

Overview report from UoA43: Business and Management Studies

Introduction

94 departments sent 97 submissions to the panel. This compared with 100 submissions in the 1996 exercise - a low drop in comparison with cognate disciplines. Moreover, departments returned more research active staff (around 3,054) than in 1996, and put forward 9,960 publications for assessment. Around 11 per cent of staff fell into the new category of A*, which identified staff who had moved between eligible institutions in the nine months preceding the cut-off date for research publications.¹

Departments reported 506 full-time equivalent (FTE) research assistants and 2,615 FTE research students in place at the census date of March 2001, with 4,575 studentships over the period. Income that was eligible to be included in the data returns amounted to around £200 million. Of this, the single largest sources for the discipline were UK industry and UK central government bodies, with very significant sums coming also from the UK research councils. This portfolio differed from the overall profile for the social science disciplines, which sourced primarily from the research councils, followed by UK central government bodies, then UK-based charities and UK industry.

The panel's task was to assess research activity *in the round* in each department, assessing not only its published outputs but taking into account all the published criteria, including evidence of the research culture and environment indicated in the submission. We show below the distribution of final ratings in comparison with the 1996 exercise.

Percentage of submissions to UoA43, by rating

Rating	2001	1996
5*	3	3
5	13	7
4	23	16
3a	23	16
3b	17	15
2	15	30
1	3	13

The sub-areas

Accounting and finance

280 scholars submitted to the sub-area. Whereas the paradigms for finance research are predominantly based on economic reasoning, research in accounting displays eclecticism in paradigm usage and focus. Also, the sub-area is organised within relatively small groups: only ten institutions submitted groups of more than ten individuals. Research approaches in accounting range from positive economics theory approaches to the use of accounting numbers by market participants of various sorts to sociologically-based, critical analyses of the role that accounting plays in establishing political and property rights and preferences within organisations and society. Work in all areas of accounting can range from treating accounting as a fairly abstract concept to detailed work on the specific practices and policies of

¹ Departments could submit two publications each for such transfers, compared with a maximum of four publications for other Category A and C staff.

accounting. Work in the UK can be theoretical or empirical, with empirical work ranging from case studies to large sample approaches. Perhaps because of the range of work produced, units submitted often do not display the full range of possible work in accounting and, in general, display a degree of concentration around either an approach to accounting research, a focus of accounting research, or both. What is perhaps disappointing is the lack of evidence that different approaches to accounting research 'talk to each other' – whether this is because their ontological stances are mutually exclusive or for other reasons is not clear.

There is accounting research produced in the UK that is clearly world class. But the eclecticism shown in UK accounting research does not mirror that found elsewhere in the world. In the USA, for example, the predominant approach to accounting research is based upon economics. This could not be said to be the case in the UK. As a consequence, being world class in accounting research is not identical to having impact on USA research. Particular areas where the UK has world-class researchers producing world class research include the role played by accounting in organisations and society, critical approaches to the evaluation of accounting, the history of accounting, market-based accounting research and accounting in the public services.

There are fewer finance than accounting researchers, although finance is clearly a growing area in the UK. Research in finance has a number of foci, with the main emphasis on the analysis of the economic properties of various markets (stock markets, derivatives markets, et cetera). Work is mainly empirical and emphasises large sample econometric/statistical methods. The range of methods typically used matches that of the best scholars in the world. Work on finance theory tends to be carried out by only a few individuals. There is relative little work in pure corporate finance although, increasingly, emphasis on the 'market for corporate control' has linked corporate structure and financial markets. As with accounting, there are world-class researchers in the UK producing world-class research. Particular areas of strength include research into the market for corporate control and finance theory.

Economics

There has been a steady movement of economics research into business schools in the UK, reflected in the large number of outputs submitted - over 1,000. This has bearings on the funding and focus of economics research more widely.

The quality was high, with a significant proportion of international standing and the majority of national standing. Much of the international level work is concentrated in a small number of institutions, but 28 had at least some outputs of international standing. There is a focus on publishing in refereed journals, including the very best international journals.

The sub-area stretches well beyond the microeconomics issues that one might expect to find in business schools, and includes, for example, macroeconomics and development economics. This has two implications. Firstly, the specialisation of some schools distinguishes the type of research and teaching they undertake. Secondly, the UK has the potential to provide a strong economics base to the research and teaching undertaken generally in business schools: consideration might be given as to how this could be exploited.

Most of the research is empirical rather than theoretical - unsurprising given the applied nature of business schools. But it means that some microeconomic tools, such as auctions and game theory, which should be central to business schools, are not core research skills. If these skills have remained within economics departments, realising their full potential will require close interdepartmental links.

Entrepreneurship and small business

Research in the UK in the sub-area is primarily in small business, with little in entrepreneurship. This is very much counter to what can be found in the USA, which sets the international standard. There are no premier international journals in the sub-area within the UK. Moreover, less than a handful of UK academics are on the editorial boards of the major international journals. With very few exceptions, there is no critical mass of researchers in any one institution. Of the outputs submitted to the RAE, a low proportion was of international standard, and less than half of national standard.

There is a severe shortage of supply of qualified teachers, that is, doctorates in the sub-area with some practical experience and a wish to continue researching. Neither can they be bought in from the USA, as pay rates in the UK are very low in comparison.

Hospitality management and tourism

There is some evidence that fewer centres submitted work to the panel than in 1996, and there were some omissions of large departments in the sub-area. However, this may be offset by an increase in output in those centres that did submit. Around 500 outputs were submitted.

Research in tourism derives from a number of disciplines including geography, social anthropology, management, policy studies, and the social sciences in general. In hospitality the research is more clearly management based, with work spanning the areas of operations, marketing, organisational behaviour and accounting.

The discipline base of tourism has resulted in a relatively mature body of work, with around 20 per cent of international quality. Few centres have critical mass, with output deriving from a small number of experts ranging across the sector. Some work remains of sub-national quality, usually due to the relative inexperience of new or young researchers.

Hospitality is less mature as a sub-area, and there is little work is of international quality, with around half rated at below national level. Much of the output published in hospitality journals comprises conceptual work, extended literature reviews, and reports of small pilot studies. The sub-area relies heavily on theory developed in the management field, with only application to the hospitality industry, and in some cases work lags a number of years behind theory development in mainstream management. Some of the output reflected the currently strong and vigorous debate in this research community about aspects of research quality.

There is limited evidence of doctoral supervision in the sub-area. Of those submissions in which hospitality or tourism was the sole or predominant discipline, only one centre had a substantial programme.

Three tourism/hospitality centres chose to make separate submissions to the panel. But there is no clear evidence from this RAE that the consistent trend to amalgamate hospitality and tourism schools into larger business schools is having either a positive or negative impact on the quality of work.

Human resource management

The quality of research output in the sub-area has increased relative to 1996, with particularly good work being done in the area of the integration of HR strategy and business strategy, and the impact of HRM practices on competitive advantage. There is also a growing body of high quality research on the internationalisation of HR practices and analysis of differences in the implementation practices between countries.

It was surprising to see that much research continues to centre on trade union behaviour, given the near-disappearance of trade unions in the private sector.

In general, there is insufficient work examining the impact of European economic and political integration on the management of people, and also relatively little research attempting to assess the impact of anti-discrimination legislation (other than in the area of pay).

Information systems

The comments of the external advisor in IS support the view that the sub-area is improving but still lags some way behind that the USA. The UK has few significant research groups, and there is a shortage of PhD students. But the UK has led in methodological areas related to system design, and some of the recent interpretive work is of a high international standard. There is little or no strong work that links into developments in computing, and the IS community tends to look towards the world of social science for its frames of reference. It may be reasonable to ask whether IS research should be regarded as part of technology management or whether there should be greater co-operation with the computing community if the area is to develop to fully international standards.

Marketing

The number of researchers publishing internationally is growing, but remains a small fraction of the community covered by the UK-based Academy of Marketing. There are a few large, internationally strong but very different research groups. They are led by well-established marketing academics who are very active and conspicuous internationally and whose reputation has helped the groups attract an increasing proportion of staff from outside the UK.

Marketing strength is very unevenly distributed across business schools. For example, several business schools that have overall research strength have marketing groups that are of mainly national or even weaker standing, while a significant number of strong international researchers are leading good small groups in aspiring business schools. Some marketing researchers provide an isolated sparkle of international excellence in a larger departments.

These widely dispersed, excellent academics publish in the world's leading journals and are participants in the debate and theory development in international bodies. Britain is most influential in the European Marketing Academy, but contributes also to the American Marketing Association, the Academy of Marketing Science, INFORMS, and the Academy of International Business. Methodologically this group is up to world standards, but theory development is less strong.

Although marketing's international research community is growing, a number of features seem to be limiting its potential. Firstly, the efforts of 'late entrants' to business education to build a marketing strength can lead to many young researchers being over-promoted to institutions that lack the depth in the sub-area that would support their future development. Once recruited, many of these young researchers are forced prematurely into managerial roles. Secondly, there is a perceived lack of funding and other support for the sub-area that means much research is done on a shoestring, and there is a lack of postdoctoral researchers. There is also a lack of good doctoral students. Research degree programmes are growing, there are not enough students on programmes that are likely to develop their skills as international researchers. For UK business graduates, the doctoral student pay rates and the likely academic salary on completion make studying for a PhD unattractive.

Many of the UK's leading business schools rely on attracting young academics from outside the UK. There is a strong pool of young graduates all over the world who would like to study for a doctorate in the UK and who in many cases seek academic work in the UK after obtaining their doctorate: tapping into this demand would increase the quality of research done in the UK and improve the flow of excellent candidates seeking a career in the UK university system.

Occupational and organisational psychology

The sub-area is growing in strength in the UK, with an increasing number of postgraduate courses, researchers and academic staff. There has been a movement away from psychology department towards management schools, reflecting the applied nature of this research and the receptive attitude of business schools to the discipline. Around 200 outputs were submitted.

The quality is very high, given its more empirical base and the demands of industry and the public sector for evidence-based data on 'people problems' in the workplace. In global terms, research is undoubtedly better developed in the US, but the UK now ranks with the Netherlands as one of the two leading European countries in the sub-area, prompted by a surge over the last decade in the training and development of occupational psychologists. Some of the leading journals are UK-based. Also, where there is a significant grouping of specialists in a school, there tends to be a large number of PhD students, stemming from the professionalisation of psychology generally and recognition of the necessity of a research degree to the practice of occupational psychology.

The sub-area in the UK is in a very healthy state.

Operational research and management science

Research in the sub-area covers a broad spectrum from the highly mathematical (most of which was submitted to Panel 24) through to the philosophical, with much highly rated work in between. Research council funding comes mainly from the EPSRC, within which its sources include mathematics, computing and engineering. UK research in the sub-area seems healthy, especially in the larger groups in highly-rated institutions. Around 850 outputs were submitted. The UK is strong in forecasting, heuristics, simulation and certain types of optimisation. It has managed to maintain a rigorous approach to applied work, such as performance measurement, and leads the world in work known as 'soft OR'. Although there are healthy numbers of PhD students, few of these are from the UK, since there is little or no funding for UK PhD students in the sub-area. This, combined with an ageing staff profile, puts the current healthy situation at risk by the end of the decade unless action is taken.

Organisation analysis and theory and the management of change

The UK has a strong presence in work in critical approaches to organisation analysis and theory, in ways that are nonetheless related to real managerial problems. In this area of work UK leading figures and groups together with those in Scandinavia have a predominance in Europe, and Europe predominates over the USA.

Empirically based studies are less developed than in the USA, and there is great variability in output: too much is published that is methodologically weak, and lack of depth and focus is repeated in study after study. In this respect, much UK work is weaker than that found in the USA. Researchers need to be reassured that it is legitimate to focus on a researchable question that will not necessarily address all the aspects of a complex problem at the same time. Greater emphasis could helpfully be given to building cumulative knowledge, with clear methodological assumptions, to enable greater validity to be explored.

Reviewing the submitted outputs (around 1,050) showed the benefits of a conscientious, rigorous and independent refereeing process, and of the opportunities for junior researchers to work as part of multi-layered teams where peer learning and apprenticeship with experienced researchers can take place. This emphasises the importance of learning communities, or critical mass, in the pursuit of organisational research.

Public sector management

Submitted outputs were published in a vast range of journals (around 200 titles), as well as books, chapters and other forms of publication. As might be expected from the nature of the field, the last category comprised mainly reports to sponsoring organisations such as government agencies and charities. This category amounted to about one eighth of total outputs and, especially if added to similar work that cannot be put in the public domain, suggests that this type of research activity is increasing. It will be important to translate more of it into publishable papers.

One of the international advisers commented favourably on the public sector coverage. Certainly the outputs covered a wide range of areas, but without any discernible pattern of application or issue. They collectively demonstrated quality that equates to levels of national excellence in virtually all cases with

some evidence of international excellence. The outputs that did not meet levels of national excellence tended to be development reports oriented towards practitioners.

The textual commentaries in submissions mentioned little of specific ways in which public sector research will be taken forward. This might be consistent with the field's tradition of reacting to, rather than shaping, issues, but it is disappointing that there appears to be so little proactivity. This is an issue to be put to the the Public Administration Committee of the JUC. Elsewhere, the textual commentaries provided evidence of plenty of public sector scholars active in, and well regarded by, the research and practitioner communities.

It is worth noting that several centres in the sub-area, including one of the strongest, were not designated as such but concealed within disciplinary groups. This approach does little to communicate the activity to external communities. Moreover, some significant centres in the sub-area, including some with international reputations, did not submit to the panel.

Strategic management

Strategic management research in the UK as evidenced by submissions to the RAE is very broadly based, the key themes being performance analysis, growth and market entry, industry and competition, strategy types, leadership and cognition, strategy in its environment, and strategy processes. Much of the work is descriptive and impressionistic, finding expression in books and journals that have a strong practitioner focus. However, there is also a considerable element to be found in international journals, and these span both the academic and practitioner communities. The proportion of statistically-based studies is low relative to the USA, reflecting in part the lower availability of large databases. By contrast there is a strong tradition of rich interpretive studies, both in behavioural and economics traditions. This strand of work has been successful in advancing the field, but the bulk of empirical work is replication and application.

Technology, innovation and operations management

The sub-area appears to be reasonably healthy. There is a trend towards more interdisciplinary work and the development of coherent groups taking these themes as their core focus, but bringing in insights from economics, psychology, sociology, engineering, and so on. Research is strongly UK-centric, and although there are some useful emergent European linkages, more could be done to extend the boundaries to take on themes raised by globalisation. Themes in research in the sub-area vary widely but there is a trend towards work that endeavours to understand *inter-firm* dynamics and the ways in which networks may be built and managed, as opposed to studies of individual enterprises.

In terms of dissemination, there has been major expansion in the number and range of journals publishing in the sub-area. While some fill important gaps and provide an outlet for new research thinking, there is concern that the sheer volume of output channels may have an impact on quality. It is valuable to have somewhere for inexperienced researchers to place their work for wider discussion but there is also the risk that the expansion in publications may push towards an imbalance between breadth and depth.

The 'end-user's' commentary

The scope of research, at the level of aggregation visible from the panel, is extremely wide and it is a positive benefit to research users in the UK that this should be so. There is a well-developed base of applied as well as theoretical research.

It is notable that research is widely dispersed geographically in the UK. The strong local and regional links that a number of business schools have with public and private sector organisations for research collaboration and exploitation are impressive. It is also notable that UK research in management and business studies is developing strong links with industry and commerce at national and European levels.

It is a matter of some concern that the contribution of commercial and industrial funding for research is low relative to OST and other sources in institutions whose research focus is national rather than regional/local. (It would be interesting to establish the degree of correlation with research ranking). The reasons are various, and may reflect the balance of theoretical to applied research in these institutions. However in this area of primary importance to UK industry, it raises questions about the extent to which industry and commerce are still largely disengaged from the national research agenda. Direct funding is of course not the only indicator of end user involvement in research, but the extent to which research strategies reflected significant research collaboration with industry and commerce at a national and international level was very variable.

A final concern was in subject spread - it is my impression that SMEs, entrepreneurship and the impact of the internet were not very strongly represented. On the other hand, accounting and finance, and business economics, were well represented, even though each also had alternative panels for their disciplines. This suggests a lagging rather than a leading edge in new topics in management and business.

However there are some very interesting specialisms and centres of excellence with application in particular sectors, and interdisciplinarity is well represented.

In summary, the subject areas are clearly growing in research strength, with a genuine capacity to open new and important research areas with cross-discipline collaboration. There are strong industrial and commercial links in some areas and some institutions, and, it is to be hoped, real opportunities yet to be exploited elsewhere.

Conclusions

The last five years have seen a steady improvement in the quality of research in the discipline. In the 1996 exercise, 26 per cent of the submissions were rated 4 or above but by 2001, the comparable figure was 40 per cent. This is due primarily to the continuous improvement in the quality of the research in a wide range of the sub-areas. But there has also been some slight grade inflation, due to the fact that the panel was exploring the quality of a restricted number of outputs rather than the depth of quality publications. Nevertheless, the management sciences are healthy, and developing an international dimension not seen in the 1980s. Given the incentive carrot of the RAE, increased funding from industry, the public sector, government departments, the EU, and latterly the ESRC, have created the infrastructure sorely needed since the 1980s.

Government initiatives such as the ESRC Institute of Management and The Council for Excellence in Management and Leadership are welcome developments in a field that has been grossly underfunded in the past. The creation of the British Academy of Management in the 1980s was the first movement toward creating an umbrella organisation to promote and enhance management research in the UK, by bringing together under one roof all the management disciplines. This body has now forged relationships with the US Academy of Management, and is one of the founding members of the International Federation of Scholarly Associations of Management and the European Academy of Management.

The stage is set for UK management research to make a major impact in the international arena.