



Something Extra EP: 104 – Mark Taylor

Lisa Nichols: I am thrilled to have Mark Taylor on the show today. Mark is the Dean of the Olin Business School as well as the Donald Danforth Jr. Distinguished Professor of Finance. Dean Taylor, I am just so delighted that you have made the time to be on the show today. I've had so many people tell me, "You need to have Dean Taylor on this *Something Extra* Podcast." Thank you for making the time. I know you're incredibly busy.

Mark Taylor: It's my very great pleasure to be here. Thank you for inviting me.

Nichols: There is so much that I want to talk about today and I know that a little 30-minute podcast is not going to be able to capture it all, but we're going to try. We're going to try to hit as many topics as we can.

You didn't grow up obviously in St. Louis, you grew up in the UK. You have a very prestigious educational background. You've got multiple degrees from Oxford and you and I have talked about that a little bit. I think isn't Oxford the second oldest university in the world?

Taylor: It's the oldest university in the United Kingdom. It's one of the oldest but I think Bologna is probably older in Italy. Oxford is broken into colleges that make other-- 30 odd colleges that make up the university. The college that I would become professor, it was University College, which claims to be the oldest College in Oxford, therefore, probably the oldest education establishment in the United Kingdom and that dates from 1249.

Nichols: My goodness. I want to talk about that. I want to talk about your educational journey and then we'll get into your career, but you are in company of a lot of notable alums, right? [laughs] I think Emma Watson, Hugh Grant. I told you I love C. S. Lewis, he was a professor there. J. R. R Tolkien, Lord of the Rings. Tell me about the pub.

Taylor: That's right. Tony Blair was also-- The British Prime Minister was a couple of years ahead of me at St. John's College when I was a student. St. John's College, there's a pub opposite the college called the Eagle and Child or the Bird and Baby as it's colloquially known, and that's where a group of writers in the early 20th century called the Inklings used to meet which included people like J. R. R Tolkien, C. S. Lewis and so on.

It's fun to go over there, have the odd beer, the occasional beer, and think, "I'm sitting in the seat that Lord of the Rings or the hobbit met...the plot might have been hatched right here." It's very interesting.



Nichols: That is so neat. You've got so many different degrees in philosophy, politics, economics. You hold master degrees, PhD degrees in economics and finance from the London University. Getting into your career, one of the things that's said about you is you are one of the most highly cited financial economist in the world.

We are so blessed and thankful that you decided to come across the pond [laughs] to St. Louis.

Taylor: It's my very great pleasure to come here and I was really delighted to be chosen for this very important and privileged role. I'm glad to be here.

Nichols: There's a lot that I want to talk about with WashU because I know you have a big vision but let's back up and tell us a little bit about your career journey. Some of the things that you've done.

Taylor: Sure. I should say I did go to one of the most prestigious universities in the world I'm very proud to say but I came from just an ordinary background. My father was a car worker. I came from the Midlands, the center of the United Kingdom it's like the Detroit of the UK, I guess. You have Motor town, Birmingham, Coventry that is sort of area Warwickshire.

All my brothers went to work in car factories and so on. I was the first person in my family, first generation to go to university, and going to Oxford, it was quite interesting [chuckles] bit of a shock, [chuckles] bit of a change of scenery as it were. I went from there, I worked in the finance industry as a foreign exchange trader for a few years and I went back to graduate school, did the masters, did the PhD, then became a professor.

Then I went to work for the Bank of England for a while. Then, actually, I came to the United States. I was Senior Economist at the International Monetary Fund for nearly five years in Washington DC before going back to the UK. I was Professor at Oxford and then I moved to Warwick University, where I became a Professor of Finance.

Then I took some time out and I ran a hedge fund for BlackRock, the world's biggest asset manager now. I did that for five years, which was, again, a bit of a shock in the sense that this period spanned to 2005, 2010. It was great for the first couple of years but then 2007, 2008, you get the global financial crisis. That was a [laughs] character-building time. Here I am again in another leadership position in a world financial crisis, but it ain't my first rodeo.

Nichols: I bet you learned a few things during that challenging time though, didn't you? They're not fun but sometimes I think we learn our greatest lessons in those times.



Taylor: Yes. Well, you mentioned one already, which is entrepreneurship. Having an entrepreneurial mindset. It's something that is key to, not only WashU but also St. Louis because as the economy has shifted here, we still have these major corporations here but many headquarters are moving out of town.

On the other hand, we've seen a burgeoning in entrepreneurship, in startups in St. Louis, and we have Cortex and T-Rex. All this entrepreneurial infrastructure is something that we can very much key in to. That's something that I'm very keen to be part of that St. Louis Community and pushing that forward. I think also, being entrepreneurial just means taking controlled risks, in some sense, being opportunistic in a very, very positive fashion. It doesn't necessarily mean you have to have your own startup. You can be very entrepreneurial within a large organization. Sometimes people call that being intrapreneurial. It's the same set of values.

I think, again, that's something that we have enhanced since I became Dean, but it was already here. I think it's important to-- We took a close look at the school and see what we were good at, what they say the infrastructure was, the background, the economy, and what we could enhance. That entrepreneurial pillar of excellence is very important for us. Indeed, our MBA has recently won an accolade as the most entrepreneurial MBA in the nation or the best MBA for entrepreneurs, that's exactly right.

I think closely related to that is this idea of being experiential. Building on the values, the culture here. I never forget we are in the show me space. This is not about theory. This is about doing. It's about practice, show me. The way we like to teach at Olin is indeed through experience. Often, business schools teach through a case study method. When we do, of course, where you have a case, a couple of pages describing a business situation, how would you get out of this? What would you do? It's a way of developing rapid experience, but it's experience unpaid. We actually like to have real-time case studies where we send our students out pretty early on.

Our MBAs within a few weeks or actually work in teams with organizations on real-world problems. They're straightaway thrown right at the deep end there to analyze those real-world case studies, experiencing. We're very experiential. We are not a theoretical Business School, we really want our students to get their hands dirty from day one, or at least from week one or two.

The third pillar of excellence is being values-based. It combines a couple of things I've said already. Being values-based that we think about our organization, about our various stakeholders. It's not all about the bottom line, there are other elements. Who are the stakeholders involved in a business? Is it with the employees, whether it be the shareholders, whether it be customers, whether it be society at large? That is effective by the way a business operates.



We're also data-driven. Again, this is something that I've observed about the school, the faculty here, the research we do is very data-driven, empirically oriented. Again, there is a place for theory but only if it can be applied. If you take something like our marketing group of the business school, which is one of the most quantitative marketing groups in the world. There are different ways you can look at marketing through the lens of psychology and so forth, or you can actually dig down into the data and analyze what markets are doing, what happens when you raise this price? What happens when you invest in advertising in this space and so on. I think we need to combine those two.

Yes, we analyze the data, we think about what are the alternatives? What are the different data we can bring to bear on choosing between those, but then, before the decision is made, you pause and think, "What is my value system? What is the value system of the organization I'm working for, and how does that affect my final choice?" We've had entrepreneurial, experiential, and then values-based and data-driven, which I think is a real hallmark of an Olin education.

Then the final pillar of excellence is being globally oriented. There's a paradox. Here we are, half the United States, a Midwestern school, we know America. We have those strong Midwestern values but make no mistake, we are one of the most globally orientated business schools in the world in terms of our students, in terms of where we send our students to help when the world is open, of course, and in terms of IBT care students. Globally-oriented is our fourth but equally important pillar of excellence.

Nichols: Very good. Well, thank you so much and we've got so much more to talk about, but we're gonna take a quick break and we'll be back with Dean Taylor.

[Commercial Break]

Nichols: Dean Taylor, I know that you just told me with the WashU, the Olin Business School MBA program, I think you said in the last two years, 27% of those graduates have gone on to start businesses. Is that correct?

Taylor: Well, yes. This is Poets&Quants, and Inc. Magazine ranked as the number one MBA in the nation for entrepreneurship. One of the criteria looked at was indeed the number of graduates over the last couple of years that had formed their own startup. I think it was that 24% and I think Stanford was like 17%. This was a serious competitor in there, Stanford and others. That was quite an accolade.

Nichols: It is. It's something that we need to celebrate. I know that I have read that over the last three or four years, advanced degrees have really steadily declined. What do you think about that? I

know that having a really robust online presence, we really do believe is going to probably be the way of the future to get more people wanting to enroll in advanced degrees. What's your take on that?

Taylor: Well, when we say advanced degrees, I'm thinking of Masters, MBA degrees. Now indeed, in fact, Masters, things like specialized masters in accounting, finance, supply chain management, data analytics, they've actually grown. We have grown that portfolio over the last few years, actually. Often they will come straight from their first degree to do that.

On the other hand, the demand for MBA places is somewhat a challenging one. That has been declining internationally, certainly in Europe and in North America. Some business schools have actually closed down their full-time MBA program. Now there are two points here. You mentioned digital education is one route, but we took a decision at the business school that we were going to buck the trend. We were going to build an MBA that people wanted to do regardless of those trends. We did in fact launch before the world was shut.

honestly, most global MBA in the world. There are MBA students who I heard they spent a couple of weeks here in St. Louis, in orientation. Then normally, they would go to Washington DC, the Brookings Institution, they're one of the world's top policy think tanks and we have a good relationship, where they would be briefed by Washington experts on, well, business and so forth. Then they would go to Spain and spend a couple of weeks in Spain actually working with organizations there, with businesses in Spain. They'd go from there to China for a couple of weeks.

Within the first five or six weeks, we have this really global immersion. We have to pivot very strongly around that. We're going to have to see how that develops into the new normal going forward. Whatever comes out of this when we do emerge from this pandemic, I'm convinced that that will be a major MBA program. Indeed, it was ranked MBA program of the year by Poets&Quants last year.

Nichols: Congratulations.

Taylor: Thank you. On top of that, I think you're right. There is a demand for online education, but beyond that, I think we have to think even face to face education will increasingly have an online element going forward, and the recent pandemic will actually accelerate this. Things like what we call a flipped classroom. You mentioned that I was a student at Oxford. Back in the 13th century, the lectures were invented, and they haven't changed much in the ensuing 700 or 800 years but now perhaps it's the time to change them.



If you really want to convey information, get that knowledge transferred, doing that online in short bits, 10-15 minutes, rather than an hour and a half lecture might be the way to do it, and then we don't substitute for the online experience. Students come into the classroom and we do live case studies, discussion groups, where they've got the knowledge already, we don't have to waste time embedding them like we talk about them. We call that blended learning if you like.

Some element of online digital education is the way of the future, right? That is just what's going to happen. We're throwing the blackboards, whiteboards on the scrapheap, and rolling out digital components of our programs. I think also that there is an increased demand for purely online programs as well. I mentioned, for example, that we have a specialist Master's program where people want to learn a skill. You want to learn data analytics, how do I use big data? That's a skill where peer interaction is important but really, you just want to get the knowledge. You want to get that skill. Being able to do that, being taught online to do that anywhere in the world is a big advantage.

In fact, next year, we'll be launching two completely online data analytics programs and a master of finance. People will be able to study and get a WashU degree from anywhere in the world as long as they-- They'll have to satisfy the entry requirements and they'll have to satisfy rigorous examination requirements. That access will be anywhere. Again, some good things, if any is coming out of the pandemic is that people will be more accepting of online education because it is high-quality, people realize. They get used to using Zoom technology or whatever the virtual meeting technology is. That will be a technology step forward that we are poised in our business school at WashU to take advantage of.

Nichols: It's exciting. I could not agree with you more. This has been awful, but we've seen so much innovation and acceleration come out of it. I want to get into a couple of fun things that I know are huge hobbies of yours. One is that you're a horologist.

Taylor: I am, and I should clarify, a horologist is someone who studies time and I'm also a practical horologist. I have a collection of antique clocks going back to the 17th century. In fact, I'm sitting in my workshop right now, workshop/study where I repair and restore those locks as well.

Nichols: Now what got you interested in that and you and I talked about that? I love the study of time. It's our most precious commodity and we can never make more of it. [chuckles] You can make more money, you can not make more time.



[laughs] because we don't have time to go through all of that and certainly can't just pick one attribute because leadership is a composite of attributes. What are some of those for you that is just there's something extra that every leader needs?

Taylor: I'm going to cheat a little bit. I'm going to give you one composite. Vision plus values because you've got to have a vision of where you want to go because unless you want to take people somewhere, you're not leading them anywhere. By definition, you've got to have a real think about the vision. Again, even in the midst of a crisis, even in the midst of your firefighting think about, how can we improve the organization? Where can we be? What goals can we set that are difficult to attain, but not unattainable? That's Stretch targets, but at the same time, think about your people. Think about your values and how those reflect on that decision. It's values-based.

Again, thinking about practicing what we teach really, our values-based, data-driven. Think about the data, think about your values, and think about your people. How your teams work, how your teams are interacting, how they're getting credit for what they're doing. Being a leader is not really about you. It's about your people and your organization, and how you can inspire them and get them to lead you in a sense.

Nichols: Amen to that. I love that. Dean Taylor, how would our listeners learn more about WashU, get involved in WashU. I know there's a myriad of ways to get involved besides sending a student or going yourself.

Taylor: There are lots of ways. We have a corporate relations department. My colleague, Dorothy Kittner, heads that up. Drop Dorothy a line. You can always drop me a line, I'm always available. It's mark.p.taylor@wustl.edu. We were interested in what we can do in the business community, both regionally, both internationally and nationally as well. Really, if anything that I've said strikes a chord with any of your listeners, I'd love to hear from them.

Nichols: This has just been such a pleasure. I have absolutely loved this interview with you. Thank you so much for making the time today to be on the show.

Taylor: My very, very great pleasure. Thank you so much.