

<b>Institution: London Business School</b>
<b>Unit of Assessment: 17 Business and Management Studies</b>
<b>1. Unit context and structure, research and impact strategy</b>

The UoA is constituted entirely by London Business School (LBS).

The School's commitment to research excellence is fundamental to our research (1.2) and impact (1.3) strategies and enables the School to achieve its vision: to have a profound impact on the way the world does business and the way business impacts the world. Our strategic goals are strongly aligned with our [people strategy](#) to recruit and nurture researchers of the highest standing in their fields. Our faculty are expected to develop and maintain an excellent research record and for this to have impact on business leaders and managers, public policy-makers and other researchers world-wide. During the assessment period we remained a dynamic and vibrant research institution, as demonstrated by our success, *inter alia*, in obtaining European Research Council (ERC) funds - seven faculty received new awards from 0.8 million euros to 1.8 million euros; the doubling in size of our internal annual research budget; and the opening of three new research centres and institutes (RCIs) – the AQR Asset Management Institute (AQR AMI), the Leadership Institute (LI) and the Wheeler Institute for Business and Development (Wheeler), with a combined funding commitment from philanthropic donations of £21,250,000.

### 1.1 Context and Structure

The UoA consists of seven subject areas – Accounting, Economics, Finance, Management Science and Operations (MSO), Marketing, Organisational Behaviour (OB), and Strategy and Entrepreneurship (SE). All faculty and PhD students are members of one of the seven areas which is chaired by a full professor on a three-year rotational basis. Responsibility for achieving the School's research strategy falls collectively on the faculty under the leadership of the Deputy Dean (Faculty) and the seven Subject Area Chairs. The Deputy Dean (Faculty) is also a senior faculty member who serves for a three-year term and reports to the Dean. These are strategic roles focused on maintaining a healthy, diverse and dynamic research community and they are therefore key members of influential School committees and boards. They receive training in employment law, the Equality Act, and Inclusion and Diversity.

The subject areas are reviewed periodically by two external reviewers from peer schools, plus an internal committee consisting of the Deputy Dean (Faculty) and two full professors from other subject areas. Reviewers consistently compliment the quality and impact of the research in the subject areas and provide recommendations on how to leverage the quality of the scholars in future recruitment strategies, and strategies to support faculty attraction and retention through competitive remuneration terms and research support.

In addition to the subject areas, the School has a number of research groupings – research institutes and centres – which provide a framework to facilitate collaboration between faculty within and across subject areas. They explore key global business issues and attract significant research funding from a variety of sources including Research Councils, Charitable Foundations, companies and philanthropists. They provide a way of supporting and showcasing faculty research in ways that capture the attention of and has an influence on business leaders and managers, public policy-makers and other researchers worldwide. Faculty may be involved in one or more research institute or centre in addition to their subject area.

### 1.2 Research strategy during the period under review

The School's strategic aim for REF2014 was for faculty in all subject areas, to be among the world's leaders in terms of the quality and impact of their research, supported by our People strategy (i.e. highly selective recruitment and promotion processes and a competitive HR package including

## Unit-level environment template (REF5b)

reduced teaching loads for junior faculty, larger internal funds) and infrastructure (i.e. extensive research funding portfolio, Research Lab, auxiliary departments). The School expects research findings to be published in top quality academic and practitioner-oriented peer-reviewed journals (A, D, Q and P journals which largely overlap with the most highly rated ABS list of journals, see 5a, p.1), and disseminated widely through active participation in academic, business, and policy-making communities. The School monitors the publications and dissemination activities through its [People strategy](#). All submitted research outputs have been selected from current faculty (see 5a, p.5) and, reflecting the faculty composition, the majority were published in top academic (A) and discipline (D) journals with a smaller number of articles published in practitioner journals (usually authored by management practice faculty).

In relation to specific actions listed in the REF14, the School focused on (i) achieving critical mass in all subject areas, (ii) securing funding, and (iii) supporting cross-disciplinary research.

### Critical Mass

The School has made progress towards achieving and maintaining critical mass (a minimum of 12 core faculty per subject area). The School typically targets recruitment at assistant professor level. Through successful recruitment and retention, although the increase in headcount has been modest (105 faculty in 2014 compared to 108 in 2020), six out of the seven subject areas are now considered to be at critical mass. The School continues to monitor this closely and recognises the difference that a few departures could make in the smaller subject areas.

As a testament to our commitment to developing and growing junior faculty, since 2014, the School has promoted ten assistant professors to tenured associate professors (3 female and 7 male), namely Savva and Yang (MSO), Lambrecht (Marketing), Ioannou, Crilly and Vakili (SE), Tahoun (Accounting), Efron, Kesebir and Rattan (OB). In addition, 15 associate faculty have been promoted to full professors (6 female and 9 male), namely Tuna, Vasvari (Accounting), Vig, Pavlova (Finance), Papaioannou, Surico (Economics), Fernandez-Mateo, Vermeulen, Jacobides (SE), Gallien, Savva, Tezcan (MSO), Botti, Lambrecht (Marketing), and Ku (OB).

### Securing Funding

The School invests significant resources in the research activities of individual faculty as well as subject areas. The funding is provided both internally and through fundraising activities, with the latter enabling the School's Research Fund, worth £2 million (as of 2020). In addition to supporting individual faculty through Research and Materials Development (RAMD) Funds as discussed below, the Research Fund is also used to support academic collaboration and dissemination by supporting visiting faculty, academic conferences hosted at the School, and annual Junior Faculty Research Awards. The School's success in securing funding, its second focus as per REF2014, can be evidenced by the following:

- Individual Faculty Budget: The aggregate amount of this type of funding, sourced internally, increased to £1,113,000 by 2019, corresponding to £10,500/annum per fte. Faculty use this budget to cover research collateral costs. This funding is available to all tenure-track, tenured and management practice faculty (5a, p. 5).
- RAMD Fund: The aggregate amount of this type of funding, covered by the School's Research Fund, increased from £525,000 in 2014 to £1,100,000 by 2020. Eligible faculty are invited to bid for up to £20,000 each academic year (in addition to their individual faculty budget). These awards provide early-stage seed funding for projects. Some 65 to 70 are granted annually, which represents about 55% of those faculty eligible to apply. Post-award reporting demonstrates this funding effectively supports the development of publications and dissemination, e.g. awards from 2018/19 helped produce over 40 papers.
- Subject Area Research Activities: The School spends approximately £50,000 per annum to support local subject area research activities such as seminar series. In the period under review, subject areas had more than 800 speakers.
- Success in individual European Research Council (ERC) funding - seven faculty received new awards worth from 0.8 million euros to 1.8 million euros.

**Supporting Cross-disciplinary Research**

The School's progress in supporting cross disciplinary research is demonstrated by the success and dynamism of the [research centres and institutes](#). The Research Institutes are led by senior faculty from two or more subject areas.

In the period under review, the School has continued to monitor and enhance its RCIs portfolio leading to the opening of three new institutes (AQR AMI, LI, and Wheeler), where faculty from Finance, Economics, OB, and Marketing currently serve as academic directors; and the recently discussed merger of IIE and PE at LBS (to be renamed as the Institute of Entrepreneurship and Private Capital). The journey of the IIE during the assessment period illustrates how our research environment is suitable and adaptable to the evolving needs and research focus of our academic staff and funding streams, as well as the closing of the Aditya V Birla India Centre, as a result of the Centre's natural financial and strategic lifecycle and departure of its Academic Director, Vilcassim (Marketing faculty till 2017).

Further evidence of the School's support for cross-disciplinary research can be seen in the PhD innovation brown bag seminars held by IIE and involving PhD students from across the school, contributing to the exchange of ideas and feedback in a cross-disciplinary forum of participants who are all pursuing research in the broad areas of innovation and entrepreneurship.

RCIs' outreach activities bring together our faculty, students and alumni with the business and policy-making community. The Leadership Institute, for example, organised 'Leading through complexity', a guest speaker event with Janet Napolitano, former US Secretary of Homeland Security and former Attorney General of Arizona, a panel discussion featuring Sir Alex Ferguson and Paul McGinley on Leadership Lessons from Sport, development and launch of the Institute's Commercial International Bank Egypt Case Study on Transformational Change and interview of the Chairman, by Peterson (OB) and Chandy (Marketing) held at the School.

**1.3 Future Research Strategy**

Our fundamental research strategy will remain as follows: (i) focus research outputs towards publication at the highest international level; (ii) disseminate findings effectively, and (iii) ensure faculty engage visibly in both the academic and wider community. The realisation of this strategy is closely dependent on our people strategy with continued efforts to reduce the teaching load of core faculty to improve our competitive positioning, reach critical mass in all subject areas, develop our research centres and institutes, and increase our endowment through a Capital campaign. However, given the financial threat posed by Covid-19 and BREXIT to research funding streams, our current focus remains on securing the sustainability of the School. Despite recent essential cost savings at the School, internal research funding was ring-fenced.

**1.4 Impact strategy**

Impact is of paramount importance as evidenced by our evolved vision to have a profound impact on the way the world does business and the way business impacts the world. Having rearticulated and extended its vision in 2017, following the appointment of Ortalo-Magné as Dean, the School has brought impact to the forefront of its research agenda building on the REF14 recommendation to move from engagement to impact generation. As previously mentioned, core faculty are key in achieving our impact strategy and as part of annual, periodic, and promotional reviews, the School assesses their performance in four dimensions (teaching, research, internal contribution and external visibility). The fourth dimension incentivises faculty to engage with multiple audiences in a variety of ways and leads to wide impact on industry, policy makers and regulators, as well as the academic community (i.e. citations, membership of learned societies, editorial posts, keynote speeches and conference presentations) as demonstrated in the submitted case studies. In addition, faculty have a wide impact reach through consulting; publication of books and managerial articles; development of new electives especially with strong applied components supporting students to change the policies and strategies of companies; and development of diagnostic tools used by companies to assess their practices and introduce change.

Our impact strategy, working in unison with our research strategy, is amplified through the extensive work and reach of the RCIs including [key business partnerships](#); training and transforming individuals (degree education, open enrolment programmes and PhD students); transforming organisations (custom executive education and consulting work); our Marketing and PR presence; and specific projects led by faculty.

Teaching activities offer a powerful channel to deliver our impact strategy. Particularly aligned with the School's research strategy, core faculty are committed to train the next generation of excellent researchers through the [PhD programme](#) which often result in ongoing and future collaborations. In addition, all faculty are encouraged to design core and elective courses, as well as experiential learning and executive education content, based on their research. In this way our world-class faculty bring cutting edge research insights to class, engaging with students, participants and clients in degree and executive education programmes. This dissemination multiplies its impact through alumni, transforming learning experiences into ongoing journeys. The resulting exchange of ideas stimulates further scholarly inquiry, which produces further research published in top quality peer reviewed academic journals, and then subsequent further engagement with students, participants, clients, and the wider community of policymakers, regulators and other stakeholders.

Executive Education offers a portfolio of open enrolment, online courses and customised learning solutions with over 100 courses delivered annually to some 10,000 participants. These programmes offer an important route for faculty research to reach and positively impact the business community. They provide a platform for debate and feedback, ensuring the on-going relevance of the School's research. The open and online courses attract a diverse set of participants from a range of different countries and organisations, while custom solutions are specifically tailored to the needs of individual organisations worldwide. Some of our impact case studies (e.g. Birkinshaw and Cable) demonstrate how successful an impact channel Executive Education can be for faculty research.

The School has used the Higher Education Innovation Fund (HEIF) to inform and develop the executive education and degree programme portfolios, to develop digital initiatives that showcase faculty research, and to strengthen the School's marketing activities.

To achieve impact the School also attaches critical importance to relationships with business and government supported by the Marketing and Communications department which aims to position the School as a centre of excellence for thought leadership, disseminating faculty and PhD students' research through five major channels: publications, strategic events, website, social media, and public relations activity. The School produces a series of publications showcasing its research. [Think](#) (previously London Business School Review), is the School's flagship thought leadership publication and positions faculty at the cutting edge of inspirational ideas, with its content aimed at the global practitioner community and designed to be applicable in a real-world context. For example, in its November 2020 issue, *Think* introduced the recently hired assistant professors and their research as well as featuring research by longer-serving members of faculty. It also included a piece entitled "A force for good in the world", featuring five PhD students who, with the support of the Wheeler Institute, are conducting research with significant impact. *Think* has around 250,000 online subscribers. In addition to a bi-monthly email, two digital magazines are produced annually and are also distributed to 4,000 libraries and academic institutions around the world.

School strategic events generate fresh thought leadership by bringing together faculty, business leaders and decision makers at conferences, seminars and symposia. The School runs a series of events every year to provide perspective from corporate and civil society leaders, as well as from faculty, on critical issues affecting global business. For example, the AQR AMI Insight Summit was held virtually in November 2020. The theme was "Investing in a low-rate environment", where speakers included Rey (Economics), Portes (Economics), Mohamed El-Erian, Anil Kashyap, Joshua Rauh, and Keith Ambachtsheer. This event was attended by more than 800 people.

## 1.5 Future Impact Strategy



## Unit-level environment template (REF5b)

The above impact strategy remains core to our vision: impact on academic and business communities, teaching in degree, and executive education, reach of RCIs and the work of Marketing and PR teams.

The vitality and sustainability of this strategy relies internally on our [people strategy](#), departmental infrastructure and investment, and how the School leverages impact through its students and alumni community. Examples of this vitality and investment in creating impact through research include two new initiatives which are taking shape: (i) “Amplifying Research Impact” led by Markides (SE) and Tuna (Accounting, Deputy Dean, Faculty) and supported across the School (Associate Dean of Advancement, Chief Marketing Office, Director of Strategy and Thought Leadership, and multiple faculty members). This initiative aims to design and develop channels (and adapt existing ones) to create and amplify impact from faculty research; (ii) the Bagri HIVE led by Tavassoli (Marketing), which is a space for collaborative experimentation. Each experiment will be supported by champions and endorsed by senior management.

### 1.6 Case Studies

The submitted case studies highlight the significant and diverse impact of individual faculty’s research excellence.

The portfolio showcases:

- Impact through changing business practices. These include Birkinshaw’s insights on management innovation resulting in simpler and more productive processes and associated improvement in revenues and employee morale, Cable’s work on how to activate staff seeking systems, which boost their morale, productivity and retention, and Edmans’ findings on executive pay design that contributed to the reform of company pay policies through their influence on the revision of the UK Corporate Governance Code;
- Impact on policy makers, such as Surico’s research demonstrating that large scale macroeconomic policy changes influence households with large mortgages the most, which underpinned the abolition of property tax on main dwellings in Italy and helped guide ECB to keep ultra-low interest rates; Chandy’s insights on the role marketing training programmes play in supporting economic development, shaping the allocation of funding by the World Bank; and Rey’s research showing decisions on US interest rates alter the flow of investment into and out of countries around the world, which influenced decision-makers at the Bank of England, European Central Bank, US Federal Reserve, and International Monetary Fund;
- Impact through development of platforms, which support healthcare (such as Gallien’s computer simulations to track supply and demand of dozens of medicines in real-time in Zambia), and which support governments and businesses (such as Reichlin’s framework for now-casting, delivering high frequency, short-term forecasts for the world’s major economies in real time using a state-of-the-art econometric model).

Impact Case	Impact Audience (Who)	Impact (What)	Impact Channel (How)
Birkinshaw	Companies	Increased morale, customer engagement and productivity <b>Companies report 12% &amp; 40% revenue growth following framework implementation</b>	Executive Education
Cable	Companies	Improved staff wellbeing, performance and retention <b>Wipro reduces staff turnover by 1/3 after field project</b>	Executive Education
Chandy	Companies and World Bank programmes	Increased sales and employment. Extension of multimillion-dollar World Bank training programmes to include marketing skills. <b>270 small businesses in South Africa increased sales by ~2/3, enabling recruitment of 1 new staff per business;</b>	Partnerships through RCI (WB & charities)

		<b>World Bank adds marketing training to \$200m investment in Nigeria</b>	
Edmans	Policy makers and business leaders	Changes to corporate governance <b>Research leads to changes in corporate governance code (2018) and counter-acts short term thinking in CG</b>	Policy change Advisory work
Gallien	Healthcare systems, workers and patients	Improved drug distribution system <b>Inventory management through eZICS enables access to 40 life-savings medicines in 8 districts in Zambia</b>	Partnerships (WB, UNICEF, UKDID, IBM)
Reichlin	Policy makers	Improved estimates of GDP <b>Nowcasting Economics Ltd used widely by financial institutions and state agencies</b>	Industry tool development and deployment
Rey	Policy makers	Altered thinking and actions at the highest levels <b>Yellen, Bernanke and Carney confirm reach and impact of Rey's research</b>	Influence on policy makers: Adoption by IMF & US Federal Reserve
Surico	Policy makers	Changed monetary policy at national level <b>Italy drops policy on property tax (2015) based on research</b>	Policy change Advisory work

### 1.7 Research Ethics and Open Access

All faculty and PhD student projects involving human participants or the use of personal data at the School are reviewed by the Research Ethics Committee (REC) to ensure they conform with the law and are carried out in accordance with best practice. The REC was set up in 2010 as a result of the growth in behavioural researchers needing their own apparatus for ethical reviews and approvals. At the same time the School reviewed and updated its research ethics policy, a code of practice for research and procedures for the investigation into allegations of research misconduct. These policies are reviewed regularly and updated when necessary. The REC and the associated policies and procedures conform to Economic and Social Research Council (ESRC) and UK Research Integrity Office (UKRIO) guidelines for the establishment of research ethics committees within a school setting and the practice of good research conduct.

The School's [institutional repository](#) includes a copy of the School's Open Access Policy and Takedown Policy. The School's institutional repository metadata is discoverable on CORE and Google Scholar and is based on a Green OA model, unless mandated by the funder. When applicable, the School goes beyond the REF Open Access Mandate in line with the OA principles of discoverability, access and deposit.

The global researcher profile at the School brings varying degrees of familiarity with Open Access. Faculty awareness was boosted by 'act on acceptance' messaging throughout the School, part of the communications strategy for the institutional repository project. The School has an Institutional Repository Audit Group whose aim is to improve current processes and responsiveness to changes affecting OA.

Disciplinary challenges when considering the REF OA policy relate mainly to journal embargoes which are often set at the maximum, as well as US-based publishers which tend to adopt an exception route. Nevertheless, compared to the average of 19% outputs not being REF OA compliant as stated in the Research England's 2018 Report, the School has a non-compliant rate of

5%. The School continues to explore opportunities to out-perform the REF OA mandate and since 2019 has been a member of Datacite.

## 2. People

### 2.1 People strategy

Our research strategy is achieved by fostering a community of scholars through a highly selective recruitment process (recruiting, on average, 1 faculty for every 62 applicants), faculty development, mentoring, tenure process, and sponsoring research and practitioner events organised by subject areas and research centres and institutes. All this sustains a collegial and collaborative environment.

The School's people strategy is therefore based on recruiting, developing and retaining top academics and practitioners, and supporting a vibrant research environment where they can succeed. Our tenure policy and process are equally highly selective and under constant review and benchmarking. Assistant professors, also known as junior or "tenure-track" faculty, would normally be considered for promotion to Associate Professor with tenure in their seventh year at the School, and be evaluated based on their performance in research, teaching, internal contribution, and external visibility. As a significant input to this consideration, the School requests 13 external letters of reference from senior faculty of international standing in their field and a minimum of eight letters are required. If unsuccessful, faculty must leave the School at the end of the following academic year.

Core faculty (5a, p. 5) contribute to the School's vision through (i) research, (ii) teaching, (iii) internal contribution (e.g. membership of internal committees or taskforces), and (iv) external visibility activities (e.g. presentations at conferences, visits to peer schools to disseminate research, editorial roles at top journals, and consulting roles to advise companies, policy-makers, and governments). These activities are the key enablers of the School's research and impact strategies and performance in all four is regularly assessed and informs all HR decisions such as recruitment, annual performance and promotional reviews. The School's people strategy has a strong commitment to talent development through the support of 'tenure-track' faculty. Tenured faculty are actively involved in mentoring them contributing to the development of the next generation of top scholars.

The number of core faculty and research fellows has grown modestly since 2014 (98.83FTE in 2014 to 106.45FTE in 2020). Positive action following subject area reviews has led to an increase in senior faculty, including Tezcan (University of Rochester, 2015), Mussweiler (University of Cologne, 2016), Ibarra (INSEAD, 2017), Galeotti (European University Institute, 2018), and Alemany (ESADE Business School, 2019). Once critical mass is achieved and healthy numbers maintained, the focus changes to recruiting affiliated faculty to meet the teaching needs of the expanding degree and executive education portfolios.

In support of the School's strategic aims, our HR policies and practices are regularly benchmarked against competitors so we can continue to attract and retain top scholars. Highlights include:

- Increased focus on research productivity through reduction of the teaching load of core faculty by 11% in 2016/17; with assistant professors having an additional 1/3 reduction in teaching load in their first year, compared with tenured colleagues.
- Increase of the Research Active Salary Supplement (RASS) for full professors from 1/9<sup>th</sup> to 2/9<sup>th</sup> of their base salary, in line with assistant and associate professors. All full professors can apply for this supplement if they are research active and publishing. A total of 95 faculty were receiving RASS in the 2019-20 academic year. All new faculty have a guaranteed supplement for the first three years.
- Leave of Absence Policy which helps faculty to pursue their research collaboratively with co-authors at other institutions. Tenured faculty took more leave than un-tenured faculty (25 and 2 respectively between 2014 and 2020). Leave of absence on full-pay for a term is permitted providing faculty deliver their annual teaching load in the other two terms.

- Sabbatical provision. Faculty may accrue over-teaching to fund a year's leave. A recent example is Papaioannou (Economics), one of the two academic directors of the Wheeler Institute, who spent the 2019/20 academic year at MIT Department of Economics as the Hal Varian Visiting Professor of Economics.

Collaboration with business and industry is strongly encouraged and recently several Economics faculty, Surico, Rey and Stavrakeva, have undertaken research projects with the Bank of England, one being funded by ERC. In order to assist this research, term contracts have been offered to two research assistants who were then seconded, under formal agreement, to undertake research at the Bank.

Core faculty (tenure-track, tenured and management practice faculty) are complemented by affiliated faculty and research support faculty who are fully integrated into the research community, and collectively they support the School's impact strategy.

By the end of the assessment period, the School had a strong faculty body consisting of 108 core faculty and 89 affiliated faculty (5a, p. 5). The former are permanent positions (55%), while the latter are contractors (45%). In addition, there are two Research Fellows who support the research of specific faculty.

## 2.2 PhD Programme

The mission of the School's PhD Programme is to educate excellent researchers who are sought-after in the world's leading business schools, universities and research institutions. In the past five years, students have obtained positions at: New York University; Harvard Business School, Yale Business School, LSE, Imperial, INSEAD, Bocconi, Stockholm School of Economics, Duke University, Columbia Business School, MIT, Princeton University, Stanford Business School, and also at the Bank of England (Research Economist post).

In 2020, the programme welcomed 17 students 53% of whom are women. As with the faculty recruitment process, this is a highly selective exercise recruiting 1 student for every 14 applicants. There are currently 91 students at various stages of completion and this number may increase in line with faculty growth. The programme represents a major investment in the future of management teaching and research, costing the School around £4.5m per annum of general funds, mostly spent on student scholarships and research training. The programme is fully funded, and students receive a stipend to cover living costs as well as a budget to cover their research expenses (mainly attending conferences).

The PhD Programme is led by a senior faculty member, currently Ku (OB), who chairs the PhD Committee. Membership also includes a PhD Coordinator from each of the seven subject areas, and the administrative director of the Programme. The PhD Committee monitors the academic quality of the programme.

The PhD Programme constantly monitors and seeks feedback from students on the range and quality of the professional development programme available. All new students attend an inter-cultural workshop at orientation and an annual presentation skills workshop followed by one-to-one feedback sessions with a professional coach. In 2019 an academic writing workshop was introduced. Throughout the whole programme, students' work is supervised by faculty in their subject areas with whom they meet regularly. The PhD Programme is fully integrated into the School's subject areas and RCIs, allowing students to move freely between different types of research and receive a broad training beyond their own specialism.

In keeping with the School's support of scholarly collaboration and exchange, since 2001, the School hosts the PhD Programme's annual flagship Trans-Atlantic Doctoral Conference, attended by approximately 120 PhD students from leading UK, European and US institutions. This is a student-led initiative, providing the opportunity for participants to present their work to this unique audience, meet faculty and discuss current research ideas, methodologies, and career issues. The informal networks created are often a prelude to collaborative research relationships with other scholars and



they promote the School among PhD students seeking academic positions. This conference was cancelled in 2020 due to travel restrictions relating to Covid-19.

### **2.3 Equality and Diversity**

The School prides itself on being a diverse workplace and learning institution with leading researchers publishing in this area. During the assessment period, the School made a strategic decision to prioritise family-friendly policies, gender and promotions. In the summer of 2020, the School added race equality to these priorities.

In relation to the objectives set in 2014, encouraging subject areas to select candidates from black and ethnic minority groups as well as women, the School has made modest progress. The current core faculty data shows that 29% of faculty are female and 23% of faculty are BAME. Of the 29% of faculty who are female, 14 are assistant professors (constituting 36% of assistant professors) and 17 are associate and full professors (constituting 23% of associate and full professors). An analysis of the ethnicity of faculty reveals that of the 23% who are BAME, the largest groups are Asian or Asian British - Indian (8%), Chinese (6%) and Other Asian Background (5%).

The School recognises that with faculty turnover at only 4-5% a year, rapid change in its composition is not achievable. The School's approach has been to:

- Ensure current assistant professors are fully supported in their tenure-track journey with enhanced support for parents and an extensive faculty development programme.
- Take actions where practicable, such as using a positive action statement in advertisements to encourage more applications from women and other minority groups.
- Continue with a target of at least 35% of female candidates invited to interviews (self-reporting mechanisms prevent the setting of targets for other minority groups).
- Aspiring to devise an action plan to enhance recruitment of minority groups, with a focus on race equality.
- Work on revising the student course feedback questionnaire in the 2020-21 academic year to mitigate gender bias.

The School undertook a review of its family-friendly policies, considering both forthcoming changes to the statutory framework and the practices of its main competitors, strengthening our top talent acquisition and retention. This resulted in the following enhancements:

- Teaching Load Reductions: Since 2015, female faculty who take maternity/parental leave benefit from a 50% reduction in their teaching load (compared to a pro rata teaching load reduction calculated based on how much leave they took). Male faculty using parental leave, also benefit from pro rata teaching load reduction.
- Tenure Clock Extensions: Since 2016, male faculty can also take a single one-year extension to their tenure clock upon becoming a parent (three have done so).

Part-time and fixed-term faculty receive the same benefits as full-time faculty and have access to the same professional development opportunities appropriate to their role. The teaching load of part-time faculty is adjusted on a pro-rata basis.

The School recently expanded its diversity data collection beyond age, disability, race and sex to include all protected characteristics. In addition, the leadership at the School has placed a strong focus on inclusion and diversity and the School has a large LGBTQ+ community represented by the [OUTIN Business Club](#), organised by students. Recently, a new student club, [Black in Business](#) has been formed and both staff and faculty action plans are being devised to focus on racial equality.

It is not anticipated that any process resulting from the REF21 exercise will have an adverse impact on BAME faculty and, statistically the ethnic and gender make-up of the REF taskforces reflects the diversity of current faculty. From August 2019 the Deputy Dean (Faculty), who chairs both Taskforces, is female. All processes at the School consider its diversity with regular monitoring being carried out through the Inclusion and Diversity Advisory Committee (5a, p.3) which produces an annual report.

## 2.4 Faculty development

Our commitment to recruiting and developing junior researchers goes beyond the School's organisational policies described above and include a wide range of in-house and external activities supporting research, teaching and overall career development available throughout the year with an annual budget of £100,000. Assistant and Associate Professors are expected to devise formal professional development plans with their Subject Area Chair and annually report on progress. The School's procedures and practices are in line with the Researcher Development Concordat.

The following portfolio is reviewed regularly and adapted to suit emerging or specific needs of faculty members:

- Mentoring by a senior colleague providing support and guidance through the process of journal selection, manuscript submission, review, revision and acceptance.
- Faculty orientation programme for new faculty which focuses on teaching and research with a follow-up session in the spring term.
- In-house professional development seminars focusing on teaching (e.g. an introduction to executive teaching or writing case studies) or research (e.g. ERC funding, PhD supervision).
- Ad-hoc research training usually on new research tools and systems for faculty and PhD students.
- One-to-one coaching focusing on presentation skills, language skills and leadership development.
- International Teachers Programme is available to two core faculty members a year.

## 3. Income, infrastructure and facilities

### 3.1 Income

A combination of internal funding and sustained levels of external funding fuels faculty's research and impact agenda so is fundamental to achieving the School's vision. As such, a significant amount of School funds is invested to support faculty research and a dedicated Research Support Team helps faculty identify, apply for and report on grants. In addition, the School subscribes to Research Professional, the sector-leading platform for research opportunities.

The School's Marketing and Advancement departments play a pivotal role in supporting faculty showcase research and secure philanthropic donations to support RCIs' research agendas. The School has received just over £3,000,000 annually from the Research England (previously HEFCE). In 2019-20, the annual external funding revenue was just over £2,200,000 compared to £1,500,000 in 2013-14.

Source Name	% of average annual research income
UKRI Research Councils, The Royal Society, British Academy and The Royal Society of Edinburgh	18.2%
UK-based charities (open competitive process)	11.6%
UK-based charities (other)	5.6%
UK central government bodies/local authorities, health and hospital authorities	3.4%
EU government bodies	55.3%
EU industry, commerce and public corporations	0.7%
EU (excluding UK) other	1.5%
Non-EU industry, commerce and public corporations	0.3%
Non-EU other	3.6%

*Diversity of Income Sources (FY 2013/14-2019-20)*

In the REF2021 window, thirty-one external grant awards have been awarded to LBS faculty, including as part of a consortium. Additionally, one grant was transferred into the School: Galeotti; ERC CoG “Oligopoly Markets and Networks” (€706,800). Two PhD students were also the recipients of external grant funding. Grant applicants and recipients are primarily senior faculty.

Other major research grants received during the period under review, include EU Horizon 2020 collaborative schemes, the Economic and Social Research Council, the Engineering and Physical Sciences Research Council, the British Academy, and Innovate UK. Examples of how the School’s research aligns with the national research agenda are Scott’s (Economics) £988,686 grant awarded by ESRC to investigate the economics of longevity - investigating the ageing society is one of the UK Government’s key 4 industrial strategies. Another example is Bunn’s (MSO) work in energy supply chain management over several research grants addressing the Clean Energy Grand Challenge.

ERC grants have proved particularly attractive to faculty in Accounting, Finance and Economics. Since FY 2013/14, Faculty have won 7 grants worth €8.68 million (currently two ERC Advanced Grant applications pending stage 2 evaluation) bringing the School’s total ERC funding since its inception in 2007 to 14 grants worth €15.3 million (nine Starting, four Consolidator, one Advanced).

In terms of future priorities for external funding and the current research funding landscape in the UK, the School will continue to support Faculty in competing for major national and international funding as well as make use of international collaborative research grants.

### 3.2 Infrastructure and facilities

Since 2014 the School has expanded its Estates with the acquisition and extensive renovation of the Old Marylebone Town Hall (currently Sammy Ofer Centre - SOC), and the Royal College of Obstetricians and Gynaecologists. The increase of 57% in floor space allows the School to expand its educational and outreach activities.

There are three main elements of physical infrastructure supporting the research: The Library (relocated to new premises at SOC), IT infrastructure and a fully staffed Research Laboratory.

The Information Services and Library Team supports digital provision with nearly 7,000 eBook titles and nearly 35,000 e-journals, and access to business information databases such as Bloomberg, Business Source Premier, Capital IQ, Factiva, FAME, Datastream, Ibisworld and MarketLine Advantage. Since 2015, the Library Team has managed an annual information resources budget of over £1m and based on the latest HE library benchmarking data (SCONUL return, 2017-18), the School has the second highest national spend when it comes to information provision per FTE academic staff and students. The team also offers one-to-one training for Faculty.

The School recognises the importance of a robust **IT infrastructure** in supporting faculty research activities. Since 2012, the Faculty IT Group has been working closely with the IT department to identify new technologies to enhance their research activities. In addition, the School has recently procured a Current Research Information System (CRIS) to accurately record and promote institutional research activity and output. This system supports data collection for the present REF21 submission.

The research laboratory has grown in size and capability to meet the needs of a growing number of behavioural researchers. During the assessment period several behavioural faculty have regularly used the research laboratory. Most of the studies result in publications in the OB and Marketing subject areas. This facility is a key selling point when recruiting behavioural faculty and PhD students. It is currently able to accommodate more than 100 participants a day, compared to 30 previously. The research software available includes MediaLab/DirectRT, Inquisit, Ztree as well as an eye tracker (Tobii), Physiological measures (Biopac - Skin temperature, ECG, Pulse, Respiration,

EDA) and the survey software Qualtrics. The Lab team have a MTurk Prime and Prolific Academic account to oversee data collection on other platforms. The Lab is a resource also used by PhD students who have full access to running studies. PhD students are encouraged to run their own studies within the Lab to support their own learning and development and are fully supported by the Lab team. So far over 850 studies have been conducted from a pool of over 17,000 participants.

#### 4. Collaboration and contribution to the research base, economy and society

We collaborate at the School within and across Subject Areas. In addition to making a contribution to the research base via their impact on academia, the faculty also contribute to the economy and society in various ways, including through their activities under RCIs. In the following sub-sections, we describe the Subject Areas and RCIs in further detail. We also provide examples of prestigious recognition the faculty has received in terms of editorships and awards, which in our view provides complementary external evidence that they contribute to the research base, economy and society.

##### 4.1 Subject areas

Subject areas are vibrant research hubs combining individual research excellence and powerful collaborative enterprises. Varying in size, composition and maturity, they are consistently praised for their academic standing in their field as well as talent development of junior faculty and PhD students. Each subject area develops its own research activities locally which include external seminar series, internal seminar series (including “Brown Bag” type events), early research workshops, and research retreats.

A summary of the Subject Areas’ research breadth and impact is included below.

The Accounting subject area has a strong interest in the application of the knowledge it produces; it is committed to making the findings of academic research in the field of accounting applicable, accessible and insightful for managers and other policymakers. It aims to make a major contribution to improving resource allocation decisions by improving the understanding of financial information in capital markets for valuation and contracting purposes both via research and teaching.

Specific topics include: corporate disclosure policies; equity valuation of public and private firms; assessment of the performance of private equity funds, bankruptcy prediction and credit analysis; detecting earnings management through financial analysis; audit quality; mergers and acquisitions and corporate restructurings; the role of accounting numbers in bond and credit default swap (CDS) markets; collateralised loan obligations, the role of management, analysts and regulators in the communication of information to capital markets; the effect of financial information on policy makers, international financial reporting, economic consequences of transparency and politics of financial markets.

These topics are those prioritised for publication in the top-tier accounting journals and around which an annual Accounting Symposium is organised. The Symposium brings together leading accounting scholars in an informal setting to discuss a small number of high-quality research papers.

The following Accounting faculty have received external grants during the reporting period. Tuna received an ERC grant (2010-2015) entitled “Corporate Governance” worth €1,110,980 aiming to expand the thinking of corporate governance to include the human element in the design of mechanisms and contracts and Tahoun received seven grants from the Institute for New Economic Thinking (2014-2020) equating to US\$342,500.

Through research, teaching, and outreach the Economics subject area strives to help corporates, governments, and society understand and adapt to the changing business and social environment. The group’s research uses a blend of theory, applied theory and data analysis. Research areas include networks, strategic behaviour, behavioural economics, monetary and fiscal policy, international financial systems, technology, longevity, and digital markets.

The Economics faculty is renowned for applying cutting-edge research to problems facing businesses and governments. A few examples include Rey who introduced the concept of the global financial cycle and analysed the effect of US monetary policy on the cycle (Case study: “Nowcasting real-time estimates of GDP”). This work has generated in excess of 2300 academic cites and affected the thinking of the Central Banking Community and of international institutions. Scott is a world leader in the study of ageing and longevity. His book *The 100-Year Life* (with co-author Gratton) has won numerous awards. Galeotti has recently published a paper in *Econometrica* on network intervention while Stavrakeva has a recent paper on bank regulation and fiscal capacity in the *Review of Economic Studies*. Finally, Reichlin has a forthcoming paper on the dynamics of inflation in the *Review of Economics and Statistics*; and Benoît has a forthcoming paper on belief elicitation when more than money matters in *American Economic Journal: Microeconomics*.

The following Economics faculty have received external grants during the reporting period. Surico received two grants from the British Academy: a one-year Mid-Career Fellowship grant titled: “A new empirical framework for studying the heterogeneous effects of macroeconomic policies” of up to £124,952 (2014) and a joint three-year Newton Advanced Fellowship Scheme grant in 2016 with Corbi (University of São Paulo) worth £75,700 titled “Fiscal Policy and Labour Market Outcomes, quasi experimental evidence from Brazil”. In addition, Surico received two ERC grants: research grant of €957,089 (2015) to fund a three-year research programme on ‘[Uncertainty, Risk and Inequality: The Role of Macroeconomic Policies and Institutions](#)’ leading to four peer reviewed publications and two workshops and most recently (2018), a grant worth €1,135,940 titled ‘[New issues in the Analysis of Business Cycles](#)’ which will inform the public debate on the design of future monetary and macro-prudential policy interventions and three co-authored working papers published. Previously, Surico received an ERC grant (2010-2014, €698,945) entitled “[Macroeconomic Dynamics with Heterogeneous Agents](#)” with various co-authored publications within the current assessment period. In addition, Rey was awarded an ERC grant (2016) worth €1,830,866 for a four-year research programme on “[International Finance and Monetary Policy](#)”. Rey published a paper on ‘Monetary Policy in the Capitals of Capital’ in 2017. Other grant awards won by the Economics faculty include Stavrakeva’s Houbolon-Norman Fellowship award (2018) worth £17,989 by the Bank of England and Ozdenoren’s collaborative ERC award (2014) worth €57,006 entitled “Systemic Risk and Feedback to the Real Economy”. The host institution is LSE and the total award was €698,938.

Papaioannou received a £331,039 grant from PEDL (joint initiative of CEPR and FCDO) in 2013/14, to fund a project on “The effects of land mines on development and entrepreneurship: evidence from Mozambique” leading to various publications. He has also received an EPSRC grant (2016) worth £328,987 titled “A Clear Road Ahead- Developing a Combined Technological and Socio-Economic Approach to Freeing Affected Communities from Anti-Vehicle Landmines” (lead institution King’s College London) resulting in a [dedicated website](#), multiple publications including a co-authored working paper (2019) entitled “[Land Mines and Spatial Development](#)”. More recently, Papaioannou was awarded a four-year ERC grant worth €1,555,679 (2018). Malherbe (LBS Economics faculty till 2018) was awarded a Leverhulme Trust grant worth £124,696 in 2014, for an international network on “The international aspects of banking crises: theory and implication for banking regulation”.

The Finance subject area produces impactful, high quality research that spans areas from corporate finance (including governance, mergers, executive compensation, bankruptcy and distress) and asset pricing (including micro/macro finance, econometrics, capital markets, credit risk), to household finance (including households and pensions), and financial entrepreneurship (including innovation, small business). Finance faculty are regularly invited to present their research to fellow academics, companies, industry groups, regulatory agencies and government departments. The direct link to industry and practitioners has been made mainly through affiliated faculty, the AQR AMI, the CCG, and Private Equity at LBS. Several Finance professors are or have served as Academic Directors of a funded RCI.

The following Finance faculty have received external grants during the reporting period. Franks was awarded a joint grant in 2016, worth £124,929, from the Norges Bank - under the Norwegian Finance



Initiative Research Programme aiming to facilitate financial economic research of the highest academic standard in areas of particular relevance for the long-term management of the government Pension Fund Global (GPFG). This was a three-year investigation into **engaged ownership**. Results from this research can be seen in a co-authored working paper [Corporate Governance Through Voice and Exit](#) which has won the best paper award at Drexel University's Corporate Governance Conference (2019) and was presented at The American Finance Association (AFA) Meetings 2020. Further research into government programmes can be seen in Kung who was part of the [project FRAME](#) (Framework for the Analysis of Research and Adoption Activities and their Macroeconomic Effects) in 2017. FRAME aims to develop a new generation of models, using new data sources and methodologies. Researchers have published several policy papers since and held two conferences. In 2016, Vig received an ERC grant worth €1,498,947 for a five-year research programme on "[Understanding the Complexity of Modern Financial Systems](#)" with results published in six peer-reviewed articles and two conference proceedings. Edmans received an ERC grant in 2015 worth €899,105 to research [Long-Term Investment](#) and has since published three co-authored peer-reviewed articles. Previously, Pavlova received an ERC grant (2010-2015, €925,910) entitled "[Institutional Frictions in International Finance and Asset Pricing](#)" with results published on [CEPR](#) (2012) and [Journal of Finance](#) (2016) while Hennessy received a €1,103,996 ERC grant (2011-2016) entitled "[Dynamic Structural Corporate Finance: Linking Theory and Empirical Testing](#)" resulting in several publications and a research conference (2015).

The Management Science and Operations subject area aims to create and disseminate knowledge relevant to all operational and quantitative decision-making challenges faced by individuals and organisations. The group's output ranges from theoretical and methodology-driven to practice-based research and is characterised by their core pursuit for rigour and practical relevance combined. Within this broad mandate, the current composition and activities of the MSO faculty reflect its particular expertise in the application areas of health-care, supply-chain management, pricing and revenue management, energy, customer service systems, product design, innovation, the finance/operations interface, digital platforms and low-income settings. MSO faculty's methodological expertise spans operations research, optimisation, stochastic modelling, algorithm design and analysis, data science, econometrics and machine learning. Most MSO faculty members expand several research approaches and application settings, which creates a positive environment for cross-fertilisation of ideas across faculty in the MSO area as well as in other subject areas. MSO PhD students have obtained numerous research awards including First Prize, Second Prize and Honourable Mention in Manufacturing and Service Operations Management (MSOM) Student Paper Competitions, Sir James Ball PhD Award, and Finalist of INFORMS Finance Best Student Paper Competition.

MSO faculty members and their work have received substantial recognition as evidenced by numerous recent meritorious service awards (Jain, Yang, Tezcan, DeMiguel, Savva, Gallien). They have also published cutting-edge cross-disciplinary work in prestigious journals of other scholarly fields such as *New England Journal of Medicine* and *Nature Medicine* (Ramdas), *Review of Financial Studies* (DeMiguel), *Journal of Financial Economics* (Yang) and *PLoS One* (Gallien).

The following MSO faculty have received external grants during the reporting period. Ramdas (MSO) has been awarded an IZA-Institute of Labor Economics grant in 2020, worth €24,550 for COVID-19 research in low-income countries. The research, focussed in India, Nigeria and Ghana, will investigate how the coronavirus pandemic asymmetrically affects male and female time use, and what business can do about it. This is part of the Gender, Growth and Labour Markets in Low Income Countries (G<sup>2</sup>LM|LIC) Programme. Bunn (MSO) partnered with 11 other EU organisations in a ~€2.9M European Commission (EC) funded programme (2013-2016) for district-level energy efficient infrastructure modelling (FASUDIR: Friendly and Affordable Sustainable Urban Districts Refitting), together with a further €4.7M (2015-2018) from the EC for a follow-up project on the same topic, and with four new enterprises in a £0.75M (total award) project funded by InnovateUK looking at digital energy communities ("Community Energy Dynamic Solution with Blockchain" 2017-18). In 2017, the pilot Engineering and Physical Sciences Research Council (EPSRC) "System Transition to Digital Energy" award was followed by a larger (£900,000) consortium award on "Aggregators as digital Intermediaries in Local Electricity markets" EPSRC (2018-19). The findings of the NewTrend

Project (New integrated methodology and Tools for Retrofit design towards a next generation of ENergy efficient and sustainable buildings and districts) were disseminated widely through a dedicated website, newsletters, booklets, training sessions, conferences as well as scientific conference papers and articles published in peer reviewed journals.

Research in the Marketing subject area is in two main areas: consumer behaviour and quantitative marketing. The Marketing faculty have international experts recognised by fellow academics and practitioners. Their research is published in top journals in marketing and in basic disciplines, and they are invited to give seminars to non-academic audiences. A sub-set of the Marketing faculty, their key research themes, and their impact, is below: Berman (ethics, pro-social behaviour). One of his papers (Bhattacharjee et al. 2013) was republished in the *Journal of Consumer Research* "Morality and the Marketplace" Research Curation. Chandy (innovation, entrepreneurship) is the Academic Director of the Wheeler Institute. He is the co-editor of the forthcoming special issues on "Better Marketing for a Better World Doing" (*Journal of Marketing*) and on "Business and Climate Change" (*Management Science*). Hardie's research (customer and marketing analytics) was implemented as a "Big Data & Machine Learning" solution provided by Google Cloud. As of 16 April 2020, one of his papers (McCarthy et al. 2017) was the 80th most downloaded paper in the previous twelve months across all SSRN networks. Lambrecht (digital marketing) has two papers (Lambrecht and Tucker 2019; Lambrecht et al. 2018) featured in *The Economist* and *Newsweek* and selected for INFORMS press release. Lambrecht spoke at the US Federal Trade Commission on Competition and Consumer Protection and at a conference on "Big Data and Competition Law" in Brussels for policy makers and practitioners.

The following Marketing faculty have received external grants during the reporting period. Botti was part of an EU grant (2010-2016) named "[The CONsumer COmpetence Research Training](#)" (CONCORT) set out to train a new generation of consumer researchers (14 in total), with long reaching impact on their academic careers, policy and business environments. Vilcassim (LBS Marketing faculty till 2017) received a DFID-ESRC Growth Research Programme award titled: "Complementing Managerial Capital with Business Information: A Field Experiment on International Consulting for Entrepreneurs in Uganda" which has been transferred to LSE.

Research in the Organisational Behaviour subject area is guided by the vision of conducting world-class research to develop a better understanding of human behaviour in organisational settings. To do so, the group's research agenda focuses on three levels of analysis: (i) On the micro level, the investigation of the psychological principles that govern leadership, judgment, motivation, decision-making, negotiation and creativity; (ii) On the meso level, conducting research with a focus on teamwork, group dynamics, organisational culture and personal identity; and (iii) On the macro level, examining the sociological, cultural and institutional factors that shape organisational structures and systems, inter-organisational relationships and networks.

Across these three levels, the OB group has a complementary set of broad research interests, ranging from the individual psychology of the self to the social dynamics of negotiation and influence between dyads, to exploring how people's perceptions influence individual and team outcomes, to the effects of organizational and cultural factors on individual and organizational outcomes. Despite this breadth, several shared themes characterise the research of the OB group. First, in terms of methodology, most professors within the OB group combine multiple research methodologies, ranging from lab experiments to field experiments and field survey research to qualitative methods. Second, in terms of research topics, there are a number of unifying themes that intertwine the research of individual researchers. One emerging theme is the role of gender in organisational settings, with a particular focus on the psychological and organisational dynamics that contribute to gender inequality in the workplace. This research spans a wide scope of topics ranging from more micro level dynamics such as the expression and confrontation of gender bias (Rattan) to meso level dynamics of social networks (Brands) and implicit bias (Kanze) as well as macro level phenomena such as maternity/paternity practices and remote working (Sherman) and the gendered nature of language (Kesebir). Another emerging theme revolves around the psychological dynamics of judgment, decision-making and negotiation (Mussweiler, Pillutla), ranging from influences on individual person perception and decision-making (Sivanathan) to influences of social context such

## Unit-level environment template (REF5b)

as power (Inesi) or team composition (Peterson) to the complex social dynamics of negotiations and auctions (Ku). A final guiding theme is that of leadership and organisational development, including cultural dynamics (Choi), socialization (Cable), career patterns (Ibarra) and adaptation to change through creativity (Manucci).

The faculty in Strategy and Entrepreneurship are committed to the scientific method to study individuals, firms, and institutions and the various forms in which they organise themselves, embracing strategic management, organisation theory, and entrepreneurship. They strive to make their research findings applicable, accessible, and insightful for executives as well as policy makers.

Contrary to other strategy departments that have chosen a multi-disciplinary approach, the SE faculty research interests recognise and reflect that strategy is an inter-disciplinary field. This composition of the area is critical for their ability to successfully encourage recombination and cross-validation of concepts. They value the identity of being one cohesive group. As the three subfields of strategic management, organisation theory, and entrepreneurship are quite large, they wish to attract and retain faculty who can talk across the boundaries of these subfields. In terms of research topics, Innovation and Entrepreneurship, are long-standing areas of strength for the group (Birkinshaw, Dushnitsky, Kacperczyk, Markides, Stroube), but the faculty members' research interests include a wide range of topics such as Corporate Strategy (Magelssen, Vermeulen), Organisation Design (Ethiraj, Jacobides), Corporate Social Responsibility (Ioannou, Kacperczyk), Stakeholder Theory, Economic Sociology, Human Capital (Fernandez-Mateo), Global Strategy (Balachandran), Business Model Innovation (Markides), etc.

The group defines research impact broadly and encourages SE faculty to attain external visibility among academic audiences via leadership roles in the academy, such as serving as editors at the top journals. The SE group also appreciates faculty engagement with practitioner audiences through means such as writing books (Birkinshaw, 2017), executive education, consulting, and policy advising (Cohen-Mohliwer, 2014).

The School received €801,926 in 2019 from the ERC to support Crilly (SE), in delivering on a research programme, entitled "Metaphor as the Purpose of the Firm" - specifically, how does language reflect and shape beliefs as to whether firms should tackle societal challenges, such as inequality, resource scarcity, and climate change, rather than merely create economic value for investors. In supporting the open access mandate, this project is also participating in the ERC Open Research Data Pilot, which supports the open access of digital research data generated from funded research. This project has been used to showcase our first [data deposit](#) in the School's repository.

## 4.2 Research Centres and Institutes (RCIs)

Research collaboration in the School's research community is amplified by the activities of the RCIs which constitute dynamic and vibrant hubs for research, with a cross-disciplinary focus, and help the School showcase research, provide an effective channel for outreach and impact on business leaders, public policymakers and other researchers worldwide. Two to three senior faculty, with the endorsement of their respective subject areas and colleagues, form collaborative partnerships through the establishment of a new RCI. The number of RCIs is deliberately limited, reflecting the size and aligning with the strategy of the School, and in 2014 there were four compared with five currently at the time of writing this statement.

RCIs explore key global business issues and attract significant research funding from a variety of sources including Research Councils, Charitable Foundations, companies such as AQR and philanthropists.

RCIs are a further source of research funding for faculty and PhD students, typically in the range of £10,000 to £12,000 per recipient. Furthermore, in supporting the business and management discipline, we have been successful in winning competitive funding for the Wheeler Institute (2020) from the [Department for International Development](#) (DFID, £182,753); a competitive tender for the Leadership Institute (2020), funded by the Financial Reporting Council (FRC, £41,000); and

government funding (2019) under the UKRI Red Fund Scheme (over £2.5m), to fund the Newton Programme by faculty in IIE. RCIs swiftly adapted to the challenges posed by the pandemic and most events proceeded virtually with the benefit of broader participation. RCIs are monitored by the Research Centre Review Committee (5a, p. 3).

Since the last assessment, the Centre for Corporate Governance (CCG) and the Institute of Innovation and Entrepreneurship (IIE) have continued to deliver on their strategic aims, with early conversation between IIE and Private Equity at LBS about a potential merger of the two beginning prior to the census date, and subsequently approved by Management Board.

**CCG's** mission is to use rigorous research to influence the practice of corporate governance, which is a highly topical area, encompassing responsible business, executive pay, investor stewardship, stakeholder decision rights, investor distributions (share buybacks and dividends), and ownership models.

The centre achieves its mission through featuring empirical research, which uses large-scale data to guide both the diagnosis and treatment of existing practices and theoretical research (researchers create a model of a firm, industry or economy to analyse the impact of new practices - including pre-implementation stage - similar to a city simulator); the website which provides a platform for practitioners to access the highest quality research on corporate governance (including articles written by leading practitioners grounded in evidence; "Insight" articles by academics; podcast interviews with practitioners; and governance around the world (with links to global corporate governance policies); and lastly, high-quality, invitation-only events and virtual conference such as 'Responsible business in a time of crisis' (May 2020) where Edmans (Finance) and Tom Gosling examined how responsible businesses should react to the COVID-19 crisis, collectively drawing on academic research and practical experience in an event that drew more than 1,400 academics and practitioners participants.

CCG is currently led by Edmans.

**IIE** focuses on entrepreneurs, innovators and the leaders who design the ecosystems in which they thrive. It aims to inform entrepreneurial practice and ensure that government interventions aimed at stimulating entrepreneurship are evidence based and effective.

The IIE's journey highlights how RCIs are agile, dynamic and constantly adapting to emerging needs and acquired learnings. In 2019 this institute, previously called the Deloitte Institute of Innovation and Entrepreneurship, entered a new phase. With new funding, the IIE created a new venture capital training programme focusing on those with non-traditional (e.g. tech) backgrounds and to position the institute as a central contributor and hub for the London entrepreneurship ecosystem by building relationships with London-based Schools. This latest development triggered the merging, in 2020, with Private Equity at LBS, founded by Talmor (Accounting), led by Cornelli (Finance), and more recently by Vasvari (Accounting). Given that entrepreneurs receive significant funding from the ever-expanding ecosystem of private capital funds, a merger with the PE at LBS has been proposed and IIE is to be renamed Institute of Entrepreneurship and Private Capital. This merger will create a unique platform bringing together entrepreneurs with their capital providers.

The IIE achieves its aims through the following activities: research and case study development (funding around 50 projects around £400k since 2014); conference and events (six events in 2019-20, including the Pandemic Webinar: How not to waste a crisis: sources of entrepreneurial opportunity and start-up financing – with Alemany and Merson (SE)); the [Resilient Founders series](#) (drawing on the experiences of founders who have seen and survived sudden shocks that threatened to sink their ventures); sponsoring and organising entrepreneurship thought-leadership series and TEDx conferences; entrepreneurial 'start-up journey' (open to other Schools) which compliments the current portfolio of entrepreneurship electives and takes aspiring entrepreneurs through all the practical steps required to create a professional and scalable venture (e.g. funding, IP, tax, branding, legal, accounting); and the Incubator Programme Cohort, in its 10<sup>th</sup> year in 2019/20. The latter included 11 start-ups who benefited from 20 incubator-specific events throughout the course of the



year. Aside from dedicated office space on campus, they can leverage an extensive package from a full range of pro-bono Supporters. The Supporters list has been extended over the last 12 months with the addition of Xero, HubSpot and Hootsuite. To date, this programme has supported 114 companies, raising a collective total of £70 million, and fuelling the creation of more than 650 jobs.

The IIE was led by Alemany and Birkinshaw (SE) as of the census date, and by Alemany, Franks (Finance), and Vasvari (Accounting) after its merger with Private Equity at LBS.

Since 2014, the School has launched three new institutes which complement the existing portfolio: AQR Asset Management Institute (AQR AMI), the Leadership Institute (LI) and the Wheeler Institute for Business and Development (WIBD).

The **AQR AMI** was established with a £10million commitment from AQR Capital Management, a global investment firm founded on rigorous research that drives new insight. AQR AMI aims to establish the School as the world leader for asset management-related research, education and recruitment, and a centre for thought leadership. Its mission is to convene world-class scholars who share a common interest in asset management, to produce research that advances the field and is of value to individuals, industry practitioners, policy makers and regulators, and to disseminate insights.

The AQR AMI achieves its mission through supporting researchers in various ways including the funding of a wide range of datasets (receiving over 20 subscription requests since 2015) and the 2018 launch of the pre-doctoral researchers (PDR) programme (so far receiving over 40 faculty bids for research assistance hours); two annual flagship events (the Academic Symposium and the Insight Summit); and lastly through awards which recognise future stars in asset management (the Young Scholars Awards; the PhD Fellowship Awards; and the Master's Degree Awards).

AQR AMI is currently led by Pavlova (Finance), Portes (Economics) and Schaefer (Finance).

The **LI** has been supported by five major alumni donors to the tune of £1.25million. The LI aims to have a profound impact on the world through supporting the generation and application of path-breaking research on leadership. Its mission is to raise the standard of best practice in global leadership by driving leadership research into practice; creating a generation of leaders (who have a global view, a strong sense of community, and who lead from their heart, as well as their head) and becoming a globally recognised destination for leaders (providing research, teaching, and leading-edge practice on issues relating to leading and leadership).

The LI is an interdisciplinary research, thought leadership, and collaboration knowledge hub. The LI aspires to spend between one third and two thirds of its budget on Faculty research grants and outreach activities.

The Institute's research is disseminated through outreach activities involving the School's expansive business community as well as featuring in the wider press, on social media and at prestigious business events. Examples include strategic research partnerships with professional and membership bodies (the Next Generation NED Network and the Governance Institute - ICISA); high profile events (three virtual events hosted by Peterson since the onset of the Pandemic featuring guest speakers who are well-known figures in the NHS and global business communities); case study development ("[Leading a Multinational Team of Individuals](#)", '[Clarasys: Born agile by taking groups seriously](#)', "[The Maestro: Marin Alsop - leading \"under a huge magnifying glass\"](#)"); sharing published research and insights with the School's Alumni network of 44,000 business leaders; collaboration on student-led activities (Board Fellows programme, Student Leadership Incubator and Out in Business club); TED talks ("[Do narcissists have a role in bettering organisations?](#)", Peterson, TEDx London Business School, 17 July 2017 counting with 20.5K views on YouTube); and a podcast series hosted by Peterson.

Commentary and research funded by the Institute is often featured in top academic publications, business magazines and newspapers including Harvard Business Review, Sloan Management



Review, The Economist, The London Telegraph, Financial Times ("[Paul McGinley Swaps the Fairway for the LBS Classroom](#)", 8 May 2016), The London Times, Forbes and The New York Times.

The LI has also deployed creative methods to continue with a significant research commission awarded to them in January of 2020, exploring the theme of Board Dynamics with Chairs and board members of FTSE organisations.

The LI is currently led by Peterson (OB) and Tavassoli (Marketing).

The **WIBD** was created to research and amplify the role of business in tackling some of the hardest challenges in social and economic development. It is named for Tony (MSc05) and Maureen Wheeler whose £10 million commitment has powered the work of this institute. There have also been several smaller gifts. The Wheeler institute aims to improve lives through identifying what needs to change; identifying, linking and applying relevant business research and expertise; and through accelerating the adoption and scaling of solutions.

The institute facilitates collaboration between local communities, business, policy makers, and researchers in identifying and promoting solutions. In line with its vision, the Institute aims to create positive change through three mutually reinforcing activities that address these challenges: (i) Conducting Rigorous Research such as, part-funded, publication Anderson, Rajesh and Zia (2018) [Pathways to Profit. The Impact of Marketing Versus Finance Skills on Business Performance, Management Science](#); (ii) Forging Communities of Practice: Develop frameworks for collaboration that promote systemic change and progress (two-day conference: Academic Day and Policy Day: Business and Fragile States combining insights from academia, policy institutions and business to better understand the challenges of fragile states and how business can contribute to address them, November 2018); (iii) Shaping business education: informing and influencing learning so that the business leaders of tomorrow are long term agents of positive change.

In support of its aims, the Institute has initiated collaborations with policy making, social sector, and commercial entities in the development space who share its focus on business and development. Examples include: FCDO (Foreign, Commonwealth & Development Office), formerly DFID on the factors driving the scale up of digital innovations for development; CDC Group, the UK's development finance institution, on private sector leaders' perceptions of business climate and "business for good" in Uganda, Zambia, Tanzania, Ethiopia and the Democratic Republic of Congo; the Medicines Company and the University of Zambia on supply chain challenges in low-resource settings; measuring the impact of COVID-19 on rural Indian households and livelihoods (in collaboration with the BMW Foundation, EY, Shell Foundation, Unilever and Dharma Life); and Dharma Life Labs: A rural innovation lab with a focus on driving inclusive progress. A collaboration between Dharma Life, the Institute and Siriti, the Lab leverages local relationships, digital connectedness and real-time insights to drive impact at scale.

The WIBD is currently led by Chandy (Marketing) and Papaioannou (Economics).

In addition to the RCIs discussed above, faculty have rich research networks within the School as well as outside. The list below provides some examples of the regular and fruitful collaborations across subject areas within the School and the recognition they have received:

- "[Leaning Out: How Negative Recruitment Experiences Shape Women's Decisions to Compete for Executive Roles](#)" by Brands (OB) and Fernandez-Mateo (SE), published in *Administrative Science Quarterly* in 2016, winning four awards namely, the 2018 Best Published Paper Award, *Academy of Management*, Organization & Management Theory Division; the 2018 Outstanding Publication Award, *Academy of Management*, Organizational Behavior Division; the 2020 Sucheta Nadkarni Award for Outstanding Publication on Women Executive Leadership, Strategic Management Society; and the 2020 W. Richard Scott Award for Distinguished Scholarship, *American Sociological Association*, Organizations, Occupations and Work Division.

- "[The 100-year life: living and working in an age of longevity](#)" by Gratton (OB) and Scott (Economics) published in 2016, which was the winner of Knowsquare Business Book of the Year Award, in Spain (2017) and shortlisted for the FT and McKinsey Business Book of the Year Award in 2016. It was also the runner up Japanese Business Book of the Year 2017. Scott was invited to deliver a keynote as part of the UN celebration of the International Day of Older People in October 2019. Gratton and Scott continued to collaborate, and a second book, "*The New Long Life, a manifesto for better later years*", was published in 2020.
- "[The Corporate Implications of Longer Lives](#)", by Gratton (OB) and Scott (Economics), published in MIT Sloan Management Review, which won the 2018 Richard Beckhard Memorial Prize as it was regarded as the most outstanding MIT Sloan Management Review article in 2016-17.
- "[Stop doubling down on your failing strategy: how to spot \(and escape\) one before it's too late](#)" by Vermeulen (SE) and Sivanathan (OB) published in Harvard Business Review (2017).

Faculty have rich research networks outside the School which foster research collaboration and dissemination as evidenced by their prolific publications with international co-authors. In addition to attending and presenting and/or discussing papers at various conferences in their field on a regular basis, faculty also have access to opportunities created via the vibrant external seminar series, funded by the School, where distinguished speakers from around the world present their work and form associations with the School's faculty. In addition, faculty also organise conferences which attract leading scholars to London Business School. Since 2014, faculty have organised more than 76 conferences, where Accounting Symposium, now in its 18th year, and the Sumantra Ghoshal Strategy Conference, in its 13<sup>th</sup> year, organised by the Accounting and Strategy and Entrepreneurship subject areas respectively, are two well-established examples.

The School encourages and sponsors subject areas to host distinguished academics as visiting faculty on a regular basis. In the past six years 35 professors visited the School resulting in the hiring of Ibarra (INSEAD, 2017) in the OB subject area. In 2014, Rattan (OB) supported the appointment of Jampol as a visiting academic as part of the School hosting a Newton International Fellowship (awarded to Jampol) worth £63,333 for a project titled "White Lies in the Workplace: Consequences for Women & Practical Interventions".

Many of our faculty across all three ranks (assistant, associate, and full professors) serve as members of editorial boards at numerous top tier academic journals in their fields. Having been recognised as leaders in their respective fields, many of our faculty have served as editors at some of these top academic journals, which is a testament to their standing in academia. The list below provides some examples that the School considers to be among the most prestigious (mainly A journals), in alphabetical order of the journal:

- Management Science (Fernandez-Mateo)
- Manufacturing and Service Operations Management (Gallien, Ramdas)
- Organization Science (Dushnitsky)
- Review of Accounting Studies (Richardson, Shivakumar)
- Strategic Management Journal (Ethiraj)
- The Accounting Review (Shivakumar, Tuna, Vasvari)
- The Review of Economic Studies (Galeotti)
- The Review of Finance (Edmans)

In addition, the list below provides some examples from the prestigious academic journals where our faculty have served as associate editors (or in similar roles) mainly at A and Q journals:

- Econometrica (Galeotti, Papaioannou)
- Economic Journal (Papaioannou, Scott)
- Journal of Accounting Research (Tahoun)

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- Journal of Economic Theory (Myatt)
- Journal of Financial Economics (Edmans)
- Journal of the European Economic Association (Papaioannou, Surico)
- Journal of Consumer Psychology (Botti)
- Journal of Marketing (Botti)
- Management Science (Chandy, Gallien, Kacperczyk, Ramdas, Savva)
- Manufacturing and Service Operations Management (Savva, Yang)
- Marketing Science (Lambrecht)
- Operations Research (Gallien, Tezcan)
- Organization Behavior and Human Decision Processes (Pillutla)
- Organization Science (Kacperczyk)
- Production and Operations Management (Savva)
- RAND Journal of Economics (Myatt)
- The Review of Economic Studies (Papaioannou)
- The Review of Financial Studies (Pavlova)
- Strategic Management Journal (Crilly, Ioannou)

A number of faculty are Fellows of the British Academy, (Birkinshaw, Chandy, Ibarra, Portes and Rey), Fellow of the Academy of Social Scientists (Birkinshaw), Fellow of the Academy of International Business (Birkinshaw), Fellow of the German National Academy of Sciences Leopoldina (Mussweiler), and Fellows of the Econometric Society (Benoît and Reichlin), which acknowledge the distinction of their scholarship.

Our faculty regularly receive a variety of awards and recognition for their research and service to academia, some examples of which are listed below:

- Academy of Management Best Entrepreneurship Paper Award (Kacperczyk, 2018, 2019)
- Distinguished Scholar-Practitioner Award from the Academy of Management (Ibarra, 2018)
- Elected Council member and executive committee, Econometric Society (Rey, 2019)
- Elected foreign correspondent of the Académie des Sciences Morales et Politiques (Rey, 2018)
- Elected Foreign Member of the American Academy of Arts and Sciences (Rey, 2016)
- Foreign Honorary Member of the American Economic Association (Rey, since 2020).
- Inaugural Carl Menger Preis, Austrian, German, Swiss National Banks and German Economic Association (Rey, 2014)
- INFORMS Pierskalla Best Paper Award (Pauphilet, 2020)
- Journal of Accounting Research Best Referee Award (Tahoun, 2016)
- Mahajan Award for Lifetime Contributions to Marketing Strategy Research (Chandy, 2018)
- Norman Humboldt Fellowship, Bank of England (Stavrakeva, 2018)
- President of the Manufacturing and Service Operations Management (MSOM) Society (Ramdas, since 2019)
- Marketing Science Institute Scholar (Botti, 2018)
- Marketing Science Institute Young Research Scholar (Berman, 2019)
- Member of the Group Thirty (Rey, since 2019)
- MSOM iFORMS SIG Best Paper Award (Yang, 2020)
- O.B.E., for services to Economics (Rey, 2016)
- Paul E. Green Award, Journal of Marketing Research (Lambrecht, 2014)
- The Prix de la Fondation Édouard Bonnefous de l'Institut de France, Académie des Sciences Morales et Politiques (Rey, 2015)
- The Prix Maurice Allais de Science Economique (Rey, 2017)
- The Prix Turgot (Grand prix d'honneur) (Rey, 2020)
- The Robert Ferber Award, Journal of Consumer Research (Botti and Faro, 2014)

- Treynor Prize: Institute for Quantitative Research in Finance Award ('Q-Group'), (Schaefer, 2016)
- William F. O'Dell Award, Journal of Marketing Research (Lambrecht, 2018)
- Young Scholar Award, Society of Personality and Social Psychology (Rattan, 2019)

As an instrumental channel through which they contribute to the economy and society, faculty also engage with businesses, policymakers, and regulators in various ways. Some examples are listed below:

- Chair of the Bank of England Houblon-Norman-George Committee (Scott, since 2014)
- Chairman of the UK Government's panel for the capacity market (Bunn)
- Council member of the World Economic Forum – Health Aging and Longevity (Scott)
- Honorary Appointee of Guy and St Thomas' NHS Trust (Savva)
- Member of the Advisory panel of the Office for Budget Responsibility (Scott, since 2010)
- Part of the Cabinet Office Honours Committee (Science & Technology) (Scott, since 2017)
- Special Advisor to House of Commons Select Committee (Bunn)
- US Federal Trade Commission hearings on Competition and Consumer Protection in the 21<sup>st</sup> Century testimony (Lambrecht, 2018)

In total, in 2018-2019 faculty have delivered 903 days of consulting to a wide range of clients.

Some of our faculty have also been recognised for their influence on management thinking and have been included in the Thinkers50 Global ranking, which lists the top 50 management thinkers every two years. In alphabetical order, Birkinshaw, Gratton and Ibarra have featured in the rankings since 2013 and Jacobides has recently joined them in 2019.