Report of the Intellectual Capital Committee
8/18/2009

Committee's Charge: Dean Hubbard charged us with evaluating ways to improve the intellectual life of the School. The goal is to find opportunities to increase our productivity and to highlight interdisciplinary research and teaching that has relevance across divisions.

Membership: Professors Ann Bartel, Casey Ichniowski, Paul Ingram, Charles Jones, Donald Lehmann, Chris Mayer (Chair), Doron Nissim, and Assaf Zeevi.

Initial Due Diligence: The committee started by examining the practices at many of our peer institutions. Our peers have a wide variety of organizational structures and departments. Most peer schools have a department that corresponds to Accounting, Marketing, Finance, and Operations. Finance is sometimes combined with Macroeconomics (Wharton and Kellogg). The fields of management and microeconomics are the most inconsistent among our peers. Sometimes these fields sit in stand-alone departments, but most schools have separate departments in areas like Organizational Behavior, Organizations, or Strategy. In some cases, these organizational structures appear to be related to the reputation of the schools involved. (e.g., Kellogg and Harvard have Strategy departments and Harvard has an Entrepreneurship department. Both are also known as top schools in these areas in the business community.) Several peers have departments in government or public policy. Two peers, Stanford and Yale, encourage joint teaching across disciplines. However, the committee also noted that Stanford GSB disbanded its Strategy Department. The Strategy Department was ultimately unsuccessful at recruiting, retaining, and promoting faculty across disciplines.

Recommendation: To create "cross-disciplinary areas" (CDA's) in the school to:

1) Foster interdisciplinary research
2) Attract outstanding scholars
3) Stimulate interdisciplinary (cross-divisional) teaching that appeals to students
4) Provide foci to help build the school's reputation
5) Reflect the cross-functional operations prevalent in business settings

Comments: Any CDA must draw significant participation from more than one division. Activities should be integrative rather than merely co-mingled. These should be areas where we have or aspire to have leading scholars.

Governance and Participation in Cross Disciplinary Areas:

1) **Monitoring**:
   a. After 3 years, the proposed structure and procedures will undergo a thorough review by the Executive Committee, which will have the option to recommend appropriate modifications to the Dean and the faculty.

b. Two years after a new CDA is created, the Executive Committee will appoint an ad-hoc committee to review that CDA. Thereafter, each CDA will be reviewed on a five-year schedule.

2) **Research**: Each CDA will institute a number of research activities including but not limited to

a. Seminar series
b. Conferences and/or workshops
c. Publications (e.g., working paper series)
d. Hosting visiting scholars

Comment: Research funding in these areas will be merit-based, with priority given to projects that lie across divisional boundaries.

3) **Teaching**: Any course developed by a CDA will be designed and generally taught by full-time faculty members in multiple divisions, and reflect the interdisciplinary spirit of the CDA.

a. In the initial 3-year period, each CDA will develop at least one and no more than three such courses.
b. CDA courses will follow the normal faculty approval process.
c. In addition to the new courses created by each CDA, other relevant courses taught by the divisions may be "cross-listed" in the CDA's with the approval of the divisions and the CDA.
d. Core and Flex Core course teaching needs take priority over CDA electives.
e. Core and Flex Core courses will remain listed and taught within a single division.

4) **Hiring**: A CDA may be given the opportunity to search for and hire faculty. Such hires must be collaborative and

a. Involve a search committee that is represented by two or more divisions.
b. Meet normal divisional standards for hiring faculty.
c. Be accepted by one of the divisions as a member (i.e. any member of a CDA must have a "home" in one of the five divisions).
d. Promotion and tenure cases are handled by the home division.

5) **Membership**:

a. Membership in a CDA will be voluntary.
b. Faculty members may join multiple CDAs.
c. Members in a CDA must be full-time faculty members, although alternative types of affiliations may be created, e.g. for post-docs or others who are not full-time faculty.
d. Members in a CDA must be active participants in the area's activities, including research and/or teaching.

e. If there are disputes regarding CDA membership, it will be resolved through discussions between the CDA Coordinator(s) and the dean's office.

6) **Governance**:

   a. Each CDA will have a Coordinator, or two Co-Coordinators, who will lead the group and make any day-to-day decisions on behalf of the CDA.
   b. The Coordinator(s) for the two CDAs recommended in this report will be appointed by the Dean based on recommendations by Committee on Intellectual Capital and subject to approval by the Executive Committee. The appointment of the initial CDA Coordinator(s) will be for a two-year term.
   c. For future CDAs, initial Coordinator(s) will also be appointed by the Dean and approved by the Executive Committee for a two year term.
   d. After the initial two-year term, CDA Coordinator(s) will be nominated by CDA members, appointed by the Dean, and approved by the Executive Committee for a three year term.
   e. CDA Coordinator(s) will consider the preferences of CDA members according to the norms of academic governance, including appointing committees or voting to help make important decisions.

7) **Initial CDA's**: We recommend beginning with two CDA's.

   a. Competitive Strategy: This CDA focuses on how organizations gain competitive advantage, and includes theories and techniques for understanding and analyzing industries and inter-organizational relationships.

   b. Decision Making and Negotiations: This CDA focuses on psychological and behavioral aspects of decisions, examining how individual make their own decisions as well as how they negotiate with others.

   c. Other possible future CDAs include:
      i. Public and Non-Profit Enterprises (Social Enterprise)
      ii. Organizations
      iii. Entrepreneurship
      iv. Innovation
   d. New CDA's can be proposed by faculty members and/or the Dean's office. New CDA's must be approved by the Executive Committee and the Dean.

8) **Other activities to encourage cross-divisional coordination.** Many cross-divisional activities may be worth encouraging without developing them to the extent of CDA's. These should be examined and operated on a more ad-hoc basis.