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The role of universities and business schools in developing leadership

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Key Points

- The skills and competencies required for leadership differ from those required for management.
- Leaders require a deep understanding of trust and relationship management.
- Leaders must challenge the status quo, look to the future and develop new ideas.
- Business schools and universities have recognized the importance of developing leadership skills and competencies, and offer a broad range of education and training.
- This education and training specifically focuses on learning by doing, and by connecting theory and practice, by using real life cases.
- Business schools and universities constantly seek to improve their courses, and are always open to input and new ideas.

When still waters become turbulent, everybody knows it is important to adjust the ship — the sails must be trimmed and loose objects tightened. If the storm continues it might be necessary to adjust the ship's course — and maybe even find more friendly seas to explore.

Day-to-day management and setting the right course require different skills and competencies. Leaders must challenge the status quo, look to the future and develop new ideas. Looking constantly at the bottom line and to the future at the same time is impossible.

In order to develop new ideas, leaders must be able to seek inspiration from others, show originality and have the courage to be their own person. They must also both earn trust and learn to show trust in their relationships, as blind faith in control and systems may hinder the development of new ideas that can support innovation and leadership.¹ But this is not easy in a time that calls for focus on the bottom line, stricter systems and more control.

How do business schools and universities support the development of leaders who can turn the ship back on right course, ride the wave to new opportunities and make way for growth and more profitable business for all? How can business schools and universities supply the skills and competencies necessary to be a leader? Is it something you can learn at all?

Our informal survey shows that business schools and universities do indeed focus on developing management skills and competencies — as well as the theoretical and practical skills necessary for change management, innovation and leadership.² This is provided as part of a Masters, MBA and short-term courses. Our belief is that leadership skills and competencies *can* be taught. The following synthesis summarizes the core of the change and innovation leadership curriculum, as universities and business schools see it in relation to supply chain management, contract and commercial management and specialized programs in change management and innovation.

The skills and competencies that leaders need to have

Leaders must be able to analyze their own corporate culture and capacity for change. This

requires reliable investigation techniques and data, eg, systematizing supply chain management data, interviewing managers, and creating reliable information flow systems.

Leaders must also be able to analyze the decision process and decision-making behavior in their own organization. This means having an eye on the overall organization design; the role of contract and commercial managers; and the differences in cultures and behavior in the different parts of the organization and in different countries; and the organizational constraints and opportunities, including how individuals work together in teams.

This must be combined with the ability to find new strategic business opportunities. In a contract and commitment management context, attention must be on cost-reduction and financial and risk management, and how this can be supported by technology and management innovation. Special attention must also be given to customer relationship management and to business cooperation and networks.

Customer relationship management is crucial in any successful contract management or supply chain management strategy.

Cooperation is important for success. This is particularly true at a time when trust, transparency and relationships mean more than ever for business. Leaders must understand the importance of, and be able to facilitate, networking with the right people and connecting relationships, competencies and opportunities to the benefit of the company.

Leaders must also know the theory and practice of change processes. This means knowing the basics of establishing a strategy; understanding how change management works with customers and suppliers and how to best implement the required changes; and understanding both the theory and practice of corporate communication and coaching as a management tool. Competency in these areas will give leaders the basic tools and skills required in a leadership role.

But leadership is not taught by way of theoretical courses alone. The way leadership is developed is also by *learning by doing in networks*. Practice and feedback from peers is important to the learning process. Workshops, assisted by business psychologists, are important in developing personal leadership traits. Students must present projects from their own company on management and leadership challenges to give them experience in solving management and leadership-related problems in their own companies. Finally, they must be able to present a thesis or paper which synthesizes all they have learned, and demonstrates their ability to identify, initiate and implement an opportunity for change relevant to their company.

In conclusion, leadership requires tools and skills that can be learned —working in networks, creating trust and managing relationships. Universities and business schools are working hard to supply the business community with appropriately educated and trained graduates. We are interested in hearing your experience with graduates on these issues, and how business schools and universities can help the community further in developing leadership excellence.

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Endnotes

- 1 See, for example, Warren G. Bennis and Robert J. Thomas: *Leading for a Lifetime: How Defining Moments Shape Leaders of Today and Tomorrow*, Harvard University Press, 2007.
- 2 The survey is based on the Aarhus School of Business (University of Aarhus) Executive MBA in Change Management and Innovation; the Manchester Business School (University of Manchester) MSc in Commercial Management; and the North Carolina State University Supply Chain Management Program (SCM).