

Approved by the Department board

12.10.2022.



*The Department of Business and Management Science provides research-based knowledge on risk management, governance and managerial decision making. The department gives policy advice on business regulation.*

## Strategic Action Plan 2022-2025

### NHH Department of Business and Management Science

The NHH Board adopted a new strategy for the period 2022 to 2025 on March 9<sup>th</sup>, 2022. The departments have been invited to submit strategic action plans that are aligned with the new strategy. The action plan of the Department of Business and Management Science builds on the department's strategy discussions at Solstrand on September 27<sup>th</sup>, 2021, and in Ullensvang on June 14<sup>th</sup>, 2022. The plan has also been discussed in several department executive committee meetings, and was sent an internal hearing to all employees on October 4<sup>th</sup> 2022. A first draft was submitted to rector on October 1<sup>st</sup> by head of department and discussed with rector on October 5<sup>th</sup>. The plan will be dynamic and open to revisions throughout the strategy period.

The Strategic Action Plan 2022-2025 is a continuation of the plan for the period 2018-2021. The previous plan had 22 action points of which 18 were completed, two are still in progress and two were abandoned.

## Education

### Development and renewal of the department's course portfolio

#### *Status*

Pedagogical training and development have recently become a requirement for associate professor and professor promotion. The department has developed procedures to follow up all employees – new hires as well as experienced lectures – in this respect. Both formal training and engagement in development work are encouraged and appreciated. Since 2020, two of the department's faculty members have received status as excellent teaching practitioners. Several faculty members have completed or signed up for the course "Global Colloquium on Participant-Centered Learning" at Harvard Business School.

The department follows up each lecturer individually with feedback on performance in teaching and advice in cases where improvement is needed. Lecturers that perform well – according to a set of predefined rules – are acknowledged in an annual letter to all employees.

The department has core competence in the areas of technology and sustainability. It played a lead role in developing both the BAN profile (analytics) and the ENE profile (natural resources and sustainability). The department launched close to 20 new courses in the previous strategy period. A slightly smaller number of courses were discontinued.

#### *Action points*

- The department will participate actively in the development of a new NHH bachelor's program, or alternatively, a track, in technology and sustainability.
- The department will appoint an internal committee to review its portfolio of methodology courses across the bachelor's and master's program. The mandate will be to suggest changes that can bring out and add technology content to the portfolio, allocate lecturers efficiently and align the portfolio with the new NHH strategy.
- The department aims to launch or reposition at least ten courses in the prioritised areas of technology and sustainability and at least five courses in business and management. A similar number of courses should be terminated.
- The department will develop and propose a minor master's profile in shipping economics.
- The department will work to develop the ECO profile into an attractive research and analysis-oriented track in quantitative business economics.
- The department will launch one or two courses in the public domain by making online teaching material available for students and lectures outside NHH. The aim is partly to strengthen the NHH brand, partly to prepare NHH for future competition from commercial online education providers, and partly to serve the public demand for high-quality educational resources.

## Principles and mechanisms for allocation of faculty to courses and programs

### *Status*

The department's teaching portfolio consists of 82 active courses (equivalent to 65 full 7,5 ECTS-courses). The department is the largest at NHH in terms of production of ECTS credits. The teaching load per faculty member is above the NHH average.

The department is the largest producer of credits in the mandatory part of NHH's bachelor's program. At the master's level the department dedicates close to 40 % of its resources to the BUS profile, and about 20 % to each of the FIE, BAN and ENE profiles. The department also hosts the NHH Innovation school and encourages faculty members to lecture and develop courses for NHHE. About one third of the faculty are engaged in executive teaching.

The department believes strongly that all faculty members should combine teaching and research and it strives to follow the traditional 40-40-20 split between time for teaching, research, and administrative tasks. The department has a teaching load system which is a combined tool for a fair distribution of tasks, intertemporal smoothing, and a productivity measure.

The allocation of faculty to specific courses is, as far as possible, decided jointly by the head of department, the responsible for teaching, and the individual faculty members.

### *Action points*

- The department will map its teaching capabilities by conducting a survey where each faculty member is asked to list which courses he or she feels competent to teach and to submit ideas for new courses.
- The department will develop the teaching load system to include grading.
- The department will allocate teaching capability to NHHE.

## Research

The balance between the strategic objective that “a larger share of the faculty will publish at the highest international level” and the objective that “all members of faculty are expected to regularly publish high-quality research”

### *Status*

The department is the second largest research department at NHH both in terms of total publication points and publication points per employee (FTE). The department is clearly behind the Department of Economics and slightly ahead of the Department of Strategy and Management. The department’s long-term goal is to be on par with the Department of Economics. About 20 % of the department’s faculty members have produced less than one publication point over the last five-year period. This is very close to the NHH average, but clearly inconsistent with the goal that all faculty members should be active in research. The department produces a steady flow of articles at the ABS3 and ABS4 level, but should publish more articles in journals on the NHH bonus list, i.e., ABS4\*. In the previous strategy period, 20 % of the faculty members received an NHH publication bonus.

The department has a time allocation system which aims to ensure that tenured faculty members get 40 % research time. It is clearly communicated that each faculty member is expected to be research active, and research production is always the first item on the agenda in performance appraisal dialogues.

Non-tenured faculty members typically have half the teaching and administrative load of tenured faculty members. This is important so that they get the opportunity to focus on research in a decisive and productive phase of their career. Involvement in prestigious, externally financed research projects is also used to free up extra time for research. Associate professors are prioritised in order to accelerate their progress towards full professorship.

The department supplements the central NHH bonus for top publications by allocating individual research budgets (annuum) based on publication points. The scheme is non-linear so that all employees can earn a budget and have a strong incentive to be active. The research budget scheme also implies full disclosure of the production of each employee once a year, and this is an incentive mechanism. To highlight that the department emphasises quality in research, faculty members who publish on the ABS4- and 4\*-level receive flowers at a department social gathering. Such “flower gatherings” are arranged twice each term. Publications are also strongly emphasised and codified in the department’s wage policy.

### *Action points*

- The department will develop a simple, but formal system for annual research plans aimed at tenured faculty members who are not classified as scholarly active in the latest AACSB accreditation report.
- The department will revise the annum scheme to even out the research budget given to equally productive research teams of different sizes. The department will also consider placing more weight on top publications. Furthermore, the department will consider whether new faculty members should get a start-up annum, and whether there should be a small, fixed allowance for all faculty members. Changes made in the last strategy period regarding publications at SNF need to be codified.

## Priorities related to developments of research groups and fields

### *Status*

As part of the strategy process in the autumn 2021, the department fine-tuned its research areas and consolidated six areas into five. Whereas four of the areas host an NHH research centre, the new, consolidated area “Asset Management and Risk Analysis» does not. However, it is involved in the SFI *Climate Futures*, and focuses on projects related to climate risk and insurance. *Climate Futures* is a Centre for Research-based Innovation funded by the Research Council of Norway. The group of faculty members belonging to the new research area has also received external funding from the private equity industry.

Each faculty member has a primary affiliation to one, and only one, research area. There is vibrant cooperation across the research areas. This is facilitated by encouraging faculty members also to have secondary affiliations. A new trend in the department’s sustainability research, is that large projects involve cooperation across several areas such as energy economics, logistics, analytics, and business taxation.

The department has sponsored a seven-day international research management course at CBS Executive for four young faculty members: two females and two males.

### *Action points*

- The research area “Asset Management and Risk Analysis” will apply for centre status in the next round announced by the NHH Office of Research Administration.
- The department will offer formal research management training to more faculty members
- The head of each research area will be asked to conduct collegial collaboration dialogues with their primary affiliated faculty members every second year and report to the head of department. These dialogues will have research and research cooperation as the main focus.
- The department will increase its effort to attract external funding in the research area “Managerial Economics and Business Strategy” under Centre for Business Economics.

## External research funding

### *Status*

The department has had a strong growth in external research funding and has currently administrative responsibility for ten projects with annual budgets ranging from 0,4 to 2,9 million NOK. In 2022, the equivalent of eight full time positions is financed by external funds.

The department has two Marie Sklodowska-Curie postdoctoral fellowship grants, funded by the EU's Horizon Europe program, and one Young Talent-grant from the Research Council of Norway.

The department acknowledges successful research applications with handing out flowers to the project leader. In cases where the department does not grant reductions in the teaching load, it uses temporary wage increases to reward project leaders and principal investigators in large projects. Successful research applications also count positively in the ordinary wage negotiations.

The department has one Public Sector PhD scholar, but has not tapped into the Industrial and Public Sector PhD scheme of the Research Council to a satisfactory degree.

### *Action points*

- The department will work to attract one to three externally funded professorships. Private equity, insurance, energy, and shipping are candidate industries to target.
- The department will give more administrative support to the research centres and will therefore ask for one extra administrative position in the NHH budget process. Projects with external funding will be asked to co-finance this position.

## Collaboration with the business community and society

Contribution to the strategic objective that “NHH faculty shall disseminate research-based knowledge and set the agenda for public debate”

### *Status*

The obligation to disseminate is communicated clearly and regularly by the head of department. The NHH quarterly dissemination reports are distributed to heads and deputy heads of the department's research centres, research areas and large research projects (FMEs and SFIs). The NHH annual dissemination report is distributed to all employees together with comments from the head of department and acknowledgement of those faculty members who stand out in dissemination. Dissemination outside of media outlets such as participation in expert committees, conference committees, boards and editorial work is acknowledged in the department's annual report.

## Capacity to engage in outreach activities in all core areas

### *Status*

Faculty members who are at an early stage of their careers are regularly encouraged to take part in media training seminars offered by the Office of Communications and Marketing.

The department has 15 faculty members with a non-Scandinavian mother tongue. The department follows the NHH language guidelines and facilitates language training for new faculty members in this group. It follows up on their progress in the individual performance appraisal dialogues.

## Interaction with business community and society

### *Status*

The department hosts a large number of guest lectures, and faculty members do consultancy and give talks to a wide audience.

In the previous strategy period, the department hired a series of adjunct lecturers with PhD degrees who have their main work in industry. The department also encourages its own faculty members to engage in external activities, and especially in research collaboration with the private sector.

The department has particularly close interaction with the shipping industry. It hosts the annual *LeaderShip*-conference in cooperation with the Bergen Shipowners' Association. The department is also well connected with the energy industry and is an active partner in *EoV – The knowledge hub on sustainable energy*. The department has a strategic focus on the insurance industry and has successfully used the NHH partnership in *Climate Futures* as a platform for interaction. *CityFreight – freight logistics in sustainable cities* – is another collaborative project with a large number of external partners.

The department emphasises impact as a goal alongside top publications. In this regard, it cooperates with the Office of Communication and Marketing to develop a suitable format for impact cases.

### *Action points*

- The department will develop a web page where it presents its existing impact cases.
- The department will collect and publish new impact cases to demonstrate how its research creates value for society.

## Organisation and resources

### *Status*

The department is multidisciplinary and has large teaching obligations both in English and Norwegian. To secure a long-run balance between core areas, the department announces vacant position based on its need to strengthen the teaching capacity in specific fields. The aim is always to recruit top researchers within these fields. In the previous strategy period, analytics and sustainability were prioritised areas.

The department has recruited successfully by using four-year assistant professor contracts, and by combining open international announcements with an active search for young talents in its own networks. This was particularly acknowledged by the external committee that evaluated the department in 2019.

The gender balance within the group of permanent faculty members, is far from satisfactory with only 13 % females in permanent faculty positions. Steps have been taken to improve on this dimension, and the work to improve the gender balance must continue with full force.

Ten of the department's professors will retire in the next five to ten years. Many of them play a key role as lectures in the bachelor's program where the median lecturer is a 56-year-old male professor. An important challenge for the years to come is to secure and develop candidates that can replace faculty members who approach retirement. Some of the candidates will need a permanent position before the person they will replace retires. This will put pressure on the budget. The department has set aside funds that partly will bridge the gap. It will also continue to apply for external funding and expects that its high teaching load per employee will be reflected in the NHH budgets in the years 2023-2025.

The head of department uses performance appraisal dialogues as a systematic tool for faculty management. Career development issues such as placement, tenure, professor promotion and excellent teaching practitioner promotion are important topics in these meetings. The department has a placement officer who works systematically with PhD students in the last two years of the PhD program. Job market candidates are presented at the department's web page.

The department announces vacant PhD scholar positions twice a year. It receives many applications, but the geographical distribution is not satisfactory. The department is in continuous cooperation with the Office of Research Administration and the Office of Communication and Marketing in order to adjust the marketing.

The department plays an active role in the development of NHH by prioritising participation in management groups and work groups at all levels, and by providing substantial input to all central processes where input is demanded. The department as such has a strong culture for participating at NHH meeting places. This also applies to administrative employees.

The department fine-tuned its governance structure during the strategy process in the fall of 2021 and has an excellent track-record with respect to work environment and onboarding. However, it has experienced a strong growth in activities. It is in dire need of extra administrative resources as explained under the section on external research funding.

#### *Action points*

- The department will continue to use four-year assistant professor contracts as its main tool for recruitment. The department will continue to announce all positions internationally and emphasise the need to recruit lecturers who can teach mandatory courses in the bachelor's program.
- The department will improve its gender balance and continue to search actively for strong female candidates. In the previous strategy period, the department had a 20 % female share in new tenured positions. It targets a 40 % share in the years 2022-2025.
- The department will propose that the NHH board hire without announcement in cases where particularly strong female candidates are identified and when it is established that the candidate is willing to accept an offer.
- The department will continue to work with the Office of Research Administration and the Office of Communication and Marketing to improve the geographical distribution of applicants to PhD scholar positions. The department will support the new PhD-day initiative in order to attract more candidates from NHH and acknowledged European business schools.
- The department will continue to focus on the work environment and update its work environment action plan every two to three years.
- The department will develop mandates to describe and define the responsibility of the faculty members of the department's executive management team.

- The department has English as its every day working language and will continue the process of providing more of its governance information and policy documents in English. Norwegian will remain to be the administrative language at the department, in line with NHH's language guidelines.

## Cross check – Strategic priority areas

### Contribution to sustainable value creation

The department is a key contributor to the ENE master's profile and provides courses on sustainability also in other profiles and in the bachelor's program. The department will continue to develop courses in this area. With respect to research, the department hosts the ENE centre and is a partner in the two Centres for Environment-friendly Energy Research, *NTRANS* and *HyValue*. It is also a partner in the Centre for Research-based Innovation, *Climate futures*. The Norwegian Centre for taxation has recently initiated projects on green taxes, and the Centre for Shipping and Logistics has for many years done important research on sustainability with the current *CityFreight*-project as one example. This large project portfolio will be used actively to hire and develop competence in sustainable value creation in the years to come.

### Widespread internationalisation

The department hosts close to 20 different nationalities and announces all job openings internationally. Over the last decade, the share of non-Scandinavian citizens in new hires has been between 50 % and 60 %. The department aims for a long run balance in the 40 % to 60 % interval.

The department supports activities within CEMS and Engage.EU. The department pioneered internationalisation of the master's program when it launched the ENE profile which draws on Norway's comparative advantage in energy and natural resource industries. The department sees a similar potential to attract high-quality international students who want to specialise in shipping and logistics, and it will actively develop its course portfolio in this area.

The department will continue to encourage faculty members to take courses in case teaching and research management at Harvard and CBS, respectively.

### Collaboration and commitment to common goals

The department will continue to encourage its employees to prioritise participation at shared NHH meeting places to build a strong, joint NHH culture.

The department will also continue to devote significant resources to participation in NHH committees and work groups at the central level to support common goals.

The department will continue its efforts to secure a good and inclusive work environment that fosters collegial cooperation and sharing of knowledge and experience within and across units.



## Implementation Plan

The department's administrative manager will prepare an implementation plan for the executive committee by December 2022. For each action point, the plan will specify

- who is responsible for preparing the action
- when the action is to be implemented
- what body makes the final decision on implementation