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**Reimagining Business
as a Force For Good**

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FOREWORD

FORCE FOR GOOD

Alliance Manchester Business School is delighted to be hosting this year's British Academy of Management conference. In this special issue, you can read exclusive interviews with a number of the eminent speakers who are coming to Manchester.

In each interview we began by asking the same question, namely how business and management can be reimagined as a force for good in these turbulent times. Taken collectively, their varied and thought-provoking responses encapsulate the myriad challenges that business leaders face today.

Doing good

A number of our interviewees pick up on the theme of what exactly we mean by 'good' and, more to the point, who actually benefits from this move to 'doing good'. The answers are not always as obvious as you might think and challenge all of our thinking.

What we mean by good is a fascinating question. Businesses, of course, still need to make a profit in order to pay people and invest in their organisations. The movement towards 'doing good' is surely about saying that these profits should be used in good ways and reinvested for the long-term sustainability of a company.

Delivery

Unsurprisingly the drive towards environmental and social concerns, alongside the push to equality, diversity and inclusion, figure prominently in our interview responses. Indeed, this push undoubtedly needs to be a major focus of attention if we are to see real change.

Everything depends on execution and delivery. Otherwise we simply end up with cynicism because organisations might be good at virtue signalling but do not follow through on their words.

As Quinetta Roberson, former President of the American Academy of Management, tells us: "What I have found is that although companies talk a lot about diversity and inclusion and about representing people across all levels of their organisation and giving them the opportunity to excel, the reality is somewhat different."

She adds that all too often the focus is only on a narrow group of employees and can become over focused on white-collar positions, while often policies simply don't resonate with staff.

Business school role

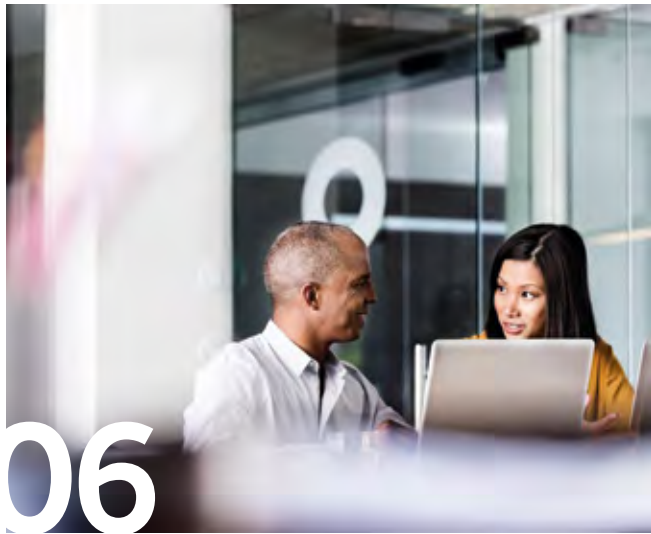
Business schools undoubtedly have a significant role to play here and need to work closely with businesses, and with the next generation of business leaders who will face extraordinary challenges.

We need to equip them to be able to cut through the complexity of the modern world, to help with decision making and find lasting solutions. Being good collaborators will be hugely important if they are to enact genuine change. This is where our impact as a force for good will be. ■

“A number of our interviewees pick up on the theme of what exactly we mean by 'good' and, more to the point, who actually benefits from this move to 'doing good'.”

Professor Fiona Devine is Head of Alliance Manchester Business School

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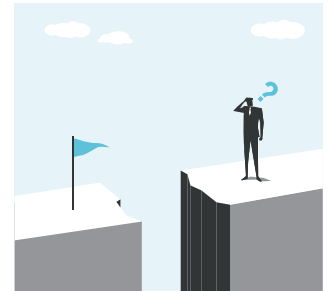
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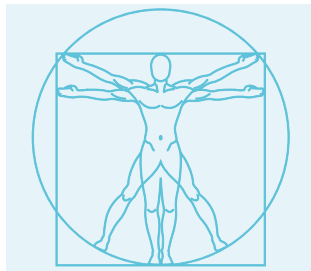
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CITIZENS OF THE WORLD



Actions must speak louder than words if businesses are to become a true force for good, says **Quinetta Roberson.**

Quinetta Roberson is the John A. Hannah Distinguished Professor of Management & Psychology at the Broad College of Business, Michigan State University. She was President of the Academy of Management from 2020 to 2021.

When we talk about business being a force for good there is a strong tendency just to focus on the business case for doing good. But there is an equally strong environmental and social aspect to the question, an equally strong human rights aspect.

The fundamental question that businesses actually have to ask themselves is how they can be true citizens of the world, because in 2022 organisations cannot just focus on financial performance but need to think more broadly about building wider capabilities. So how can they develop these capabilities that allow them to perform better and become true citizens?

Diversity

A lot of my research has been around how you build diverse workplaces and inclusive leadership in order to make organisations perform better and become more efficient.

What I have found is that although companies talk a lot about diversity and inclusion and about representing people across all levels of their organisation and giving them the opportunity to excel, the reality is somewhat different.

In fact the research shows that all too often this focus is only on a narrow group of employees and doesn't always think for instance about the people in the factories, the migrant workers, or those in vulnerable positions. It becomes over focused on white-collar positions.

As such, when I go into a company I always start by asking leaders what they are specifically doing to create a sense of belonging in their organisation. And if they then reply that they have various measures in place to achieve

this, I ask them how they actually know it's true.

In fact, the only way to really find out is to ask employees themselves whether they feel included. And nine times out of ten the answer that comes back is completely different. What that shows me is that business needs to involve employees far more in what it is doing. Incidentally these companies were often doing what they said they were doing. It was just that their policies simply weren't resonating with staff.

Leader mode

So beyond engaging better with staff, what else can companies be doing to become true citizens of the world? Well, another step is to treat others as you would like to be treated yourself. This might sound ridiculously simple but you might be surprised just how far companies can stray from this objective.

One of the reasons is that when people become leaders they are invariably promoted for being high performers in a particular role, not because of their great record at interacting with other staff. We rather blindly assume that they will practice more inclusive leadership now they have stepped up to their new role, but do they or us really know what this means in practice?

In fact, what tends to happen is that leaders go into a 'leader mode' and there is a tendency to put practices in place without really thinking hard about the actual enactment of that practice.

Hybrid working

A good example would be arrangements around flexible or hybrid working, an issue which has been catapulted to the top of the business agenda. It might be the case for instance that staff want to

“...although companies talk a lot about diversity and inclusion, and about representing people across all levels of their organisation and giving them the opportunity to excel, the reality is somewhat different.”

continue working from home more, enjoying the benefits of a more hybrid working life. But then managers might begin insisting that staff come in a set number of days a week.

In this example there is an obvious disconnect between what managers want and what employees want, so how do you square this circle? The simple question I would ask in this scenario is why do managers want staff in the office in the first place? Are they just enacting this policy for the sake of it, and if so why? Rather than just issuing a decree, let's think more deeply about the nature of work. Let's think about whether this policy is having a positive influence on society as well as on employees.

Targets

Another consequence of leader mode is setting goals, whether linked to carbon emissions, diversity targets or ESG for instance.

These can be all well and good, but what we also know from the research is that when companies are forced to hit specific targets they simply manage that target. In other words, the focus should not be on giving businesses a specific goal per se, but more on giving employees goals which will help them achieve those top-level goals. ►



For instance, a company might have ambitions to have a more diverse working environment, but are they creating an environment which will actually sustain a more diverse workforce? If they are not doing the latter, then the end goal is simply not going to be achieved because the people they want to attract and retain will leave.

Organisations therefore need to think about the different ways in which they can achieve their goals, think about the optimal paths. I would add that business schools themselves have a role to play in this discussion because students are too often taught to find the correct answer rather than wrestle with the real problem. In fact, there may often be multiple right answers.

Also, there is a tendency to talk about leadership as a monolith, that all leaders are the same and have similar

experiences and starting points. To this end we send people through leadership development programmes, but that assumes everyone is starting from the same point when in reality they are often not.

Time to stand up

At this time of multiple global economic, social and political seismic shocks, I believe there is an opportunity for organisations to really say what they stand for. But they need to be authentic, consistent, and follow up their words with actions. How they reimagine themselves is actually a really good way of thinking about these questions. It is about turning the lens on themselves and thinking about how they are going to change.

Here in the United States you hear a lot of companies talking about their commitment to social justice, but all too often

they don't even have equity within their own organisations. So the message becomes incongruent with their actions.

We see the same with investors who will talk to me about how they are ensuring that their investments are socially responsible. But what you invariably find is that the focus remains on the leadership of the company and about how they can diversify the board. They are focused on the outcome rather than the process. If they really want to embed these things in, then they have to take meaningful actions, just like businesses themselves. ■



“ We rather blindly assume that they (business leaders) will practice more inclusive leadership now they have stepped up to their new role, but do they or us really know what this means in practice? ”



THEORY AND PRACTICE





“The levelling up agenda is actually an excellent and very current example of the challenges around putting theory into practice.”

Will Hutton discusses the challenges of putting academic theory into practice.

One of my key roles as President of the Academy of Social Sciences is to bring academics and policy makers together.

In fact, it might surprise you to hear that civil servants are actually extremely keen to engage with researchers, they are keen to know what evidence is out there.

Can more be done at linking the two groups? Yes, for sure. Could academics maybe get their hands a bit dirtier to make delivery happen? Again, yes. But the overall direction of travel is good, and this is essential given that theory and applied research is so important in terms of driving policy making. As a social scientist myself I am intellectually drawn to the need for theory backed up by the strongest possible empirical data.

Take the recent Levelling Up White Paper. Chapter One is crammed full of unarguable data that Britain is a grossly unequal state across a range of measures. As it says, the UK has larger geographical differences than many other developed countries on multiple measures including productivity, pay, educational attainment and health. Such disparate levels of income and equality have huge effects on our everyday lives and the implications are phenomenal.

Levelling up

The levelling up agenda is actually an excellent and very current example of the challenges around putting theory into practice. For instance, the opening chapters go on to give a very good overview around how theories around what drives the economic growth of great cities

are so significant. Britain basically needs cities outside London benefitting from these same kinds of incubator effects.

The question, of course, is how do we get there? More to the point, can we realistically get there without spending any money?

I actually think the depth and seriousness of the challenges facing the UK economy and our society are not fully recognised. Our levels of investment and living standards languish and we have got to get better at wealth generation and at marrying good theory with practice.

Bad theory

Along the way we must also beware policies that are not theoretically informed and which can do a lot of damage.

A prime example was the banking crisis of 2008 and subsequent financial crash. One of the most damaging theories that emerged in the wake of 2008 was the need to reduce state debt as quickly as possible so as not to burden future generations. Somehow the narrative became that the deficit was the problem not the financial system itself that led to the problems in the first place. It was a narrative that extraordinarily the Establishment bought into.

A lot of economists were prepared to put their name to the subsequent austerity drive, but in my view the theory was as close to nonsense as I have ever seen in public life. There was simply no need for the levels of austerity that we saw over the subsequent decade and we are still living with the consequences today. For instance,

it is very difficult to tell the story of the Brexit vote without linking it to austerity. Voters were saying that the status quo was intolerable, but in 2016 the EU was not the actual cause of the problems the economy was encountering at the time.

Of course, bad theory doesn't just afflict governments, it can damage companies too. For instance, businesses that slash budgets in a short-term bid to save costs are all too often left rueing the long-term impacts on their productivity and profits.

Purpose

For companies though it is crucial that they have a wider sense of purpose. Admittedly you cannot say this for every company, but you can say it of enough businesses such as those in knowledge-driven sectors which are impossible to run unless they have a sense of purpose. For instance, time and again we see how being ranked as a great place to work which flows from a commitment to purpose is linked to above average performance on most financial metrics.

Every business is on a journey with a sense of direction and purpose, but they will need to make adjustments along the way and everything is contingent on circumstance. Ultimately, it is not theory driving that but their over-riding sense of mission. ■

Will Hutton is President of the Academy of Social Sciences.

MEASURING GOOD

Businesses have great potential to improve environmental and social outcomes but need to be clear on what really matters, says **Tera Allas**.

When we talk about business and management as a force for good, my starting point would be to ask, 'what do we actually mean by good?'

Ask an academic that question and you may get a million and one different replies, so I think the better way forward for companies is to listen instead to their customers, employees and community so that they can define good in a human-centric way, not as some kind of abstract construct.

There are eight billion people on the planet, so the simple starting point for any business is to ask how their activities are impacting on these three groups. What is the effect of consumers buying your products? Are we providing good quality jobs for our employees? Are we having a positive impact on our local community and the environment, and do we create a sense of pride?

Businesses need to do this in a forward-looking manner, also answering tricky questions about their impact on future



Tera Allas is Director of Research and Economics in McKinsey's UK and Ireland office.



generations' lives and livelihoods. It is no good simply doing this exercise once and then sitting back. Once the exercise is completed for the first time, a business needs to prioritise the things that have the most impact and then constantly act on and track them.

Sense of purpose

The cynic in me could say that many businesses are only engaged with this agenda because they think shareholders want or need it, or out of compliance.

Some businesses are probably in that camp. But just as many are genuinely engaged because they know a lot of the actions involved in improving a company's environmental and social footprint are win-wins. They know that if they want to survive and still be around in 30 years then they need to do far more than just watch the bottom line. The sense of purpose and doing good has to run throughout the organisation and be embedded in their culture.

In recent years businesses have actually learnt a lot from the journey they are on to understand and mitigate climate change, and I am genuinely heartened by the actions many companies have taken to reduce their greenhouse gas emissions. They now need to devote the same amount of energy towards looking at other ways their actions impact people, today and in the future.

Take a child born in 2022. What is the most predictive factor of that child's wellbeing in 30 years' time? The answer, you might be surprised to hear, is their mother's mental health. And what determines the mother's health? Many, many factors go into this, some of which are genetic. However, one of the big determinants, if she is in employment, is who she is working for, whether she is stressed out or happy in her job, and whether she has a good relationship with her boss.

Metrics

So now that companies know who to talk to, how do they actually go about measuring doing good? What are the actual mechanisms through which they can make the world a better place? Words are not enough here. Just telling someone to do something different does not necessarily result in them doing it. There has to be an intrinsic motivation to change behaviours.

ESG (Environmental, Social, Governance) metrics are certainly gaining popularity right now. But to be frank, I see a lot of businesses getting caught up in measuring these items, rather than acting on them.

There is a rush to prove that they have great ESG credentials, but too often businesses are just measuring what they can measure without reference to what really matters. Answering "what matters" is of course not straightforward. But philosophers, academics, economists, and many others, have a lot of solid conceptual as well as empirical thinking to offer here.

Bigger picture

Are businesses therefore in danger of missing the bigger picture? For instance, measuring workplace accidents is all well and good, but I would argue that, for society at large, measuring the effect of the workplace on employee mental health has a far greater impact on overall wellbeing.

For example, according to the UK's Health and Safety Executive, there were a total of 142 fatal injuries at work in 2020/21. In contrast, almost a million people suffered from work-related stress. And these figures are probably underestimates. In a recent Understanding Society study 46% of people said their work had made them feel tense, worried, uneasy, gloomy, miserable, or depressed at least some of the time. In other words, in the modern workplace, work is making

many more people mentally unwell than physically sick.

Companies need to find out what metrics they are missing and be more rigorous when deciding which ones to choose. The UN's Sustainable Development Goals (SDGs) can provide a useful starting point here, but there are other useful frameworks, such as from the OECD or SASB (Sustainability Accounting Standards Board). However, in my view, none of these put enough emphasis on mental health which is, after all, the biggest driver of people's overall satisfaction with their lives. Indeed, the literature on wellbeing and life satisfaction is another great source of quantitative evidence on "what matters" to humans.

We are still very much at the beginning of this 'doing good' journey and deciphering which metrics are most relevant. I can safely predict that in years to come we will see the emergence of a huge industry, driven by investors and stakeholders, around modernising audits and transparency statements in order to verify that businesses are doing what they say they are doing. As these developments take place, we will all collectively get better at understanding and measuring businesses' social impact.

What really matters

Businesses are at the heart of sustainable, inclusive growth. They make a huge contribution to peoples' lives – through their products and services, through employment and incomes, and by acting as anchors in local communities. They also have great potential to improve broader environmental and social outcomes, while still creating value to shareholders.

But to do so, they need to get clear on what really matters and to avoid getting tangled up in a thicket of metrics. Instead, they need to quantify and prioritise the most important impact pathways, and then take decisive action on these. ■

“Just telling someone to do something different does not necessarily result in them doing it. There has to be an intrinsic motivation to change behaviours.”



ESG JOURNEY

Palatine Private Equity is blazing a trail when it comes to making the case for ESG in the private equity world.

Palatine Private Equity is unusual in the private equity world in that it has been looking at the ESG agenda for the best part of a decade.

Beth Houghton heads up the firm's Impact Fund which specifically invests in companies that are making social or environmental change, while she also sits on the British Venture Capital Association Impact Committee which promotes returns-focused impact investing.

She says the move to embrace the ESG agenda was originally prompted by clients who were increasingly asking about ESG. So Palatine worked up a methodology and began collecting quantitative ESG data across six pillars (see far right). Before it makes any investment the firm now carries out a pre-deal ESG review to see how it performs against these range of metrics.

As she says: "It's a good way of ensuring there are no red flags which would prevent us from investing. If we decide to then

invest we then scope the company against the six pillars which creates a set of very detailed KPIs."

To deliver on the agreed KPIs Palatine then implement a number of specific measures across its portfolio such as helping companies improve their climate footprint, promote better diversity and inclusion, and improve employee wellbeing. On exiting a business Palatine likewise collates ESG data and analysis across the investment period to assess progress, achievement and positive impact.

Attraction

Five years ago Palatine went to the market to raise £100m for a specific impact fund and has since made 10 investments. Such has been the success of the first fund that it now has plans for a second.

Houghton says the fact that Palatine is known for its ESG credentials is a real attraction for management teams.

"We are committed to using our expertise

“Our evidence from 12 years of collecting detailed ESG data shows a strong correlation between those companies which score the highest on ESG and those which deliver the best returns.”

to guide and support mid-market management teams to strive for better ESG performance alongside financial performance. Sustainability is embedded into everything we do, but it's a big team effort that involves us and our portfolio companies working collaboratively, sharing best practice and helping each other. Companies often lack knowledge on how they can be more sustainable and we can help them get up the learning curve a lot quicker."

She adds that there are huge benefits for companies. "Our evidence from 12 years of collecting detailed ESG data shows a strong correlation between those companies which score the highest on ESG and those which deliver the best returns.



The evidence has helped prove to business owners that adopting a proactive approach to ESG does not mean adding costs into your business but shows it has a significant impact on the overall value of your business. Companies now really see the benefit."

Houghton says one particular benefit is that it makes companies more resilient to external shocks, such as we are seeing now from rising energy prices and inflation, while she says having strong ESG credentials is really important in terms of attracting staff too.

Case study

She cites the example of TTC, a company that delivers national speed awareness and other drive safety courses, as one that has benefitted from this focus of ESG. Palatine invested in the business in 2017 and has since successfully scaled the company's business with police forces while also diversifying into cycle training.

"Following our baseline review the company's existing ESG credentials were already good but it had not yet joined its ESG efforts together and given it a clear rationale within the business strategy or

prominence within the team. We helped it create a strategic sustainability framework to give its ESG initiatives more purpose and direction, and the company formed an ESG taskforce to develop a sustainability strategy and framework."

Palatine went on to complete a successful exit from the business in 2021 with TTC reporting revenue growth during the investment period from £27m to £40m. "This shows how embracing ESG is not mutually exclusive from continuing to make excellent returns."

Journey

Looking ahead Houghton is keen to stress that ESG is a journey and that other issues such as biodiversity are likely to become part of the ESG mix too.

"It is about constantly improving your business. There is always more that we can do to ensure that ESG is considered with the same weight as other investment considerations and measures of success. There is still a long way to go. It has taken us 12 years to get here but ESG doesn't stand still and will constantly evolve. Investors who think they can just switch on an ESG tap are wrong." ■

When it is making investments Palatine builds its ESG model around a six pillar framework:

- 1 Climate**
Strategies for climate resilience and the transition to net zero
- 2 One Planet**
Reducing the impact of business inputs and outputs through redesign, re-use and recycling
- 3 Supply Chain**
Building ethics, sustainability and resilience into business supply chains
- 4 People**
Creating positive workplaces that promote safety and wellbeing, and nurture progression and inclusion to allow employees to flourish
- 5 Customers and community**
Meeting customers' needs in the most responsible way possible and putting something back through purposeful community engagement
- 6 Leadership**
Steering companies towards robust management of business ethics, risk and compliance and commitment to sustainable business practices



Beth Houghton is a Partner and Head of Impact Fund at Palatine Private Equity.



ACTIONS NOT WORDS

Companies need strong guidance to help them achieve sustainability, says **Sacha Sadan**.



Sacha Sadan is Director of Environmental, Social and Governance at the Financial Conduct Authority

Throughout my career as an asset owner, fund manager and global stewardship director I've focused on the protection of consumer interests and responsible capitalism, with the promotion of sustainable finance always close to my heart.

It is precisely the reason why last year I joined the Financial Conduct Authority (FCA) in a newly created role in which I will help the organisation develop and advocate its approach to sustainable finance both domestically and internationally. In particular I am leading the new ESG Division in the development of policy that will help ensure the long-term safety and soundness of firms,

the proper functioning of markets, and the protection of consumers.

In this context I cannot think of a more important question today than how we make business and management a force for good. But I would reframe the question slightly differently, asking how do we actually make business sustainable for the longer term?

Here, finance has a huge role to play. Ultimately, we cannot solve the huge issues the world faces without finance being right at the heart of it. Governments cannot do it all.

Greenwashing

An issue right now is that too many corporates and financial products are making ESG claims which they simply cannot back up with everyday actions, and this is no good for anyone, whether they are investors or consumers.

So, one of the most important things we can do right now is to ensure that products do what they say. It must no longer be easy to make a profit by just saying to your consumers and stakeholders that you are doing something which is sustainable and then over promising. It has got to be genuine. Take net zero for example. Everyone talks about it, but what does it actually mean in practice?

There has indeed been something of a backlash against ESG in recent times

due to some greenwashing. I am pleased to say that it is getting called out quite quickly now and I believe we are generally heading in a positive direction.

Doing what they say

Ensuring companies are doing exactly what they say is now also a key area of focus here at the FCA, and we are currently building and working internationally for a set of clearly defined and world-class sustainability metrics via the International Sustainability Standards Board (ISSB).

Corporates need a helping hand here, and we are working with regulators across the world in building the guardrails and the right metrics to help them on this journey. My job is essentially to say to companies that there are international rules coming on sustainability, so you need to get ready.

For instance, a good example of collaboration is how we are working closely with the Task Force on Climate-Related Financial Disclosures (TCFD) which has already developed a framework to help public companies and other organisations disclose climate-related risks.

Ultimately, we need to make sustainability tangible. Harmonizing international efforts will be extremely important and we all need to hold hands along the way. Incidentally, auditors will also have a crucial role to play in

the future ensuring the right sustainability metrics are assessed, as will assurance as their role becomes more important and relevant to this debate.

Being on the right side

I genuinely believe that today most companies want to be on the right side of this debate and engage fully with it. After all, studies show time and again that the companies that are regularly voted best to work for by their employees go on to outperform stock markets and make strong returns.

And this agenda is even more critical given the multi-faceted pressures that businesses and consumers face in the years ahead. For instance, the cost-of-living crisis will be a defining moment, while at the same time the equality, diversity and inclusion agenda will become even more important.

Employees want these agendas to be addressed in their workplaces, and they want to be comfortable about speaking out if they see things heading in the wrong direction. In short, companies can simply no longer get away with telling their workers 'fluff' and expect to be believed. They need positive actions to deliver on their words. ■

“My job is essentially to say to companies that there are international rules coming on sustainability, so you need to get ready.”

RECIPE FOR SUCCESS

Andy Haldane, the former head of the UK government's levelling up task force, discussed the subsequent white paper's ambitious vision during a recent lecture at Alliance Manchester Business School.

Why is levelling up needed, what do we mean by it, and how can it now be delivered?

Let's start with the why. In short, whether it's health or wealth, spatial differences across the UK are big and regional differences are large and long-lived. In fact, if you look at a broad ranking of the UK regions by GVA per head in 2020 it is not much different than it was in 1900, and regional differences have progressively widened over the last 70 years or so. And if you look at regional disparities across OECD countries the UK also stands out relative to pretty much every other western advanced economy.

But it isn't just about regional differences. In fact, within region differences are larger on average than between region differences. In other words, you make a great mistake if you think you can understand the UK's rich economic geography purely by looking at regional patterns. You need to look at the sub regional level, the local level, the hyper local level. And if you drill down, what you see are pockets of affluence and deprivation sitting cheek by jowl in most cities.

So levelling up economic and social geographies cannot be defined as north vs south, or as cities vs towns vs villages. The story is much richer and more granular, and levelling up needs to be a hyper local pursuit if we are to make a success of it.

Missions

But what do we really mean by levelling up? In the recent levelling up white paper I would have liked nothing better than to have encapsulated levelling up in a single simple mission, but it would have been deeply inaccurate. Instead, we defined it in terms of a set of missions because the key to success in levelling up a place isn't a single ingredient, it's a single recipe with multiple ingredients.

Levelling up is like baking a cake. The most important ingredient in a cake is the missing one and the same is true with places. In some places it is transport, in some places skills, in some places culture. In some places it is a whole combination of different ingredients.

That's why we defined 12 key ingredients without which levelling up would not work, based on the theory and the evidence in UK and internationally. These missions



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“ *You make a great mistake if you think you can understand the UK’s rich economic geography purely by looking at regional patterns. You need to look at the sub regional level, the local level, the hyper local level.* **”**



Andy Haldane is Chief Executive of the Royal Society for Arts and an Honorary Professor at Alliance Manchester Business School. He is the former head of the UK government’s levelling up task force.

serve as an anchor, a fixed point for ambition and policy action over the medium term.

The missions cover the usual suspects such as productivity, living standards, digital and physical infrastructure, education and skills. But they also include factors such as wellbeing, quality of housing, and the amount of crime. Because having agency over your life is tremendously important.

Policy failure

These problems are not new, so why have we not been able to level up in the past? The single most important reason is that regional policies have come thick and fast over the last 70 years, policies which at best last a decade. That pre-ordains failure because if regional disparities are deep and entrenched, then constant chopping and changing of policies guarantees that you will not make inroads to those differences over time.

But this is not the only reason. We also do a pretty poor job of mixing the right ingredients in the right way, in the right amounts, at the right time. There is, crucially, a lack of local empowerment. The UK is one of, if not the,

most centralised, least devolved of western advanced economies in terms of spending and taxation powers. That too is a core ingredient as to why disparities are larger.

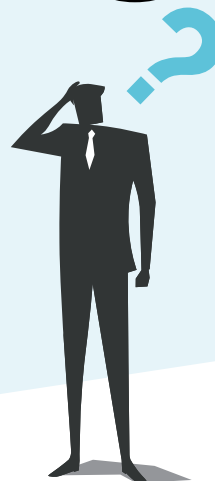
However, we have not a hope of making good on levelling up unless the majority of the action takes place not in a command and control way from Whitehall, but instead happens locally using local people, local information, and local agency to craft local plans to drive local growth.

Part of this will be continued development around 30 to 40 specific clusters of business activity across the UK. The key will be to convert pre-existing clusters into ‘super clusters’ which can then bridge a larger range of industries, sectors and regions.

And finally, this is not just about the public sector. Without a thriving private sector and university sector, levelling up will forever be pushing water uphill. ■

DISCONNECT

More engaged scholarship is needed to help business become a force for good, says
Gerard P Hodgkinson.



In my role as the Vice-Dean for Research within the Faculty of Humanities Leadership Team at The University of Manchester I was privileged to bring together our submission to the latest Research Excellence Framework (REF 2021) exercise for 20 of our University's 31 subject areas (known as units of assessment), including business and management, which we returned to the UK government for evaluation.

It was a privilege because I could see the many different ways in which our varied schools, departments and institutes, spanning the full range of the humanities and the social sciences, had fostered research excellence and career development, and in so doing, generated impact of considerable reach and significance.

It was particularly gratifying to see first-hand how the numerous, diverse projects we had completed over the assessment period are tangibly benefiting society, both locally and globally, culturally enriching communities, enhancing the functioning of the economy, and promoting personal and social wellbeing.

Knowledge creation

As academics we should regularly remind ourselves that we are all similarly privileged, whatever our specific roles might be, in the contributions we variously make to the development and/or

dissemination of the knowledge created through our scholarly endeavours.

However, as I stand back and reflect on the present state of the business and management field, from a perspective gained over the course of a career approaching 40 years, I am firmly of the view that knowledge creation for its own sake, although important, needs to be regarded more widely than it is presently within our business schools across the globe as but an intermediate step along a series of pathways that ensure the research we are undertaking makes a far richer and fuller contribution to the betterment of humankind.

For the avoidance of any doubt, I am not calling for the abandonment of pure research, which is essential to the vibrancy and sustainability of all spheres of scholarly activity, whatever the field or discipline. What I am saying, however, is that our business schools, collectively, need to centre the focus of their research activity far more than they do presently on the many and varied pressing challenges presently afflicting the world, but do so in ways that don't compromise academic originality, significance and/or rigour, the hallmarks of world class research in all fields.

Presently, our business schools and business school-based researchers are over-incentivised to pursue theoretical and methodological rigour and advancement at the expense of



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engaging more deeply and meaningfully with the fundamental challenges of economy and society that are surely in dire need of such engagement.

The net result is that far too many of our best researchers are disengaged from the wider world they profess to study. Of course I am not the first, and unfortunately I suspect I won't be the last, member of the management research community to make these observations.

A crisis of theory over production

The root of the problem that needs to be confronted, if business schools are to reimagine a future based on responsible research, I suggest, is a crisis of overproduction of management and organization theory of a form that is isolated from the fundamental problems confronting

the workplace that are crying out for deeper scholarly attention.

Over the past two decades a long list of leading figures have lamented the disturbing trend that is so evident in our field, relative to the many disciplines I have been privileged to have had oversight of over the past five years, of over-emphasising the role and importance of theory. Unfortunately, this trend is continuing unabated. Indeed, we have reached the stage where even some of the field's leading research methods journals are rejecting manuscripts that report methodological advances in the absence of theory advancement! I know of no other field or discipline that behaves in this bizarre fashion.

To be absolutely clear, I am not calling for the abandonment of theory advancement but I am calling on our research community writ large to gain a fresh sense of priority at this critical juncture.

Disconnect

In sum, there is a fundamental disconnection between the overwhelming bulk of the research published in our most highly prized academically focused research outlets and the communities that stand to benefit most from its insights.

Of course, there is an obvious retort that all theories are potentially useful for advancing the betterment of humankind and that what we ultimately lack is a sufficient number of skilled knowledge brokers or knowledge intermediaries to communicate the tangible benefits of our research to the wider publics who stand to benefit from them.

Although it is true that our field would benefit from more intermediaries, this will not address the more fundamental root of the problem I, among many other members of our profession, have outlined.

On the contrary, we need to reflect far more deeply on how we have arrived at this, frankly, perverse situation in which we find ourselves, whereby we have an over-abundance of theory

production, yet so much of the theory we are producing in our most prestigious outlets is failing to gain reach and/or significance beyond the narrow confines of our own academic community because it is simply not accessible enough for wider stakeholders to make use of, not least the very actors whose working lives we study.

Addressing the impasse

Two major developments have occurred over recent years that have created the enabling conditions to address this impasse, and the momentum for doing so is rapidly gathering pace.

First, the redesign of our national research evaluation programme from its forerunner the Research Assessment Exercise (RAE) to the modern-day REF introduced the fundamental requirement for all subject areas to demonstrate the wider impact of their research.

Unfortunately, however, following two rounds of the REF, it is clear that although there are some isolated examples of research that is both academically excellent and has had major social and economic impact, there is still a huge gap, more generally, between business schools' notions of research that is of the highest originality, significance, and rigour, and practitioners' and policy makers' notions of research excellence.

Business Schools over two successive exercises that were highly ranked for the quality of their outputs were not typically ranked anywhere nearly as highly for the quality of their impact case studies. Conversely, many of our business schools that were scored highly in terms of the reach and significance of their impact case studies fared rather badly in the evaluation of the quality of their published outputs.

These results provide clear evidence that the quality of peer reviewed published research generated by our business schools is negatively correlated with the reach and significance of its impact on the wider world, which is why we need to reform more fundamentally the business and management research ecosystem.

Vision

The growing community of scholars known as Responsible Research in Business and Management (RRMB) www.rrbm.network was founded precisely to address this very challenge. Over the course of just eight years the RRMB community has grown from an initial group of 28 founders to a staggering 1,000+ signatories.

Its position paper, A Vision of Responsible Research in Business and Management: Striving for Useful and Credible Knowledge, published in 2017, outlines a compelling vision to transform our field "toward responsible science, producing useful and credible knowledge that addresses problems important to business and society... based on the belief that business can be a means for a better world if it is informed by responsible research."

It is a vision I am proud to embrace and a community of which I am proud to be a member. In closing, perhaps I should point out that the 'original thinking applied' motto of Alliance Manchester Business School perfectly encapsulates this ethos. ■



POLICY MIX

Governments have a significant role to play in helping businesses reimagine themselves in the face of the climate emergency. That role has become even more pressing in the wake of the pandemic, says **Elvira Uyarra**.

Professor Elvira Uyarra is Director of the Manchester Institute of Innovation Research based at Alliance Manchester Business School

The need for a holistic, place-based approach to solving societal challenges has been brought into sharp relief by the pandemic which has prompted fresh discussions about the need to build a more equitable, fair, and sustainable society.

It has also forced the revaluing of public services and public health, made visible the underpaid and insufficiently appreciated work that is performed to carry out frontline services, and led to widespread calls for a more active role for the public sector in building greater resilience to future shocks. In short, the pandemic is an opportunity to change the priorities of public investment to support a recovery that is more equitable, responsible, and green.

What is the role of innovation in solving societal challenges?

An important dimension to this public investment is innovation, but it is not just about having more innovation. We want and need better innovation, but what exactly does that look like and what innovation goals should we be pursuing?

Today we still tend to think of innovation in quite a narrow way, focusing mainly on radical and high-tech solutions and industries, but also on a narrow repertoire of public policy efforts to promote the supply side of scientific knowledge creation.

I think this is insufficient in terms of solving these pressing challenges. For example, public policy can play a huge role in supporting innovation through wielding its market power in areas such as public procurement. And this requires joined-up thinking in terms of who decides what goals and values are pursued, and what

tools and instruments are used. Also key in this whole debate is how these policies are then specifically translated to the local and regional level, and how this range of tools are used to specifically empower places and businesses.

Is this linked to the levelling up agenda?



These questions around innovation strike to the heart of the levelling up debate, and the role innovation can play in improving living standards and economic growth.

In the recent Levelling Up white paper the UK government set out a dozen missions to be achieved by 2030 in areas such as education, skills, health and wellbeing. It stressed that achieving these missions would require a new model of economic growth, public and private investment, a business-friendly environment, and incentives for inward investment.

The paper also said the government would target £100m of investment in three new innovation accelerators, one of which will be centred on Greater Manchester. These private-public academic partnerships will aim to replicate the Stanford-Silicon Valley and MIT-Greater Boston models of clustering research excellence and its direct adoption by allied industries.

Can the UK learn from elsewhere in terms of its approach?



The UK should also look at what has happened in industrial regions of countries such as Germany or Spain. For instance, I have worked with academics from the Basque Country in Spain to understand how this old industrial region has been resilient to various



“Public policy can play a huge role in supporting innovation through wielding its market power in areas such as public procurement. This requires joined-up thinking in terms of who decides what goals and values are pursued, and what tools and instruments are used.”

crises since 1980 and the role that regional industrial structures, policy choices and institutional leadership have played.

Lessons can also be learnt from unusual places too. In a recent paper with my colleague Kieron Flanagan we documented how the Galician government in Spain acted as the lead user for technological solutions to public problems affecting not only Galicia but other locations. Our conclusion was that the state can play a much broader and more proactive role in industrial diversification than is typically considered.

What role can universities play?



Universities can play a key role in levelling up and these are questions that myself and colleagues are looking at as we speak. For instance, I am currently co-editing a special issue on how the knowledge exchange efforts of universities can be better understood and measured, while in another paper myself and colleagues investigated the contribution of universities to regional economies. In particular we examined the extent to which university subject mix influences graduate retention

rates across urban and non-urban areas, and found that subject specialisation does matter across diverse geographical contexts.

This is just one piece of research into one specific issue, but it does reaffirm the crucial role that local decision-making (whether by the public or private sector) has on specific regions. Because ultimately it is at the local level where the tensions around innovation strategy are played out. ■

RADICAL RETHINK

To achieve net zero ambitions businesses need to embrace truly sustainable production and consumption models, says **Matthew Paterson**.





Professor Matthew Paterson is Director of the Sustainable Consumption Institute based at The University of Manchester.

When we talk about reimagining business we are in effect talking about the radical rethinking of everyday practices of production and consumption.

Indeed, to achieve our net zero ambitions we need to embrace truly sustainable production and consumption models at the societal level, and this will require major socio-technical changes to energy, mobility and food systems, as well as to the industries, technologies, markets, and government policies that drive them.

Here at the Sustainable Consumption Institute (SCI) we precisely focus on understanding how these transitions come about and how they might be accelerated, while exploring how reconfiguring consumption and production systems can contribute to less resource-intensive ways of life.

Constant reinvention

In many ways saying there is a need for business to reimagine itself is misleading because business is constantly being rethought, reconfigured and reinvented. The transitions

required today are little different to how the Victorian mill owners reimagined and subsequently reconfigured the UK economy back in the 19th century.

That said, having studied climate policy for the best part of 30 years, I can also report that some swathes of business have spent the last 30 years also trying hard not to reimagine themselves and been resistant to change in the face of the climate crisis. There is still much hard work to do to reframe the agenda to overcome these powerful companies with vested interests in the status quo.

Policy role

Governments have a crucial role to play in helping businesses reimagine themselves and, in turn, changing consumer behaviour. But as we know from the trials and tribulations of COP26 in Glasgow, they also face major issues in trying to work together and reimagine their economies and societies.

The UK government's recent Energy Security Strategy is a case in point. Instead of using the present global energy crisis as a turning point to wean the UK off fossil fuels, it was largely a return to an energy policy focused on 'predict and provide' which assumes that its job is simply to predict demand and then ensure adequate supply. Rather depressingly it also seemed to simply reaffirm the continued importance of the North Sea oil and gas industry.

Instead, energy policy needs to focus on actively minimising demand through efficiency and conservation strategies while rapidly shifting supply over to zero carbon sources, and to do this we need an integrated set of policies and effective regulatory interventions.

Action now

Here are just three things the UK could do, all of which would have a huge impact on business transformation.

Firstly, the pursuit of energy efficiency and conservation in buildings should be a priority and it needs to be rapidly and radically scaled up. A rapid building retrofit programme would reduce gas and electricity bills, reduce energy poverty and create large numbers of new jobs.

Secondly, we need to accelerate programmes to decarbonise buildings and transport, principally through electrification. And thirdly, we should also focus all new supply on renewables. New wind and solar are now significantly cheaper than any other source of electricity and they can be deployed very rapidly.

Interestingly, wind and solar have expanded fastest where they are community-owned, partly because such owners are less concerned with rates of return and because community benefits can also overcome planning objections.

Indeed, reimagining the role of communities is another dimension to this debate, and is intrinsically linked to how we can make circular economy processes embedded across society. Community-led initiatives such as repair cafés and locally sourced fabric shops have a small yet vital role to play in changing both consumer and business mindsets in terms of reimagining sustainability.

Digitisation

Finally, any debate about reimagining business today cannot take place without rethinking how we use data. For instance, data has a huge role to play in sustainable transport management. And digitisation is also driving new patterns of production and consumption, putting in place

new forms of delivering goods and services such as via platform businesses.

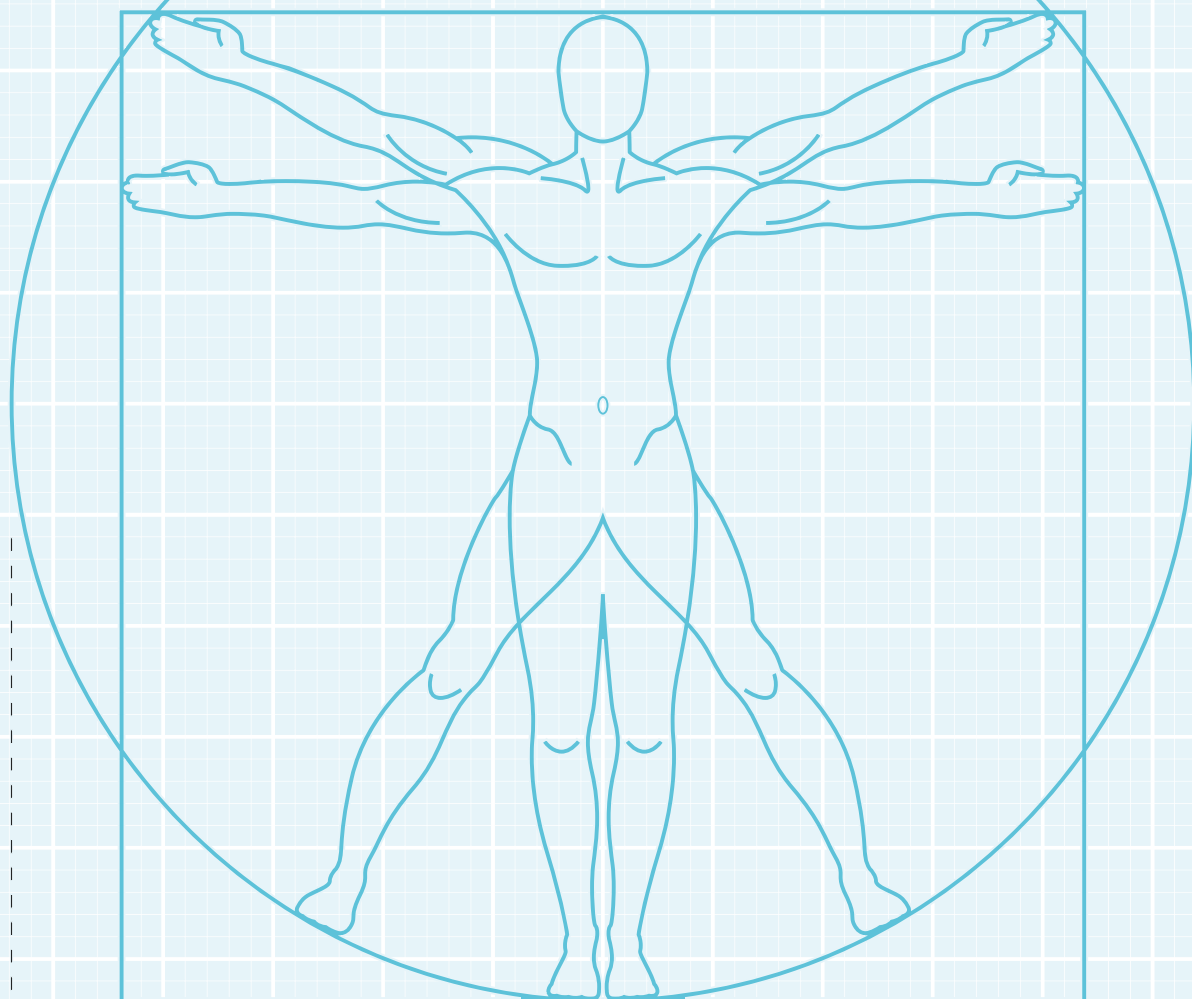
In short, the current period of transformation actually provides unique opportunities to make changes towards more sustainable modes of provision, but we must also ensure that those operating such platforms run sustainable models too.

The research at SCI and elsewhere shows that businesses engaging in innovation have the potential to play important roles in the pursuit of sustainability. But they also have the potential to undermine it, creating new sorts of unsustainable practices.

We can't take for granted that just because businesses innovate, this is automatically good for sustainability. Instead, we need to understand how business innovation needs to be shaped more directly towards that goal. ■

“Energy policy needs to focus on actively minimising demand through efficiency and conservation strategies while rapidly shifting supply over to zero carbon sources, and to do this we need an integrated set of policies and effective regulatory interventions.”

CUI BONO?





When we talk about “doing good” in business, who or what are we doing good for? **Gibson Burrell** poses the question.

Business and management has as one of its philosophical underpinnings ‘humanism’, whereby we put the individual human and collective humanity at the centre of all things, a view on the world which can trace its roots back to the 18th century Enlightenment and the great age of Reason. So, when we talk about doing good in business and ‘cui bono’ – who benefits – the question has, for the past 300 years or so, been that if ‘good’ is being done then it has to be humanity that benefits in some way.

Western view

However, when you drill down further to ask which specific forms of humanity are the beneficiary, it turns out to be Western humanity that is often meant. A view of the world has been driven by the West and it is one which only accelerated in terms of its influence in the 20th century.

Indeed, if we had been having this debate in 1922 rather than 2022 the chances are that many commentators would not have predicted the decline of empires, World War II and the subsequent hegemony of the US and its dominance of the model of globalisation.

Without historical understandings, many today will say that globalisation is inevitable. Yet it is in fact a relatively new phenomenon that has only emerged in earnest over the last generation. Nothing says it is inviolate.

Humanity and the natural world

Humanity’s (assumed) ability to control all that lays before us again arises really quite recently. The point I am making is that in the past there was a very different relationship between humanity and the natural world, a relationship where humans, animals and plants were treated as one.

For an example of how this relationship has been damaged think about how the connection between indigenous civilisations and nature has been broken by the rise of agribusiness and the mass production of crops encouraged by a consortium of partners who seek to benefit from shifts in the relationship between the land and humanity.

In the past workers on the land knew exactly where in a field a specific crop would grow best. They knew at what angle to place the seed to the surface for the best harvest that year and subsequent years. But as soon as you start taking people off the land to fill factories you lose these skills and in doing so a great and traditional way of being more sustainable has been lost.

Mass production

Some would argue that we need mass production to feed the world’s population growth, but there is actually no shortage of food across the world. It is often in the wrong place and it is a problem of distribution not production. There is a shortage of distribution networks into areas of undernourishment, and companies and governments are locked into existing supply routes and chains which lead to great levels of food waste.

Where there is food poverty, one finds pre-existing economic poverty. The food supply is there, it is just not available to the impoverished. There is also a prevailing view that workers in developing countries are fleeing the land in search of riches in the cities. But this isn’t universally true. Despite predictions from the World Bank and other voices of Western hegemony, the number of people living off the land is today around three billion and is rising, not falling.

Challenging the status quo

How might business scholarship reverse the direction of travel? I would argue that business and management thinking needs to be more ‘vegetative’ in the sense of its original meaning – i.e. it describes what is highly dynamic, flourishing, colourful and seasonal.

People generations ago who lived on the land understood exactly how the world of plants moved throughout the year, they understood the dynamics involved, they understood the links between humanity and plants. They could not control nature so they sought to live with it.

There is now an opportunity to ask why don’t we think more deeply about what a

‘vegetative organisation’ would look like to deal with the huge challenges we face around sustainability and climate impact, and think about how we can organise businesses differently.

Work allocation

Another way in which we can begin to think differently is in how we allocate work. Today the ‘platform’ model where work is arranged and allocated on the basis of electronic platforms and algorithms rather than ‘pyramids’ such as in bureaucracies (just think about how all your technological devices link together) has become the dominant model. But pyramids and full bureaucratic structures did on the whole work very well for thousands of years. Again, in the long run, bureaucracies often ‘do good’.

And finally, I would argue that we in business and management also need a form of ethics to deal with these ‘vegetative’ issues which is parallel to conventional ethics but not necessarily part of it.

We might call this accompanying view of the world ‘para-ethics’. Para-ethics is not just about how humans treat each other, but also about how we treat the wider world and our attitude to other forms of life. Para-ethics in the vegetative organisation is one way of thinking about sustainability in a world that all life shares, at least for this moment in history. ■



Gibson Burrell

is a Professor of Organisation Theory at Alliance Manchester Business School. Last year he was awarded the Richard Whipp Lifetime Achievement Award by the British Academy of Management.

RISING TO THE CHALLENGE

Engineering biology can help us rethink the entire process of industrialisation, say **Philip Shapira, Nick Matthews and Laurence Stamford.**





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Reaching net zero will require fundamental changes both to the way we live and to our economy. Indeed, there has never been a more pressing time to usher in transformative innovation than as we strive to achieve the UN Sustainable Development Goals.

One such opportunity is the potential for engineering biology to play a role in creating a sustainable bioeconomy. Engineering biology – which combines biology, engineering, and information technology to produce biobased materials and products – has the potential to advance sustainable biomanufacturing around the globe. The ambition is to not only transform products we already use, but also to create new ones, making use of nature's intrinsic diversity.

However, engineering biology still requires concerted action by policymakers, researchers, businesses and communities to achieve its societal and environmental promises. For engineering biology to play a critical role in creating a sustainable bioeconomy we need to rethink the process of industrialisation.

Making inroads

The new approaches enabled by advances in engineering biology could be used to bolster more equitable and resilient societies and foster sustainable 'circular' economies that can reduce waste and pollution, reuse materials, and more readily address climate and other environmental challenges.

Indeed, some engineering biology products are already making early inroads into markets. For example, multiple companies are offering alternatives to animal products that use ingredients derived from engineered microbes and plants.

Other companies are converting waste industrial gases and modifying proteins through biological processes into novel materials and textiles. Biological nitrogen fertilisers, which directly target genes

in corn roots, have recently entered the market, replacing petrochemical fertilisers.

Reimagining industrialisation

Yet, while some early products are available, engineering biology is a long way from delivering on its broader promises of transformative change toward more environmentally sustainable economies and societies. That's why, in order to make more headway towards reaching a broader bioeconomy vision, it is time for a fresh, integrated, and holistic approach.

One way to move towards this vision involves rethinking the biofactory. In particular, biomanufacturing should be fostered as a distributed system. In this model the production of biological products – chemicals, fuels, materials, and medicines – would occur in green biorefineries located close to local sustainable sources of microbial feedstocks and raw materials as well as end users.

Such distributed biomanufacturing could use locally unique bioengineering solutions to flexibly make a range of products for users. This model would create local jobs and expertise, nurture relationships between communities and producers, and improve resilience by reducing dependence on global supply chains.

Towards a circular bioeconomy

To make sustainability the heart of the bioeconomy, the practice of bioengineering must also change from trying to engineer a single feedstock into a single mass product, to creating platforms that enable agile biomanufacturers to use multiple inputs and create multiple products, both in parallel and in series.

Furthermore, replacing petrochemical-based production and consumption systems with biobased alternatives will not inevitably or automatically lead to more sustainable, less polluting systems. New initiatives must avoid 'problem shifting' whereby dealing with one sustainability issue causes or intensifies another.

Instead, projects should be developed with an eye on circular biomanufacturing. In these systems, biomass is sustainably grown or reclaimed for use, with attention to recycling or ensuring safe biological decomposition.

Most biomanufacturing starts with the promise of promoting sustainability and addressing global challenges but has often not delivered on that pledge. If biomanufacturing is to actively make a positive difference in addressing global challenges, benefitting society and the planet, it must explicitly make these ultimate aims part of the mission from the start. ■

We propose four principles to guide future policy development:

- 1** Integrate diverse perspectives – to avoid disruptive impacts on people, communities, and the environment, engineering biology must further broaden to encompass perspectives beyond the lab.
- 2** Embed ongoing evaluation and learning – engineering biology needs to go beyond existing evaluation methodologies, such as life-cycle assessment, to create broader, more deliberative processes.
- 3** Nurture local capacity – for a distributed bioeconomy to provide high-quality jobs, it will be necessary to rethink how local labour is trained and valued.
- 4** Be outcome-oriented – part of building and scaling bioeconomies involves developing and implementing demand-side policies to encourage the purchase and use of sustainably manufactured biomaterials.

CALLING IT OUT

Bystanders are key in helping create an anti-bullying workplace culture, says **Kara Ng**.



Kara Ng is a Presidential Fellow in Organisational Psychology at Alliance Manchester Business School.

Imagine you are at work and you witness a colleague repeatedly bullying another colleague.

What would you do? While many of us like to think that we would interfere to stop it, surveys show that most employees who witness bullying situations, known as bystanders, do not respond in ways that would help the victim.

Instead one study suggests up to 60% of employees in some places report doing nothing when witnessing bullying. But why is this the case and what consequences does it have?

Workplace bullying occurs when an employee is subjected to repeated behaviours that harass, exclude, or negatively affect someone's work. This may range from obvious acts of physical violence to more ambiguous behaviour, such as mocking, insulting or socially excluding someone.

Bullying can seriously affect victims' mental and physical health, with extreme cases leading to self-harm or suicide. On average, workplace bullying affects around 15% of people, though some sectors, such as healthcare and higher education, report higher rates.

The impact of doing nothing

Workplace bullying has traditionally been seen as an issue just between the victim and bully – and dealt with accordingly. But bullying often occurs in front of others. Surveys show up to 83% of employees in some organisations report witnessing bullying at work.

This is troubling. Witnessing bullying may harm bystanders' own wellbeing, stimulating fear of how they might be treated in the future. But how bystanders respond can either help or worsen the situation for victims.

In our recent study, we asked employees at a large university to answer questions about their experiences of bullying, as a victim or a bystander. We showed bullying victims suffered less damage when they had helpful bystanders who actively intervened. Conversely, victims in groups with bystanders who did nothing experienced greater detriments.

We suggest that this is because victims in these situations must not only deal with bullying, but also with understanding why others did not respond, which creates more added stress. It seems

to us bystanders are key in helping create an anti-bullying workplace culture.

Bystander responses

Researchers have proposed that bystander responses to workplace bullying can be categorised in two ways: active versus passive, and constructive versus destructive. The former describes how proactive the response is in addressing the bullying situation, while the latter shows whether the response is intended to improve or worsen the situation for targets.

This gives four types of bystanders. There are active-constructive bystanders, who proactively and directly seek to improve the bullying situation by, for example, reporting the bully or confronting them. There are also passive-constructive bystanders who don't directly "solve" the bullying, but listen to or sympathise with the target.

Passive-destructive bystanders, on the other hand, typically avoid the bullying and "do nothing". While this may sound benign to some, targets may view passivity as condoning the bully's actions. Finally, active destructive-



bystanders actively worsen the bullying situation, for example, by openly siding with the bully or setting up situations where the bully can pick on people. They effectively become secondary bullies.

Failure to intervene

In another recent paper we tried to delve deeper into the psychological processes underlying bystander behaviour. Bullying is often subjective, with people interpreting the same situation differently. So, we were interested in understanding what interpretations lead to active-constructive responses, which are the most helpful.

For active-constructive responses to occur, employees must perceive that the incident is severe enough to warrant intervention. This can be ambiguous – is that offhand remark just a joke or something more?

Next, employees must perceive that the victim does not deserve what is happening to them. Work relationships are complex and in certain cases, such as when group performance is key, employees may not approve of others making mistakes or inconveniencing them and

may perceive mistreatment as justified.

Finally, employees must perceive that they are able to intervene effectively. There are many cases where employees wish to act but don't feel able to, such as if the bully is a supervisor, or if previous attempts to intervene have failed.

Taking action

While there is no one-size-fits-all solution to encourage bystander intervention, there are things you can try to help you better understand a target's situation and, hopefully, become an active constructive bystander. Research suggests that perspective taking, or trying to see things through another point of view, can be beneficial.

Experiments have shown that participants who are asked to take a perpetrator's perspective are less likely to agree that misconduct has taken place than participants who are asked to take the victim's perspective.

Organisations have a key part to play in stopping bullying and, ideally, should have anti-bullying policies that are easily accessible by employees. These policies should clearly define what bullying is and

have transparent, confidential processes for reporting incidents that are either directly experienced or witnessed.

Policies and anti-bullying initiatives should have buy-in from senior management. This would ultimately help employees feel safe in speaking out.

Importantly, organisations should try to find the root causes of bullying and if there is anything they can change to reduce it. For example, high workload and poor communication may contribute to a bullying culture. Organisations whose members can reflect on problem areas can then take appropriate actions to tackle them. Not only could this reduce bullying, but it can also improve overall workplace wellbeing. ■

“ Policies and anti-bullying initiatives should have buy-in from senior management. This would ultimately help employees feel safe in speaking out. ”

IDENTITY REGULATION

Imran Saqib discusses how organisations can help employees manage their online presence more effectively.

Everyone is online nowadays, and our social media profiles have become virtual extensions of ourselves. Yet our online identities are shaped by our virtual interactions with others, which can have far-reaching and unanticipated repercussions, especially given that businesses routinely monitor colleagues' online profiles to ensure they are presenting a professional image.

Indeed, there are numerous high-profile cases of questionable online activity being uncovered that has then damaged an individual's career prospects and even caused them to be fired. Our research also suggests that this kind of identity regulation, and therefore its negative impact, happens disproportionately to women.





Open and engaged

As a result, employees have become increasingly cautious about their online interactions and are engaging in identity regulation. This is where a person works to curate and manage their online identity in order to present an image that is more acceptable and palatable, both in their professional and personal lives.

However this might mean holding back from expressing their honestly held opinions or even hiding their true identity, because they feel they are not able to present their authentic selves. This can prove tremendously stressful, potentially impacting productivity and wellbeing at work.

Indeed there is a wealth of research that suggests that having the confidence to be oneself leads to more engagement at work and better problem solving too. So, it is important for organisations to look beyond punitive and restrictive attitudes to social media use by employees. Rather they should focus on helping colleagues avoid inauthentic identities, while at the same time maintaining a positive corporate image.



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Business School.

There are a number of steps organisations can take to help all employees manage their online presence more effectively.

1

Authentic advice

Many organisations already share guidance on how employees should conduct themselves online, but too often the focus is on avoiding reputational damage.

This should go a step further, and coach employees on how to manage their social media interactions and create a professional yet authentic online identity.

It is important this advice takes an enabling tone, rather than a punitive one. Organisations can also nominate social media mentors – colleagues who have successfully maintained a social media presence – to share best practice. Regular workshops can also be a good idea for troubleshooting tricky topics, like how to deal with trolls.

2

Social media spring clean

Our outlook on life changes over time and so do our opinions. As such we have all said things in the past that we regret, but statements made on social media have a bad habit of sticking around.

As such there may be things employees have said on social media in the past that they wouldn't say today, because they don't reflect who they are.

So, as well as managing their current online engagement, colleagues should also conduct regular clean-ups to moderate, edit or delete historical content that may be inappropriate. Employers should provide technical support or advice sessions to help them navigate the process across different platforms to help employees manage their profiles better.

3

Separating social from the world of work

Social media invariably leads to the blurring of personal and professional lives.

This may result in grey areas between friendship and professional relationships which could be problematic, and managers should be provided training in managing these conflicts.

At the same time, managers who are privy to employees' social media activities should receive more focused unconscious bias training, so that social media interactions do not influence their decision making at work, such as during appraisals.

4

Encourage experimentation

Everyone is an individual and there is no such thing as normal. So, employers should give employees the freedom to experiment with their authentic selves, rather than trying to make them fit into an idealised corporate identity.

Pigeon-holing people in this way denies them the opportunity to express themselves freely. Celebrating diverse identities may mean hearing opinions that do not chime with your own.

Organisations can encourage the use of internal social media platforms to normalise self-expression and create safe spaces where employees can openly be themselves. Another idea is to create a pool of 'critical friends', who can act as a sounding board for employees before they post opinions online.

Since the pandemic, even more of our personal and professional lives have shifted online. With the development of even more immersive online experiences like the metaverse, those organisations with more forward-thinking social media policies will be well-placed to attract and retain more engaged and authentic employees. ■

“Our outlook on life changes over time and so do our opinions. As such we have all said things in the past that we regret, but statements made on social media have a bad habit of sticking around.”

STRATEGIC PROJECT ORGANISING

A book based on 15 years' experience of teaching strategic project organising to executive education clients at Alliance Manchester Business School has just been published. **Graham Winch, Eunice Maytorena-Sanchez and Natalya Sergeeva** explain the background.





There has never been a greater need for strategic project organising. For instance, the UN's Strategic Development Goals (SDGs) require radical transformations in how the global society and economy works. And the transition to a carbon free economy depends on new ways of generating and transmitting energy alongside the development of new modes of transportation.

At the same time information systems have challenged established approaches to project organising in two ways. Firstly, they have made it very clear that simply producing a new system is pointless unless people know how to use it and adapt to the opportunities it offers. Secondly, the rapid pace of innovation means that speed in development is crucial, which has stimulated innovation towards agile forms of project management.

All these challenges place the art of projecting at the centre of social and economic life in the 21st century. Yet the subject is typically taught and practised as a set of tools and techniques promoted by professional associations rather than as a way of organizing to transform our future.

This is precisely one of the main reasons why we have just published a book which looks at how strategic project organising can be used to manage projects for maximum, positive impact.

Projectification

The past 30 years has seen the growing 'projectification' of many organisations, and specifically the rising adoption of routines first associated with the type of project management that evolved around major US defence projects.

This way of thinking has accelerated in recent years and is now spreading to the public sector where it is argued that the major challenges of delivering on new policy initiatives can only be addressed through a much more project-orientated approach. Indeed, the ideas we present in our book are equally applicable to both the public and private sectors.

Story to tell

The book has long been in gestation and comes out of our conversations and experiences of teaching strategic project organising to executive education clients at Alliance Manchester Business School over the past 15 years.

In particular, delegates on project leadership programmes for both BP and BAE Systems gave us much insight into the realities of project organising and helped us formulate more clearly the ideas we wanted to pursue in the book.

In short, this is a distillation of 15 years of teaching and research

experience, and we felt there was a really good story to tell. We have all learnt an enormous amount from working with these companies and that learning pervades the book which, incidentally, is as relevant to business students as it is to executives.

Owner and operator organisation

One of the most important facets that we have gained from this experience is the importance of the project owner and operator organisation in any strategic project. They might not build actual structures or pour the concrete, but they have a crucial role to play in shaping and delivering a project for beneficial use in operations.

It is one of the reasons why in the book we look at the importance of leadership in terms of managing projects, and the very process of how one becomes a project leader and the role of business educators within this context. In particular we analyse the importance of the 'capability' of project owner organisations and how well they are able to delegate management to suppliers.

This theme around capability is also one we recently wrote about in a paper which specifically looked at the case of UK infrastructure and identified six specific dynamic capabilities required of UK infrastructure owners and operators. By adopting this approach, we revealed the potential of an engaged scholarship method to address real-world practical problems and advance relevant theoretical knowledge.

Pandemic

We also recently co-authored a paper on the importance of strategic project organising in the response to the pandemic, specifically focusing on the radical changes to accepted business practice that were required. We saw this in the delivery of the Nightingale Hospitals, but perhaps most importantly in the remarkable schedule compression of vaccine development projects enabled by the careful allocation of risk using portfolio management techniques.

Teaching

As mentioned, this work is just as relevant for students and we will also be using our book for teaching the Strategic Project Organising module on the MSc Operations Project and Supply Chain Management, and for the Leading Business Projects module on the Global MBA.

The relevance for tomorrow's business leaders could not be clearer. After all, if we are going to transition to a sustainable future then a lot of that is going to have to be done through making truly sustainable capital investments and transitions. ■

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GRAND CRISES

Businesses need to shift how they operate in response to global crises, says **Oliver Laasch**.



It's been a tough few years for people who own or manage a business. Lockdowns shut down whole industrial sectors worldwide, turning profitable businesses into loss-making ones, while a lot of smaller businesses went under.

Many companies will now be hoping for a return to some type of normality after COVID. However, there are strong signals

that a resumption of how things were isn't on the cards any time soon. The world appears to have entered into an age of accelerating grand crises.

One day there may be a time after COVID, after the Ukrainian crisis, and even after the climate crisis. But there's unlikely to be a point of general stability any time soon. Humanity is pushing environmental limits to breaking point, risking further

crises – whether in terms of disease, conflict or natural disasters.

Businesses therefore need to shift how they operate. This means responding to current crises, being better prepared for future crises, and addressing their own role in generating these crises in the first place. With that in mind, here are three types of business models companies should start adopting now.

1 Respond to crises

What is needed are reactive business models that can respond to crises at hand. Such adaptability will naturally have a survival element, in which organisations do whatever is necessary to mitigate negative effects on themselves.

This means aligning management practices with the “new normal” after the crisis, instead of holding on to the old normal from before. Where appropriate, such models should also have a crisis-mitigation element, addressing the wider negative effects of the crisis at hand where they can.

It appears fossil fuel behemoths such as Shell and BP might be starting to do just that. Having long been under attack for knowingly contributing to the climate crisis and counteracting shifts to more sustainable energy systems, they appear to now be adapting to crisis forces. These forces include, most notably, the global trend towards phasing out fossil-fuel vehicles.

These companies have therefore begun to transform key aspects of their business. A first move, for example, seems to be repurposing their petrol station operations into an electric vehicle charging infrastructure. As they ride the waves of the climate crisis, expect to see them make many disruptive greening changes like this.

2 Be ready for future difficulty

Businesses also need to move from stability-based business models to accepting that the business reality is now one characterised by volatility, uncertainty, complexity and ambiguity.

Value propositions encompass the benefits a business offers, for example to its customers, employees and the community. Building business models for this new world means establishing value propositions fit for the long run, that can morph into all kinds of crisis scenarios. It also means being agile and quick to adjust.

One form this could take, for instance, is for a business to offer products and services that address timeless and fundamental needs like health, food or security, rather than short-lived superficial wants like those related to fast fashion or the latest technological fads.

A good example of such a business model is that of Chinese electronic goods corporation Haier. The company aims to deliver “products that respond to the constantly changing needs of the modern home” and it recently responded to Asia's air pollution crisis by developing an integrated air conditioner and air purifier.

Haier is essentially a collective of smaller, semi-autonomous companies, in this way giving both individual freedom and collective responsibility to self-organised micro-entrepreneurs. This makes the company a fluid, agile and resilient organisation. By operating as a network of micro-enterprises, each of which works closely with customers to respond to their changing needs and situations, the business can evolve more easily as each new crisis plays out.

3 Help prevent crises of tomorrow

Finally, businesses can better set themselves up for the future by adopting models that specifically mitigate or even prevent future crises. While COVID, the Ukraine crisis and climate change are still ongoing problems, many business models have been geared towards keeping other things from becoming the next grand crisis. For instance, some companies are adopting business models that promote reconciliation and peace, with a view to preventing disruptive future armed conflict. ■

“Humanity is pushing environmental limits to breaking point, risking further crises whether in terms of disease, conflict or natural disasters.”



Oliver Laasch is a Senior Lecturer in Innovation and Entrepreneurship at Alliance Manchester Business School.

ENTRE- PRENEURSHIP DRIVERS

Regional social capital has a significant role to play in helping entrepreneurs set up their own businesses, says **Johannes Kleinhempel**.





Johannes Kleinhempel is a Presidential Academic Fellow of Comparative and International Business at Alliance Manchester Business School

While many people aspire to be their own boss, very few actually end up running their own business. Given that entrepreneurship is such an important driver of innovation, employment, wellbeing and growth, this ambition gap has far-reaching consequences.

If we can determine why entrepreneurial activity is more common in some contexts than others, we can apply that knowledge to encourage entrepreneurship and intrapreneurship – entrepreneurship in an existing organisation.

Dynamic process

I recently co-authored a paper with two colleagues from The University of Groningen,

Sjoerd Beugelsdijk and Mariko Klasing, which considered entrepreneurship as a dynamic four-step process.

The first stage is never considering entrepreneurship in the first place, the second is the pre-establishment stage, the third is starting out as a young entrepreneur, and the last is being an established entrepreneur.

These stages capture the different underlying 'situational' characteristics – such as goals, milestones, needs and constraints – faced by entrepreneurs that change along the entrepreneurial journey. And this approach helps expose bottlenecks in the venture creation process.

Social context

The entrepreneurial process doesn't take place in a vacuum, and we argue that regional social capital, created by voluntary groups like sports teams and professional associations, is a particularly important driver of entrepreneurship.

We specifically sought to understand how social capital impacts individuals on their entrepreneurial journey, and the benefits of regional social connectedness. Previous research has already found that regional social capital helps people access information and resources and we argue that

the positive impact of regional social capital is at its strongest when aspiring entrepreneurs move to formally launch a venture.

Analysis and findings

To test this hypothesis, we analysed levels of entrepreneurial engagement and regional social capital for more than 22,000 individuals in 110 regions across Europe, with regional social capital measured as average membership in voluntary groups.

We found that regional social capital positively influences the entrepreneurial process, but to different degrees at different stages of the journey. While it does not inspire an initial interest in entrepreneurship or help young ventures survive, it can increase the odds of individuals progressing from stage two to stage three of their entrepreneurial journey. As such, regional social capital mechanisms are most relevant when you are trying to start a business.

Policy implications

Many governments and international organisations support entrepreneurship by making structural adjustments, like providing practical training. But these programmes typically pay less attention to socio-cultural conditions.

So, our findings have potentially important implications for policymakers by highlighting that entrepreneurship is embedded in its socio-cultural context. Voluntary associations don't just generate social capital, they facilitate entrepreneurship and innovation too. And this can be boosted by fostering such organisations, for example by providing physical meeting spaces that can be shared by multiple associations.

At the same time, policies that negatively influence membership in voluntary associations – like cutting funding – can have an unintended large negative impact, more than offsetting any short-term financial savings.

Our study advances our understanding of entrepreneurship as a dynamic process where social context exerts a profound influence. And it challenges old assumptions that contextual factors have a uniform impact at different stages of the entrepreneurial process.

We hope that these fresh insights into the critical importance of regional social capital in the entrepreneurial process will help inform future policymaking and enable a more entrepreneurial environment going forward. ■

“The entrepreneurial process doesn't take place in a vacuum, and we argue that regional social capital, created by voluntary groups like sports teams and professional associations, is a particularly important driver of entrepreneurship.”





OUR VISION

Katy Mason, Nic Beech and Madeleine Barrows explain how the British Academy of Management is supporting the drive to reimagine business and management as a force for good.

Who benefits? asks Gibson Burrell in this issue when discussing the role of business in the world. That question is close to our heart as an organisation that seeks to make the world a better place, and is echoed in the many thoughtful contributions printed in this magazine. Quinetta Roberson recommends businesses to ask themselves 'how they can be true citizens of the world' as part of creating sustainable organisations. Tera Allas sees the impact on customers, employees and community as the starting point for any business. Others importantly point to good mental health and good work as central to sustainability.

So, how does the British Academy of Management support and enact this drive to reimagine business and management as a force for good?

Our vision is to be a pluralistic learned society, contributing to the development of management knowledge and practice nationally and internationally. We strive to be inclusive, recognise and respect the diversity in our community, and promote excellence in all we do.

In this way we create a 'safe space' for our members, outside and beyond their own institutions, where they can share ideas, develop new skills, build new networks, and find peer support and – importantly – friendship. This can open up forward-looking, imaginative and inclusive conversations.

Sound structure

A sound structure is central to the sustainability of any community, so we created new trustee roles for Equality, Diversity, Inclusivity & Respect and for Sustainability to embed these core values in everything we do – 'Actions, not words', as Sacha Sadan aptly notes in this magazine.

Actions underpin our BAM2024 strategy. We commissioned and are publishing innovative research looking at EDI and mental wellbeing in business and management academic careers, and have produced concrete recommendations for how to make our academic institutions into better workplaces.

We published a practical guide to staging accessible, inclusive and sustainable events (All Welcome). We created the BAM Framework to give all scholars the means of understanding and navigating the academic career landscape, and we stage events and programmes to support them as they find their own path through that landscape – whether it's research-focused, education-focused or engagement-focused.

Our international scholarly journals – the British Journal of Management and International Journal of Management Reviews – publish excellent research, but our editors also have a remit to develop the community, which they do via a developmental approach to review plus direct engagement with scholars around the world. We signed the San Francisco Declaration on Research Assessment (DORA) and publicly express our support for the Responsible Research in Business and Management movement (RRBM) as expressions of our mission to benefit our world.

Engagement

Engagement beyond the academy – with policy, practice and wider publics – is vital if that research is to be useful and make a difference. We bring together expertise and knowledge to help those making public policy through participation in consultations, and we publish an innovative book series on the impact of management research.

Our enthusiastic members work together to provide our members with growth opportunities through a packed programme of workshops, training events and community-building activities, as well as through our Peer Review College. Within our 24 Special Interest Groups we grow future leaders of our wider communities who can take our core values out into the world. International collaborations with sister bodies that share our values give us new perspectives.

Within the British Academy of Management we constantly strive to reimagine business and management as a force for good, so that an activity which has lain at the heart of human endeavour for millennia works for people and for our planet. Our community is growing fast, with over 2200 members, ranging from doctoral researchers through to those leading business schools and entire universities, and who are located in more than 50 countries right around the globe. Through the energy and dedication of our volunteers putting our core values into practice we can make a difference. ■



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THE TIME IS NOW

We are at a key moment in the development of business and management, says **Ken McPhail**.

Concern about whether orthodox business and economic thinking ultimately contributes towards human flourishing isn't new. Twenty years ago, Amartya Sen called for new measures of economic and social progress to realign economic activity with more valuable human ends. What has changed is the unprecedented levels of dissatisfaction with our established economic narrative, both in terms of the way wealth is generated and the way it is distributed.

As the reflections in this magazine of some of this year's BAM conference panellists affirm, the idea that businesses don't need to concern themselves with doing good (beyond abiding by the law), because pursuing economic interests unintentionally produces social benefit, is outmoded. We need to reimagine how a broader social purpose can be incorporated into commercial activity and corporate governance structures, in a more fundamental way than our discussions of CSR and ESG have been able to offer.

This will undoubtedly require further debate on what "doing good" means, but as Quinetta Roberson infers in this issue, the Universal Declaration of Human Rights provides us with at least some consensus on what this might involve. Indeed both the United Nations Guiding Principles on Business and Human Rights and the Sustainable Development Goals articulate clear benchmarks for evaluating how corporate activity impacts people and planet.

Measuring good

Perhaps unsurprisingly as an accountant I agree with Tera Allas and Sasha Sadan in their interviews, in which they say that the greater challenge isn't what it means to do good, but how you measure doing good.

The Institute of Chartered Accountants in England & Wales, for example, has been grappling with this question through their thought leadership project "So what is economic success? Going beyond GDP and profit." The fundamental question is whether the problem is one of market failure that can be fixed by better incorporating social and environmental risks into asset prices, or whether it's a zeitgeist problem that will require the re-imagination of a new paradigm altogether.

In February 2022 the European Commission published its draft directive on human rights and environmental due diligence that explicitly requires company directors to consider "human rights, climate, and environmental consequences" while acting

“We need to reimagine how a broader social purpose can be incorporated into commercial activity and corporate governance structures, in a more fundamental way than our discussions of CSR and ESG have been able to offer.”

in the best interest of a company. In the same month the UK government launched its Levelling Up White paper outlining what it called "a moral, social and economic programme for the whole of government". And in March the IFRS' International Sustainability Standards Board launched a consultation on its first two standards on "general sustainability-related disclosure requirements" and "climate related disclosure requirements."

Important time

It really does seem like we are at an important time in the development of business and management. As others in this issue argue, we need to ensure both that our research questions are relevant to the pressing challenges afflicting the world but also that our findings inform policy development.

The BAM 2022 conference will provide a stimulating platform for us to discuss and debate these issues, but we want the debate to continue beyond the conference. Indeed the British Journal of Management will be publishing a special issue on "Reimagining business and management as a force for good", mirroring the theme of this year's BAM conference (see onlinelibrary.wiley.com/page/journal/14678551/homepage/specialissues.html).

If you have a project that fits the theme of the conference and is marked by engaged scholarship, I would encourage you to submit a paper to the special issue. ■

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