

The Academic Council



21 April 2021

Copenhagen Business School  
Solbjerg Plads 3  
2000 Frederiksberg  
Denmark

Nikolaj Malchow-Møller  
President

## **A COMMENT TO THE AC'S REPORT TO THE BOARD OF DIRECTORS**

Dear Academic Council,

I (Nikolaj) would like to thank Kristian and Bent for our meeting between the chairmanships of the Academic Council, the General Consultation Committee and the Board on 24 March. As the chairman of the Board confirmed at the board meeting on 12 April, we had a very positive meeting where we had a chance to discuss the criticism that you have raised in relation to the strategy process. We also discussed the importance of beneficial procedures and the importance of fruitful cooperation between the Board and the collegiate bodies. We therefore agreed on having continuous meetings between the chairmanships twice a year.

We (senior management) would also like to thank you for this year's report to the Board from the Academic Council that was presented at the board meeting on 12 April. Even though the report is not addressed to us in senior management, and although it is not formally required, the chairman of the board asked us to comment on this year's report. As the report, among other things, touches upon the relationship between senior management and the collegiate bodies and the way we design processes and involve students, faculty, and staff in strategy development and decision making at CBS, we also think it is important to let you know our thoughts upon reading the report.

First, let us acknowledge that 2020 was a special year in many ways. In hindsight, there were many learnings, also regarding the strategy process. We will get back to that, but had we known in the spring of 2020 that we would still be in a lock-down a year later, we would likely have aimed for a different time plan. The dual pressure of handling a long stretching pandemic and developing and implementing a new strategy obviously puts a lot of strain on the organization.

While we recognize that the AC haven't argued for a complete halt, we would like to stress that we do not believe that the pandemic should have led to a halt of the strategy and the development activities. Pandemic or



not, the world develops and so should we. The pandemic is a disruption that we must adapt to, but also try to get the best out of.

Second, we acknowledge the AC's wish to be involved. Let us assure you that the wish is mutual. Not just because it is a formal requirement in certain matters, but primarily because we believe that the guidance and advice from the AC (and other internal bodies) can provide for better decision-making and provide transparency around our leadership practice. This is, actually, also the reason behind the many meetings in 2020.

On top of our ordinary meetings in 2020, we had six extraordinary meetings (four about strategy and two about the new deputy president). Apart from the second extraordinary meeting about the deputy president on April 23, which was requested by the AC chairmanship, the extraordinary meetings have been organized with 2-6 weeks' notice - and typically because the ordinary meetings had been planned back in 2019 and did not fit the timing of the strategy process, or because they already had too many agenda points (we attach an overview of the meetings in 2020).

The four strategy meetings were called because we wanted to involve AC in the process before the strategy and the strategy portfolio were to be decided by the Board (in June and December, respectively). This also had the consequence that the AC were asked to comment and provide guidance on material which were often less polished and of a "work-in-progress" nature. That is a (perhaps suboptimal) side-effect of early involvement, as it entails commenting on material which is not finalized or have not yet found its final expression before being presented to the Board.

This also relates to the AC's comment about the lack of "real written reports". Note that the AC throughout 2020 had access to all analyses/reports prepared by the task forces and implication groups, which the strategy documents build on.

Leaving 2020 behind us, it has been a priority for us to learn from the processes when looking in to 2021. To this effect, we have initiated several discussions with the AC Chairmanship as well as the AC itself, on how best to involve the AC going forward. This has resulted in the process plan that was approved at the latest AC meeting, and which we very much hope will lead to a more constructive working relationship in 2021.

With the process plan we hope to have remedied two lessons from 2020: 1) Align AC's meeting plan with the strategy process plan, and 2) Getting a clear a priori understanding between senior management and the AC of when and how AC should be involved in the strategy process. What we cannot change is the Boards' right to set the strategic direction of CBS and in this regard requests for further analyses and initiatives to be reflected in the strategy and strategy portfolio that we will present to them.

Finally, there are two points in the report, which from our side seems unfounded or result from misunderstandings:

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First, the AC raises concerns re. *“lack of involvement of the academic staff in the development of the strategic initiatives and in other innovations at CBS.”* We disagree with this observation. The academic staff have been involved in giving input to the strategy formulation and developing initiatives, but to varying degrees across departments. That the structural cross-cutting initiatives in the final portfolio have been allocated an administrative project leader does certainly not exclude faculty impact and involvement either. Quite on the contrary. In our view, all employees at CBS constitute a team that work towards the same ends and goals regardless of their classification as VIP or TAP. And we have many skilled project leaders among the administrative staff at CBS. Hence it makes perfect sense to us that our faculty’s time (which is our scarcest resource) should not be directed towards project management and other administrative tasks – when we have competent and skilled administrative staff to take care of that. This does certainly not imply that they will eventually *“direct the faculty on how to run their teaching”*.

Second, the AC states that the students *“think their voice is not being heard in decision making in relation to the ongoing CBS Intro debate.”* Again, we disagree with this observation. We do recognize that after a long involvement and discussion, we could not agree with CBS Students on how intros should be conducted at CBS - after numerous years with too many cases of transgressive or non-inclusive behavior and too much alcohol. Students from CBS Students as well as other students across CBS were involved in discussing, giving input to, and ultimately designing and conducting the new intro in 2020. Unfortunately, CBS Students left the project group when it was decided that cabin trips should be moved from the 1. semester to the 2. semester. Fortunately, other students have participated in the development of the new intro format and have made it their success in the difficult circumstances of 2020.

The AC ends its report by stretching out a hand to us – *“we would like to be involved”*. We will stretch that hand back: We want you to be involved. We therefore regret that we did not have more time to discuss your report at the board meeting on 12 April, but we hope that the learnings of 2020 will provide for more smooth and well-planned involvement processes in 2021 and forward. We need your and the rest of AC’s help in doing this. We - senior management and AC – need to jointly become better at planning, projecting and prioritizing issues that AC should deal with. Let’s practice through 2021, follow-up by the end of the year, and together aim for getting a smoothly operating machinery in place for the new AC taking up office in 2022.

Kind regards,  
Inger, Kirsten, Gregor, Søren and Nikolaj

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