

## **Peter Drucker Challenge 2011**

Management, What is it Good For?

Entrant: Julia Fan Li, PhD student, University of Cambridge

[juliafanli@gmail.com](mailto:juliafanli@gmail.com); [jfl33@cam.ac.uk](mailto:jfl33@cam.ac.uk)

+44 797 122 0916

### **Management: Leadership in Action**

“Organization has created an employee society... Knowledge workers are the new and growing majority – both the main cost and the main resource of all developed societies” (Drucker, 1987)

As a former accountant and banker returning to the academic world to pursue a doctorate in Innovation Studies, I have fallen in love again with the necessity and beauty of good management. Our world focuses on change agents such as breakthrough technology and exploring new frontiers through product and service innovations, but it is essential to remember that it is people that deliver innovations. People, through active leadership and effective adoption deliver on the promises that change agents are built upon. Management is a practice that allows for the aggregation of productive, purposeful and effective people. I believe that management demonstrates good leadership in action and increasingly, the ability to take productive autonomous units and increase the total enhanced pie to do more. Here are three examples – three amongst many:

A productive university of knowledge, education and skills (eg. Cambridge University)

Public-private partnerships to achieve social good (eg. Global Alliance for Vaccines and Immunization)

Coalition of grassroots organizations for enterprise (eg. the National Consortium of University Entrepreneurs – NACUE)

#### *A productive university*

Cambridge University was founded in 1209 and is the second-oldest University in the United Kingdom. Early records suggest that Cambridge was founded by former Oxford scholars who set off after a disagreement with the former village. Cambridge is now comprised of 31 self-governing and independent colleges and the colleges are integral parts of the university. No college is as old as the university itself and colleges were established over the centuries through benefactors

for scholarships and foundations. It is rightly derived that there would be no University without the colleges (for each student of the university must be attached to a college). Each college has its own property and income and brings together academics and students across disciplines.

Even though each independent college administers the social welfare, housing, food and supervisions, the overall education delivery and research is coordinated by the central administration, led by the Vice-Chancellor. The central coordination body manages all 150 departments, faculties, schools and other educational institutions, and it is no small feat. The management discipline of structure, process and efficiency is at once decentralized within the colleges and centralized at the administration. The mandate of the University leadership team is to stitch together autonomous pockets of research by professors and academics into a system whereby research is advanced, and new talent and students are developed through teaching and mentoring. To facilitate academic coordination across the colleges, two university-wide electoral boards are in use for decision making. First is the University Council, the principal executive body of the University taking into representatives of four heads of Colleges, four Professors, eight elected members, three students and four external members in addition to the Vice-Chancellor. Second is the General Board with equally wide representation responsible for the academic and educational policy of the university.

Cambridge University, as a collegiate university, cannot function without a centralized oversight function. At the core of its competitive advantage, is its people – professors, researchers and students, its core assets that it leverages to ensure funding sustainability, publication record and pipeline of skilled young adults entering the economy. Management skills are applied at three crucial intersections of the university. First, each college is headed by a Master of College and a management team of administrators and professors to ensure the social welfare of student life on campus. Second, each educational faculty is led by a Division Head to advance research, develop curricula and ensure appropriate teaching. At the third level, both College and Faculty are aggregated at the University level, linking autonomous units across the university to deliver value for all stakeholders.

In the Cambridge University's case, management is good for advancing the objectives of autonomous colleges and researchers under a unified mission and to share infrastructure and financial resources for research and teaching.

### *Public-private partnerships to achieve social good*

The Global Alliance for Vaccines and Immunizations is an example of a global public-private partnership, first established in 2000 with a mission to save children's lives and protect people's health by increasing access to immunization in poor countries. GAVI truly operates on a partnership model bringing together stakeholders in research and technical institutes, governments, United Nations, multilateral funders, developing country recipients, vaccine manufacturers, civil society organizations and independent expert individuals.

The GAVI Alliance's work is led and managed out of a central Secretariat based in Geneva. In its first decade of work, GAVI's impact has been to prevent 5 million future deaths and an additional 288 million additional children immunized. The work of the secretariat reports to the GAVI Board, composed of representatives from each set of stakeholders. Within each stakeholder group, management functions to best lead for results and objectives aligned to organization objectives. No matter how individual objectives differ between the stakeholders (between donor governments, recipient countries, civil society or vaccine manufactures), their participation within GAVI unites them under similar objectives of increasing immunization rates.

The GAVI Secretariat holds both internal and external management obligations within the alliance. Internally, GAVI has responsibility to work with each stakeholder to ensure that their organizational objectives are complimentary to GAVI's mission and work. Externally, due to the global nature of their work, GAVI also holds significant market shaping ability. Its actions and commitments affect not only its members, but also indirectly affect other ecosystem stakeholders in global health and infectious diseases. Fighting to end the cycle of extreme poverty requires the efforts of a global community and GAVI's work aims to serve as a catalyst for each organizational stakeholder to do more to help the world's poorest.

In GAVI's case, management is good for pulling together resources and partnerships of individual member organizations to advance a global mission of improved health and healthier children.

### *Coalition of grassroots organizations for enterprise*

The National Consortium of University Entrepreneurs (NACUE) is a British organization that supports and represents university enterprise societies and student entrepreneurs to drive growth across the UK. It also acts as a representative of 40,000+ enterprising youth to policy makers in all levels of government, industry and education. NACUE is a young entrepreneurial organization itself, founded in 2008 and led by a team of senior advisors and student advisors in linking up together 70+ enterprise societies around UK universities. NACUE was formed as a response to youth unemployment at record levels in the UK and the desire to create enterprising opportunities for young graduates.

For the 2011/2012 year and for the first time in its history, NACUE will be hiring full time paid staff to further its mission and to manage its growing body of work in education, advocacy and support for entrepreneurs. Management leadership within this grassroots leader of other student-based grassroots-organizations is essential to give credibility to its mission and build a long-term structure long after its initial founders are no longer students. Management process ensures transition and the ability for younger generation of student leaders to take up leadership roles. At the university-level, each enterprise society will have its own objectives and annual academic calendar goals for promoting entrepreneurship. Decentralized sets of activities are brought together annually at NACUE UK-wide events to share best practices, celebrate success and network for future development.

In NACUE's case, management is good for harnessing the initiative, ideas and enthusiasm of each incoming years' students and to support ongoing activities of entrepreneurship, in universities and beyond graduation. Management also serves as a platform for transition and ensuring long-term viability.

### *Conclusion*

In this essay, the three examples shed light on the continual necessity of management in leading skilled work teams to harness productivity of key assets, the people, to deliver on innovations and mission objectives. Organizations do not stand alone as islands as with globalization; increasingly, actions build upon actions of others in the stakeholder ecosystem.

Cambridge University, the GAVI Alliance and NACUE all exist to serve as leaders in their respective ecosystems: education and research, global immunization and creating an enterprise-based society. Good management practices allow each organization to demonstrate leadership and implement and achieve strategic goals. The management roles within the three organizations share common traits: the ability to unify autonomous productive units under a common goal and pursuit of advancing social good.

After arriving at Cambridge University after a career in the private sector, I realized I took many management practices for granted – the clear organizational goals, the reporting structure and the ability to work with colleagues each who knew how their responsibilities fitted with the larger goals. Working at a university is a lot more fluid, with each research division in pursuit of academic knowledge and sometimes not recognizing the synergies with the department across the hall. After serving on University Council, the university-wide governing body, as one of three student representatives, my appreciation grew for the central management function to unite the university as a whole. I understood that this secondary level of good management above the College level has allowed Cambridge to be one of the most productive universities in the last 800-years of its history. The central management team has a clear purpose in helping to unite the university's work and grow in its mission.

It can be considered easier to work in an organizational silo than it is to work in partnership, where tensions and differing views have to be actively managed and resolved. In global health, an old perception has been held that the private vaccine manufacturers are not aligned with public health goals by pricing its vaccines at price premiums to cost. The private sector argues that without premiums to reinvest into research and development, the product pipeline for new vaccines would stop. The GAVI alliance works hard at a secondary management level to moderate between the private and public sectors in R&D and delivery of effective vaccines to those who need it most. It has a strong social mission to deliver vaccines to poor populations with the aim of reducing inequalities. My experience working with the secretariat of this public-private partnership is that good management practices are essential for dealing with global issues. What best practices can be accomplished in one country needs to be effective and scaled up across several countries, some with significantly

less infrastructure and resources. Management is good for brokering tensions and delivery the smartest decisions with all stakeholders onboard and signed on. Management at GAVI also helps implement best practices and share resources in low-income countries.

A unified voice is powerful in advocacy and policy-work. Working with the National Consortium of University Entrepreneurs, it has helped other grassroots organizations form and grow, including Cambridge University Entrepreneurs. As each entrepreneurship society is local and tailored to suit the needs of its student members, the national consortium offers advancement for enterprise as a movement within a country. Good management practice at NACUE also inspires for development of entrepreneurship societies abroad, and I personally hope to establish a presence of youth entrepreneurship with student-run entrepreneurship clubs in Rwanda.

I am a strong believer in the power of good management and in Peter Drucker's simple, yet profound teachings of management practice. Like Peter, I believe management is an interdisciplinary subject and not confined to quantitative statistics in measuring profits as an outcome, but applicable to social missions and a catalyst for innovations to be delivered by people. People who broker partnerships, people who unify objectives and people who create a community of leadership within their ecosystems.

Thank you.

Drucker, P. (1987). Social innovation - Management's new dimension. *Long Range Planning*, 20(6), 29-34.