

## Annual report to CBS's Board from Academic Council, Dec. 2012

Academic Council (AC) welcomes this opportunity to report directly to the Board on an annual basis, and we look forward to the dialogue with the Board on the items presented here. We see this as the opportunity to share our views on selected larger issues of importance to CBS, based on the work of the Council over the past year. CBS' President has been kept informed about the preparation of this report. Yet based on prior consultation with the President and the Chairman of the Board, the report is expressing the views of the members of the Academic Council consisting of faculty and students.

### *BIS platforms and plurality in research governance*

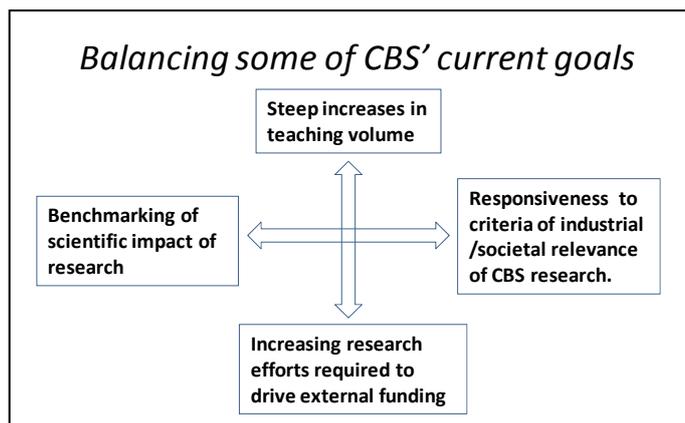
BIS is a strategic instrument giving priority to developing and making more visible what CBS research has to offer in selected topics, as defined by recognized societal needs. At the same time, research at CBS is also being prioritized based on multiple other criteria, such as teaching requirements, disciplinary needs, responding to areas of particular strengths or weaknesses, and the like. BIS has now been scaled to a moderate weight in the overall research budget and that has improved the balance between these criteria. BIS platforms should be seen in the context of five mechanisms affecting prioritization of CBS research. The first three have long-term effects on the composition of tenured staff: 1) the dean's allocation of positions; 2) departments implementing these allocations, based on recent budgetary expansion of their autonomy and discretionary power, and 3) CWAC affecting and homogenizing standards for these recruitments, over the past year increasingly supported by AC's monitoring of recruitment processes. The two main short-term instruments are: 4) World Class Research Environment (WCRE) aimed at leveraging particular spearhead positions of CBS research, and 5) BIS platforms. Research at CBS, in other words, today is governed by a plurality of concerns referring to both research quality and research relevance. Research is governed also by a plurality of decision-making bodies, blending top-down and bottom up directions of influence, combining short- and long-term effects and mixing managerialism with collegiality. Much of this plurality is novel to CBS, and to some extent we are learning the steps of a new dance. AC strongly supports this plurality, finding it productive for the overall evolution and coherence of CBS

### *Consistency of organizational objectives*

Like any other large institution CBS must pursue multiple objectives. AC suggests that attention be given to goal conflicts between the following objectives:

- 1) CBS is at a stage of steep *increase in the volume of teaching*, driven by dramatic growth in student intake (up 20% from today's level by 2017). It is gratifying to see CBS upholding its position as the preferred choice for Danish students. For CBS faculty it will also be a significant challenge to make sure that our teaching grows in terms of both volume and quality.
- 2) CBS must increase its *external funding* of research, but will do so primarily based on the ability of VIPs to generate competitive applications. It requires sizeable efforts to prepare applications, and to ensure that they grow out of - and further strengthen – first rate research.
- 3) CBS must *improve its position in international rankings of research*, as measured on bibliometric indicators of output quality and impact. This ranking plays an important role both in recurrent international benchmarking of business schools and in CBS's fulfillment of its current Output Contract with Government.

CBS enters this competition with the notable handicap of having only 36% of tenured faculty resources allocated to research. That is not only the lowest share found at Danish universities, it is also notably below the level of the international research community we compete against in the segment of strong publication and research impact. In this regard, we do not compete on equal grounds.



4) CBS research must *deliver in terms of industrial /societal relevance and value*, although research driven by this responsiveness often will not lend itself easily to publication in top ranked journals. Establishing a dialogue with Danish society often requires publications in Danish and in books (which have a broader appeal and lend themselves to a less 'compact' academic language). This is merely some of the reasons why pursuit of 'relevance criteria' often conflicts with pressure to publish in international top ranked scholarly journals.

While we recognize that all these four goals are important, and that conflicting objectives are inevitable, we do recommend that a strategy be developed to answer the many questions growing out of these particular goal clashes. Currently they remain as unresolved dilemmas for the individual VIP or department, sometimes with unproductive stress as consequence. CBS faculty and staff have a tradition for contributing to the organization way beyond formal requirements. That enthusiasm has been behind the startling transformation of CBS over the last two decades. Hence there is no slack to draw on as the easy way out of the strategic challenges highlighted here. Rather, that vital enthusiasm may suffer if the experience becomes widespread and deep rooted that strong achievements towards one objective at best will merely balance out the smaller results necessarily obtained on other objectives.

### ***Administrative reorganization has exacerbated the dilemmas***

Without attempting a full assessment of the recent Administrative Reorganization of CBS it appears to have aggravated the dilemmas highlighted above, primarily by burdening faculty with too many purely administrative tasks.

An example in point is management of study programs as handled by VIPs in positions ranging from Study Directors to Course Coordinators, at all levels from bachelor to PhD degrees. The matrix structure underpinning CBS teaching is one of our strongest assets, but it builds on effective communication across a large number of departments and teaching faculty. To the VIPs handling these managerial tasks the recent administrative reorganization has had the effect of removing their immediate administrative support away from their own organizational units into central managerial structures. Under these conditions, obtaining administrative support in itself is transformed into tasks requiring administration and coordination. As a result, VIPs in these positions find themselves carrying out a substantially larger body of administrative work. On top of this a range of administrative routines has been transformed from administrative support to so-called "self service" based on various IT platforms. That does not mean that routines now take care of themselves at zero costs. Rather to a considerable extent it means that routines now generate costs in the form of faculty work hours. Only they remain hidden because they are not picked up by any formal registration of costs. In fact, ultimately these costs will typically come out of the scarce, and in international

comparison, already low amount of research time, which is defined as an unprotected residual in the time budget of individual VIPs. This contributes to worsen CBS competitive basis when it comes to research performance.

CBS faculty is recruited through a cumbersome selection of research and teaching talent, so these are areas where it should be able to focus its contributions to CBS. It is emerging as a widespread experience that the administrative reorganization to a serious extent is taking us in the opposite direction.

### *Competitive and valuable teaching grows out of strong research*

Teaching is essential to CBS' contribution to society, and in many respects CBS has become the preferred educational choice of Danish Students. This preferred status grows out of the same educational strategy by which CBS will respond to the current increase by 20% of student intake over the next few years. The core of this strategy is *educational innovation and differentiation*, as manifested in the continuous introduction of novel programs, or in differentiations thereof, so as to respond more precisely to the needs of both industry and the career agendas of new generations.

Precisely for this reason research at CBS must be a top priority. Research is the main source for sustainable innovation and differentiation of educational *content*. In this sense research is indeed the motor driving all other CBS performance. We further see a rapid expansion of various 'knowledge producers' in society. Citizens can acquire education from multiple sources. The single most important driver of quality in the University system and the huge competitive advantage vis-à-vis those new institutions is, and will increasingly be, our research.

This is one of the main reasons why Academic Council brings to the Board's attention that recent changes are weakening the framework for competitive research at CBS. To give a few examples:

1. CBS faculty obtains external funding not only to finance PhDs, post docs, etc. Part of external grants may also allow senior faculty to temporarily concentrate their own work on research, by buying out time from other parts of their responsibilities (teaching/administration), which otherwise leaves them less than two days per week for research. Concentrated research efforts are required for high quality research. Recent changes in CBS-internal regulation have steeply increased the compensation required by CBS for buy-out time (the "price" for each hour bought out to increase VIP research time more than doubled). This change not only impairs conditions for research at CBS. It also significantly weakens the incentive for senior VIP to pursue external funding, precisely at a time when CBS badly needs to go in the opposite direction.
2. The reduction of TAP staff at the level of departments also means that when VIPs prepare applications for external research grants they are without immediate administrative support. The specialized application support available from the Dean's office is not a sufficient substitute. As a result the application process takes much more VIP hours away from scarce research time than is strictly necessary. And if their applications are successful, VIPs now find that daily administration of the grant to a much higher extent must come out of their own research time.
3. Lack of an internationally competitive system for research sabbaticals also reduces the possibility to get that concentration of research time which is often critical for truly competitive results.

In light of the importance of research for the competitiveness of CBS, in terms of its teaching and its overall international academic standing, there appears to be a need to rethink recent administrative changes and reforms from the perspective of their positive and negative effects on research.

### *Course evaluations*

Educational quality is one of the most essential concerns of CBS and so is student satisfaction. Both of these are currently (partly) measured through electronic evaluation forms sent out to each student at the end of each course and then analysed by the respective study board. However, the system in place has not proven to deliver reliable results since most programmes report a mere 20% turnout. AC has expressed its concern about this lack of reliability and strongly emphasises the importance of creating an adequate evaluation system at CBS.

### *Internationalisation*

CBS strives to be an international university and already has a sizable foreign student body. Also, more and more international faculty have taken up tasks at CBS. This proportion of non-Danish students and faculty is expected to further increase in the future. More internationalisation brings about some challenges that the university should address adequately. International students at CBS have been complaining about a lack of support from the university and many face high challenges integrating in social life. While each student is required to make a personal effort to integrate, CBS should revise its current facilities and formulate a strategy to increase and improve support for international students and ensure their long-term satisfaction, a factor that highly affects CBS's international reputation. Also the integration procedure for international faculty has to be strengthened in order to assure a working environment free of cultural conflict.