Developing Leaders Executive Education in Practice





A Will to Forge Leaders for a Sustainable Future

A conversation with Professor Dr. Steef van de Velde, Dean of Rotterdam School of Management, Erasmus University (RSM)



'Starting today, think of yourself as a leader of tomorrow's world. Living, thinking and acting in the future tense. What will you do?' – Steef van de Velde points to this powerful call to action from the school's 'I WILL' initiative, to express the core ambitions and motivations of the RSM learning community.

Van de Velde is proud of this unique goalsetting exercise, in which individuals each make a public statement identifying what they want to create, now and in the future, both as an important performance and motivation booster for executives and also as a wake-up call for younger students who tend to live so much in the present. The growing collection of statements (which can be viewed on the RSM website www.rsm. nl/about-rsm/i-will/) are reassuring. "I will own a Lamborghini..." is encouragingly absent; whereas the themes that emerge are around an evident desire to make an impact, and create a better more sustainable world - from "I will change the planetary boundaries of business" to "I will do well by doing good."

This also chimes with the Dean's positive view of the coming generation of business leaders. One he finds to be more clear-sighted, aware, and motivated than previous generations; willing to take on responsibility, to move up quickly into leadership roles, and deeply concerned with 'big picture' global issues.

In accommodating the aspirations of these leaders of the future the school sees its role now less as offering a preparation for a set corporate career and much more as a provider of a leadership curriculum that focuses on self-discovery, the Emphasis is no longer on down-loading technical knowledge to fit a specific corporate pigeonhole and far more about developing attitudes, values, ethics and culture



goal-setting of 'I WILL', leading self first then understanding how to lead others. Certainly in executive education the school's emphasis is no longer on down-loading technical knowledge to fit a specific corporate pigeon-hole and far more about developing attitudes, values, ethics and culture to provide a firm foundation for global business leadership.

Experiential programs, such as one where MBA students were able to experience the pressures of life in the slums of South Africa, are a key part of the way the curriculum is developing and bringing with it a broader perspective; one that recognizes that the responsibility of business leaders today and in the future must go way beyond the short-term concerns of bottom-line performance.

In answer to a question about managing complexity in organizations and what can business schools do to help leaders cope with complexity and ambiguity, Dean Van de Velde stressed the need for a change of culture, a change in organizational DNA. This is a change that he sees the new generation of leaders is well placed to influence. He highlighted the difference between two types of organizations; the old-style 'Mechanistic Organization' with rigid hierarchical structures and processes so often evident in "incumbent companies"; and the 'Organic Organization' which is adaptable, flat and empowered and able to solve problems and take decisions through leveraging collective leadership. The former is likely to be overwhelmed by complexity the latter is ready to deal with it. New media companies, start-ups and the like may be organic by default, but Van de Velde believes an important role for executive developers at business schools is to help transform mechanistic incumbent organizations. If a mega-company like GE can successfully make this transformation so can others, he notes.

In keeping with the school's history, and its home at the birth-place of Erasmus, the Renaissance humanist and scholar, high-quality academic research is paramount as a basis for its teaching and underpins its executive education portfolio. RSM started to become research led twenty years ago and this has been successfully maintained through its



systems and culture. RSM faculty have always had the freedom to set their own research agenda and to move into sometimes surprising areas as their ideas dictate. Consequently this makes them hard to direct, but Van de Velde is encouraged by a new consensus that he has seen emerge whereby faculty see that for research to have real value it needs to be impactful and applicable in the wider business world. Although the school challenges researchers to publish their work in academic journals with the greatest possible impact on their field, writing up purely academic findings for an academic audience is no longer good enough in a world crying out for ideas from business school thinkers.

To underline this need to connect its research activities with business practitioners, RSM recently launched an engaging series of videos under the banner RSM Discovery, where individual faculty present their ideas in an inventive and accessible way, designed to keep senior managers and progressive companies up to speed with latest research based thinking emanating from the school.

This approach to research echoes the Dean's personal vision for the school – his own I WILL goal states "I will ensure relevance and impact" – he sees its future very much as a European business school with truly global reach rather than as a global business school. This is highly appropriate for an institution whose home base is Rotterdam, the largest port in Europe and one of the busiest in the world, only recently surpassed as the world number one by Shanghai. Currently campuses in Rotterdam and Amsterdam are supported by an Asian office in Taipei, Taiwan. Through this the school offers services to corporate partners, prospective students, and alumni, who are based in the region. The school is also currently planning to create two further Asian bases and in particular to leverage the historic Dutch connection to Indonesia; though Van de Velde also sees room for growth in European markets and with Germany in particular.

Although it excels across the full range of modern executive education, the Dean is keen to differentiate RSM where possible by building on its traditional strengths as an international school. One obvious focus here will be its links to the Port of Rotterdam, and RSM's unrivalled expertise in shipping, logistics and global supply chain management. This is no small niche at a time when dramatic economic growth in China, India and the emerging economies is leading to vast port and logistic development around the world.

As a professor of operations management and technology, Van de Velde is well placed to lead the school in this space. His own research interests lie in the areas of operations



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excellence, service operations, and supply chain management. He holds an MSc in econometrics from the Erasmus School of Economics and a PhD in mathematics and computer science from the Eindhoven University of Technology, and has published in several leading academic journals.

As well as expanding geographically the future will see the school move further into executive development and into programs for corporates. This is partly a pull of the market but it also reflects one of the challenges the school faces as part of a public university which receives significant financial support from the Dutch government. As the world over, government funding is likely to decline, and the school needs in future to find other sustainable sources of funding.

A move away from state support will however have benefits in that the school will have more freedom to be selective in its intake and more in control of its destiny. Until recently the school has had to fulfil an 'open-access' brief, so that any student with an undergraduate degree from RSM had the right to study on its Masters in Finance degree. This reflected on the quality of the course and ironically meant that whereas the school could select the very best applicants from overseas, it had to accept any formally eligible student from the Netherlands. Therefore, RSM will launch a second level finance master in September 2015. This program will be 18 months in length instead of 12 and even more selective in its intake, building on RSM's strengths in teaching finance. The new program will be outside the public university system, ensuring that the fees will be competitive with those of RSM's peer schools internationally.

As far as the future delivery of executive education the dean is a firm believer in blended learning and the school is currently developing programs in that area. He is not concerned about the rise of MOOCs, saying that "a MOOC is like a book" it is a good way to transfer codifiable knowledge and can be a valuable complement to a learning intervention. In fact wherever knowledge can be delivered online it provides more space for the face-to-face sessions to focus on the experiential and discursive aspects of learning which actually get embedded into behavior. He is also keen to promote coaching as a key part of the development mix; not only coaching senior executives but also offering coaching support to master students and to recent alumni.

Overall Dean Van de Velde, who has been in post for three years, is positive about the future, not only because of the attitudes he sees in the students and leaders passing through the school, but also because of the opportunities for the school itself. He declares this to be a very exciting time for RSM.

Despite much discussion about the need for leadership development in corporate and public organizations, and the considerable industry that surrounds it, this is the first authoritative periodical focused entirely on this area.

Developing Leaders looks at the critical confluence between the provision of executive education and the real everyday needs of organizations to strengthen their management teams, their corporate performance, and their leadership.

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