



## THE PROCESS OF STAKEHOLDER ENGAGEMENT: THE CASE OF ESTABLISHING ADVISORY COUNCILS AT A SCHOOL OF BUSINESS

David Felsen and Michael Nastanski

*Saint Leo University, USA*

In recent years, university leaders have had to strategically adapt to an increasingly challenging landscape in higher education. Business schools in particular have had to develop new initiatives to promote growth and provide students with the requisite skills needed to succeed in the 21<sup>st</sup> century. This paper is a case study of one business school's ability to lead change by way of visionary leadership and through the use of advisory councils as key stakeholders. The case focuses on Saint Leo University's promotion of stakeholder engagement and its strategic use of advisory councils. The paper applies a five-stage stakeholder engagement model to explain the case of Saint Leo's business school's stakeholder engagement. The paper concludes that a multi-stage stakeholder approach involving advisory council engagement can help provide strategic leadership and help promote the growth and success of a business school. Furthermore, the stakeholder-oriented approach to advisory council engagement can be applied to other higher education institutions as well as to organizations in other sectors.

**Keywords:** Stakeholders, Advisory councils, Leadership, Strategy, Business schools.

### Introduction

Many observers of higher education have suggested that the recent financial challenges faced by American universities have brought about the greater commercialization of higher education (Bok, 2003). Business schools in particular have been viewed as generators of revenue first and foremost, rather than primarily as arenas of scholarship, training and the free exchange of ideas (Thomas and Thomas, 2011). Furthermore, inadequate attention is being paid to imbuing students with the skills and values necessary to lead highly complex organizations and manage turbulent environments (Jaschik, 2015).

Peter Drucker once predicted that the university in its traditional guise would not survive. He noted in a 1997 *Forbes* interview that, "Thirty years from now the big university campuses will be relics. Universities won't survive. It's as large a change as when we first got the printed book" (P. Drucker, Interview, March 10, 1997). Similarly, Harvard professor Clayton Christensen has argued that universities cannot be immune to the process of disruptive innovation. In a recent interview with *Wired* magazine in 2013, Christensen argues, "I think higher education is just on the edge of a crevasse. Generally, universities are doing well financially, so they don't feel from the data that their world is going to collapse. But I think even five years from now these enterprises are going to be in real trouble" (C. Christensen, Interview, February 12, 2013).

In short, universities, and business schools in particular, have been feeling pressure to become more innovative and to adapt to the new realities of higher education. Many business schools have attempted to

answer this call by fostering greater stakeholder engagement as a means to navigate competing internal and external demands, which require visionary leadership and complex transformations (Thomas and Thomas, 2011). Visionary leadership combined with greater stakeholder engagement can align constituent demands on the one hand, and market needs and opportunities for growth on the other. Stakeholder engagement can help build broader networks with the ultimate benefit of preparing students to meet today's challenging business environments.

One way of engaging stakeholders at a business school is by setting up advisory councils. An advisory council is a stakeholder group that can strengthen business school engagement within the community. It is a forum to sound out ideas concerning innovative initiatives and projects and a resource to draw from to improve student and faculty connections and experiences. The use of advisory councils in business schools is not new. Nevertheless, the research in this area does not yet benefit from in-depth case studies illustrating how business schools strategically form, implement, and utilize advisory councils as stakeholders to improve organizational responses to the environment.

The objective of this paper is to discuss the case of one business school's strategic decision to move towards embracing more purposive stakeholder engagement, and its specific choice to form advisory councils to support its goals and activities. The current case illustrates how the strategic pursuit of stakeholder engagement led to the business school's transformation and growth over the 2005-2015 period. It shows how advisory councils helped improve student experiences and student learning, led to the development of innovative programs, and permitted a business school to leverage new connections and opportunities.

The case, Saint Leo University, is a private faith-based institution whose main campus is located near Tampa, Florida. Its successful stakeholder-centered strategy during the 2005-2015 period coincided with a time of tremendous growth for the business school. The business school grew by more than eight-fold during that time, while the quality and diversity of its programs increased during that same period. This case study highlights how the business school demonstrated purpose, achieved alignment, and brought about the successful implementation of effective advisory councils. It further illustrates how, in turn, the advisory councils helped bring about innovation and change at the business school.

### **Literature Review on Stakeholder Engagement and Advisory Councils**

Much of the literature on stakeholder theory and stakeholder engagement pays attention to the importance of stakeholders to organizational processes, structures, and outcomes. Early literature discusses the benefits of broadening stakeholder engagement to the organization. Freeman (1984) differentiates between 'narrow' and 'broad' stakeholders. The former stakeholders are essential to the organization's immediate operations and success, while the latter our external players who impact or are affected by organization. Freeman stresses the strategic importance of bringing in as broad an array of stakeholders as possible from outside of the organization to strengthen it. Phillips (2003) emphasizes the importance of establishing a mutually beneficial relationship, whereby reaching out to stakeholders leads to gains for the organization as well as for the individuals and groups external to the organization. Harrison and Wicks (2013) focus on the value added of stakeholders to an organization. They argue that a firm can create value by way of strengthening internal and external stakeholder affiliations. Similarly, Dawkins (2014), writing about stakeholders within the context of labor relations, notes that engaging stakeholder demands leads to positive and practical benefits, and more favorable outcomes for the organization.

Other scholars look at stakeholders and their relationship to organizational ethics and values. Swanson (2012) notes that organizations may see stakeholder engagement itself as an organizational 'core value'. Greenwood and Van Buren (2010) focus on stakeholders who share the organization's values. They write:

"Stakeholders may be concerned for organizational values which directly relate to their own well-being, such as a customer of baby products being highly concerned with the product quality and safety. Alternatively, stakeholders may be more concerned with organizational adherence to global values which

do not directly relate to their own experience of the organization, such as socially responsible investors concerned with environmental protection or customers wishing to purchase non-animal tested cosmetics” (p.436)

The stakeholder theory literature is also germane to higher education, and specifically business schools. Thomas and Thomas (2011) look at the relationship between the business dean and his environment. The authors note that, “Understanding the environmental and competitive context is crucial in identifying strategic opportunities and finding ways to match those initiatives with the School’s organizational and political context” (p. 533). Similarly, Almog-Bareket (2012) looks at the institutionalization of stakeholder relationships.

There is also literature that addresses the role of advisory councils as stakeholders at business schools. Ellingson, Elbert and Moser (2010) and Rose and Stiefer (2013) have examined advisory councils within business schools. The authors note that councils can provide strategic planning, mission development, financial support, fundraising opportunities, relationships within the business community, student internships, curriculum and program assessment, and faculty resources. In short, developing advisory councils demonstrates a commitment to growth and student success, and will “signal a desire to maintain a relationship with the business world” (Ellingson, Elbert and Moser, 2010, 7).

Furthermore, Schaeffer and Rouse (2014) note that a long-term successful partnership between an advisory council and a business school rests on whether the members of the advisory council perceive that results are being achieved, the councils meet regularly, and clear goals and objectives are set. Additionally, advisory councils need to add credibility to programs and provide linkages to outside work opportunities (Schaeffer and Rouse, 2014).

Concerning the literature on advisory council formation, Heylman (2011) looks at the selection process of business school advisory councils, while Gable and Shireman (2005) present a step-wise process of stakeholder engagement. The framework involves a three step methodology: internal preparation; stakeholder mapping and strategic planning; and stakeholder engagement. For the purposes of this paper, this step-wise process will be expanded into a five-stage framework. This framework will be applied below to the process of stakeholder engagement undertaken at Saint Leo University’s business school.

To summarize, the literature on advisory councils as stakeholders is not extensive, but the literature points to the importance of stakeholder engagement to organizations in general, and business schools in particular. There is a growing need to involve advisory councils to permit business schools to reach goals and objectives, to improve experiences, and to achieve concrete results. Gable and Shireman’s (2005) stepwise engagement framework is particularly helpful in explaining the process of stakeholder engagement. In the next section, the paper considers the case of Saint Leo University, which effectively used advisory councils as stakeholders to bring about change over time to achieve its goals during the 2005-2015 period.

### **The Case of Saint Leo and the Process of Stakeholder Engagement of Advisory Councils**

The case of Saint Leo University’s Donald Tapia School of Business illustrates the importance of stakeholder engagement as part of a transformational process at a business school. Realizing the importance of engaging stakeholders from the business community, the business school proceeded to develop its relationships and its resource capacity by creating and strengthening advisory councils during the 2005-15 period.

### **A Brief History of Saint Leo University**

Saint Leo University (SLU) was founded in 1889 by the Order of Saint Benedict in Florida. Today, the university enrolls approximately 15,000 students. 2,200 are enrolled at SLU’s traditional campus in Florida. The remaining students are enrolled across over forty education centers located in seven states, and through its online distance learning platform. As one of the early entrants into online education, Saint

Leo is a leader in this area. Saint Leo enrolls students from all fifty states, the District of Columbia, four U.S. territories, as well as from more than sixty different countries. The university campus hosts traditional undergraduate students, as well as evening and weekend graduate programs. Furthermore, Saint Leo employs over 1,400 full and part time faculty members and over 1,000 staff and administrators, all the while seeking to maintain a student-teacher ratio at the university campus of below 20:1.

Since its founding in 1889, the university has had to continually adapt itself. It transformed itself from a preparatory school to a college, and then from a college to a university. It progressed from offering undergraduate degrees to offering Master's degrees. In 2014, it began to offer doctoral degrees.

In the 1990s, Saint Leo University experienced challenges also faced by other small private colleges at the time. Many colleges suffered declining enrollments, operating budget shortfalls, and physical plant deterioration. Growing competition from both traditional and new non-traditional universities, particularly in the for-profit sector, took its toll.

In 1997, the college brought in a new president, Dr. Arthur Kirk, to lead a turnaround of a college that had suffered decline. Dr. Kirk had previously served as president of Keuka College in upstate New York, where he had enjoyed success as a turnaround and visionary president. He began a strategic process of change at the university, creating a clear institutional vision and mission with a student-centered focus, and instilling behavior-based values and a culture committed to change and performance measurement.

Dr. Kirk's planning process, as is noted in the strategic plan of 1999-2005, "Engages all major segments and constituents of the institution" (Saint Leo University, 2003, p.2). The strategic plan articulated envisioned that Saint Leo would become "A leading Catholic teaching university of international consequence for the twenty first century" (Saint Leo University, 2003, p. 3). Dr. Kirk's time in office was characterized by rigorous strategic planning, follow-through execution, and follow-up measurement and evaluation of results.

The new president's vision included ambitious goals which were openly shared with, and embraced by, the entire university community. The clear commitment to goals and measurements, and the focus on strategic priorities in the form of Key Result Areas (KRAs) to revive Saint Leo's financial situation and advance academic objectives, received widespread support across the university (Saint Leo University, 2003). It was within this turnaround environment and strategic context that Saint Leo's business school experienced its own transformation.

### **The Transformation of the Business School**

The school of business was at the forefront of Saint Leo's institutional transformation that began in the late 1990s. The strategic, financial and infrastructural challenges facing the school of business required experienced leadership that complemented the president's stewardship. Central to developments at the business school were changes to its leadership as well as its effective engagement of stakeholders during the 2005-2015 period. During that period, the business school multiplied its program offerings and met industry-aligned certifications.

In 2000, a new dean with strong academics was chosen to lead the business school. He began to differentiate Saint Leo's program offerings from its competitors. Upon his retirement in 2005, a new dean was then chosen from the faculty ranks, but who possessed twenty years of international industry experience, with an understanding of stakeholder engagement and a commitment to working with internal and external stakeholders. The new dean sought to accelerate the process of developing cutting edge programs, to attract solid faculty, to encourage donations to the school, to improve technological sophistication of school programs, and to enhancing student experiences and competencies.

With these goals in mind, stakeholder engagement became a central strategy for growing the business school. It was necessary to reach out and develop relationships with the business community to better inform the business school about what needed to be learned, to guide the school's strategic planning process, and to develop more opportunities for students such as internships and graduate employment.

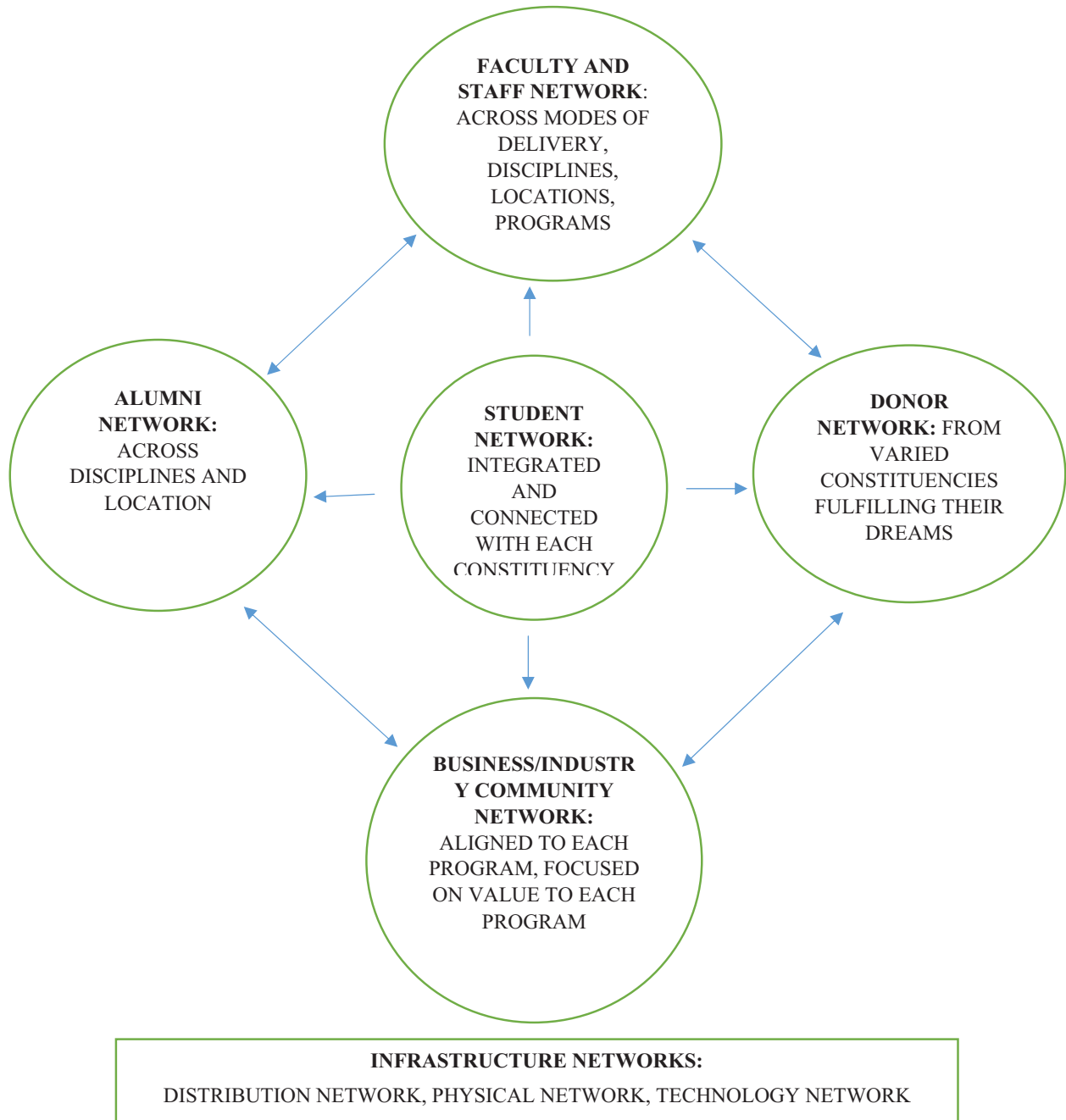


Figure 1. School of Business Grand Strategy (Saint Leo University, 2007)

**Developing Stakeholder Engagement and the Creation of Advisory Councils**

In the fall of 2005, a series of meetings were held between the dean and internal stakeholders such as department chairs, administrators and staff, as well as external stakeholders, notably industry executives. Concurrently, there was a process of information gathering and analysis that informed the development of a strategic plan.



The new dean subsequently conducted a ninety-day comprehensive assessment of the state of the business school. The assessment drew five key conclusions concerning the business school's future. First, the assessment concluded that the business school lacked a strategic plan to guide its work in a cohesive manner. A five-year review process of programs did exist, but new program development was done without strategic planning. Second, the business school did not enjoy strong relationships with the business community to support the school and its graduates. Relationships were informal and ad hoc, rather than structured and institutionalized. The relationships moreover were not connected to student learning or program innovation. Third, faculty however was committed to student support and development, an asset to be leveraged in the business school's transformation. Fourth, staff and administrators were also committed to student success and academic support for new program initiatives. Fifth, there was significant opportunity to advance better program quality and student learning by faculty and staff. Overall, there existed a commitment to students, but financial and competitive pressures dictated that there was a need to establish a process for change (Saint Leo University, 2007).

As a result, the leadership team committed itself to crafting a five-year strategic plan for the business school. This included an internal assessment, an external assessment, a gap analysis, a strategic choice analysis, and implementation plans. At the outset, a 'grand strategy' termed the 'network of stakeholders' was envisioned to frame the exercise. The five-year strategic plan was published March 2007, and the plan guided the business school in its effort to reach out effectively to engage more business community stakeholders (Saint Leo University, 2007).

The center of the business school's stakeholder model was the student network, which reflected the university's stated mission of being a student-centered institution (Figure 1). Critical groups of stakeholders critical to student success surround the student network. These groups include Faculty and Staff; Alumni, Donor, and Industry/Business Community networks. Faculty and staff impact students on a day-to-day basis. Alumni remain important for internships, mentoring, employment, and providing feedback on challenges and opportunities. Donors offer their financial support to the university. The business and non-profit community provide inputs on emerging demands and market needs across disciplines. These stakeholders were connected by infrastructure networks. Together, these stakeholders helped the business school realize ambitious goals, such as the construction of the new school of business building in 2012.

Each stakeholder group was engaged differently in the process. The business school also relied upon the University Development office for fundraising and outreach to donors and alumni groups. Yet a key vehicle of this engagement would be the advisory council process that came into being after 2005.

### **A Five-Stage Process of Stakeholder Engagement of Advisory Councils at the School of Business**

As noted above, the current paper extends Gable and Shireman's (2005) three-stage process of: Internal preparation; Stakeholder mapping and strategic planning; and Stakeholder engagement. The five-stage model of stakeholder engagement involves: 1) Consensus building; 2) Strategic alignment; 3) Preparation; 4) Stakeholder engagement; 5) Expansion and elevation (Figure 2). All five stages were important to Saint Leo's advisory council engagement strategy over the 2005-2015 period. Consensus building required achieving internal organizational buy-in for stakeholder engagement and the creation of advisory councils. Strategic alignment involved matching internal needs with external stakeholder interests. Preparation involved forming a stakeholder advisory council and developing performance expectations. Stakeholder engagement included identifying objectives and priorities, determining methods for engagement, and aligning these with strategic goals. The following sections discuss the five-stage stakeholder engagement model in practice as Saint Leo developed a network of advisory councils.



**Figure 2.** Five-Stage Model for Stakeholder Engagement

### **Stage One: Consensus Building towards Stakeholder Engagement**

The first stage of stakeholder engagement and the creation of advisory councils involved internal consensus building. Internal consensus building involved achieving buy-in and support among faculty and staff for greater engagement with the business community. Faculty, Saint Leo's knowledge specialists, had the benefit of discipline specific expertise and the ability to dig deeply into subjects. Yet, faculty also had developed only limited linkages with the business community. This prevented capitalizing on resources for program design and enhancing student experience and employment opportunities.

One way to begin the process of gaining greater buy-in and interest among faculty and staff, and bringing them closer to external business stakeholders, was to employ a strategic planning process and to bring outside stakeholders into the process. After discussing and debating the matter internally, the business school determined the need to develop stronger stakeholder linkages in order to advance ambitious goals that were part of the strategic plan. The school eventually linked stakeholder goals directly with strategy in order to bring about mutual benefits within a 'grand strategy' framework. Strategic goals including broadening and deepening linkages with the external business community, strengthening connections with donors, improving program design, building a state-of-the-art learning environment, and improving student and faculty skills (Saint Leo University, 2007).

The 'grand strategy' framework made achieving internal consensus a priority, and the plan was shared openly with faculty, staff, the executive team of the university, as well as other stakeholders. It involved growing a global 'community of networks' as a key element of strategy (Saint Leo University, 2007). The framework strategy was viewed as a way that Saint Leo could differentiate its business program offerings, and the framework gained widespread support as a consequence, including the idea of reaching out to external stakeholders to create advisory councils.

### **Stage Two: Strategic Alignment towards Stakeholder Engagement**

After building consensus, the business school began to strategically align its internal goals and objectives with external opportunities and the interests of stakeholders within the business community. The business school aimed to involve a number of internal and external stakeholders. Included in discussions were students, faculty, staff, alumni, donors, and business and industry leaders (Figure I). The business school conducted classic strategic planning activities, including internal and external assessments, SWOT analysis, gap analysis, strategy development, and the development of annual and medium-term goals and milestones. This clarified how each stakeholder group would participate in improving competencies and drive changes.

Furthermore, initial meetings were held with different external stakeholders, including from the business community, as the strategic plan was being put together, intended to gain alignment and to learn about the needs of the business community. This included conversations about the development of advisory councils to support the business school. Conversations gradually shifted towards concrete steps required for the preparation of business community engagement as stakeholders and as part of advisory councils.

### **Stage Three: Preparation for Stakeholder Engagement**

The third stage of preparation involving formally reaching to the external business community. It was the actual development of linkages through the inauguration of business school advisory councils. Faculty and staff demonstrated enthusiasm in reaching out to their community and alumni connections. Faculty, staff and business leaders who participated on the initial advisory councils all committed themselves to the new structures, and excitement built around the councils. Peter Marian, a faculty member who attended early advisory council meetings, notes, "Meeting key executives and owners in various sectors of the industry in this setting, who provided input into our program, strengthened our program and helped the business school and the university build its reputation, contacts, and opportunities" (P. Marian, personal communication, December 10, 2015).

Processes and policies were put into place. Guidelines were established for vetting business community participants. Geographic, demographic, organizational and sectoral diversity were considered in the selection process. Saint Leo alumni databases were screened. Additionally, government, trade association, economic development agencies and employer data documents were scanned. Finally, surveys of the faculty and staff stakeholder group were conducted for additional recommendations.

Program-level advisory councils drew from the ranks of mid-level corporate managers. These business managers were brought in to support program innovation and development. Furthermore, a business school Dean's Council drew from more seasoned C-suite executives, including presidents, vice presidents and division managers. These executives would support school-wide initiatives, school-level strategic planning, and special projects.

During the preparation process, it became evident that the business school's ambitious strategic objectives, and their dependence on business community stakeholder engagement, demanded new and better relationship management, new communications channels, and more effective support to keep stakeholders informed and engaged. To this end, a coordinator was assigned to manage the councils, their development, interfacing, reporting, and follow through on projects and initiatives (Saint Leo University, 2013a).

Two take-away issues emerged from the preparation process. First, the business school as an organization had embarked on a steep learning curve concerning how to interact institutionally with stakeholder partners. Second, it was decided that beginning a pilot program for stakeholder engagement would give the school time to establish internal leadership protocols, develop skills for better stakeholder management, and build a foundation for more advanced work with larger organizations and C-suite participants.

### **Stage Four: Engaging Stakeholders and the Creation of Two Pilot Advisory Councils**

In late 2005, two advisory Industry Liaison Councils (ILC's) were launched. The first was the International Hospitality and Tourism (IHT) advisory council and the second was the Sports Business Management (SPB) advisory council (Saint Leo University, 2005; Saint Leo University, 2005a).

Representatives from across the hospitality and tourism sectors were included in the first IHT council held in November 2005. Included among the members were representatives from Tampa's historic Columbia Restaurant, from a global eco-tourism company, from Busch Gardens, from Choice Hotels, from Tampa Convention Center, and from the Florida Aquarium (Saint Leo University, 2005b). The IHT pilot council received enthusiastic support from local businesses in the hospitality and tourism sector.

At its second meeting, held in March 2006, a more permanent structure was adopted. Active working groups were developed within the council with specific functions. These included curriculum review tasks, providing assistance to students on required entry-level qualifications and skills, providing updates on trends in the field, identifying contacts for internship placement, identifying potential field trips, providing referrals for classroom lectures, identifying volunteer experiences, and helping to develop



professional contacts for IHT faculty and students, and helping to identify external resources to support the program and students (Saint Leo University, 2006).

A second pilot advisory council for the SPB program was also launched in November 2005. SPB, which had recently been designated by Saint Leo as an official ‘flagship program’ of high academic excellence and strong growth potential, was able to attract widespread community support (Saint Leo University 2005a). The new SPB pilot council was drawn from individuals with strong qualifications, many of whom were alumni Saint Leo, and included among the council members were representatives from the Tampa Bay Rays, the International Softball Federation, Walt Disney’s ESPN Wide World of Sports (Saint Leo University, 2005a).

The SPB advisory council differed in its direction from the IHT council. While IHT sought primarily to create linkages that would create opportunities for its students, SPB, while also seeking such opportunities, utilized its council more extensively to help the program develop and review curriculum and to indicate ways to strengthen the academic content and diversify offerings. Additionally, the SPB council also was tasked with finding internships for students, helping in career development, supporting seeking accreditation for the SPB program, and helping prepare students for employment through mock interviews and an annual ‘etiquette dinner’ to develop real world skills (Saint Leo University, 2005a). The SPB council launch was successful and quickly became a vital pillar of the SPB program at the business school.

In short, the successful launches of these two pilot ILCs greatly impacted the business school and encouraged further stakeholder engagement via advisory councils. The stakeholder engagement became more structured, with more formalized recruitment of advisory council members and more regularized meeting schedules and processes. It permitted the business school to derive tangible and lasting benefits that could be leveraged to develop its brand, improve the quality of its programs, and enhance the experience and opportunities of its students. It also allowed for the development of new advisory councils in different programs and at the level of the dean’s office. Therefore, for the remainder of the 2005-2015 period, the business school focused on expansion and elevation of stakeholder participation through advisory councils.

### **Stage Five: Expansion and Elevation: Further Stakeholder Engagement of Advisory Councils**

The successful launch of the pilot ILC’s in November 2005 galvanized further stakeholder engagement through advisory councils at the business school in this stage of expansion of elevation. It informed long-range strategic planning, with the five-year strategic plan of the school of business of 2007-2012 viewing the development of advisory councils as essential elements of the school’s grand strategy to create a ‘community of networks’ (Saint Leo University, 2007). The pilots also helped further the development of stakeholder relationships with alumni, donors and the business community.

On a practical level, it enhanced the quality of the SPB and IHT programs. It helped support a core academic overhaul and redesign towards more competency-based and outcome-based learning. The modified curriculum adopted new specializations and infused programs with new technologies and a focus on problem-solving skills. Increased real-world hard and soft skills were incorporated into the curriculum.

Furthermore, the success of IHT and SPB councils lay the groundwork for the creation of other program-level councils, the eventual creation of the Dean’s Executive Council in 2011, and of regional councils in 2013 (Saint Leo University, 2015). These new councils could rely on a more professionalized process of council member selection, onboarding and orientation procedures, and working group structures.

Over the course of the 2005-2010 period, the IHT and SPB councils helped launch several key initiatives that benefitted the business school and its students. One example was the IHT council’s Operations Management Development (OMD) training program in 2009. OMD became an important training program for Saint Leo students. OMD offered tactical, customer service-oriented, real-life

experiences to Saint Leo students in the hospitality and hotel sector. It provided a competitive advantage in job placement upon graduation. OMD was a challenging program that utilized the resources and expertise of IHT council stakeholders, their hospitality properties, and their referral networks, to help develop the knowledge and skills of Saint Leo students (Saint Leo University, 2009).

In the setting up of the program, IHT council members were asked to offer one position each to be available to Saint Leo students. Each assignment would last fifteen weeks. The OMD program would involve an orientation as well as rotations throughout the different units. In the case of hotel management, for example, students rotated through housekeeping, rooms, food and beverage, meetings and events, amenities and concessions, sales and marketing, human resources, finance and accounting, security and safety, and physical plant (Saint Leo University, 2010). It became a popular student development initiative that leveraged the IHT council successfully.

A second initiative that came out of the IHT council were Aspirational Student Trips (AST). The AST program was run between 2008 and 2012 and leveraged the resources and connections of IHT council members. These trips were weeklong experiences where students visited important landmarks and sites. The Trips were intended to recognize outstanding IHT students each year, predominantly graduating seniors, and provide insights and networking opportunities for these students (Saint Leo University, 2008). The AST program to Atlanta included visits to Coca Cola, Intercontinental Hotels, CNN and Delta, where tours and meetings were organized (Saint Leo University, 2008). Subsequent trips included destinations such as Jamaica, Memphis, Tennessee, Puerto Rico and the Bahamas.

The successful leveraging of the IHT and SPB councils in the strengthening of the business school and business student experiences helped motivate expansion and elevation of stakeholder engagement, and resulted in the chartering of the Dean's Executive Council (DEC) in the fall of 2011. The DEC borrowed from the IHT and SPB councils in its selection process, its engagement of stakeholders, its working group structure, and its implementation of initiatives. Top C-suite executive council prospects were selected by way of personal contacts and referrals and came from a variety of industries. These sectors included information technology, accounting, marketing, hospitality, health care, and sports business management. Business community representation reflected the disciplines offered at the school of business.

A slew of programs and initiatives emerged from the DEC. This included leveraging the council to develop an on-site corporate MBA program at Tech Data, as well as the launch of Saint Leo's cybersecurity Master's program. Both programs grew out of leveraging council contacts. Saint Leo's strategic plan, released in 2013, recommended further leveraging the DEC for additional program development (Saint Leo University, 2012; Saint Leo University, 2013). The launch of these programs helped further cement Saint Leo's academic brand and quality.

The Tech Data MBA program responded to demand among community stakeholders and local industry. It also reflected the organic growth of Saint Leo's business school itself and its effective online distribution of courses. MBA enrollment had grown from 200 to over 2000 between 2005 and 2013, while faculty competencies had improved, with more faculty holding terminal degrees and possessing more diverse skills sets.

The cutting-edge cyber-security program, launched in 2014, leveraged the DEC council as well as Saint Leo's stronger faculty competencies. DEC's academic program input, financial support, branding efforts, and linkages to the business community were instrumental to the launch. Over \$1 million was raised to build a cyber-security laboratory at the business school (Saint Leo University, 2015).

Another example of the effective use of the DEC was in the area of fundraising for large infrastructure projects such as the construction of the new Tapia School of Business building, opened in 2012. The DEC spearheaded a Corporate Alliance Program (CAP) that identified external funding sources for strategic initiatives at the business school on a recurring multi-year basis. In exchange for contributions, Saint Leo would offer special invitations to these corporations to events, corporate recognition, naming opportunities, intern recommendations, and other benefits, according to the business school's former external relations coordinator, Sally Burns (S. Burns, personal communication, December 4<sup>th</sup> 2015). CAP coupled with traditional fundraising through the Development Office achieved funding

for the construction of a new 48,000 square foot business school building at the main campus. The building is imbued with the latest technology and the design is student-centered and ergonomic.

The success of the IHT, SPB and DEC councils spurred the development of additionally program-specific councils as well as regional councils at Saint Leo's centers across the country. In 2013, regional advisory councils were established at Saint Leo's Atlanta region and in the Virginia region. These two areas are strategically important owing to the Saint Leo's large student populations in these regions. In Virginia, the new council leveraged contacts to the defense industry, where numerous Saint Leo alumni worked. The new council helped facilitate bringing classes and career planning functions to one prominent defense contractor. In Atlanta, Saint Leo leveraged its network to begin collaborating with the Centers for Disease Control (CDC) in the area of employee education and internships, which will bring benefits to the business school's health care management program.

In 2014, the Communications-Marketing-Multimedia (CMM) and Accounting advisory councils were established. These councils adopted the established processes and structures utilized in existing councils. Furthermore, other disciplines are considering creating and leveraging advisory councils to help guide program innovation and growth, and to derive unique benefits for their programs.

### **Conclusion: The Process of Stakeholder Engagement and Advisory Councils**

Stakeholder engagement proved to be an important driver in the successful growth of Saint Leo's business school during the 2005-2015 period. By 2015, seven operational advisory councils were created at Saint Leo's business school (Figure 3). Stakeholder engagement through advisory councils ultimately helped bring about the success of the school's grand strategy, creating a community of stakeholders that provided valuable input and support to the school's projects and initiatives. The process of stakeholder engagement was analyzed in this paper by utilizing a modified model of Gable and Shireman (2005).

Several lessons can be learned from this paper concerning stakeholder engagement and the use of advisory councils. First, advisory council members from the business community will work within the framework of an advisory council only if they remain engaged and perceive that meaningful activities are being carried out. Advisory council stakeholders enjoyed engagement the most when it directly impacted students, in developing and improving academic programs, in collaborating with students and faculty on projects, and in giving classroom lectures and presentations.

Second, the implementation of advisory council frameworks at business schools cannot occur without forward planning. The creation of advisory councils at Saint Leo evolved out of careful strategic planning which began in the mid-2000s. It passed through the five distinct strategic phases outlined above – consensus building; strategic alignment; preparation; engagement; and expansion and elevation. By systematically pursuing stakeholder engagement, the business school learned how to engage stakeholders and leverage stakeholders to improve student experience and to realize the business schools goals and objectives.

Third, advisory council participation needs to remain high level and visionary, and council members should not get bogged down in the weeds of day-to-day issues. Council members are there for high level input and to provide guidance. They are not there to micro-manage problems.

In conclusion, this case study provides a basis for further exploration of stakeholder engagement through advisory councils, particularly within the context of business schools, as there has been limited attention paid to this in the literature. A strategic approach to stakeholder engagement through advisory councils can result in a numerous benefits to business schools. Future research might look at strategies to sustain stakeholder engagement over the longer term. Researchers might also apply this five-stage model to other cases that examine the development of viable stakeholder engagement processes.

<b>Sport Business Advisory Council: Chartered, October 2005; Inaugural Meeting: November 2005</b>
<b>IHT Industry Liaison Council: Chartered, October 2005; Inaugural Meeting: November 2005</b>
<b>Dean's Executive Advisory Council: Chartered, Summer 2011; Inaugural Meeting: August 2011</b>
<b>Greater Atlanta Advisory Council: Chartered, October 2013; Inaugural Meeting: November 2013</b>
<b>Virginia Region Advisory Council: Chartered, November 2013; Inaugural Meeting: February 2014</b>
<b>Accounting Advisory Council: Chartered, January 2014; Inaugural Meeting: February 2014</b>
<b>C-M-M Advisory Council: Chartered, March 2014; Inaugural Meeting: April 2014</b>

**Figure 3.** Stakeholder Engagement through Advisory Councils at Saint Leo University

## References

1. Almog-Bareket, G. (2012) "Visionary Leadership in Business Schools: An Institutional Framework" *Journal of Management Development*, 31:4, p. 431-440
2. Bok, D. (2003) *Universities in the Marketplace: The Commercialization Of Higher Education*. Princeton, N.J.: Princeton University Press.
3. Dawkins, C.E. (2014) "The Principle of Good Faith: Toward Substantive Stakeholder Engagement," *Journal of Business Ethics* 121: 283-295
4. Ellingson, D., Elbert, D., and Moser, S., "Advisory Councils for Business Colleges: Composition and Utilization," *American Journal of Business Education* 3:1 (January 2010):1-8.
5. Freeman, R.E. (1984) *Strategic Management: A Stakeholder Approach*. London: Pitman Publishing.
6. Gable, C. and Shireman, B. (2005) "Stakeholder Engagement: A Three- Phase Methodology" *Environmental Quality Management* 14:3, 9-24
7. Greenwood, M. and Van Buren III, H.J. (2010) "Trust and Stakeholder Theory: Trustworthiness in the Organization – Stakeholder Relationship" *Journal of Business Ethics* 95: 425-438
8. Harrison, J. S. and Wicks, A.C. (2013) "Stakeholder Theory, Value, and Firm Performance," *Business Ethics Quarterly* 23:1 (Jan): 97-124
9. Heylman, S. (2011) "Connect with Business Schools," *HR Magazine* (October): 74-76 McNay, 2010
10. Jaschik, S. (2015) "Well-prepared in their own eyes" *Insidehighered.com* Accessed online at <https://www.insidehighered.com/news/2015/01/20/study-finds-big-gaps-between-student-and-employer-perceptions>
11. Jensen, T. and Sandstrom, J. (2011) "Stakeholder Theory and Globalization: The Challenges of Power and Responsibility" *Organization Studies* 32:4, 473-488
12. McNay, W.R. (2010) "Executive Education for a New Reality: The Stakeholder Theory Comes of Age," *Journal of Executive Education* 9:1, 1-16
13. Phillips, R. (2003) *Stakeholder Theory and Organizational Ethics*. San Francisco: Berrett-Koehler.
14. Rose, K.J. and Stiefer, T.W. (2013) "Advisory Councils in Executive Education: Insights from Practice," *Journal of Executive Education* 12:1: 1-12
15. Schaeffer, D.M. and Rouse, D.N. (2014) "Effective Academic Advisory Committee Relationships," *Contemporary Issues in Education Research* 7:1 (First Quarter): 23-30.
16. Sypawka, W., Mallett, W., and McFadden, C. "Leadership Styles of Community College Academic Deans" *Community College Enterprise* 16:1, p.63-73
17. Saint Leo University (2003), *Strategic Plan: 1999-2005*, (updated 7/15/03), p. 1-39
18. Saint Leo University (2005), *Agenda for International Hospitality and Tourism Management Industry Liaison Council*, St. Petersburg, FL (11/3/05)

19. Saint Leo University (2005a), *Minutes from Sport Management Advisory Board Inaugural Meeting* (11/16/05)
20. Saint Leo University (2005b), *Charter of International Tourism and Hospitality Management Industry Liaison Council* (October)
21. Saint Leo University (2006), *Notes from International Hospitality and Tourism Industry Liaison Council Meeting*, (3/15/05)
22. Saint Leo University (2007), *School of Business Strategic Plan* (March), p.1-28
23. Saint Leo University (2008), *IHT Industry Liaison Council – Aspirational Senior Trip Draft Agenda* (April), p. 1-2
24. Saint Leo University (2009), *ILC Member Input to Operations Management Development (OMD) Pilot Project in Hotel Management* (Spring), p. 1-2
25. Saint Leo University (2010), *OMD Pilot Project in Hotel Management: Module Structure and Content* (Spring), p. 1-3
26. Saint Leo University (2012) *Tech Data and Saint Leo University: Exploring Joint Opportunities Agenda and Notes* (9/27/12)
27. Saint Leo University (2013), *Five-Year Strategic Plan: Donald R. Tapia School of Business* (March), p. 1-39
28. Saint Leo University (2013a), *International Tourism and Hospitality Management By-laws of the Industry Liaison Council*. Revised 10/2013.
29. Saint Leo University (2015) *Donald R. Tapia School of Business: 2015 Dean's Report*, p. 1-20
30. Thomas, H. and Thomas, L. (2011). "Perspectives on Leadership in Business Schools," *Journal of Management Development* 30 (5): 526-540



Reproduced with permission of copyright owner.  
Further reproduction prohibited without permission.