

Institution: London School of Economics and Political Science

Unit of Assessment: 19: Business and Management Studies

a. Overview

LSE's Business and Management Studies (BAMS) submission consists of three departments—Accounting, Finance, Management—which collaborate in relevant areas of synergy and have international reputations in their academic disciplines. Across the BAMS departments, we have three research centres and a number of active area-specific and multidisciplinary research groups. These are supported by centre grants, grants from research councils, as well as some large private sector donations (e.g. from Abraaj Capital). These also integrate our well-funded, structured PhD programmes. Taken together, BAMS constitutes a broad spectrum of quality management research with a distinctive social science research foundation.

DoA (Department of Accounting) enjoys a strong international reputation for teaching and research on the economic, institutional and organisational aspects of accounting and financial management, principally along the three themes of Accounting, Organisations and Institutions; Financial Accounting and Capital Markets; and Management Accounting and Performance Measurement. DoA places great emphasis on the development of its faculty and research students through balanced workloads and access to research, data and travel resources. DoA hosts an active seminar series, annual academic/practitioner conferences, and is the home of the formerly fully ESRC-funded (2000-10) Centre for Analysis of Risk and Regulation (CARR). This is strongly reinforced by close links with other departments and research centres in the School. Across this range of activities, DoA offers an effective environment for the exchange of ideas among academics as well as with practitioners and regulators.

DoF (Department of Finance) research activities are supported through departmental resources and the research programmes of the formerly fully ESRC-funded (1994-2004) Financial Markets Group (FMG) and the new ESRC-Systemic Risk Centre (SRC), which provide research and data assistance and support in the development and management of research grants. These centres run a range of regular seminars and host a number of academic/practitioner conferences throughout the year. They also enable cross-fertilisation of research in finance with accounting, economics, law, management, and mathematics. In addition, the centres provide support and facilities for research students, which complement the generous funding provided by the department. The centres also host renowned academic visitors and practitioners.

DoM (Department of Management) is organised around five academic groups working to agreed procedures and standards: Employment Relations and Organisational Behaviour (EROB); Information Systems and Innovation (ISI); Managerial Economics and Strategy (MES); Management Science (MS); and a new academic group (NAG) acting as a seedbed for emerging fields like marketing, public sector management and entrepreneurship. This federal structure develops its common agendas through its teaching and research committees. Each of the groups within the department also builds on a disciplinary social science foundation. Hence, although the groups cover a wide variety of topics across the management field, they are founded on the core social science disciplines. Research in the subfields is coordinated at the level of each group through an extensive program of workshops and seminars. In addition, there are cross-group activities as well as investments in a common research infrastructure (e.g. the Behavioural Research Lab).

b. Research strategy

This REF period has been one of considerable expansion and consolidation, especially within the DoM, which, as we reported in 2007, was not yet fully integrated ahead of RAE 2008. All three departments have since expanded around core research principles and the provision of an appropriate research environment and academic support, as we report further below. Our shared and most fundamental aim is to enable individual faculty and research students to undertake internationally-recognised research. Additionally, our strategy is to build and develop our existing infrastructure to support group-based applied research. The latter involves the continuing development of research infrastructure, including research centres, management of large grants, and access to data. This aligns with the increased emphasis on the impact of our research. While our research centres have always placed considerable emphasis on high-impact research and its dissemination, this has recently been strengthened further through a number of initiatives made

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possible with significant extra funds, including HEIF4 and 5. Our strategy is to encourage broad involvement from the faculty in funded group-based research while leveraging their individual disciplinary and method expertise. The research centres have management and oversight committees to ensure that they meet their stated research objectives. The departments have well-structured career development processes including annual monitoring for their faculty honed on producing internationally-recognised research. Research staff in the centres are subject to similar reviews. Faculty are recruited competitively in the global market.

Departments draw upon a diverse range of disciplines and methodologies and emphasise quality and global impact rather than merely quantity of research. The three departments provide financial assistance to support research. Faculty receive discretionary research funds from the School (c.£750) supplemented by their department (c. £3-5k per faculty member). Departments additionally fund conference attendance and various other research needs of their faculty, such as use of the behavioural lab, datasets and research assistants. There are also starter grants for early-stage research (e.g. £3k in DoF), grants from LSE's STICERD, and grants from the new School seed-grant scheme.

DoA's faculty pursue research across different areas of accounting at the interface with other disciplines, including economics, finance, history, law, management, organisation studies, and sociology. DoA is committed to this diversity where the main subareas of research in both the private and public sector include the economic (e.g. capital market outcomes, disclosure regimes, management discretion), institutional (e.g. regulation, standard setting, auditing) and organisational (e.g. management control, corporate governance, risk management) analysis of accounting. In the current REF period, DoA filled two vacant chairs (Jorgensen and Pope) in the financial accounting and capital markets area, ensuring that the department remains at the forefront of all the key areas of accounting while preserving diversity across disciplines and methods.

Links with various professional and practitioner constituencies such as CIMA, ICAEW and IASB ensure that faculty continue to work at the cutting-edge of new developments and that their research contributions travel widely. Faculty regularly present at major conferences, deliver plenaries, and make important contributions to worldwide doctoral training. For example, in the REF period, Van-der-Stede addressed doctoral students and junior faculty at the European Accounting Association's (EAA) 2010 and 2013 Doctoral Colloquia (where Tamayo was also among the faculty and Pope was the co-chair), the 2011 Finnish Doctoral Colloquium in Accounting and the 2011 PhD/Junior Faculty Consortium of the Canadian Accounting Research Conference. In 2009, Miller was invited to present his work at the Nobel Foundation's Organization Symposium. In 2010, Power gave evidence to the House of Lords' enquiry into audit market concentration.

DoA's research activities are supported through departmental seminar series of renowned accounting scholars from around the world; a brownbag workshop series; two weekly doctoral seminars; seminars organised under the auspices of CARR; and various department-led conferences. Faculty also participate in seminars elsewhere in the School, such as FMG and LSE Health. DoA's involvement with these centres epitomises the diverse and cross-disciplinary nature of its faculty's research – for example, covering the topics of accountability, performance, risk and regulation in CARR; or contributing to research in LSE Health on the topics of hospital regulation, resource allocation and service quality monitoring. CARR also hosts visits from leading academics. Recently, these have included W Powell (Stanford), C Perrow (Yale) and D Stark (Columbia). CARR also runs a Discussion Paper series.

DoF is one of the largest finance groups in Europe and houses FMG, formerly a fully ESRC-funded centre, which continues to be a leading centre of research in financial economics in Europe. DoF has recognised research strength in most areas of theoretical/empirical asset pricing and corporate finance, as well as in financial intermediation and financial regulation. Although faculty are based in DoF, they are also associated with one or more of FMG's five principal research programmes: Abraaj Capital Private Equity Research Programme; Asset Pricing & Portfolio Management; Corporate Finance & Governance; Financial Regulation & Risk Management; and the Paul Woolley Centre for the Study of Capital Market Dysfunctionality. Other faculty are supported by the new ESRC-Systemic Risk Centre (SRC) (£1m p.a.). Each programme also has a number of fully-funded PhD students acting as research assistants or affiliated researchers. FMG's vibrancy has been made possible and further enhanced by our recent funding successes.

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DoF runs three major seminar series—the Capital Markets Workshop, Regulation Workshop, and the Corporate Governance Workshop—which are the main forums for the presentation of the work of outside scholars and the participation of practitioners. There are two weekly brownbag seminars, the Faculty Lunch Workshop, and the Paul Woolley Centre Brownbag. It is at these brownbags that faculty also trial and develop their research papers. In addition, there is a weekly PhD seminar and the PhD upgrade seminars for the more advanced students.

FMG's Director and DoF's Head work closely together to coordinate these research activities and organize a large number of conferences and public lectures (52 events since 2008, attracting over 6,000 attendees) that ensure a high level of engagement with the user community. These have included conferences and lectures on diverse topics such as Basel III, European Banking Union, Macro-prudential Regulation, Bail-in Resolutions, 'Too-Big-To-Fail' and Financial Innovation. FMG remains the UK's most active host for research-based conferences spanning the entire range of DoF's research, including the areas that have generated impact case studies. In order to facilitate interactions with the international academic community, DoF also funds visits from leading academics. Recently, these have included over two dozen faculty from renowned institutions, such as D Gale (NYU), D Duffie (Stanford), P Bolton (Columbia) and L Zingales (Chicago). DoF/FMG research is disseminated through the FMG Discussion Paper series.

DoM channels resources to create a stimulating research environment primarily via its groups, with seminars, visitors and a programme of research support and mentoring for junior faculty. There has been significant expansion since RAE 2008, with more than 35 faculty recruited over this REF period; elevating previous strengths in employment relations, information systems, managerial economics and management science, as well as developing new ones in behavioural analysis, organisational behaviour, marketing and public sector management. The department is focused on high-quality research, primarily but not exclusively, seen through the lenses of the social science disciplines and drawing on relationships with the core disciplines around the School—economics, psychology, sociology, political science, and mathematics. DoM is organised into groups to provide faculty with an intellectual home for the purposes of research and teaching. Some of the DoM groups reflect a disciplinary base (managerial economics, management science); others represent either inter-disciplinary analyses of particular issues such as human resource management, marketing, and information systems, or methodological approaches to management problems (e.g. behavioural analysis). There is therefore great diversity of research approaches and methods, encouraging collaboration between academic groupings. DoM executes its area-specific strategies through five academic groups:

Employment Relations and Organisational Behaviour. In this REF period, EROB has strengthened its focus on Human Resource Management (HRM) and Organisational Behaviour (OB), recruiting seven new faculty members while retaining its traditional strength in Employment Relations (ER). The expansion into HRM reflects this area's growing importance as an academic field with strong practical application, whilst the field of OB provides a basis for understanding individual and group behaviour in organisations. The integrating logic across EROB's three areas is a common focus on the employment relationship; its regulation, management, antecedents and outcomes. Research themes include psychological (implicit) and explicit contracts; unionization, collective bargaining, voice; management of human resources, rewards, mentorship, employee attitudes and behaviour; employee volunteering, engagement, commitment, status, creativity, well-being and performance; leadership; innovation; effects of government on organizations.

Across these themes/topics, there is a wide-ranging involvement in public policy at the national and international level. There is also a long-running involvement by EROB faculty in the employment relations and labour markets programmes of LSE's Centre for Economic Performance (CEP), such as on issues related to minimum wages and incentive pay. Non-EROB members of CEP also work on HR and ER issues, such as the effects of national agreements on organisational performance, and union effects on wages.

Information Systems and Innovation focuses on the study of information and computer technologies (ICTs) in a socio-economic context through theoretical and empirical studies. The ISI group's research covers theoretical analyses of information systems and organizational structures, as well as empirical analyses of emerging technology infrastructures and information services, including outsourcing and cloud computing. It also continues to make substantial contributions to the empirical analyses of privacy and data protection. ISI maintains a vibrant research environment

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through its regular research seminars, including its ICTs in the Contemporary World series with research presentations by established scholars in ISI and related fields. ISI also runs the annual Social Study of IT conference attracting an international audience of academics and practitioners.

Management Science. Despite its small size, this group's research expertise spans more than a dozen key research areas from the theoretical to the highly applied. Specific research areas include game theory, combinatorial optimisation, auction design, transportation network design, internet economics, scheduling optimization, and healthcare resource allocation. Since 2008, the group has hosted a research seminar of prominent speakers in Management Science, including J Orlin (MIT); Y Ye (Stanford); U Rothblum (Technion); D Goldfarb (Columbia); E Kaplan (Yale). MS faculty are encouraged to apply for major research grants, and have obtained several grants from ESRC, EPSRC and STICERD since 2008.

Managerial Economics and Strategy is a young, dynamic group with 12 faculty, five of whom were recruited during this REF period. The group's main focus is theoretical and empirical research in well-defined themes related to firm capabilities. The MES group also has developed synergies with LSE's Department of Economics. Joint with CEP, MES runs the Competition, Capabilities and Innovation seminar for which typically more than half the speakers come from overseas. A research question chosen by the speaker is discussed first (without a paper), followed by the seminar paper presentation. MES's topics of priority, which also exhibit complementarity with other areas in DoM, are:

- Empirical and theoretical research on firm capabilities with an emphasis on motivation and coordination in organizations;
- Empirical and theoretical research on strategic decision making from a behavioural perspective and consequences for management;
- Empirical and theoretical research on strategy, innovation and information technology.

The group's PhD students' research development is closely integrated into this thematic structure. In addition to these four groups, the department undertakes research and teaching via a fifth new academic group in public management, marketing and entrepreneurship. Members in these areas have diverse academic backgrounds (economics, psychology, management) and adopt interdisciplinary approaches and various methods (econometrics, lab experiments, field experiments, surveys, and ethnographic approaches). Research themes include consumer decision making and product innovation at the interface of marketing and other business disciplines. A second cluster of researchers with a similar diverse background is emerging to work on innovation and entrepreneurship, including the study of entrepreneurial networks, social entrepreneurship and financing. The department has a long-standing tradition in public sector management, especially concerning health, which has also been strengthened in recent years. Significant recruitment has been concentrated in these fields, as was proposed at the 2008 RAE.

The department has also invested to support behavioural analysis across the groups by building its Behavioural Research Lab, which was commissioned in 2007 and opened in 2010. The lab has facilitated investigations into human behaviour through observation and scientific experimentation covering fields as diverse as team dynamics, consumer choice, incentives, and game theory.

All DoM research activities are supported by public lectures, departmental seminars and discipline-specific workshops and seminars. Public lectures have included a series on Business in the Global Age with speakers such as Lord Saatchi (Co-founder Saatchi and Saatchi), J Hutton MP (then-Secretary of the Department for Business, Enterprise and Regulatory Reform), Sir Stelios Haji-loannou (entrepreneur), V Barnsley (Chief Executive HarperCollins UK).

c. People, including:

i. Staffing strategy and staff development

Nearly all BAMS faculty are permanent full-time appointments. Among the 16 Category A faculty returned in REF2 from DoA, four are pre-major review whom are also early-career researchers; six are post-major review, and six are professors. Thus, among the research-focused faculty, DoA has 4/6/6 faculty across the junior/mid-career/senior ranks. DoA also has a Centennial Professor (Stark) in CARR whom is included in Sociology's REF2. One of DoA's early-career researchers is a BA scholar (Etienne). In DoF the breakdown across the ranks for the 21 faculty in REF2 is 7/8/6, where 2 in the first group are early-career researchers. Of the 47 DoM faculty in REF2, one is a

fractional BP Centennial Professor (Winter); two are fractional Professorial Fellows (Kuruville, Pearce); and two are Senior LSE Fellows (Arioldi, Lidbetter). Focusing on the permanent DoM faculty, the breakdown across the ranks is 9/15/18, with 7 early-career researchers among the 9 junior faculty. Although slightly top-heavy, we deem the distribution of faculty across the ranks in BAMS to be quite healthy, allowing both room for career development in the early-career stages (with sufficient support from senior colleagues); promotion prospects mid-career; and a sufficient number of senior faculty to take on a rather disproportionately administrative load to create the research space for junior faculty. In all three departments, great efforts are continually made to recruit top rookies at the junior ranks every year.

For the junior faculty, the three departments benefit from a number of services provided by the School. The Teaching and Learning Centre offers a central orientation programme and training for the postgraduate certificate in teaching; it also provides workshops to support early-career researchers in communication and managing their research, strengthening their impact, and managing their career. BAMS also participates in the LSE academic Career Development Scheme, with annual meetings for all pre-interim and major review candidates, to discuss research, teaching and citizenship. Careful consideration is also given to equality and diversity for recruitment and promotion, which is also reflected in LSE's New Academic Career scheme. LSE has been integrally involved in the revised *Concordat to Support the Career Development of Researchers*.

The departments also benefit from several other school-wide initiatives, including bridging funds to retain researchers in between contracts and support from the Research Ethics Committee (for research involving human participants or identifiable personal data). Each department is responsible for peer reviewing and quality controlling research grant applications prior to submission to the funding bodies, where the School's Research Committee has overall responsibility for running the research support systems and to ensure that they are robust.

The three departments adhere to high-standard recruitment and appointment processes, with a policy of appointing the best candidates regardless of specific field in order to exploit our scale to achieve excellence across all areas. Recruitment takes place via a global search including prominent presence at the relevant international meetings and academies. Candidates are flown in to spend time in the department and to present a seminar. Faculty attend and provide feedback on the appointment decisions.

Junior faculty are integrated swiftly. They are initially given a reduced teaching load and research support and advice through close mentoring and reviews of progress. Junior faculty are expected to complete a PG-Cert or equivalent. Tenure hurdles are of an international standard with major review in the eighth year under the recently-revised academic career structure.

All junior faculty have a senior mentor to help ensure that a high-quality research agenda is being pursued and to provide guidance toward meeting tenure or promotion. Faculty are entitled to a one-after-every-eight terms sabbatical leave, which is almost always granted when it is due. Research leaves can be accrued for completion of well-defined, funded projects. Faculty are encouraged to keep at least one day per week free from teaching during term time to focus on research.

DoA has six professors, two of whom were recently recruited in the financial accounting and capital markets area (Jorgensen and Pope, both with outstanding international research records and prominent professional recognition), three readers, one senior lecturer, ten lecturers (some pre- and some post-major review), and three fellows. The department is recruiting at the junior faculty level nearly every year. DoA also hosts six visiting professors, three of which are from US universities. Three emeritus faculty are also still actively engaged in the department on a tailored post-retirement scheme. The faculty offer between them research-led teaching in the areas of management accounting and control, financial accounting and reporting, financial management, financial regulation, auditing, valuation, corporate governance and risk management. DoA is thus uniquely inclusive and diverse across the three areas of Accounting, Organisations and Institutions, Financial Accounting and Capital Markets, and Management Accounting and Performance Measurement, with critical and complementary strength in each area.

DoA has a strong relationship with the departments of Government and Sociology, which are stakeholder departments in CARR; with Economic History with which it has a joint appointment; and with Law and Finance with which it runs joint programmes. DoA has several professionally-

qualified faculty members, and enjoys strong relationships with practitioners and professional accounting associations through CARR, conferences and public lectures, such as one recently by the International Accounting Standard Board's Chairman, Hoogervorst.

The excellence of DoA's faculty has been recognised through various awards, some of which were given by professional bodies. For example, Hall received the 2012 David Solomon Prize, and Van-der-Stede the 2008 and 2009 Article of Merit Award from the International Federation of Accountants, as well as the 2009 Bulloch Award for Innovations in Management Accounting from the Institute of Management Accountants.

DoF has six professors, 11 readers, 11 lecturers (pre-and post-major review) and nine teaching fellows. DoF's policy is to hire faculty with established international reputations or first-rate junior academics who are likely to achieve this. Junior faculty are recruited following best international practice through the Annual American Finance Association (AFA) job market. DoF operates a rigorous review and mentoring programme and has an exacting tenure hurdle. Faculty teach on DoF's own or stakeholder programmes including the BSc Accounting & Finance, MSc Accounting and Finance, MSc Finance and Economics, MSc Finance, MSc Risk and Finance, and the PhD programme. Teaching is organised in a way that maximises faculty research effectiveness. Over the past five years, DoF has seen a significant expansion in its faculty, endeavouring to recruit people of the highest standard across the main areas of finance to maximise international research visibility. At the professorial level, DoF has recruited or promoted Ferreira, Chernov and Yuan, all of whom have internationally-recognized research records and reputations. At the reader level, DoF has recruited Axelson, Makarov, Paravisini and Martin, all of whom have strong and growing research records and international visibility, with both Axelson and Paravisini having won the Brattle Best Paper Prize in the *Journal of Finance*. DoF has also recruited seven junior faculty. During this period, DoF had one retirement, one leaving, and sadly, two professors died. Net, DoF has increased its faculty by c.50%.

DoM has 21 professors, seven readers, seven senior lecturers, 28 lecturers (pre-and post-major review), and 13 fellows. Over the past five years, DoM has expanded its faculty by c.25%. Recruitment processes commence at the major international academies and conclude with visits and seminars. At the professor and reader levels, DoM has recruited six faculty internationally including from Brown (Rubinstein), Columbia (Thomas), Minnesota (Narasimhan), and NYU (Chakravarti). DoM also recruited 14 junior faculty from major US and European schools, including Berkeley, Columbia, Minnesota, MIT, Northwestern, Oxford and Padua.

Each group manages its own recruitment process, with oversight from the Head of Department. The majority of junior hires since 2008 in EROB (Booth, Beunza, Dobrow, Henderson, Qin, Reich) have been in OB and HRM, with these new faculty having PhDs from major schools in the US. Pearce (UCI) and Kuruvilla (Cornell) are additional senior appointments in EROB. The ISI group benefited from the appointment of high-quality visiting faculty, including four professionals (Sommer, Hosein, Mineli, Fishenden) and six prominent researchers (Lee, Lanzara, Lyytinen, Markus, Lacity), who contributed to the group with seminars and advisory sessions to faculty and doctoral students. There have been a number of retirements within the MS group, but also corresponding new hires. Recruitment has been both at the senior (Steinberg, Sorkin) and junior (Zambelli, Vegh) levels. Finally, the MES group's recruitment strategy has involved recruiting faculty in the areas listed above from major universities (Madarasz, Ornelas, Rappoport, Rayo, Rubinstein, Thomas). In recent years, a high-quality marketing group has been developed with senior and junior recruitment from NYU (Chakravarti, Kappes) and Minnesota (Narasimhan). Chakravarti was awarded the inaugural Google-WPP Marketing Research award and the ART (Advanced Research Techniques) forum Best Paper award; he also is on the editorial board of the *Journal of Consumer Research*. Narasimhan won the TechSig Best Paper award from the American Marketing Association and has been named a finalist for the John D Little award for best paper in *Marketing Science*. Both of them have been named MSI Young Scholars, a distinction awarded once biennially to scholars most likely to be "potential leaders of the next generation of Marketing academics."

The field of public management has expanded under the leadership of Barzelay and Bevan. New recruits include Rolfe (a Prize Research Fellow at Nuffield College, Oxford) and Airoidi from Bocconi, who works on System Modelling for Performance Optimisation and Service Equity (SyMPOSE), an 8-year research initiative supported by the Health Foundation. Under the

leadership of Estrin and Barkema, expansion in entrepreneurship and innovation has included the recruitment of Acs (from George Mason) and Lourdes Sousa (from LBS).

ii. Research students

Over the REF period c.100 PhD students have graduated from BAMS. Of these, roughly 60% are funded by the departments, 20% by LSE Scholarships; 10-15% by ESRC, and the remaining 5-10% by named privately-funded scholarships (e.g. AXA, Emirates Middle-East Studies, and the Benjamin E Lippinott scholarships in DoM), although the latter category is higher in DoF (with scholarships from Premier Capital, John C Phelan, Cairns Capital, Vincent Cheng, Carsten Kengeter and others, in addition to those funded by Paul Woolley, Deutsche Bank, Abraaj Group, and AXA). DoA and DoF share a Richard Goeltz PhD scholarship. Despite these philanthropic funds, as well as funding from the School and the ESRC, BAMS itself also invests significant amounts into its PhD programme. BAMS does not award research-based professorial doctorates.

PhD students are seen as an integral part of LSE's, and equally, the three departments' dynamic research culture. There is an infrastructure of training and provision for research students at school level, complemented by departmental support. Research centres are an important focus for interdisciplinary research school-wide, and research students are fully integrated into their activities and benefit from them. Training includes quantitative and qualitative skills complemented by subject-specific courses. The majority of core training is provided in the first two years of PhD study. Student progress is actively monitored in the departments through PhD Assessment Reviews and reported to the Research Degrees Unit. Timely reviews provide early warnings of any problems and inform re-registration and upgrading decisions.

DoA's PhD students are well-supported academically and financially. A formal Review Committee assesses the progress of MPhil/PhD students three times annually. Assessment is based on written work, examination results, reports from supervisors on research progress and the quality of formal presentations. All students have two supervisors, whom they are expected to see three times per term. Progress is monitored in each year of the programme through comments on written work and presentations in the doctoral seminars, which are supported by faculty. A small amount of class teaching is encouraged and supported.

Given the scarcity of high-quality applicants for PhDs in accounting worldwide, DoA usually has c8-10 doctoral students in total with c.2-3 entrants each year, plus c.2 visitors through the Visiting Research Student scheme, which is coveted and competitive, attracting doctoral students from other universities to visit for one or two terms. Employment destinations of DoA's PhD students include Harvard, King's, North Carolina and Oxford. Several DoA faculty also are involved in doctoral training in the field, such as Miller, Pope, Tamayo and Van-der-Stede on the EAA Doctoral Colloquium, and Pope as the Scientific Coordinator of the EU-Funded (€2.5m) INTACCT Research and Training Network 2007-2010.

DoF's PhD in Finance is a formally-structured programme comparable to the model used in major US schools. The intake is c.7-9 students per year, with c35 students on the programme at any one time. Students complete a taught MRes in Finance with tailor-made courses (over one or two years before progressing onto the PhD). Throughout their time, students attend a weekly supervised PhD seminar in which they regularly present their work. All PhD students are fully funded at internationally-competitive levels for the first four years of study. Final-year PhD students can also be appointed as LSE Fellows, which gives additional funding and develops their teaching skills for the job market. DoF also runs an intensive series of seminars during the Autumn to prepare final-year students to go on the academic job market. PhD students have access to all DoF/FMG research seminars and conferences, including seminars in the Paul Woolley Centre and the Adam Smith conferences, giving them exposure to prominent international scholars. They also benefit from access to DoF/FMG visitors to discuss their work.

DoF has a designated PhD placement officer who works with the PhD programme director to ensure that PhD students are well prepared both academically and logistically for the academic job market. DoF enjoys a good PhD student placement record with 4-5 students each year obtaining good academic jobs. Recent placements include Arizona State, British Columbia, Chicago, HEC, North Carolina, Stockholm School of Economics, and Washington University in St Louis.

DoM has run a PhD programme in three streams since 2010: quantitative, qualitative and business economics. Like the other departments, DoM provides generous research student support relating

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to IT, data, travel and facilities. The programme admits c.5-7 students per year. MPhil-to-PhD upgrades involve the submission of a paper and an annual DoM upgrade conference for all second-year PhD students, with written feedback on the papers submitted by the programme director, supervisor, and two assessors. Student progress is reviewed on a regular basis by the PhD supervisor. DoM has a PhD travel fund to enable access to the field/industry and networking opportunities with other experts in the field. There is also a budget for social events and bursaries to enable completion for students in financial hardship. A small amount of class teaching is encouraged and supported. Students are based within the same area as the faculty to foster collaboration, interaction, and a sense of community.

There are also PhD students and research seminars in three groups. EROB participates in an annual European Doctoral Workshop among major European ER schools and Cornell, where leading scholars give feedback on the papers of each other's students. The ISI group's doctoral programme has been refocused to train a smaller, highly selective number of students, securing a variety of scholarships (including ESRC, EPSRC DTA, and research project funded studentships). MPhil and PhD students regularly present their research in weekly seminars and a full-day PhD conference per term, and participate in the group's research seminars with prominent academic speakers. They also receive financial and administrative support to organize their own research seminars with invited external and internal speakers and to organize the two-day SSIT Open Research Forum, which is entirely student-led but attracts an international audience of junior and senior researchers. The EROB and ISI groups' PhD programmes are similar in size, each admitting c.5 students p.a., and each having graduated c.20-25 PhDs over the REF period. Finally, the MS group has a small doctoral programme and a new PhD Research Seminar Series initiated for research students to present their work. There are currently eight PhD students in the MS group. As in the other departments, PhD student progress is carefully monitored with regular reviews of written work and presentations in all the groups.

Thus, across the BAMS departments of Accounting, Finance, and Management, PhD students are given significant opportunity to develop their research through a series of weekly seminars attended by both their fellow students and faculty. Research students also have access to outside faculty research seminars and conferences (e.g. in CARR, CEP, FMG), giving them access to the work of international scholars. All three departments also provide financial assistance for travel to major conferences. The departments provide their research students with a work space to encourage a professional work environment with support available from faculty and administration.

d. Income, infrastructure and facilities

Research funding, including that allocated as part of larger research consortia and major and prestigious grant awards made by external bodies on a competitive basis

DoA's CARR is integrated into the department as an interdisciplinary research hub. The ESRC (2000-10) and other private investments helped CARR to become an international leader in risk regulation studies since the early-2000s, with a brand value that remains strong even now that the two rounds of 5-year ESRC funding have ended. CARR is led by Power, with DoA hosting the administration of CARR activities. CARR remains very active and indeed proactive. In 2012, CARR raised £120k for a project on Risk Culture in Financial Organisations (50% funded by ESRC with the remainder provided by CIMA, CII and Lighthill Risk Network). Further funding for CARR at £25k per annum comes from a Deutsche Bank endowment.

Also in DoA, Athanasakou was awarded an ESRC grant as co-investigator for a project on the Corporate Financial Information Environment, joint with Manchester Business School, where the principal investigator (M Walker) is also one of DoA's visiting professors (the entire award was for £415k).

DoF hosts the majority of its programmatic research through FMG, which like CARR in DoA, started as an ESRC-funded research centre (1994-2004). For 25 years, FMG has been producing influential research through a number of research programmes covering the principal areas of finance, including currently being host to the Paul Woolley Centre for the Study of Capital Market Dysfunctionality; the Abraaj Capital Private Equity programme; and the newly-affiliated ESRC Systemic Risk Centre (SRC). In addition to these activities, there are also research programmes in Corporate Finance and Governance, Asset Pricing and Portfolio Management, and Financial Regulation. FMG has a preeminent international reputation, running a series of c70 seminars per

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year, in addition to hosting half a dozen major conferences as well as a number of public lectures. In 2012-13, over £2m in grants and charitable contributions were received to support DoF/FMG activities and research, including from Abraaj Capital (£300k p.a.), AXA (£600k over 3 years), Paul Woolley (£400k p.a.), and most recently, with the launch of SRC (£1m p.a.). In addition to this core funding, DoF has been in receipt of a number of smaller grants and also has hosted an EU network grant (RICAFE 2: Regional Comparative Advantage and Knowledge-Based Entrepreneurship, €1.3m).

DoM has hosted a number of major research projects, including the €1.5m Selusi project to identify and characterise the social entrepreneurship sector in five European economies. Funded by the European Commission, this project explores innovativeness of social enterprises.

Over the REF period, DoM has been awarded c.£4m in research grants from research councils and various other sources. The heterogeneity of these funded projects is indicative of the variety of the research in DoM and its groups. Selected examples of major funding include the Innovation Co-creation Lab and Radical Innovation (Barkema) funded by HEIF and Leverhulme; Trade Negotiations (Ornelas) and Organisational Restructuring and Employment Outcomes in the Telecommunications Industry (Doellgast) funded by ESRC; Social Entrepreneurship Research (Estrin) funded by the European Commission; Pensions (Willman) funded by the Pensions Corporation; various projects in Management Science including Combinatorial Auctions (Steinberg) funded by ESRC and EPSRC; and a diverse set of projects concerning information systems, health and technology (Avgerou, Bevan, Fasola, Liebenau, Sorenson) funded from sources including EPSRC, Association of Information Technology Trusts, the Health Foundation, and Nokia. There was also a grant as part of EPSRC's sandpit on Detecting Terrorist Activity (where LSE's share was c.£260k of the "Making Sense" project with 11 UK academic partners and a total budget of c.£2.2m).

DoM actively coaches faculty, especially recent recruits, in developing seedcorn proposals, providing them with income to develop full-fledged research proposals for funding councils and foundations. There have been seven seedcorn grants in the REF period, some of which have led to further funding. For example, Fasolo was granted funding to conduct lab studies in the Behavioural Research Lab which later assisted in funding applications to the EU on tobacco labelling (with Chakravarti). Recent recruits Bindl and Kappes have received funding for Promoting Effective Self-Initiative at Work and Relative Poverty Effects on Self-improvement Motivation, respectively. The Behavioural Research Lab also supports faculty and PhD student research. Over 70 experiments have been conducted, with a number of these involving academics from outside the department. DoM invested over £200k to develop this research infrastructure.

Strategies for generating grant income appropriate to the discipline

As part of its Strategic Delivery plan, LSE will focus on further increasing research income from externally peer-reviewed sources. LSE has installed a Research Development group within its Research Division with dedicated funding experts to work with academic units to focus on developing innovative strategies to secure funding for research and to improve the academic capacity and capability in all aspects of research activity. LSE is also adjusting its financial incentives scheme for faculty and academic units successful in securing funding, such as by providing support for buyouts. DoA and DoF have drawn on these School resources in their successful Centre bids, and the DoM plans a major Centre bid during the subsequent REF period.

Infrastructure and facilities supporting a vital and sustainable research environment

Each of the three BAMS departments provide the required infrastructure to advance their research missions through a combination of department and/or research centre facilities, seminar space, IT infrastructure and support, and data libraries and support, thus offering both the physical space and intellectual environment for the development of research synergies across the faculty, visitors and students.

Essential to this for both **DoA** and **DoF** is the seamless integration of their respective research centres (CARR, FMG, SRC) into their departmental infrastructures. The parallel development of workshops and conferences is a particular feature of both DoA/CARR and DoF/FMG, engendering academically-excellent and practically-relevant research. Just like DoA/CARR connects with its stakeholder departments (government and sociology) for joint workshops, DoF/FMG collaborates extensively with LSE's Department of Economics through regular cross-group seminar and

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research project activities.

Both CARR and FMG offer dedicated space in which research can be carried out, with space for research fellows and officers, visitors, and PhD students and the provision of seminar and meeting rooms. Whereas DoA hosts the administration of CARR activities, FMG has, due to its size, a dedicated administrative team to lend support to research grants, seminars and projects. DoF/FMG has a high IT budget, comparable to that of schools internationally with state-of-the-art IT infrastructures and datasets. More recently, working with the School's IT division, DoF/FMG has taken major steps to ensure that its high-powered computer facilities match the needs of its researchers and to ensure that they are comparable to those of other research-led institutions. DoA offers all key datasets that its researchers require and provides financial support for field work and qualitative research as requested.

DoM provides an equally supportive faculty environment that stimulates individual and collaborative research by providing funding (research budgets, as also DoA and DoF provide), as well as administrative support and the needed physical and IT infrastructures. DoM, however, is housed in a new building, which allowed designing the entire infrastructure to modern standards.

All three departments support multiple, vibrant internal research seminars at which speakers from around the world come to LSE and exchange ideas with faculty and students. Also common across the three departments is the support from the LSE library, such as through a department-dedicated Academic Support Librarian who provides service on information sources among much other prized support. Underpinning all of the support that the library provides to both faculty and students is its world-leading collection, including access to over 50,000 e-journal titles and over 200 datasets. The LSE library also provides specific facilities and support for PhD students, including study room space reserved for research students, training in information and research skills, and one-to-one consultations. The library also manages LSE Theses Online, the open-access repository where all LSE PhD theses have been deposited since August 2011.

e. Collaboration and contribution to the discipline or research base

DoA attracts both academics to its research activities and professionals and practitioners to many of its research-led events which inform practice. Our aforementioned seminar and brownbag series attract globally-renowned scholars to present their latest research. A recent example is Vanderbilt Professor Craig Lewis, who is also US Securities and Exchange Commission Chief Economist and Director of the SEC Division of Risk, Strategy, and Financial Innovation. DoA also hosts international workshops across diverse areas of accounting such as the LSE/MBS Financial Accounting Conference and the LSE/HEC/CBS Management Accounting as a Social and Organisational Practice workshop. We also host conferences with journals (e.g. *Accounting, Organizations and Society*; *Journal of Accounting and Public Policy*). DoA also was awarded a PhD mobility bursary to Columbia University in 2011. These activities aim to further establish DoA's international visibility in its engagement across a broad range of accounting research areas. CARR has been called upon to advise various government and industry bodies, such as most recently the British Airline Pilots Association on fatigue risk management, and Ofgem on impact assessment.

Several DoA faculty are (Associate) Editors of leading peer-reviewed journals such as *Accounting Organizations and Society* (Miller), *Contemporary Accounting Research* (Van-der-Stede), *European Accounting Review* (Mennicken) and the *Journal of Business Finance and Accounting* (Pope). Many DoA faculty serve on editorial boards of major journals (e.g. Van-der-Stede is on *The Accounting Review* and also Chair of the Publications Committee of the European Accounting Association). DoA actively engages with several professional, practitioner, and regulatory bodies—e.g. ICAEW, the Institute of Risk Management (IRM), the Financial Reporting Council (Power); AAA, EAA, CIMA (Van-der-Stede). Power was named Honorary Fellow of the IRM (2009) and received Honorary Doctorates from the Universities of St Gallen (2009) and Uppsala (2012). Van-der-Stede has held the CIMA Professorship since 2008, which also generates funding for DoA.

DoF has major links with external bodies including the Bank of England, Financial Services Authority (FSA), Financial Conduct Authority (FCA), and Deutsche Bank (who give over £200k p.a. in conference funding and PhD fellowships). DoF's Regulation Programme has close links with the European Central Bank, the European Commission, and the UK regulatory bodies. This is done via secondment of faculty, a high level of joint participation in conferences and seminars, and students working as interns and a number taking permanent positions. The new ESRC-SRC is building

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upon established links to increase our footprint in this space, including a relationship with the major data-service provider Markit. FMG has also acted as host for a number of European network initiatives, including RICAFE 2.

DoF places great focus on engagement of its faculty with the international community, and is proud that three of its faculty are Associate Editors of the *Journal of Finance* (Chernov, Paravisini, Polk). In addition, Vayanos is a Director of the American Finance Association (AFA) and an Editor of the *Review of Economic Studies*, on whose board Julliard, Dasgupta, and Paravisini also sit. Participation of DoF faculty at international conferences such as the AFA, the Western Finance Association, and the NBER is second to none in the UK and Europe. DoF provides generous funding to enable its faculty to work with co-authors across the globe.

A number of DoF faculty have acted as advisors to government bodies and industry. Chernov and Vayanos have served as consultants to the Bank of England (BoE) and the Federal Reserve Board in the area of yield curve and bond market modelling. Zigrand has done extensive work for the UK Treasury in particular for its review of high-frequency trading. Danielsson and Goodhart have engaged extensively with the European Central Bank in discussions of regulatory reform. Mele has worked with the Chicago Board Options Exchange in the design and implementation of the treasury bond volatility index. Cunat has worked on the reform of the Spanish Banking system (with Garicano of DoM) for the FEDEA. Axelson is an advisor to the Norwegian Sovereign Wealth Fund on their investment strategy and also the British Venture Capital Association. Yuan has developed a body of research on banking networks whilst a Houblon Norm Fellow at the BoE.

DoM faculty in EROB collaborate with a number of academic, industry, and professional bodies. For example, Coyle-Shapiro is serving a 5-year term (2011-16) as Chair of AoM's OB Division. EROB enjoys Centre-of-Excellence status from the Chartered Institute of Personnel and Development, and organises an annual Voice & Values practitioner conference with CIPD. Doellgast founded the Comparative Employment Relations and Governance group with colleagues at King's College London in 2009. CERG workshops rotate between LSE and KCL. EROB is also a member of the European Masters in Labour Studies network and organised their major conference for 2013. Finally, EROB contributes to the discipline through its editorship in leading journals, such as *British Journal of Industrial Relations* (Frege, Doellgast, Marsden), *Journal of Organizational Behavior* (Coyle-Shapiro), and the German *Industrielle Beziehungen* (Marsden).

Faculty in the ISI group collaborate closely with scholars in other LSE academic units and other universities, as well as with practitioners. For example, ISI faculty have co-chaired the major conferences of the field, including ECIS (Avgerou, Whitley, Willcocks) and WITFOR (Avgerou). Links with industry, government, and NGOs include the UK Cabinet Office (Whitley), the Scottish government (Cornford), and PA Consulting (Sørensen). ISI has among them the Editor-in-Chief of the *Journal of Information Technology* (Willcocks) and *IT and People* (Whitley); Senior Editor of the *Journal of the Association for Information Systems* (Kallinikos) and *Information Systems Journal* (Sørensen); Associate Editor of *MIS Quarterly* (Avgerou, Whitley), *Information Systems Research* (Scott), and *Digital Literacy and Digital Competence* (Klecun). Willcocks started the *Journal of Information Technology Teaching Cases* as an outlet for research-based cases.

The MS group also actively engages in external collaborations with academics and practitioners. The latter include links with the National Audit Office, RAND, the UK Environment Agency, Kings Fund, and various ongoing projects with medical clinicians (Morton); British Telecom, Vodafone, Nokia Siemens Networks, NEC, Fujitsu and others in the telecom technology sector (Papadaki); and Microsoft Research (Steinberg). Sorkin was the co-organizer of two recent Dagstuhl seminars.

Other DOM faculty engage in multiple outside collaborations, including the US National Institute for Occupational Safety and Health (Barzelay) and the UK Department of Health (Bevan). A research team at LSE and a number of NHS Commissioners work on the SyMPOSE project that collaborates with the National Institute for Health and Clinical Excellence (NICE), IMPRESS (a working party of multidisciplinary clinicians), and PWC, funded by the Health Foundation. Further, DoM faculty have contributed to a design science approach to the study of public management that has garnered interest from, for example, the Provincial Government of Barcelona, the Latin American Centre for Administration and Development, and the OECD Global Forum on Public Governance for Inclusive Growth.