UNIVERSITY OF STRATHCLYDE BUSINESS SCHOOL MAGAZINE

WINTER 2007

PIONEER





GETTING ON WITH THE NEIGHBOURS

BUSINESS IN THE BIGGER EUROPEAN UNION

INTERNATIONAL MARKETING BEAUTIFUL VENDING GAMES FOR GLASGOW EXECUTIVE DEVELOPMENT

EDITORIAL

RESEARCH

Satisfaction guaranteed

► We are almost a third of the way through our new session, and as usual there is plenty happening around the business school.

Hopefully, in between issues of *Pioneer*, you manage to keep up to date with the faculty news via the SBS newsletter.

You may therefore have seen the news regarding the National Student Survey for 2007. SBS participated for the first time this year and we were delighted to find out that SBS had the most satisfied students in the UK in the management studies category.

The survey asks all final year students to respond and it is heartening to find our students are happy with their experiences at Strathclyde.

We were also pleased to find out that *The Economist*, which questions students and alumni, had ranked SBS as one of the top 20 European schools and among the top 100 in the world. SBS ranked particularly highly in certain categories, including salary and breadth of alumni network.

Getting alumni involved in the business school can provide useful benefits, for the alumni and current students.

A call is going out for alumni of the Department of Management to get involved in various school activities, but it applies equally to alumni of all departments – we are always keen to hear from you.

As usual, this issue of Pioneer highlights some of our alumni and their successes and I hope you enjoy reading about them.

Professor Charles Harvey, Dean of the University of Strathclyde



Marketing postgrads form business links in the real world



▶ This year has seen the extension of the successful International Marketing Project, covering the MSc programmes in Marketing and International Marketing.

The scheme is now known as Marketing Works, and postgraduate students work with private and public bodies to solve real-life marketing problems. This year there are 21 different projects, with clients coming from areas ranging from software development and tourism to renewable energy, and banking and finance.

Students from 24 countries are getting to grips with becoming professional marketers, developing business relations with their clients and working together.

Marketing Works offers clients the opportunity for service, product and business development and each year companies and organisations return with new proposals for projects. A group of five to seven students work with their client over five months, addressing the project issue, developing a strategy and bringing the benefits of postgraduate teaching and learning to that project.

A significant number of clients are small, dynamic and growing entrepreneurial businesses that have a marketing project in mind but have not had the time to devote to it. However, large organisations such as Strathclyde Police are also involved.

Anyone interested in developing Marketing Works projects for next October should contact Professor John Finch by emailing john.finch@strath.ac.uk

Department wants alumni involved

▶ The Department of Management (formerly GSB) is hoping to engage alumni with a more formal approach to getting them involved with the department's activities.

Dr Peter McInnes and Christine Reid have launched the Engage programme to provide alumni with a range of opportunities to participate in the development and delivery of courses.

"From a couple of hours spent talking to a class through to acting as a research sponsor; no matter how little time people can afford there is an option that will suit them," Peter explained.

Class-based activities, project sponsorship, course or class development and engaged research are some of the ways to get involved.

A key feature of these activities is that they are of mutual benefit and alumni get as much as the students do out of the experience.

As every alumnus knows, the project is an

important part of their learning experience. Volunteering a work-based project or even an internship position for a course member can generate a great deal of value for the employer.

The department also seeks the views of alumni in reviewing and developing their programmes. Participating in class or course reviews can be involved but is a good way for those who know the courses best to help in the design of future classes.

For those seeking a longer-term and in-depth engagement, Engage provides a route to becoming a research sponsor, providing access to the school's academics over a period of time.

Working with staff in this way often generates significant insights into long-standing issues in the subject organisation or helps them through a period of transition.

To get involved, contact Christine and Peter by emailing engage@gsb.strath.ac.uk

Hunter Centre fights that red tape

▶ A report by the Hunter Centre for Entrepreneurship has shown that red tape holds back entrepreneurs.

The survey, carried out in conjunction with Imperial College, London, also showed that training raises entrepreneurs' growth ambitions.

Interviews with more than 800,000 people of working age and over 6,000 entrepreneurship experts, spread across 48 countries,

were carried out, and the results were presented in October at the Global Entrepreneurship Research Conference in Washington DC.

Report co-author Dr Jonathan Levie of the Hunter Centre said: "Red tape stunts the ambition of high-potential entrepreneurs. This is important because ambitious entrepreneurs make a major contribution to job creation and economic development.

"Our data shows that red tape is not just a cost of doing business. It puts many entrepreneurs off growing their ventures, and this must have knock-on effects for job creation and economic growth.'

The study emphasised that the better a nation's quality of post-secondary training in entrepreneurship, the higher the percentage of ambitious entrepreneurs in its adult working-age population.

workshops and action learning

leaders in Scottish Widows. The

programme has been extremely

well received and looks set to

experiences to the top 250

and...

BANKING RESEARCH

Ron Bradfield, director, Strathclyde Business School UAE, together with Dr Jayaram Nayar, director of postgraduate studies and research at the College of Banking & Financial Studies, Oman - who runs the **Department of Management** MBA in Oman - are working on a research project on banking in the region.

The two-stage project will initially survey senior banking figures in Oman to discover the current state of the sector in the area.

It will also establish what they see as the big changes that will occur in banking regionally and globally, in terms of regulation, competition and customers.

They will also be asked what they think their particular banks need to do to prepare for the future.

It is hoped a report and an academic journal paper will be written from the findings, and that another will result from the second stage next year, which will consist of a mini scenario project with senior bankers on the future of banking.

Professor Colin Eden, director of SBS's International Division, was awarded the Beale Medal by the Operational Research Society on 20 November in London.

The medal is awarded in memory of the late Martin Beale and is given to the individual who has made the most outstanding sustained contribution to operational research in the opinion of the awards committee.

It is only awarded if a

MSc TO RUN

The MSc in Entrepreneurship in the United Arab Emirates has now been approved and will be running from April next year.

Executive development forges ahead

▶ This year has seen a high level of activity in the design and delivery of executive education in the Department of Management (DoM).

The open programme for senior managers, the Advanced Managers Programme, was relaunched, and the five-month programme involving a cohort of 12 high-calibre leaders from three Scottish firms began in October.

The programme develops senior managers' leadership talent by taking them through five (two to three-day) modules, beginning with strategic leadership and ending with advanced strategic management.

The highly successful Academy programme to the senior management population of Babcock International Group has continued to be delivered. Babcock has been a primary client of DoM for over two years. Leading professors in the department and among the wider faculty have designed and delivered the multi-element programme to over 50 directors and 200 senior managers.

This successful collaboration is continuing into next year with further deliveries of this programme and the design and delivery of a new bespoke product.

This year has also seen the DoM's Director of Executive Development, Dr Phyl Johnson, build a strong relationship with Scottish Widows. This Edinburgh-based firm chose Strathclyde to be part of a high-profile multi-provider leadership development programme alongside Whitehead Mann, Cranfield and YSE.



New business links: Dr Phyl Johnson

candidate is suitably deserving.

<u>Industry</u> issues

PROFESSOR STAN PALIWODA OF MARKETING LOOKS AT THE

MARKET IMPLICATIONS OF EUROPE'S NEW POLITICAL LANDSCAPE eing half-Polish, culture has always fascinated me. Hofstede offered a rather shocking definition when he said it was

"the collective programming of the human mind that distinguishes the members of one human group from those of another".

Now, who is going to be the first to admit that he or she consciously or subconsciously volunteered to be mentally programmed from an early age? Where indeed, as the University Ethics Committee might ask, was the concept of informed consent? On the same basis, is the UK seen to be one nation or four? Witness any sporting event and the answer will become clear.

Yet in marketing terms, it is not what divides us that is important so much as what unites us, and that may require the perspective of an outsider. It may be that as consumers and as human beings sharing the same planet, we have a common shared need for goods and services, even if we all seek to be recognised as individuals emanating from our own piece of land.

The Americans have long recognised and believed in a Europe that most of us have failed to see, right to the present day. Have you ever been in the USA and been accosted by someone telling you that he or she had been 'in Europe' two years ago and had a wonderful time? Where was that exactly? Europe may be the name of the continent to which we reluctantly belong, but Britain seems loath to acknowledge that fact. In Northern Ireland, Easyjet has a very strong presence at Aldergrove airport outside Belfast but they offer flights from there to Europe! Where exactly are we then?

The answer is light years from all our global competitors, starting first with the Americans, who particularly frightened the French in the sixties with their economic and political power and the 'American Challenge' or 'le defi americain'.

Afterwards, the Japanese seized upon the same concept of a Europe unified in terms of consumer desires to very successfully challenge our automotive and electronic industries. The Koreans were successful to a much more limited extent and while presently the world is challenged by imports from China, these products carry mainly Western brand names - were that inflow to be halted or even stemmed, there would be very serious dislocation to our retail industry and to our own individual standard of living.

There is a certain comfort in nostalgia and maintaining traditional mindsets. Europe after the war was divided at the Yalta Conference into ideological East and West and so it remained for about 50 years, but in the years since 1989 the physical and mental boundaries of East and West have shifted. Communism fell, the free market entered Eastern Europe and the OECD - the former club of rich, industrial nations



- was joined by Central and East European states in the 1990s and ceased to be this convenient grouping of only rich countries.

In 1999, Poland joined NATO, which had been created to protect us from Russia and its Eastern European allies, including Poland. The situation was compounded further in 2004 and again in 2007 when we came full circle with several of these nations joining the EU. The political map of the territory that I had long ago

chosen to study had changed as dramatically as it was possible for nation states, yet the causes and pressures for change were at a level greater than the nation state.

> If we fall back on our traditional mindsets they do not serve us well today. When communism fell in 1989, Eastern Europe represented market potential. Stores there were commonly just corner stores with the occasional department store that had little in the way of merchandise to sell. When newcomers such as Marks & Spencer and Tesco entered from the West, they built new stores on the model of what had served them well back in the UK. Today, Tesco stores are to be found as commonly in Poland and the Czech Republic as in the UK.

However, what we have still not realised was that in Eastern Europe many Western companies learned lessons that have since been applied back home in the UK and Western Europe. The availability of technology supported by pentup consumer demand had created a market force that quickly sought to bring a free market to these East European states now liberated.

Banks, for example, noted that consumers had one branch per 100,000 inhabitants but instead of inundating the population with bank branches, the response was to introduce telephone banking, internet banking and the use of ATM machines - a great innovation that allowed instant access to bank accounts - that frequently had to use satellite communication links because of the lack of telephone landlines.

The lesson of increased productivity and profitability learned there was then introduced across Western Europe, and bank branches at home started to close on a large scale. A virtual presence replaced a physical presence and there was a marked reduction in customer service. This affected all of commerce and industry, amounting ironically to a levelling between East and West and the possible creation of a new-found mutuality of interests between Western and Eastern neighbours.

Yet, in the present day, we read of new

Steadily moving closer

When a general election is called in Poland we read of Polish politicians coming over here to address the Polish immigrant community with their election address. We then read of election results in Poland being reported in the UK in terms of what it will mean for us here and for closer intergovernmental co-operation and integration within the EU.

We become increasingly conscious that we now live in a 'global village' envisaged long ago by the Canadian media guru Marshall McLuhan, where distance is now meaningless as everything that we say or do can now be communicated in real time across continents. The world has shrunk in size and in this new state of interdependence, we are more conscious of all that is taking place around us. No more do we encounter the headlines found in the Daily Mirror of the 1930s of 'Fog on the Channel: Continent cut off'.

political realities of globalisation and of interdependence. It has taken a long legal battle to test the resolve of the EU and its competition powers but the case of Microsoft and the legal judgement handed down, which Microsoft has decided not to challenge, has demonstrated that the EU is now finally capable of regulating competition and tackling the market power of global corporation.

The EU is now the largest single market in the world and the largest trading area. Whereas the USA has 303 million inhabitants, the EU has 494.7 million inhabitants within its 27 member states. However, the EU is actively engaged in planning for 34 countries: the 27 member states, the three candidate countries (Croatia, the former Yugoslav Republic of Macedonia and Turkey) and the four EFTA countries (Iceland, Liechtenstein, Norway and Switzerland). It would appear that we are likely to be challenged yet further in the years ahead. Professor Stan Paliwoda's interests are in international marketing with a special interest in Central Europe. He recently co-edited a special issue of the European Journal of Marketing on the topic of Marketing within the enlarged Single European Market. You can read more in the special issue entitled: The Marketing Challenges within the enlarged Single European Market, European Journal of Marketing vol. 41 no 3/4.

PEOPLE

PROFILE

QUESTION TIME



Steve Borges, Partner of Biglight, a leading provider of specialist multi-channel support to retailers

What were you doing before your MBA?

I was working for Philips
Electronics as an accountant. I'd
just come back to the UK after
a two-year stint in France and
was looking for a new challenge.

I did it 1991/92 by distance learning.

What was your first career move on graduating?

During my MBA I led the process of putting a strategic planning process in place for the business unit I was working in, which ended up as the basis for my dissertation, and I was offered the new role of strategic marketing manager when I graduated.

And since then? What has led to Biglight?

I had various other roles in marketing, PR and customer services for Philips before joining Dixons Stores Groups (now DSGi), where I ended up looking after the group's e-commerce activities during the rocky post-dotcom bubble period from 2002-2004. The business reorganised in 2004 and passed responsibility for e-commerce to the individual chains, so I decided to go it alone, hoping I could sell my expertise to other retailers who hadn't started their online journey yet.

What inspired you to run your own business?

Both my partner and I grew up in small-business households, so it seemed a natural thing to do.

What have been the high points and low points?

It was tough at the start when I realised that I wasn't the important cog in the wheel I had thought I was. It's also been tricky at times when it's looked like work was going to dry up, but it never did. The business is now in its fourth year and we've acquired fantastic clients such as Boots, Burberry, Mothercare and New Look. I'm working in a team again, which I really missed when I was on my own, and my partner is now my business partner too.

Jaime battled to bring Games to Glasgow

▶ Part-time student Jaime Bridle has been working hard throughout his MBA, not just at his studies but to bring the Commonwealth Games to Glasgow in 2014.

Jaime assisted in the preparation of Glasgow City Council's response to an invitation from the Commonwealth Games Council for Scotland for Scottish cities to show an interest in hosting the Games. That was back in February 2004. Three years on, November saw Jaime graduate from the MBA programme and find out the successful result of the bid.

An early feasibility study resulted in an official bid for the Games launched in August 2005.

"As a project manager of the Glasgow bid, I supported the co-ordination of activity. Early on, this focused on the preparation of the technical bid document. Once this was submitted, activity was geared more towards lobbying for votes.

"Once the bid was officially launched, our first priority was to develop the bid document. This followed a prescriptive process governed by the Commonwealth Games Federation and required the same level of detail as an Olympic bid."

The bid document outlined Glasgow's overall proposal, including the venues, athletes' accommodation, hotel capacity, security, transport, technology, environmental impact and the overall legacy, and was submitted in May this year.

During the summer, representatives from each voting country – all Commonwealth countries – were invited to visit Glasgow to see the facilities first hand.

"One of the high points of being involved has been seeing Glasgow through the eyes of the voters while they've been visiting. Some haven't been since the early '70s and can't believe the change. Others were on their first trip and kept saying what a beautiful city we live in.

"There are massive regeneration projects under way throughout Glasgow and Scotland. The Games will provide a once-in-a-lifetime opportunity to showcase this regeneration. In 2004 we organised focus groups to test public perception of the bid and a grandmother from the

"ONE OF THE HIGH POINTS
OF BEING INVOLVED HAS
BEEN SEEING GLASGOW
THROUGH THE EYES OF THE
VOTERS WHILE THEY'VE
BEEN VISITING. SOME
HAVEN'T BEEN SINCE THE
EARLY '70S AND CAN'T
BELIEVE THE CHANGE."

JAIME BRIDLE



Game on: Jaime Bridle

East End said, 'Let the world see what a nice place Glasgow is.' As far as I'm concerned that sums up the benefits of the Games – renewed pride in your urban environment."

Jaime was part of a team that grew from around ten to 20 and included staff from Glasgow City Council, the Scottish Government, Strathclyde Police, sportscotland and the bid's major supporters. "The level of partnership working has been one of the unexpected benefits. Outside the core bid team, there are hundreds of people from partner agencies such as Scottish Enterprise, and departments across GCC and Scottish Government all committing time and expertise."

The bid team's final area of activity was for the triumphant vote in Sri Lanka on 9 November, where the team had its final opportunity to meet the voters and discuss the proposal for the Games.

"Throughout my studies, the bid helped by providing excellent case study material for many of the modules," says Jaime. "I could make sense of a lot of the strategy modules by reflecting on what was happening in the bid.

"Now that the bid is over, the team's job is finished. A new company is being established called the Organising Committee. Its function is to plan and ultimately deliver a successful event in 2014. I'd love to be a part of the OC. Initially it will be a small organisation and this will gradually increase in the lead-up to the event."

fuzzy words

GET DEFUZZED WITH OUR EIGHTH STROLL THROUGH THE JARGON ALPHABET

Al desko: a lunch, usually consisting of a soggy sandwich, eaten at your desk. A play on the adverb alfresco, meaning in the open air, used when people eat outdoors.

Dotsam: a play on the word flotsam, the internet's abandoned websites, blogs, MySpace pages that their creators have ignored for months or years but are still accessible on the Web.

Locked tool box: when a company has the right tools, systems, computers, but lacks skilled employees that can put them to good use.

▶ When Neil Mackay and Richard Starrett met as students at Strathclyde's Baird Hall they had never heard of hair straighteners, let alone had any interest in them. Now there is little the two former business school students don't know about this ubiquitous styling tool.

Neil and Richard are the masterminds behind East Kilbridebased Beautiful Vending, a concept originally born in early 2004. Their product, Beautiful Vending Stylers, can now be seen in cities and towns all over the world - in clubs, bars, gyms and shopping centres.

The entrepreneurs have patented a vending machine that sells 90 seconds' use of a hair straightening iron for £1 a shot and as a result have brought an end to the misery of sleek hairstyles going wild and woolly on a night out.

The pair met on the first day of their first year at university and have remained firm friends ever since. While Neil studied business and Richard got to grips with mathematics, statistics and finance, they also found time to run some prominent events: students from 1994-1998 may remember their SLY club nights, for instance.

They continued to work together when they graduated, running a promotional staff agency and a flyer distribution company, and at one point they were Scotland's biggest club promoters.

In 2002 they took on a franchise for a US spray-tanning brand, but that was dropped in 2005 for their biggest venture to date, Beautiful Vending.

Continuing with the theme of beauty products, Richard and Neil carried out some research into personal grooming in clubs and bars, and found that some way of rectifying good hairstyles gone bad on a night out would be key to making a lot of women very happy.

They arrived at the idea of a vending machine in nightclubs and bars and set about applying for

a patent and designing the actual machine. They have an exclusive deal with GHD, the leading brand of hair straighteners.

Neil said: "Health and safety was the biggest issue at the beginning, but with the right advice and insurance we were set. When we approached companies with our idea they loved it; the idea of adding the product as a service feature for the venue sold it every time.

"The hype around the product, from conception to the current stage of international expansion, has been well covered by the press worldwide and in truth we didn't really imagine our expansion to be so wide at this stage. But when we hit on the idea of the vending machine format we knew we were on to something, and the reality has only enhanced the

initial belief in the product." Beautiful Vending now has a Rico, and distributors have just been appointed for Turkey and the UAE.

"Ask me next month and there will be more I'd guess," said Neil.

Self-funded at the beginning to the tune of £100,000 from their previous businesses, latterly they have received investment from the Bank of Scotland to fund their rapid international expansion.

The duo have an excellent working relationship: Neil focuses on marketing, including press and branding, as well as legal issues, while Richard deals with the finance, specialising in projections and cashflow.

This year alone they have been named winners of the Best New Vending Product (Cooler and

Vending Awards), Best Grooming Gear Award (Wallpaper magazine) and winner of Vending International's Product of the Year.

For the future, it seems the only way forward is 'straight' up, with a new product and second patent application pending.

"All will be revealed in due course," said Neil. "We're working on several new products and concepts, and our strategy in the UK is now to capitalise on the relationships with our now extensive client list by introducing more, innovative products to the market.

One thing's certain, anyone for whom image is everything would be wise to keep an eye on these two business hot-shots.



FOCUS

School works with managers and organisations

▶ Excellence in executive education

 development through customised, open and innovative programmes - has always been an integral part of Strathclyde Business School, but a lot of what has gone on could be said to have been kept under wraps up to now.

Michael Murray, co-ordinator for the new Centre for Executive Education (CEE), explains: "There have been successes in designing and delivering flexible and relevant customised programmes with major clients and short, open management and professional courses, but these have not been widely known outside of those directly involved in the business school."

Dr Stephen Gibb, director of CEE, adds: "There is a vibrant community of people, in the business school and among our associates, who have been working away out of the limelight. These past efforts have played an important role in establishing what is now being called knowledge exchange activity. In other words, we work with managers and organisations on their specific needs as well as offering a standard curriculum for management and leadership development. There have been some great successes across departments.

"The Department of Management has seen recent success with major clients for customised programmes, and the Department of Human Resource Management has developed several innovative short courses. Innovations in areas like executive coaching, enterprise network development in the Hunter Centre and international partnerships on new risk management courses have all helped build strong relationships between the business school and managers and professionals."

The establishment of the CEE aims to build on this experience and success and help to grow and improve customised, open and innovative executive education.

Strathclyde Business School Dean

Professor Charles Harvey made the strategic choice and priority clear. "This is not about being either academic or more consultant-like,' he said. "What organisations want are people who understand their culture and values, their managers' personal and professional development needs, and can offer a partnership approach. We need to be experts in listening, and then co-designing customised, open and innovative programmes where managers can explore, challenge and interact around their core values."

The CEE is currently tendering for customised programmes with clients, and developing a new open programme - Advancing Executive Potential and Talent (ADEPT). A portfolio of short courses is also being built up which will be launched next spring.

Michael said: "The university recently organised a 'Talk Business' event through its research and innovation unit, for all faculties to present on and extend their links with industry. We're organising an SBS-specific version of this in 2008. In addition, our open programme in executive coaching, and customised version of it, are proving hugely popular, and will be a central feature of our

innovations in this area. A dedicated website for CEE is still being developed and should be online in November."

Michael Murray:

Stephen Gibbs: "Vibrant

community

working on programme"

"Executive coaching popular"

Professor Harvey noted that recent executive education trends have been for emotional intelligence, nurturing human capital, focused talent management and transformational leadership. "Looking ahead, these will continue to provide the core values and personal development agenda for local and global organisations," he said.

"What will always be in demand are those who can work with managers to inspire, sustain change with them and give supportive but challenging feedback. The prestige this brings for business schools and individuals who can succeed in this is well earned, and will increasingly be recognised and celebrated as a major contributor to healthy future relations between business and business schools." For further information on CEE and executive education, contact either Michael Murray (m.murray@strath.ac.uk or 0141 553 6177) or Stephen Gibb (s.j.gibb@strath.ac.uk or 0141 548 3846).



