

Professor Daniel Levinthal: Oration

Graduation is a celebration of learning. But it is also a celebration of transition: for many of you, from the intense focus on a single academic discipline, to a world outside academia entirely: a shift from learning, to doing. So it is natural to ask: why all this learning? What have you gained that might help you in the rest of your lives?

Of course, employers demand degrees; and there are, of course, those often-mentioned transferable skills---clear thinking, communication, team-working, and more---that are supposed to help you thrive in the 'outside' world.

But there is also something deeper: the more you know, the easier it is to absorb and use new knowledge. So knowledge snowballs. And not only that, the more you know, the better you can figure out what else you need to know, in a complex and continually changing world. So knowledge directs how you should acquire new knowledge.

Today, we have with us Professor Daniel Levinthal, of the University of Pennsylvania, who has arguable done more than anyone else to help us understand the power and importance of these factors: for individuals, for nations, and, especially, for firms.

His research has explored how underinvestment in research and development can fatally “lock-out” a company from vital new technologies with disastrous results; and, conversely, how a rich R&D culture can allow companies to identify and exploit the key insights in the cultural or technological “zeitgeist,” and stay out in front.

With his colleagues, Professor Levinthal coined the term “absorptive capacity”--the capacity to spot, absorb, and exploit new knowledge. And he has put this concept centre stage in management research. We hope that Warwick has helped you all to expand your absorptive capacities---but this is just the start. Whatever path you choose, Professor Levinthal’s insights suggest, a successful life will be one of continual learning and learning-to-learn.

Daniel Levinthal has a distinguished record by any standards: a BA from Harvard, PhD from Stanford, followed by a period on the faculty at Carnegie Mellon University, and since 1989, at the Wharton School, University of Pennsylvania, one of the world’s very top business schools.

His intellectual contributions have been as wide-ranging as they have been significant. His path-breaking work on absorptive capacity has taken the management community by storm.

Furthermore, illustrating his own principle, these insights have spawned countless further insights: on how and why organizations can learn in a myopic way—not looking far enough ahead into the future; on how the “form” of an organization can help, or hinder, its ability to respond to changing environments; how relationships between organizations (and people) have characteristic patterns, which can lead to strengthening, or to breakdown.

Professor Levinthal’s work has been hugely influential—he is one of the most highly cited scholars in the entire field of management---and he has attracted numerous accolades. To pick out just a few highlights, he has been elected a Fellow of the Academy of Management and the Strategic Management Society; and he has received honorary degrees from Tilberg University and the University of Southern Denmark.

He is currently at the height of his powers, producing a continual stream of top quality research published in the elite academic journals in his field: the Strategic Management Journal, Organization Science, Management Science, Administrative Science Quarterly, and Academic of Management Annals. Many researchers in the field of management would be delighted to have just one or two publications in these journals in an entire career---for Professor Levinthal, this has become entirely routine.

It is clear that Professor Levinthal's own absorptive capacity—his ability to identify, assimilate, and exploit key insights—is exceptional. But there is also a lesson for the rest of us. Professor Levinthal's work tells us that we need to focus on more than the question of whether each scrap of knowledge we acquire has an immediate application. Rather we should be aiming for skills, insights, and perspectives that make us ready to catch the next wave.

Indeed, Professor Levinthal has helped us understand not just why companies need research and development; but why countries need research intensive universities, like Warwick; and, perhaps, something of the value of university degrees, as each new generation of young people turns to the task of helping repair and rebuild our imperfect, but nonetheless beautiful, world.

Mr Vice-Chancellor, in the name of the Senate, I present to you for admission to the degree of Doctor of Letters, honoris causa, Professor Daniel Levinthal.