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Talent management in the business school context

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Abstract

In this chapter, we review talent management in the research university sector, business schools in particular. We adopt an ‘exclusive’ perspective on talent management, assuming that some scholars contribute disproportionately to organizational performance. We identify two particular groups of scholars likely to be the target of exclusive talent management practices in business schools: (i) faculty on a tenure track career path, and (ii) ‘star’ tenured faculty with exceptionally strong track records. Focusing on these current and potential future ‘stars’, we review and discuss talent management practices related to talent identification, recruitment and selection, performance management, talent development, benefits and rewards, and tenure, promotion, and retention. In the extant literature, these topics have been mostly examined in the general university environment and less so in the business school context. This is somewhat problematic given that business schools have their own special characteristics. Moreover, some of the reviewed topics – especially talent development – have received only marginal scholarly interest thus far. Based on our literature review, and by drawing on our own experience working in different roles in academia, we highlight some of the gaps in the current body of knowledge and propose an agenda for future research.

Introduction

The area of talent management has attracted vast research interest in recent years (for reviews, see Gallardo-Gallardo & Thunnissen, 2016; McDonnell et al., 2017). The field has now matured enough for there to be a need to examine the particular features and challenges in

different settings (see e.g., Call, Nyberg, & Thatcher's (2015) review of stars research). In this chapter, we will focus on talent management in the context of business schools.

Business schools are constantly being compared in terms of their results, with rankings playing an important role in shaping their national and global reputations. The research and teaching 'performance' of the school is a key element in many global rankings and accreditations, and recently the societal impact of schools has also received increasing scrutiny (Alajoutsijärvi et al., 2015). In some countries, universities receive public funding based on how well they perform. This has contributed to a "focus on which journals, how many publications and how that is going to get us up in the rankings" (Thomas et al., 2014: 75), as well as to greater scrutiny of the educational performance and societal impact delivered by schools (Kallio et al. 2017). For business schools, being able to recruit, motivate, develop, and retain highly productive researchers, great educators, and champions of societal impact is of crucial importance for their success.

We suggest that as some faculty members contribute disproportionately to organizational performance in business schools, there is reason for schools to pay particular attention to their key talent (cf. Thunnissen, van Arensbergen, & van den Brink, 2021). The chapter therefore critically examines the body of existing research on talent management in business schools, but also – since only little research has been conducted specifically on business schools – reviews studies conducted in the setting of higher education institutions in general, including the literature on 'stars' (Azoulay, Zwin, & Wang, 2010; Oettl, 2012; Kehoe, Lepak, & Bentley, 2018). Due to the lack of extant research on the topic, we also draw from our own experience as faculty members, heads of department, deans, and members of accreditation teams and committees.

We start the review with a discussion of some of the key defining features of business schools that are relevant for understanding the context-embeddedness of 'talent' and talent management practices. In the following section we define exclusive talent management and further identify two groups of faculty most likely to be at the centre of business schools' exclusive talent management activities: (i) faculty on a tenure track career path, and (ii) 'star' tenured faculty with exceptionally strong track records. The subsequent sections examine key talent management practices (talent identification, recruitment and selection; performance management; talent development; benefits and rewards; as well as tenure, promotion, and retention) for tenure trackers and stars, respectively. We conclude the chapter by critically

discussing the relative merits of an exclusive versus more inclusive approach to talent management in business schools and make suggestions for future research.

The business school context for talent management

Business schools, as a distinctive sub-category beneath universities or functioning as stand-alone institutions, exhibit several defining features that are likely to influence their approach to talent management. This section aims to acknowledge the importance of context, more specifically the contextual embeddedness of ‘talent’ designations (who, what) and the kinds of external, institutional factors that shape organizational talent management practices (see e.g., Thunnissen, Boselie, & Fruytier, 2013; Gallardo-Gallardo, Thunnissen, & Scullion, 2020).

While university institutions have multiple objectives, central to these is their role as producers of knowledge. Academic research ‘performance’ is relatively easy to measure: in the business school context, the status of the journals in which scholars publish is a commonly used proxy for research quality, the number of papers published in ‘top journals’ is a central measure of productivity, and the number of citations is an often-used indicator of scholarly impact. While such an approach to research performance has been severely criticized (Hicks et al., 2015; Aguinis et al., 2020; Aboubichr & Conway, 2021), few would deny that such metrics are used to assess and rank individual scholars, departments, and schools (Langfeldt et al., 2021). To be noted is that in some contexts, these quantitative indicators are complemented with more qualitative evaluations of research quality: for instance, in the UK, the national Research Evaluation Framework requires schools to submit exemplary contributions of actual research as well as cases of societal research-based contributions, which form the basis for public rankings and funding. Teaching and service/impact performance, however, are less transparent although e.g. in the UK, there exists a comprehensive Teaching Excellence and Student Outcome Framework that is used to assess and fund schools based on their performance in business education.

This raises interesting questions about the transferability of faculty performance – what human capital theory would refer to as a faculty member’s general versus specific human capital (Becker, 1964). One could argue that excellent performance in publishing research is a general form of human capital – that is, the scholar in question can be expected to continue their strong publishing performance in a variety of business school and country settings. Compared to fields such as technology and the natural sciences – where expensive, school-specific research

infrastructure is crucial and research typically is conducted by large teams – research performance in business studies is more portable across contexts. However, not all aspects of a business studies academic's performance are equally transferable. Even in research, academics who know the local context can easier secure access to local organizations to collect data and obtaining research funding from local funding sources. Faculty with local networks are also better positioned to recruit guest speakers and get real-life cases for their courses, and individuals who know the local language can easier engage in outreach activities.

Nevertheless, a defining feature is that the academic labor market is global in nature compared with many other sectors and academic disciplines, with a large number of mobile scholars. The global nature of the labor market is partly due to the public, transparent measures of research performance (publications in certain journals, citations) noted above, but also the increasing focus on performance and the increasing internationalization of business schools more generally.

Another dimension of internationality prevalent in the business school context is the existence of strong international networks of scholars, with scholars often being more strongly tied with their academic fields and collaborators located in other countries. While there are boundaries to career mobility also in academia (Pudelko & Tenzer, 2019), academia is an example of a sector being particularly well suited for boundaryless careers (Baruch et al., 2013). The combination of these factors suggests that how to retain the most 'valuable' faculty members should be a major concern for business schools.

International accreditations and rankings play important roles in the global business school sector (Juusola et al., 2015; Alajoutsijärvi et al., 2015). Compared to many other disciplines, developments in business studies – and the kinds of faculty management practices used – reflect to a larger extent the principles and evaluation criteria of the dominant accreditation bodies. For instance, internationalization is one of the cornerstones in the EQUIS accreditation and business schools need to internationalize their faculty, programs, and institutional partnerships in order to achieve and maintain accreditation. Similarly, accreditations place strong emphasis on faculty performance and continuous improvement, which can act as incentives to engage in various forms of talent management.

Partly due to accreditations, together with a 'natural' inclination to run business schools based on business principles (see the literature on 'new public management', e.g., Boselie & Thunnissen, 2017; ter Bogt & Scapens, 2012), business schools are generally more likely to

introduce ‘professional’ management practices. Indeed, talent management in business schools takes place within both global and national institutional environments. An examination of higher education institutions worldwide reveals a number of historically embedded differences in the career management systems. However, the ‘US model’ appears to be becoming increasingly institutionalized, at least among internationally oriented business schools (although different varieties continue to exist) (Juusola et al., 2015).

While our discussion so far has pointed to the potential importance of talent management in business schools, a further feature of this context is how to manage talent in an academic environment where individual freedom is a strongly-held professional value (Herbert & Tienari, 2013). This can be a particularly challenging issue from a management perspective as academics often view themselves as “autonomous professionals [...] with considerable discretion” (Bäker & Goodall, 2020). Indeed, critical questions have been raised about the kind of ‘managerialism’ found in universities, and there are numerous accounts of how such attempts have been both accepted and resisted (Henkel, 2005; Kallio et al., 2016; Kalfa, Wilkinson, & Gollan, 2018; Kallio et al., 2021). In a study on the role played by academic leaders ‘in the middle’, Gjerde and Alvesson (2020) coined the term ‘umbrella carriers’ to refer to academic middle managers (such as heads of departments) who saw protecting their subordinates from the policies and demands coming from senior management as a key part of their role. Further, while universities do have HR departments, research conducted in Dutch universities has shown that the policies and processes that these departments have developed are often neglected by senior academics who are in critical roles when it comes to central talent management decisions such as recruitment (Thunnissen et al., 2021).

To be noted is that the notion of freedom at the business school level is a complex issue where key stakeholders vary and generalizations can be problematic. At one end of the spectrum, business schools are entirely state-funded, where faculty share many similarities with civil servants (and may indeed have such status), while at the other end of the spectrum, business schools are entirely privately funded and faculty members face a constant pressure to satisfy major funding contributors. So, whilst the notion of talent management in the form of employee differentiation may stand in conflict with equity principles in a public sector and highly unionized setting (Boselie & Thunnissen, 2017), this may be less of an issue in private business schools and schools located in countries that institutionally and culturally supports employee differentiation.

In sum, business schools is an interesting context to examine the promise and practice of talent management. As we will see below, there is relatively little work focusing specifically on talent management and most of this body of work has been carried out on Dutch universities (for a review, see Thunnissen, van Arensbergen, & van den Brink, 2021). However, when taking a broader perspective on research on faculty management in the business school/university setting, there is a larger body of published work.

Exclusive talent management: tenure trackers and ‘stars’

Exclusive talent management

A central premise of ‘exclusive’ talent management is that some individuals contribute disproportionately to organizational performance (Gallardo et al., 2013). Therefore, an important goal for the organization is to hire, onboard, commit, manage the performance of, and retain this key group of employees. In essence, this means that these employees are managed differently, hence the reference to ‘exclusive’ talent management, “according to their relative potential to contribute to an organization’s competitive advantage” (Gelens et al., 2013: 342).

The key assumptions behind the ‘exclusive’ approach to talent management are grounded in the resource-based view and human capital theory (Collings & Mellahi, 2009; Dries, 2013). These views posit that (i) some positions are particularly important to the performance of the organization and that (ii) individuals vary considerably in terms of their performance. Therefore, making disproportionate investments in high-performance individuals occupying key roles can be an effective means to improve the organization’s performance.

In terms of the second of these assumptions, prior research carried out in the university setting has shown that scientists differ considerably in their productivity, with the distribution following more of a power or Pareto distribution than a normal distribution (O’Boyle & Aguinis, 2012; Ruiz-Castillo & Costas, 2014). While research on this question in the context of business schools remains piecemeal, studies on the publication activity of individual authors and business schools within different sub-fields of business studies (e.g., Xu, Poon, & Chan, 2008; Korkeamäki, Sihvonon, & Vähämaa, 2018) attest to significant differences in research productivity across scholars. We would argue that this variation cannot be entirely explained by the division of labor (e.g., high performers having lower teaching workloads) and renders the exclusive approach to talent management a legitimate question for business schools.

Consequently, we suggest that the exclusive talent management practices of business schools (and universities more broadly) are most likely to be directed towards two main groups of faculty: (i) *faculty on a tenure track career path*, and (ii) *'star' tenured faculty* with exceptionally strong track records, typically full-time full professors with outstanding research performance. Below, we briefly summarise the main elements of the tenure track career model and then outline the core arguments why we believe these two groups may receive differential treatment.

Faculty on a tenure track

As a distinctive feature of the 'US model' of university career management, the tenure track model has gained global prominence during the last few decades (Juusola et al., 2015; Pietilä, 2019). This model has a professorial tenure track at the core, often complemented with non-tenure track, fixed-term appointments such as post-doctoral researchers, adjunct lecturers/professors (of practice), researchers on externally funded grants/projects, and possibly lecturers/readers with permanent appointments. The 'classic' tenure track system consists of (typically) 3 + 4 years fixed-term contracts, leading up to the successful candidate being granted tenure, i.e. a permanent contract, as an associate professor. In a 2019 AACSB report, based on a survey of the international members of this US-based accreditation agency, the responding business schools had an average of 74 full-time and 50 part-time academic employees. Of the full-time faculty members, 56.8% had tenure, 21.9% were on the tenure track, and 21.4% were not part of any tenure track.

Whilst the processes leading up to a faculty member being selected onto a tenure track should be open, transparent and based on potential and merit, how tenure track faculty are then managed versus those not in a tenure track position could be viewed as evidence of an exclusive approach to talent management in action. In many senses, tenure track faculty represent the future of the school. If they fulfil the criteria for tenure, they will obtain a tenured position regardless of how well other faculty members are performing. Unlike many succession plans, tenure track faculty do not need to wait for senior colleagues to retire or leave before they enter into the highest ranks of a school's faculty. There are therefore strong incentives to pay close attention to this group. Whilst the pressures on tenure track faculty to perform are well documented (e.g., Pietilä, 2019), it is clearly in a school's interests to manage this group in such a way that supports their performance, professional development, engagement, and wellbeing.

From a talent management perspective, the tenure track can be viewed in terms of what King (2016) refers to as a ‘talent deal’ and ‘talent journey’. Drawing on social exchange theory and the concept of the psychological contract (Rousseau, 1989), the ‘talent deal’ refers to how the talented employee (in this case the tenure track faculty) perceives the exchange—for instance, challenging tenure track criteria and a fixed timeline in exchange for tenure and a prestigious professorial position. The ‘talent journey’ then refers to how these perceptions – about the quality of the exchange and whether obligations have been met – change over time.

One could argue that the ‘deal’ many schools present to tenure track faculty is not the same as for those employed outside of the tenure track system (Levin, Shaker, & Wagoner, 2012). It is likely that obligations towards tenure track faculty are greater than those they feel towards other groups such as post-doctoral researchers, lecturers, and adjunct professors (of practice).

‘Star’ tenured faculty

We are not aware of research investigating whether business schools – similar to those operated by many large corporations – have separate formal talent management systems where only a small proportion of the employees are classified as ‘talent’ and receive special treatment. However, anecdotal examples suggest that some business school leaders pay particular attention to their ‘star faculty’ in order to attract and commit them to the school. This group is likely to comprise mostly experienced, tenured faculty, who clearly outperform their peers, above all (but not exclusively) in research as one of the most valuable forms of human capital in most business school settings.¹ While ‘performance stars’ (Kehoe et al., 2018) are likely to be the most visible, it has been shown that the impact of faculty members who (also) are helpful towards others in terms of providing ideas and feedback on their work (Oetl, 2012) often have a significant positive impact on the quality of the work of other scholars. Further, especially in business schools that focus on recruiting managers and executives to their programs, having faculty members who are well known also outside of academia, and therefore important for the non-academic reputation of the business school, are likely to be viewed as valuable.

Disproportionate management attention to this group of tenured stars may come in the form of executive search (e.g., headhunting) and direct appointments, ‘extraordinary’ compensation packages and/or bonuses, sabbaticals or reduced teaching workloads, and other kinds of discretionary resources not accessible to everyone.

In addition to tenured star faculty members, many schools have a category of star visiting (adjunct) professors with part-time contracts. While some ‘visiting stars’ are engaged in

teaching, many of the agreements that we have seen in business schools across countries focus on research, including how the visitors can contribute to enhancing the research climate and performance of the school.

A key decision is whether to staff business school positions through internal resourcing or through external recruitment—whether to *build* or *buy* talent, perhaps complemented with some adjunct (*borrowed*) faculty. Some schools may place a lot of emphasis on (or are reliant upon) the ‘build’ approach and thus focus more on identifying and attracting talent early, and designing a highly effective tenure track system, whereas other schools place more emphasis on ‘buy’ since, for example, they may be very prestigious and/or in a position to offer highly attractive employee compensation packages. The financial model of the school helps to explain why schools like IMD (in Switzerland) focus on buying experienced talent who can immediately serve its executive clients, while research-oriented, publicly funded schools like Aalto (in Finland) focus more on building talent while also having a number of ‘borrowed’ visiting, international stars. However, more research is needed on the contextual and organizational factors influencing the school’s portfolio approach to talent.

Talent identification, recruitment and selection

Turning first to tenure track faculty, in the tenure track model there are arguably two crucial decisions: the initial decision to offer an applicant an assistant professorship position, and the tenure decision (which we discuss later) (Saffie-Robertson & Fiset, 2021). The job market for assistant professors has become increasingly institutionalized within the different academic fields of business and economics. A number of business schools have a policy of not recruiting fresh graduates of their doctoral programs and most institutions make efforts to attract well-qualified external applicants. In business studies, the leading conferences in each field offer schools opportunities to announce available positions, and candidates can sign up for first-round meetings/interviews with representatives from the schools. Students taking part in doctoral tutorials also learn how to “succeed on the job market.” Positions are advertised globally through field-specific emailing lists and many schools utilize a number of academic job portals to recruit candidates for open jobs.

Another development taking place in a number of universities is the formalization of the selection process. Universities have policies for how the selection process is to take place, with the aim that the process should be as transparent and objective as possible (see e.g., the

recommendations of the DORA declaration on the responsible assessment of researchers). For instance, many universities have standardized rubrics that selection committees are to use when evaluating candidates (Saffie-Robertson & Fiset, 2021). Research indicates that the reality is often different, with the ‘real’ decision-making process commonly being highly informal and not transparent (for a review, see Thunnissen et al., 2021). For instance, Helgesson and Sjögren (2019) showed how ‘interpretive flexibility’ can be used when evaluating candidates. Van de Brink (2010) concluded that there was a gender bias in the selection processes that she studied, and several studies have suggested that the personal impressions of the senior professors involved in the selection process play a significant role for their outcome. It has indeed been argued that the tendency of ‘cloning’ is prevalent in academia (Essed, 2004). However, to be noted is that a recent study on the recruitment of accounting faculty in Scotland and Ireland reported evidence of greater transparency and equality with an increasing role being played by the business school leadership (Parisey & Parisey, 2018).

One interesting question about evaluating candidates for assistant professorships is how business schools attempt to evaluate potential. Assessing potential is a recognized stream of leadership and talent management research (see Silzer & Church, 2009) and is relevant in assistant professor appointments due to the relative lack of past performance indicators that selection committees have at their disposal. The starting point in assessing potential is a working theory about what predicts future performance in an academic, typically research-oriented, tenure track career. What might those criteria look like, what weighting are they given in the selection decision, and how to ensure that the evaluation process and evaluators are set up to assess potential in a consistent and reliable way? For instance, what is the weight given to the candidate’s socialization and the pipeline of joint research projects together with established scholars (Ryazanova & McNamara, 2016)? Further, a focus on potential is likely to lead to considerable differences in how candidates are evaluated, including systematic assessment biases (Hersberg, Benschop, & van den Brink, 2018; Mähle et al., 2020).

In terms of ‘star’ tenured faculty, the approach to recruitment and selection tends to be more focused and directed towards certain individual professors via the use of executive search and headhunting services together with more informal approaches. Whilst some countries and public sector regulations may impose constraints on schools contemplating this form of recruitment, anecdotal evidence suggests that this is widespread, especially in wealthy countries aiming to establish top schools without sufficient domestic supply of star faculty. This trend is also noticeable in the growing market for visiting and adjunct professorships,

which is often a more realistic option for schools attempting to tap into the global market for stars without having the means to attract them to full-time positions.

Performance management

Most business schools have a formalized performance management system for individual faculty members in place, including tools to be used and processes to be followed. The fact that international accreditation agencies like AACSB and EQUIS expect schools to be able to explain the processes in place for evaluating individual faculty members may have contributed to the spread of more systematic performance management practices like yearly (or biannual) performance reviews (Alajoutsijärvi, Kettunen, & Sohlo, 2018). Such processes typically include a review of the past, a dialogue regarding how the person could develop him/herself, and a discussion about the priorities, plans and targets for the coming period. In many organizations, the material covered in the performance reviews/discussions has to be documented. In addition, superiors are encouraged to engage their subordinates in informal dialogues and to coach them about their work between the formal performance review discussions.

Scholars studying institutions of higher education have shown considerable interest towards their performance management systems, often approaching the topic from a critical perspective. One source of critique has centered on the difficulty of meaningful measurement, i.e. that academic work and its key elements of research, teaching and societal outreach are simply too complicated to be operationalized into meaningful goals and metrics (Kallio et al., 2016; 2021). A related critique is that since research performance is easier to measure, this dimension of the work tends to receive a disproportionate amount of attention at the expense of both teaching and service, including the mentoring of other scholars (Aguinis et al., 2021; Pietilä 2019; Kallio, Kallio, & Grossi, 2017). Although most would agree that high-quality research is important, arriving at a valid assessment of the quality and impact of research is extremely difficult (Aboubichr & Conway, 2021; Aguinis et al., 2021). The timespan for a meaningful analysis of research impact is simply too long for it to be a central indicator of the performance of tenure track faculty members coming up for tenure review.

The practical outcome is that business schools commonly use indicators of the quality of the outlet where the study is published (journal classification, impact factor etc.) as a proxy for research quality (Aguinis et al., 2021). Books and publications in less prestigious journals are

given less emphasis, as are publications targeting non-academic audiences. The consequence is that aspects of academic work that cannot be easily measured become increasingly neglected—as the saying goes, you get what you measure (Kallio et al., 2017). And tenure trackers attending junior faculty consortiums at international conferences also learn that publishing in the ‘A* journals’ is crucial for them to succeed in their careers (Aguinis et al., 2021; Aboubichr & Conway, 2021).

Similar to the situation concerning selection, studies have found that there is often a disconnect between organizational policy and practice in performance management. Some superiors offer junior colleagues on a tenure track more guidance, feedback, and support; others believe that academics should be “self-propelled” (Thunnissen, 2016; van Balen, 2010). Some receive considerable support from department chairs who can provide job clarity, explicate expectations, provide psychological support, feedback on work-in-progress, access to resources, assure a reasonable and equitable workload, and collegial relations (Ambrose et al., 2005). While some junior staff are satisfied with the autonomy they experience, others suffer from a lack of direction and clarity regarding the expectations and how well they are doing. Indeed, it has been found that “candidates are not told about shortcomings in their work until a negative [...] decision has been reached, whereupon she or he feels blindsided” (Norman et al., 2016: 354). In terms of the regular formal performance reviews, a common complaint made already several decades ago by junior faculty members was that they lacked constructive information on how to improve their performance (Olsen & Sorcinelli, 1992). Thus, a challenge facing business schools is how to get heads of departments and senior faculty members to assume accountability for the management of the faculty members in their units who are on the tenure track.

While the performance management policies and processes for tenured star faculty may share many features with those of tenure track faculty, based on our observations, the way in which they are implemented differ substantially. Heads of department and other academic leaders tend to relate to these stars less as subordinates, the performance of whom should be ‘managed,’ and more like esteemed colleagues. One interesting question is the extent to which schools hold star tenured faculty accountable for the development of others (including the successes/failures of tenure track faculty members), assuming that is one reason to hire/retain such stars. Similarly, if star tenured faculty are hired above all for their external ‘star status’, are these stars held accountable for their performance in attracting other talent? We are not aware of any

research published on the differences in the performance management practices across different faculty groups in business schools, including those viewed as talent or otherwise.

Talent Development

Although talent development is a central element in the talent management systems found in many corporations, this aspect has received little attention in research carried out in the university and business school context. The lack of a body of research on this issue aside, how can business schools support the development of their talent?

In the corporate sector, it is customary today to frame development activities in terms of the 70-20-10 philosophy, whereby 70% of the development actions are based on on-the-job experiences such as new roles and stretch assignments, 20% on learning from and with others through feedback, coaching, mentoring, networking, role modeling, etc.,ⁱⁱ and 10% on formal development interventions such as virtual and face-to-face training.

We surmise that also among tenure track faculty members, most of the development takes place on the job (the '70'). However, this is often combined with the other 30 percent: learning from others (the '20') and formal training (the '10'). So, while tenure track faculty members are likely to develop their research and teaching skills above all by doing research and teaching, encouraging collaborative research with more senior colleagues, organizing regular formal and informal (e.g. 'brown bag') research seminars, and having a climate of scholars reading and commenting on others' papers and research plans are important ways to support young faculty members develop their research competencies and improve the quality of their work. Some institutions explicitly expect visiting professors to mentor and ideally also engage in joint research projects with young faculty members.

Implementing a policy of more experienced faculty members (and possibly pedagogical experts) providing feedback on the pedagogical designs and actual classroom teaching of junior faculty members may serve important developmental purposes. Some schools also have a practice to gradually develop early-career scholars' executive education skills by them first observing excellent teachers in action, getting feedback when initially only doing small sections in executive education programs, and gradually increasing the portfolio of sections taught in such programs. Also, when it comes to PhD supervision, common practice in some institutions is to first invite assistant professors to join supervisory committees as junior members. In addition, most business schools today seem to require their new tenure track

faculty to complete at least some formal pedagogical training. Our understanding is that there is considerable variance both across and within schools in their talent development activities, but more research is clearly warranted on this issue.

So far, the focus has been on development activities taking place within the faculty member's own business school. We already earlier mentioned the role of junior faculty workshops and consortiums organized at major conferences. In many fields, professional development workshops have been broadened to cover a range of topics beyond paper development (see Aguinis et al., 2020) to include research methods, teaching skills, and career management strategies. And the social capital that help junior scholars thrive in their careers are to not a small degree developed at international conferences and through visits to other universities, sometimes helped by the introductions made by senior stars. However, business schools clearly differ in terms of whether global mobility is only recommended or is a formal requirement within the tenure track system or before entry onto it.

The organizational support dedicated to the development of tenured star faculty members is rather different. Our experience is that they participate more seldom in formal pedagogical training, may not be interested in joining the formal leadership programs offered by universities, and are much less likely to receive feedback on their teaching. There may also be reluctance on the part of junior scholars to provide frank feedback on the research work of (star) full professors, who often play key roles when decisions are made on their tenure and promotion. However, star tenured faculty may be offered complementary resources in the form of personal budgets and the traditional university policy of offering sabbaticals to tenured professors can also be viewed as a significant investment in their further development.

Benefits and rewards

Exclusive talent management and work differentiation may also be reflected in salary differentiation. Whilst there will be notable differences in salary differentiation within state-funded, public schools (where there may be collective bargaining agreements) and private-funded schools, schools everywhere are facing competitive pressures to pay the going market rate for promising assistant professor faculty, even if this might mean paying them salaries comparable to more senior colleagues. The overall approach to compensation will also be driven by the 'buy', 'build' or 'borrow' strategy to faculty portfolio management – for instance,

some schools viewing their total compensation packages and a ‘buy’ strategy as a distinctive competitive advantage.

For business schools facing institutional constraints on the salaries they can offer, the role of rewards and benefits has become more important. The use of publication bonuses for faculty members has become more common, at least outside the highest ranked business schools. For instance, in Europe it is not uncommon that authors receive bonuses of well above 10,000 euros per article published in leading journals. Several schools ‘reward’ their successful publishers with a reduced teaching load (Aguinis et al., 2021). It is also commonplace to see business schools offering generous research budgets as well as relocation packages to new international hires, including relocation support services to the spouse and family. However, many of these benefits are not offered to those outside of the tenure track system (Levin et al., 2012).

For star tenured faculty, elements of the ‘deal’ may differ from those offered to faculty on the tenure track. For some, this may come in the form of even greater ‘autonomy for performance’, a larger travel budget, and permission to hold multiple affiliations. In practice, for this talent group, we seem to have witnessed a continuing individualization of star faculty work arrangements. Such deals resemble in many respects the concept of the idiosyncratic deal (or i-deal) whereby individuals negotiate a customized set of work arrangements with their employer (for a review, see Liao, Wayne & Rousseau, 2016). However, for both legal and strategic reasons, information about what kind of i-deals exist with star tenured faculty is not openly available, which might also explain the lack of research on the issue.

Tenure, promotion, and retention

For most tenure track faculty members, the decision whether or not they obtain tenure at their current institution is a crucial one as the career path structure is ‘up or out.’ Surveys and discussions with academics working in business schools working across countries show that research is the main factor (Wiley et al., 2016; Pietilä 2019) – in some schools it seems like in practice almost the only factor – determining whether a faculty member is granted tenure. And as previously noted, the most significant indicator of research performance appears to be the extent to which the individual succeeds in having their research published in the most prestigious journals (Aguinis et al., 2021; Aboubichr & Conway, 2021).

Research on factors associated with the perceived fairness of the tenure decision suggest that equitable treatment of junior faculty members and the perceived effectiveness of feedback are

the strongest predictors. Satisfaction with workplace autonomy, effectiveness of mentoring, collegiate relationships, and satisfaction with resources had only modest effects on the perceived fairness of tenure decisions among a large sample of US-based assistant professors from different disciplines (Lawrence, Celis & Ott, 2014).

While employee turnover has both positive and negative consequences for the organization, most business schools naturally would like to retain talented faculty members. As with other issues we have discussed, unfortunately there appears to be little research conducted specifically on voluntary turnover among business school faculty. It appears natural that there will be general differences between the expectations towards their employers as well the levels of satisfaction of tenure track faculty and star faculty, as indicated by the results of a survey of different faculty groups in European business schools (Verhaegen, 2005).

Studies carried out in higher education institutions in general (Huston et al., 2007; O'Meara, Bennett, & Neihaus, 2016) suggest that a psychological contract perspective helps shed light on the reasons why faculty members decide to leave their organizations. Psychological contracts have been found to influence considerably employee work-related attitudes and behaviors: favorably when fulfilled, and negatively when breached (Coyle-Shapiro & Kessler, 2000; Zhao et al., 2007). While the content of such contracts among junior and senior stars are likely to be quite different, we expect psychological contract breaches to be associated with higher turnover intent in both talent categories. Although psychological contract breaches cannot be fully avoided, their likelihood can be reduced through open communication regarding the mutual expectations of the parties involved (O'Meara et al., 2016). And when the employer for some reason is unable to live up to the expectations, how this contract breach is explained – e.g. by the Head of the Department – is also likely to go some way towards reducing the influence of the contract breach on the faculty member's likelihood of considering alternative employment.

Discussion

In this chapter, we have examined talent management in the unique context of business schools, focusing on tenure track faculty members and tenured 'star' professors as two categories being the likely target of exclusive talent management activities. Since only little research has been conducted specifically on talent management practices in business schools (performance management being the main exception), there are numerous gaps in our knowledge of how

talent management is operationalised and with what consequences in this particular context. A number of fundamental research questions are still waiting to be explored.

An obvious overriding question is what impact talent management practices have on various outcomes at different levels, ranging from the individual faculty member to the business school as a whole. For instance, a study on the research performance of departments in UK universities found considerable variance in management practices across different kinds of universities (McCormack, Propper, & Smith, 2014). This study reported evidence of a positive relationship between ‘talent management’ and the research performance of the department in question. Scholars interested in the business school setting could build on these findings, but we suggest that they adopt a more fine-grained approach to both the talent management practices and the employee groups that they are targeted at than in the McCormack et al. (2014) study.

There is also a need for more research conducted with a focus on the individual faculty member. For instance, talent management scholars could adopt a psychological contract perspective on how tenure track faculty members construct their perceptions of the performance expectations towards them from their employers (the business school) and their representatives (e.g., department heads), what they themselves expect to receive in return, and how these perceptions develop over time (see Sewpersad et al., 2019). For any organization to successfully manage its talent and promote their performance and engagement, understanding how these key employees perceive their employment relationships is highly significant. Further, as the concept captures the largely implicit deal about the ‘give and take’ at work, it is particularly relevant for highly-competitive contexts where work is ambiguous and where employees have a high degree of autonomy (Diehl & Coyle-Shapiro, 2018; Herbert & Tienari, 2013).

We have alluded to the important roles played by academic ‘middle managers’ in the management of talent. In the university context, the discussion of the roles of middle managers has been linked with the position of department or unit heads as ‘academic leaders in the middle’ and ‘sandwiched middle managers’ (Berdrow, 2010; Gjerde and Alvesson, 2020). However, while some research suggests that heads of academic units can significantly influence research productivity, faculty job satisfaction, and faculty work effort (Bäker and Goodall, 2020; Goodall et al., 2017), little research has been conducted on how middle managers’ perceptions, values, and identities may lead them to resist, neglect or support efforts at implementing and translating certain organizational practices such as talent management in their units (Trullen et al., 2020). We also encourage scholars to study senior faculty members’ roles in talent management. For instance, to what extent do they internalize talent (faculty)

management as a part of their roles and how is this enacted in their behavior and actions? By extension, the ability of academic leaders to manage tenured ‘star’ faculty remains hugely debatable and worthy of further study.

A key question in the talent management literature from the outset has been the identification of who is to be viewed as talent. This question is central in any organization implementing an exclusive approach to talent management. In this chapter, we have assumed that two groups are likely to be at the center of the talent management practices in business schools: faculty members on a tenure track, and tenured star professors (typically research stars). However, are these necessarily the most important individuals? Further, since strategic talent management is also about identifying key positions (Collings & Mellahi, 2009), an alternative line of enquiry is to consider what kinds of positions are ‘key’ in a business school setting. For instance, what about star teachers, ‘status stars’ (Kehoe, et al., 2018) who are highly visible in local and international (social) media, ‘mavens’ (Oetl, 2012) who help other academics with their research but who are not particularly successful as scholars themselves, non-academic directors in central roles in fundraising or executive education, and members of the leadership team of the school? In societies where there is increased emphasis on business schools being expected to contribute to the building of a better, more sustainable world—who are the real stars and how are they managed? Are new competences and new types of positions needed?

Finally, we believe that it is important to take seriously the critique towards an exclusive approach to talent management (e.g., Lewis & Heckman, 2006). For instance, does this lead to schools neglecting other employee groups that also are important for the school’s success and the successes of key ‘talent’ – the so-called ‘B’ players (DeLong & Vijayaraghavan, 2003 see also Levin et al., 2012) – lecturers who in many schools carry much of the teaching load, adjunct faculty on part-time contracts with unique knowledge in their own area of expertise, and administrative professionals handling many of the educational tasks of the organization that affect the student experience? Adopting a more inclusive approach to talent management (Beechler & Woodward, 2009) would encourage business school leaders to consider the management of those who do not succeed in the highly competitive academic labor market, including the post-docs who do not manage to get any assistant professorships and gradually find it more difficult to even get a non-permanent teaching position, as well as tenured faculty who may have unique skills outside of the narrow research performance domain of tenured ‘star’ professors.

In conclusion, the area of talent management has much to offer in helping us to understand what is happening in the area of faculty management in business schools today. However, our review suggest that are still many open questions for both research scholars and business school leaders.

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ⁱ In some business schools focusing mostly on executive education – such as IMD (Switzerland) – the focus is more on the star educators—those who consistently receive stellar ratings from the participants in executive education programs.

ⁱⁱ We partly covered support from superiors in the section on performance management.