

<b>Institution: City University London</b>
<b>Unit of Assessment: 19 Business and Management Studies</b>
<p><b>a. Context</b></p> <p>City University London's commitment to academic excellence for business and the professions is reflected in the importance of external engagement and enterprise at Cass Business School. Both are integral to the School's knowledge value chain since they facilitate the development of relationships between academic research and our key stakeholders including businesses, non-profit organisations and policy-makers, leading to wider societal benefits. They also enhance the School's profile by developing awareness of its research capabilities and generating additional research income. We regard knowledge co-production and the commercialisation or uptake of research ideas from the School's academic community by external stakeholders to be of equal importance to theory development and basic research. In this dual model, the principal stakeholders are the organisations that the School relates to as part of its knowledge value chain – upstream, to social science-oriented business schools and other university departments and downstream, to professional service organisations, the investment management industry, the accounting and actuarial professions, management consultancies, large corporations, 'new economy' firms and government departments and agencies.</p> <p>The types of impact specifically generated by research at the School are: a) economic, commercial and organisational impacts; b) impacts on practitioners and professional services; and c) impacts on public policy, law and the delivery of public services.</p> <p>Examples of economic, commercial and organisational impacts include:</p> <ul style="list-style-type: none"> <li>• The development of new financial services products (e.g., research by the Pensions Institute on longevity swaps and bonds enabled Swiss Re, the global reinsurance company, to launch the world's first successful longevity bond to investors in 2010 - see <i>Case study 4</i>).</li> <li>• The development of new strategies that minimise costs and create wealth for stakeholders (e.g., research on trend following investment rules by the Centre for Asset Management Research helped Credit Suisse launch the <i>Trend Master Index</i> series - see <i>Case study 5</i>).</li> <li>• The improved effectiveness of workplace practices (e.g., research on employee ownership conducted by Faculty of Management staff with the UK Department of Business, Innovation and Skills has influenced the Enterprise and Regulatory Reform Bill - see <i>Case study 8</i>).</li> </ul> <p>Examples of impacts on practitioners and professional services include:</p> <ul style="list-style-type: none"> <li>• The use of research findings in the conduct of professional work or practice (e.g., research on stochastic non-life insurance claims reserving developed in the Faculty of Actuarial Science &amp; Insurance is now widely used by actuaries - see <i>Case study 3</i>).</li> <li>• Informing and stimulating practitioner debate leading to the introduction of new industry-wide business models and methodologies (e.g., the development of new methods of shipping finance by The Costas Grammenos Centre for Shipping, Trade and Finance that are used by international shipping companies and investors - see <i>Case study 6</i>).</li> <li>• Influencing professional standards, guidelines or training (e.g., curriculum-setting for UK Certified Financial Analysts developed by researchers from the Faculty of Finance).</li> </ul> <p>Examples of impacts on public policy, law and public services include:</p> <ul style="list-style-type: none"> <li>• The use of research that has led to legislative change and affected legal practice (e.g., research on the calculation of monetary compensation in the Faculty of Actuarial Science &amp; Insurance, incorporated into the Ogden Tables and used in UK court cases involving personal injury claims - see <i>Case study 1</i>).</li> <li>• Shaping or influencing policies made by government and its agencies (e.g., research projects in the Faculty of Actuarial Science &amp; Insurance which influenced policy in HM Treasury, the Department of Health, the Dilnot Commission, the actuarial profession and among parliamentarians - see <i>Case study 2</i>).</li> <li>• Influencing the quality, accessibility, cost-effectiveness or efficiency of services (e.g., proposal to replace the national decennial census with administrative data widely used by local authorities - see <i>Case study 7</i>).</li> </ul>

### **b. Approach to impact**

Since 2008, the School's approach has been based on: a) substantial investment in the recruitment and retention of academic staff who can make major contributions to knowledge production; b) a clear focus on the practitioner consumers of its research; c) the provision of assistance to individual academics via professional services to help them understand how their research may be appreciated and used in practice and policy-related areas; and d) the targeting of various sectors in the City of London, thereby taking advantage of our strategic location. These include professional service organisations, the investment management industry, the accounting and actuarial professions, management consultancies, large corporations, 'new economy' firms and government departments and agencies.

Academic staff interact with business, the professions and policy-makers by:

a) Attending and presenting at conferences with industry and university participation, as well as industry-sponsored practitioner workshops. Since 2008, staff have attended approximately 300 events, including: the Westminster Business Forum, the Society of Later Life Advisors Conference, the General Insurance Convention, the National Association of Pension Funds Conference, the American Bar Foundation and the Royal Institute of Chartered Surveyors Conference. In terms of practitioner workshops, Blake spoke at the International Actuarial Association Colloquium and at successive Longevity Risk & Capital Markets Solutions Conferences; Phylaktis presented at the Chartered Financial Analysts conference; Haberman currently holds the Belgian Actuarial Association Chair which involves giving a series of lectures to actuaries; Kaishev led an event for the Barclay's Bank Global Quants Forum; and Empson presented at the American Bar Foundation. Personal contacts through conferences and meetings provide fertile ground for exchange. Staff benefit from attending these events in terms of visibility and increased network capacity while the School signals its ability and willingness to address practitioner problems.

b) Organising and hosting practitioner/sector conferences. The Costas Grammenos Centre for Shipping, Trade and Finance organises the City of London Biennial Meeting, a round-table forum that brings together around 700 world business leaders, policy-makers and academics to debate issues of challenge, competition, innovation and their consequences within a global context. The Pensions Institute created and co-organises the annual International Longevity conference, attended by leading international industry and academic representatives and policy-makers to discuss longevity risk and consider the responses from pension funds, insurance companies and governments.

c) Undertaking research projects with industry, government departments and agencies. Around a third of faculty have been involved in at least one such project during the assessment period. For example, Barclays Wealth commissioned Faculty of Finance staff to help them understand how and when their customers chose to invest in specific stocks and reject others. This enabled Barclays Wealth to adjust the launch and presentation of products to consumers. Aviva and PwC funded a project to help them price their insurance policies. This was topped up with a government grant. Cass research led to a model that helped the insurance company to determine the optimal strategy for choosing its premiums in relation to other companies in the market, using the mathematical technique of optimal control theory.

d) Participating in a wide range of advisory work and consultancy which builds sustainable relationships with external organisations. For example, Blake has advised the Office of National Statistics, the National Audit Office, the Financial Services Authority (now the Financial Conduct Authority), the Government Actuary's Department, HM Treasury, the Department of Work and Pensions, the Bank of England and the World Bank, among others. Research by academics in the Faculty of Actuarial Science & Insurance has had considerable impact on policy and practice through close relationships with the profession. This is matched by regular consultancy and advice to firms, consultancies (e.g., Towers Watson) and the government.

e) Providing assistance to entrepreneurs by delivering seminars to companies in the Tech City area of London, home to many new media start-up companies. City Unrulyversity, a free pop-up university, is a joint venture between City University London and the global social video advertising company, Unruly Media. It aims to deliver business education and practical academic guidance to the innovative media start-up companies of Tech City. Academics from the School deliver a two-hour session each week.

f) Publishing outputs designed to engage practitioners. These may be reports resulting from commissioned research that address current topics and identify measurable changes. Since 2008, 80 practitioner-type reports have been published. The School has sought to reach new audiences by disseminating its research in the business and general media, an activity in which they are ably assisted by an in-house Press Office. Cass now secures around 100 pieces of print, broadcast and online media coverage per month. Recent coverage includes commentary on the LIBOR overhaul, the UK's new auto enrolment pension scheme and executive pay. Our public dissemination of research also benefits from the University hosting The Conversation UK (<http://theconversation.com/uk>), where UK academics write about their research for a lay audience. Working with business and government can prove problematic for academics, given different incentive and institutional regimes operating in the university system compared to industry. To achieve impact from research and enable external engagement, the School prioritises two key elements: resource support and staff incentives. Resource support includes direct investment, facilitation, organisational mechanisms and functions such as Cass Knowledge, Cass Consulting and knowledge exchange (KE) pump-priming funding. Incentives include workload management and HR policies that encourage staff to allocate their time to user engagement.

The Cass Knowledge open access platform ([www.cassknowledge.com](http://www.cassknowledge.com)) is a major initiative to showcase research and enable academics to communicate their research strengths and promote their expertise to businesses and the professions. This dissemination tool serves to elicit enquiries leading to sponsorship for research, consultancy and Cass-industry collaborations and partnerships. Cass Knowledge has been fully supported by HEIF funding. Since its launch in 2010 we have uploaded 700 research papers and the site has received over 80,000 unique visits.

The School operates an enterprise and KE pump-priming competition where staff or Research Centres can bid for funding for applied research projects that bring together academics and practitioners, with preference given to co-produced research or projects that are match funded by a business partner. In 2012 we awarded six grants of up to £10,000 and in 2013 we awarded five. In 2012 we also awarded a special grant of £50,000 that required research groups to develop sustainable impact ideas to take us beyond REF 2014. The winning research topic centres on Corporate Social Responsibility and involves cross-faculty collaboration.

The School runs training on academic consultancy skills. Cass Consulting was established in 2011 to develop corporate research collaborations. It produces thought leadership reports with professional service firms and business white papers which may, for example, recommend a new, improved solution to a nagging business problem. In addition to the partnerships developed as a result of specific research and KE projects, it aims to sustain these beyond the project lifespan in order to develop the client's interest in Cass and cross-sell within the School if and where applicable in order to elicit repeat business. For example, Cass Consulting was instrumental in setting up a consultancy project on investment strategies in the form of a new Market Index that has been introduced by Credit Suisse, Goldman Sachs and Indexx Markets (see *Impact Case 5*).

The City University London employment contract allows academics to work for one day per week providing private consultancy and advisory services to industry. Many staff channel their consultancy work through the University. This contributes to institutional goals relating to enterprise and provides the staff member with support relating to the administration of contractual and payment arrangements. Knowledge exchange and public engagement are important elements of the School's professorial promotion policy. Finally, the School operates an annual research and KE performance exercise whereby staff are given credit in the workload model for income from business and government sources, contributions to Cass Knowledge, publications in leading practitioner journals and other contributions to business development.

### **c. Strategy and plans**

The School's ambition has at its heart the goal of being the intellectual hub for the City of London and stimulating research and debate on the key issues facing international business and finance. Key strategic objectives include: a) raising KE awareness across the School; b) developing the School's ability to respond to KE funding calls by the UK Research Councils and other Government organisations/agencies; and c) working closely with the Research Centres and individual academics to help them bridge research and practice, bring together academics and practitioners to improve client performance and secure external funding. Our present impact strategy remains

valid in broad terms beyond 2014, supported by a University framework for achieving impact, with top class academic and research staff fundamental to these goals. The mutual reinforcement of an internationally recognised faculty, research income, an enviable London location, user engagement rewarded in workload allocations and promotion, visible Research Centres and professional support provides a strong basis to ensure potential beneficiaries have the opportunity to benefit from our research. With these underpinning capabilities our plans for impact include:

a) Developing corporate partnerships which aim to sustain client relationships established as a result of specific research projects beyond the project lifespan in order to cultivate the client's interest in Cass over the long term. Cass has a strong track record of building long-term partnerships with corporate supporters through the Corporate Partnership Scheme. Current partners in the scheme are: BNY Mellon, Czarnikow, Santander, Threadneedle, Dubai International Financial Centre and Barclays UAE. Project partnerships allow company relationships to be managed institutionally, offering a multi-touch and sustainable relationship which can cover research links, executive education and graduate career offerings.

b) Enhancing the Cass Knowledge portal for business and the professions by linking it to social networking sites such as Twitter, Facebook and LinkedIn, thereby helping us to reach wider audiences and elicit valuable feedback about our research. This will form an integral part of the School's 'open access' strategy in terms of broadening access to academic research to a wide range of stakeholders.

c) Fully engaging the Research Centres in playing a key part in KE activity. They are reviewed annually and one of their objectives is to provide a platform to facilitate interactions between Cass academics and practitioners and serve as a vehicle to attract external finance to underpin long-term sustainability. The Mergers & Acquisitions Research Centre receives sponsorship from AXA Private Equity, Credit Suisse and EY and provides a model for other Centres to emulate in terms of the benefits of corporate subsidy of research activity and dissemination. Other benefits also include receiving advice from practitioners on the identification of potentially high impact research projects. We plan to focus resources on multidisciplinary teams within the School and across the University, for example, to encourage collaboration with academics who conduct research in engineering or law. ETHOS, a newly-created Research Centre focused on business ethics, is an example of how this approach can provide businesses with three key benefits: it promotes multidisciplinary collaboration; provides scale that mobilises resources for wider dissemination of research to businesses; and gives businesses clear signposting of our expertise and current research agenda.

d) Reviewing our rewards and incentives scheme for staff engaging in impact activities. In the academic workload model at present three-quarters of the calculation of the reward for 'research and KE', in the form of a reduced educational load, is for publishing in selected top academic journals. We realise this narrows career-path opportunities for academics committing to engagement work. In future we will measure impact and incentivise the development of capabilities to undertake activities that translate academic insight into practical impact. The new reward system for engagement and impact will incorporate features such as self-assessment, moderated by Faculty Associate Deans and the use of a broader range of performance metrics encompassing impact, innovation and engagement. The aim is to help re-orient senior staff, encouraging engagement in the short term and help junior staff to understand the importance of developing the skills to support impact. Incentives will provide recognition for overall contribution, not for each activity undertaken and there will be institutional celebration of success stories. The new incentive scheme will be monitored against these aims and revised as necessary.

e) Encouraging and facilitating staff to develop the skills needed for successful knowledge exchange including: how to communicate their work to non-academic research users; how to engage with audiences and partners; understanding consultancy tools; and developing project evaluation skills. We also realise that academic staff may not have the skills needed for effective engagement with companies. The challenge is for academic staff to do this while maintaining the rigour and incisiveness of the research they conduct. With the help of the Foundation for Management Education, the Society for the Advancement of Management Studies and the ESRC, we have already attracted two successful professional managers for a second career in academia.

f) Increasing institutional consultancy by searching for new commercialisation opportunities thereby generating more income to support academic research. Cass Consulting, described above, will be



a key resource in this plan. The School has made a strategic decision to promote closer integration between its consultancy, executive education, *alumni* relations and business development office functions, in recognition of the fact that impact and engagement are not the preserve of academic staff alone.

g) Providing institutional support and assistance to further facilitate business engagement. In working towards this goal, the School has assembled a significant database of external organisations that have collaborated with Cass over the years. As the dataset grows it becomes more useful with the identification of potential partners for future projects at very early stages of a project's life-cycle. We know that knowledge co-production is more likely to result in the research findings being useful. Furthermore, with a good HEIF settlement and additional University funding we plan to increase the seed-corn funding available to staff with impact initiatives.

#### **d. Relationship to case studies**

The impact case studies provide a clear representation of the range of practitioner engagement activities across the School and the types of engagement undertaken by academic staff. Our processes and incentive mechanisms have created an ecosystem where practical research ideas can be tested through pump-priming, presented to practitioners through Cass Knowledge and launched to industry for commercialisation via Cass Consulting. Our system of incentives encourages academics to engage with practitioner communities. Our location and links to over 38,000 *alumni* (most of whom work in business and the professions) provide a ready-made practitioner audience to test research and receive feedback on its uses and application to business. The case studies exemplify our overall strategy for achieving impact.

For example, research by Blake on managing longevity and mortality risk using LifeMetrics with JP Morgan (*Case study 4*) was enhanced by the School's approval and support of the Pensions Institute in 2004 as part of the overall strategy of supporting Research Centres with strong collaborative links with industry. The staff members involved benefited from contracts that permit consultancy work and bolster business engagement development, as well as pump-priming funding to help them test the work. Mayhew's research on how administrative data sources can be used to count populations underpins *Case study 7* and was enabled by an ESRC/UPTAP User Fellowship that was facilitated and co-funded by the School. Mayhew and Rickayzen's work on long term care (*Case Study 2*) was disseminated to a wide audience with the support of the Press Office and was supported by a special commission from the City of London Corporation, the results of which were presented and discussed at a special event chaired by the Lord Mayor (City University London's Chancellor) held at Mansion House in 2009, as well as featuring in the Dilnot Report.

The significant impact of research by Grammenos on shipping finance (*Case study 6*) relied on strong support given by the School for The Costas Grammenos Centre for Shipping, Trade and Finance and the integrated efforts of several professional services: postgraduate courses, development and fundraising, *alumni* and enterprise. The shipping finance research was awarded pump-priming funding in 2012 to develop indices for commercialisation. Seed-corn funding was also instrumental in widening the impact of research on employee ownership (*Case study 8*).

Clare and Thomas have developed investment strategies and indices that have been commercialised by Credit Suisse and other financial institutions (*Case study 5*). These outputs would not have been possible without School pump-priming (to test the market and conduct feasibility studies); Cass Consulting (to source commercial partners and market the research to practitioners); Cass Knowledge (to work with the Press Office in promoting the research to the media); and support from senior management to collaborate on a purely commercial basis with these organisations through revenue-generating licensing agreements.

These examples indicate that the overall impact and engagement strategy at Cass has led to a variety of benefits to research users. The case studies inform the future development of Cass strategy in this area beyond 2014. They will be used as examples of who can benefit from our research and how and to raise general awareness of the impact agenda across the School. In addition, they will encourage further collaborations by demonstrating excellence in conducting applied research. The cases were also a guiding factor in recent recruitment policy across the three faculties by helping to identify high priority research areas of strategic importance to the School, such as corporate social responsibility, business ethics and international finance.