Sir Digby Jones launches the Lancaster Leadership Centre

Lancaster University Management School launched its new leadership centre to pioneer research and develop the leaders of the future in May 2005. Sir Digby Jones, Director-General of the Confederation of British Industry, opened the new Lancaster Leadership Centre (LLC), at a ceremony attended by business leaders from across the country.

The LLC is housed in a £10 million building, which has been co-funded by the Northwest Regional Development Agency (NWDA) and Lancaster University. Leadership research and development have been a key part of the Management School’s activities since 1977. The new centre draws upon faculty from several of LUMS departments, centres and institutes - with more than 80 staff working in the Leadership Centre. Their work is pioneering new ways of building leadership capability in organisations across the world.

The Centre is directed by Professor Keith Grint who was previously Director of Research at the Oxford Saïd Business School.

The glittering new building includes significantly improved postgraduate facilities, three state-of-the-art lecture theatres, an executive training suite and flexible meeting spaces within easy reach of the new coffee bar/bistro.

Sir Digby Jones, who articulates policy on behalf of thousands of private companies across Britain, said: “Strong, effective and informed leadership is crucial to the success of British business. This state-of-the-art facility will make a valuable contribution to leadership development across the UK and beyond. I am delighted to launch the new centre and will follow its development with interest.”

The University’s Vice Chancellor, Professor Paul Wellings, said: “The Lancaster Leadership Centre is a magnificent flagship for the University’s 6* Management School. I am delighted that, with the support of the NWDA, the region and the wider business community worldwide are now benefiting from Lancaster’s research and teaching excellence.”

Dean of LUMS, Professor Sue Cox said: “The investment in exceptional international faculty and new facilities here at Lancaster during the past few years has been tremendous, and the new FT ranking is a welcome but not surprising confirmation of the quality of this outstanding school. Our academic leadership in international research has been known for more than a decade. Now our MBA ranking also reflects our existing reputation. We can expect to build on this achievement in the future.”

Our alumni, students and colleagues can all feel tremendously proud of what they have achieved.”

The FT’s MBA 2005 ranking is global in scope, and contains schools from most of the world’s major economies. In the new ranking Lancaster is in a cluster which includes other leading European business schools such as HEC Paris, ESADE (Spain) and SDA Bocconi (Italy).

Particular strengths of the Lancaster MBA programme shown by the new ranking include:

- Alumni career progression (4th in the world)
- % salary increase (7th in Europe)
- Value for money of the programme (15th in world)
- International experience gained by students while on the MBA programme (16th in world)

Other strengths of the wider School include its PhD programme, which is ranked 9th in the world, continuing a tradition of being in the world’s top 10 doctoral programmes.
The past year has provided us with much to celebrate. We are now fully ensconced in our new environment. The official opening of our new building was a great success and we were pleased to welcome many old friends into the School for this happy day.

From August 2005, LUMS is now one of three Faculties in the University. After much consultation, the three Faculties to three has gone ‘live’. LUMS’ Faculty status remains unchanged. In the new structure it sits alongside three has gone ‘live’. LUMS’ Faculty status remains unchanged. In the new structure it sits alongside the Faculty of Science and Technology (with Professor Mary Smyth as their Dean) and the Faculty of Arts and Social Sciences (with Professor Tony Gatrell as their Dean). We are already collaborating across faculties and our Institute for Advanced Studies is one such venture (see page 10).

The highlights of the last academic year relate to our success in continuing to attract high profile colleagues to the School and to our developing profile and reputation. We made a continuing upward move within the FT MBA Top 100 (as featured on page 1). It is still the improving fortunes of our alumni that really boosted our position.

Professor Kevin Glazebrook will be joining us from Edinburgh in a joint appointment with the University’s 6* Statistics Department to continue the theme of inter-faculty collaboration. Kevin’s expertise will help us to further strengthen our department of Management Science alongside newly promoted Professors Brown, Ejiofor and Hendry. Vivien Hodgson has also been newly promoted to Professor within Management Learning and Leadership – featured on page 3.

This year, the School’s Advisory Board appointed a new Chair, Dr Louise Makin, following the retirement of Stuart Smith, who had been chair for nearly a decade. Louise has been CEO of BTG Group since October 2004. BTG is an intellectual property and technology commercialisation company. Prior to this, Louise was President, Biopharmaceutical Europe of Baxter Healthcare, where she was responsible for sales revenues in excess of a billion dollars. We now have two LUMS alumni on the Advisory Board: Helen Hagh (BA, Accounting and Finance, 1975) and Randall Zindler (MBA, 1999). We greatly appreciate their involvement in the School’s direction.

During the last 12 months we have made excellent progress towards our Association for the Advancement of Collegiate Schools of Business (AACSB) accreditation. The School has been working with its assigned AACSB mentor in the preparation of an accreditation plan. We submitted our accreditation plan in August 2005 and I am hopeful that our self-evaluation year will begin in October.

In all these developments we continue to value the support of our alumni and I would like to take this opportunity to thank graduates for their support. I would welcome any news from alumni on their careers or their ideas about the development of LUMS. Please email me (s.cox@lancaster.ac.uk).

Professor Sue Cox

Dean’s Review

In the Latest Times newspaper Good University Guide 2006, LUMS undergraduate degrees in Business and Management are ranked 8th in the UK, while our degrees in Economics and in Accounting and Finance are ranked 14th.

For Business and Management, Lancaster is ranked in a cluster of well-established and highly regarded universities, including Nottingham and Manchester, with only a point separating them.

Changes at the top

Professor Geraint Johns (Economics) has recently reached the end of his term as Associate Dean for Postgraduate having previously been Associate Dean for Undergraduates. He is succeeded by Professor Steve Bradley, who also remains as head of the Economics department.

Professor Sue Cox remains as Dean, with Professor David Ohye (Accounting & Finance) as Associate Dean for Finance and Resources, Professor Mike Pidd (Management Science) as Associate Dean for Research and Dr Mike Wright (Management Science) as Associate Dean for Undergraduates. Sue Atherton (formerly MBA Administrator and Programmes Quality Officer) has been appointed as School Administrator following the departure of Richard Shone to Durham Business School.

The idea for a virtual academy was first conceived by Professor Cooper following a UK study visit to US business schools. He explained: “The delegation wanted to know why we didn’t have a business school of the calibre of Harvard or Stanford in the UK. I explained that we had the talent, but that it was scattered – there was no large pool of scholars and strategists to go to.”

He continued: “Working with the National School we developed the idea of The Sunningdale Institute – loosely based on the Brookings Institution in the US - as a cost-effective, speedy and 21st century response to this gap in provision.”
Staff news

Good year for promotions

Dr Lucas Introna has been awarded a Chair in Organisation, Technology and Ethics. This is in recognition of the many outstanding contributions his research has made to the broader academic community over the last decade and more.

Dr Vivien Hodgson as Professor of Networked Management Learning, becomes the first female Professor in LUMS, the highest number so far. Her current interests are in understanding how theoretical debates that exist around notions of critical management learning and/or constructionist approaches to learning (together with recent advances in information and communications technology) impact on the nature and experience of boundaries in learning, particularly, within the context of formal education courses.

Colleagues in the Management Science department are particularly pleased that three Personal Chairs have been awarded to staff members who have made a major contribution to the department and the School.

David H. Brown - Professor of Strategy and Information Systems - worked for nine years initially as a technologist and then consultant before joining the Department of Systems in 1978. Over the next 15 years he directed the School's MA in Business Analysis, the Diploma in Business Analysis and the MSc in Information Management, and was an original contributor to the executive MBA. His research has two linked strands.

Firstly strategic studies, including strategic information systems and e-business and secondly the application of these two strands internationally, especially in China. David also takes over from Professor Alasdair MacBean as Director of the Lancaster Centre for Management in China in October 2005.

Richard Eglese (MA in OR and OM, 1973) - Professor of Operational Research - first came to Lancaster in 1972-73 as a student on the MSc in Operational Research. After some years working in the D.R. Department of British Rail and school teaching, he returned as a lecturer in January 1979. His main research interests are in the use of heuristic methods to solve hard optimization problems. He is working in areas particularly related to vehicle routing and scheduling, such as winter gritting operations and deliveries of goods to retailers.

Dr Linda Hendry (PhD in OR, 1988) - Professor of Operations Management - has been a member of the academic faculty of the Department of Management Science since completing her PhD. Since then, her research has focused on the development of a methodology specifically designed for the make-to-order sector of industry, the study of World Class Manufacturing practices and broader manufacturing strategy issues. Collaboration with industry has played an important role in her research, she has worked with larger companies such as Pilkington Optronics and BAE Systems, as well as many local SME's.

The Management Science department is also celebrating the promotion of Dr Adam Latchford (PhD in OR, 1997) to the post of Reader in Optimisation.

University Staff Prizes

The University’s new Chancellor, Sir Christian Bonington, presented staff prize-winners with awards for excellence in teaching, research, community work and media and communications at the annual University Staff Awards ceremony held in June, 2005.

Joint winners of the newly introduced media and communication award were Dr Caroline Gatrell (Management Development Division) and Professor Jeffrey Richards (History Department). Dr Gatrell, whose book on parenthood and career sparked extensive media coverage, won the prize for raising the profile of both LUMS and Lancaster University. She was also awarded one of the University’s two prizes for research - this time for her pioneering research on the sociology of mothers, fathers and employment - which is featured on page 9.

Undergraduate teaching prizes went to joint winners Professor Mary Rose and Mike Parsons (both of the Institute for Entrepreneurship and Enterprise Development) for an innovative and popular course on Innovation which uses team teaching and online teaching journals to deliver research-led teaching.

Paul Taylor from Accounting and Finance also won an undergraduate teaching prize. His award is based on a strong record of undergraduate teaching and his ability to engage and enthuse students with technically complex material. Paul delivers complex subjects using a variety of teaching methods which encourages deep learning.

Steve Kempston (MDD) won an award for his postgraduate teaching, in particular for his contribution to the MBA Programme. Feedback shows that his past students draw on the innovative approaches to teaching in their working lives, especially when dealing with complex management and leadership problems.
Exciting new partnership with Ernst & Young

LUMS has recently announced an exciting and unique new sandwich degree, the BSc (Hons) in Accounting, Auditing and Finance, which will be available from October 2005.

The degree is the product of a partnership between Ernst & Young, the Institute of Chartered Accountants of Scotland (ICAS) and LUMS. It provides students with work experience with Ernst & Young during the 4-year degree, and a fast track to qualification as a chartered accountant.

The new degree represents an integrated approach to higher education and professional training - providing up to 18 months’ professional work experience at Ernst & Young during the degree. The three partners have created a quality that will stretch and challenge high-quality students while giving them the space and support to embark on a career as professional accountants.

Equality & Diversity

The Centre for Leadership in Equality and Diversity is coordinated within the newly launched Lancaster Leadership Centre (LLC). The Centre is currently managed by Dr Elaine Swan (MDD), Dr Sevgi Kilic and Shona Hunter.

It aims to draw together scholarship on the practice of leadership relating to diversity and equality in both the public and private sphere. In particular it will focus on undertaking research as well as consultancy for government and non-government agencies relating to this broad field of work.

Dr Sevgi Kilic has explained that the Centre will be undertaking work and developing collaborative partnerships with key stakeholders and that “we are interested in developing research projects that explore the breadth of leadership: political, community, business, and how it is conceptualised and practiced within Britain's ethnically and culturally diverse communities as well as exploring its impact and international dimensions”.

For further information see www.lums.lancs.ac.uk/leadership/about/

Career transformation with the CMI

The Chartered Management Institute (CMI) is the leading authority on Management in the UK. As a member of the Institute, you ensure that your management credentials are as important as those you exhibit in your specialised area. You will have access to the most up to date management information through our Management Information Centre and free subscriptions to Professional Manager and Management Today magazine.

Great networking opportunities are available in the UK (65 branches and overseas) (e.g. France, Hong Kong, Singapore, South Africa, Sri Lanka).

Chartered Manager

Chartered Manager will transform the way you think about your work and how you will value to your organisation. Many Chartered Managers have already found it to be a stimulus to career progression. Visit www.managers.org.uk/charm.

Fast track membership

Due to a special arrangement between LUMS and CMI, you are guaranteed full professional membership (MCMI). You won’t need to undertake our normal assessment process saving £45. Please include supporting information with your form. They are offering you an additional discount of 10% on your first year’s subscription (£107.10 for Membership, £120.60 for Fellow). It may be that your management experience makes you eligible for fellow grade.

E-mail: membership@managers.org.uk and request a fast track application form. Any queries, tel +44 (0)1524 593622 or e-mail: j.hughes@lancaster.ac.uk.

MI collaboration

LUMS has joined forces with the Manufacturing Institute to deliver a new 2-year part-time MSc in Manufacturing Leadership. The new MSc is designed to help companies develop the high-calibre people they need to compete in an increasingly competitive global market place.

The programme focuses on wealth generation and innovation through leadership - helping individuals to sharpen their skills - ready to address the key issues to be faced at the formation, development, growth and maturity stages of their companies.

See www.manufacturinginstitute.co.uk/ourprogrammes/asp
Lifetime Achievement Award

Michael Mumford, an Honorary Research Fellow in the department of Accounting & Finance, has had a Lifetime Achievement Award bestowed on him by the British Accounting Association (BAA).

Michael was a Senior Lecturer in Accounting and Finance at Lancaster from 1972 to 1996 and was head of the department from 1983 to 1987. The award was made at the BAA Annual Conference at Heriot-Watt University in March 2005.

The British Accounting Association makes an annual award to one or more people 'who have made a substantial and direct contribution to UK academic accounting and finance over the course of their careers'.

Michael is continuing his research areas into Financial Reporting and Corporate Governance, and he is currently working on a ‘knowledge management and enterprise resource planning systems (ERP)’ project looking at knowledge management and enterprise resource planning systems (ERP).

London Marathon

In April 2005, three staff members celebrated completing the London Marathon on a lovely warm spring day. All three were pleased to finish in around 4 hours. L to R: Aletheia Hunn (IEED); Susan Lucas (International Office) and Dr Caroline Elliott (Economics).

Three Peaks Challenge

Staff members and their families and friends – Claire Frusher (MDD) and Tony Povah, Jane Sullivan, Chris Haughton (MDD), Cheryl Bowey (Finance Office), Sarah Robinson (MDD), Anna Codman (CEL) and Mike Parkin - completed the “3 Peaks Challenge” in May 2005, raising money for two worthwhile charities, Scope and Cancer Care.

In memoriam

Professor Jim Perrin, who was appointed in 1968 as the founding Professor at Lancaster of what was initially the Department of Financial Control and subsequently renamed the department of Accounting and Finance, died at the end of October 2004.

He moved from Lancaster to Warwick in 1974. The School is now a very different place from when John was here - indeed, there was no School as such, just a collection of departments - but he played an important role in establishing management studies at Lancaster.

Another retired staff member from Accounting and Finance to have died in the last 12 months is David Brown, formerly a Senior Lecturer.
Events and activities

40th anniversary dinner

Over 100 LUMS alumni from all eras and programmes joined with LUMS staff to celebrate the University’s 40th anniversary at a special dinner at the Institute of Directors in London on November 3rd, 2004. The dinner was hosted by the LUMS Dean, Professor Sue Cox, and was also attended by the Vice Chancellor, Professor Paul Wellings.

After dinner speaker was Alan Murray (BSc Economics, 1974) who is CEO of Hanson PLC who reflected on his time in Lancaster - then a very much smaller and more informal campus - and on his highly successful career since graduating.

EMBA Seminars

Through the EMBA Alumni Association, whose Steering Committee is chaired by Anna Rowan (EMBA, 2000), a range of seminars have been organised over the last year in Lancaster and in Manchester.

Information on future seminars, to which all LUMS alumni are most warmly invited, can be accessed from www.lums.lancs.ac.uk/events/alumni/

October 2005 will see the re-launch of the EMBA Association to become the MBA ALUMNI ASSOCIATION. All MBA (including full-time) graduates will be able to benefit from the activities organised, the networking opportunities and will be represented on the Steering Committee. Any MBA interested in playing a role in organising the Association’s activities should contact Susan Lucas on e-mail: s.lucas@lancs.ac.uk who will liaise with Cara Witt (MBA Careers Development Manager) who remains the initial contact for full-time MBA alumni.

Dinner in Malaysia

LUMS Dean, Professor Sue Cox, hosted a special dinner for senior alumni and guests at the Hilton Hotel in Kuala Lumpur in June.

This followed the successful one-day Symposium on Globalisation held earlier in the day (see page 14). Other LUMS staff members at the dinner, who had been invited to the Symposium, were Professor Balasubramanyan, Dr Nick Snowden and Dr Khek Sio (all department of Economics). Special guests included Professor Mohammed Ariff (PhD Econ, 1969) and senior representatives of the British High Commission and the British Council.

BBA Alumni reunion in London

Our first special BBA reunion in London is planned for Wednesday November 2nd at 6.30pm in the London Bridge area.

All BBA and BBA European Management graduates are asked to check www.lums.lancs.ac.uk/events/black2 for more information. We hope there will be a really good turn out for a chance to reminisce and share experiences with Mike Wright, Anne Welsby and others.

HSBC CEO delivers guest lecture

Business people from across the country congregated on 14 February 2005 to hear Stephen Green, Chief Executive of HSBC, give the inaugural lecture in LUMS’ Professor Sir Roland Smith Chief Executive Lecture series on the day that the Lancaster Leadership Centre actually opened.

Over 180 invited guests, LUMS faculty and MBA students heard him talk on the theme of ‘The rise and rise of Asia’. He talked about “a phenomenon that we at HSBC believe will fundamentally reshape the world’s economic landscape in the decades ahead. The rise and rise of Asia.” The audience for the lecture included representatives of organisations such as AstraZeneca, Britannia Building Society, NWDA and BAE Systems.

Mr Green’s presentation focused in particular on the development of the Chinese and Indian economies. He outlined the opportunities for HSBC, the changing global business environment and the effect on business both in the UK and worldwide.

See www.lums.lancs.ac.uk/events/greenlecture/ for the full report.

Communities in leadership

Earlier in the year the opening of the Lancaster Leadership Centre (LLC) was marked with a meeting to consider the theme ‘Engaging Communities in Leadership’. The work drew on experiences across sectors and countries and brought to our attention both the importance of enabling people in our communities to exercise leadership and the central role children and young people can play in this.

In a second event to be held in late September at the LLC, we explore these themes through practical projects where leadership is understood to mean engaging with local communities and including the voice of future generations.

The LLC is committed to researching and supporting collaborative leadership and to engaging a broad cross section of stakeholders in generating a better future for the children and young people in our communities. For more information on this particular programme e-mail: leadership@lancs.ac.uk or www.lums.lancs.ac.uk/events/executive/5723/

For information on the research and other programmes being developed in the LLC, see www.lums.lancs.ac.uk/leadership/
One of the fastest growing areas of interest in management studies is the use of emotion as part of the work process. Terms such as ‘emotional labour’ and ‘emotion work’ emphasise that controlling and shaping how we feel and express emotion in order to get a job done can, indeed, be hard work. But, why all the recent attention paid to the management of emotion in the workplace?

A key development here is the way aspects of organisations have changed, including the way they are supposed to work. There is less demand today for the formerly skilled male, manual worker and increasing demand for people who can deal with customers - typically women - using more obvious inter-personal skills.  There is also the emergence of the so-called ‘culture of the customer’. Companies can no longer compete simply on the basis of quantity and price: they must also provide quality products and services to increasingly sophisticated customers.

The Managed Heart

Once we begin to equate smiling at customers or fellow team members with hard work carried out within defining boundaries set by the organisation, then various questions begin to arise concerning the management of emotion. For example: ‘who (or what) manages our emotions at work?’ and ‘what are the motivations to do so?’

Questions such as these were first explicitly asked by an American sociologist, Arlie Hochschild (1979, 1983). In her book The Managed Heart (1983) Hochschild introduces the term ‘emotional labour’ to describe emotion management with a profit motive slipped under it - her study of air stewardesses highlights how emotion management is being increasingly used by organisations in a ‘service-producing society’. The originality of Hochschild’s work means there is little that has been written concerning the subject of emotions and organisations in the last twenty years that does not take it as a reference point. I would like to suggest, however, that there are two central weaknesses in Hochschild’s accounts of emotionality in organisations. These are all but neglected in the new literature that has jumped onto the emotional labour bandwagon (Bolton, 2005).

First, she over-emphasises the divide between the public and private performances of emotion management. She tends to use the terms ‘public’ and ‘commercial’ interchangeably. For many writers there is no distinction between emotion work as part of the capitalist labour process, emotion work due to professional norms of conduct, or emotion work during normal social interaction in the workplace. Hochschild seems to assume that there is no room at all for the ‘private’ in organisational life: here our feelings are simply converted into commodities and are, therefore, no longer our own.

Second, the growing body of literature that highlights the negative impact of performing emotional labour expands the notion from service providers to many different sectors of the labour market and continues to mistakenly equate the physical labour process with the emotional labour process. The notion of ‘alienation’ has been borrowed here to argue that just as factory-workers produce tangible goods (Hochschild uses the example of wallpaper) from which they feel alienated or estranged, so the flight attendant, team member, tele-sales agent, waitress, care worker etc. of today create the ‘product’ of customer (where fellow workers are also seen as customers) contentment from which they feel equally estranged.

However, whilst it is the company (or often a professional body) that defines what constitutes ‘good service’ or ‘good work’, via mechanisms such as scripts, customer-care programmes and codes of conduct, it is actually the worker who decides exactly how much feeling is invested into the performance. Recent empirical work involving special needs teachers and a previous longitudinal study of NHS nurses has helped to highlight the complexities involved in the performance of emotion work. Nurses and teachers have complex motivations that drive them to interact with patients and pupils in specific ways. Similarly, studies involving call-centre agents and air cabin crew (what we see as typical service sector jobs) also reveals that many enjoy their work and often go beyond the rules of the company, sometimes to emotionally withdraw from the situation but at other times to invest even more into their interactions with customers – a confused prisoner on the phone and a fearful passenger, for instance.

The over-managed heart?

This, of course, is not to deny the importance of the concept of ‘emotional labour’. There can be little doubt, for example, that emotion work in organisations can be demanding, boring, exhausting, tedious, arduous, and stressful. It is often exploited as an ‘invisible’ skill and poorly rewarded – it is very well documented how poorly paid front line service workers tend to be. The ‘culture of the customer’ bestows a superior status to the consumer and the interaction between service provider and customer is an unequal exchange, often leading to service providers having to strikingly endure rude and abusive customers. And management invests even more imaginative ways to extract the maximum, and most sincere, performances from emotion workers – smiling and meaning it is the aim. The term ‘emotional labour’ captures all of these insights and opens the emotional labour process up to critical scrutiny.

Nevertheless, it is a mistake to confuse aspiration for outcome. To do so offers a view of organisations as flat, lifeless landscapes. Indeed, important questions arise if we adopt this approach: Where is any sense of the satisfaction, enjoyment and reward that can be gained from various forms of emotion work? Where is the space for innuendo and humour and for the imperfections in customer service? Where are the highly competent social actions and multi-skilled emotion managers?

In my own research I seek to address these questions concerning the richness of organizational life. In my recently published book Emotion Management in the Workplace (Bolton, 2005) a new sociology of workplace emotion is introduced which draws on Erving Goffman’s work and his understandings of the small but important interactions of everyday life. We only need to look around us and reflect on our own experiences of giving and receiving emotion work in an organisational context to recognise that emotion work continually crosses boundaries – self and society; private and public; formal and informal – creating organisations full of mixed feelings involving: the provision of customer care and neglect; friendships formed and disrupted; and kindnesses and cruelties exchanged and rebuffed. This suggests a much more complex picture of working with feeling that is worthy of further research and debate.

Selected References


Dr Sharon C. Bolton. Reader in Organisational Analysis and Director of the MA in Human Resource and Knowledge Management, department of Organisation, Work and Technology.

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Working with Feeling
Companies use a range of methods for returning cash to shareholders, the most common being dividends. An alternative to the dividend option is a share buyback, whereby the company repurchases a portion of its own shares from existing shareholders. Once the sole domain of US companies, the fashion for share buybacks is now catching on in a big way in UK.

Impact on shareholder value

The ultimate objective of a share buyback, like any other corporate decision, is to create value for shareholders. A commonly used method of assessing the shareholder wealth effects of a buyback is to examine how share prices react at the time the buyback is announced to the market. If buybacks are perceived as value enhancing transactions by investors, they should be accompanied by a positive share price reaction at the announcement date. After adjusting for market and firm-specific factors, the average share price reaction for UK companies to announcements of buyback intentions is approximately two percent measured over a five-day trading period centred on the announcement date. Moreover, for certain categories of announcement (e.g., that buyback authority is being sought for the first time at the next Annual General Meeting), average excess returns are as high as 2.7 percent. Similar price effects have been documented for buyback announcements in the US.

Whilst on average the market appears to view buybacks favourably in the short-term, substantial cross-sectional variation in the magnitude of the price reaction exists. Holding payout size constant, the most favourable price reactions tend to be reserved for cash-rich companies with poor growth options. Presumably investors welcome such payouts because they reduce the risk of management wasting corporate resources on value-destroying expansion and diversification strategies. At the other end of the spectrum, buybacks that appear to be motivated purely by the desire to increase eps tend to be poorly received by the market, emphasizing the need for management to justify buybacks on a shareholder value basis and not on an eps basis.

Dr Steven Young (PhD in Accounting and Finance, 1996) is Senior Lecturer in Accounting at LUMS and Dr Dennis Oswald is based in the London Business School.

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“Boom time for buybacks” Accountancy 130 2002: 52-53 (with Dennis Oswald)

“Open market share repurchases, surplus cash, and agency problems” (with D. Oswald). Working paper Lancaster University Management School

Methods and trends

Between January 1996 and December 2002, UK companies returned more than £55 billion to shareholders through various buyback schemes. During 2004 alone, UK firms are estimated to have spent around £14 billion on share buybacks. The most commonly used buyback method is the open market share repurchase where companies purchase their shares in the marketplace just like any other investor would. More complex buyback mechanisms such as self-tender offers, 8 share schemes and court-approved schemes of arrangement are typically reserved for very large payouts (e.g., over 15 percent of shares outstanding) and are therefore less frequently used.

Part of the surge in buyback activity over the last decade in the UK can be traced to changes in taxation. For example, buybacks increased sharply following the Treasury’s decision in July 1997 to stop tax-exempt institutional investors reclaiming dividend tax credits. Prior to this date, dividends were the preferred payout method with pension funds because they generated a reclaimable tax credit whereas buybacks did not. Not surprisingly, therefore, buyback activity prior to July 1997 tended to be much more of a minority sport. The attractiveness of buybacks further increased in April 1999 following the government’s decision to abolish advance corporation tax payments by UK companies.

Motives

Why are companies increasingly turning to share buybacks as a payout mechanism? The most frequently cited by UK management for buying back shares is the desire to increase current and future earnings per share (eps). The logic goes as follows: buybacks reduce the number of shares outstanding, thereby increasing earnings available for each share, which in turn leads to a higher analyst rating.

Unfortunately, the business of shareholder value creation is rarely so straightforward. First, the mechanical link between buybacks and eps performance is not this simple because the cash used to fund buybacks reduces the asset base and hence future earnings (all else equal). Accordingly, buybacks only increase in eps when the foregone return on funds used to repurchase shares is less than the earnings-to-price ratio at the time of the buyback. Secondly, the link between eps growth and shareholder value is tenuous at best because eps provides an extremely noisy basis for assessing value creation. Analysts are therefore highly sceptical of buybacks motivated purely by eps considerations.

Cashing in on the Buyback Boom

Dr Steven Young, Senior Lecturer, Department of Accounting and Finance.
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Dr Steven Young and co-author Dr Dennis Oswald (London Business School) are currently examining the factors driving UK share buyback activity.

Analysis reveals that UK management also use buybacks to pay out transitory cash surpluses in timely manner. Of course, excess cash could also be distributed via a dividend increase. But whereas dividend increases raise expectations of similar payouts in subsequent years, buybacks do not. Accordingly, buybacks offer a more flexible way of distributing unpredictable cash flow windfalls. Consistent with this view, buyback activity tends to cluster in cash generative industries with poor investment opportunities.

Of course, there is no reason why companies with cash (i.e., surplus cash will automatically choose to pay it out to shareholders (either via a share buyback or any other means). On the contrary, the corporate landscape is littered with cases where management has used surplus cash to fund value-destroying expansion and diversification strategies. So what distinguishes companies that distribute their excess cash from those that retain (and waste) it? Results indicate that effective corporate governance, in the form of monitoring by external shareholders, is an important driver of share buyback activity.

For example, compared with an industry-matched sample of cash-rich non-buyback companies, repurchasers are characterized by greater external ownership concentration and a higher fraction of shares held by institutional investors with strong monitoring incentives. These results highlight the potentially important role that ownership structure plays in helping to curb management’s tendency to over-invest.

Young and co-author Dr Dennis Oswald (London Business (with D. Oswald). “Open market share repurchases, surplus cash, and agency problems” (with D. Oswald). Working paper Lancaster University Management School
Parenthood and Careers

Dr Caroline Gatrell, Teaching Fellow, Management Development Division.
E-mail: c.gatrell@lancaster.ac.uk

Hard Labour: The Sociology of Parenthood and Career

The number of women who are choosing to combine motherhood with career has increased significantly over the past 25 years. At the forefront of this trend are women who are well qualified - to degree level or over - and who are pursuing careers at a senior level. In theory, in the UK and USA (following the enactment of equal rights legislation in the 1970s) all working women should be offered the same employment opportunities as men (Rowbotham 1997). And given that around thirty years have passed since the acts became law, it would be easy to assume that inequality between employed men and women should be a thing of the past. Unfortunately, however, even for highly qualified women, this is not the case - especially if those women are mothers.

The gender pay gap is still a problem, with a significant difference in pay from the beginning of women's careers. And although women make up 46% of the UK labour market, they are under-represented in positions of power and influence comprising, for example, only 7% of senior police officers and 7% of top judges (Equal Opportunities Commission 2005).

The increasing trend for women to combine motherhood with career does not correlate with the hypotheses of Tooley and others about mothers' low career aspirations. Why would so many highly qualified mothers choose to work for love or money?

Mothers with degree-level qualifications are at the forefront of this trend, and continue to be paid around 20% less than men. Unfortunately, employed mothers get a bad press which might go some way towards explaining the difficult work part-time and maintain career progress. Many encountered discrimination, even if they were employed by large institutions with official equal opportunities policies. Hospital doctor Sarah-Jane was demoted from her consultant post because she wished to reduce her hours of paid work. She recalled: "I knew that I would never work as a hospital consultant again. I still have 25 years to work and I find it terrible, just terrible that for this small break working part-time I am expected to sacrifice the rest of my career. I find that completely abhorrent."

Unfortunately, however, even for highly qualified women, this is not the case - especially if those women are mothers.

Working for love or money?

Given the increasing trend for mothers to continue their careers, one wonders why women continue to be under-represented at senior levels and continue to be paid around 20% less than men. Unfortunately, employed mothers get a bad press which might go some way towards explaining the continuing gendered promotion and pay gap. Both journalists and academics may portray mothers as unambitious and uncompromised in their job. It has been argued that mothers should not be in paid work at all, by writers such as Peter Hitchens who (writing in the Mail on Sunday 10.6.05) suggests that mothers are “chain[ed] to desks and phones when they ought to be at home bringing up their young.” Hitchens’ views echo those of James Tooley, who argues in ‘The Miseducation of Women’ (2002) that feminism was a mistake, because education and employment will only make women unhappy. Tooley suggests that mothers are unenthusiastic about paid work because a ‘good’ mother will realise that ‘There is something more important for her to do.’ (Tooley 2002:11).

To find out the answer to this question, I embarked on a qualitative study in which I interviewed 20 heterosexual, employed mothers with children under 5 years, and 18 of their partners. The findings were fourfold. Predictably, women still undertook the lion’s share of housework. However, in contrast to this, fathers did more childcare than might have been anticipated from the literature. And mothers’ jobs were an important part of their social identity, which they did not want to relinquish post-childbirth. Diana, a television producer, summed this up neatly: “I felt about having to be. I like working and I want to keep working... my profession is part of who I am.”

All the women had delayed child bearing while they focused on careers and most were in their mid to late thirties when first babies were born. They had worked hard to establish themselves and did not want to surrender a ‘hard won’ position.

Pandora, a lawyer said: “I spent such a lot of time being educated to be a lawyer, achieving you know, this degree of seniority, that it seemed almost like a criminal act to give it up.”

Combining motherhood and employment – not an easy option

Staying at work, however, was not an easy option; as most mothers found it difficult to work part-time and maintain career progress. Many encountered discrimination, even if they were employed by large institutions with official equal opportunities policies. Hospital doctor Sarah-Jane was demoted from her consultant post because she wished to reduce her hours of paid work. She recalled: “I knew that I would never work as a hospital consultant again. I still have 25 years to work and I find it terrible, just terrible that for this small break working part-time I am expected to sacrifice the rest of my career. I find that completely abhorrent.”

Jayne, an electronic engineer explained how her opportunities for promotion were blocked: “I was downgraded through the back door. I was shocked, as I wasn’t given the same treatment as before I had children. I first realised this when I was the only lead engineer not to get my annual pay round. Also they have stopped given me appraisals... or... big projects. Now and exciting things come in and others get them, not me.”

It might seem surprising that women working at a professional level did not fight their corner and seek redress. However, Equal Opportunities legislation leaves it to the individual to construct and prove her case against her own institution – not a tempting prospect. More importantly, perhaps, working mothers feared that challenging unfair treatment could damage their career prospects, so they were reluctant to pursue this route.

To sound a positive note, however, good qualifications also equalled highly transferable skills for working mothers, enabling them to move jobs and negotiate more attractive terms and conditions in a new post. As Lianne, a secondary school teacher described: “I was downgraded through the back door. I was shocked, as I wasn’t given the same treatment as before I had children. I first realised this when I was the only lead engineer not to get my annual pay round. Also they have stopped given me appraisals... or... big projects. Now and exciting things come in and others get them, not me.”

The heads said that I was the weakest link because I wanted part-time. He said that meant that I was not as committed as others in the department and (threatened) to ease me out. So I left for a new job – where I negotiated part-time.”

References

Equal Opportunities Commission 2005 Sex and Power: who runs Britain? www.eoc.org.uk
The Impact of Government Policy on Tobacco Advertising Strategies

Dr Caroline Elliott, Lecturer, Department of Economics

TV cigarette advertising has been banned in the UK since 1970, and although many probably still remember the well-known Hamlet cigar TV advertisements, TV cigar and tobacco advertising has been forbidden since 1991. Nevertheless, large amounts were still spent on cigarette and more generally tobacco advertising until tougher restrictions came into effect on February 14th 2003. For example, in 2002 in excess of £24 million was spent on cigarette and tobacco advertising in the UK alone.

My current research aims to increase understanding of tobacco companies’ advertising strategies, investigating whether tougher tobacco advertising legislation, and the threat of such legislation, results in firms significantly changing their advertising activities in the period preceding the enactment of legislation. Many factors have been identified as potentially affecting demand for tobacco and cigarettes, including price, income, taxes, anti-smoking campaigns, advertising and advertising bans. Alternatively, my research focuses attention on the factors determining tobacco companies’ advertising strategies, as despite the extensive literature on the effect of advertising on tobacco consumption, there remain relatively few studies that discuss the factors determining these strategies. The research is timely as the UK Government’s 2002 Tobacco Advertising and Promotion Act and the European Commission’s 2001 Directive on Tobacco Advertising and Sponsorship both represent measures to restrict further the advertising of tobacco products. These follow earlier unsuccessful efforts by the UK Government and the European Commission (EC) to limit tobacco advertising in the late 1990s.

Statistical results suggest that there is some significant short-term increase in advertising behaviour, coinciding with product launches that firms instigate prior to legislation changes. However, firms do not generally maintain higher advertising expenditures than previously throughout the period between legislation being introduced and coming into force. At first sight, these results may seem surprising. In the face of future additional tobacco advertising restrictions, firms may have been expected to increase advertising in the period prior to tougher legislation becoming effective. However, in light of the existing literature, some of which suggests that the impact of tobacco advertising on consumer demand may be minimal, the general strategy adopted of not increasing advertising expenditure significantly may be rational. Firms do not seem to have been panicked into increasing their advertising expenditures prior to tougher advertising bans being imposed.

Nevertheless, if when faced with greater advertising restrictions, firms are already considering the introduction of a new brand, the evidence indicates that these firms brought forward product launches so that extensive advertising could be undertaken prior to advertising bans coming into force. Again, this may be a sensible strategy to adopt if demand for new products is relatively sensitive to advertising campaigns. The advertising of new products can then be expected to result in market share shifts in favour of the new products. This strategy could be interpreted as reflecting tobacco companies’ claims that they use advertising to compete against rivals rather than to increase demand for tobacco/cigarettes as a whole.

This research presents an attempt to increase understanding of tobacco companies’ advertising strategies. The initial results were obtained using industry level data and are forthcoming in The International Journal of Advertising. This research was funded by a Nullifield Foundation grant. Since obtaining this grant and producing the industry level results, a Lancaster University research grant has been used to obtain firm level data. Results using these data confirm all the initial conclusions. However, in addition, the data can be used to examine how individual firms respond to rival tobacco companies’ advertising. Hence, for example, I am able to examine whether the dominant firms in the industry are as influenced by their rivals as the smaller players are. This new research is joint work with Dr Yingyi Annie Wei, also in the department of Economics. Nevertheless, research is also still required to understand tobacco firms’ international marketing strategies in the face of tougher advertising legislation in the UK, the EU and as an increasing number of countries sign up to the 2003 World Health Organization Framework.

References


Continuing contribution to national policy

The Department of Education and Skills (DfES) recently published a major report of which Professor Geraint Johnes and Dr Ali Johnes (both Economics) were lead authors – An Explanatory Analysis of the Cost Structure of Higher Education in England - www.dfes.gov.uk/research/data/uploadfilesR R641.pdf

Institute of Advanced Studies (IAS)

August 2005 saw the completion of state-of-art facilities in the Bigland wing of Cartmel College now available for research associates and visiting academics through the cross-faculty Institute of Advanced Studies. Headed by Professor Bob Jessop (Sociology department) and with Professor Margaret Hogg (Marketing) as Deputy Director, there has been a major investment in developing this inter-disciplinary research facility.

Following the official launch of the Institute in November 2005, their first Annual Research Programme - on the Knowledge-Based Economy - will commence, providing an opportunity for scholars from Lancaster and elsewhere to come together for a period of intensive study in a stimulating post-disciplinary research environment. See: www.lancs.ac.uk/ias for more information.
New MSc wins EPSRC funding

As a result of a successful bid for Engineering and Physical Sciences Research Council (EPSRC) Collaborative Training Account (CTA) funding, the MSc in E-Business and Innovation programme has secured funding over the next three years to offer EBIN scholarships, under a competitive basis, for UK applicants. These scholarships will cover the full tuition fee (£7,500 for 05/06) and a contribution of £3,000 towards living expenses.

The innovative nature of the taught programme, the flexibility to specialise in IT or Management, and the opportunity to work on an organisational-based project helped make this MSc stand out as a leading MSc programme. A current UK EBIN student says of the programme: “The EBIN programme provides a sound theoretical and practical underpinning to future career development. The excellent faculty, the international diversity of the course and the opportunity to work on an organisational-based project helped make this MSc stand out as a leading MSc programme.”

Further information is available from e-mail: msc(ebi)@lancs.ac.uk or www.lums.lancs.ac.uk/ebin/

Creative Businesses Boost

The Culture and Creative Industries Project, based in the University’s Tourism Centre, has been set up to give some of the region’s blossoming small businesses tailor-made support.

The project targets businesses from potters and painters to growing media companies and stately homes to help them make the most of their products and services.

Project co-ordinator is recent LUMS graduate, Mallonay Jewell (BA in Mngt and Org, 2004). She has said: “There are so many developing cultural and creative businesses already out there in our region. This project is about helping people in the creative sector share ideas and best practice. It is also about raising awareness of the opportunities available to them through the University.”

Another LUMS wedding

Ron Sun (MBA, 2001) and Lisa Chu (MSc in OR, 2001) met at Lancaster. Ron was from Canada and Lisa from Hong Kong. They celebrated their wedding in Hong Kong in late 2004 and now live in Vancouver, Canada.

Life in the Army

During my four years at Lancaster University Management School I studied for a BSc Management degree, was a member of Fylde College and represented the University at Swimming, Water Polo, Hockey and Lacrosse.

Following my graduation in 1997, I joined the British Army and commenced my Basic Training at the Royal Military Academy of Sandhurst in January 1998. Injuries aside, I finally commissioned into the Royal Army Medical Corps in April 1999 and since then life has just got busier.

Deployments have included Kosovo, for the Millennium during which I was involved in processing mass war graves (something I prefer not to remember), a 2 month exercise in Kenya treated people in remote villages (to be within ministes of free roaming lions, elephants, rhinos etc is fantastic) and a 2 month Infantry exercise in Alberta, Canada where I managed to fit in a little travelling to the USA as well. On a less glamorous note, I have deployed to Iraq twice, including the war, and will be returning again this year, for up to 8 months, in early December.

In October 2003 I married a beautiful Nurse, whom I met whilst in Kosovo; who is also in the Army. The best parts of being in the Army are the lifestyle - each day is different - the opportunities to travel, as well as the occasional adrenaline kick. The less fun parts are the long separations from friends and especially family, compounded by living in Germany and not being able to plan long-term, which can cause difficulties. This means there are many old friends who I haven’t managed to see in over two years, and probably won’t catch up with until my return in summer 2006.

Captain Matthew Kieboom
BSc in Management, 1997

Triathlon success

Recent graduate Anna Willetts (BSc in Management, 2005) has qualified to race in the World Age group Triathlon Championships in Hawaii.

Anna graduated this summer and is now preparing for the world class race which will be in Honolulu in October 2005.

Anna has spent much of the year juggling training and studying. Studying to secure her degree and training for races around the country in order to win a qualifying place, which she achieved in Shropshire. She has completed the 1500m swim 40km bike and 10km run. Anna’s degree has secured her an excellent job with Lancashire Constabulary and she is now in a comfortable position to be able to focus her spare time on training hard for the big race.

Sad Loss

LUMS graduate, Barry Strevers (MPhil in Critical Management, 2001) was killed in the 6th November train crash in Berkshire. He was one of the early graduates of this programme and a very experienced management consultant specialising in managing large-scale international business process assignments.
Research Assessment Exercise

The next national Research Assessment exercise is due to be conducted in 2008. LUMS representation on the peer review Panels will continue with David Otley, Professor of Accounting and Management, being appointed as Chair of one of the main subject panels, responsible for the full range of Business and Management disciplines. In addition Professor Mike Pidd (Management Science and Information) has been appointed Chair of sub-panel I36, Business & Management Studies. This is one of the four sub-panels covered by the main panel with the others being: I44: Economics & Econometrics; I45: Accounting & Finance and I37: Library and Information Management.

LUMS has achieved the top overall rating in the RAE exercise since 1988, culminating in the 6* rating in the last (2001) ratings. The next exercise has a very different ratings profile with each individual staff member being rated on a 4-point scale. Staff members are working very hard on their research and publications aiming at the top ratings again.

Our involvement in this research assessment process is also now international - Professor Peter Pope (Accounting and Finance) will be the Deputy Convenor for Business Studies and Economics for the Hong Kong RAE Panel. Most ‘international’ members on each panel come from top US universities.

Update on AIM

Last year we were pleased to report that LUMS had been more successful than any other Business School in winning Fellowships from the prestigious Advanced Institute of Management. Since then of five additional national scholars, one in LUMS has been selected – to Maria Staflarakis (Management Learning). Maria joined the department as a Lecturer in March 2004 and is a member of the Lancaster Leadership Centre.

Strategy-making in practice

Senior AIM Fellow Professor Ian Clarke (Marketing) is currently conducting work looking at how strategy is formulated within senior management teams. Together with Professor Gerard Hodgkinson at Leeds University Business School and Dr Ellen Pruyne (AIM Research Fellow), Professor Clarke has been working with two business units in an expanding division of RAE Systems. The research findings will be presented to LUMS alumni at 18.30 on 1st November 2005 in the Lancaster Leadership Centre – www.lums.lancs.ac.uk/events/alumni/5674.

International Dynamic Capabilities

Since 2004, Professor Mark Easterby-Smith (Senior AIM Fellow, Management Learning) and AIM Research Fellow, Dr Sheneul Li have been undertaking fieldwork in the chemical and IT industries in Europe and China. The project explores the ability of organizations to manage knowledge and learning across cultural and national borders. A working paper has been written on knowledge transfer within MNCs operating in China, and international differences in organisational learning processes and methodologies.

Public sector management

The use and improvement of performance measurement in the provision of public services are a subject of Professor Mike Pidd’s (Management Science) recently completed 16-month AIM Public Service Fellowship. Mike has spent a proportion of his time investigating performance measurement in the public-health sector which has led to the development of a network of academics and health professionals and a major 3-year EPSRC research grant for £180,000 with colleagues from the LSE and York University. Modelling for performance measurement and improvement to meet stochastic demand for public services: a study of acute hospitals.

Leadership for Innovation

Maria Staflarakis was nominated as an AIM Scholar to work as part of a team of leading young academics exploring the issue of inspirational leadership. Their report makes recommendations for policymakers and identifies unresolved research questions that warrant answers. The full report on ‘Leadership for Innovation’ can be accessed from the AIM website www.aimresearch.org/events/leadershipforinnovation.pdf or to obtain hard copies please contact aim@london.edu.

Further information on the activities occurring through AIM can be found on the AIM website www.aimresearch.org.

Lancaster at EURAM

LUMS teamed up with the University of Hull to run a successful track on Gender, Diversity and Management at the May 2005 European Academy of Management (EURAM) Conference in Munich. EURAM is a major international event attracting delegates from Universities worldwide.

This year, around 1000 scholars took part, many at the leading edge of their fields. Dr Elaine Swan (MDD and CEL) and Dr Caroline Gatrell (MDD) worked closely with track leader Dr Beverly Dain Melcaffe from Hull to make the event a success. All three are members of the UK Gender in Management Special Interest Group. This group formed in 2003 with the aim of developing an international focus for research ideas and dialogue, and as such, members encouraged and supported the running of the track.

The track themes focused on the social and gendered dynamics of management and behaviour in organisations, which were seen to be key issues in the newly enlarged Europe, with 22 excellent papers being presented from European, American and Australian institutions.

Many of the papers focused, from a variety of managerial perspectives (e.g. small businesses, education, the oil industry) on how far opportunities for career progression were determined by traditional and institutionalised criteria, leading to the exclusion and marginalisation of women and minority groups. New ideas about how these equal opportunities issues might be challenged, and the business case for change were put forward. Other presenters looked at workforce balance and the interactions of gender, race and ethnicity.
Student Diversity & Academic Writing

Researchers from the department of Organisation, Work and Technology in conjunction with the London School of Economics are conducting a major new research and development project on Student Diversity and Academic Writing (SDAW). It investigates some of the challenges international students face as they adapt to UK postgraduate education.

In British and international media the issue of plagiarism has become increasingly visible over the last few years. Most observers see it as directly related to the greater availability of IT resources and the impact this has on the way in which students nowadays conduct research (on the web) and write (primarily electronically). Accounts of dissertations bought and coursework that includes text from unacknowledged electronic sources have received considerable attention in the British tabloids. Plagiarism is perceived as a threat to the credibility of academic integrity as well as to the prestige and standing of specific institutions. Internationally the higher education sector is responding through an increased use of plagiarism detection software.

The issue

In the process of teaching on postgraduate programmes, Professor Lucas Introna and Dr Niall Hayes (PhD in Management, 1998) came to recognise that the reasons why students plagiarise are complex, and that what appears as plagiarism should not automatically be viewed as a form of deliberate cheating. As they began to discuss with students the processes that led to the plagiarism accusation, they realised that many students were in fact unfamiliar with the differing expectations and academic conventions in UK universities. Further, they found that there is relatively little research into this complex issue. This prompted them to initiate some pilot research on plagiarism and international students (in 2003).

The project

The 3-year project was launched in January 2005 initially with funding from the Higher Education Council (HERC). The LUMS academics are working with Dr Edgar Whitley from the LSE (Department of Information Systems) and Dr Anja Timm who is the project co-ordinator (Organisation, Work and Technology).

There will be initial visits to those countries where most international postgraduate students come from - China, India and Greece. It is not to suggest that educational practices in these countries are somehow good or bad, better or worse than in Britain, but it is intended to help us understand the issues that might make students’ transition to UK postgraduate education particularly difficult.

In addition to visits we will also shadow new students who arrive to the UK for the academic year 2005-06, both at Lancaster and the LSE.

Your involvement

If you live in any of the cities mentioned in the table above, and would like to assist us in our research, we would be delighted to meet you. If you live elsewhere but would like to comment on the issues raised in this article, we would be grateful if you could send us an email. Your input, whether in person or by email, would be greatly appreciated.

The contact is:
Dr Anja Timm at: a.timm@lancaster.ac.uk
www.lums.lancs.ac.uk/Departments/owt/Research/SDAW

Grant successes

LUMS Faculty continued to attract substantial research funding in 2004/5 with awards in excess of £1.1m. Some examples of our recent funding awards include:

- **Michael Mumford and Alan Katz (KCA, Accounting and Finance)** have been awarded nearly £24,000 from the ICAEW for the project ‘Making creditor protection effective’ and £5,000 from the DTI Insolvency Service to undertake a preliminary study on the use of administration following the 2002 Enterprise Act.
- **Professors Steve Bradley and Geraint Johnes (Economics)** have been awarded over £57,000 from Inspire to investigate leadership demographics in the FE sector.
- **Dr Jerry Busby (Management Science)** has received two awards from the EPSRC, over £68,000 for the project ‘Reasoning about risk redistribution in design organisations’ and over £27,000 for the project ‘NMD: Network embedded models and memories of physical work activity’ which is held jointly with the departments of Computing and Psychology.
- **Professor Sue Cox and Bethan Jones (Management Science)** have been awarded around £37,000 by BHR for the project ‘Effective investigation and action following events on the Sellafield site’.
- **Professor Linda Hendry and Dr Martin Speling (Management Science)** successfully tendered to the North-West Aerospace Alliance for £15,000 to undertake the project ‘What makes a company world class?’.
- **Professor Mike Pidd (Management Science)** has been awarded over £176,000 by the EPSRC for the project ‘Modelling for performance measurement and improvement to meet stochastic demand for public services: a study of acute hospitals’ and £33,000 by Greater Manchester Police for the project ‘Simulation modeling for the improvement of GMP Control Room’.
- **Dr Sharon Bolton (DOWT)** has recently been awarded £33,000 by ESRC to investigate dignity in and at work.
- **Dr Suzanne Regan (DOWT)** has recently been awarded over £37,000 from Blackburn and Darwen Children’s Fund to provide an external evaluation of their services. Dr Regan also has funding from the Liverpool and Oldham Social Services departments for delivering £27,380 to provide a programme of research and consultancy.

The School has also been awarded £125,000 for a prestigious five-year Research Council Academic Fellowship. The funds will be used to recruit a Fellow to the Management Science department to undertake research in forecasting systems.
ITMOC Athens reunion

Dr Niall Hayes (MSc ITMOC Director) visited Athens in March to meet potential students for the MSc in Information Technology, Management and Organisational Change (ITMOC) and to host an alumni reunion. Niall is pictured 2nd left.

CEA Collaborations

During 2005, Dr Yingqi Annie Wei (Economics) has been President of the UK Chinese Economic Association. She arranged the annual Conference in London in March which was part sponsored by the Lancaster Centre for Management in China. Following on from this she organised a conference ‘Dynamic China: Past, Present and Future’ in Chongqing, China also in March. Papers were given at this Conference by Professor Alasdair MacBea (Economics and Director of the LCMC) and Professor Balasubramanyam (Economics).

Course for Chinese Finance Officials

LUMS delivered a seven-day course for China’s Ministry of Finance in early September 2004. Course participants were 20 senior officials from central, regional and city administrations throughout China.

Participants were eager to learn about principles for evaluating government expenditure and the practices followed in the UK. A series of lectures and discussion sessions were organised for the course delegates by the Lancaster Centre for Management in China. Co-ordinator Dongsong Zhang of London Business Exchange arranged the full UK schedule which included visits to the Treasury in London, Cambridge and Imperial College, London.

While based in Lancaster they had the opportunity to quiz financial officers at the Preston headquarters of Lancashire County Council, at the North West Development Agency’s offices in Warrington, and at Lancaster’s Town Hall. Professor Sue Cox, Dean of the Management School, welcomed the group of officials at the opening dinner saying:

“We are delighted to have the opportunity to host this important group of officials from the Ministry. We welcome the chance to share views and exchange information and are sure that the friendships formed on this course will be valuable to participants and also to the School.”

The symposium was the idea of Professor Balasubramanyam (Department of Economics) who delivered the opening paper on the theme of Diaspora and Development. Other contributors were Emeritus Professor Mohamed Ariff, formerly Head of Economics at the University of Malaya and the first PhD graduate from LUMS Economics department (1969). As Executive Director of the MIER he was co-host of the Symposium and his paper on Exchange Rate Management in Malaysia was very well received.

Other LUMS economists contributing were Dr Nick Snowden, who spoke about The Future of Capital Flows - Asian Values and Western Finance, and Dr Kwok Soo who covered issues concerned with Outsourcing in China and India.

The most detailed analysis of the day came from Professor Safiul Azhar bin Rosly, formerly of the International Islamic University but also Director of Research at MIER, who focussed on Islamic Banking – doing things right and doing the right things.

The symposium was officially opened by former Secretary-General of the Ministry of Finance Malaysia and now Chairman of the MIER Board of Trustees YBhg ‘Tan Sri’ Dato’ Mohd Sheriff Mohd Kasim and was also attended by British High Commissioner Bruce Cloughorn.

Globalisation Symposium in Malaysia

Dean, Professor Sue Cox, hosted a major Symposium at the Hilton Hotel in Kuala Lumpur in June. Organised jointly by the LUMS Alumni Association and the Malaysian Institute of Economic Research (MIER), over 150 alumni, local business people, academics and students headed papers on the theme of Globalisation and the Emerging Economies.

The symposium was the idea of Professor Balasubramanyam (Department of Economics) who delivered the opening paper on the theme of Diaspora and Development. Other contributors were Emeritus Professor Mohamed Ariff, formerly Head of Economics at the University of Malaya and the first PhD graduate from LUMS Economics department (1969). As Executive Director of the MIER he was co-host of the Symposium and his paper on Exchange Rate Management in Malaysia was very well received.

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The most detailed analysis of the day came from Professor Safiul Azhar bin Rosly, formerly of the International Islamic University but also Director of Research at MIER, who focussed on Islamic Banking – doing things right and doing the right things.

In closing the Symposium, Professor Cox confirmed the importance of the collaboration between LUMS and MIER saying:

“I am delighted that LUMS has been able to work with MIER to organise this important symposium. We are committed to providing our alumni with an opportunity to upgrade their knowledge and to network and this event reflects this commitment.”

The symposium was officially opened by former Secretary-General of the Ministry of Finance Malaysia and now Chairman of the MIER Board of Trustees YBhg ‘Tan Sri’ Dato’ Mohd Sheriff Mohd Kasim and was also attended by British High Commissioner Bruce Cloughorn.

Left to right: Professor Sue Cox, YBhg ‘Tan Sri’ Dato’ Mohd Sheriff Mohd Kasim and Professor Mohamed Ariff.
The project team and guests at the final dinner.

Professor Alasdair MacBean (Economics) and Professor David Brown (Management Science) have won a major grant on behalf of the Lancaster Centre for Management in China from the Asia-EU fund. This is funding a collaborative curriculum development project in the area of e-business and innovation. The intention is to improve management education in the participating institutions by sharing experiences of teaching methods and research. It will focus on innovation and entrepreneurship, including leadership, and e-business (widely interpreted). It will use skills in LUMS and the University of Stockholm. The two Asian partners are the Management School of Beijing University of Science and Technology (BUST) and the Economics and Management Faculty of the National University of Laos.

The first workshop, held in LUMS in May 2005, allowed the partners to describe their facilities and what they wanted out of the project, and set up the methods for managing and reporting. Tours of INSEAD and the Institute for Entrepreneurship and Enterprise Development were enjoyed, and a final dinner with the Dean, Professor Sue Cox and Pro Vice Chancellor Professor Cary Cooper, and other guests made an enjoyable finish. Workshop 2 will be in Stockholm at the end of September where, among other matters, the final arrangements for Asian staff to visit Stockholm and Lancaster will be fixed.

A special course has been developed to help international undergraduate students to benefit more from their BSc Business Studies degree programme which is particularly popular with students from overseas. This initiative has been welcomed by future students and staff who know that it will enhance long-term study effectiveness in Business Studies.

The course - Business and British Society - is to be taught from October 2005 as an additional first-year module particularly for international students. It is designed for students who have not previously studied in the EU for an extended period, and is intended to be optionally available for other students.

It will be much more than a brief linguistic and study skills course. It will give students subject-specific experience in important study activities such as critical reading, note-taking, essay-writing, group-working and oral presentation, by using selected introductory business and management issues in a British societal setting. Students will reflect on and make comparisons with their own societal contexts and previous study experience.

Sarah Robinson (tutor in Management Learning) will serve as coordinator.

Launch of Metizo programme

During 2005 the special Personal Development Programme developed jointly with Metizo was launched for students taking the MSc programmes in Project Management; E-Business and Innovation and Operational Research. The contract was signed with Metizo, who have offices in France and China, especially because of the additional career and personal development programme they offer for students returning to China after they graduate.

Students have responded very well to the programme and commented favourably in their feedback forms on the opportunity that the course gave them to reflect on their personal strengths and objectives and to develop a career strategy for their future.

www.lums.lancs.ac.uk/news/5373

Overseas Branches of UK graduates

In an increasing number of countries the British Council is organising alumni groups for returning students who have graduated from UK Universities. These help alumni to stay in touch with each other to network and exchange ideas and information, and also seek help with job search and career progression.

Among the most active are those in India, China and Malaysia but there are many others, most of which are listed on the LUMS alumni web site at www.lums.lancs.ac.uk/alumni/countries1005/
ACC A award

Gabrielle Quinn (BA Accounting & Finance, 2002) was awarded the Worldwide Silver Medal for her final examinations through the ACCA. She received the medal, a special certificate and £400 at a high profile awards ceremony in London in May 2005.

Over 12,000 people sit for the ACCA examinations annually, so this is quite an achievement - especially for someone who confessed to having bad exam nerves!

LUMS Alumni branches

The last year has seen the launch of a number of overseas branches of the LUMS Alumni Association, through which we hope a regular programme of social and other events can be arranged. These are LUMS or University-only branches and are in addition to any groups set up through the British Council for all UK graduates - see article on page 15.

Thanks to all the alumni who are helping with this venture in:

China (Beijing)
   Maria Han (MSc. Management, 2003)
   Email: marihan@louisdreyfus.com.cn

China (Guangzhou)
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   (BA Accounting & Finance, 2003)
   Email: nrfthana@yahoo.com

Norway (Oslo)
   Marina Ngh (BA Advertising & Marketing, 2003)
   Email: martinevygh@hotmail.com

Launch of LUMSSA

Greetings Old Boys and Girls, and welcome to LUMSSA, the new LUMS Student Association! It has just been created to meet the need expressed by LUMS students to have a society of their own.

We have three major aims: to represent LUMS students, to make LUMS and LUMSSA known at all possible levels worldwide and to offer the opportunity for students to express their talents and ambitions in a society that runs like a company.

One of our workcells is entirely dedicated to you and to those of us who will join you later on, the Alumni Cell. What’s in it for you? Apart from getting an insight into current student life at Lancaster, you will be able to participate in the development of the Association in various ways, to network through us with old Uni-mates and other events can be arranged. These are LUMS or University-only branches and are in addition to any groups set up through the British Council for all UK graduates - see article on page 15.

Thanks to all the alumni who are helping with this venture in:

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If you want to be added to our growing alumni database e-mail your full name, degree and year of graduation to alumni@lumssa.co.uk

Then you will hear from us very soon. In the meantime, check out www.lumssa.com

Mehdi Lambrini, Organiser.

Please update your personal details on the on-line Alumni database at www.alumni.lancs.ac.uk/directory.aspx

Do keep in touch with us through lumsalumni@lancs.ac.uk

Alumni on-line database

The University’s on-line database has been ‘live’ for nearly a year and already over 3,000 graduates from all Faculties have signed up. The more LUMS alumni who register the more useful it becomes as a way of keeping in touch with former classmates and networking for career purposes.

Do please visit www.alumni.lancs.ac.uk/directory.aspx to register and update your personal details.

Once you have an account, you will be able to:
- trace University friends using the Online Directory search;
- add class notes/photos about yourself and your life since leaving LUMS;
- set up a buddy list, so that you can find your friends quickly and easily every time you log on;
- sign up for your free University alumni membership card, which entitles you to a whole range of benefits and services;
- use the Business Search facility to help you network with alumni working in certain jobs and countries.

LUMS souvenirs

We offer a range of items containing the LUMS logo especially for graduates and students to purchase. These can be ordered online at www.lusu.co.uk/eshop and more

The items currently include:

Mousemat £2.95
Cased pen £3.95
Pen 65p
Mug £5.95
T-shirt £9.95
Sweatshirt £14.95
Windcheater £14.95

Items are planned. Do consider purchasing these items to give you a reminder of your time at Lancaster and at LUMS.

New name

The department of Management Learning (DML) has changed its name and is now known as the Department of Management Learning and Leadership.