

# THE JOSS DECADE

After his arrival in 1999, Robert L. Joss steered the School into the 21st century with a new curriculum, new campus, and multidisciplinary collaborations. We look back at his decade of leadership as he prepares to pass the baton in September.

by Barbara Buell

**A**SK PEOPLE FOR THE ESSENCE OF BOB JOSS and inevitably they say the Business School's eighth dean is a superior listener. They also say: Authentic. Credible. Persuasive. Quiet. Confident. "What you see is what you get," says **Travis Everton**, a second-year MBA who took the dean's *Leadership Perspectives* seminar last fall. The students wrote in their evaluations that they wanted to know more about their teacher's personal leadership choices. Result: Joss and his wife, Betty, made dinner for the 16-person class three weeks later. "He's sitting with us in his living room, telling us about his career decisions," Everton said. "What added to his authenticity is a real humility and unpretentiousness that makes him very approachable."

Everton and **Mike Hyatt**, both married students, were impressed with Joss' taste for risk and the extent to which he involved his wife in his decision to leave the comfortable vice chairmanship at Wells Fargo in 1993 for the CEO job at troubled Westpac, a large Australian bank. As Joss turned around the firm, its market valuation tripled in his six years there.

**Vanessa Scotto**, MBA '08, didn't have Joss as a classroom instructor, but she senses his leadership style rubbed off on her anyway. Once the hard-charging captain of her college soccer team, she had received workplace feedback that she moved too fast and left others behind. Through the School's new Leadership Development Program that Joss was keen to add to the academics, Scotto learned to be more inclusive. As a Leadership Fellow coaching first-year students in her second

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year, she said she experienced "so much more power in the group deciding where it wants to be versus the leader telling them where to go. It's that kind of empowerment that I think the dean was able to create at the GSB."

Joss would probably agree, if you could get him to acknowledge the compliment. "I didn't come with a 100-day agenda," he said after a standing ovation from 250 staff members last November. "I didn't come with expectations. I just knew we could make it better."

In just the last few months, Joss has had to cope with an unexpectedly deep economic recession that is sure to steeply reduce endowment income. As a prudent banker, a new priority is streamlining budgets to keep the School in strong operational shape for the next dean. Despite this recent challenge, as Joss, 67, moves into his final months as dean of the Stanford Graduate School of Business, it is hard to overstate just how much has been accomplished in what will be a decade at the helm. First, the School launched a highly personalized MBA curriculum with more global content and more leadership development. Second, a spectacular new campus of eight buildings around three quadrangles is under construction to house the new program and create greater interaction with other departments on campus. Third,

the School has become a vital player within the broader University. Importantly, the faculty has been strengthened. Executive education has expanded, and new centers in global business, leadership, and social innovation have created a critical mass of research, activities, and outreach.

*Listening and asking for feedback have been cornerstones of Dean Robert Joss's leadership.*



PHOTO BY STEVE CASTILLO

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—Steven Denning, MBA '78, chairman of General Atlantic

Joss gave a faculty-alumni committee led by Professor **Garth Saloner** the freedom and resources to innovate the curriculum, and he championed collaboration—an increasing role for management education—within the University. The School added joint MBA degrees in education, environmental resources, and public policy to the existing JD/MBA and MBA/MD programs, and is reforming the latter two. The dean's boss, Stanford Provost **John Etchemendy**, said Joss “can often be clarifying and make people see how to move forward on a difficult issue. It's fair to say the [University] graduate initiative came directly from a remark Bob made at the Executive Cabinet.”

That initiative builds on Joss's articulation of the increasing need for Stanford to cross-train graduate students if they are to be strong leaders in their disciplines. He hatched the idea of a Summer Institute for Entrepreneurship, a four-week program for nonbusiness graduate students developed by Saloner. Cross-school electives such as *Biodesign Innovation* appeared, exposing MBAs to engineers, physicians, attorneys—the kinds of people they might encounter after business school. Special sections of the established course *Formation of New Ventures* now include nonbusiness students.

How did he do it? “Bob is an astute and perceptive listener and as a result was able to amalgamate forces on campus and off campus in a way that he could form a vision others could join,” said **Steven Denning**, MBA '78, chairman of General Atlantic, a member of the School's Advisory Council for more than a dozen years, and a Stanford trustee.



“He's very persuasive,” said **Pamela Matson**, dean of the School of Earth Sciences, who attends University cabinet meetings with Joss. “He pushed us to think about interdisciplinary education as well as research, recognizing that educating today's leaders means providing them with a broader set of skills and knowledge.”

Turning the tiller within the Business School was not so easy. When Joss arrived in 1999, the School's academic reputation was strong, but there was growing competition for top-notch business school professors in a super-heated higher education market. Faculty retention and morale were low, partly



**1.** Joss greets **Melody Hobson**, president of *Ariel Investments*, on campus in April 2008. **2.** As a PHD student in 1968, Joss spent a year as a *White House Fellow*. **3.** Joss passes out diplomas at the 2007 graduation. **4.** In the Sloan classroom, Joss reflects on his approach to leadership.

TOP PHOTO: STUART BRININ, RIGHT CENTER: SAUL BROMBERGER/SANDRA HOOVER, BOTTOM: STEVE CASTILLO.

because there was friction in the student-faculty culture. Some students were blowing off class in the frenzy of the dot-com boom. “The School didn’t have the sense of purpose it had in the ’70s and ’80s,” said **David Kreps**, the senior associate dean for academic affairs. “The 75th Anniversary in 2000 was a great celebration of where we had been, but it was less clear where we were going. Bob turned that around.”

The malaise went well beyond Stanford. “There was a lot of press about how management education had lost its way,” said **Richard Schmalensee**, former dean of MIT’s Sloan School of Management, who got to know Joss at deans’ meetings. “Bob thought hard about the issue; it’s one that we all confront.”

Joss was well prepared for the job: He had spent his whole life working in large, established institutions: the U.S. Treasury (founded



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—David Kreps, senior associate dean

for two years at UC Berkeley’s Haas School of Business but returned last fall and is a member of the search committee for the new dean. “Joss and the deans didn’t just focus on salaries; they addressed concerns such as the promise to build faculty groups and supported dual-career situations.”

Staff and faculty report that Joss is an accessible, ubiquitous boss. Every email is returned. “Nothing goes out of this office without him reading every word; that’s his attention to detail,” said **Sandy Jackson**, his assistant. “You feel Bob’s presence much more in the building than previous deans,” said Kreps, who has been at the School since 1975. Economist **Yossi Feinberg** agreed. “When I got tenure,

1789), Wells Fargo Bank (1852), and Westpac (1817). The Business School, founded in 1925, was his youngest employer, he recently told alumni. “He is really good at understanding organizational culture,” Kreps said. “Bob gets it.”

Growing and developing the faculty was a priority. In the 15 years before Joss, the School lost most of an entire generation of faculty who began their careers at Stanford. Some of the holes were filled by recruiting senior faculty, but schools rely on professors who come up through the ranks. “We now have a generation of outstanding people who got tenure here,” Kreps said. “The future of the School depends on them.” Tenure-line faculty head count is up from 73 in 1999 to 102, and a dedicated associate dean for faculty recruiting and retention is on board. “He thought carefully about how to recruit and retain and did so in a holistic way,” said marketing Professor **Jennifer Aaker**, who left Stanford

1. Joss sings at a 2005 carnival with associate deans, from left, George Parker, David Kreps, and Dan Rudolph.

2. Joss, center back, celebrates with a 1999 student athletic team. 3. In the 2007 “Wimble-dean” tournament, Joss and his partner defeated a student team.



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TOP PHOTO: ANNE KNUDSEN. CENTER: STEVE LACEY. BOTTOM: COURTESY OF DAN RUDOLPH.

**NIKE FOUNDER PHIL KNIGHT, MBA '62, GAVE HIS VOTE OF CONFIDENCE WITH A \$105 MILLION DOWN PAYMENT FOR THE NEW CAMPUS IN 2006— THEN THE LARGEST GIFT EVER TO A BUSINESS SCHOOL.**

it was clear to me he was on top of what kind of research I was doing. It's motivating."

Joss appealed to alumni in new ways. Lifelong Learning programs engaged graduates who wanted to experience the School's intellectual life and reconnect with each other. Joss capitalized on the 76-member Advisory Council, senior alumni and others who advise the dean, by genuinely involving them. Initially, he was skeptical about the scope of the new campus, but the Council pushed him, and he listened. In return, he secured their promise to help raise the \$350 million necessary. Nike founder and chairman **Phil Knight**, MBA '62, gave his vote of confidence with a \$105 million down payment for the new campus in 2006—then the largest gift ever to a business school. "People believe that when Bob commits to something he has the capacity to see it through," said **Gene Sykes**, MBA '84, Goldman Sachs managing director, Advisory Council chair, and another search committee member.

**T**HE DEAN'S LEADERSHIP and love for academics were evident early. His father was a PHD economist for the federal land bank in Spokane, Wash. His mother was a teacher. Serendipitously, Spokane produced both Joss and Kim Clark, the dean of Harvard Business School for 10 years until 2005. Joss was an outstanding student, ace basketball player, and student body president, recalls his mother, Hannah, now 94. At the University of Washington, he was again student body president. An accomplished pianist, he rarely plays in public, but often for family.



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—Professor George Parker

"The minute he comes to see me, he always goes to the piano," said his mother. She appreciates weekly phone calls from the son she remembers as a risk taker: At age 10, he stood on the railing of a New York ferry determined to get the best photo of the Statue of Liberty with his first camera.

After college, Joss began his long relationship with Stanford, entering what is now the Sloan Master's Program in 1965, earning an MBA in 1967 and his PhD in 1970. (His son, daughter, and son-in-law also have Stanford degrees.) He considered an academic career but accepted a



**1.** Joss interviewed Microsoft CEO Steve Ballmer, MBA class of '81, in 2007.

**2.** Phil Knight, MBA '62; Joss; and Stanford Provost John Etchemendy at the 2008 groundbreaking for the new Knight Management Center. Knight is leaving his footprint in cement.

White House Fellowship instead. After three years at the U.S. Treasury, Business School Dean **Ernie Arbuckle**, then chairman of Wells Fargo, introduced Joss to the bank. Twenty-two years later, Joss was vice chairman before he headed Westpac.

Finance Professor **George Parker**, who met Joss on the first day of their PhD program, described his old friend as "very competitive in a focused, unrelenting way. He likes to be in the vortex, even though he's not in the spotlight." That competitive edge is evident on the tennis court, said **Dan Rudolph**, MBA '81, senior associate dean for operations and a doubles partner in "Wimble-dean," a tournament of students versus deans. "He never gives up."

While measured and inclusive, Joss can make hard decisions like turning down a gift that is too restrictive, telling an alumnus his child has not been admitted, or switching professional firms during construction planning. "He never delegates or ducks these difficult calls," Rudolph said.

With less than a year left as dean, Joss has difficult work still ahead. Thanks to record fundraising and the stock market, the School's endowment nearly tripled to \$1 billion by summer 2008—though it has significantly lost ground due to financial market turmoil. Joss is now trimming budgets and reducing staff in the face of falling revenue. He wants to ensure solid ground for the next dean in September. He plans to chair a University fundraising committee and will likely still be modeling the importance of listening, feedback, and humility in another leadership seminar next fall. ●