure our companies significantly reduce their environmental impacts and invest in new business models that help regenerate the environment.
- Scale true accounting: Measure and communicate social and environmental impacts, as well as our plans for improvement.
- Create thriving communities: Help create environments inside and outside our companies that enable employees and our communities to thrive.
- Reinvent market incentives: Encourage government policies, corporate structures and tax systems that deliver the best outcomes for people and the planet, helping capital flow towards delivering true returns.
- Ensure dignity and fairness: Ensure that people throughout our supply chains are treated with dignity and respect, working in a safe, equitable and empowering environment, where they receive a fair share of the value they create and their rights are fully supported.
- Redefine reward systems: Support fair rewards in our companies, integrating social and environmental performance targets into our compensation systems, and champion efforts to close the pay gap throughout the business world.
- Value diversity: Cultivate and celebrate diversity, including gender, at all levels of business while ensuring equality of opportunity for all employees.
- Lead for the long run: Adopt longer reporting cycles and nurture inclusive, collaborative leadership focused on delivering long-term value to all stakeholders.\(^{17}\)

Plan B, then, is not just a series of ambitious commitments; it is a redefinition of the principles by which business should be conducted.

We need to find a place in our curriculum in which the aspirations articulated in Plan B and in which the win-win world of shared value are something that all our students come to grips with. We are a Business School and accordingly it is our responsibility to confront students with contemporary debates on the nature and purpose of business.

The Business School as an Advocate and Facilitator of Change

Reflecting on the trends that he believes will shape the future of management education, William Glick, AACSB’s 2015-2016 board chair,\(^{18}\) argues that “The responsibilities of business schools will expand. In the future, business schools will become increasingly important in their communities as they challenge the role of business in society and reshape expectations of management education. Already, industry looks to business schools for help in creating sustainable economic, social, and environmental value.”\(^{19}\)

Here are three examples of ways in which we can ourselves, or through our students, make a difference. They are all responsibilities that we have already embraced but which we must, by 2020, make a more central part of our offerings and of our reputation.

Advocating change: promoting diversity, breaking ceilings, getting off sticky floors

One of the challenges listed in Plan B is that of valuing diversity. The reality is that in the business as usual world, Plan A, women as well as people of minority ethnic, religious, racial and cultural heritage continue to suffer from a tyranny of inequality. For example, Australian data from the Workplace

\(^{17}\) This is an abbreviated explanation of each challenge. For details see [http://bteam.org/planb/#drive-full-transparency](http://bteam.org/planb/#drive-full-transparency)

\(^{18}\) Glick is also Dean of the Jesse H. Jones Graduate School of Business at Rice University.

Gender Equality Agency provide a disheartening insight into what are taken as norms. An analysis of the companies that make up the S&P/ASX 100 shows that women make up on average 33.7 per cent of all managers but only 25 per cent of senior management roles. Among the top 200 public companies, less than 20 per cent of female managers report directly to the Chief Executive. And while there are regular reports pointing to the continuing existence of a significant pay gap between males and females, the WGEA data show that, for those women who do move into senior management roles, the pay gap actually widens. The sad reality for our female students is that this gap begins from the moment they graduate.

Data from the Diversity Council of Australia provides evidence that in Australia, as in the USA, a “bamboo ceiling” or “cultural ceiling” exists. The Council reports that while 9.3 per cent of the Australian labour force is Asian born, only 4.9 per cent progress to senior executive level. In ASX 200 companies, a mere 1.9% of executives have Asian cultural origins. Tim Soutphommasane has shown that the under-representation of Asian-Australians at senior leadership levels is a phenomenon common to a range of sectors: not just in industry, but also in the Australian public service, in politics and in higher education.\(^\text{20}\)

In Australia and elsewhere, including China, the country from which so many of our international students come, the evidence is clear that a glass ceiling exists but even more pervasive is the existence of a “sticky floor”, a metaphor that captures graphically the fact that it is women who predominate in jobs at the bottom of the pay scale from which opportunities to advance are denied or difficult.

Rather than simply bemoan what is happening here and elsewhere, we need to join those who are challenging this particularly lamentable aspect of business as usual. We must ask what can we as a business school do to reverse current trends. As a research institution, we have a continuing responsibility to uncover the relevant data, shed light on the facts, and elucidate the current reality. As a thought leader, we need to engage in public debate, to be proponents of change, and do so by demonstrating to organizations and their leaders the advantages of diversity and ways to mitigate the inherent challenges it can pose. The concept of male champions of change is an excellent idea but the earlier we ask students, through our curriculum, to confront the notion of unconscious biases, and to understand how diversity makes us smarter, the better.

**Facilitating change: entrepreneurship and intrapreneurship**

The very essence of entrepreneurship involves a departure from business as usual. Entrepreneurs see opportunities that others do not recognize or are too risk averse to try. They think creatively about ways to meet unmet needs. They want to make things better. They are frustrated with the inadequate performance or lack of availability of existing products. More and more of our students are expressing a desire to become entrepreneurs upon graduation, and to develop their entrepreneurial skills while studying with us. They are also demonstrating a keen interest in social entrepreneurship—the practice of using entrepreneurial skills to solve social problems. We must respond to these calls by expanding our offerings in the field of entrepreneurship and social entrepreneurship at both the undergraduate and graduate levels. The same goes for the field of intrapreneurship—the notion of inculcating entrepreneurial attributes in large, established organizations. Many of our graduates seek employment in prominent, often multinational, companies. We must ensure that we provide them with an education that encourages them to be advocates of change within such organizations. But to do that, we must examine critically the nature of management education as it is practised at the Business School.

**Adopting PRME: the principles of responsible management education**

The University of Sydney Business School has recently applied to become a member of the PRME initiative and thereby abide by six principles which, its proponents argue, provide a global foundation for responsible management education. The principles, developed in 2007, go to the very heart of the question: what is the “higher purpose” of a business school? They also demand a consideration of what exactly does “responsible leadership” mean.

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Those who join PRME agree to a set of commitments and to undertake regular audits of what the School does to address the principles. Signatories make this pledge:

As institutions of higher education involved in the development of current and future managers we declare our willingness to progress in the implementation, within our institution, of the following Principles, starting with those that are more relevant to our capacities and mission.

We will report on progress to all our stakeholders and exchange effective practises related to these principles with other academic institutions:

Principle 1 | Purpose: We will develop the capabilities of students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy.

Principle 2 | Values: We will incorporate into our academic activities and curricula the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.\(^{21}\)

Principle 3 | Method: We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.

Principle 4 | Research: We will engage in conceptual and empirical research that advances our understanding about the role, dynamics, and impact of corporations in the creation of sustainable social, environmental and economic value.

Principle 5 | Partnership: We will interact with managers of business corporations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges.

Principle 6 | Dialogue: We will facilitate and support dialogue and debate among educators, students, business, government, consumers, media, civil society organizations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.

By making an explicit pledge like this, we will have a constant reminder of what we should be seeking to achieve as business educators and we will have cause to reflect on what each of the principles means to us. Once we join PRME we will be committed to ensuring that the School upholds and exemplifies the principles. Furthermore, we will regularly report on our progress in meeting all six principles.

**Strategic Implications**

Section 1 argued that we must use an issues and trends approach to research and teaching to inform our approach to management education but the point being made here is that our approach should not just be on issues and trends as such but on the questions they pose about the nature and responsibilities of business.

We will be a business school that is a major contributor to debates about what the role and purpose of business are and indeed what the role and purpose of business schools should be. By 2020 an important part of our reputation will be the contribution we have made to these debates. Curriculum reform will be introduced to ensure that our students are conversant with these debates. It must be a mandatory requirement of our programs, be they generalist or specialist, that students are asked to devise ways in which the private sector can be the solution to public problems and, in the spirit of Plan B, ultimately advance the well-being of both people and planet.

All Business School students will be exposed to material and experiences which build their “inclusive leadership” skills and capabilities. Our students should be comfortable working in culturally diverse teams and should be helped to realize that diversity in classrooms is an asset for their careers. We must see one of our fundamental goals as that of challenging students to become agents of change,

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\(^{21}\) On the UN Global Compact, see [https://www.unglobalcompact.org/](https://www.unglobalcompact.org/).
either as entrepreneurs or intrapreneurs. To help to do this we will have to expand our offerings in these fields and build our academic and research expertise in them.

We will be ever vigilant to question our existing norms—not always to overturn them—but just to be sure that we have not overlooked a better way of doing things or missed potential opportunities for ensuring that what we do is effective and fulfilling for us and our stakeholders. We will self-audit. Plan B should be used as a way of auditing what we as a School do in meeting the ten challenges. PRME will require us to report on our progress in meeting the six principles and in the process we will have to cause to reflect on what our “higher purpose” is.

Section 3: An Exemplar of Organizational Agility

We hear many hackneyed phrases about the future we confront: “the only constant is change”; “the future is inherently uncertain”; “we live in an age of disruption”. They may indeed be hackneyed phrases but they are all true, and they all point to the need for us to be adaptable. Furthermore, the megatrends described in section 1 are not just topics for us to research and teach; they will have an impact on us directly. We will need to respond to them. An effective response will require that we be adaptable, that we exercise the kind of organizational agility that we tell our students about. In doing so, we will need to confront the existence of institutional and mental silos.

Silos

One of the great paradoxes of contemporary society is that, as seemingly connected and interlinked as we are (consider megatrend 3), we are also fragmented. The sense of fragmentation is captured in words like “ghettos”, “buckets”, “tribes”, “boxes”, and “silos”. Our university is typical of many large organizations, divided as we are into faculties and schools, and then subdivided into departments and disciplines. Numerous other divisions exist: academic staff and professional staff; faculties and professional service units; professors and lecturers; deputy deans and associate deans; domestic students and international students; and so on.

The important point about silos is that they are not just organizational forms; they can also exist as mental constructs in which, most likely unconsciously, we decide who is like us and who is not, whom we consider to belong to our tribe and who we do not. Another point to be clear on is that divisions do just that—they divide—with the result that, in some organizations, the structure and culture of each division may lead them to be disinclined to talk to each other, let alone collaborate.

Silos in organizations potentially serve a very useful purpose. We need silos, provided that term is interpreted to mean a group of specialists or experts. The world is so complex, and becoming ever more so, that we need structures to deal with the complexity. As Tett explains, “The simplest way to create a sense of order is to put ideas, people, and data into separate spatial, social, and mental boxes ... Silos help us to tidy up the world, classify and arrange our lives, economies, and institutions. They encourage accountability.”

It is also clear, however, that silos can be harmful. People in silos “may fail to communicate, and thus overlook dangerous and costly risks. Fragmentation can create information bottlenecks and stifle innovation. Above all else, silos can create tunnel vision, or mental blindness, which causes people to do stupid things.”

As such, we have a challenge: we need groups of specialists to help us deal with an ever more complex world, but we need flexibility to deal with an ever changing world. Navigating between these two goals is a difficult and ever present challenge. We need to question whether our existing organizational structure is too static, creates false borders, and inhibits cross-disciplinary initiatives. We need to ensure that we have a structure that makes it easier to keep boundaries flexible and fluid.

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22 Tett (2015)
23 Ibid.
Teams

Greater use of team-based approaches will help us do that. Teams can be reconstituted and re-sized on an as-needed basis. In the Business School, teams can and will be configured in a variety of ways: teams of different academics from different disciplines within or outside the School, teams comprising academics and professional staff, teams made up of academics and representatives from community, business and government agencies, and so on.

We need teams composed of people with different skill sets and different mindsets. Miller makes the point that the “creative interchange” that arises from bringing together people from different disciplines “cannot happen in a university department precisely because there is simply too much that is held in common. Disciplines are about answers, or mastery, and therefore favour convergence”.24 By contrast, institutional configurations, such as those using a team-based approach which bring together people from different disciplines, “can be more open to questions, and therefore divergence, because they are freed from gate-keeping, whether intellectual or professional”.25

Strategic Implications

We must be a business school known for its ability to create and configure teams for teaching purposes and, just as importantly, to undertake research aimed at meeting the complex and evolving nature of the emergent issues confronting business, government and the community. As we move toward 2020, we will make greater use of dynamically organized project-focused and issues-focused teams to mitigate the potential dangers associated with silos.

To become more agile and to make greater use of issues-focused teams, we must re-think our hiring processes and selection criteria. There will be, with a number of hires, an increased emphasis on selection criteria that include expertise in a particular trend or issue but, just as importantly, experience in bringing together teams, fostering collaborative research, and building networks (both academic and non-academic) within Australia and abroad. We will place increased emphasis on selecting people who can help us to break down silos and create a more flexible and dynamic organizational structure.

Section 4: Committed and Connected to Partners Locally and Globally

The chairs of our four strategic planning working parties wrote a joint introduction, when submitting their reports, which declared boldly: “Our key organizational objective is to move the School from a patchwork of cottage industries of variable quality to a dynamic organization defined by novel collaborations internally and externally.” The sentiment expressed here ties in nicely with the arguments presented in Section 3 above. Collaborations, connections and alliances, if chosen wisely, will allow us to draw on different pools of talent and expertise and diverse and sometimes contrarian ideas and critically-oriented mindsets that in turn will allow us to surface and confront the silent assumptions we make. Hopefully they will also provide us with an honest appraisal of what we could do better and how we might depart from business as usual.

Internal and External

Internally, we need to strengthen bonds within and across the School—not just between disciplines but between academic and professional staff. We also need to extend and strengthen bonds between the School and the rest of the University, including through shared teaching, jointly designed and delivered programs, and collaborative research endeavours and centres with our colleagues in, to name some obvious examples, the Faculty of Engineering and Information Technologies, the Faculty of Arts and Social Sciences, the Law School, the Faculty of Architecture, Design and Planning, the John Grill Centre, the Brain and Mind Centre, and the Charles Perkins Centre.

25 Ibid.
Externally, we need to achieve greater clarity on the issue of with whom (be it individuals, institutions or networks), in Australia and abroad, we should partner in research and program design and delivery. To achieve a research agenda that is directed to issues and trends, we will need to decide what institutions, locally and internationally, we should partner with to generate insights and actionable knowledge. We will also need to be able to articulate what we offer them as a potential partner—what it is about us that will make us attractive to them. We also need to decide with whom and by what means we can build relationships that will provide us with financial support and resources.

**Improving Stakeholder Connections**

Our connections span the whole gamut of stakeholders, including students past and present, businesses, governments and the community. Again, we can and must do better in our stakeholder relationships: this must be a goal that we commit to achieve well before 2020. We need to deepen and broaden our relationship with industry, the community and with government, for example involving them in curriculum design and delivery.

One relationship that requires special attention is the one we have with our students and the relationship that they have with each other. We must do better in connecting with our students through every stage of their lives, as they transition from current students to early- and then to mid-career positions and eventually into senior roles. Perhaps our most daunting challenge is to foster strong and enduring relationships between domestic and international students. These should be—but often are not—mutually beneficial relationships. They should be platforms for building partnerships that will last long into the “Asian century”. We must do more to build connections between our alumni and our current students by, for example, asking our alumni to be mentors for individual students, advisers to student teams, as well as hosts for teams participating in domestic and global practicums. We must make a more concerted effort to locate “lost” alumni and give them reasons for reconnecting with us, a problem that is especially acute with our international alumni.

We pay insufficient attention to our international alumni, who want from us not just a commitment that our academics will attend regular social events held abroad, but that we will provide for them, through our events, opportunities to engage in lifelong learning through academic presentations and opportunities to meet and learn from people in senior positions in their home country. Our international alumni, in return, can open doors for us and provide connections and introductions to organizations who can assist our research and educational initiatives. They can also become our teachers, providing unique and first-hand insights into the challenges they face in their domestic business environment.

**A Global Approach**

The discussion here of the need to do more to foster our relationships with our international students and our international alumni underlines the importance of the School taking a more sophisticated and more systematic approach to global collaborations, connections and alliances. We must cease to use a scattergun, opportunistic, uncoordinated approach. We must be able to map and track the myriad of connections, personal and organizational, that exist with academic, corporate and governmental partners overseas. We must be clear about the purpose of seeking international partnerships and the rationale for accepting or rejecting those who seek to partner with us. A set of criteria must be developed to assist in making choices. Similarly we must agree on what we expect to get out of these relationships and we need to articulate metrics and milestones to monitor the success or otherwise of international relationships. Priority must be given to those international institutions and individuals who will best assist us in meeting our 2020 strategic intent.

**Strategic Implications**

To get greater focus and to improve coordination and build synergies, we must appoint an academic who takes formal responsibility for global engagement. This person will need the assistance of a professional staff member in charge of international engagement activities. We will also establish an international advisory panel—a set of strategic counsellors—comprising individuals with deep international experience who take a strong interest in the School and understand its strategic intentions.
The panel will proffer advice on how best to realize our global partnership ambitions and help us to open doors and establish and build international relationships.

Section 5: An Innovator in Transformational Education

Creativity and innovation must be core features of the Business School if we are to be distinctive and if we are to provide a truly transformational educational experience. They must be core in two respects: first, as things that the School itself wants to be and to practise and, second, as capabilities and mindsets that we develop in our students. Section 3, in calling for a business school that is agile, one in which we question the existence of silos and encourage conversations about alternative structures, is an example of how we could be more creative and challenge the status quo. In this section the focus is on another, and wholly critical, area in which we should seek to be creative and innovative, namely the way we educate our students. Here again our approach must be to depart from business as usual.

Active and Transformational Learning

As a starting point, we need an agreed philosophy that underpins our educational mission. Part of that philosophy should be a commitment to avoid passive modes of learning. Salman Khan, founder of the Khan Academy, argues, “The old classroom model simply doesn’t fit our changing needs. It is fundamentally a passive way of learning, while the world requires more and more active processing of information.”26 A move from passive to active is about a shift in styles of learning. We also need to determine the end that we are seeking, the goal that makes active learning the most appropriate approach for us to adopt. For us, the answer is personal transformation.

In achieving this aim, we should seek to create and extend a variety of skills and capabilities and minimize the role of mere memorization. Dixon points to the “the growing irrelevance of memory in many areas of life. What really counts is understanding how to make sense of the constant stream of data, picking out patterns, seeing context, and knowing which sources to trust”.27 Consider also the criteria that Google uses to hire employees: “they hire based on problem-solving skills, determination, and perseverance—grit—as well as curiosity and the ability to communicate persuasively to influence others. They don’t care whether you went to a top university; they want to know you can think, gather ideas, make your case, and solve problems that have nothing to do with the memorization of facts and information or, most interestingly, what college you went to.”28

Flipping/blending

The recent arrival and remarkable proliferation of MOOCs have raised fundamental questions about the value proposition of campus-based universities such as ours. They have also encouraged debates about the alternative ways in which education might be delivered and what happens both inside and outside the classroom. Here again traditional approaches to teaching and learning are being re-evaluated. More fundamentally, the issue now being discussed is why anyone should go to a university when courses from leading academics are being made available free online.

One response has been mounting interest in the concept of the so-called “flipped classroom” or, as it is sometimes referred to, “blended learning”. In essence, the concept of a flipped class, as it has come to be practised in some secondary schools, is that the things which traditionally were done in class are now done at some place other than in the classroom (usually at home), and the things which were done as homework are now done in class. The classroom/homework paradigm is flipped.

The simplest way to think about how the flipped classroom works in a university setting is that the material which previously was presented in lectures is now made available online, usually in modules of no more than 10 to 15 minutes, and the idea is that students will view the online material before coming to class. Flipping does not necessarily use the latest or the most sophisticated technology, and it

26 Salman Kahn, The One World Schoolhouse: Education Reimagined (2013)
27 Dixon (2015)
28 Canton (2015)
is quite possible that hardcopy material can be used instead of online material, but generally the approach takes advantage of digital technology to make course material available online.

Flipping, then, is not about a move to wholly online course delivery. Rather, it is based on a view that online educational experiences should be designed to enhance and enrich physical ones and vice versa. The flipped classroom should be a fundamental feature of the value proposition of campus-based universities, for it combines the online world with the hands-on, face-to-face, mutually supportive possibilities and interactions that the campus experience can offer.

Jeremy Rifkin sees a world in which the pedagogy of learning will be radically changed: “The authoritarian, top-down model of instruction is beginning to give way to a more collaborative learning experience. Teachers are shifting from lecturers to facilitators. Imparting knowledge is becoming less important than creating critical-learning skills. Students are encouraged to think more holistically. A premium is placed on enquiry over memorization.”

Engagement and the Role of Experiential Activities

Pedagogy should always drive technology, never the other way around. At the heart of the flipped classroom model is the assumption that student engagement is key to learning, and that engagement is more likely to occur through so-called “experiential” activities, that is, actually doing things, be it debating, discussing, presenting, generating ideas, strategizing, lab work, and so on.

Our focus, then, should not be exclusively on the notion of flipping as such but on a commitment to ensuring that we have designed our classes so that they maximize student engagement. This should be at the heart of our educational philosophy. Thomas Friedman has argued that it is what you can do with what you know, rather than simply what you know, that matters. We need to ensure that our students are regularly given the opportunity to put into practice the concepts and theories we present to them.

Design Thinking and Messy Problems

Glen, Suciu and Baughn suggest that “It is no secret that business schools are sending graduates into an increasingly complex and turbulent business environment without adequately developing their skills to adapt.” They complain that business schools must do more than develop analytical skills, for these kinds of skills will be insufficient for dealing with the challenges confronting graduates and will inadequately prepare them for their careers. Glen et al. argue that design thinking is especially suited for tackling complex, ill-defined problems and that it provides an important complement to analytical perspectives and methods. Their plea, which we should heed, is that business schools should adopt design thinking on a broader scale. For this to happen, however, there needs to be a broad consensus that existing methods are insufficient. There also certainly needs to be greater clarity about what design thinking is and how it can be an alternative and credible method of meeting the needs of business school students.

The rational-analytic approach to decision making, which is such an important feature of much of the curriculum of business schools, has been a powerful driver of demand for business education. The important point, however, is that the rational-analytic approach is well suited to solving certain types of problems but limited with respect to others. It is especially suitable for dealing with well-defined and constrained problems, and in situations of relative stability, but much less so in periods of discontinuity and turbulence and in dealing with the kinds of messy, ill-defined, ill-structured, open-ended problems mentioned in section 1.

We need to continue to assist our students to develop what March calls “exploitative learning” — thinking about ways, for example, in which existing knowledge can be leveraged to refine existing products and achieve greater efficiency. We also need, however, to do more to develop their skills in “exploratory learning”—something that has as its hallmarks an emphasis on flexibility, discovery, innovation, adaptation and entrepreneurship. We need to ensure that students’ knowledge is not limited to the insights provided by readily available and analysable data and that the projects and tasks we set them give them an opportunity to empathize with the experiences of others and begin to judge the impact of business decisions on people’s lives.

Design thinking has an empathetic concern for understanding the needs of the user. The idea is to consider the problem by putting yourself in the client’s shoes. At the heart of design thinking is a solution-focused, iterative process. Design thinking proceeds from the view that the problem to be solved cannot be completely articulated or fully specified in advance. We cannot define the problem with any accuracy before various possible solutions have been tested. Design thinking involves a process of iteration: designers and their clients learn more fully the nature of the problem by trying out various solutions or prototypes. The mantra of design thinking is to fail fast, to test and to trial, to redesign and refine. It involves trying many options, being creative in suggesting what those options might be, and not being content to seize on what seems to be the most obvious solution. This is why teams are such an important ingredient in design thinking in that team members can provide multiple perspectives and see multiple opportunities.

Outside the Classroom

Work integrated learning, in its various forms, is an important aspect of our student offerings, and we should be proud of the initiatives that we have in place. We need, however, to expand such offerings beyond work placement to include consulting, cultural immersion, domestic and international case competitions, student-sourced placement, and local, regional and global business practicums involving teams of students. We also need to craft a consistent narrative about these experiences for students which recognizes the role of these experiences in building employability, cultural competence, teamwork, leadership and problem-solving capabilities.

At present it is a relatively small minority of our students who participate in programs such as the Industry Placement Program and the Community Placement Program. Scalability will remain a critical challenge. One way to deal with this is to expand our suite of offerings with a particular emphasis on team-based experiential activities rather than individual placements. Cost is another challenge, not just for us but for the students, and so we will need to focus more on relatively short-term activities to reduce travel and accommodation expenses. We also need to acknowledge that many of our students already have part-time jobs and are reluctant to engage in offerings that will force them to quit or suspend their paid employment activities. There are also opportunities to take advantage of the Internet and technology such as Skype to connect our students with peers from other business schools abroad to work on big real-world problems.

Entrepreneurship (revisited)

There is perhaps no better way to provide students with a hands-on, real-world, wholly engaging form of learning than giving them opportunities to be entrepreneurs, to create their own business and/or help to run an existing one. The years that a student spends completing a degree should not be seen as an interruption or something that has to be endured prior to doing the thing that he or she really wants to do, namely exercising their entrepreneurial drive. Again, there is much that we can be proud of, including the entrepreneurial opportunities and experiences provided by our RARE and EDNA programs, developing ideas and pitching through Sydney Genesis, accelerator programs such as the University’s Incubate scheme, and student-led ventures such as Enactus, 180 Degrees Consulting, and the Young Entrepreneurs Society.

33 Glen et al. (2014)
There are nevertheless, as argued earlier, clear opportunities for us to expand the teaching of entrepreneurship and innovation in the curriculum and to make it a clearly identifiable area of research expertise within the School. There are also opportunities for us to partner with companies in setting up both accelerators and incubators and thereby provide more of our students with the chance of exercising their entrepreneurial zeal. We should also commit to setting up our own social enterprise, managed and run by our students. Other initiatives, such as a student-managed investment fund, should also be pursued.

Strategic Implications

A major ingredient in what will make us distinctive is that we will provide a transformational educational experience, emphasizing active modes of learning and the acquisition of skills and capabilities that will make our students even more attractive to employers. We will be a business school in which flipped or blended classes are the norm but practised in diverse forms. Our approach to education will be one that, using a variety of means, encourages collaborative creativity and peer learning. Design thinking will be used in a variety of disciplines and will serve as a major pedagogical innovation in asking students to come to grips with messy problems. Our students will learn from active experimentation and developing prototype solutions. Assessment has to be designed to promote active student engagement in learning. Students will be offered a host of in-class experiential activities designed to maximize their engagement. We will greatly expand, in scale and scope, our work-integrated offerings and experiential activities occurring outside of the classroom. We will aim simultaneously to provide a greatly improved educational experience while reducing face-to-face time. Entrepreneurship and innovation will become distinctive features of our research, educational, and experiential offerings.

Section 6: A Place of Mutual Respect Invigorated by Diversity of Perspectives and Approaches

The nature of our organizational culture will be a fundamental determinant of whether we achieve the aspirations set out in this document. We should all feel pride and genuine satisfaction and enjoyment when thinking and talking about the place in which we work. If that is not the case—and for some of us that may well be the situation—we need to do something about it. Fortunately, however, we now have a strong sense of goodwill on which we can build.

Values and Behaviours

We should begin by engaging in an ongoing and frank conversation about the University’s values, what they mean to each of us, and how they might be manifested in a business school context. We are fortunate that the University has itself reflected long and hard on this issue and has recently articulated what it thinks our core values should be—courage and creativity, respect and integrity, inclusion and diversity, and openness and engagement.34

Values are intimately connected with behaviours, for values are suggestive of certain kinds of behaviours, and the way we behave reflects what our true values are. Furthermore, perhaps the best way to achieve mutual understanding of what a particular value means is to agree on the behaviours that exemplify it and those that violate it. We must and we will establish a behavioural compact. We can then use this to chart the extent to which, individually and collectively, our values and behaviours are aligned. We need to celebrate those who exemplify our values. Equally, we need to be sufficiently forthright to call out those whose behaviours transgress our values; we need also to feel confident that we will be supported for doing so.

A fundamental aspect of social life, and one that perhaps is heightened in academic institutions, is that disagreements will always occur. Views will inevitably differ and we are all subject to biases and to subjective interpretations. It would be a genuinely scary situation if that were not to be the case.

Indeed, this very document is advocating that we take a critical perspective on the notion of business as usual as practised by us and by others. As such it is inviting disagreement. But there is absolutely no reason, to use the Vice Chancellor’s words, for us not to be able to “disagree well”. Civility, courtesy, reflection and empathy are traits we should all endeavour to exhibit as a matter of course. Without these, disagreements can turn ugly and any sense of inclusivity will be threatened. Ours should be a welcoming and mutually supportive school. Saying this merely underlines again the importance of constant reflection on our values and how we manifest them.

**Training, Development and Mentoring Programs**

Achievement of our 2020 goals will also depend on us having a wide range of capabilities, for example in building an issues- and trends-based research focus, working in teams, developing cross-functional skills, reforming curriculum, developing and maintaining relationships and alliances, moving to greater use of blended forms of learning, employing design thinking in classes and in our approach to solving our own problems, and building our community engagement, to cite just a few. If we are to build new, or leverage existing, capabilities, and if we are to try to help all staff meet their potential, raise their professional skills, as well as enhance their future career prospects, careful attention will need to be paid to comprehensive and effective training, development and mentoring programs.

We will also need to invest in mentoring and coaching. That said, in thinking how we can best assist the University in achieving its diversity targets, we should also pause to consider a point often made by Elizabeth Broderick: women, she says, are over mentored and under sponsored. What she means by this is that it is not enough to provide mentoring programs and advice on what women themselves should do to advance their careers. Women need sponsors, particularly male sponsors—those who will suggest a woman’s name for a new position, who will make the case for why she is suited to taking on a new set of responsibilities, who will actively push for a woman’s promotion, and who will take the initiative in introducing her to networks and opportunities. These kinds of suggestions broaden our notion of what it truly means to be supportive of each other.

**Safe to Fail**

We must seek to be a school in which, in trying new things, it is safe to fail and in which failed initiatives and experiments are seen as opportunities to learn. The “innovation and experimentation” working party made a critically important point: “Experimentation intrinsically means taking risks. Failure is defined as not being successful and typically seen as a negative. However, such a perception does not let individuals embrace an innovative mindset, instead leading to ‘safe’ choices and activities in which expectations can be met with a high level of certainty. The environment needs to be such that an innovative mindset becomes part of our culture, although this is a long-term objective. In the short-term, a climate needs to be established that supports managed risk-taking with appropriate structures, leadership, and rewards, and should encourage sharing lessons learned from failures.”

We will be a school that shares ideas, in which we learn from each other, and in which we are constantly challenging others, by virtue of our initiatives, to reinvent themselves. We should seek to inspire each other and be given the opportunity to do so.

**Strategic Implications**

The strategic implications of this section are clear. We have already held a series of values workshops. The next, critical step is to develop a behavioural compact. We need to walk the talk. We also need to acknowledge that many of the aspirations set out in this document will require change: change in what we do and how we do things, change in attitudes, and change in what we deem to be our responsibilities. Change can be burdensome. Change invites resistance. Hence we need investment—substantial investment—in resources, training and development. We also need to win people’s hearts, to make a case for change. This document is a first step in doing this.

Greg Whitwell November 2015