

Culture

Commercial pop:
music about money

Interview

Wells Fargo chief
John Stumpf

Dean's column

My mentor
Ben Bernanke

FT business education

January 27 2014

A large flock of purple birds, possibly swallows, is shown in flight against a bright blue sky with white, fluffy clouds. The birds are concentrated in the lower half of the image, creating a dense, upward-moving pattern. One bird is isolated in the upper right corner, flying towards the top right.

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TOP 25

OPENINGS

4 from the editor

Change in business education may seem relentless – but is it enough?

6 upfront

The power of alumni networks

8 introduction

A fragmented future for the MBA

10 meet the dean

Eric Chang on his ambitions for the University of Hong Kong

12 on management

Economics' hold over management theory and corporate governance

14 dean's column

New Insead dean Ilian Mihov on his mentor Ben Bernanke

FEATURES

16

16 interview

John Stumpf's rise from a Minnesota farm to chief executive of Wells Fargo

22 dear lucy...

Lucy Kellaway attempts to lead a student from gastronomic temptation

24 is it worth it?

A sceptical view of the MBA

28 blues to bling

Popular music's love-hate relationship with money and big business

32 business school fashion

An anthropological look at the styles of different MBA tribes

GLOBAL MBA RANKINGS

38 analysis

What the rankings tell us

40 rankings

The top 100 MBAs



REPORT

45 entrepreneurship

How the subject is becoming a key part of the curriculum. Plus Esade profile

51 doing good business

Social entrepreneurship is attracting a growing number of students

54 pioneering spirit

Babson College in the US has a long tradition of start-up studies

HOW TO...

57 ...choose a business school

then negotiate the application process and secure funding for your course

ENDINGS

63 books

What can managers learn from aircraft crashes? Plus a pick of the top titles

67 technology

Online giants miss a revenue-earning trick; top productivity and leisure apps

71 mba challenge

Use your new skills to help a charity

74 hopes & fears

How an African journey has inspired a student to set up a social enterprise



from the editor DELLA BRADSHAW

Plus ça change...

→ As the world's top schools continue to prosper, others face a perennial battle for survival

I have never seen so much change in all my years as a business school professor," confided one dean to me at the end of last year. I was about to agree. But then the occasion had a haunting sense of déjà vu about it.

Because it is hard to think of any year in the past 15 when one professor or another has not said the same thing to me. Be it 1999, 2003, 2011... this was the year that had seen unprecedented change in business schools, they said. But what exactly has changed?

Certainly for those students on the world's top 100 MBA programmes, very little at all seems to have changed in the past 15 years – or arguably the past 50. They still take a year or more to apply to business school, they study intensely, usually for two years, and they are taught by professors who have a job for life. They build up an address book to die for, and then they use financial donations to ensure nothing changes, preserving their business school experience for future generations.

The dotcom crisis of 2000, the Enron scandal of 2001 and the sub-prime meltdown of 2008 all seemed to threaten the reputation and sustainability of business schools, but as we enter 2014, most top schools seem to be in relatively rude health. Will 2014 be the year when everything changes? I am not holding my breath.

What, then, will force change? Only the threat of total annihilation, I suspect. The "great recession" of a few years ago looked like just such a moment, and even the top US business schools trimmed staff, cut back on professorial travel and implemented a hiring freeze, as professors either beat their breasts with soul-rending confessions or hid their heads in the sand and pretended it was nothing to do with them. But, at the end of the day, all this was done to guard against structural change, not to promote it.

Of course, the top 100 MBA programmes as ranked by the FT are the tip of the iceberg, representing just 1 per cent of business schools worldwide. It has been a different story for second-tier schools. As student numbers have dropped, some have closed programmes, while others have sought to improve finances through partnerships with for-profit organisations. But few business schools have really hit the buffers, and because

Schools outside the top echelons ignore career services and alumni networks at their peril



you rarely hear that a school is having problems until the crunch comes, it is hard to know how many schools are slipping into treacherous waters.

What are the challenges to all but the highest-ranking schools? Clearly, Moocs – massive open online courses – which offer business programmes for free, will be the biggest challenge to second- and third-tier fee-paying campus programmes. Why pay fees that are increasing by 4 or 5 per cent a year when you can get an equivalent education for free, without giving up the day job?

One problem for business schools, as opposed to other professional schools such as those for law or medicine, is that you do not need the MBA credential to progress in business. You just need to be good at your job, and the early indications are that Moocs could help ensure this.

So, in addition to the business knowledge and the credential, what are campus-based MBA students paying for? Top of the list has to be career services – help to get a job. Then there is the network. As part of the FT MBA rankings, we ask alumni to say why they went to business school and to rate their answers. For the ability to change careers alumni gave a rating of eight out of 10, but they placed an even higher importance on networking – it scored 8.3. (See poll, page 6)

Most of the top schools have extensive alumni networks, but it is an expense that those outside the highest echelons find difficult to afford. They ignore these services at their peril.

Once it comes to a matter of survival, though, business schools in Europe at least have proved they can move rapidly. Fifteen years ago, most students at business schools in Spain and France were taught in Spanish and French. But as students became more global, and English became the lingua franca of business education, business schools in those countries implemented emergency policies to recruit English-speaking professors and persuade incumbents that English had to be the teaching language.

The speed with which the schools moved was impressive, particularly in France where there is strong reverence for the French language. It is hard to envisage such fundamental change occurring in English-speaking countries. It is effectively the equivalent of a dean coming into a business school in the US, the UK, Canada or Australia and declaring that within a decade all classes will be taught in Chinese or Spanish – and then implementing this policy. **B**

In demand

Enrolments on the FT top 100 MBA programmes fell slightly in 2013, though enrolments on the top 10 programmes rose 1 per cent to almost 6,000 – accounting for almost a third of enrolments on the top 100 programmes.

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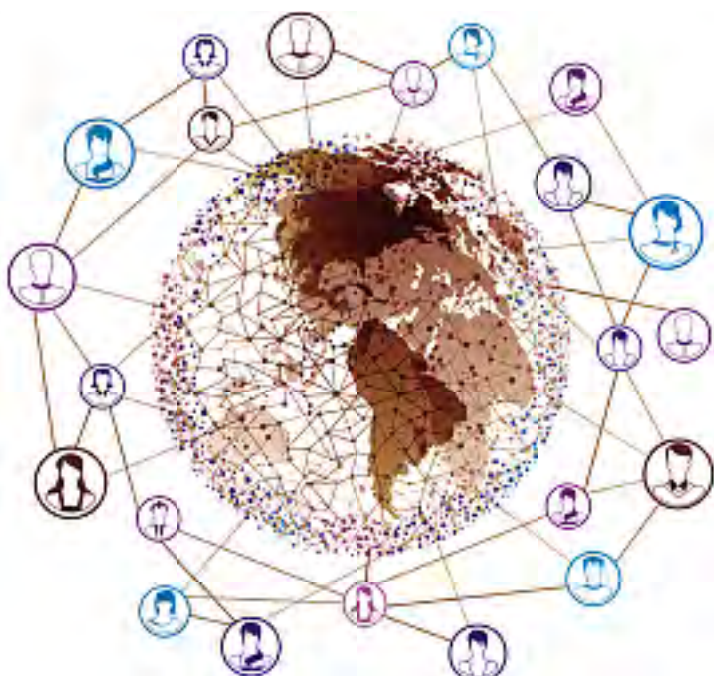
upfront



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→ Poll: do alumni networks really deliver job opportunities?



Enrolling at a top business school is about more than gaining an education. Membership of the club can open professional doors, as illustrated by the findings of an FT poll of recent MBA graduates.

Of the 2,490 graduates from the class of 2010 who responded to the survey, 83 per cent have learned about job opportunities through their school's alumni network since graduation. Almost half (49 per cent) told the FT they had received job offers.

The number of graduates offered positions through their network varies between schools. The University of Southern California's Marshall school (77 per cent) and the University of Toronto's Rotman school (26 per cent) were at either end of the spectrum of those in the top 100.

The alumni networks of Indian and French schools

provide the most opportunities to members, with 57 per cent and 55 per cent of their MBA graduates respectively receiving job offers.

Regular communication is key to networks' strength. More than half of graduates surveyed (51 per cent) receive correspondence from their network weekly, with 15 per cent doing so most days.

Schools themselves make similar efforts to keep in touch. Almost half of alumni (49 per cent) hear weekly from their alma mater. - **Adam Palin**

63%

of alumni who graduated from a top 100 ranked MBA in 2010 and have donated money to their business school since graduation
Source: FT poll of MBA graduates from the class of 2010 (December 2013)

Joining an extra-curricular club is a popular way for students to relax and strengthen their CVs at the same time. The stated mission of Harvard Business School's Brew Club, for example, extends beyond the bar to connect students with industry. Beer is, after all, big business - Anheuser-Busch InBev, the world's largest brewer by sales, is holding internship interviews this winter at several top US business schools



→ Language survey speaks volumes

How confident are you of doing business abroad? "My language skills set me apart in my career," said one US MBA graduate in an FT poll. He is something of an exception: a quarter of US graduates speak no foreign language, and most of the remainder have only basic or moderate Spanish or French. Indeed, none of the US schools in the MBA ranking requires a second language. UK graduates do little better.

Most graduates from other countries speak English fluently and often a second or third foreign language. Belgian and Swiss graduates are

among the most proficient, with Spanish, French and German the most spoken. Foreign languages spoken by only a small number of graduates include Chinese, Japanese, Portuguese and Russian. - **Laurent Ortman**



TOP
25→ FT GLOBAL MBA RANKING
The top 25 in 2014

Rank	School name	Weighted salary (\$)*
1	Harvard Business School	178,300
2	Stanford Graduate School of Business	184,566
3	London Business School	156,553
4	University of Pennsylvania: Wharton	170,472
5=	Columbia Business School	164,181
5=	Insead	148,183
7	Iese Business School	143,168
8	MIT: Sloan	157,262
9	University of Chicago: Booth	156,004
10	Yale School of Management	150,880
11	University of California at Berkeley: Haas	149,487
12	IMD	142,446
13	IE Business School	146,933
14	Hong Kong UST Business School	125,060
15	Northwestern University: Kellogg	157,719
16	University of Cambridge: Judge	144,350
17=	Duke University: Fuqua	141,772
17=	New York University: Stern	140,662
17=	Ceibs	127,117
20	Dartmouth College: Tuck	150,754
21	HEC Paris	120,016
22	Esade Business School	120,718
23=	University of Oxford: Saïd	133,315
23=	University of Michigan: Ross	136,828
25	Warwick Business School	119,121

* The average salary three years after graduation, with adjustment for salary variations between industry sectors

→ Online: interactive graphics, video and live advice

**Who taught the big hitters?**

Mary Barra (pictured), General Motors' new chief executive, is one of eight women with an MBA, and one of eight Stanford Graduate School of Business MBA graduates, in charge of an FT500 company. For an interactive graphic showing which schools in the 2014 FT Global MBA ranking have produced the most FT500 chief executives, go to ft.com/mba-ceo

Architecture slideshow

Academic institutions often express their ambitions through their buildings. WU (Vienna University of Economics and Business) recruited renowned architects including Zaha Hadid to design its new €492m campus (right). For a slideshow of projects around the world, go to ft.com/mba-architecture

**Ask the experts - live**

A panel of experts including David Schmittlein (left), dean of MIT Sloan, and FT business education editor Della Bradshaw will answer questions 2pm-3pm GMT on January 29 at www.ft.com/mba. Send questions to ask@ft.com

Business education videos

For analysis of the MBA ranking and how to use it go to www.ft.com/bized-video

→ Top of the class

Top for female students
(62 per cent)
EMLyon Business School, France



Top for international experience
(Based on course elements overseas)
Insead, France/
Singapore

Top for MBA salary
(Three years after graduation)
Stanford Graduate School of Business, US (\$184,566, weighted)



Top for aims achieved
(Three years after graduation)
IMD, Switzerland

See key (p41) and methodology (p43) for criteria



introduction

Winds of change

→ Fragmentation lies ahead for the MBA. By Della Bradshaw

When Ariwoola Ogbemi decided she wanted to study for a top-notch MBA a decade ago, she ruled

out the two-year US model because she had a young family and could not spare the time.

"I knew two years wouldn't work," says the former head of the information technology department at Statoil Nigeria, the energy company. Instead, in 2003, she began the one-year MBA at IMD in Switzerland – a course she chose for its international focus as well as its duration.

Ogbemi is typical of a growing number of business school students who, because of the cost, time commitment or career trajectory, are eschewing the traditional two-year MBA model for one-year, part-time or executive programmes, or shorter

5%

of 2013 MBA graduates from Harvard Business School have taken jobs in investment banking – half the number who are now working in venture capital, private equity or leveraged buyouts

specialised masters degrees in finance or accounting.

Enthusiasm for the MBA is greater than at any time since 2008, but the two-year MBA, though still the gold standard of the business school world, is coming under increasing pressure as the market for business credentials fragments.

Even those who opt for a traditional MBA no longer see the degree as the traditional route into a career in investment banking or management consulting.

The impetus for change is coming from students themselves, says Rich Lyons, dean of the Haas school at the University of California, Berkeley. "You look at 200 MBAs and you get 200 different job aspirations. It is a good thing that schools are accommodating graduate needs."

There is no better illustration of this than at Harvard Business School, where in 2013 just 5 per cent of graduates took up a job in investment banking – half the number of those who went into venture capital, private equity or leveraged buyouts. What is more, at \$150,000, the starting salaries for those in the latter three sectors were 50 per higher than those in investment banking.

In 2013, salaries offered to graduates from the top-ranked schools showed a marked improvement. For the first time, those reported by European schools began to close on those reported from the US.

At Harvard Business School – traditionally one of the chart-toppers ➤

'You look at 200 MBAs and you get 200 different job aspirations. It is a good thing that schools are accommodating graduate needs'

RICH LYONS, DEAN, BERKELEY: HAAS



ILLUSTRATION: NICK LOWNDES
PHOTO: NOAH BERGER



introduction

for post-MBA salaries – the median starting salary for 2013 graduates was \$120,000, not including sign-on or other bonuses.

At London Business School, the mean starting salary was just below \$114,000 in 2013, and just 29 per cent of LBS students went into finance, compared with 42 per cent in 2006.

Fiona Sandford, executive director of global business and careers at London Business School, says the big story is the growth in corporate sectors such as media and telecoms.

“The perceived wisdom is that if you rely on the corporate sector, you wouldn’t get the pay,” she says. “That is not the case.”

As with all the top US schools, LBS’s MBA is a two-year programme, a format that has staunch defenders, in particular because of the summer internship. At the Wharton School at the University of Pennsylvania, more than 50 per cent of MBAs are there to switch careers, says dean Tom Robertson. “You need the summer internship for career switchers,” he says.

This did not worry Ogbemi, who is now managing director of Statoil Nigeria. She discarded the idea of an internship because she knew she wanted to return to the oil and gas sector.

“Oil and gas is such a big part of the Nigerian economy,” she says, adding that for her the one-year format was “just ideal”.

Though the one-year MBA started life in Europe, the model



Lessons in leadership: Ariwoola Ogbemi, above, and Tom Robertson, below

29%
of London Business School MBA graduates for 2013 have chosen finance as a career – down from 42% in 2006

is growing in significance in India, says Ashish Nanda, recently appointed director of IIMA – the Indian Institute of Management, Ahmedabad – the highest-ranked of three Indian business schools in the FT MBA rankings in 2014. He says the one-year course will gain in recognition and will be more attractive for overseas students than a two-year degree.

It has taken half a century for the one-year degree to establish its credibility, but a more contemporary threat is the advance of online technology, which has enabled online courses to be offered at lower cost or even free of charge.

The top business schools are leading the charge. Wharton, for example, has put several of its core

courses online, but they do not constitute a degree, insists Prof Robertson. “It is not the total experience of the MBA; it is not the total course,” he says.

He describes the move as a “great experiment” that could ring changes to the campus-based full-time MBA. “Faculty are working potentially to

incorporate it in the flipped-classroom model,” he explains. In this scenario students would study online but then participate in classroom analysis and discussion. “It is felt it could lead to greater depth,” Prof Robertson says.

Meanwhile, there is an increased focus in the curriculum on entrepreneurship, with demand coming from today’s MBA students – the so-called millennials – as well as recruiters in large companies and start-ups, says William Boulding, dean of the Fuqua school at Duke University, North Carolina.

“What has changed in a very fundamental way is that big companies want to hire people who are entrepreneurial, who see opportunities in a competitive landscape,” he says.

Entrepreneurship, adds Prof Robertson, is the “new leadership”. **B**
See the entrepreneurship report, page 45

Meet the dean

→ Eric Chang is busy recruiting

The pursuit of financial knowledge is not often tied to an interest in moral affairs. But had Eric Chang, dean of the faculty of business and economics at the University of Hong Kong (HKU), not ended up in academia, he says he would have liked to have been a preacher.

He might have been rather good. The quiet, smiling man who welcomes me to the chilly conference room at HKU’s main campus seems just as interested in me as I am in him. We chat for some time before I realise that the subject has shifted away from himself. I have to wrest control back. He explains that he is a part-time preacher at Hong Kong Mandarin Bible Church.

Born in 1951, Prof Chang says his childhood in Taiwan was quite unusual in that it was so devout. “I spent a lot of time in church. I grew up in a youth fellowship.” His early adulthood, however, was characterised by a very conventional choice of university degree.

“People at that time said that if you are a man you should pursue a career in engineering,” he says. It was only during this degree that Prof Chang developed a desire to study business and a love of “deep thinking”.

He had started an MBA programme at National Chengchi University in Taipei when he won a scholarship to pursue the same degree at Wright State University in Dayton, Ohio – a move that marked the start of many years spent in US academia.

“My goal was not to become a trader or to make a lot of money, but to understand the nature of financial markets and how to improve them,” Prof Chang says.

He moved to Purdue University in West Lafayette, Indiana, to do a PhD in finance and in 1986 he took up his first academic post at the University of Maryland, where he became a professor in 1994. The following year he was appointed professor of international finance at DuPree College of Management (now Scheller College of Business) at Georgia Institute of Technology.

It was as he was rising through the academic ranks that Prof Chang says he discovered a love for teaching. “Sharing





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knowledge is one of my passions," he says. "Using simple language to help people understand complicated phenomena is very rewarding."

Alongside his teaching duties Prof Chang also made a name for himself as an expert in his field. As he became more senior in the academic world he found himself invited to consult for the government in Taiwan, which wanted help in developing financial markets.

Soon after this work started, Prof Chang was invited to train Hong Kong stock exchange employees and started making regular trips to the territory. His growing Hong Kong profile led in 1998 to his being offered his first job at HKU.

It was a newly created post. "I believe I was the first to hold the chair in finance - it was quite an honour," he says. By 2001 he had become director of the university's school of business.

Despite his love of research and teaching, Prof Chang says he embraced his administrative duties too and his time in leadership roles at HKU led to him being invited to become dean of the faculty, a post he took up in February 2011.

Three years into his five-year term, he is committed to a strategy he believes will raise HKU's reputation, particularly for research.

Prof Chang is on a recruitment drive and aims to build a team of world-class researchers. He is also determined junior faculty should be given the time to do research, saying that at the early stages of their careers

it is important for them to establish themselves so that they have confidence in their fields. "One day we expect our teachers to address global issues from an Asian perspective. Having a PhD is not enough," he says.

Putting HKU on the map means he holds a slightly different view on senior faculty, who he believes should be encouraged to interact with the community. "People say you have to make a choice between rigour and relevance, but I don't think they are mutually exclusive."

Ensuring relevance also means remembering Hong Kong's role, he says. "HKU is a global university, but we are part of China."

Emma Boyde

On video

Eric Chang tells Emma Boyde why freedom of expression is a big advantage in Hong Kong. Go to www.ft.com/bized-video

'Rigour and relevance are not mutually exclusive' - Eric Chang

Biography

1974 BS in civil engineering, National Cheng Kung University, Taiwan

1979 MBA in finance, Wright State University, Ohio, US

1982 PhD in finance, statistics and econometrics, Purdue University, Indiana US

1982 Assistant professor, University of Iowa, US

1986 Assistant, associate and professor in finance, University of Maryland, US

1990 Economist, Commodity Futures Trading Commission, Washington, US

1992 Reader in finance, Hong Kong University of Science and Technology

1995 Professor of international finance, Georgia Institute of Technology, US

1998 Professor of finance, University of Hong Kong
2009 Acting dean, faculty of business and economics, University of Hong Kong

2011 Dean, faculty of business and economics, University of Hong Kong

PHOTO: BERTON CHANG

on management

SIMON CAULKIN



Breaking the spell

→ Management theory and corporate governance have been in the grip of economics for too long

Under the banner “The world has changed, the syllabus hasn’t”, economics students at the University of Manchester have launched a “Post-Crash Economics Society” to explore alternatives to the neo-classical orthodoxy that still rules most academic economics departments. Similar movements have sprung up in London, Paris, Berlin and Vancouver. The students have drawn cautious support from some senior faculty.

Until now there has been little sign of similar movements in business schools. “It is very strange how, even as the dysfunctionality of the management model becomes increasingly apparent, its grip tightens,” sighs one prominent UK management professor.

The banks seem determined to underline how the current model has failed. In the UK, it has been alleged that far from supporting small businesses, RBS has been pushing them to the brink so that it can break them up or sell them on. RBS has rejected the allegation and instructed a law firm to investigate the matter. However it is one more item on a charge sheet against the sector that includes sub-prime mortgages, manipulating Libor and foreign exchange rates, money laundering and mis-selling products.

The smoking gun? “The most dramatic empirical finding in corporate governance in the aftermath of the financial crisis is that the banks... that got into the most trouble in 2008 were generally the ones with the most shareholder-friendly executive pay and governance arrangements [ie those that comply with officially sanctioned best practice]”, wrote Justin Fox, executive editor, New York, of the Harvard Business Review.

Under the surface something may be stirring after all. One reason is that current management

theory is essentially a sub-branch of economics, so any challenge to mainstream theories is likely to shift the managerial furniture too. Fox notes that “economists’ extremely influential grip on... the corporation may be loosening” – which can only be a good sign.

Many would argue that where management has gone wrong is in duplicating just the strategy that left economics speechless when the crisis struck.

Confessing in his Nobel prize acceptance lecture in 1974 that “as a profession we have made a mess of things”, free-market economist Friedrich von Hayek attributed the failure to economists’ desire “to imitate as closely as possible the... physical sciences”.

This was a “pretence of knowledge... which in our field can lead to outright error”. Just as economics was deformed by physics envy, so management suffered the same fate when it used economics as its role model for establishing scientific legitimacy, omitting anything that cannot be quantified and made subject to scientific proof.

The results speak for themselves. As another

economist, John Kay, put it in 2010: “It is hard to overstate the damage done in the recent past by people who thought they knew more about the

Companies cannot prosper at the expense of the wider community

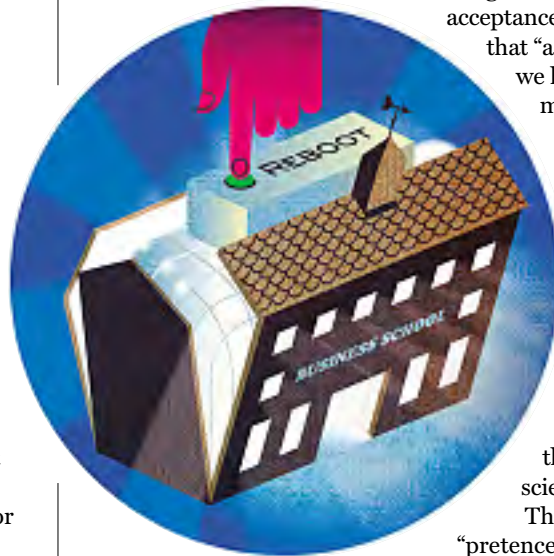
world than they really did. The managers and financiers who destroyed great businesses in the unsuccessful pursuit of shareholder value... The politicians who believed they could improve public services by the imposition of multiple targets.” And economists who thought

they had abolished the business cycle.

Loosening economics’ stranglehold would allow theorists relieved of their cultural cringe to develop a managerial rather than economic theory of management, one that above all recognised it as a human technology for application to human organisations.

A starting point would be to junk ideology-based gloomy assumptions about human nature, freeing governance to focus on getting the best out of people rather than preventing them from doing their worst. And it would accept the point made obvious by the banking crisis that companies cannot prosper at the expense of the wider community but only when they pay attention to all their stakeholders.

Fox suggests economists may not be able to deliver this new framework. So who could? Sociologists? Or how about comedians? In November, the Irish town of Kilkenny staged a weekend of “Kilkenomics”, surely the world’s first comedy economics festival, in which audiences in the town’s pubs participated in passionate debates, moderated by comedians, with big-name economists. The FT’s Simon Kuper wrote that Kilkenomics recalled the 1960s “teach-ins” on US campuses. “It felt like democracy... It may be a model for the world.” Now there is an economics role model that management really could follow. **B**



God complex

“Economists were like medieval priests who had a special relationship with God and spoke in Latin to the average punter, and said: This is way above your head. Don’t worry about it.”
– David McWilliams, founder of Kilkenomics

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Crisis management

→ The Insead dean's former mentor, Ben Bernanke, showed inspired leadership under pressure

I met Ben Bernanke on my first day at Princeton University in 1992. As a new PhD student from a relatively poor country – Bulgaria – I was fortunate that the economics department had offered me a full tuition waiver, a scholarship and work as a research assistant before classes started.

I was assigned to work for Professor Bernanke. It turned out that this was the start of my four-year employment as a research assistant – circumstances that resulted in a very rewarding co-authorship with the future US Federal Reserve chairman.

Ben helped me tremendously to develop as an economist, and did so with consideration and humility. People in academia know that raw talent is often wasted, stalled because there is no mentor to guide it. Ben was the best adviser one could wish for: down to earth, demanding and willing to promote his students and help them achieve their potential. He was for me the symbol of an academic who pushed the frontiers of economic knowledge.

That is why it surprised me when he said he might run for chairman of the Federal Reserve. I could not imagine how this softly spoken, calm and detail-orientated academic would survive in a politicised environment that requires a constant media presence. Plus, he would have to wear a suit and tie every day.

Then came the financial crisis. With the world's largest economy in a tailspin in 2008, politicians bickering about the stimulus package and constant criticism of bailouts (or the lack of them), it seemed the global economy was going to collapse.

Instead of caving to demands to stand aside, Ben wrote a new chapter of monetary economics, not with a pen but through his actions. He went beyond simple quantitative easing by unblocking credit channels

that had stopped working because of fear, uncertainty, and lack of liquidity. Without his bold actions, a depression loomed for the world.

Critics were quick to pounce on him. Figures in the media demanded the Fed be shut down. In January 2009, students told me investment bankers with whom they had worked were ready to bet on hyperinflation because of Ben's policies. I told them I would take the other side of the bet at any time.

After the recovery started, I realised Ben's actions were linked to his areas of expertise, which were exactly the kind the world needed at that time.

About the columnist

Ilian Mihov is dean of Insead, with campuses in France, Singapore and Abu Dhabi

To manage the crisis, we needed someone steeped in monetary policy, someone who profoundly understood the Depression and the macroeconomic dynamics in Japan during the 1990s. We needed someone who comprehended the mechanics and the importance of credit.

In addition, following the brave expansion of the money supply, the markets wanted a chairman

with impeccable credibility in terms of controlling inflation. Ben fitted the role perfectly – he wrote one of the first books on inflation targeting. His

He wrote a new chapter of monetary economics through his actions

most-cited papers are on monetary policy and the role of credit, as well as scholarly work on the Depression. He even wrote one of the most insightful articles on Japan's problems, in which he proposed quantitative easing.

During the crisis Ben showed the ability to grasp the dynamics of a rapidly deteriorating economy and the imagination to think creatively under fire. Understanding what is going on and devising a potential response, though, is only part of the story. Implementing the measures is a different challenge, especially when entering uncharted waters and while everyone is predicting your policies will ruin the US economy.

Ben's response reminded me of these famous Rudyard Kipling lines:

*If you can keep your head when all about you
Are losing theirs and blaming it on you,
If you can trust yourself when all men doubt you,
But make allowance for their doubting too...*

There is a leadership lesson in this story. First, you need the knowledge. In a crisis, there is no way forward without knowing your industry, your business. You must also be willing to listen to counsel and integrate disparate data and information, yet act with determination. Being prepared to take risks, able to think outside textbook prescriptions and ready to go beyond what others have done are qualities that become essential in dealing with the most severe crises. When this knowledge, determination and creativity are combined with humility and humanity, the leader becomes an inspiration. **B**

Clear vision:
Ben Bernanke
had impeccable
credentials for
the Fed role



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Keeper of the culture

John Stumpf's Minnesota farm upbringing and part-time MBA studies inform his leadership style at Wells Fargo, where he sees his role as inspiring trust in the bank's 270,000 'team members', writes **Richard Waters**. Photographs by **Jamie Kingham**



A

s chief executive of Wells Fargo, John Stumpf is in charge of the world's biggest bank by stock market value at a time when the financial services industry is still struggling to repair its image in the wake of the financial crisis. But he has a knack for evoking a time when banking was an altogether more innocent pastime.

The world he conjures up – one of struggling up from rural poverty, where family and a strong Catholic faith prevail, and where sound personal values trump financial engineering – sounds like the plot of a Frank Capra movie starring James Stewart.

This, for instance, is Stumpf's explanation of why he arrives at his desk by 5.30am: "I get up at 4.30, because that's what you do on the farm." He adds: "I don't think you need to get up early in life, but most people I know who are successful get up early."

The farm in question is the 125 acres in Minnesota where he grew up as the second of 11 children. The girls slept in one bedroom, the boys in another. "We were very, very poor," he says, and bankruptcy was often a threat.

He credits his parents for instilling a work ethic and a propensity for self-effacement that have had a formative influence on his management style: "We never used personal pronouns when I grew up – I, me, mine. They were shunned... We learnt the value of sharing success, and also sharing disappointment."

Stumpf's journey from a Minnesota dairy and poultry farm to the Wells Fargo executive suite in San Francisco at times sounds like a Depression-era fairytale. But he has imbibed the message of the internet age. "More than anything else, we're in the information business," he says. He lists Apple, Google and Amazon as the companies he admires most, "because of what they're doing to influence how our customers think about retail services".

He adds: "If Google can give them information anywhere in the world in three nanoseconds, why can't I tell them what's going on? If Apple builds things for dummies, why can't we? Why aren't our products as obvious and intuitive?"

Yet he brushes off suggestions that the banking industry may face the same sort of digital disruption that has swept through other information-based industries, such as the media. He reports a conversation from ➤

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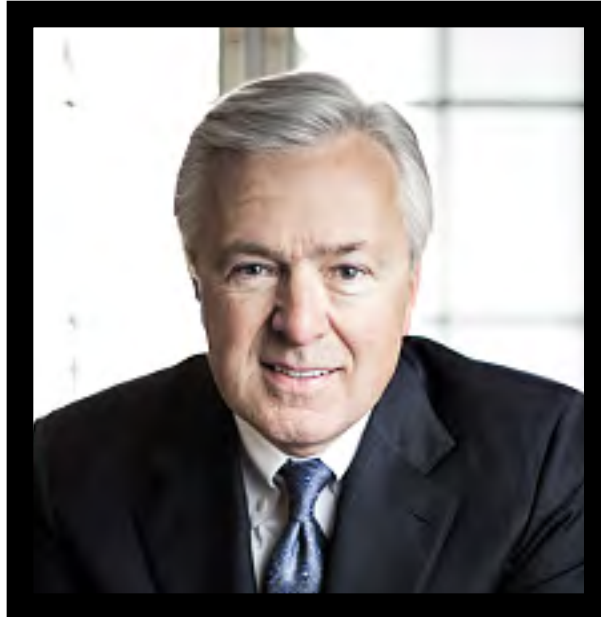


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The art of self-effacement: Stumpf says his family shunned the use of personal pronouns, teaching him 'the value of sharing success, and also sharing disappointment'



soon after his move to San Francisco in 2002, when “a very well-known leader in tech” – whom he refuses to name – told him “that in five years we’d be gone”. Stumpf says now: “The prediction of our death was overrated and overstated.”

With his silver hair and easy patrician style, Stumpf, who became chief executive six years ago, seems born to the corner office. But his rise to the top of the banking industry was far from ordained. After leaving school at 17 with poor grades and few prospects, he worked for a year in a bakery. He later joined the Minneapolis-based Norwest, which rode a wave of acquisitions – including those of Wells Fargo (whose name it took) in 1998 and Wachovia at the depths of the financial crisis a decade later – to reach the top of the US banking industry.

‘More than anything else, we’re in the information business... If Apple builds things for dummies, why can’t we? Why aren’t our products as obvious and intuitive?’

For much of that time he was a lieutenant to Dick Kovacevich, the former Norwest chief executive who used tight operational discipline and effective dealmaking to turn a small regional institution into a national leader. Of his former boss, Stumpf says: “I would say he was the best our industry produced in his generation.”

It would not have happened had it not been for a “light-bulb” moment when, says Stumpf, he “fell in





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love with the idea of education". It began with a finance degree at state college in nearby St Cloud – making him the only one of six brothers to get a college education. After moving into banking, he went on to take an MBA at the University of Minnesota.

It was a gruelling three years at night school, with most evenings, weekends and holidays spent studying, though Stumpf recalls it as an inspiring mix that students on full-time MBA programmes miss. "It was an intellectual framework, and the coalescence of academic theory and day-to-day practical application. It's probably not for everyone; it surely was for me – it changed my life," he says.

It is the practical, more than the theoretical, that has stayed with Stumpf. He credits a tutor from his MBA days with an insight that still "rings at the back of my head" and helped to shape Stumpf's own approach to management: "In trying to understand the framework of a problem, too many of us want to get to the solving part too early and you don't spend enough time understanding the framework the problem is set in."

When applied to business meetings, he says, the personal lesson he learnt is not to go in with a preconceived view. "Frame it, understand it, bring other people's points of view in, and have the courage to be unbiased – to be opinionated but unbiased," he says.

Stumpf is complimentary about the training today's business schools dispense in areas such as technical proficiency and ethics. But he sees graduates as raw material, of value only if they fit into the strong group culture he calls the "Wells Fargo tribe".

"It only works if the elements of the person are consistent with our culture. We like to say that when we hire people, we don't care what you know till we know that you care," he says.

In the modern banking industry, Stumpf's career path almost looks like an anachronism. It was not until 10 years after finishing his MBA that he and his wife – whom he met in elementary school and married while at college – left Minneapolis for a role in Colorado. And when he moved on to Texas to set up a new operation for the bank, it was only the second time he had ever been to the state.

Stumpf's personal brand of folksy wisdom and smooth assurance seems perfectly tailored for the post-crisis financial world. He describes his job as chief executive as "keeper of the culture", and the art of good leadership as inspiring trust in the bank's 270,000 employees – whom he insists on calling "team members".

"People want to work for people who have a realistic but optimistic view of the world," he says. For personal inspiration, he looks to books about figures such as Thomas Aquinas, George Washington and Margaret Thatcher, rather than modern business leaders.


A glimpse of the significance of Stumpf's affable and accommodating manner comes as he discusses the demands of working in a highly regulated industry: "It takes a lot of skill, and patience – and understanding, and collaboration with the regulatory [bodies]. We have a lot of regulators."

In this context, he explains why technology giants such as Google and Apple will never take the plunge into the financial industry. "They are looking for pieces of the value chain," he says. "What they will never want to be is a financial services company. It's a regulatory burden. Never – they'll stay far away from it, in my view."

For relaxation, Stumpf plays around 100 hands of bridge a week on OKbridge, an online network where membership costs \$99 a year. With typical self-effacement, he dismisses his bridge skills, saying he "should be better." But he is good enough for an occasional online game with investor Warren Buffett, his bank's biggest shareholder.

Like Buffett, Stumpf also likes to carve out time during his day to think. "I think when I walk," he says, fishing behind his desk for the black Nike trainers he wears for six to seven miles of pavement-pounding on a typical day.

But he is anxious not to come across as the figurehead, and is eager to put himself in the background: "This is never about the CEO; it's about the team – the star of the team is the team – if there is a star."

It is a formula that has worked, as Wells Fargo has risen to the top of the US banking industry. With nearly five years to go before Stumpf reaches the bank's retirement age of 65, the next question will be when, and how, he takes that formula into international markets. 

Western roots:
the original
Wells Fargo office
on Montgomery
Street, San
Francisco,
near the site
of the current
headquarters,
c.1853



Dear Lucy...

FT readers consult **Lucy Kellaway** on problems from absorbing too much (food) culture while studying abroad to a student who steamrollers their classmates during group work

I moved from the UK to pursue my MBA in France so as to be part of another culture. Some of this cultural immersion is affecting my waistline.

I cannot think of a better way to start my day than with a pain au chocolat, and to finish it with a slab of camembert. I now have less time to burn off these treats in the gym. I'm not sure how French people stay so slim, but this is not happening for me. Please help.

I am troubled by your asking me this. Losing weight is the easiest thing in the world. There are two ways of doing it, and neither is exactly secret. Either you eat less or you exercise more. You ought not to need an MBA from Insead (or wherever you are) to work that

out. So if you don't have time to go to the gym, then you have to eat less. Instead of eating a massive, oozing slab of camembert every night, make it a dainty sliver. The reason French women stay so slim is that they don't eat greedy British portions.

We do a lot of group work on the MBA and there is a person whose attitude disturbs some of us. They have great difficulty in accepting others' ideas and, as such, make people feel bad. At the end, the work reflects only this person's "personality". They seem unaware and I would like to give some feedback but want to avoid conflict as we will be studying together for many months. Should I raise the matter and, if so, how?

No, don't raise it. There is absolutely no point: these are deep flaws in your classmate's character and will not be changed by a fellow student pointing them out. All that will happen is that this person will conclude they were justified in making you feel bad, and redouble their efforts in the future. Instead, what you need to do is to



PHOTO: DANIEL JONES

be more assertive/belligerent/manipulative so that you and the rest of the group don't get steamrollered. They are in a minority of one and there are a lot of you, so if your projects reflect only his work, that shows the real problem is not that they are belligerent; it is that the rest of you are walkovers.

My best friend was on my MBA programme a few years ago. One of the classes has changed very little since he was here and he has tipped me off a lot about what we will be studying and how to handle it. My classmates think I am a genius – which is nice.

How likely is it I will be found out?

I assume that they have no reason to connect you to the friend who did the classes a few years ago, in which case there is very little danger that they will rumble you directly. However, it is quite likely that they will notice that something odd is going on, especially if your performance in all your other classes is clueless.

To be a genius in one class and a dolt in all the others looks very fishy indeed. In any case, I'm not sure how much this low-grade cheating will help you in the long run. Being tipped off about

what is in the lessons only gets you so far. To get a good mark in the end surely requires some mastery of the material. If it doesn't, then all of you are wasting your time.

I am fully committed to the MBA, but I have other priorities too. Also, how I manage my time is different. While some people like to have the weekends to work, I prefer to do the hard work during the week (until late if necessary)

and leave the weekends free, not reading MBA emails.

How should I get it across to my groups that this doesn't interfere with the quality of my work?

When I went to university in the UK some 30 years ago, we had the reverse problem. The aim was to appear to do no work at all and yet still to get top marks. That meant doing a good deal of serious swotting in secret, while making a huge song and dance of any non-work things you were also up to. I suggest you see if this long-neglected wheeze still works. Be flagrant about never touching a book at weekends; when you get great marks for your work, get one up on your colleagues by calmly telling them that the key to success is not to work longer but to work smarter.

I was supposed to complete a paper for my team as part of our class assignment. However, I told them I was ill and went to the cinema instead. Now I feel horribly guilty, especially as they have all been kind to me. Should I confess or keep quiet?

Don't even think of confessing. If you do, they will be despise you and rightly consider you a shirker, a liar and

Be flagrant about never touching a book at weekends. When you get great marks, calmly tell your colleagues that the key to success is not to work longer but to work smarter

an all-round attention-seeker. The scale of your guilt following a minor misdemeanour shows you are a decent sort who isn't made to skive and lie. To assuage your conscience, work harder next time. Take on more than your share, then tell yourself that you are quits and that your guilt can stop bothering you.

A classmate of mine is very attractive but shows no interest in me at all. I can't concentrate around him. Any suggestions?

Go and sit somewhere else. If he shows no interest in you, that is almost certainly because he has no interest in you. It seems you have tried the usual strategy of trying to get on with your work instead, but found that discounted cash flows are a feeble weapon against a serious object of desire. It leaves you no option but to put yourself as far away as possible so that he is not there, looking irresistible, every time you raise your head. **B**

Lucy Kellaway is an FT associate editor and management columnist and writes the weekly Dear Lucy advice column



Is it worth it?

An MBA is the door to a bigger salary and fantastic networking, say the business schools. But the reality is often not as rosy, writes **Emma Boyde**

Prospective students in their thousands pore over rankings tables when they research the relative merits of MBA programmes. If they decide to enrol, and eventually complete the course, they will join millions of graduates. But evidence suggests many students are misguided in their belief that an MBA will transform their prospects. Indeed, it appears many are being encouraged to take on student debt they might never be able to repay.

"A degree has value only if the degree is scarce, and the MBA is completely unscarce," says Jeffrey Pfeffer, professor of organisational behaviour at Stanford Graduate School of Business.

Prof Pfeffer has published on a wide range of topics but is well known for taking on the industry in which he works – business education. He argues that schools' reputations have suffered from promoting themselves as a route to enhanced future salaries. The professor has been pointing out for a decade that the value of a degree is linked to the prestige of an institution rather than what it teaches – but few people have been listening.

"People don't hear what they don't want to hear," he says, adding that he nonetheless believes that unless you go to an elite school – by which he means one ranked in the top 15 worldwide – an MBA is a complete waste of money.

For some the penny has dropped. Mariana Zanetti did an MBA about 10 years ago at IE Business School in Spain – a school that would qualify, using Prof Pfeffer's definition, as an elite institution. However, she believes the MBA had no relevance to her subsequent career progress, which she attributes to her previous achievements and personal qualities.

She has self-published a book, *The MBA Bubble*, in which she condemns MBAs as ruinous investments and discusses the ethics of schools promising particular salaries to graduates as part of their marketing tactics.

"The schools don't help a lot in getting your next job," declares Zanetti. She says when she found a position after completing her MBA, the only thing her new employer was interested in was the job she had before doing the course – the MBA itself made no difference. To add insult to injury, she earned no more than in her previous position, and took home fewer benefits.

Zanetti's story and her book sparked a lively debate and not everyone agrees with her. But she says she would not expect agreement. People, she says, tend to "answer with their egos". If individuals have done an MBA, it becomes part of their "brand" and they do not wish to damage that brand.

"But I don't think it's the MBA that adds the value – it's the selection process that makes the difference," she says. She would even recommend getting a place at a top school and turning it down to prove you were of a high calibre without wasting money. "I get messages from people who have already graduated from business schools saying 'thank you for writing this book,'" she says.

Among them might be the likes of Nicole Drown, who graduated from Tiffin University with an MBA in 2010. Tiffin's website says students can study online or at its campuses in Ohio or Romania. Students do not need the Graduate Record Examinations or Graduate Management Admission Test for admission and the entire course costs a modest \$25,200.

Costs can mount, however. Drown, 43, who also completed an undergraduate degree at Tiffin, now finds herself with debt of more than \$80,000 but earns only a third of that a year because she cannot find a higher-paying job. "I was hoping to get into a different role, not sales again," she says.

She does not think she will ever be able to repay her loan. "This sounds horrible, but an MBA means nothing," she says, adding: "We were promised a pot of gold at the end of the education rainbow, but the pot ➤

Life in the bubble: Mariana Zanetti, opposite, says MBAs are ruinously expensive and add little value to one's career prospects

'A lot of MBAs in Canada feel they are not valued at work. There is very little understanding of the nuances of an MBA'

of gold does not exist." Despite everything, she maintains she does not regret doing her MBA and believes it is a good qualification. Nonetheless, she has found networking opportunities from her MBA to be rather limited.

Amir Muradali, who attended the well-regarded though not top-ranking Queen's School of Business in Kingston, Canada, understands the importance of networking. He gained his MBA in 2006 and through the Queen's alumni network was able to find a very satisfactory role working for IBM, the technology group, in the oil and gas industry. He is now running his own business and wishes to build connections with MBA alumni from other institutions.

Muradali has also set up the Association of MBAs in Canada because he wants to help graduates tackle the problems they face. "A lot of MBAs in Canada feel they are not valued at work. There is very little understanding of the nuances of an MBA," he says. "The challenge employers are finding is that there are so many MBAs to choose from."

Muradali reckons he will be repaying his MBA loan for another eight years, giving a total repayment term of 15 years. Despite the difficulties he faces, he says his only regret is the corporate world's apparent lack of recognition for MBAs.

Research indicates more than 100,000 MBA degrees are awarded annually in the US alone. However, as Prof Pfeffer points out, no matter how many people do the degree, the number of jobs remains relatively constant. Logic dictates large numbers of people will be disappointed. He reiterates his view that an MBA is a waste of money unless it is from an elite school. But he does not think the attraction of the degree will ever wane. "I don't think people are going to get the message," he says. "I don't see any change in behaviour whatsoever." **B**



Sceptical view: Jeffrey Pfeffer, left, believes only the elite business schools offer value for money



The no-cost option

→ Moocs are starting to offer MBA content

Given the high price of an MBA programme at a top-ranked business school, it is surprising what some of them offer for free in the form of massive open online courses, or Moocs.

Hundreds of thousands of students have enrolled on business Moocs, attracted by high-quality content available to study online at their own pace. Most importantly, there is nothing to pay.

Six of the schools that offer the world's top 10 full-time MBA programmes in the FT ranking already have Moocs.

Coursera, the largest Mooc platform, hosts business courses by Chicago Booth, Iese (above right), Stanford, Wharton (above left) and Yale. MIT Sloan, meanwhile, is launching courses on EdX, the platform co-founded by Harvard University and Massachusetts Institute of Technology.

While Moocs remain standalone courses, rather than being part of a unified programme, the University of Pennsylvania's Wharton School is the first leading school to offer a suite of courses that duplicate core MBA content.

The Wharton "foundation series" comprises four introductory courses in corporate finance, financial accounting, marketing and operations management. Each involves a weekly workload of up to eight hours, running for about nine weeks. Content includes online video lectures and tests, while online forums allow interaction with course instructors and classmates - a broadly typical structure for Moocs.

Successful completion of each course earns a basic certificate of accomplishment. For \$49, students can obtain a verified certificate linked to their online identity by opting for Coursera's "Signature Track". However, these certificates neither confer credit towards a degree nor represent any recognised form of qualification. Like all business schools offering Moocs, Wharton emphasises that students who complete the course are not alumni of the school.

Besides indulging in the joy of learning, why do people invest the time in completing a Mooc? For those preparing for an MBA, a Mooc may be a free, convenient way to develop understanding of basic concepts, taking the pressure off during the first weeks at business school.

Considering the average tuition fees reported by top 10 full-time MBA schools are almost \$115,000, a free sample of a business school curriculum may be worth your while.

Adam Palin



PROFESSOR ILIAN MIHOV, DEAN, INSEAD



Dean Ilian Mihov on selecting for success

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Blues to bling

Popular music has always been fascinated by money and big business, their pleasures and sins. **Peter Aspden** looks at how songs over the years have swung between protest and shameless materialism

It was a strangely dressed supergroup from Sweden who put it most succinctly: "Money, money, money, Must be funny, In the rich man's world. Money, money, money, Always sunny, In the rich man's world."

The song topped the UK charts in the autumn of 1976, in ironic counterpoint to the draconian measures announced by the International Monetary Fund as its condition for bailing out Britain's ailing economy.

Music was not always so out of tune with the national mood. It is hard to imagine in the ostentatious, bling-ridden world of contemporary culture today, but it was poverty and depression that spawned the songs that would lay the foundations of popular music. In the early years of the 20th century, the urban blues recounted the suffering of a long-oppressed race, while in America's heartland, folk music lamented the tribulations of peasant life.

PHOTOS: GETTY; REUTERS



Most of the music came from the heart, concentrating on the devastating effects of debt and unemployment; but there was the odd song that knew who to blame too. "When the bugs get your cotton, the times they are rotten, I'm jolly banker, jolly banker am I," sang Woody Guthrie with rapacious sarcasm in 1940 as he recalled the Depression. "I'll come down and help you, I'll rake you and scalp you, Singin' I'm jolly banker, jolly banker am I."

For every protest-singing troubadour, however, there were cultural manipulators who were beginning to understand how to use music to lift the national mood. The chorus of *Gold Diggers of 1933*, staged with rapturous, though not entirely justified, optimism by Busby Berkeley, was Hollywood dismissing the Dust Bowl downers: "We're in the money, We're in the money; We've got a lot of what it takes to get along! We're in the money, The sky is sunny; Old Man Depression, you are through, You done us wrong!"

Guthrie's lamentations were not the most sophisticated analysis of US business practice, but they established a tradition of critique that caught fire during the counter-cultural

movements of the 1960s. Bob Dylan's withering, and immeasurably more artful, updating of the singer-songwriter's banker-bashing caught youthful imaginations, as anti-capitalism became a fashionable lifestyle pose.

But the 1960s were also nothing if not concerned with self-gratification. On the other side of the Atlantic, The Beatles, the greatest pop group of them all, showed their contempt for materialism with the jauntily romantic "Can't Buy Me Love". "I may not have a lot to give, but what I got I'll give to you," sang Paul McCartney, the man who would, in late middle age, become embroiled in one of the messiest of modern divorce disputes.

But no one really believed him. Baby boomers, brought up in secure and relatively prosperous circumstances, were frank in their pursuit of material gain. The Beatles' cover of the sizzling Motown classic "Money (That's What I Want)" hit the bullseye, John

Lennon's avaricious sneer speaking for a generation that was not willing to wait for what it considered to be its due reward. "If you get ➤

Moneyspinners, below from left: *Gold Diggers of 1933*, Woody Guthrie, The Beatles, David Geffen and Joni Mitchell, Abba, the Pet Shop Boys, Madonna, Kanye West



The 1980s were rather flip about money making, perhaps because it seemed so easy. Even the most anthemic songs of the decade laced their intentions with an ironic edge

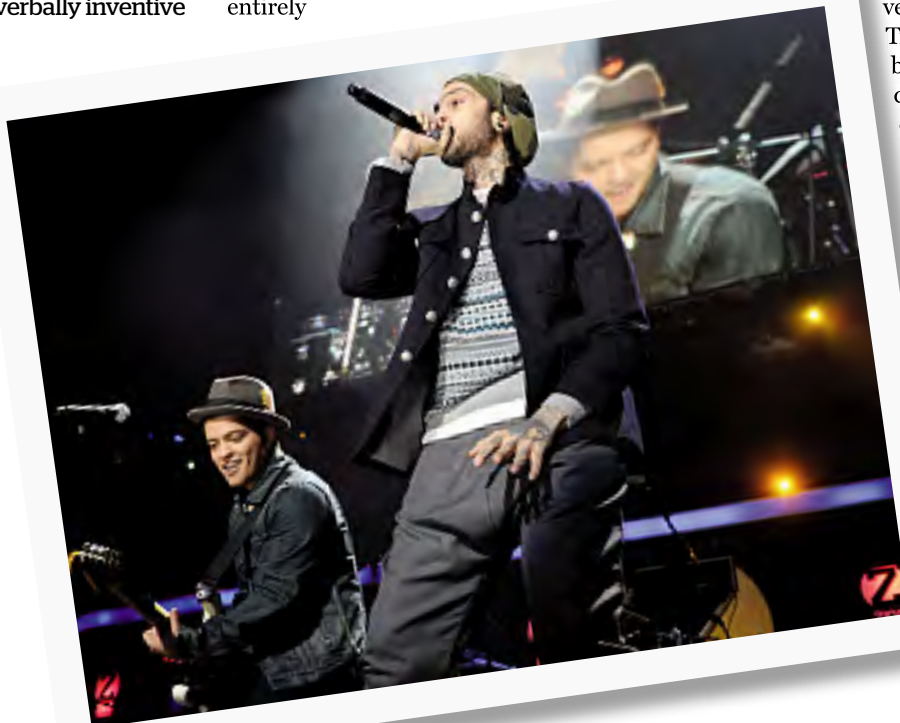
too cold, I'll tax the heat," sang George Harrison in his laconic and self-serving "Taxman", anticipating a debate that continues to obsess politicians to this day.

Of course there were the hippies. The 1970s saw the counter-culture retreat to havens such as California's Laurel Canyon, where articulate young songwriters cast beautifully crafted aspersions on the grubby business of money making. Jackson Browne declared himself caught "between the longing for love, And the struggle for the legal tender" in "The Pretender", skilfully delineating that space "where the ads take aim and lay their claim, To the heart and the soul of the spender".

It took the greatest of the West Coast songwriters, Joni Mitchell, to write about what was happening right in front of her: the agents, managers and record company executives getting extremely rich on the backs of their idealistic young charges. They were "stoking the star maker machinery behind the popular song", sang Mitchell in "Free Man in Paris", a breeze of a song generally reckoned to have been written about David Geffen, the founder of Asylum Records and magnate-to-be. Can any business figure claim to have been the subject of such a gorgeous piece of music?

In the 1980s, greed became good and pop music lost its introspection and joined the party. "I've got the brains, you've got the looks, Let's make lots of money," sang the Pet Shop Boys, with a certain archness that suggested they weren't being entirely

Slam dunkers:
Bruno Mars and
Travie McCoy,
whose song
"Billionaire" might
be odious to some
but is undeniably
verbally inventive



serious. Neil Tennant's deadpan delivery was cool and calculated: "You can tell I'm educated, I studied at the Sorbonne, Doctorated in mathematics, I could have been a don, I can program a computer, choose the perfect time, If you've got the inclination, I have got the crime."

Here was the voice of a decade that was in fact rather flip about money making, perhaps because it seemed so easy. Even the most anthemic songs of the 1980s laced their intentions with an ironic edge. Here is Madonna's "Material Girl": "They can beg and they can plead, But they can't see the light, that's right, 'Cause the boy with the cold hard cash, Is always Mister Right." Even as she sang the words, it was clear this was a woman who would have no need whatsoever for a Mister Right.

Two things have happened to pop music's attitude to money since those nakedly grasping times. The first is that even the wealthiest pop stars have shed their inhibitions in writing about the woes of being rich. Far from alienating their less fortunately endowed fans, whinging about wealth seems to excite them all the more.

Rap star Kanye West, for instance, warns of the perils of divorce settlements in "Gold Digger": "She went to the doctor got lipo with your money, She walking around looking like Michael with your money, She take my money when I'm in need, Yeah she's a trifling friend indeed, Oh she's a gold digger way over town, That digs on me." We are a long way indeed from "I may not have a lot to give, but what I got I'll give to you".

Rap and hip-hop have emulated rock in moving away from social critique, indulging instead in the shameless worship of material gain. Although some may find it odious, it is impossible not to admire the playful verbal inventiveness of songs such as "Billionaire" by Travie McCoy, featuring Bruno Mars: "I'll be playing basketball with the president, Dunking on his delegates, Then I'll compliment him on his political etiquette, Toss a couple milli in the air just for the heck of it... And yeah I'll be in a whole new tax bracket, We in recession but let me take a crack at it."

The other significant development of recent years is the use of rock music as a motivational tool for a generation of businesspeople who have grown up with the bombastics of MTV and arena concerts. Motivational speaker Darnyelle A. Jervy has compiled an "entrepreneurs' playlist" to help stoke the flames of their daily money making.

"In my office on any given day, I can erupt into a 'praise party' or what we call a 'shake your booty break' at my live events," says Jervy. "It's just time to stop, feel the music, get the courage and inspiration to keep moving." Not only is popular music failing to comment with any acuity on what is happening in the business world, it has become part of business itself, its muscular riffs celebrating the rich man's world, where it is always sunny. **B**

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MBA chic

How students dress says a lot about who they are and what kind of job they ultimately want, but this tribal self-selection through fashion varies from school to school and even within intakes, says **Elizabeth Paton**

Every student embarking on an MBA knows that what you learn in the classroom or lecture hall is a small portion of the overall experience. For many, potential networking opportunities with contemporaries and alumni are near the top of their lists when choosing a school. And when it comes to making a first impression, the clothes in which you present yourself play an important part in expressing not only who you are and the people you surround yourself with but also the kind of job you are seeking.

“As soon as I arrived at Harvard Business School, I was immediately struck by how everyone seemed inordinately intentional about the way they presented themselves on campus,” says Raamin Mostaghimi, a second-year student who writes a regular satirical column in *The Harbus*, the student newspaper.

“No one retains the slouch or insouciance of their undergraduate years; the majority of B-schoolers will have had a few years in the working world, are highly ambitious and have had time to hone exactly what style works best for them. They know that clothing counts.”

Mostaghimi adds that this does not mean the pavements of Boston are becoming catwalks of sartorial creativity or innovation – there are other schools for that – and that there are reasons that the stereotypes continue to exist. A recent piece by Mostaghimi on ➤





ILLUSTRATIONS: NICK LOWNDES

It's exactly as you'd expect – hordes of fantastically smart alpha types in the least chilled-out competition ever about who can look the most nonchalant and relaxed'

the key unifying pieces of an MBA dress code defined Harvard's aesthetic as "British peasant farmer couture", including waterproof boots and Burberry scarves.

"There has been and continues to be a significant quota of those at the school who look a lot like a preppy class reunion from the 1970s, sporting head-to-toe Brooks Brothers and with a penchant for collared shirts, cashmere and eye-poppingly bright [trousers]," he says of a look that many graduates continue to favour when they arrive in (or return to) Wall Street.

Other students agree that fashion statements are a means of tribal self-selection, where classmates can distinguish who is in – and out – of their elite coterie.

"Section fleeces – [school-branded] 'stash' pieces which indicate the smaller group intake of the overall class you are in – are wildly popular," echoes a female classmate, who says 90 per cent of students will buy a hoodie or windbreaker for about \$150 each. "Initially they were worn as a bit of a joke, but they quickly became part of many people's daily wardrobes. They weren't just for the library, but for group trips in restaurants or airports – there's definitely an element of statement power dressing and a reminder that we were the chosen few."

The era when a small yet infamous proportion of women came to business school to "husband hunt" – or dressed that way – is long gone, she adds. The majority of girls today go for a casual Americana chic: smart jeans, J Crew knits, tailored shifts and pumps. "You want to be comfortable – it's as simple as that," she says. "I'm never as smartly dressed as I was when I worked in an office but I wouldn't dream of rolling to class in sweatpants."

Over in California at Stanford – and at the very heart of Silicon Valley – similar levels of effort go into dressing for class but with an entirely different strategy

in mind. Students often go to great lengths to dissociate themselves from the clean-cut, tailored style traditionally favoured on the East Coast.

"It's exactly as you'd expect – hordes of fantastically smart alpha types in the least chilled-out competition ever about who can look the most nonchalant and relaxed," says one British student with aspirations to enter the tech world.

He says the school is awash with a casual uniform of Lululemon shorts for women,

Patagonia fleeces, flip flops and backpacks from day one – even later down the line when it comes to high-stakes job interviews, where suits continue to be a cultural no-no. "Whatever MBA school you attend, if you're savvy then you'll dress the part for the job you want – just as you would in the real world – following the style and practices of the professional environment you choose to enter."

Bertrand Nicoli, a second-year student at New York University, agrees. "I notice parallels between people's clothing choices and the school clubs they join," he notes of female students – be it the immaculately presented participants in top brands from the luxury and retail society, besuited aspirant bankers or entrepreneurial types who favour the Brooklyn "hipster" aesthetic.

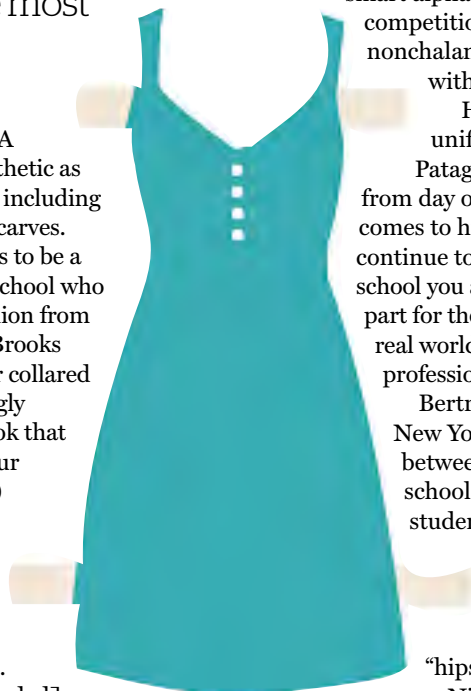
Nicoli stresses that a significant proportion of his class intake are well turned out and presentable without being stylish. "In an ideal world, perhaps there are some of us who feel judgment should rest on ideas and intelligence and not how you look."

In the steamy climate at Insead's Singapore campus, many seem to take that ethos to the extreme, with de facto classroom garb revolving around polo and T-shirts, boardshorts and sun dresses. A similarly informal dress code exists back in Fontainebleau, near Paris.

"Although Europeans are considered the most fashion-conscious students in US schools, ironically everyone here is remarkably low-key when it comes to a dress code," says Alexander Wrey, a student at Fontainebleau. "Perhaps because we are such a diverse multinational intake. Image construction really does come fairly low on the agenda."

George Grumbar, also studying at Insead, agrees. He adds that people often wear corporate branded gear, but mainly because it is free and plentiful.

"The only times I see people make a real effort in terms of what they wear comes during 'national weeks', when we celebrate the 80-odd cultures represented in our intake by dressing in flag colours for classes. It can look hilarious and lots of fun photos get taken. Of course people take their studies seriously, but many are also willing to lighten up from time to time – and that's what unifies people beyond any implicit 'shared uniform.'" ^B





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Analysis, p38

What the 2014
surveys reveal

Rankings, p40-43

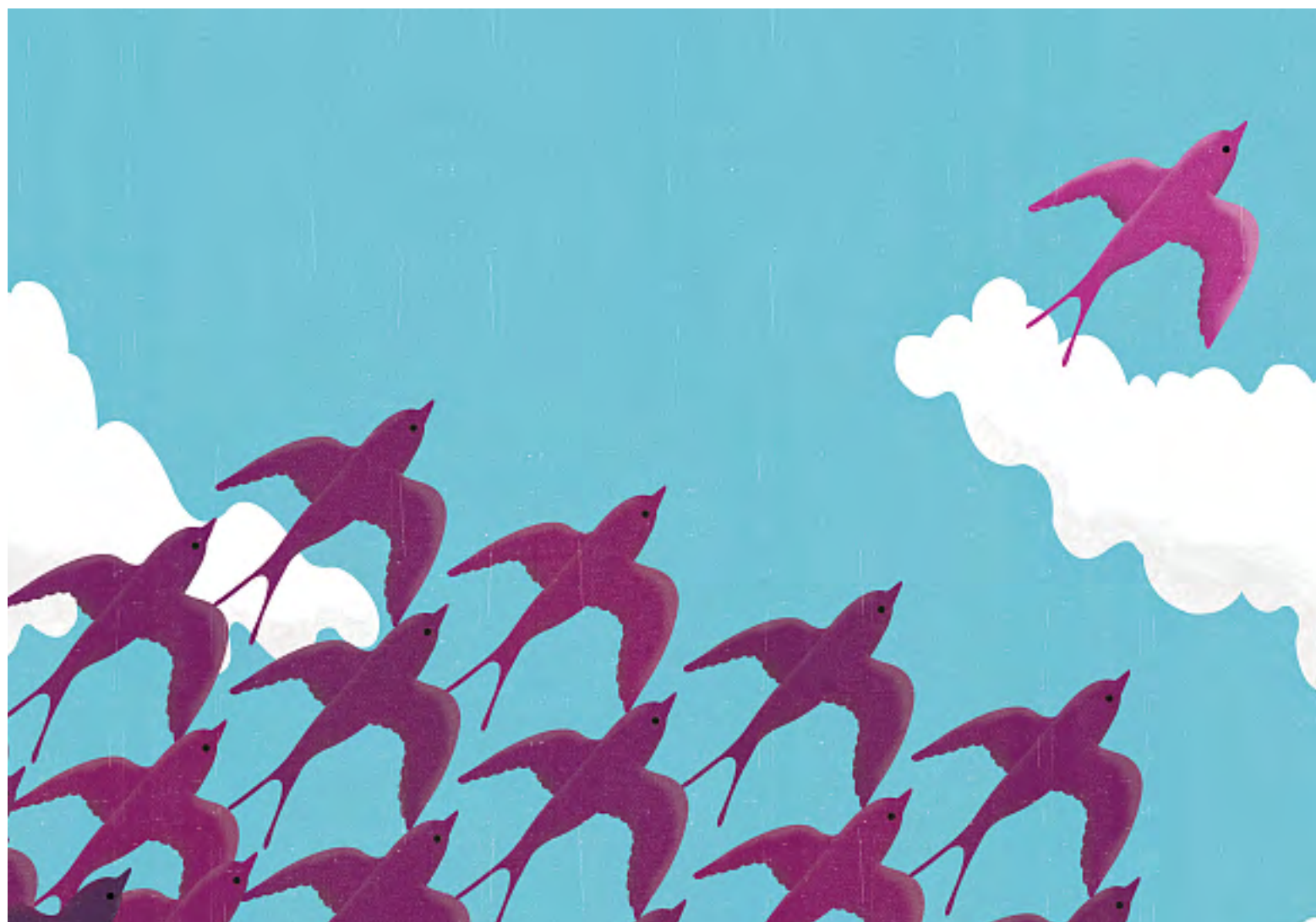
Full tables of
100 schools

Methodology, p43

How the lists
were compiled

rankings

37



Global MBA programmes 2014

→ The big-name business schools soar over their competitors. Plus table trends and analysis

Big names dominate the top slots

→ Harvard leads the field. By **Laurent Ortmans**

38

The FT Global MBA ranking and the English football Premier League have one thing in common. Pundits may argue about who will head the table, but most years there is little doubt about the top five.

So it is for 2014: Harvard Business School fended off competitors and kept the crown it regained last year. This is the fifth time Harvard has topped the rankings since they began in 1999. Stanford Graduate School of Business remained second, while London Business School leapfrogged the Wharton school at the University of Pennsylvania, pushing the latter into fourth place. Columbia Business School and Insead are joint fifth.

The FT ranking is based on two surveys of the business schools and their alumni who graduated in 2010.

MBA programmes are assessed according to the career progression of their alumni, the school's idea generation and the diversity of students and faculty.

Harvard leads the field for idea generation, coming first for research and second for its doctoral programme. The school's alumni also boast the second-highest average salary three years after graduation (behind Stanford) and above-average salary increase. Harvard is also among the top schools for career progression and its MBA was the most highly commended by graduates from other schools.

Harvard's alumni praise a "transformational experience" over the two years of the programme. They also particularly value the Harvard brand and the strength of its alumni network. "Harvard brings an amazing network with instant credibility," noted one graduate. On the downside, another graduate wished the programme had been less US-centric.

One of the most notable climbers is Yale School of Management, which rose four places to 10th, its first appearance in the top 10 in seven years. Other strong performers are the Darden school at the University of Virginia, up eight places to 27th; and the Kenan-Flagler school at the University of North Carolina, up 12 to 32nd. The Carlson school at the University of Minnesota returns to the ranking in 54th place, and the highest new entrant is the Indian Institute of Management in Bangalore at 68.

Boston, Massachusetts, confirms its position as education capital of the world, with six schools in the top 100, including Harvard (1st) and MIT: Sloan (8th). Hult International Business School, the Carroll school at Boston College, the Olin school at Babson College and Boston University School of Management complete the set.

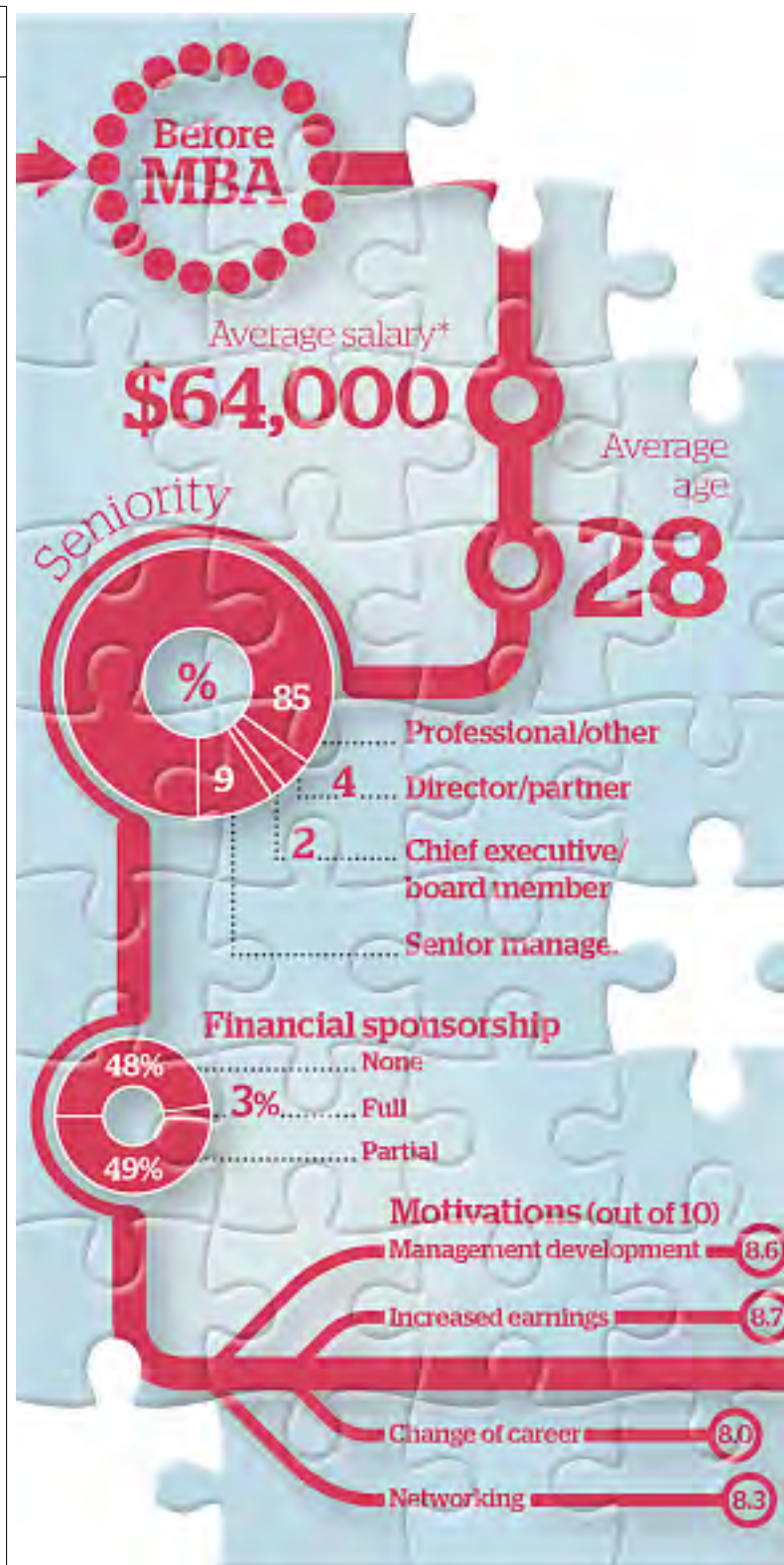
What is a typical MBA cohort? Most (85 per cent) of those who started an MBA five years ago were professionals on an annual salary of \$64,000.

Three-quarters were aged between 25 and 30. Women made up a third and those from overseas half. The main motivation was to increase earnings. Developing management skills came second and networking third.

Nearly half of alumni surveyed (48 per cent) received no financial help and faced average fees of \$100,000. This ignores income forgone during full-time study. Half (49 per cent) received a scholarship or sponsorship, and faced only a third of the cost: \$33,000.

Three years after graduation, the average alumnus is a 33-year-old senior manager or higher on a salary of \$127,000, thus doubling the pre-MBA figure. More importantly, nine out of 10 think they have achieved their main ambitions at this stage of their career. **B**

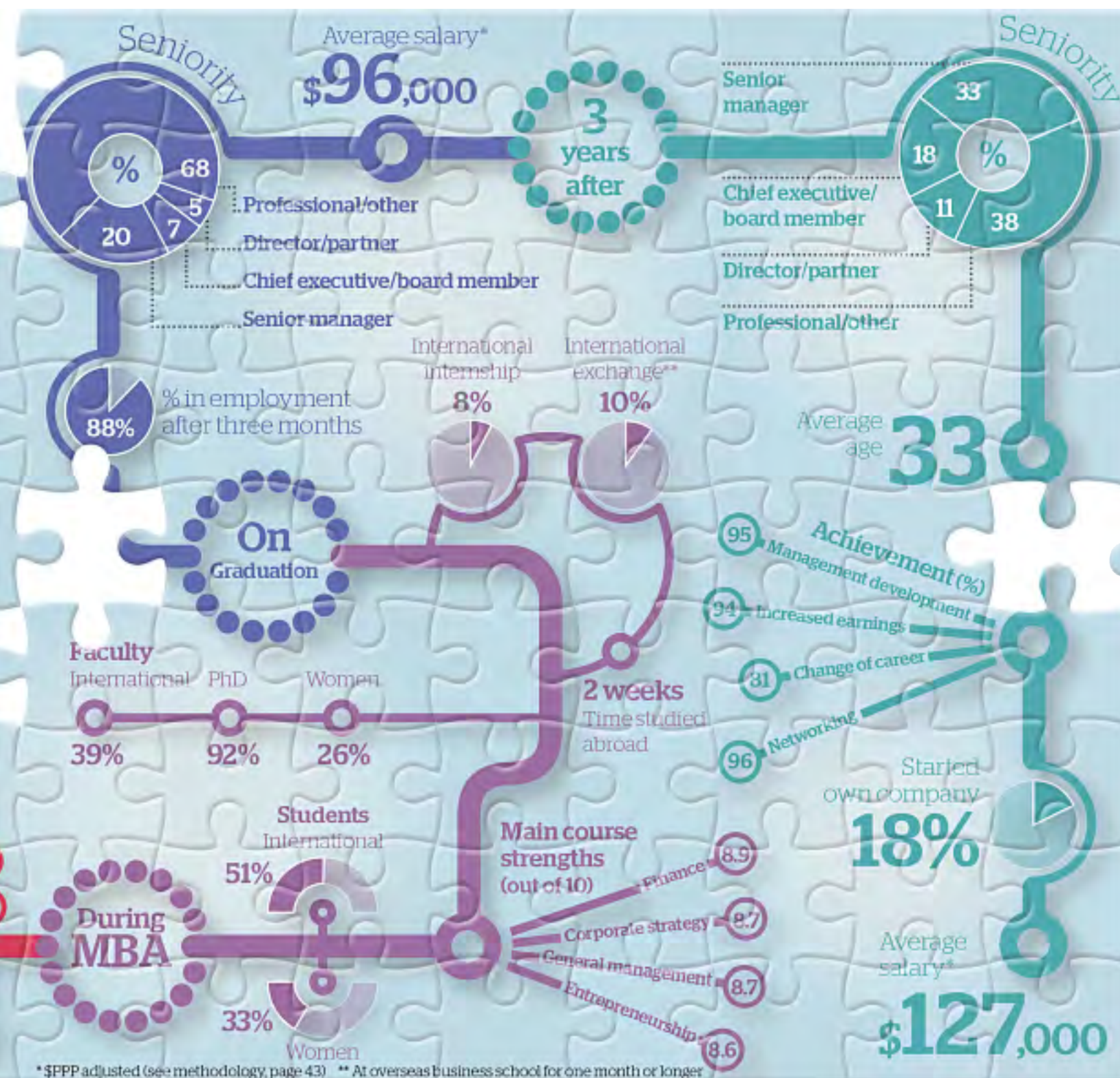
Three years after graduation, the average alumnus is on a salary of \$127,000





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rankings

Financial Times MBA 2014

→ The top 100 full-time global MBA programmes

Alumni career progress

2014	2013	2012	3-year ave	School name	Country	Audit year*	Salary today (US\$)	Weighted salary (US\$)	Salary percentage increase	Value for money rank	Career progress rank	Aims achieved rank	Placement success rank	Employed at three months (%)	Alumni recommend rank
1	1	2	1	Harvard Business School	US	2013	175,994	178,300	113	86	4	50	24	89 (100)	1
2	2	1	2	Stanford Graduate School of Business	US	2010	182,054	184,566	100	99	1	2	14	89 (99)	2
3	4	4	4	London Business School	UK	2010	155,624	156,553	107	84	12	3	27	95 (93)	4
4	3	3	3	University of Pennsylvania: Wharton	US	2013	170,567	170,472	99	98	27	30	31	93 (93)	3
5=	5	5	5	Columbia Business School	US	2014	165,898	164,181	116	93	39	53	23	90 (88)	8
5=	6	6	6	Insead	France/ Singapore	2009	147,676	148,183	87	10	18	33	41	87 (93)	7
7	7	9	8	Iese Business School	Spain	2014	141,873	143,168	125	65	5	4	61	90 (95)	18
8	9	7	8	MIT: Sloan	US	2014	155,408	157,262	101	97	14	63	26	87 (100)	5
9	10	12	10	University of Chicago: Booth	US	2012	156,623	156,004	100	94	46	16	2	91 (99)	9
10	14	20	15	Yale School of Management	US	2013	149,790	150,880	114	83	20	5	32	85 (99)	17
11	12	14	12	University of California at Berkeley: Haas	US	2012	148,500	149,487	91	90	31	14	8	92 (99)	10
12	19	13	15	IMD	Switzerland	2009	142,582	142,446	72	3	7	1	1	78 (94)	16
13	11	8	11	IE Business School	Spain	2014	142,832	146,933	112	34	19	59	91	91 (88)	28
14	8	10	11	Hong Kong UST Business School	China	2011	124,880	125,060	139	38	36	34	79	72 (87)	38
15	13	16	15	Northwestern University: Kellogg	US	2014	156,907	157,719	94	92	24	17	9	91 (99)	6
16	16	26	19	University of Cambridge: Judge	UK	2012	145,622	144,350	92	8	10	7	35	87 (93)	47
17=	18	15	17	Duke University: Fuqua	US	2012	139,630	141,772	100	88	63	42	19	87 (100)	11
17=	19	17	18	New York University: Stern	US	2014	142,768	140,662	97	100	47	66	21	93 (95)	12
17=	15	24	19	Ceibs	China	2014	128,034	127,117	156	51	11	54	74	90 (99)	33
20	16	19	18	Dartmouth College: Tuck	US	2013	151,549	150,754	101	95	29	21	15	90 (100)	13
21	21	18	20	HEC Paris	France	2014	120,055	120,016	104	28	23	12	68	89 (88)	27
22	22	33	26	Esade Business School	Spain	2014	119,028	120,718	120	48	8	8	45	91 (89)	32
23=	24	20	22	University of Oxford: Saïd	UK	2013	131,996	133,315	91	20	15	19	55	74 (94)	34
23=	30	29	27	University of Michigan: Ross	US	2014	140,422	136,828	107	74	42	15	11	86 (95)	15
25	28	27	27	Warwick Business School	UK	2010	117,570	119,121	87	18	61	6	47	83 (95)	42
26	23	32	27	UCLA: Anderson	US	2012	138,254	140,712	97	91	56	61	29	85 (95)	24
27=	24	24	25	Cornell University: Johnson	US	2012	137,534	136,707	103	85	51	46	17	89 (96)	23
27=	35	38	33	University of Virginia: Darden	US	2014	141,337	142,131	104	82	60	31	6	89 (100)	19
29	31	37	32	University of Hong Kong	China	2013	111,928	113,038	109	46	34	43	63	88 (74)	74
30	26	11	22	Indian Institute of Management, Ahmedabad	India	2011	155,095	157,459	86	44	2	84	22	87 (100)	14
31	39	42	37	SDA Bocconi	Italy	2014	114,512	112,901	112	24	62	49	42	84 (88)	62
32	36	23	30	National University of Singapore Business School	Singapore	2012	91,583	91,358	147	37	67	51	78	93 (93)	45
33	45	56	45	University of North Carolina: Kenan-Flagler	US	2011	124,399	124,669	101	66	52	56	37	91 (94)	26
34	43	35	37	Carnegie Mellon: Tepper	US	2014	129,127	129,296	98	87	64	18	7	90 (100)	25
35	37	45	39	Rice University: Jones	US	2014	117,517	118,473	120	78	72	22	13	94 (100)	52
36=	34	20	30	Indian School of Business	India	2011	115,950	117,308	130	30	26	76	65	82 (100)	22
36=	40	43	40	Georgetown University: McDonough	US	2010	124,350	124,990	98	89	55	25	30	88 (97)	37
38	32	34	35	Nanyang Business School	Singapore	2011	94,736	96,202	112	12	40	89	71	84 (98)	65
39=	33	30	34	Rotterdam School of Management, Erasmus University	Netherlands	2011	97,470	98,771	94	26	45	73	89	82 (99)	59
39=	46	51	45	University of Texas at Austin: McCombs	US	2010	127,464	129,225	89	71	49	64	28	93 (97)	20
41=	40	38	40	City University: Cass	UK	2012	109,768	110,260	76	36	6	55	58	74 (92)	71
41=	49	40	43	Emory University: Goizueta	US	2010	120,863	122,468	103	72	65	9	25	96 (100)	36
43	29	31	34	Manchester Business School	UK	2010	109,090	106,535	96	53	41	35	88	79 (84)	48
44	44	57	48	University of Illinois at Urbana-Champaign	US	2010	111,686	112,482	111	49	66	77	85	85 (92)	77
45	51	66	54	Sungkyunkwan University GSB	South Korea	2013	111,134	110,828	86	40	28	10	3	87 (98)	94
46	38	36	40	Cranfield School of Management	UK	2013	117,822	120,941	75	22	43	62	69	88 (87)	41
47	54	46	49	Indiana University: Kelley	US	2012	111,391	112,353	116	57	92	41	10	90 (94)	31
48	54	81	61	University of California at Irvine: Merage	US	2011	106,924	106,764	100	63	99	68	60	89 (100)	80
49	42	46	46	Imperial College Business School	UK	2013	104,208	103,604	68	42	9	20	75	84 (94)	56
50	50	58	53	University of Maryland: Smith	US	2010	106,432	107,236	93	69	71	88	54	90 (99)	69

TABLE: CAITLIN CLANCY

	Diversity								Idea generation				
	Female faculty (%)	Female students (%)	Women board (%)	International faculty (%)	International students (%)	International board (%)	International mobility rank	International course experience rank	Languages	Faculty with doctorates (%)	FT doctoral rank	FT research rank	Rank in 2014
	23	41	50	40	34	14	48	52	0	91	2	1	1
	20	36	18	43	41	21	54	23	0	95	4	10	2
	22	32	32	86	91	82	2	7	1	99	24	17	3
	21	42	12	36	34	47	42	35	0	100	1	2	4
	14	36	12	61	44	34	47	82	0	97	21	7	5
	16	34	16	88	96	79	4	1	2	95	25	24	5
	20	26	23	56	78	86	8	6	1	100	76	54	7
	20	34	12	37	53	57	45	31	0	100	20	4	8
	16	35	13	37	48	40	55	60	0	97	10	7	9
	21	39	20	32	40	38	58	40	0	100	44	23	10
	25	29	19	47	43	10	50	27	0	100	12	6	11
	16	24	19	95	96	85	1	18	1	100	n/a	74	12
	34	27	28	55	92	82	31	53	1	95	64	74	13
	22	36	21	52	83	52	24	8	1	97	27	51	14
	24	36	17	26	39	9	65	17	0	87	7	13	15
	11	27	19	66	90	44	14	46	0	94	40	63	16
	16	32	12	46	47	41	61	32	0	100	8	5	17
	19	40	11	53	34	15	64	36	0	100	9	3	17
	11	43	17	68	34	50	40	15	1	98	n/a	74	17
	23	33	21	23	39	31	67	47	0	100	n/a	17	20
	26	24	10	66	88	65	5	9	1	100	36	51	21
	31	29	18	35	94	82	6	5	1	92	56	88	22
	17	28	40	58	96	60	15	39	0	98	35	54	23
	25	33	16	37	32	16	63	51	0	91	15	13	23
	36	30	12	76	93	12	21	64	1	99	17	54	25
	19	34	19	45	31	12	81	63	0	100	34	28	26
	20	31	17	39	38	31	72	44	0	91	45	36	27
	22	30	19	15	36	10	73	72	0	97	85	48	27
	27	48	33	39	66	67	25	4	1	94	50	65	29
	14	13	18	1	7	9	34	66	0	98	63	97	30
	36	30	31	27	71	69	28	12	0	89	23	71	31
	34	25	14	57	90	29	10	19	0	89	70	54	32
	26	27	16	35	29	30	78	45	0	89	37	10	33
	19	21	12	40	43	18	76	87	0	95	32	42	34
	27	37	19	29	32	0	80	96	0	93	n/a	33	35
	20	25	6	20	2	59	52	79	0	100	n/a	65	36
	29	30	15	32	44	12	82	57	0	100	n/a	33	36
	35	35	21	65	86	58	22	34	0	96	61	65	38
	18	33	29	42	94	29	11	76	1	100	33	28	39
	26	26	12	31	20	2	90	50	0	87	16	13	39
	29	36	38	70	84	46	29	61	0	96	42	54	41
	23	24	24	19	43	2	68	54	0	92	66	36	41
	31	32	23	36	88	15	17	22	0	88	3	88	43
	22	32	19	16	52	2	70	49	0	98	31	36	44
	15	33	29	55	38	79	43	14	1	100	n/a	80	45
	28	24	19	49	81	31	13	55	1	93	41	95	46
	22	25	21	26	36	4	86	68	0	81	58	17	47
	47	39	19	31	56	5	59	71	0	95	54	28	48
	30	29	38	86	65	50	32	81	0	96	46	40	49
	31	37	17	35	30	9	74	89	0	98	11	24	50

Key to the 2014 ranking

Weights for ranking criteria are shown in brackets as a percentage of the overall ranking.

Audit year: indicates the most recent year that KPMG audited the school, applying specified audit procedures relating to data submitted towards the ranking.

Salary today: average alumnus salary three years after graduation, US\$ PPP equivalent (see methodology, p43). This figure is not used in the ranking.†

Weighted salary (20): average alumnus salary three years after graduation, US\$ PPP equivalent, with adjustment for variations between sectors.†

Salary increase (20): average difference in alumnus salary before the MBA to now. Half of this figure is calculated according to the absolute salary increase, and half according to the percentage increase relative to pre-MBA salary – the “salary percentage increase” figure published in the table.

Value for money (3): calculated using salary today, course length, fees and other costs, including lost income during the MBA.

Career progress (3): calculated according to changes in the level of seniority and the size of company alumni are working in now, compared with before their MBA.†

Aims achieved (3): the extent to which alumni fulfilled their stated goals or reasons for doing an MBA.†

Placement success (2): effectiveness of the school careers service in supporting student recruitment, as rated by their alumni.†

Employed at three months (2): percentage of the most recent graduating class who had found employment or accepted a job offer within three months of completing their studies. The figure in brackets is the percentage of the class for which the school was able to provide employment data, and is used to calculate the school’s final score in this category.

Alumni recommend (2): calculated according to selection by alumni of three schools from which they would recruit MBA graduates.†

Female faculty (2): percentage of female faculty. For the three gender-related criteria, schools with a 50:50 (male/female) composition receive the highest possible score.

Female students (2): percentage of female students on the full-time MBA.
Women board (1): percentage of female members on the school’s advisory board.

International faculty (4): calculated according to the diversity of faculty by citizenship and the percentage whose citizenship differs from their country of employment – the figure published in the table.

International students (4): calculated according to the diversity of current MBA students by citizenship and the percentage whose citizenship differs from the country in which they study – the figure published in the table.

International board (2): percentage of the board whose citizenship differs from the country in which the school is based.

International mobility (6): calculated according to whether alumni worked in different countries pre-MBA, on graduation and three years after graduation.

International course experience (3): calculated according to whether the most recent graduating MBA class completed exchanges, research projects, study tours and company internships in countries other than where the school is based.

Languages (1): number of extra languages required on completion of the MBA.

Faculty with doctorates (5): percentage of full-time faculty with a doctoral degree.

FT doctoral rank (5): calculated according to the number of doctoral graduates from each business school during the past three years. Extra points are awarded if these graduates took up faculty positions at one of the top 50 full-time MBA schools of 2013.

FT research rank (10): calculated according to the number of articles published by each school’s current full-time faculty members in 45 selected academic and practitioner journals between January 2011 and October 2013. The rank combines the absolute number of publications with the number weighted relative to the faculty’s size.

† Includes data for the current year and the one or two preceding years where available

FOOTNOTE: see page 43

rankings

Financial Times MBA 2014

→ The top 100 full-time global MBA programmes

Alumni career progress

2014	2013	2012	3-year ave	School name	Country	Audit year*	Salary today (US\$)	Weighted salary (US\$)	Salary percentage increase	Value for money rank	Career progress rank	Aims achieved rank	Placement success rank	Employed at three months (%)	Alumni recommend rank
51	46	44	47	University of Toronto: Rotman	Canada	2010	89,144	90,304	85	61	97	65	94	76 (100)	29
52=	62	77	64	Michigan State University: Broad	US	2014	107,025	107,808	106	56	80	45	4	93 (100)	54
52=	61	-	-	The Lisbon MBA	Portugal	2014	123,062	123,062	82	2	38	82	90	68 (97)	96
54	-	72	-	University of Minnesota: Carlson	US	2014	110,390	110,390	95	70	35	13	46	84 (91)	76
55	59	49	54	University of Rochester: Simon	US	2011	107,870	110,607	115	76	82	70	39	91 (87)	83
56	68	59	61	Purdue University: Krannert	US	2010	106,266	106,320	109	31	85	86	59	91 (99)	60
57	66	54	59	Peking University: Guanghua	China	2013	83,132	81,914	151	35	30	85	12	98 (94)	66
58	78	73	70	University of Washington: Foster	US	2010	106,555	106,632	96	54	90	71	34	96 (100)	72
59=	53	61	58	Vanderbilt University: Owen	US	2014	117,071	117,484	92	80	57	23	33	93 (96)	49
59=	74	54	62	University of Cape Town GSB	South Africa	2013	141,675	140,069	79	11	13	92	99	71 (97)	87
61	57	65	61	Hult International Business School	US/ UK/ UAE/ China	2010	104,576	105,844	91	39	33	52	93	85 (90)	91
62=	48	41	50	Australian Graduate School of Management (AGSM)	Australia	2011	109,462	111,280	72	33	79	11	80	69 (78)	64
62=	77	49	63	Pennsylvania State University: Smeal	US	2012	105,324	105,988	117	52	70	97	44	75 (100)	53
64	54	61	60	Washington University: Olin	US	2010	106,798	107,556	96	75	98	74	48	96 (97)	75
65	82	61	69	University of Southern California: Marshall	US	2010	121,038	122,308	84	96	73	28	16	80 (91)	44
66=	52	59	59	York University: Schulich	Canada	2014	86,821	89,332	88	27	89	93	96	88 (93)	40
66=	69	-	-	Mannheim Business School	Germany	2014	97,962	97,962	73	7	88	69	70	96 (94)	81
68=	62	46	59	Melbourne Business School	Australia	2011	100,888	102,068	68	16	96	40	97	88 (95)	61
68=	-	-	-	Indian Institute of Management, Bangalore	India		125,249	125,249	81	50	3	96	98	96 (97)	21
70	72	66	69	Ohio State University: Fisher	US	2010	102,453	102,899	99	64	84	57	40	92 (97)	58
71	59	74	68	Georgia Institute of Technology: Scheller	US	2012	107,106	108,033	93	60	78	32	5	96 (100)	57
72	57	82	70	University of British Columbia: Sauder	Canada	2011	89,135	88,881	81	29	58	79	83	66 (100)	70
73	87	-	-	University of Strathclyde Business School	UK	2010	94,412	95,716	81	4	21	72	56	94 (61)	97
74	64	-	-	Tilburg University, TiasNimbas	Netherlands	2012	89,848	89,848	84	13	91	94	100	76 (94)	100
75=	69	51	65	Texas A & M University: Mays	US	2014	108,333	108,699	99	19	86	58	82	90 (100)	55
75=	95	77	82	Boston University School of Management	US	2013	107,938	108,256	93	77	44	60	73	90 (92)	39
77=	71	71	73	Lancaster University Management School	UK	2013	88,777	89,009	86	5	50	24	52	61 (98)	79
77=	-	-	-	Shanghai Jiao Tong University: Antai	China	2014	84,890	84,890	166	32	53	100	62	100 (96)	93
79	66	51	65	Coppead	Brazil	2013	85,588	88,256	138	1	95	27	51	27 (100)	90
80	-	83	-	University of Pittsburgh: Katz	US	2009	86,444	86,410	132	47	76	80	72	87 (97)	94
81	91	74	82	Wisconsin School of Business	US	2014	111,037	110,338	104	45	100	26	18	89 (100)	63
82	93	69	81	Boston College: Carroll	US	2014	109,785	109,614	87	62	68	39	67	81 (94)	50
83	89	-	-	Fudan University School of Management	China	2014	76,140	76,140	163	21	59	99	43	99 (100)	86
84=	76	61	74	McGill University: Desautels	Canada	2014	90,331	89,604	81	55	74	67	81	75 (95)	43
84=	72	-	-	University of Bath School of Management	UK	2014	92,676	92,676	55	41	17	95	64	91 (85)	99
84=	95	-	-	University of California, San Diego: Rady	US		98,258	98,258	77	79	25	75	36	83 (100)	82
87	87	-	-	Arizona State University: Carey	US	2010	100,203	100,203	94	58	93	44	20	91 (100)	51
88	82	93	88	University of St Gallen	Switzerland	2013	103,131	102,158	65	9	54	47	66	89 (88)	68
89=	78	68	78	Western University: Ivey	Canada	2013	97,076	99,072	71	43	75	81	38	83 (97)	35
89=	-	-	-	ESMT - European School of Mgt and Technology	Germany		89,172	89,172	60	6	77	90	50	85 (100)	88
91	64	86	80	University College Dublin: Smurfit	Ireland	2012	103,929	105,384	63	14	32	98	84	93 (92)	98
92	81	-	-	Tulane University: Freeman	US	2011	97,962	97,962	111	73	69	83	95	88 (81)	78
93	-	98	-	Brigham Young University: Marriott	US	2008	107,997	108,549	108	25	83	37	57	95 (100)	46
94	-	80	-	Wake Forest University: Babcock	US	2010	103,696	103,696	120	59	94	29	49	88 (100)	73
95=	80	100	92	Babson College: Olin	US	2013	109,118	108,694	85	67	16	48	87	82 (88)	30
95=	92	-	-	EM Lyon Business School	France	2009	93,356	93,356	62	15	37	78	77	83 (88)	85
97	-	94	-	Durham University Business School	UK	2012	87,350	86,887	55	23	22	91	86	89 (93)	92
98	-	-	-	University of California, Davis	US	2011	96,864	96,864	68	81	81	87	76	95 (98)	84
99	84	79	87	George Washington University	US	2011	98,786	98,374	83	68	87	36	53	85 (85)	67
100	84	70	85	Vlerick Business School	Belgium	2011	89,213	90,831	66	17	48	38	92	65 (97)	89

Diversity										Idea generation				
	Female faculty (%)	Female students (%)	Women board (%)	International faculty (%)	International students (%)	International board (%)	International mobility rank	International course experience rank	Languages	Faculty with doctorates (%)	FT doctoral rank	FT research rank	Rank in 2014	
	24	29	41	73	49	53	39	58	0	98	6	9	51	
	33	30	30	20	37	5	71	94	0	90	68	42	52	
	35	22	33	25	24	0	26	3	0	91	82	95	52	
	30	31	28	24	28	6	66	84	0	82	48	12	54	
	18	31	11	25	63	14	62	86	0	87	69	42	55	
	26	22	18	28	45	24	56	48	0	91	39	54	56	
	23	35	5	13	26	82	92	37	1	92	18	80	57	
	30	34	24	19	42	11	89	80	0	91	30	24	58	
	17	31	9	21	23	6	97	78	0	100	83	42	59	
	30	18	20	49	37	44	46	26	0	73	86	97	59	
	28	32	20	73	95	80	12	2	0	64	n/a	97	61	
	16	27	16	50	80	24	7	25	0	91	75	65	62	
	22	35	18	22	42	0	53	90	0	82	43	40	62	
	17	27	12	45	38	2	85	74	0	94	79	17	64	
	27	30	10	32	28	7	91	83	0	83	49	28	65	
	30	30	20	64	77	55	35	16	0	99	71	33	66	
	26	38	20	10	80	20	20	21	0	100	22	65	66	
	27	27	20	60	81	27	16	10	0	94	72	54	68	
	20	11	6	6	0	0	44	66	0	100	47	93	68	
	28	30	16	28	31	4	69	38	0	83	60	17	70	
	22	31	6	35	29	2	87	95	0	85	73	28	71	
	22	24	21	79	67	21	33	41	0	98	38	24	72	
	36	44	35	33	100	35	19	42	0	79	57	83	73	
	21	50	17	47	100	0	18	24	0	94	14	71	74	
	39	29	11	16	29	6	77	91	0	79	62	42	75	
	30	35	8	35	37	62	79	92	0	82	80	51	75	
	28	47	25	45	88	31	30	65	0	88	19	83	77	
	29	32	11	3	7	37	99	20	1	90	5	88	77	
	42	40	30	19	27	40	98	13	1	100	84	97	79	
	28	31	10	17	43	3	49	100	0	91	53	54	80	
	23	33	21	22	14	4	94	75	0	81	67	65	81	
	36	31	8	20	31	3	84	93	0	86	55	36	82	
	30	48	4	7	17	41	100	33	1	94	13	88	83	
	34	35	17	74	77	27	36	29	0	91	65	48	84	
	36	53	31	60	88	12	38	77	0	99	29	54	84	
	29	28	20	54	39	23	88	98	0	96	n/a	17	84	
	25	29	5	26	32	0	60	99	0	87	26	42	87	
	10	30	50	79	95	50	3	30	1	72	78	82	88	
	26	26	15	64	36	29	51	62	0	99	51	48	89	
	27	40	30	82	89	10	23	59	0	100	n/a	63	89	
	26	19	18	50	56	54	37	85	0	100	52	74	91	
	36	34	11	34	53	27	83	70	0	87	81	74	92	
	8	21	7	2	16	8	93	88	0	90	n/a	71	93	
	25	25	15	6	12	10	95	73	0	92	n/a	83	94	
	29	34	15	17	67	12	57	69	0	83	n/a	88	95	
	34	62	11	52	88	89	41	11	0	99	74	83	95	
	39	52	44	61	82	39	27	43	1	96	28	93	97	
	41	39	32	31	45	7	96	97	0	100	n/a	13	98	
	30	37	13	33	45	8	75	56	0	98	59	74	99	
	27	42	13	25	81	80	9	28	1	90	77	83	100	

Methodology

This ranking evaluates the world's best full-time MBA programmes. This year, 153 schools took part, having met strict entry criteria. All are internationally accredited and their MBAs have run for at least four years.

The ranking is compiled using data collected from the schools and a survey of alumni who completed full-time MBAs in 2010. For schools to be ranked, 20 per cent of their alumni must respond to the FT survey, with at least 20 fully completed responses. This year, 10,986 alumni completed the survey – a response rate of 47 per cent.

Alumni responses inform eight criteria that together contribute 59 per cent of the ranking's weight. The first two criteria, the most heavily weighted, reflect alumni incomes three years after graduation. The salaries of non-profit and public sector workers and full-time students are removed. Remaining salaries are converted to US dollars using purchasing power parity rates supplied by the International Monetary Fund. (PPP conversion – based on the premise that identical goods should cost the same in different countries – accounts for differences in the strength of currencies.) The highest and lowest salaries are removed and factors are applied to reflect income disparity between sectors. An average is calculated for each school and this figure, "weighted salary", carries 20 per cent of the ranking's weight.

"Salary increase", accounting for 20 per cent, is determined for each school according to the difference in average alumni salary from before the MBA to three years after graduation. Half of this figure is based on the absolute increase and half according to the percentage increase relative to pre-MBA salaries.

Where available, information collated by the FT in the past three years is used for alumni-informed criteria, except "value for money", which is based on 2014 data. Responses from the 2014 survey carry 50 per cent of total weight, and those from 2013 and 2012 25 per cent. Excluding salary-related criteria,

if only two years of data are available, the weighting is split 60:40 if data are from 2014 and 2013, or 70:30 if from 2014 and 2012. For salary figures, the weighting is 50:50 for two years' data.

Eleven criteria are calculated from school data, accounting for 31 per cent of the final rank. These measure the diversity of staff, board members and students by gender and nationality, and the international reach of the MBA. For gender criteria, schools with a 50:50 composition score highest.

In a minor change to the "employed at three months" criterion, this measure of employability is calculated according to the percentage of the most recent MBA class that had found a job within three months of completing their studies, rather than graduation.

With the exception of the "doctoral rank" (see key), criteria based on school surveys use only 2013 data. To ensure the integrity of information, KPMG, the consultancy, audits a number of participating schools every year.

The research rank, which accounts for 10 per cent of the ranking, is calculated according to the number of articles published by full-time faculty in 45 internationally recognised academic and practitioner journals. The rank combines the number of publications from January 2011 to October 2013, with the number weighted relative to the size of each school's faculty.

An FT score is then calculated for each school. First, Z-scores – mathematical formulae that reflect the range of scores between the top and bottom school – are calculated for each ranking criterion. These scores are weighted according to the weights in the ranking key and added to give a final score. The top 100 schools are ranked accordingly to form the 2014 ranking. **Adam Palin**
Judith Pizer of Jeff Head Associates acted as the FT's database consultant. The FT research rank was calculated using Scopus, an abstract and citation database of research literature

Footnote: * KPMG reported on the results of obtaining evidence and applying specified audit procedures relating to selected survey data provided for the Financial Times 2014 MBA ranking for selected business schools. Enquiries about the assurance process can be made by contacting Michelle Podhy of KPMG at mpodhy@kpmg.ca. The specified audit procedures were carried out between November and December 2013. The audit date published denotes the survey for which the specified audit procedures were conducted.

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Enterprise culture, p46
MBAs' start-up
ambitions



Social entrepreneurs, p51
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Business school profiles
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Esade



report



Michael
Thornton,
founder of three
environmental
start-ups

An enterprising approach

→ Entrepreneurship is becoming ever more popular among students as an alternative to traditional corporate roles - and the change is increasingly reflected in MBA curriculums

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Enterprise culture

→ Many MBA students are eyeing start-ups, writes **Jonathan Moules**

When Simo Dragicevic got round to studying for an MBA, aged 36, he appeared to be on the corporate fast track. But he quit his job as a director at Barclays Bank, which was sponsoring his studies, to become an entrepreneur, which meant he had to pay his tuition fees himself.

"I have and continue to make some large personal sacrifices," he says. "However, we can pay ourselves and invest in the business, and this is an incredibly satisfying feeling."

Dragicevic founded Bet Buddy, a supplier of user data analytics software for gaming companies, helped by his experience of implementing technology in the fields of risk, marketing and finance during his time at the bank.

He credits his decision to reinvent himself as an entrepreneur to a throwaway comment by a tutor during the first lecture of his MBA course at Cass Business School in London.

"He said, somewhat in jest and somewhat in truth, that MBAs typically don't go on to build \$10bn-plus businesses," Dragicevic recalls. "However, he also said MBAs can for sure teach you the tools to build a \$10m-plus business."

Although most MBA students are still unlikely to follow Dragicevic's path, he is among a growing number of MBA-educated entrepreneurs.

It is a change being driven more by the rewards of creating something of value than disillusionment with the career-enhancing potential of an MBA, says

Noam Wasserman, a professor at Harvard Business School.

"Far more of our students are



New ambitions: students are excited about developing ideas to address unmet needs, says Noam Wasserman

running to entrepreneurship, rather than running away from the non-entrepreneurial job markets," he says.

"They see entrepreneurship as a way to have much more impact, and impact much sooner, than they could in almost any other post-MBA job. They are excited about heading out into new terrain, developing ideas and businesses that fill needs that aren't yet being addressed. They are heading into that terrain with far more knowledge about what awaits them and how to avoid the recurring pitfalls that have plagued the dreams of past entrepreneurs."

The number of Harvard MBA students becoming entrepreneurs has been about 7 per cent in the past three years, Prof Wasserman says, roughly double the number before that.

Prof Wasserman runs a course for MBA students called "Founders' Dilemmas", which he describes as a "collecting ground for future founders". Twenty-eight per cent of students who have taken this course later founded companies, up from 20 per cent in 2009.

The picture is similar in China according to Shimin Chen, associate dean and MBA programme director at China Europe International Business School in Shanghai (Ceibs). "Most MBA students still look for traditional salary-based jobs with large multinational companies, consulting firms or investment banks, but because of the success of entrepreneurship in China, more and more of our students are taking it up," he says.

Like other business schools, Ceibs offers electives for its MBA students that teach skills relevant to a business founder, such as marketing and finance, and promote them as such.

The school's entrepreneurship club counts more than half of the MBA

student intake among its members.

Many are drawn by the positive image of entrepreneurship in Chinese society even if they themselves will never become founders, Prof Chen says.

Dragicevic found a great deal of support from his fellow students for his decision to go it alone, even though the pressure to earn back the cost of an MBA meant many did not follow his lead.

"For many the short- to medium-term financial implications and low success rate of business start-ups were

not the most attractive option. For the majority who were not sponsored and having paid their MBA tuition fees, there was certainly some pressure to capitalise on the investment as early as possible."

He says his MBA tutors also taught him skills that he has found useful in running his business, which this year is expected to break even on revenues of about £350,000, as Dragicevic is still spending cash to develop operations.

"An MBA certainly provides one with tools to tackle a variety of business problems in the corporate world, and some of these tools are also valuable to the entrepreneur," he says. "I have met a few scientists and engineers who have built products but who have struggled to grasp many of the aspects of commercialising the products."

Despite support from his peers, Dragicevic feels he was discouraged by Cass from taking the path to entrepreneurship, perhaps because his potential salary increase if he had returned to Barclays would have helped the school up the UK's MBA ranking leagues.

"I was one of the top salary earners in my cohort," he says. This is something that the British ranking organisations need to address, Dragicevic believes.

Sarah Juliet, director of postgraduate careers and MBA programme at Cass, says: "While rankings are ➤

MBAs for sure can teach you the tools to build a \$10m-plus business'

18%

The percentage of MBA alumni who set up a company during their MBA or since graduating, according to an FT survey of the class of 2010



Striking out:
Simo Dragicevic
describes
investing in
a business as
'incredibly
satisfying'

important to business schools, what is more important today is the focus on individual students and their individual ambitions. One of the ways Cass has improved this focus is the recent merger of the career service and MBA programme to align more closely on content and outcomes.”

She adds that the MBA includes entrepreneurship electives, while the Peter Cullum Centre for Entrepreneurship offers incubation space, mentoring, advice and access to funding networks for early-stage start-ups. Cass alumni and students can also apply to the school’s £10m venture capital fund.

“More people will take entrepreneurial paths in future, and business schools investing in entrepreneurship may not be getting the credit they deserve,” Dragicevic says. “I have built a high-tech product, I am building equity in a new company, I have created jobs, I have brought business to the UK from overseas clients and I have produced original

peer-reviewed research published in respected scientific journals working with British academics. But I earn a lot less than when I was at Barclays.” ^B

For many students the low success rate of start-ups is not an attraction’

Changing picture: the success of entrepreneurship in China means more Ceibs students are taking it up, says Shimin Chen, associate dean (left)

Spreading the word

→ Barcelona-based Esade is raising its global profile

It is sometimes difficult to avoid making comparisons, but in the case of Esade Business School in Barcelona it is almost impossible. From the original Pedralbes campus you can glimpse its main rival, Iese Business School, just up the hill. Both were founded by Catholics in 1958, but the two high-ranking business schools could not be more different.

Potential students and alumni discussing the choice on social media sites quibble about reputation, but mainly, they agree, it comes down to “feel”.

“I see the main difference between Esade and Iese is that [Iese] is more conservative and traditional, while Esade is more liberal and plural,” writes one.

That might be partly because, unlike Iese with its Opus Dei links, Esade was set up by Jesuits. Their ethos, “knowledge to serve”, runs through the school, says Alfons Sauquet (below), its dean. “[The Jesuits] want to make an impact on society – not just ethical, in terms of doing the right thing, but asking, ‘How can you make the world a better place?’”

Prof Sauquet, who took over in 2008, wants to put the school on the map as a global, rather than European, institution, and has launched a so-called international regional initiative, focusing initially on Latin America. Having set up a campus in Buenos Aires and alliances with regional business schools, Esade is bringing in more students from the region and making connections with companies.

Esade also revamped its MBA when it decided to move the programme to the Sant Cugat campus on the outskirts of Barcelona in 2012. (Executive MBAs and executive courses remain on the Pedralbes campus.)

‘The Jesuits ask: how can you make the world a better place?’

Students starting the MBA next September will find a greater emphasis on social responsibility, something the school describes as one of its “core missions”.

Also at Sant Cugat is Esade Creapolis, a centre focused on innovation

and entrepreneurship, which leases office space to companies. The idea is for companies to work together – and students to work with them, says Jan Brinckmann, associate professor of entrepreneurship and strategy.

There are two compulsory entrepreneurial courses for MBA students. The first teaches the mindset of entrepreneurs and their approaches to management. The second sees students work in groups to create a company under the mentorship of a real entrepreneur.

“Some students want to create companies and we thought it was important to help them create real companies that have a real impact,” says Prof Brinckmann.

Creapolis has helped increase the number of students who say they would like to set up their own company from 10-15 per cent to 25-30 per cent.

In the reception area at Sant Cugat, there is a buzz among the MBA

students chatting on the brightly coloured chairs. One student says he is aiming to solve a food problem in urban slums in the developing world. Another has an innovative fitness company idea. It is not hard to believe they will one day make that impact to which Prof Brinckmann and Prof Sauquet attach such importance.

Emma Boyde



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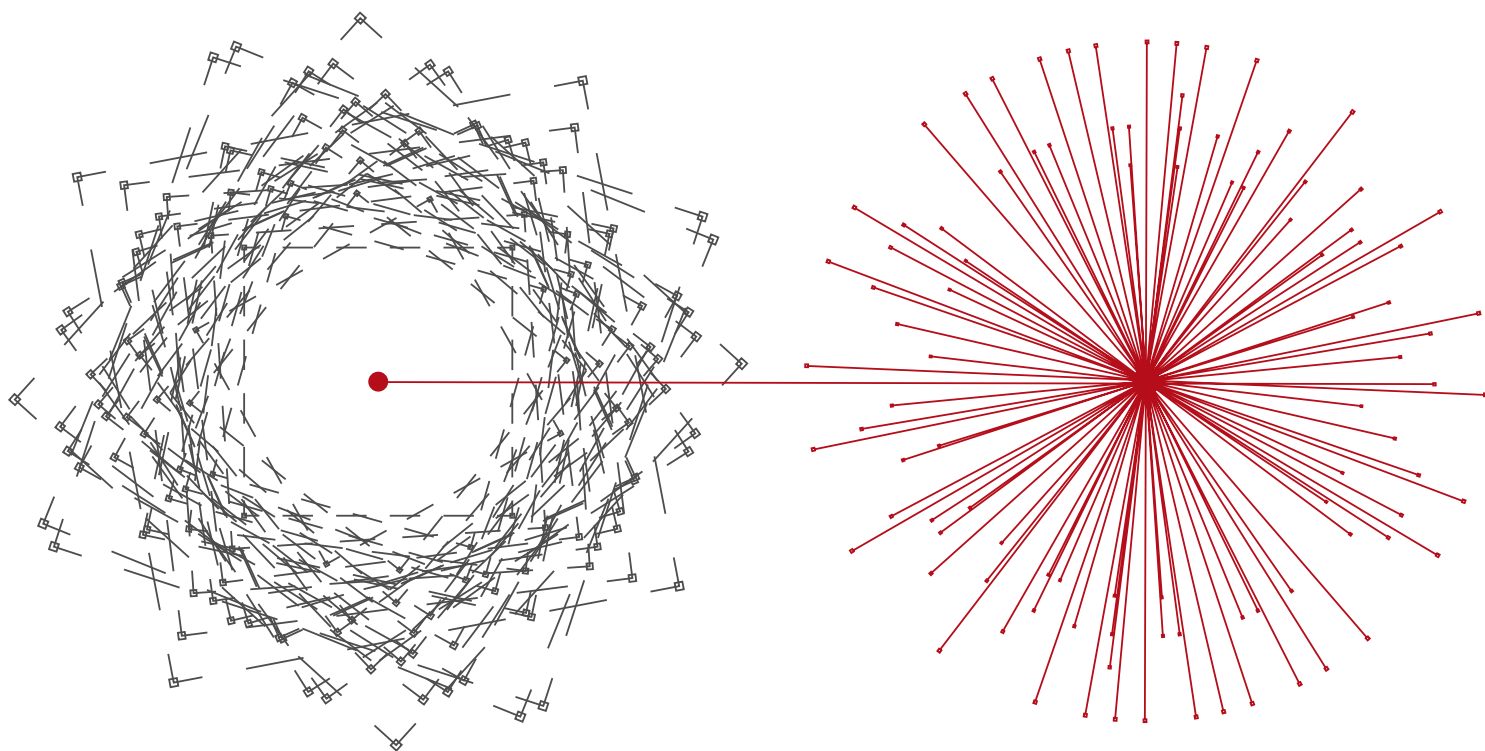
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#3 BUSINESS SCHOOL IN EUROPE FOR MBA
Financial Times, 2013

Doing good business

→ Social entrepreneurship has become a core part of many MBAs, writes **Simoney Kyriakou**



Green shoots

→ How an MBA fostered ideas

Michael Thornton was born into a family of engineers, so it was no surprise when he enrolled at Duke University, North Carolina, as an engineering undergraduate.

However, he found his ideology at odds with other students aiming to work at hedge funds or consultancies. "Few people get to grow up without facing hunger or war or crime. Those who do should use their skills to the maximum good. It is a privilege and a responsibility," he says.

While working at New York-based Sherwood Design Engineers, he considered launching his own start-up, that would "use the intersection of environment and engineering to do good". But he didn't know enough about business management.

Thornton then read the prospectus for Oxford Saïd Business School, which incorporates the Skoll Centre for Social Entrepreneurship. "I knew I had found the right MBA course for me," he says.

Since graduating from Saïd in 2012, Thornton has founded three enterprises.

Terra Recovery, a landfill recycling company, is in its infancy, while Odyssey Sensors is exploring how releasing the latent energy in waste can help farmers in the developing world.

The main focus is on Carbon Analytics, however, which is building systems to provide real-time data about companies' carbon footprint. He says these "meaningful, measurable" reports will not only "celebrate companies that reduce their emissions along the chain but also help catalyse change in others".

The idea for Carbon Analytics germinated during a Future of Business weekend discussion at Skoll. "The MBA brought together creative people from different disciplines and backgrounds," he says. "I am working with some of them and that has been one of the biggest blessings."

Michael Thornton at the London Google Campus centre for start-ups

Barely a decade ago, if prospective MBA students had typed "social entrepreneurship" into a search engine, it would have generated a few thousand results. Today, that figure is nearer 100m.

The reason for this, says Sándor Nagy, associate director of the Schwab Foundation for Social Entrepreneurship, based in Switzerland, is that more people are "seeking

meaning in what they do", exploring how their business ideas can benefit the environment or deprived communities.

One catalyst for this shift in attitudes was the recent financial crisis.

'People were looking for a "new capitalism" after the 2008 crisis'

"People were looking for a 'new capitalism' and found that social enterprise can provide a philanthropic and profitable model," says Nick Badman, chairman of the Peter Cullum Centre for Entrepreneurship at Cass Business School in London. ➤

Hard evidence has also helped the cause. Academics, executives and students alike no longer consider social entrepreneurship as “soft and cuddly” with no tangible benefit. Time has enabled the collation of measurable results that prove social enterprises can be both profitable and socially effective.

For example, in 2011, Cass developed the new venture creation programme for socially-minded students. One graduate, Joshua Bicknell, launched Balloon Kenya last year. The company turns a profit by charging young people to travel to Kenya, where Bicknell teaches them entrepreneurial skills. These trainees are then sent out to help Kenyan entrepreneurs with their projects and half the Balloon Kenya profits go to locals to provide start-up funding.

Academics at Oxford University’s Saïd Business School aim to help student entrepreneurs provide this sort of quantifiable benefit, domestically and abroad, through their business ideas. In 2003, Saïd launched the Skoll Centre for Social Entrepreneurship with, as its website states, a mandate to change the world by investing in the next generation of social entrepreneurs.

Xavier Helgesen, founder of renewable energy start-up Off.Grid:Electric and chairman of Better World Books, the online bookseller, is a former Skoll student. “An MBA can’t make you creative, but it can help you understand how businesses work, such as why audits



Pamela Hartigan, above, says social responsibility and entrepreneurship should not be separated

matter or how bankers see the world,” he says. A side-benefit for him was that he was “surrounded by like-minded people”, so it is little surprise that he met his business partner on the course at Oxford.

Pamela Hartigan, director of the Skoll Centre and founding managing director of the Schwab Foundation, believes the subject has been moving from the periphery of various MBA curriculums to be an integral part.

“Most MBAs no longer foster a distinction between social responsibility and entrepreneurship,” she says. Rather than separating the two, Hartigan believes it is important for business schools to give people with world-changing ideas the skills to be successful business leaders.

Some schools send participants abroad. Since 2010, the social entrepreneurship module of the MBA at Westminster Business School in London has given students experience in Uganda and India through partnerships with enterprises such as Arpan, an Indian charity fighting child sexual abuse.

“This challenges the way students think about what a profitable business strategy should be and shows them how to create even partial solutions to the world’s issues,” says Simon Healeas,

deputy director of MBA programmes at Westminster.

Whether students’ career trajectories lead them to work for a corporation or become entrepreneurs, Healeas says they will carry this “lasting, social consciousness” with them.

Hartigan agrees. “We have romanticised the concept of entrepreneurs and made them ‘heropreneurs,’” she says. “But you can be an innovative, resourceful, change-maker wherever you work.”

At IE Business School in Madrid, all international MBA students take part in the Change in Action week project, “exploring profitable solutions to global problems”. There are different

requirements for starting up a regular enterprise and starting up a social one, such as governance structures, so IE wants students to get exposure to both aspects.

Incorporating social entrepreneurship into MBAs has given many students the skills they

need to put their ideas into action. However, the idea, the desire and the skills to do good are not enough. An MBA is not a pass to immediate success. Graduates will still face issues such as debt and some will fail.

This can be a risk, says Rachida Justo, professor of entrepreneurship at IE Business School. “The

idiosyncrasies of social enterprise cannot be learned in a week or so,” she says. “Students should not be pushed to launch without being aware of the challenges.

“The media feed us dreams of the social entrepreneur millionaire, but this is rarely the reality. We must give students the elements they need to persist. The journey is the reward.” **B**

Social gathering

In 2013, there were 70,000 entities classified as social enterprises in the UK, employing more than 1m people, according to charitable organisation Social Enterprise UK.

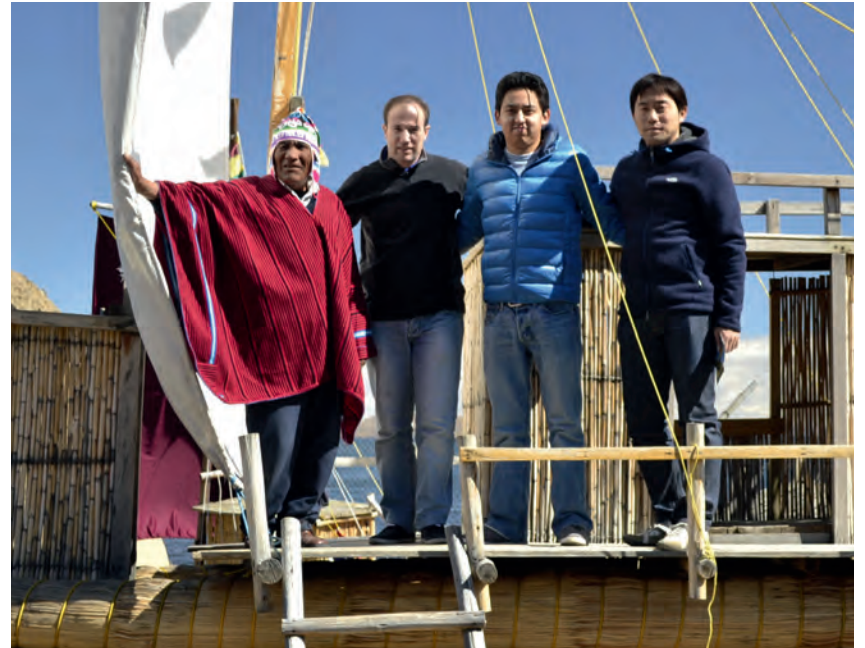
At the end of 2012, 38 per cent of social enterprises were based in the 20 per cent most deprived areas of the UK.

‘You can be an innovative, resourceful, change-maker wherever you work’

Cutting-edge entrepreneurs

The technology sector is a rich source of start-up projects - among them Anasom Surgical, founded by EMLyon MBA graduates Arnold Ferlin (far left) and Renaud Marin. The company was launched to make equipment to help surgeons during prostate cancer operations. For the full story on MBAs and tech entrepreneurship go to www.ft.com/mba





International exposure at the heart of ESSEC's Global MBA

ESSEC's key to a successful global business career is a truly international curriculum, diverse student body and worldwide field experience

Business today requires managers who can navigate a fast-paced global environment. Changes in international business have created new opportunities, particularly in emerging markets, for leaders who can cross borders and confront challenges with fresh solutions.

As Peter O'Connor, Dean of Academic Programmes at ESSEC Business School, says:

"Companies seek resourceful managers with a global vision and cross-cultural skills who are prepared for new ways of doing business. By offering a MBA with a clear focus on emerging markets, ESSEC is responding to this demand that reflects the changing realities of today's business world."

The ESSEC Global MBA is defined by its commitment to international experience at all levels: curriculum, field experience and student body. Its innovative integration of ESSEC's rigorous academic syllabus with hands-on international exposure prepares students to become holistic, responsible leaders capable of taking on a global business environment. O'Connor says:

"The programme is designed to develop the key skills participants need to be successful in global business: knowledge of cultural contexts, cross-cultural communication and the ability to operate in emerging markets, with the opportunities and risks they present. Half of graduates pursue their careers in a different country from where they worked previously."

As one of Europe's top business schools, ESSEC has long embraced global openness as a core value. Its immense network of

44,000 active alumni extends across 71 countries. The school boasts 4,400 students, 5,000 managers in executive education and 130 permanent faculty members on campuses in Cergy-Pontoise, Paris La Défense and Singapore, where Global MBA students spend a term. O'Connor says:

"While Cergy-Pontoise remains the ESSEC mother campus, the Singapore site exposes students to business further afield. Company visits during the Singapore term

"A truly Global MBA, the diversity of the cohort is a strength cited by students year after year"



THE GLOBAL MBA AT A GLANCE

- ✓ Programme focus: international business and emerging markets
- ✓ Full-time for 12 months
- ✓ 3 months spent abroad
- ✓ Language: English
- ✓ International students: 80%
- ✓ Average age: 30 years old
- ✓ Average work experience: 6 years

provide students with maximum exposure to the Asian marketplace thanks to its ideal location between India and China."

Students also take part in study trips to emerging markets – recently to Russia and South Africa – to gain exposure to local business practices. Over the summer, students participate in an 'International Immersion Project' that is designed to give them experience working on a real business problem for a sponsor company in an emerging market. Last year's cohort travelled to Bolivia, Morocco, China, India, South Africa, and Djibouti. Projects included business development for a major Bolivian dairy company, developing tourism in a seaside Moroccan village and strengthening renewable energy markets in India.

A truly global MBA, the diversity of the cohort is a strength cited by students year after year. The 2013-2014 student body includes 80% international students, coming from Bhutan, Colombia, Egypt, Mauritius and Slovenia to name a few. Students benefit from a variety of perspectives both inside and outside the classroom. O'Connor says:

"Diversity is key as it ensures that the MBA is global in every sense. Students are exposed to issues they will experience in the business world, but in the controlled learning environment ESSEC provides. Working with people from a broad range of cultural and professional backgrounds equips students with the cross-cultural skills and the global perspective necessary to achieve their career goals in today's dynamic global business environment."

Graduate perspective: programme highlights



Before joining ESSEC, Leonardo Banegas worked for Citibank in Central America. He now works at KPMG Advisory in Singapore

and is specifically focused on advising corporate, MNC and private equity clients. Of his ESSEC Global MBA experience Leonardo says:

"One of the best things about the course was the global network I created through classmates and the alumni. There were 14 nationalities on my course so I now have business connections across the world."

"The International Immersion Project was one of the most exciting parts of the MBA. I worked at one of the biggest IT players in India and so experienced a giant company from an emerging market doing business mainly in developed countries. This gave me a completely different business perspective."

"My advice to those studying the Global MBA would be to be open, curious and challenge yourself with all the different activities on offer. Make the most of the huge number of contacts ESSEC opens up to you and network, network, network!"

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Pioneering spirit

→ **Profile: entrepreneurship is a longstanding feature at Babson College. By Rebecca Knight**

In 1967, Babson College became one of the first academic institutions in the world to offer a dedicated elective on entrepreneurship. In 1993, the Massachusetts business school made a course on entrepreneurship a requirement for all its MBA students.

Today Babson offers 79 graduate-level courses on the subject, in addition to a wide array of forums, workshops, business plan competitions, summer internships and accelerator programmes geared toward cultivating the next generation of entrepreneurs.

“Our goal,” says Dennis Hanno, Babson provost and senior vice-president, “is to create an overall entrepreneurial environment and focus on innovation” that permeates the campus.

“Our students are very action-oriented,” says Prof Hanno, who is also executive director of the Babson-Rwanda Entrepreneurship Center and a professor of accounting. “They are engaged in the learning process. You [do] not come to Babson if you want to sit in the back row and hope [the lessons] sink in.”

This is not just hype: an exceptionally high number of entrepreneurs graduate from Babson. About 15 per cent of the class of 2012 started a business after graduation, compared with the 5 per cent of all MBA graduates of that year who planned to be entrepreneurs, according to the Graduate Management Admissions Council (GMAC).

“Many students come to Babson with an idea of a business they would like to start,” says Carolyn Hotchkiss, dean of faculty and a professor of law.



Fostering innovation: Babson College, above, and (below) provost Dennis Hanno

“Our job as faculty is to harness that student spark and provide them with a good, strong core.”

Take Tara Foley, who earned her MBA from the school last year. She arrived on campus with ambitions of starting a business that sold all-natural cosmetics and honed her idea during the programme. Shortly after graduation, she opened the boutique Follain (Gaelic for healthy, wholesome and sound) in Boston’s trendy South End neighbourhood.

“Babson’s entrepreneurship programme is special because of its emphasis on action,” she says. “The hardest part of starting a business is taking action. But by breaking the action into smaller steps – prototyping, bootstrapping and testing your concept – the action is easier to grasp and thus easier to attempt.”

Prof Hotchkiss describes the school’s approach as “hands-on, project-driven, collaborative and interdisciplinary”. “We organise things differently,” she says. “We

make students examine problems across disciplines by tying together organisational behaviour with finance and economics. It is a little unnerving for students at first, but problems don’t come with nice, neat borders.”

The aim is for students to gain problem-solving skills and creative thinking capabilities that serve them well in the start-up world and traditional business settings.

“Entrepreneurialism is a mindset, as well as a set of skills and capabilities,” says Candida Brush, Babson chairwoman of entrepreneurship. “We want students to learn how to identify opportunities, how to build a team and how to create something of economic or social value.”

The school runs four MBA programmes: a traditional two-year programme, an accelerated one-year course for students with an undergraduate business degree,

a part-time MBA for working professionals and a fast-track programme targeted at mid-career professionals.

The school’s campus is in Wellesley, 20km west of central Boston. Proximity to the city – which has a thriving start-up culture, particularly in science

and technology – is a recruitment advantage, and about 67 per cent of Babson’s 1,200 graduate students come from countries other than the US.

The international component “makes for a much richer educational experience”, says Prof Hotchkiss. “We really think the student experience should mirror the global marketplace; we are careful to have lots of different countries represented so that no one country dominates.

“This global network is valuable for students here on campus, but it is perhaps even more valuable when they become alumni.” **B**

By breaking an action into smaller steps it is easier to grasp and thus to attempt’





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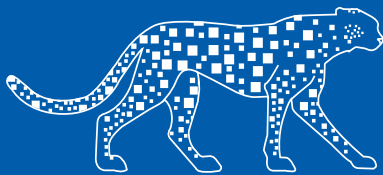
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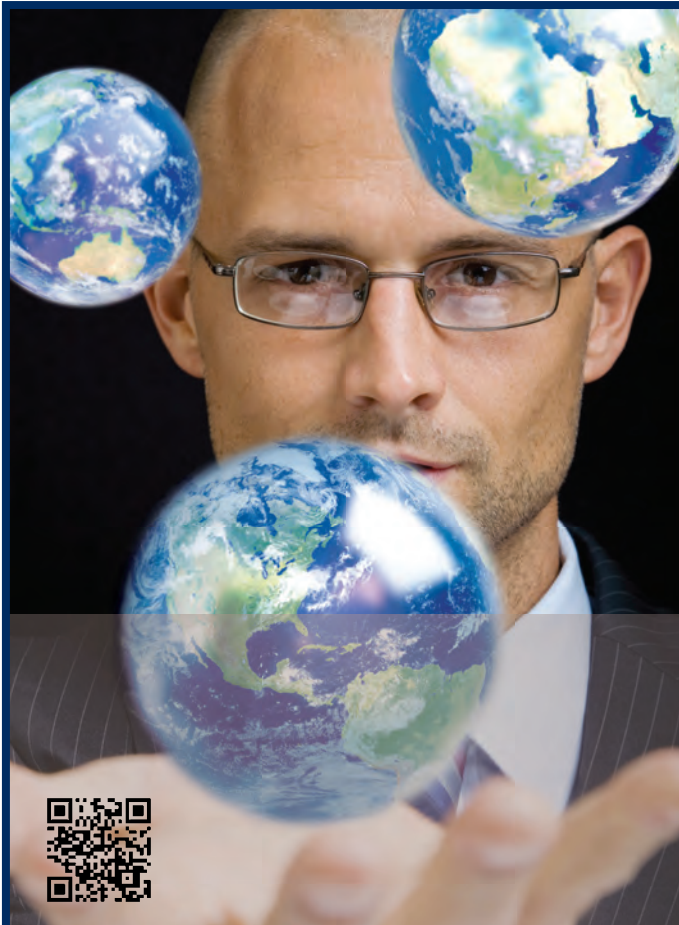
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Picking a course, p57-61

Deciding what and where to study

Applications, p59

Negotiating the selection process

Funding, p61

Paying for your programme

how to...

...choose a business school

→ Making this once-in-a-lifetime choice requires careful research, says **Wai Kwen Chan**

Studying for an MBA requires a huge investment of time, money and energy, so it is crucial to ensure your choice of programme and business school meets your needs.

Before making your final choice, you should visit the campus to get a sense of the culture and atmosphere and to see whether you would fit in. Talk to students, professors and alumni who work in jobs you are aiming for.

Student and alumni network

When it comes to class size, do you believe in less is more or the more the merrier? Check out the numbers, as they vary wildly. US business schools such as Wharton and Harvard generally have 800-900 candidates in one cohort, while IMD in Switzerland, for example, has 90.

Look at the profile of students in terms of professional experience, cultural background and gender, as classmates can also contribute to your learning and form part of your network.

Taking a long-term view, find out how active and widespread the alumni group is as you may want to draw on this network in future. Alumni can provide valuable careers information and advice and can help raise funds for that start-up you have in mind.

London Business School, for example, has alumni in more than



Academic community

Discover more about the diversity and calibre of the faculty, plus their expertise and achievements. Ask whether they are practitioners who

can give you in-depth knowledge of a company or industry.

Learn which teaching methods a school uses, such as live case studies and consultancy projects with companies. Laura Bell, associate dean of academic programmes at Melbourne Business School in Australia, says one of the most popular sessions is “integration Fridays”, where faculty from different disciplines co-teach case studies, giving students multiple perspectives.

Location and costs

If you intend to study overseas, work out whether the cost of living is manageable. Consider whether you enjoy the bustle of a city or prefer to study somewhere with fewer distractions. Large cities are often home to a range of companies, which means access is easier to business leaders and venture capitalists. At Columbia Business School in New York, for ➤

130 countries. “Once you have become an alumnus, you can join one of our local alumni communities, which are constantly organising networking and business events,” says Oliver Ashby, until recently the school’s senior manager of recruitment and admissions.

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example, recent guest speakers have included chief executives of companies such as Bloomingdale's, the department store chain, and Godiva, the chocolatier, says Amanda Carlson, the school's assistant dean of admissions.

Global experience

Employers often seek international experience and there are plenty of options to broaden your horizons. Studying and undertaking internships abroad can improve your understanding of job markets. Matthias Wichmann from Germany, for example, chose China Europe International Business School in Shanghai (Ceibs) for his MBA in the belief that studying in a fast-growing economy would enhance his career prospects.

If you do study abroad and aim to seek employment there, check visa regulations. For example, in Canada a three-year work permit is available for those who graduate from a two-year MBA programme, even if they do not have a job offer.

Consider schools that have overseas partnerships. Insead, for example, has campuses in France, Singapore and Abu Dhabi, and students can take part in exchanges with Wharton and Kellogg in the US, and Ceibs in China.

Partner- and family-friendly schools

If you are bringing a partner or family with you during your MBA, investigate what services are available for them. Nick Hungerford, an MBA graduate of Stanford Graduate School of Business in the US, recalls: "We often used to say the 'SOs' [significant others] have more fun than us. A huge number of activities and groups are arranged for partners."

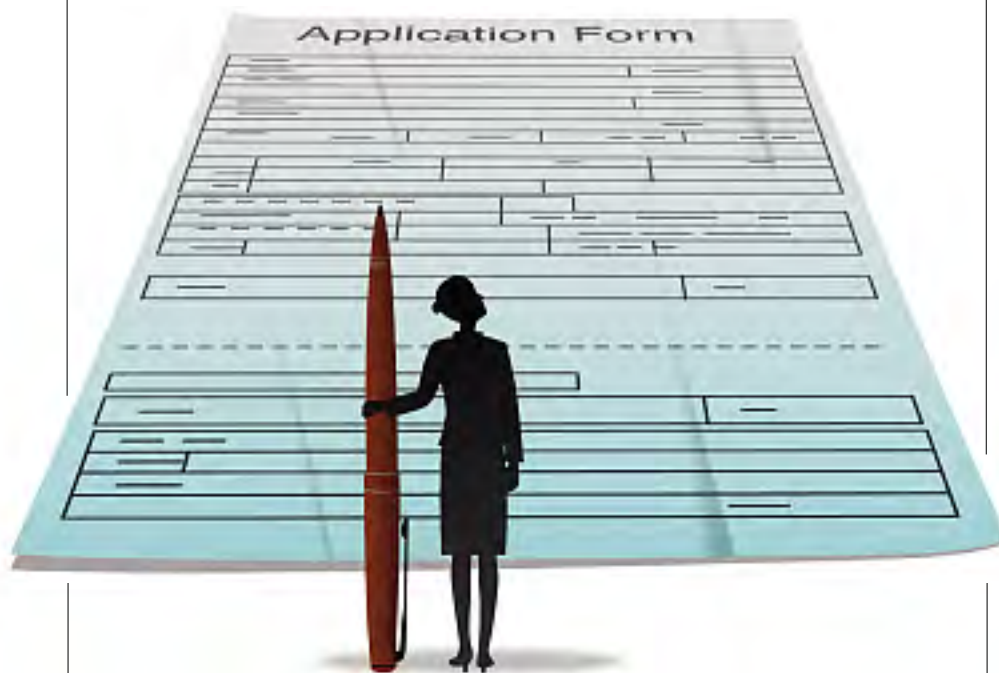
Reputation

There are various ways to assess a school's reputation. One is to check whether it is accredited by an internationally recognised body such as the AACSB (Association to Advance Collegiate Schools of Business) or EQUIS (European Quality Improvement System), the international accreditation arm of the European

'At Stanford, a huge number of activities are arranged for partners'

...apply for a course

→ Filling in a form is just the first in a series of exacting tests



Applying to business school can feel like having a second job. Many successful applicants start a year in advance and spend hundreds of hours preparing. There are tests, forms, essays, interviews and references to deal with. Candidates must show understanding of a school's teaching methods, culture and values. Key points to remember are:

Exams Applicants must take the GMAT or GRE tests, but the former is dominant. Top schools expect students to study for 100-150 hours to achieve a GMAT score in the region of 700. But applicants with lower scores need not fret, as the exam is only one of the selection criteria and can be retaken.

Essays The trend is for fewer and shorter essays. Most schools are not expecting literary masterpieces. They already have basic background information from applications and CVs, so essays are used to get a feel for the candidate's personality.

Interviews These are critical to a school's understanding of how an applicant

might fit in. Candidates could be asked to participate in group interviews, video essays or case studies. Alumni often play a crucial role.

References Known as "recommenders", direct bosses tend to make the best referees, but clients and academics can also work. Business school references

are more time consuming than most to prepare, so they cannot be done in a 20-minute lunch break.

Accuracy and understanding Spelling the school's name incorrectly will not help your application. Admissions directors want to see

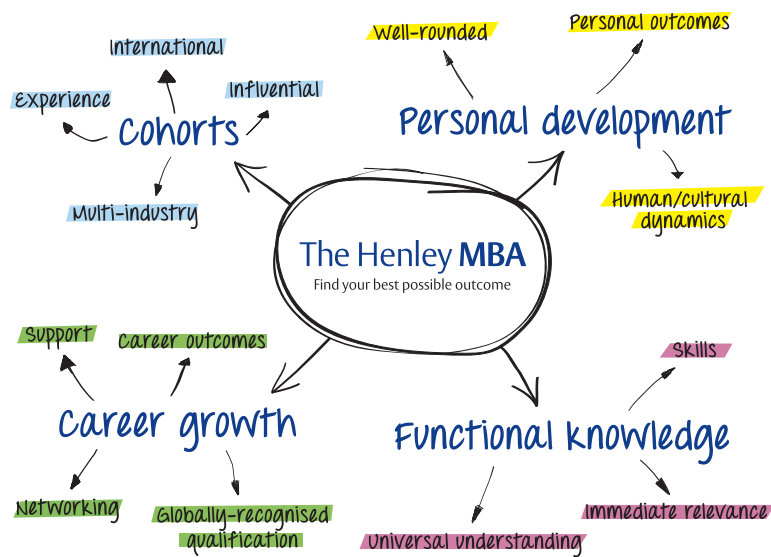
prospective students showing a deep understanding of their school's values and culture, and to see that applicants have done thorough research.

Social media These are still in the early days, but that does not mean applicants should ignore their online brand.

John Casey

For a full guide to applications, go to www.ft.com/mba

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Programme format

Among the many options are general and specialised courses, one- and two-year MBA programmes and joint degrees.

Niki da Silva, director of recruitment and admissions for the full-time MBA at Canada's Rotman School of Management, advises candidates to take a broader degree as they might not know what they want to do in, say, 10 years' time; specialising only makes sense for someone who is certain they want to work in one field for their whole career. She says a two-year course is often a transformative experience that is suitable for those switching careers.

Esade Business School in Spain offers flexible routes for MBA students, who can decide whether to take a 12-, 15- or 18-month programme, says Mary Granger, regional director of Asia at the school. She explains that the short programme is suitable for those with very strong professional experience who have a clear goal compatible with this experience. Tuition costs are the same for each mode, but the 18-month programme can involve an exchange and internship, while on the 15-month course it can be one or the other.

It is also essential to check that the core curriculum and electives meet your requirements. At Stanford, it is possible to take electives outside the business school that count towards a degree. Tom Sayer, a joint MBA and education student, plans to take the "Launch Pad" course at the University's Institute of Design, which involves designing and launching a product or service, to develop his entrepreneurial skills.

Careers

Check out the school's employment record and see what sort of jobs, sectors and countries graduates go to. Investigate the reputation of the careers service and the support available, such as one-to-one career coaching, and whether this is also open to alumni in the long term. **B**

...pay for a degree

→ Funding for most students has to come from multiple sources

Aside from choosing a programme and going through the exacting application process, the other big challenge for aspiring MBA students is funding. The cost of a degree goes well beyond tuition fees, which average almost \$75,000 for the top 100 programmes. Full-time MBA students must also factor in living costs, extra-curricular activities and study trips. Many students, not being in full-time employment, turn to multiple sources of funding to cover these costs.

Scholarships/financial aid In the competition for top students, leading business schools offer a range of financial support and merit-based scholarships. The University of Virginia's Darden School of Business, for example, provides financial assistance for about 70 per cent of its MBA students. Once you have been accepted on the programme, refer to the school's website

for details of scholarships. Private scholarships, supported by companies and foundations, are available at a number of schools.

Banks/credit unions In the absence of 100 per cent scholarships or abundant personal savings, most students borrow to finance their degree. Since the financial crisis, however, MBA study loans have become more difficult to obtain, particularly for international students. While federal Stafford loans are available for domestic students in the US, non-US citizens need a resident co-signature to guarantee a bank loan. To solve this, many leading US schools, including Wharton and Duke Fuqua, have partnered with credit unions to offer loans without a co-signer.

Tuition fees average almost \$75,000 for the top 100 programmes

Crowdfunding Students at a growing number of schools can obtain alternative low-interest loans from peer-to-peer lenders, often backed by alumni. In the US, SoFi has established a lending relationship with 100 universities, while newcomer Commonbond connects MBA students to alumni lenders at 20 business schools. In Europe, Prodigy follows a similar lending model with nine business schools.

Employer sponsorship

If you intend to remain with your current employer, it may be worth asking them to help pay for your MBA. Among the graduates of 2010 surveyed for this year's ranking, 9 per cent received partial or total sponsorship from their employer. However, any contribution will doubtless come with conditions attached.

Adam Palin

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Online giants' reliance on ads



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books

Lessons from the 'black box'

→ The aviation industry can teach business how to learn from mistakes. By **Michael Skapinker**

Confronting Mistakes: Lessons from the Aviation Industry When Dealing with Error, by Jan U. Hagen (Palgrave Macmillan)

It was only when I took this book out of my bag and settled into my economy-class seat that it occurred to me that it might not have been the most tactful reading to have brought on board. That I did so without thinking shows how routine and safe air travel has become.

That is a tribute to aircraft manufacturers, pilots and air traffic controllers who, in their attention to detail, never forget that, unlike in most industries, mistakes can cost lives.

The airline industry's outstanding safety record also comes from decades of intense analysis of errors and crashes – and a determination to learn the lessons. In particular, the industry became aware in the 1970s that advances in aircraft technology were not bringing the expected fall in accidents, about 70 per cent of which were caused by human error.

The installation, beginning a decade earlier, of “black boxes” (which are not actually black), provided information crucial to understanding how accidents happened. The voice recordings, several produced verbatim here, make this book a riveting, at times thriller-like, read.

The author, Jan Hagen, is both a pilot and a faculty member at the ESMT European School of Management and Technology in Berlin. Central to many accidents, he found, was the hierarchy in the cockpit, with the captain a toweringly powerful person. Many started as air force pilots; they saw themselves as decisive, buccaneering loners.

Hagen recounts several accidents in which co-pilots and cockpit flight engineers, having watched their captains make disastrous errors, failed to intervene effectively. On a Japan Air Lines cargo flight in 1977, two younger Japanese crew members did nothing, even though their American

captain was so drunk that they found themselves on the wrong runway. The aircraft crashed shortly after take-off, killing all the crew and the cattle they were transporting.

In the same year, two Boeing 747s, one belonging to KLM and one to Pan Am, collided on the runway at Tenerife airport, killing 583 people. It remains the highest death toll

from an aircraft accident. Here, the KLM co-pilot saw the danger but, when the captain responded irritably, did not mention it again.

The central story of this book is how the industry changed the cockpit atmosphere. The captain remained in charge, but crew members were urged to speak up. Fundamental to this new, more egalitarian practice was encouraging staff to report their mistakes and, rather than blame them, use

the experience to improve safety. It took 10 years for “crew resource management” to become standard. Flight captains did not, initially, enthusiastically accept these challenges.

Can other industries learn from the airlines' approach? Hagen is careful not to claim too much. Unlike some writers, he does not believe that adopting similar techniques will make companies more innovative. He restricts his lessons to what companies can learn about managing errors.

This strikes me as promising, and not just for businesses where mistakes can cause loss of life. Few employees commit errors because they do not care. Mistakes happen most often because we have got into a pattern of doing things a certain way and ignore anything that suggests it should change. Mistakes happen, too, because those in charge think they are right. Reading this book, and talking about how it could work in your field, might be the beginning of the change you need. And the next time I get on a flight, I will be more alert to how those flying the aircraft keep us safe. **B**

Rather than blaming staff, the experience of errors was used to improve safety

'Black box' transcripts make the book a thriller-like read



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The pick of the crop

→ FT management editor **Andrew Hill** chooses some of the best business titles of the past year



To Sell is Human: The Surprising Truth About Persuading, Convincing, and Influencing Others, by Daniel Pink, Canongate, £14.99/\$26.95

The premise of Pink's latest book is that everyone is in sales these days, whether their title contains the word or not. He points out that the internet has made it harder for sellers to exploit the information gap with buyers. CarMax, for instance, is a used car emporium that allows buyers to see the same information as that available to its sales people, making it less likely customers will buy a lemon. His argument that old-style selling is dying does not quite hold up – he seems in awe of some traditional techniques – but he does justice to an often unfairly maligned profession.



The Everything Store: Jeff Bezos and the Age of Amazon, by Brad Stone, Bantam Press/Little, Brown, £18.99/\$28

Stone's detailed examination of the rise of Jeff Bezos and Amazon was the deserved winner of the Financial Times and Goldman Sachs 2013 Business Book of the Year Award, not only for its insights into the famously frugal and driven founder, but also for its wider management lessons about how to survive and thrive in the internet age. Stone describes a man who applied his genius to the unlikely goal – formed in the chaotic early days of the internet – of an online store that would sell everything. He then implemented this concept ruthlessly, annihilating or absorbing incumbents and rivals alike.



The Firm: The Story of McKinsey and its Secret Influence on American Business, by Duff McDonald, Simon & Schuster, \$30

McKinsey's access to the higher echelons of US and global business gives its consultants potentially huge influence. McDonald tells the story of how it has built and wielded that influence. He tugs at the loose threads in McKinsey's tale of buttoned-up efficiency and sometimes self-righteous rigour – notably the fall of its former head, Rajat Gupta, in the Galleon insider trading scandal – and asks whether the net effect of "the Firm" is positive or negative. At the heart of its success, he says, is an ability to charge clients repeat fees and step away when its recommendations fail.



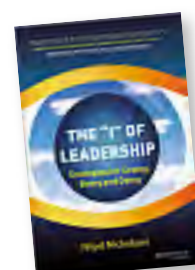
The End of Competitive Advantage: How to Keep Your Strategy Moving as Fast as Your Business, by Rita Gunther McGrath, Harvard Business Review Press, £20/\$30

McGrath's book attacks Michael Porter's theory of competitive advantage, which has been a linchpin of management and strategic thinking since 1985, and points out that in a world of changing competition, evanescent opportunities and constant challenge, there is no such thing as a sustainable lead. The key, instead, is to nurture rapidly evolving early-stage innovation and to move beyond advances in product features – which are easily copied – towards improvement of the whole user experience.



How to Fail at Almost Everything and Still Win Big: Kind of the Story of My Life, by Scott Adams, Penguin/Portfolio Hardcover, £14.99/\$27.95

Fans of Dilbert – Adams's wonderful cartoon antidote to the absurdities of office life – ought not to worry that this cross between an autobiography and a self-help book contains few cartoons. Adams analyses the repeated failures that made him the success he is, and unveils his philosophy of life so everyone can study it. This includes his use of systems, rather than goals, to improve his odds of striking lucky and, more controversially, repeated "affirmations" (such as "I, Scott Adams, will be a famous cartoonist") to sharpen his focus.



The I of Leadership: Strategies for Seeing, Being and Doing, by Nigel Nicholson, John Wiley/Jossey-Bass, £18.99/\$29.95

The gifts of jazz musician Duke Ellington and the heroism of Antarctic explorer Ernest Shackleton help Nicholson explain how leaders can take control of themselves, work out their true identity, and use it to adapt to the inevitable waves of change that assail modern organisations. He divides leaders' tasks into acts, tactics and strategies. He then discusses how they can master each and lead with more conviction by answering the question "Who am I and why am I here?". Nicholson's lessons are complex but potentially more useful than many simpler books.

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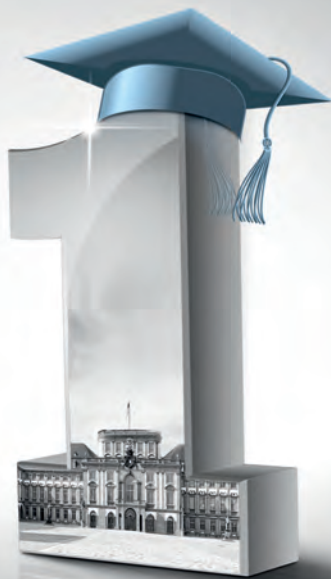
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From data to dollars

→ Some online giants are poor at turning their digital heft into hard cash, says **Kate Bevan**

The phrase “you are the product” has become a cliché when we talk about many of the big technology companies. When you think about it, however, many of the web-based giants do in fact have products they offer you – often in return for metrics rather than actual money.

Google’s product line-up is diverse, occasionally flaky and largely focused on gathering user data against which to serve you relevant adverts. It has both physical and virtual products: its keenly priced and well-liked Nexus hardware range aims to lock you into its world so that you will see as many ads as possible when you use its services. I think of Android as a giant metrics-gathering, ad-serving ecosystem spread across a number of hardware devices made for Google and those from original equipment manufacturers, most notably Samsung.

That is why Google is happy to give you free products – email, storage space, maps, documents and online collaboration services – in return for the information about where you are, what you are searching for, who you are with, what you are reading and what you are discussing with your friends.

Google does sell enterprise services – the FT is one of several UK newspapers to use Gmail, for example – but its revenue from those services is reckoned to be in the region of \$1bn for 2013, which is peanuts when you consider that its earnings for the third quarter alone were \$14.89bn.

That number is also why it is happy to sell its own-brand hardware at very competitive prices: the new 16GB Nexus 7, for example, retails at £199 in the UK, compared with £319 for Apple’s similarly equipped iPad Mini with Retina display.

Facebook similarly exists mostly to sell advertising, gleaning its

information about what adverts to show you via your interaction with your friends, with the brands you Like, with the places you check in. Facebook’s only other consumer product is its limp Gifts service, which is available only to buyers in the US (though users elsewhere can buy gifts such as Starbucks tokens for their friends in the US).

Like Google, Facebook does not break down its revenue streams, but its third-quarter filings do say that of its \$2.02bn revenues, just \$218m was contributed by payments and other fees; the rest was from advertising.

And what about Twitter, which in November launched an initial public offering at \$26 a share? Shares in the microblogging service have risen above

\$50, which many think is mad given the company’s slow user growth and apparent lack of monetisation strategy other than advertising. Twitter has eight revenue streams, seven of them from advertising. Only the revenue from its data licensing arm, which allows analytics companies access to its data, is less to do with advertising,

although it nonetheless relies on the company’s user base.

Amazon, by contrast, exists to sell you stuff. The original product was books, but it now sells a huge variety of things, from home products and clothing to

books and even sex toys.

That stuff is not Amazon’s only product, however. Of all the web companies, it is probably the one ➤

Non-advertising revenues for the likes of Google are peanuts

Buck up:
Facebook and Twitter could make more of their user base



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with the widest range of products. Not only can you buy any physical product you may need or want but you can also pay for website hosting and other cloud computing services – and of course, you can purchase a Kindle.

The Kindle is not only a Trojan horse designed to get you to buy digital content (which we older types sometimes refer to as “books” or “magazines”); it is also Amazon’s answer to Google’s Nexus devices, to lock you into its ecosystem.

On top of all that physical and virtual product, Amazon is working on placing its Lovefilm movie rental service on smart television sets and, reportedly, is developing an Amazon phone, which presumably will run the same “forked” version of Android (without the Google services such as Maps and the Play app store) as the Kindle Fire.

What this tells me is that too many big technology companies are far too dependent on advertising and, by extension, on their user bases. Facebook may have more than 1bn users, but it has been leaking young users to ad-hoc peer-to-peer networks provided by apps such as Whatsapp, BBM, Snapchat and Kik.



Towering: Amazon has a wide range of products – both physical and services

Twitter’s user base is much smaller than Facebook’s, with 230m active users, and it is a much less sticky platform than Facebook – meaning there is much less to keep a user on the site and seeing adverts.

I am by no means predicting the demise of either. Facebook in particular benefits from sheer weight of numbers: it acts as a pretty good registry of people and it is the first place you go when you are looking for an old colleague, lover, schoolmate or to find someone you met recently and want to stay in touch with. Yet both Facebook and Twitter would benefit from finding new products to engage their audience and stop it drifting away.

For Facebook, one option is payments. You can organise events and promote your brand quite effectively on the platform, but when it comes to paying for something, the consumer goes elsewhere and Facebook fails to grab a slice of the revenues it might have helped generate for that brand.

What if, instead of bouncing off to Eventbrite, a ticket-selling website,

What if, having ‘liked’ a product, people could buy goods through Facebook?

a fan wanting to see a band could buy a ticket straight off the event’s Facebook page? Alternatively, having Liked Mulberry’s latest £1,000 handbag, a customer could click a buy button on Mulberry’s brand page, with

Facebook receiving a percentage for handling the payment.

Much of the work has already been done: retailers’ websites are sprinkled with Facebook “like” buttons – the data are already shared. Teaming up with an existing payments provider to set up a mechanism for transactions would seem to be a no-brainer.

Would that make Facebook more of a marketplace – like, say Amazon, which strides the retail scene like a colossus, as small technology companies walk about under its giant legs?

Yes, eventually. All the big web companies rely to some extent on turning consumers into products, but Amazon and Google have built stronger foundations by selling products to those consumers. Twitter and Facebook could learn lessons from them. **B**

→ The write stuff: apps to boost your productivity or while away the minutes



WriteRoom
iOS (free)

WriteRoom is a clutter- and distraction-free app to get you to focus on writing rather than faffing about with formatting. Having said that, you can still waste time by fiddling with the font, line-spacing and colours options. The app adds a row of keys above the letters, providing quick access to the most used punctuation marks, and you can add others, up to a total of nine. Dropbox users can sync documents to that service, otherwise the only way to get copy out of the app is to email it. Another irritation is the lack of a running word count. It is free at the moment while bugs are ironed out, but I am not sure I would pay \$5 for a glorified note-taking application, but then I would only write something longer than an email on my iPad if I were desperate.



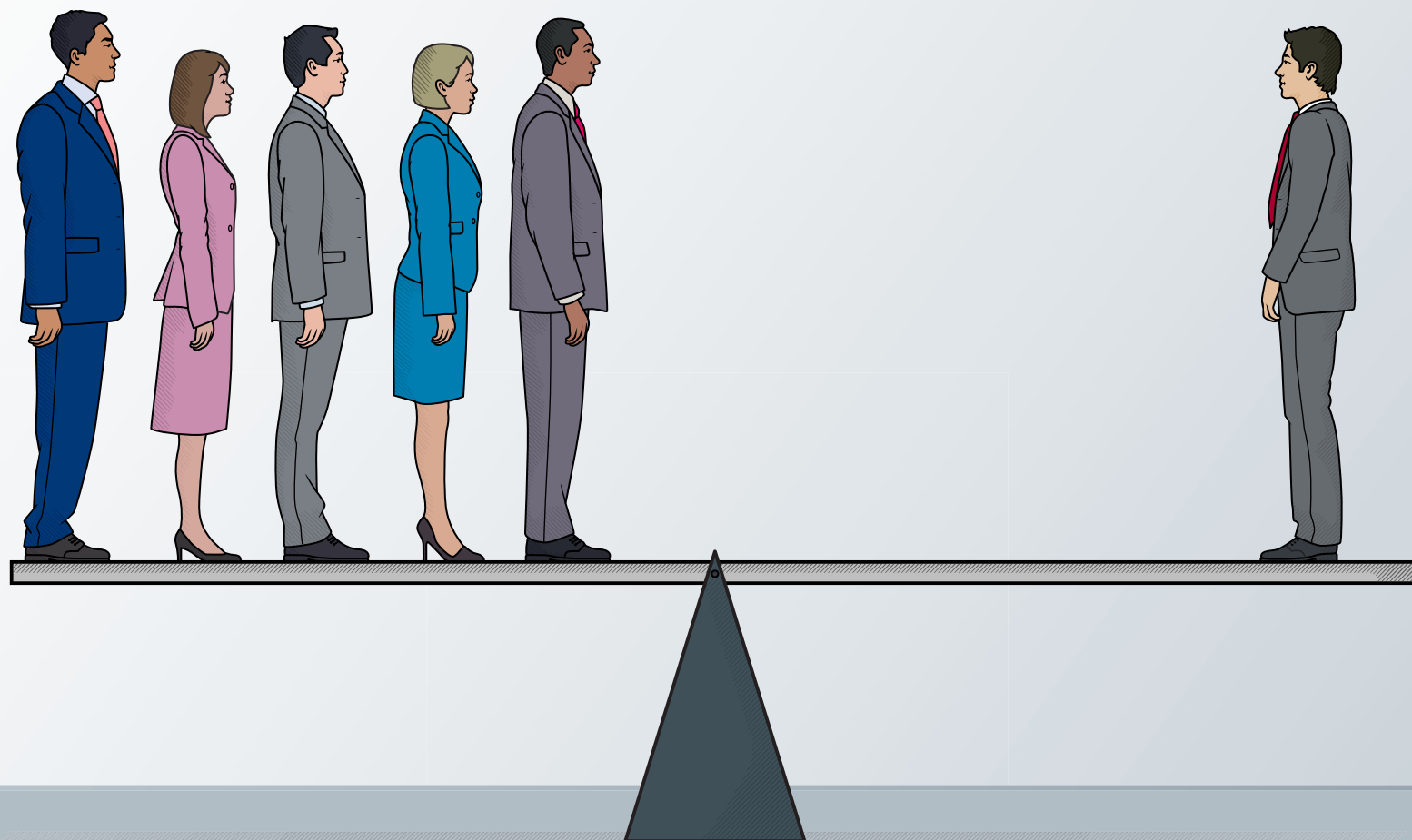
Cal
Android, iOS (free)

I tried this calendar app on both iOS and Android, where they are puzzlingly different. The default view on my Android Nexus 10 is a minimalist month view, while on the iPhone you just get the week. Add an event and a venue, and the app makes a decent stab at working out the location, then offers to plan a route there. Android users can choose between Apple Maps, Google Maps and Waze. Android offers to order a car to your event from taxi service Uber, while iOS users must make their own arrangements. Both offer photo themes, though neither gives you the option to use your own images on the device. Cal could be a good calendar replacement if it had some rough edges smoothed out and let you use your own photos.



Frax HD
iOS, £2.49

The developer’s website describes fractal geometry in some detail and if you are not mathematically inclined, it will make your head hurt. But no matter: the app itself is wonderful. It generates real-time immersive fractals that you can play with. There is also a gallery of fractals already generated both by the creators of the app and in the Frax community, or give the app access to your photo gallery and let it create gorgeously psychedelic versions from there. The app pushes the Pro upgrade, but if you just want to marvel at the swirling results in between doing something more productive, the basic app is fine. If you come up with something beautiful, the developer will do a high-res render in return for credits bought in-app.



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The 2014 MBA challenge

→ Use your new skills to help children with cancer in the developing world. By **Charlotte Clarke**

At Queen Elizabeth Central Hospital in Blantyre, the commercial capital of Malawi, the electricity goes off twice a day.

Each time, the nurses grab the most vulnerable children and run with them to the intensive care unit where there are spare batteries for emergency power. Lights are an expensive luxury, used only when guests visit. Beds don't have mattresses, blankets are full of holes, and paper and needles constantly run out. The cost of importing these materials means doctors have to think twice before they use them.

"We need to focus on enabling local hospitals to be sustainable so that they can make decisions about their own budgets and what they should invest in," says Allison Ogden-Newton, chief executive of World Child Cancer (WCC), the Financial Times' seasonal appeal partner.

The charity aims to improve access to drugs and treatment for children with cancer in poor countries. Working on projects in Cameroon, Central America, Colombia, Bangladesh, Ghana, Malawi and the Philippines, it twins international hospitals and volunteer specialists (paediatric oncologists) with teams on the ground.

This year, WCC will help more than 3,000 children. Yet it is estimated another 100,000 young patients, who could be saved with comparatively simple treatments, die unnecessarily from cancer each year in developing countries.

Broader problems in health systems mean these children enter a medical system with few resources, staffed by overworked and undertrained doctors and nurses. In Africa, for example, Burkitt lymphoma, a cancer that can often be cured easily if detected early, can account for up to half of cases. But it is often diagnosed late or not at all.

Much key
medical
equipment is in
short supply in
Malawi



Having traditionally worked with medical professionals and pharmaceutical companies to raise awareness, WCC now wants input from future business leaders through the FT MBA Challenge.

The challenge is to develop recommendations for the long-term sustainability of WCC projects in developing countries.

The charity is working with seven hospitals worldwide and hopes to take on another three, in Kenya, Myanmar and Zambia, by the end of this year.

Registered teams will tackle resource gaps

in difficult environments, working with local project managers. They will be asked to provide analysis and ultimately find solutions to the problems they identify.

The challenge is open to teams of between three and eight students, of whom at least one must be studying at a university or business school in Europe, a second in the Americas and

a third in Asia or Africa.

At least one participant in each team must be studying for an MBA at the point of registration.

"MBA students are good at taking a fresh perspective on things and suggesting new

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are good at
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on things'**

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people to bring into the conversation,” says Ogden-Newton. MBA students, she recalls, worked out 10 years ago how expanding mobile phone networks to Africa could be profitable as well as ethical.

“That creative process can be extremely powerful,” she says. “Young people are vital for equality... they may not feel very powerful right now, but they will go on to achieve it.”

The winning team will be chosen for its ability to take account of local conditions, the quality of its ideas and for its collaboration with a local partner.

The deadline for team registrations is March 1 2014. The FT is also running a matching service for individuals seeking to join a team. For more information, visit www.ft.com/mba-challenge2014 or email mba_challenge@ft.com. 



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Compete in our charity quiz

→ How to enter the FT Business School Challenge

MBA students and alumni can pit their wits against teams from rival schools in an FT quiz next month. The FT Business School Challenge will raise funds for the FT's seasonal appeal partner, World Child Cancer, which aims to give children with cancer better access to drugs and treatment in the developing world.

On February 26, teams representing up to 10 business schools will compete at the FT's offices in London for the FT Business School Challenge. Compèred by FT management editor Andrew Hill, the quiz will test participants' knowledge of business topics.

The event is aimed at both business school students and alumni and marks

the launch of the FT MBA Challenge (see previous article) to help World Child Cancer tackle problems in the field. Participation in the quiz is limited to one team per business school. Entries must be completed by February 21.

Team size 3-6 members

Team entry fee £2,000 (donated to WCC)

Venue Financial Times, One Southwark Bridge, London SE1 9HL

FT coverage All teams will participate in the first six competitive rounds, and then the two leading teams will compete in the final round. The final round will be filmed for the FT.com Business School channel.

For more information and to enter, see www.ft.com/business-school-challenge

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An African journey

→ How healthcare work in Swaziland and an MBA in South Africa set one student on a new track



It was a little after 5am and I was nearing the top of Kilimanjaro. After 16 hours of climbing, I felt a sudden wave of fatigue and disorientation. Fear bubbled within and I worried that after four and a half days of ascent, altitude sickness would cut my journey short. Phillip, our guide, whispered: “Anne, this is where you pull on your passion.” I grabbed his arm to steady myself, and gathered all my energy for the final push. Not long afterwards, I was above the clouds and felt the sunrise on my face. The sickness disappeared and I pushed on to reach the summit of Africa’s highest peak.

Despite the quest for adventure in my personal life, my career has largely followed a linear path. Two and a half years ago, that changed. I applied to the Wharton School at the University of Pennsylvania to do an MBA, writing about my desire to manage HIV operations and analytics in Africa. The rejection notice was a blow. I moped about for three days, then asked myself: “Why does this have to be pinned to Wharton?”

The question awakened in me a calling like I never had before. I wanted more than the traditional path, even if I had to quit my solid job at an HIV biotech company. I needed to get to Africa, no matter how risky or unlikely it seemed. I applied to the Clinton Health Access Initiative to implement HIV programmes in Swaziland. Two weeks later I had an offer. I packed up my life and left the safe harbour of San Francisco.

I came to Africa to learn about the challenges of healthcare delivery in the developing world. I could not anticipate how the experience would reshape my values,

Social impact

Anne Pao took her MBA at the University of Cape Town, where she was a 2013 class president. She is from the US but plans to stay in Cape Town to join an information technology company and work on the launch of her social enterprise start-up, Weaverlution, an online marketplace for social impact campaigns

hopes and inner purpose. I had no entrepreneurial hopes until I came to Africa. In the US, it can be difficult to spot opportunities in a saturated market. In Africa, markets are emerging, under development or non-existent. Some see this as a problem, but I see boundless opportunity.

I could not face leaving Africa for the US. I felt that burning need to take the unconventional path: to launch a social enterprise start-up in Africa. But there was a hole in my CV – I needed to bolster my understanding of doing business in Africa’s diverse emerging markets.

The University of Cape Town Graduate School of Business emerged as my starting point. The UCT MBA is not a typical programme, which is why I chose it. It teaches that business must have a multi-dimensional purpose that transcends pure profit to include social impact. In one of my favourite classes, the social innovation lab, student teams develop social innovation plans to address social issues. I was able to dedicate

significant time to building my social enterprise concept with the help and feedback of passionate students and innovation experts.

The UCT MBA is intense, cramming two years of study into 11 months. Students have classes every day for six months, with mandatory assignments, and must submit a thesis. There were moments when I had no idea how I would get it all done, and days when I pulled an all-nighter to finish a paper, only to turn around and start another.

Nerves can get strained and things can become downright

uncomfortable. As a class president, I had to engage with issues that would have been easier to let pass by. When I was elected, I thought it would put me at the point of social activity, helping to co-ordinate needs and relationships across a very diverse class. This was part of it, but being a president widened my understanding of leadership. I realised the difficulty of managing the herd and not allowing the stampedede to drown out minority voices. I learned that leadership is not glamorous or about being popular. It is about working through your fears, holding to your convictions and standing up for what is right, even if that means you sometimes stand alone.

Riding this momentum, I am launching my social enterprise start-up in South Africa. The process is moving quite quickly, but I am focused on the precipice and, as Phillip the mountain guide would say, I am pulling on my passion. **B**

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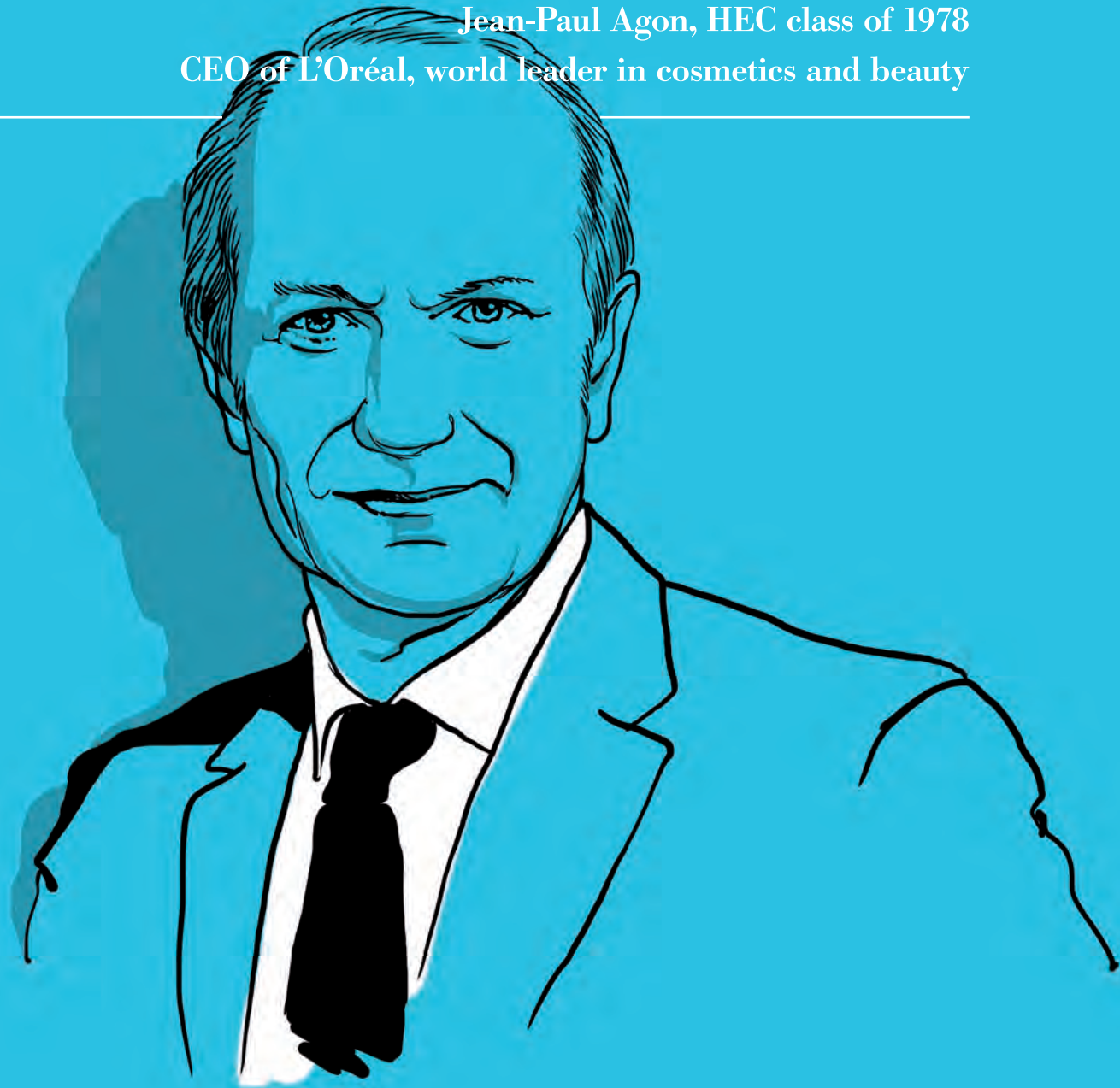
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