

CEEMAN *news*



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Executive education for entrepreneurship development

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A word from President of CEEMAN



Dear Colleagues and Friends,

The 2009 winter issue of *CEEMAN News* provides us with an opportunity to reflect on our work during a year that has been marked by a crisis whose impact on the global economy, and also on the business education and management development industry worldwide, will remain.

Although there are signs of recovery, the depth, and above all the nature, of the crisis will make the world different in the future. It is up to us to contribute to making it better.

The global spread of the crisis does not call just for global actions. Effective responses require a good understanding of the context and a lot of creativity and innovation, for which local responses could be instrumental.

This was one of the messages from the 17th CEEMAN Annual Conference "Local Responses to Global Crisis" held in Riga in September, which brought together over 130 participants from 30 countries. The event was excellently organized and hosted by RISEBA, their leaders Irina Sennikova and Boriss Kurovs, and their great team.

In her keynote address in Riga, Nancy Adler, whose most inspiring interview you can find in this issue, reminded us that the main role of education in general, and certainly of business education, is to help people reposition themselves and see the world anew.

The quality of the world's leadership depends on the quality of the learning that business schools provide. We share her belief that only by investing in the artistry of humanity will we be able to create a peaceful, prosperous planet for the future.

There was a general view that business schools from dynamically growing markets are contributing a lot to the global search for innovations in leadership development. In this respect CEEMAN's engagement in the implementation of the Principles of Responsible Management Education has been broadly appreciated, as we heard from Manuel Escudero, who spoke in the Deans and Directors Meeting in Riga, which focused on Business Schools Responses to Global Crisis.

Based on a CEEMAN global survey of business schools' responses to the global crisis and the presentations of our members' practices, we discussed how business schools adapt their educational programs to respond better to changing customer needs and how they respond to their own institutional needs as businesses in their own right.

Our Executive Education Forum on Entrepreneurship Development, held in November in Trieste, Italy, in co-operation with MIB School of Management, its Dean Vladimir Nanut, and his excellent team, discussed how executive education could better support entrepreneurship development.

This was an opportunity to look for synergies among business schools and other learning partners in an area which is generally perceived as high priority and a great opportunity for economic recovery and future development.

After accomplishing its first 10-year cycle, our International Management Teachers Academy continues to create a new generation of management educators. The next edition of IMTA is scheduled for 6-18 June at the IEDC-Bled School of Management. Related to this program are two new IMTA modules on educational material development, to be carried out in 2010-2012, while the 5th IMTA Alumni Association conference will take place in May 2010 in Iasi, Romania.

Through the Program Management Seminar, the next edition of which is scheduled for 10-12 March 2010, CEEMAN continues to contribute to the development of operational excellence among its members.

CEEMAN's involvement in the Challenge:Future project, which has brought together more than 2,500 students, business school faculty, experts, and companies from 101 countries, is another manifestation of our devotion to creativity, innovation, and sustainable development.

Since September CEEMAN and its members have participated in several international conferences, including the one dedicated to the 100th anniversary of the great management icon Peter Drucker.

In the last three months CEEMAN gained three new members: the Moscow State University of Railway Engineering, Russia, Higher School of Professional Business Studies Novi Sad, Serbia and ESIC Business and Marketing School, Spain, whom I warmly welcome on behalf of all of us.

I am also happy to inform you that CEEMAN is launching a new initiative of awarding member institutions for outstanding achievements in different fields of business schools performance and development.

The first CEEMAN Champion Awards will be presented next year at the 18th CEEMAN Annual Conference in Naples, Italy, which CEEMAN will organize in cooperation with our corporate member, Coca-Cola HBC Italia and its General Manager Ulrik Nehammer on 23-25 September 2010. Please reserve these dates in your busy calendars!

The activities and results achieved in the past season, despite the global crisis, made it one of the best in CEEMAN's history. I would like to thank you all for your contribution to it, to warmly welcome you to the activities planned for 2010, and to wish you a most prosperous and happy new year.

Yours,

A handwritten signature in black ink, appearing to read 'Danica Purg', with a stylized flourish at the end.

Danica Purg

Leadership challenge: doing well by doing good



Nancy Adler

Interview with Nancy Adler

CEEMAN was proud to have Dr Nancy Adler, the S Bronfman Chair in Management at McGill University in Montreal, Canada, as the keynote speaker at the 17th CEEMAN Annual Conference held in September in Riga.

Dr Adler is one of the world's leading authorities on global leadership and renowned for her multidisciplinary, multidimensional, and holistic approach to business education and leadership development and for her original thinking. As such, she was certainly the right person to talk about the response of management education to the global crisis and its related challenges and opportunities.

Dr Adler's research, teaching, consulting, and public engagements have focused on the areas that have emerged as critical for a better understanding of the role of business and leadership in society. These include global leadership, cross-cultural management, strategic international human resource management, and women as global leaders.

Dr Adler has written over 120 articles, produced films, and published 10 books and edited volumes. She has taught top-level executives and consulted private corporations and government organizations around the globe. She also served as a co-chair of the Global Forum on Business as an Agent of World Benefit: Management Knowledge Leading Positive Change, co-sponsored by the UN Global Compact and the Academy of Management. Her outstanding achievements and impact have been broadly recognized. She was ranked number three on the impact factor-based editorial index. As one of Canada's top university professors she was one of a few to receive McGill University's Distinguished Teaching Award for a second time and was also selected as a 3M Teaching Fellow. She received the Sage Award for scholarly contributions to management.

Her awards include also the ASTD's International Leadership Award, SIETAR's Outstanding Senior Interculturalist Award, the YWCA's Femme de Mérite (Woman of Distinction) Award, Woman of Achievement (IIBR).

She was named among the Great Women of the 21st Century. She was elected to the Fellows of the Academy of International Business and the Academy of Management Fellows, as well as inducted into the Royal Society of Canada.

In her most inspiring speech in Riga, Dr Adler referred to the complex implications of the current global crisis, indicating that its roots are deep and include ethical and moral issues. In order to be able to deal with the crisis we have to learn to see the world from a new perspective.

This is exactly what the role of education in general, and certainly of business education, is – to help people reposition themselves and see the world anew.

Acknowledging the impact of business education as a major learning partner, Dr Adler advocated that both business and business education need to make a difference leading to a better world.

In talking about how to make this happen, she draw a fascinating parallel between leaders and artists, who have three fundamental things in common: the courage to see reality as it actually is even when others are refusing to see that reality, the ability to envision possibility even when others label them as naive because the reality looks pretty dismal to them, and finally the courage to inspire large groups of people to move from the current reality back to possibility.

Dr Adler provided metaphorical examples of various initiatives and innovations taking place along the lines of helping future managers and leaders develop these capabilities. In this connection she pleaded that only by investing in the artistry of humanity will we be able to create a peaceful, prosperous planet that not only we deserve but our children and our children's children deserve as well. Dr Adler's deeply thoughtful and highly emotional and inspirational speech motivated CEEMAN to ask her for an interview in which she could elaborate on some of the issues that CEEMAN audience is particularly concerned with. Referring to her message on the need to have a productive dialogue among different learning partners, we asked Dr Adler on her view of CEEMAN as a "community of conversation" capable of contributing towards the creation of a better world.

Thank you very much for joining us at this conference whose topic is "Local Responses to the Global Crisis". You delivered a wonderful and most inspiring speech on leadership in a period of crisis and change as well as leadership for the future.

One of the points I made was that we have to invent our legacy rather than being trapped in the legacy that is imposed on us.

Since "crisis" is such a buzzword today, I would like to ask you about your perception of the origin of the current crisis. On the surface of it, it looked like a financial crisis and the first therapy used financial instruments. Right after that, it was clear that the roots were much deeper. How would you describe what is at the core of this crisis?

I agree that the financial crisis was the symptom that got our attention. If you look at what is going on in the world right now, you will see that we have a whole series of crises.

One of them is the financial crisis. It has multiple layers in terms of what part of society is served by our financial system, how the financial system redistributes wealth, how it supports the entrepreneurial activity that we have today, and how fragile we are willing to allow our financial system to become when something can go wrong and bring down the world's system.

Our models for understanding the financial system are neither very accurate nor very robust. But the issue is much bigger than that because we simultaneously have a peace crisis. By the 21st century we should have learned how to solve problems in other ways than killing people. But we have at least 37 active conflagrations in the world as we speak. People are using the most primitive way to settle disputes, which is to kill each other.

We also have a crisis in income distribution.

Two-thirds of the world's population lives on less than \$2 a day. Nowadays, we talk about a global society. But the only countries that have historically been able to maintain a democracy are countries that have a substantial middle class. You cannot have a democracy if the vast majority of people are extremely poor and a few are very rich.

I said that two-thirds of the world's population lives on less than \$2 a day, but there is another interesting statistics. One hundred of the world's richest people control more financial assets than the 135 least wealthy countries. Statistics like that do not support a global community that works as a whole.

We also have an environmental crisis. Whether we look at the air or the water or the contaminants in our food supply, we see the same situation. We have a healthcare crisis as well.

I think that if we go to a deeper level we will realize that we have not been asking the right questions. We have not been studying the systemic nature of any of these problems.

We have also been living in a lovely illusion. It is reflected in the title of this conference. The illusion is that the problem is local, not global. I will give you an example from the financial world that Bernard Madoff and his Ponzi scheme exposed. A whole set of media articles about the Ponzi scheme collapsing, including those that interviewed top financial people, talked about what was wrong with Bernard Madoff. There was a strong desire to see Madoff as an evil man – a bad man. The belief is that if you eliminate the single evil bad man, the system will work again. We individualize things that have systemic roots. It is understandable that we do this. It is not helpful but is understandable.

Look at Al Gore. He had given a thousand speeches on global warming and nothing much happened. He then made a film – "An Inconvenient Truth" – that showed that we should stop thinking that the environment could be bad for you but not for me; that pollution that impacts you in Eastern Europe won't impact me because I am in Canada. We have to stop the illusion that there is some place on the Earth where we can stand on our own and win without being impacted by what else is going on in the world.

We no longer take time to ask what life is about

The interesting thing is that we are management professors who teach the interrelatedness of the world and yet we are not actually walking the talk. Deep inside we still believe that if we win on Wall Street we can get rich while others become losers, but that system will continue to work in the long run. Similarly with the environment, we believe that taking care of things here, at home, it will be all right because the pollutants we throw in the water will affect other people, and not us. It is not true.

If you go deeper, you get to the question of what is important in life. I have to say that the reality of the 21st century (although this was already true by the mid 20th century but it is getting worse now) is that the rate of change is constantly accelerating. We know that the vast majority of all our knowledge has been created in the past 25 years. We are so focused on trying to keep up at a mundane day-to-day level that we can't be away from our computers for even a day without facing an avalanche of new email messages. This constant avalanche doesn't give us time to ask any of life's important questions. We no longer take time to ask what life is about. We do not even take time to ask what our industries and

companies are about. We just try to make quarterly earnings targets and deal with the next crisis. That would be fine if we had already achieved the steady and sustainable world that we want to pass on to our children but we have not. This chronic state of avoiding the big questions will run us into the ground.

You talk about values and beliefs and I think that is very important. You said that most of the knowledge that we have today was created in recent decades. We believe that we are at the peak of technological progress of mankind. Paradoxically, our apprehension about the future of the planet is higher than ever. What is the explanation? Is our value system lagging behind technological development?

The easy answer is "yes". A more complex answer would be that we have the illusion that more is better. We have the illusion that more technology is synonymous with progress; that more money and more consumption stand for progress. Let's look for a moment at technology. We believe that more technology is better than less technology, but that's not necessarily true. Look at our health care system - conversations on healthcare are currently going on in many countries around the world. Certainly, medical technology has raced ahead. The same is true of the number of pharmaceutical products that are available. But that healthcare model has focused on sophisticated ways of treating people who are sick. A very small amount of the effort has been spent on keeping people healthy. We do not even ask the simplest and most important questions about our daily lifestyle and what leads to health in what we eat, how much we eat, how much we exercise, the quality of rest we get, or how much time we spend laughing and experiencing positive emotions. We are focused on a model that produces new medical technologies and rewards a few companies with huge profits. In fact, we are less healthy in many ways than we were before.

You mentioned local and global aspects. This crisis has hit the whole world but not equally. Different countries do not have the same resources to respond. What should be done at a local level and how important is cultural diversity?

This is again a complex question. What is important to us - cities, communities, and provinces - is hugely conditioned by culture. Is it my nuclear family or is it my extended family? How important is tradition? How important is it to me to be with my mother on her birthday? Is just sending a text message OK or should I sit with her? What I want to do is important, not just what is expected of me.

These questions have strong local roots. But as soon as I choose products and services, the competition for my choices becomes global. The main question is how to acquire world-class

skills and knowledge so that I can serve local needs. If my local culture believes in keeping people healthy, what I may end up doing is becoming world-class in keeping people healthy rather than world-class in curing people who have already gotten sick. I may not produce a state-of-the-art pharmaceutical industry, but I may produce state-of-the-art approaches to diet and exercise along with other techniques people might use to stay healthy.

We have the illusion that more technology is synonymous with progress; that more money and more consumption stand for progress

There is a wonderful education initiative that fits the values of many cultures, not just the one in which I was born. Canadian Nora Savage brings together graduating high-school students and people who have been diagnosed with stage one Alzheimer. Instead of using medications and moving the Alzheimer elders into specialized homes where trained personnel can attend to them, Nora pairs a high-school student with each stage-one Alzheimer patient. She had the students interview the elders about their life stories starting from the time when they were kids. We know from the research that if you start by asking about an Alzheimer elder's early childhood stories it will activate later-life memories. Meanwhile, for most of the senior high-school students, it was the first time in their lives that they were given a school project in which they were really responsible for something important and real - the quality of life of an elder.

The kids absolutely rose to the occasion. Prior to the first meeting, they, like other young people, preferred to play and have fun with their own friends. Teenagers normally don't want to spend time with an old person. But after only a few meetings with their elders, the young people asked to go back and spend more time with the elders. They begged their teachers to enhance their story-telling skills and teach them more grammar, spelling, and writing, so they could better tell the elder's stories. They read books about how great story tellers write stories. Finally, they put together a book of the elder's stories. Each of the students presented the particular elder whom they had been interviewing to a group of the elder's family and friends. The students knew that they were presenting the essence of that

human being. They did a fabulous job; and I am not surprised.

The elders felt wonderful because they were seen as human beings again, rather than being treated as patients. Their relatives also felt wonderful because the students had handed them back the person whom they had always loved, rather than the vacant shell of the typical Alzheimer patient. As for the students, they markedly improved their English writing and interviewing skills. For 12 years, the education system had failed the kids by only giving them traditional assignments – assignments that were void of profound meaning. By contrast, building a relationship with a real person, an elder, and capturing his or her life story was a real assignment; it was based on a human connection and it produced a miracle.

Cultural understanding makes innovation more likely and better; it brings different worlds together

The government was pleased because the whole approach had cost them very little, almost nothing compared to the cost of a traditional medical approach. Nora Savage first experimented with this approach in Ontario, one of Canada's provinces. Later, the Dutch government saw a description of it on Nora's website. They immediately understood its importance and brought Nora over to the Netherlands to train them so they could start a similar program for Dutch elders and high school students.

Although the program started in Canada in a specific culture, it was able to transcend culture, because, at its base, it was about core human values: intergenerational respect, caring, and learning. It therefore translated well across cultures. I am a cross-cultural expert. I respect cultural differences. Cultural differences make the world a richer place. Cultural understanding makes innovation more likely and better; it brings different worlds together. If I can understand and respect cultural differences, I can leverage and build on them – which ultimately leads to a better world.

However, this does not mean that the ideas that show up here can be used all over the world. However, I have a hunch that the more we get back to our very core values, the more it translates and the easier it is to move across the world.

This brings me to a question related to business schools and their role in the development of knowledge, skills, values, and attitudes. Let me ask you something provocative. At what stage

of Alzheimer's disease are business schools at present? Some modern business schools are 100 years old. Besides, leadership has existed throughout human history. Are there any forgotten stories that we should include in business school curricula?

This is a hugely important question. The big growth in business schools happened after the Second World War. At that time, they adopted or tried to adopt the scientific methodology of other university departments, such as physics, because they had been made part of universities rather than remaining stand-alone trade schools. They tried to prove that they were more scientific than physics. That skewed what was taught from knowledge addressing big issues that was considered highly relevant to the real world to knowledge that could be proven with scientific methods. Even though they weren't science departments, business schools attempted to act like the hard sciences. This increasingly squished out management schools' purpose for existing and their highest potential for training people. At the same time, however, business was falling in love with the idea of hiring management-trained students and therefore the programs grew in number. As companies grew bigger, they wanted more technically trained people – more technocrats who could crunch numbers in marketing, finance, and accounting.

Then came very rapid advances in computer technology. Gradually computers were able to do what was previously taught to managers and technocrats as linear rational analysis.

Now business schools have reached a point where you have to teach leadership, unless you only want to train low-paid technicians. Leadership defines the direction in which the sector, the society and the economy should be going. What kind of product and services fit best in the current and future society?



Nowadays, almost every business school offers a leadership course. But such courses are often not central to the business programs. In many business schools, the finance area is the most powerful group. Current events, however, have called into question the extent to which finance theories explain either the dynamics of what is currently going on or what we wish to go on in the future.

Let me tell you a story that should perhaps be taught at every business school. Business schools should use it as a mirror to see themselves and to reflect on what skills and values they are actually teaching. The incident took place some 20 years ago. The then CEO of Merck was approached by scientist from research and development because the R&D department had discovered that one of their pharmaceutical products (Mectizan) cured river blindness in addition to what the product had originally been designed for. River blindness is a disease found only in very poor countries, mostly in Africa, although some Asian countries are also affected. It is a river-borne disease and, as you can tell by its name, it blinds people. The particular medication that Merck discovered can cure this condition is quite inexpensive and easy to administer, unlike most HIV drugs. It is an affordable product that can make a huge difference in the lives of the people who are affected. However, if their condition is left untreated, they end up losing their vision.

I do not think that there is such a thing as leadership without courage, either in education or business

The problem was that, in the strict sense of the term, there was no market for the medication because the people who needed the drug were extremely poor and had no money to buy it. In traditional business logic, you do not produce a drug that cannot generate profit. The researchers therefore feared that they would be told to go back to their labs and come up with something that would make money. The researchers chose to go directly to the CEO. The CEO knew that if he took the idea to the board, the board would reject the idea of producing a medication that couldn't make a profit. While he considered what to do, he remembered the founder's reason for starting the company. The founder had set up the company in order to create a healthier world. The CEO immediately realized that giving the product to the people who most needed it, not matter how poor they were, fits exactly with the founding principle of the company.

As a business leader, he was not just a person who cared about values but also a very strategically smart CEO. Instead of going to the Board, he went directly to the press. At a press conference, he announced that Merck had discovered the drug and that they were going to give it away for free. The press featured the initiative, highlighting the positive role of the company. The board was furious but it could not do anything. They could not say, "We are awful people and we could not care less about sick people". They could have privately denied permission to offer the drug to the poor people who needed it, but they couldn't do it publically. Almost immediately, Merck's employees started talking about what the CEO had done and started proudly telling their relatives and neighbors about what company they worked for had done: they worked for a company that was willing to develop a drug to take care of poor people. Very soon, the number of people applying for positions at Merck escalated markedly. The retention rate also skyrocketed. People felt great about working for a company that dared to care. As a result, Merck actually made money because of their decision. The CEO did not make the decision in order to boost the bottom line, but ultimately, that was the result. The company did well by doing good.

I think that we have to back off from what is called "the great trade-off illusion". It is the illusion that there is always a trade-off between doing good and doing well. It is the false belief that doing good and doing well are at opposite ends of the spectrum. The false belief is that the more good I do, the less money I will make. The central business question for the 21st century is how can we do well by doing good. Merck, in its approach to river blindness, is certainly a role model. I think that is what our business schools need to teach.

That is a fascinating story. The chief executive officer anticipated the reaction of the board. He had the courage to do something in a new way. If this is what business schools should teach, can it be done with our current faculty?

I am asking this because we have a CEEMAN program called IMTA: International Management Teachers Academy. Its slogan is "a new generation of management educators for a new generation of leaders". We believe that we need a new type of leaders who are not decision makers but designers of a better future. What kind of faculty do we need for this purpose?

I think that your program is important. If we take each of us as professors the way we are now, and continue how we have been rewarded for the last 20 to 30 years, we will not get the kind of teaching and learning that we need. But if we invite those very smart and committed professors into an environment in which they can learn, I think it is possible. I do not believe it is possible for all of our current faculty to change, but it is possible for most.

Let me give you an example. You brought out a word that is hugely important to me: courage. I do not think that there is such a thing as leadership without courage, either in education or business. I think that leadership is always about being willing to be out there alone because you believe in something even if nobody else recognizes its value. Personally I have struggled a lot with the question of how courage can be taught. You certainly do not give people an article to read, expecting that it will make them more courageous. Even a book with a series of articles will not make people more courageous.

I experimented with asking managers to read about leaders whom they admired and to write about response to situations that demanded courage. The stories were interesting, but they did absolutely nothing to bring out in the participants. The leaders were viewed as being on a pedestal. What Desmond Tutu or Mother Teresa did was seen by the managers in my programs as having nothing to do with them personally. I had to admit that this approach had also failed.

it is important for us, as professors of business, to think whether we believe enough in what we are teaching to stick to our values

Then I decided to ask managers to think about a time when they were challenged to act courageously. Ideally, this would be an event in their professional lives. They then wrote a "courage story" describing the situation, how they responded, and whether what they did was successful or not. The stories were not focused on success but rather on how one deals with the world when it invites you to act courageously. I asked the managers to write a two-page executive summary focusing on the essence of what happened. When they returned to the seminar, I asked them to share their stories with their colleagues. The result was transformational. All of us had previously seen each other as a finance person or an accountant or that person who is great at marketing. None of us knew the stories of who each of us really was – none of us knew the person underneath the professional. No one left the room without knowing that they and their colleagues were capable of acting in hugely important, courageous ways.

Once I was teaching an international group of executives in Tokyo. One of the Swiss gentlemen told us that the most challenging moment in his

life had been when he had to tell his son that he had served time in prison. He knew he had to do it in a way that neither pushed his son into being a criminal, nor destroyed his son's image of his father. Everybody in the group was shocked. This chief executive officer has been in prison! He told us that after he had worked as an engineer, he was supposed to serve in the military. However he was a conscientious objector. His choices were to go to prison or serve in the military. He chose the prison. What he told his son was that there are times in life when your values are so important to you that even though you do not like the consequences, you have to act on principle and accept the consequences.

Look at political leaders who take office even though they know that they might be assassinated. Some even have had members of their family who have been executed, and yet they still choose to serve their country at the highest level. Think of Benazir Bhutto choosing to become president after her father, the founding president of Pakistan, was hanged. Think of president of Sri Lanka, Chandrike Kumaratunga, whose father was murdered in front of her when she was only 11 years old. Later, her husband was also assassinated. She still chose to lead Sri Lanka.

I think that it is important for us, as professors of business, to think whether we believe enough in what we are teaching to stick to our values even if it means risking not getting promoted, not getting tenure, or even potentially losing our jobs. This has not been a part of our conversation today, but I think that we should think about these things before we work with the managers in our programs. Only then can we invite them to participate in the same community of courageous conversations and ask them what they would be willing to do even if there were very severe consequences – only then can we talk about the two key aspects of leadership – courage and commitment.

I like this concept of "community of conversation". CEEMAN is an example of this. We have 170 members from 42 countries. We all have our own stories and I think that we have enough courage to share them among us. How exactly should we do that in order to contribute toward the creation of a better world?

Your question makes me think of New York University's Film School, which is one of the top film schools in the world. Every year they teach a course to which they invite some famous alumni. Each famous alumnus is asked to bring a film that was a total failure. In the course, they discuss what went wrong, how it went wrong, and why. By creating that courageous conversation that includes publicly admitting failure, they create a community in which it is OK to fail.

Harvard Professor Howard Gardner conducted research on what he called leading minds. He

studied leaders in various sectors: military, government, business, and arts and science. He found that these people who had a huge influence on the world had only three things in common. One was that they profoundly knew who they were. They did what they loved and were good at. They did not try to be Renaissance people. Einstein, for example, did not try to write symphonies. Picasso did not try to develop a theory of relativity. These extraordinary leaders took more risks than did ordinary people. That means that they also failed more often than did others. But they were extremely good at learning from both their successes and failures and they rarely repeated the same failure.

One thing that you can discuss in CEEMAN is the experiments that you are trying and the risks that you are taking. What did not work and what did you learn from it? Our normal behavior is to boast about what is working and talk about what will continue to work. We don't highlight the risks; we rarely talk about the failures, and we very infrequently publicly discuss what we learned from our failures.

Since the beginning of the most recent financial crisis, I have been asking colleagues from various business schools how they have been affected. In most cases, enrollments for degree programs are up, whereas executive education is suffering. Still, some people have been telling me that their school is doing just fine. I have noticed, however, that people who know me well enough to be truthful are more likely to admit that things are not going the way they would have liked. People who don't know me well, focus on what is going right.

I think that the CEEMAN members should get to know each other well enough so that you can hold courageous conversations based on truth. Otherwise, we can easily find ourselves colluding in the illusion that everything is going well ... until it dramatically falls apart.

Good leaders have one other behavior in common. They reflect; they hold conversations with themselves on a daily basis. Part of the reason that I created the Leadership Insight journal that is going to be published next year by Routledge is to invite people back into a reflective space so that they can have quiet conversations with themselves. I have interwoven art into the journal because I want to spread the concept that we should view our ideas as beautiful and worth presenting rather than always simply accepting other people's ideas. We have to eventually to come back to our own intuition and perception of what we really need in the world. Those of us who live in the privileged parts of the world know that we are not going to save the world simply by having more things, more money, and more technology.

By Milenko Gudić

17th CEEMAN Annual Conference

"Local Responses to Global Crisis"

24-26 September 2009, Riga, Latvia

CEEMAN's 17th Annual Conference was held on 24-26 September 2009 in Riga, Latvia. The general theme of the conference was "Local Responses to Global Crisis". The host institution of the conference was Riga International School of Economics and Business Administration (RISEBA) and its Dean and Rector, Irina Sennikova and Boriss Kurovs.

The event gathered 130 participants from 30 countries to discuss how to best respond locally to the challenges and opportunities of the global crisis. As traditional for CEEMAN annual conferences, the general theme was elaborated in several inter-related aspects.

Corporate views on global threats and opportunities were presented and discussed in order to identify key leadership challenges and their implications for business education and leadership development.

Finally, the conference tried to answer the question on how business schools are dealing with the global crisis. On one hand it was interesting to see how they respond to the changing needs of their customers by adapting their educational programs and processes while on the other how they respond to the challenges and opportunities of the global crisis from the institutional point of view as businesses in their own right.

In this context, one of the key questions addressed by the conference was the extent to which the impact of the global crisis and the various responses are and could be universal and whether and to what extent the responses should be local and adapted to specific needs and capabilities.

In order to better understand concrete economic, political, and social realities the conference participants were in position to learn from Andris Vilks, Chief Economist at SEB Bank and advisor to the Prime Minister of Latvia, about the huge impact of the global crisis on Latvia and other countries from the Baltic region as well as about their respective public policy responses.

The CEO Panel led by Virginijus Kundrotas,

President of the Baltic Management Development Association (BMDA), Lithuania, provided a deeper insight into business realities of five companies of different size operating in different economic sectors in four countries that were hit by the global crisis in different ways.

Katrine Judovica (Chairperson of the Board, Narvesen Baltija Ltd, Latvia), Janez Škrabec (General Director, Riko, Slovenia), George Logush (Vice President, Kraft Foods, Ukraine), Gleb Ibragimov (Vice President, Diana Holding, Russia) and Matej Potokar (CEO, Microsoft, Slovenia) presented corporate views on the crisis and the role of business schools.

They covered a number of different business issues and managerial and leadership challenges in their companies, which range from the retail, kiosk and convenience store sector, food and beverage, dry-cleaning and industrial laundry, and global project management business, to the global software sector whose business model is based on the success of numerous partners worldwide.

The panel presented a whole spectrum of different direct and indirect impacts that the global crisis has had on various sectors and industries, including in some cases a dramatic 40% drop in total revenues after having experienced years of 20% annual growth.

In developing responses, companies understand that two simultaneous actions are needed. On one hand there should be a continuous effort to reduce costs and improve operational excellence while on the other companies need to continuously rethink and innovate their business models and concepts.

In a period of general divestment good companies find windows of opportunities for new investments. In this respect customer focus and customer loyalty are the highest priority. This also presumes the concept of internal customer and internal talent development and loyalty. Flat organizations rather than functional silos facilitate internal communication, flexibility, and proactive attitudes.

CEO Panel





Nancy Adler

The role of leadership is to provide vision based on a realistic perception of the reality and understanding of future development patterns and trends. Positive signals to the environment are also important, particularly in times of crisis.

Tolerance for change and ambiguity are essential while good communication enables leaders to get people involved and motivated.

The best companies recruit for brains and train for skills. Retaining and developing talent is crucial. Experience shows that it can successfully be done both internally and in cooperation with other learning partners, business schools in particular. In this respect better connection, dialogue, and closer cooperation between business and business schools are very important. But business schools also need to change and be more responsive.

Jim Ellert, Professor Emeritus and Former Dean of Faculty, IMD Lausanne, Switzerland, presented reflections from the Deans and Directors Meeting on Business Schools Responses to Global Crisis.

They were organized around the four sessions of the meeting. In addition to a general assessment of the impact of the global crisis on business schools, Professor Ellert summarized how business schools respond by adapting their educational programs to the changing needs and priorities of their customers and also how they react as businesses in their own right, by responding to their own institutional needs.

He also conveyed the importance of the principles of responsible management education, which was discussed in the context of a broader social responsibility of business education and the leadership development industry.

The conference keynote speaker, Nancy Adler, one of the world's leading authorities on leadership and organizational development and intercultural management, provided a highly inspirational input on the challenges and opportunities related to management education responses to the global crisis.

She suggested asking ourselves how we got into this mess in spite of having an international com-

munity of scholars, leading scientists, business leaders, and government people.

In this context she emphasized the role of education in general and business schools in particular, since the quality of the world's leadership depends on the quality of the learning environment that we create for our students, whether they be chief executive officers or 20-year-old undergraduates. In this context, one of the main roles of education in general, and certainly of business education, is to help people reposition themselves and see the world anew.

Professor Adler drew an interesting parallel between leaders and actors, who - according to her - have three very fundamental things in common.

The first is that they both have the courage to see reality as it actually is even when others are refusing to see that reality.

Second, they have the ability to envision possibility even when others label them as naive because the reality looks pretty dismal to them.

Third, they have the courage to inspire large groups of people to move from the current reality back to possibility.

Related to this is the question whether we, as management educators, have the courage to see what is going on in our own management schools. After providing inspirational examples of what and how business schools could do differently, including learning from other disciplines and fields, she stated her strong belief that only by investing in the artistry of humanity will we be able to create the peaceful, prosperous planet that not only we deserve but our children and our children's children deserve as well.

She added that it is not surprising that a lot of the leading art and management conversations are coming out of this part of the world (emerging economies). This is because it is precisely here that business school leaders see what is going right in the world and what is not.

The conference parallel workshops explored in more detail how businesses are dealing with the global crisis and what are the educational and institutional challenges and opportunities in various segments of business schools' educational portfolio.

These segments included: undergraduate programs (session moderated by Tatjana Volkova, Rector, BA School of Business and Finance, Latvia), MBA programs (moderated by Wil Foppen, Associate Dean, Maastricht University School of Management, the Netherlands), executive programs (moderated by Fedor Ragin, Advisor to Rector, IMISP, Russia), and corporate programs (moderated by Sergey Myasoedov, Dean/Director, IBS-Moscow, Russia).



Derek Abell

Derek Abell, Professor Emeritus, ESMT - European School of Management and Technology, Germany, talked about the commonalities and local responses from governments, businesses, and business schools.

Professor Abell said that companies respond to the crisis at three different levels.

At the first level, we see a tactical response. It is a response to threat more than opportunity.

Second, companies that operate at the strategic level tend to see much more opportunity than threat. They reposition themselves, improve their products and services, and invest selectively.

The third level is the "principled responses", where companies stick to the visions that they are pursuing, the values that they believe in, and the purpose around which the company has been built.

One could find parallels in the public arena where we can see countries with reserves that have managed to ride out the crisis simply because they have money in their pockets. The second group consists of countries that do not have resources but feel they can tap either the bond market or the printing press. The third category consists of countries that do not have money or any other reserves to fall back on. They have no other alternative but to tighten their belts. They have to make cuts and raise taxes.

Professor Abell emphasized his belief that the global crisis stems from a breakdown in leadership. It is a fundamental problem. Leadership has to be capable of dealing with and resolving several dilemmas. One of them is: should we pursue the bottom line today or build for tomorrow?

Another dilemma is how to reconcile risk and return. There is also the dilemma of the business agenda versus the societal agenda. The fourth dilemma is the reconciliation of personal goals and business goals. The fifth dilemma is the reconciliation of ethical and business issues.

This requires leaders to learn how to wear three hats interchangeably.

The first one is the hat of a manager. It is a performance-orientation hat. It is about getting

results. It is about being tough and disciplined and performing.

The second one is the role of mover and shaper. This means bringing the company into the future, which involves transforming, innovating, and building.

The third is the role of governor. Leaders have to provide a governance framework. Business schools have an important role to play in forming such complex leadership.

An integral part of the program was the speech that Dr Ichak Adizes, Founder and Director of the Adizes Institute, USA, delivered during the gala dinner.

Describing the global crisis as another example of disintegration, he pleaded for more integration, both horizontally and vertically. Management is about working with people. That is what we have to teach. Instead, we are training people who will eventually become consultants and investment bankers, people who know how to analyze reports and make presentations. We are not training leaders of change.

We need to teach people how to resolve conflicts; we need them to know how a leader behaves. And how does a leader behave? With a small mouth and big ears – not the other way around. A leader knows how to integrate diversity of opinions and styles, how to help people disagree without being disagreeable. A leader is capable of building and nurturing a culture of mutual trust and respect – a culture in which people are not afraid to speak their minds.

In Dr Adizes' view, CEEMAN does not need to copy Western management education approaches and practices. That would be just like copying the flat-Earth theory of management. That is wrong.

Instead, CEEMAN should clean the dust off the books on industrial democracy. It is time to revive this old idea. Schools need to teach future leaders to listen to the workers and to each other, to manage more by pride in teamwork and less by worshiping numbers. We have to be "together." Integration is the secret of a healthy organization, and that is how we will turn a crisis into an opportunity and succeed in the future.

CEEMAN Deans and Directors Meeting "Global Crisis and Business Schools Responses"

The CEEMAN Deans and Directors Meeting was held on 24 September at the venue of the 17th CEEMAN Annual Conference, Hotel Maritim, Riga, Latvia. The topic of the event, chaired by Jim Ellert, Professor Emeritus and Former Dean of Faculty, IMD Lausanne, Switzerland, was "Global Crisis and Business Schools Responses".

The meeting was structured in four parts. In the first part Milenko Gudić, Managing Director of IMTA, CEEMAN, and Al Rosenbloom, Associate Professor from Dominican University in the US, introduced the CEEMAN survey on Business Schools Responses to Global Crisis, which CEEMAN carried out in the summer of 2009. This was followed by two panel discussions.

The first panel was on how business schools respond by adapting their educational programs to the changing needs of their customers. The panel was based on the respective findings from the survey, presented by Al Rosenbloom, and two concrete business schools cases presented by their leaders: Irina Sennikova, RISEBA, Latvia, and Leonid Evenko, Graduate School of International Business, Moscow, Russia.

The second panel dealt with the question of how business schools respond as institutions, as businesses in their own right. The input on the survey results was provided by Milenko Gudić, while Nakiye Boyacigiller, Dean of Faculty of Management Sabanci University, Istanbul, Turkey, and Nerijus Pačesa, President, ISM University of Economics and Management, Vilnius, Lithuania, presented the cases of their respective schools.

The meeting wrapped up with a discussion on how the principles of responsible management education could be integrated into effective responses to the global crisis. The input for this was provided by Manual Escudero, Senior Advisor to United Nations Global Compact and Executive Director of PRME (Principles for Responsible Management Education).

Below are reflections from the Deans and Directors' Meeting, which Jim Ellert presented on the main conference day in Riga.

CEEMAN Survey on Business School Responses to Global Crisis

The survey was an ambitious project with a very favorable response rate. There were 179 respondents. A little bit more than 20% of these came from Central and Eastern Europe, Russia and its neighbors, and the Eastern Mediterranean region. In total 47 countries were represented in the survey.

Most respondents described themselves as faculty with some administrative responsibilities. Among the main results that reflect some consensus among the respondents or their majority views, are the following:

- Most respondents believe that this will be a long-term crisis rather than a short-term one. The crisis seems to have had an even impact across countries. The answers to the question of whether survey participants had felt a stronger or weaker impact compared to other countries were not region-dependent. For example, in Western Europe respondents from Spain and the UK thought that the impact had been more severe for them than for other countries. In Central and Eastern Europe, respondents from Hungary and Latvia expressed a similar viewpoint.
- Respondents were asked what, in their view, contributed most to the current crisis. The responses that had the highest point counts included finance and economics and a lack of corporate leadership. However, by far the largest agreement was around shortcomings with respect to business ethics.
- Respondents were generally critical of the way that we teach in business schools. There was a feeling that we simplify too much in developing our theories and that we are too "bottom-line" focused rather than being more broadly focused on society.
- There was a wide range on responses to the question of whether business schools are to blame for the crisis in terms of what we are doing in the classrooms. There was general agreement that we are to blame to some

Jim Ellert





Milenko Gudin

extent. However, respondents stated that there is not very strong pressure coming from external stakeholders as originators of pressure for change within business schools.

- The majority of respondents held the view that the level of competition among business schools has been declining and will continue to decline in the foreseeable future.
- In the plenary discussion that followed some conference participants expressed surprise at this finding. Many of the participants saw it the other way around. Competition is increasing, particularly across borders.
- There was also surprise at the lack of sensitivity to external pressure for change. Participants were critical of the deficiencies in contemporary financial theory, expressed the need for a broader societal role for business schools, and also the need to learn more from past experience. It was advocated that business schools need more involvement with learning rather than with earning and securing favorable financial results.

Responding to Customers Needs: Implications for Faculty, Research, Educational Programs

Al Rosenbloom presented the survey findings on business school responses related to customer needs. A majority of survey respondents cited curriculum changes as a result of the crisis, particularly for corporate education but less so at the undergraduate and masters level. The indicators were new cases and new assignments related to the crisis with a stronger emphasis on cross-disciplinary approaches.

Some schools have also added courses in the area of ethics and corporate social responsibility, leadership, cross-disciplinary approaches, financial crime, financial regulation, financial reporting, and financial derivatives.

For the most part, survey respondents indicated no changes in the level of faculty recruiting during the crisis but with an expectation of a slight decline next year. They also reported that there

had not been much change in terms of research support that had been provided during the crisis.

The two panel speakers, Irina Sennikova and Leonid Evenko, focused on what they described as unique environments - Latvia and Russia - although it seemed that there were more similarities than dissimilarities in the approaches that they described. Both mentioned new program initiatives.

For example, Irina Sennikova spoke about creative programs. As an example she gave Art as Business, which is a new program at her school. Leonid Evenko spoke about changes in program design. There is more emphasis at his academy on project-based learning as a consequence of the crisis, as well as more emphasis on e-learning.

Both panelists argued that quality pays. This was a recurring theme in their presentations. Business education was viewed by the panelists as an international operation because it involves competition with foreign schools not just local ones.

Both panelists recognized that portfolio diversification pays in times of changing enrollment patterns and gave specific examples from their own schools. Both emphasized the need to pay closer attention to cash flows and cost and process efficiency as a consequence of the global economic crisis.

Additionally, Irina Sennikova developed the theme that the crisis provides opportunities. She noted that because of the fall in real estate prices, her school is now able to build a new campus.

The plenary discussion revealed significant differences in pricing approaches among schools.

The majority view was to stay firm on prices in order to protect the quality, image, and standards of business education. Some argued that, although prices are being maintained, there are hidden discounts. Examples cited included expansion of scholarship funds or changes in the terms of payment that have a real impact on the cost of the program. At the other extreme we also heard a viewpoint that business schools need more pricing flexibility to suit the realities of this dynamic period.

There was some discussion on the growth of English-language courses. Most participants acknowledged that these courses are expanding in number. However, some speakers indicated that domestic languages will remain important because there is very significant demand for tuition in these languages. The issue of Chinese was also brought to the table. Some participants felt that it was time to start teaching in that language too because of China's rapid economic growth.

Responding to Internal Business Needs: Institutional Responses

Millenko Gudić updated the meeting on the final set of responses from the CEEMAN survey.

Respondents had been given a series of questions about the survival of business schools in the face of declining revenues. One question was, "If revenues drop 5% or 10% or 20%, how many years do you think you can survive?"

The majority of respondents felt that their schools could survive more than three years even if the fall in revenues was 20%. Also, they did not expect a significant decline in undergraduate or masters program enrollments in the short term. But the story was quite different when it came to executive education where revenue decreases were expected for this year and next.

A modest pressure on operating cash flows was reported in the survey results. The dominant pattern in tuition fees was "no change". However, the tails of this distribution were very wide in relation to most other questions. There were significant tails in the survey responses indicating some plans for discounting prices and some plans for increasing prices during this period. Respondents answered that sponsors are putting more money into business schools during the crisis. This is an encouraging indicator. Respondents generally expected no change or a modest decrease in research and development funding, capital expenditure, and marketing expenses over the next year although there was some indication that capital expenditure may rise. A panel discussion followed with Nakiye Boyacigiller (Turkey) and Nerijus Pacesa (Lithuania). Both prefaced their remarks by stating that their country situations might be unique. Nevertheless we saw a lot of similarities once again.

Nakiye Boyacigiller said that in Turkey there is an inadequate national supply of business education and limited means to pay. Competition is increasing in order to attract the best participants. She also explained how demographics shape enrollment patterns. Currently, undergraduate programs are in great demand in Turkey.

Nakiye Boyacigiller



Nakiye Boyacigiller also stressed the importance of scholarships for the best students in her market place.

Nerijus Pacesa stressed the high demand for quality programs and the importance of portfolio diversification during a crisis. In his particular case, decline in in-company enrollment was fully offset by increases in open program enrollments during this year. He also talked about demographics, which is favoring the MBA generation in Lithuania rather than the undergraduate generation. Finally, he stressed the need for short-term responses while maintaining research and development and fostering leadership as a differentiating factor.

The plenary discussion focused on providing value for money rather than pricing. Training of administrators was also mentioned as a way of dealing with the crisis. Offering free seats in programs with limited enrollments to keep corporate clients was also mentioned. Once again, the issue of what business schools should do for society was raised.

PRME in Response to Global Crisis

In the final session Manuel Escudero explained the importance of the PRME initiative and noted CEEMAN's pioneering involvement in providing the first sign-ups to this initiative. He reviewed the six PRME principles and their compatibility with long-term corporate objectives as well as societal objectives.

He stressed the need for periodic progress reports from participating organizations, suggesting an eighteen-month cycle and challenged the members of the audience to become even more involved in introducing PRME principles in business school curricula. He concluded by stating that business school leaders need to lead the PRME initiative whereas business school faculty members need to be the change agents.

During the plenary discussion Danica Purg reaffirmed CEEMAN's support for PRME, expressing hope and confidence that the number of participating organizations could be significantly increased.

CEEMAN Annual Meeting 2009

The CEEMAN Annual Meeting 2009 was held on 26 September in Riga, Latvia, at the premises of RISEBA, the host institution of the 17th CEEMAN Annual Conference.

In her opening remarks, Professor Danica Purg emphasized that the past academic season had seen a new momentum in CEEMAN's work and enthusiasm that resulted in a very successful continuation of the association's major programs and activities. Several new initiatives had been introduced that would have a longer-term impact in the years to come. Despite the global crisis and its implications CEEMAN recorded an exceptionally successful year in all aspects of the association's performance and development.

Professor Purg presented the Annual Report of activities performed in the period September 2008-September 2009, including the financial results, while Milenko Gudić and Olga Veligurska provided additional details on some of the past and on-going activities and projects.

Below is the summary of the Report.

With a total number of 347 management educators from around the world who attended IMTA in its first 10-year cycle, IMTA has confirmed its high position among the major faculty development programs in the world. The IMTA Alumni Survey and feedback received from IMTA alumni and their institutions confirmed its world class content and revealed unique features that make IMTA distinctive. The co-sponsors of the program recognized its increasing impact and its multiplier potential and decided to extend their co-funding for the period 2010-2014 when the program is scheduled to achieve full self-sufficiency.

OSI HESP also provided co-funding for the implementation of a series of five IMTA-related modules on developing education materials. The series of three modules on case writing and two modules on research and publishing will not only enable participating faculty to develop and improve their respective skills but will also result in the development of world-class educational material to be used in business schools worldwide.

The IMTA Alumni Association has and will continue to play an important role in ena-

bling CEEMAN's faculty development efforts to achieve even higher and broader impact. The 4th IMTA Alumni Conference provided an innovative format that could further facilitate faculty exchange, joint research, and other collaborative programs among IMTA alumni and their institutions.

CEEMAN recorded an extensive research effort in the last academic season. Its survey on poverty reduction and management education received a strong response, including requests for replicating it in other parts of the world, as well as offers to lead the poverty-related efforts within a special working group of the UN Global Compact on PRME. A CEEMAN survey on business schools' responses to global crisis provided substantial inputs for the 17th Annual Conference on Local Response to Global Crisis in Riga. It also provided valuable material for rethinking management education development and the role that CEEMAN members and the association can play in making innovations in leadership development for a better world. The global coverage of CEEMAN research efforts in the academic year 2008/2009 additionally improved the visibility of our association, its competences, value platform, and pioneering efforts in some of the critical areas that the world is facing today.

Research effort was also invested in improving services to members. CEEMAN member survey provided highly useful information and ideas for the conceptualization and implementation of the on-going project on the new CEEMAN portal. Based on its results, concrete business specifications have been developed and are now used by a professional IT developer to design a new portal, which will enable highly interactive communication with members and better service, while also introducing several important innovations such as various knowledge management platforms and a unique online dictionary of CEEMAN member schools.

CEEMAN's publishing activity was very extensive. In addition to CEEMAN surveys, several publications devoted to the celebration of the 15th anniversary were also published. Among them is the *CEEMAN Dialogues*, a collection of interviews on emerging business issues, leadership challenges, and implications for management development with leading authorities and CEEMAN experts, which was published in cooperation with Emerald. New brochures on CEEMAN and its major programs and activities were published and distributed, while video-taped presentation from the 16th CEEMAN Annual Conference were made available online.

CEEMAN's Program Management Seminar, accreditation (with the first Western school getting accredited by IQA), Case Writing Competition (with a record number of submissions), the forthcoming ExEd forum to be held in



CEEMAN Annual Meeting

Trieste, support to member activities, and other activities continue to contribute to the fulfillment of CEEMAN's mission while at the same time attracting new members and strengthening the networking potential of the association. In the past academic season CEEMAN gained eight new institutional and corporate members from eight countries.

The value of this potential has been recognized internationally by a growing interest from other associations in cooperating with CEEMAN and developing joint projects and activities. CEEMAN co-organized the EFMD's International Deans Program 2008/2009 while our association is also among the three founding partners of the Challenge:Future, a global youth competition project in open innovation, which is aimed at bringing together creative young students, mentors, faculty, business schools, innovative corporations, and ideas from around the globe.

CEEMAN ended the 2008/2009 academic season with an operational surplus of €24,237.

In the second part of the meeting Professor Purg provided information on future plans and priorities. In this context she particularly emphasized the following:

- CEEMAN activities in the future will be focused on management education and leadership development in dynamically growing economies and setting high standards of quality. In this respect, IMTA, as the major European faculty development program, will stay in the centre of attention. New IMTA-related activities on educational material development, supported by OSI HESP, will further improve not only participants' capabilities but will at the same time produce highly relevant world-class case material, research, and publications. This will create a solid basis for the development of new programs and activities.
- The CEEMAN conference, to be organized in Berlin in spring 2011 in cooperation with RABE and other management development associations, will be a good opportunity to contribute to the knowledge on emerging economies and the related leadership challenges and

achievements while at the same time promoting the CEEMAN network as a platform that could attract the attention of business and other leaders in Western Europe and in the rest of the world.

- CEEMAN should build its future on its unique value platform, which is supporting efforts aimed at the development of a new profile of business and other leaders who should demonstrate ethical behavior, better understanding of the role of business in society, and higher responsibility towards achieving sustainable development and a better future for society at large. CEEMAN will continue its work in the PRME area, building on recent CEEMAN survey on poverty reduction and management education. CEEMAN will launch new activities while also sharing research results through various international conferences, including those organized in cooperation with UN Global Compact and other organizations.
 - CEEMAN is planning to reinforce and further develop its cooperation with other major national, regional, and international associations in the area of management development (most importantly with those from the region, such as RABE, FORUM, BMDA, CAMAN, and others) but also with those outside (EFMD, AMBA, AACSB, and others), including the organizations that support and develop activities on a similar value platform (EABIS, UN Global Compact, and so on).
 - CEEMAN is also planning to develop stronger cooperation with international organizations such as the European Commission and other European Union institutions. On one hand this will provide opportunities to have a stronger voice on behalf of business education and the leadership development industry while on the other his could yield better access to important sources of funding for various international research and other projects in which CEEMAN could participate and take a leading role.
 - CEEMAN could do more in future in supporting the development of high-quality management education and provide expertise and advice to governments and other organizations interested in establishing and/or developing management and leadership development institutions. With this aim CEEMAN will establish a special task force.
- In the context of future activities, a calendar of CEEMAN events was presented with an invitation to all CEEMAN members to participate in and benefit from high-value events and activities planned for 2010 and beyond, which include:
- CEEMAN ExEd Forum on Executive Education and Entrepreneurship Development, scheduled for 26-27 November 2009 at MIB School of Management, Trieste

- IMTA Module on Case Writing, scheduled for 1-3 February 2010 and 31 May - 1 June 2010 at the IEDC-Bled School of Management
- Program Management Seminar to be held on 10-12 March 2010 at the IEDC-Bled School of Management
- IMTA 2010 to be held on 6-18 June 2010 at the IEDC-Bled School of Management
- IMTA Module on Research and Publishing, to be held on 2-4 June 2010 and 7-8 February 2011 at the IEDC-Bled School of Management

On behalf of the AI Cuza University of Iasi, Faculty of Economics and Business Administration, Marin Fotache, Vice-Dean, proposed to host the 5th IMTA Alumni Conference in May 2009. The proposal was approved by the CEEMAN Assembly. Further details on the event will be published in cooperation with the IMTA Alumni Association while IMTA management will provide necessary advice and support.

CEEMAN members interested in hosting the 18th CEEMAN Annual Conference scheduled for end of September 2010 were invited to prepare and submit formal proposals.

After the Annual Meeting, Randy Kudar, CEEMAN Accreditation Director, informed on the current status and process of the CEEMAN International Quality Accreditation.

14th CEEMAN Case Writing Competition results

The winners of the 15th CEEMAN Case Writing Competition, organized in cooperation with Emerald, are Francis Bidault, ESMT, Germany, and Geneviève Féraud, UNCTAD, Switzerland, for their case *Auchan in Syldavia: Formulating a Strategy for the New Subsidiary*.

The case evaluation committee, consisting of Vladimir Nanut, MIB School of Management, Italy, AI Rosenbloom, Dominican University, USA, and Bern Beatty, Wake Forest University Babcock Graduate School of Management, USA, found the winning case to fit well the competition's criteria for the case and teaching note. The case was based on primary research and will add significantly to the literature on current business issues and leadership challenges.

Professor Bidault received the €1,500 awards co-sponsored by Emerald Group Publishing and CEEMAN on 25 September at the gala dinner of the 17th CEEMAN Annual Conference. The winning cases will be published in one of the prestigious Emerald journals or other editions.

When receiving the award, Professor Bidault expressed his thanks to the coauthor of the case, Geneviève Féraud, but also to the company that opened its doors for the case research, whose learning outcomes are relevant for a broad international audience involved in business education and leadership development.

He also expressed thanks to CEEMAN and the CWC jury for selecting his case study as a winner in the 2009 competition, emphasizing that the decision of the jury made him particularly proud when he saw who else was in the competition. Professor Bidault also expressed his readiness to teach the case at CEEMAN member institutions.

The 15th CEEMAN Case Writing Competition received 19 submissions from a total of 37 authors and co-authors from 14 institutions in 14 countries (Bulgaria, China, Estonia, Germany, India, Ireland, Kyrgyzstan, the Netherlands, Slovenia, Spain, Switzerland, Turkey, Uganda, and the US).

They covered a number of important issues related to business practices and managerial and leadership challenges in different industries and different environments.

Vladimir Nanut delivering the CWC award to Francis Bidault



Entrepreneurship Development: If It Cannot Be Taught, It Can Be Learned

CEEMAN ExEd Forum on Entrepreneurship Development

26-27 November 2009, Trieste, Italy

The third CEEMAN ExEd Forum "Executive Education and Entrepreneurship Development" was held on 26-27 November in Trieste, Italy. The host of the event, which gathered 42 participants and contributors from 18 countries (Austria, Australia, Belgium, Bulgaria, Croatia, Czech Republic, Estonia, France, Germany, Italy, Latvia, Montenegro, the Netherlands, Poland, Serbia, Slovenia, Switzerland, and Russia), was MIB School of Management and its Dean Vladimir Nanut.

In her opening words CEEMAN President Danica Purg noted that the first two events on executive education, which CEEMAN organized in 2007 and 2008, were held at the time when executive education was the fastest-growing segment of business schools' activity portfolio, although their share in the dynamically growing market was only fractional.

Another reason for putting executive education on the agenda of CEEMAN events was CEEMAN's belief that through executive education business schools could make the fastest and perhaps the highest impact as change agents.

In 2009 the market has changed dramatically. The global crisis also hit business schools and their operations. The CEEMAN Survey on Business Schools Responses to Global Crisis shows that executive education and corporate programs were the segments of the business schools portfolio that are experiencing the greatest contraction.

On the other hand, the survey also showed that in their attempt to respond business schools are trying to refresh and renew these programs. In this context, they are placing much higher emphasis on entrepreneurship development and other programs aimed at helping companies achieve new competitive advantage and growth opportunities.

Vladimir Nanut, Dean and Director of MIB School of Management, expressed his pleasure in hosting another CEEMAN event on the topic of entrepreneurship development.

Nine years after the 8th CEEMAN Annual Conference on Entrepreneurship on the Wave of

Change, we have an opportunity to revisit the key issues related to entrepreneurship development. They have changed over time, as is evident from the north-eastern part of Italy.

Once considered as a model for successful entrepreneurship development, this region is now facing new challenges but also new opportunities. For some of them, MIB School of Management has developed special MBA, masters, and executive programs.

Milenko Gudić, IMTA Managing Director, who moderated the Forum, provided a conceptual framework for the Forum, suggesting several key points to be addresses.

Since the notion and perception of opportunity is not limited to personal traits and predispositions, entrepreneurial culture and behavior could also be encouraged and strengthened at the level of large corporations, institutions, regions, and societies.

Innovations, as drivers of entrepreneurial actions, could be related to products, processes, and markets, but also to organizational/institutional arrangements.

While new answers to the question on who, what, how, and why to do new things in business are in the very foundations of entrepreneurship, the same applies to business schools and their programs for entrepreneurship development.

The existing parallels between entrepreneurship and leadership call business schools to inter-relate the respective executive programs. Harvard Business School, on the eve of its 100th anniversary, abandoned its general management course, which has been the backbone of its MBA program and the key element of its identity and differentiation. It replaced it with a course entitled The Entrepreneurial Manager.

On the other hand, the lessons learned from the current global crisis call for responsible leadership and for sustainable development. Both entrepreneurship and executive education for entrepreneurship development should respond to this.

Andrea Tracogna, Deputy Dean of MIB, provided a speech on key issues and challenges related to entrepreneurship development. Emphasizing the economic, social, and political benefits of entrepreneurship, he also talked about factors influencing attitudes towards entrepreneurship.

Although entrepreneurial initiatives may face different challenges and therefore have different needs, depending on whether they are necessity or opportunity driven or at various stages of their development, there should be a favorable climate for entrepreneurship development, to which all learning and other partners in the specific entrepreneurial eco-system could and should contribute.

This also refers to the issue of whether or not entrepreneurship should be taught, and whether it could be learned.



CEEMAN ExEd Forum on Entrepreneurship Development at MIB

Enrico Tomaso Cucchiani, Member of the Board of Management of Allianz SE, Chairman of Allianz SpA, and Chairman of MIB, expanded on this by providing a very inspiring speech on how to leverage entrepreneurial values in a global company.

Referring to excessive and irresponsible entrepreneurship in the financial sector, he emphasized the importance of good judgment and good leadership, which are behind the decisions related to any change.

If the bad news is that leadership cannot be taught then the good news is that it can be learned. Leadership is always a “work in progress” and we learn as we go ahead, particularly from the mistakes we make.

Introspection, self-awareness, inspiration, strategic thinking, team building capacity, and communication skills are the key ingredients of the complex leadership capabilities. In this respect, communication skills include also listening to the others, and awareness of the fact that we communicate much more by what we do, rather than by what we say. We need both the performance culture, as well as leading by example.

The workshop on “Bringing Innovation and Technological Advancement into the Market Place” was moderated by Francesco Venier, Director of Executive Education, MIB School of Management. It was based on the presentations of Giancarlo Michellone, Chairman, Area Science Park Trieste, Italy, and Sandi Češko, Co-founder and President of Studio Moderna Group, Ljubljana, Slovenia.

Giancarlo Michellone talked about the role of his institution in turning start-ups into success. He emphasized the importance of having entrepreneurial projects reviewed from both innovation and management point of view. The “knowledge factories” that are expected to help in the process need to speak the same language as the entrepreneur in order to be adequately involved in the whole process of developing technological and business scenarios, including building key competences.

Sandi Češko presented the case of Studio Moderna, which grew from a direct marketing company into an integrated multi-channel marketing platform operating in 21 countries. On the way it changed from a product driven, distribution focused, multi-channel and brand focus to a company truly driven by customer needs.

In order to provide solutions rather than just products and services the company is highly decentralized and instead of outsourcing it favors insourcing, which enables it to maintain high levels of speed, intangible values, and connectivity.

The workshop on “Entrepreneurship Renewal in Established Companies” was moderated by Vladimir Nanut, Dean, MIB School of Management. The presenters were Federico Marescotti, CEO, Friulia SpA, Italy, and Velimir Srića, Vice Dean of International Affairs, University of Zagreb, Faculty of Economics and Business, Croatia.

Federico Marescotti emphasized the need to effectively bridge the mentality gap among engineers, innovators, CEOs, and other actors involved in various stages of the entrepreneurial process. Financial needs differ in the pre-competitive, start-up, early growth, development, buy-out and replacement, and/or development phases. Each requires different instruments.

Velimir Srića talked about the concept of the new corporation based on culture, shared vision and values, dispersed control and responsibility, friendship, and love.

These companies hire for attitude and train for skills. Team formation and leadership development go hand in hand with an increasing role of social intelligence. Rather than an MBA program, the leaders of the 21st century need an MBI – Master in Business Innovation. In this context the concept of SILA – Social Intelligence and Leadership Academy – was presented. It is aimed at developing harmonic leaders who have entrepreneurship as an emotional attitude and who can inspire and lead entrepreneurial employees.

Andrea Illy, CEO, illycaffè, Italy, presented the case of the entrepreneurial renewal process at illycaffè on its way to becoming a synonym of excellence in coffee through a business strategy that combined focus, uniqueness, and universality.

This has been based on continuous collaborations and partnerships with other sources of excellence from the whole supply chain, from coffee growers to research centres, universities and business schools, including also the establishment of the Università de Caffè in collaboration with MIB School of Management, which already has 16 branches all over the world. The company values all its stakeholders highly

but the hierarchy is as follows: consumer, client, colleagues, suppliers, community, shareholders, state, and competitors.

Derek Abell, Professor Emeritus, ESMT-European School of Management and Technology, Germany, moderated the workshop on "Changing Corporate Mindsets from Management towards Entrepreneurship", leading it towards answering the question on where in the spectrum between management and entrepreneurship a company should be, how to get there, and what kind of programs business schools need to develop to support this.

The presenters were Bert Twaalfhoven, Founder and President of Indivers BV and owner of Maren NV, the Netherlands, and Marco Coccagna, Director and Chief Operating Officer, ENI Corporate University, Italy.

Bert Twaalfhoven presented his fascinating personal story, which consists of 54 entrepreneurial projects of which 39 were success stories. He also referred to 15 failures, emphasizing that "failures are the mother of success". Most of them resulted mainly from the lack of knowledge related to either technology or culture in different countries of the world.

On the other hand, his entrepreneurial projects enabled 34 of his managers to become entrepreneurs on their own. As a niche entrepreneur he could not afford to have his own R&D, so he worked with specialists and specialized institutions from all over the world. He also recruited managers from different places and observed that there are many great schools in Europe, but most of them are still national and not European, let alone global, in all aspects of their educational programs and processes.

Marco Coccagna presented the experience of the corporate university in one of the most integrated industries in the world. They combine top-down and bottom-up approaches and believe in an holistic approach to leadership and entrepreneurship development.

Among different programs there are: a training plan for leadership development, masters programs with business schools, personal and executive coaching, mentorship, and executive meetings with external speakers. These programs are most effective when related to company change programs and processes.

The session on "What Business Schools Could Offer: Best Practices in Entrepreneurship Development" was moderated by Jim Ellert, Professor Emeritus and Former Dean of Faculty, IMD Lausanne, Switzerland, who also presented the experiences of IMD, which includes: action learning, company projects, relationships with technical universities, and MBA teams working with start-ups.

Renaud Redien-Collot, Deputy Director, ADVANCIA, France, presented the experience of his institution, which considers itself as a third generation entrepreneurship school, one that supports entrepreneurship in all the stages of an entrepreneurial project from an initial idea to the ultimate IPO.

The presented experience covered two different but inter-related approaches, which could also be combined: the EDI (employee-driven innovation) and CE (corporate entrepreneurship). They were based on three concrete projects for different clients: coaching radical innovation in the public sector without any entrepreneurial output (for a French ministry); the detection of opportunities and the development of new business (for a large chemical manufacturer), and strategic renewal (for a service sector firm).

During the workshops speakers and participants from entrepreneurial firms, corporations, banks and venture capital firms, science parks, business schools and universities, and other organizations exchanged their own experiences in roundtable discussions and provided feedback on how executive education could effectively support entrepreneurship development.

Working in a constructive atmosphere, the forum produced a number of important lessons for all those interested in executive education and entrepreneurship development and the synergies involved.

The Forum had an interesting social program that included a gala dinner in the Allianz Gallery during which Enrico Tomaso Cuchiani addressed participants with inspirational thoughts on the role of leadership in creating a better world, emphasizing in this context the noble mission of business schools.

A wine tour in the Collio Region, which included Villa Russiz and Castello di Spessa, was an opportunity for the participants to learn about entrepreneurship in the wine business and also about Italian history and culture.

Roundtable discussions



CEEMAN in International Events



CK Prahalad, Yves Doz, Danica Purg, and Philip Kotler

Global Forum dedicated to the 100th anniversary of Peter Drucker

CEEMAN President Danica Purg was invited to speak at the Global Forum dedicated to the celebration of the 100th anniversary of the birth of the great management thinker and management icon, Peter Drucker, which was held on 19-20 November 2009 in Vienna, Austria.

The participants of this unique event had an opportunity to hear from Philip Kotler about how he learned about marketing from Professor Drucker. CK Prahalad and Charles Handy gave some new views on Drucker's work concerning the ethical values, society at large, and so on while Doris Drucker, the 98-year-old wife of Professor Drucker made a great impact on the conference through sharing experience from her life with Peter Drucker.

Professor Purg took part in a panel titled "More than a Management Thinker", in which she focused on Professor Drucker's views on art and its importance for the education and development of managers and leaders. She shed light on some key moments and experiences that influenced Professor Drucker's life and work, such as his knowledge of Japanese art, which he first came across by a chance and which later had an important influence on his work. She said: *"Peter Drucker did not merely build the intellectual bridges that link our understanding of the past to our hopes for the future, he also provided us*

with the knowledge that we need to cross these bridges and create a better world."

Among numerous participants were representatives of CEEMAN member institutions including Witold Bielecki from Kozminski University, Poland; Dirk Craen from European University; Iryna Tykhomyrova and other professors from MIM-Kyiv, Ukraine, and Assylbeck Kozhakhmetov from IAB, Kazakhstan.

The speeches delivered in the Vienna event will be available on the Internet and the presentation from Professor Purg can also be downloaded from http://www.iedc.si/download/Drucker_and_art.pdf

2nd Eduniversal World Convention in Cape Town

Virginijus Kundrotas, CEEMAN Vice President and President of BMDA, participated in the 2nd Eduniversal World Convention held on 26-28 October in Cape Town, South Africa. During the first day of the event he presented a speech on management development challenges in the CEE region, describing CEEMAN as the main association working in the region and its main activities.

The next day he presented the CEEMAN International Quality Accreditation – IQA. The presentation attracted great interest, including numerous questions regarding the specific features of CEEMAN accreditation scheme.

The CEE region has been announced as the most active region in Deans voting in 2009 Worldwide, and Virginijus Kundrotas was also invited to deliver the Eduniversal awards to three schools from CEE:

- University of Economics – Prague
- SGH – Warsaw School of Economics
- Graduate School of Management
St. Petersburg State University

Virginijus Kundrotas



International Conference on “Responding to Economic and Ecological Crisis: Economic Alternatives in Regional Perspective”

Milenko Gudić, IMTA Managing Director, delivered a keynote speech on Global Challenges and the Role of Business Education and Leadership Development at the international conference “Responding to Economic and Ecological Crisis: Economic Alternatives in Regional Perspective”, which was held on 3 October in Klagenfurt, Austria. In his speech he also presented some outcomes of the 17th CEEMAN Annual Conference, including the results of CEEMAN Survey on Business Schools Responses to Global Crisis. He also mentioned CEEMAN involvement in the UN Global Compact initiative on PRME and invited conference participants to a more extensive regional cooperation.

Challenging the Future with the power of student-driven innovation

The Challenge:Future global student competition project, where CEEMAN is one of the three founding partners (together with IEDC-Bled School of Management and Third Millennium Knowledge sustainability lab from Slovenia), has developed greatly since its inception in May and official launch in September and has been receiving enthusiastic support from all over the world.

The three partners have initiated Challenge:Future to encourage the transfer and use of open innovation and collaboration principles into the education system, to induce development of sustainable solutions for global challenges, and to inspire the development of a collaborative youth tank.

Using the power of Web 2.0 technologies, Challenge:Future invites teams of students throughout the globe to post creative ideas and develop solutions based on sustainability principles for specific global and business challenges.

With the passionate guidance of an Advisory Board of such visionary experts as Don Tapscott, Nancy J Adler, Chris Laszlo, Jean-Pierre Lehmann, and Danah Zohar among many others, this global student competition is supported and steered in the right direction.

Challenge:Future also enjoys the support of prominent international Network Partners such as the Eurasia Partnership Foundation, NetImpact, EABIS, AIESEC, TakingItGlobal, and others while Emerald Group Publishing, as a Knowledge Partner, is not only contributing to the global visibility of the competition but is also providing free access to their top management journals to all competing teams.

The project offers various levels of involvement for participating schools such as engaging faculty as mentors to competing teams or as judges. It presents a new avenue for demonstrating the mentoring excellence of its faculty members, openness to innovation, and a global vision for a school as a whole, and to improve the school’s international visibility.

Companies get a chance to use the power of youth-driven innovation for current and future

business needs, to collaborate with Generation Y and get their ideas, perspectives, and insights, and have a unique access to advisory board experts and sessions with the best teams from the world working on future corporate issues. At the same time they can interact with their future employees, customers, and partners and build brand awareness and loyalty.

With this year's main theme The Future of Connecting, there are now over 2,500 students from more than 600 schools/universities and 101 countries registered on the online platform, and over 550 teams from 68 countries are competing in the first round, which started on November 21, where they have to post creative ideas for the six challenges:

- Call Me in 2020 – the future of communication
- Move It! – the future of transportation
- What's the Buzz? – the future of media
- Eat that Carrot! – the future of health
- Youth Rulz! – the future of youth in society
- Fast Forward – the future of prosperity

Based on the results of the first round (a combination of public voting, expert evaluation, and overall ranking), semi-finals will take place in January, and the 18 finalist teams will in April come to Bled, Slovenia, to compete head-to-head for the €20,000 grand award.

In parallel to the main competition, there are also Quick Challenges for individual participation such as a photo competition "What does connecting mean to you?" and "Greetings for the New Year" giving a chance to win Amazon gift cards and other prizes while Weekly Hot Topics provide a great platform for discussions.

We are also very glad to see the active participation of CEEMAN members, their students, and faculty.

www.challengefuture.org



Program Management Seminar

10-12 March 2010, Bled, Slovenia

The sixth edition of the CEEMAN Program Management Seminar will take place on 10-12 March 2010 in Bled, Slovenia, hosted by the IEDC-Bled School of Management.

This intensive and highly interactive three-day program is designed to make program managers more effective in handling the increasingly demanding and complex responsibilities of designing, marketing, and delivering degree, open-enrolment, or in-company programs in public, private, or corporate schools.

The topics covered will help participants to understand the complicated role of the program manager (meeting the expectations of customers while gaining the cooperation of faculty and university leaders and integrating program development and marketing) and strengthen his or her leadership skills (developing and motivating staff, working with faculty, and handling the pressures of the job). They include:

- The role of the program manager in program delivery
- Building a positive learning environment
- Understanding target markets
- Achieving high levels of customer satisfaction
- How to decide on marketing investments to increase enrolments
- Managing alumni relations
- Hiring and managing the performance of program staff
- Dealing with difficult participants
- Managing faculty
- Handling ethical dilemmas in the program manager role

Fee (includes materials, coffee breaks, and lunches) is €700+20%VAT for CEEMAN institutional members, €900+20%VAT for non-members.

In order to benefit most from the program, prior experience in program management, a university degree, and a good working knowledge of English is recommended.



Panel discussion

The world's best management schools are noted for their superior program execution, high levels of customer satisfaction, and continuous program improvements – be one of them!

"I was very impressed with the program. I think it has a lot of interesting and useful information. I got some good tools that I can take back and apply immediately. Networking was also very useful. We are a networking organization but after listening to the presentation on networks I realized how little networking we actually do. Thank you CEEMAN for inviting me and putting together such a great program. Very professionally done."

Eric Hansen, Vice President, the US Russia Center for Entrepreneurship, Russia

"A truly exceptional and useful seminar for Program Managers who already have a year or two of experience in this area."

Doris Keszthelyi, Head of Office, International Study Programs, Corvinus University of Budapest, Hungary

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Individual Coaching for World-Class Case Writing and Management Research

IMTA Educational Materials Development Program – Case Writing and Research and Publishing Modules

Starts in February 2010 in Bled, Slovenia

CEEMAN is launching two unique educational modules for faculty and researchers interested in upgrading their research and case-writing skills while at the same time producing world-class educational material.

These new modules address a demand from IMTA graduates for follow-up education to complement their previous IMTA studies. They also respond to a broadly shared perception among CEEMAN members that excellence in teaching can only be achieved if institutions and faculty members commit themselves to bringing new knowledge into the classroom through up-to-date and relevant cases and managerially oriented research.

The objectives of the two modules therefore are:

- To develop individual faculty case writing and/or research skills
- To produce world-class case material and/or research publications with new insights for management
- To allow CEEMAN faculty and its member institutions to become even more relevant to their customers by leading the way in understanding customer issues and challenges

Both modules rely heavily on individual coaching and field work and consist of the following three components:

- A preparatory seminar where relevant skills are acquired and the individual (case or research) project is refined
- Individual work during 4-7 months through which participants carry out field and related research, draft the case and teaching notes (Case Writing Module) and research papers and proposals (Research and Publishing Module), and submit these to their faculty coach for review and feedback. Based on faculty feedback, participants carry out additional research as necessary to improve their cases

and teaching notes or their research papers and research-based educational materials

- A concluding workshop where final output is polished, shared, and critiqued by peer participants and faculty

Case and research topics and issues are proposed by the program participants themselves. They should be highly relevant to students and executives in their institutions' home markets and completed cases should have the potential to add real value to the educational process and to management and leadership.

Subjects such as innovation, internationalization, competition and cooperation among local and multinational firms, responsible and ethical leadership, finance and risk management, and the private sector/public sector interface are expected to figure strongly among the topics and issues chosen.

Post-program activities include publication of the best cases and their teaching notes as well as research papers and research-based educational material. Major international publishers, such as Emerald, ECCH, and others are interested to cooperate with CEEMAN and publish joint collections and special editions.

The two educational modules are heavily subsidized while faculty and researchers from CEEMAN member institution enjoy CEEMAN scholarships amounting 50% of the program tuition fee. The two modules can be taken in parallel, one after another, or separately.

How to apply

Candidates are invited to submit their application forms (available on the CEEMAN website) accompanied by the following documents for the respective modules.

Application documents for the Case Writing Module:

- a brief description of the case research proposal
- a letter confirming the company's willingness to engage in the proposed case research if this requires in-company field work
- a CV, including a list of any prior publications

Application documents for the Research and Publishing Module:

- a research proposal which, in addition to methodological and publishing targets, includes a description of how the expected research results will be converted into new educational material and practice



Krzysztof Obloj (left)

- a letter from the participant's institution confirming its interest in the proposed research and readiness to support it
- a CV, including a list of any prior publications

Based on the quality of the proposals submitted, short-listed candidates will be interviewed by telephone, and the Admission Committee will select up to 25 participants per module.

Program Fees:

- €1,500 for CEEMAN institutional members
- €2,700 for exchange and individual members
- €3,000 for non-members

The fees do not include meals, accommodation, or travel expenses.

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IMTA starts its second decade



Jim Ellert, Academic Director of IMTA

6-18 June 2010, Bled, Slovenia

The 11th edition of the International Management Teachers Academy (IMTA), whose motto is "Creating a new generation of management educators for a new generation of managers and leaders", will be held on 6-18 June 2010 at the IEDC-Bled School of Management, Slovenia, and the application process is now open.

IMTA provides a unique opportunity for young faculty to improve their teaching skills, methods, and materials, including teaching with cases, case writing, course design, and curricula development. In the previous 10 editions of IMTA 347 management educators from 113 institutions in 32 countries attended this major European faculty development program.

IMTA is an intensive and highly interactive two-week program with a well-balanced focus on general and discipline-specific aspects of management education.

Week 1 focuses on common issues related to general aspects of management education, with special emphasis on the case method and project work. It also deals with the skills required in the multiple roles of faculty. Innovations in management development are discussed in the context of IT, project-based education, and the integration of the arts, culture, and science.

IMTA - creating a new generation of management educators



Week 2 is structured into four disciplinary tracks:

- Strategic Management
- Marketing
- Finance
- Leadership and Change Management

where participants can focus on requirements and opportunities more specific to their particular disciplines.

Jim Ellert, Emeritus Professor and Former Dean of Faculty, IMD, Lausanne, Switzerland, and visiting professor, IEDC-Bled School of Management, Slovenia, is the Academic Director of IMTA. He is also part of the high-profile team of experienced, internationally renowned professors teaching in IMTA, including:

- JB Kassarjian, Emeritus Professor, IMD, Switzerland, and Professor of Management at Babson College, USA
- Joe Pons, President of AXIOMA Marketing Consultants, previously Marketing Professor at IESE International Graduate School of Management, Spain
- Arshad Ahmad, Associate Professor in the Department of Finance at Concordia University in Montreal, Canada
- Krzysztof Obloj, Professor of Strategic Management at the School of Management at Warsaw University and Kozminski University, Poland

After completing the program, participants join the IMTA Alumni Association to establish continuous communication and collaboration with other members while at the same time receiving various post-program support from IMTA and CEEMAN. In this context IMTA alumni are automatically eligible for various post-IMTA programs such as IMTA modules on educational material development.



Welcome to IMTA 2010!

Fifth IMTA Alumni Conference and International Teaching Week

How to apply

Candidates are invited to submit their application forms (available on the CEEMAN website) accompanied by:

- a plan for further career development
- at least one of the following personally developed teaching materials: draft case study, research, and/or draft course design
- a letter of recommendation from the applicant's dean or a senior faculty member

Shortlisted candidates will be interviewed before the final selection, which will be determined by the Admission Committee. A working knowledge of English and at least two years of relevant teaching experience are the minimum requirements for applying to the program.

Application deadline is 15 February 2010.

Program Fees:

- €2,000+20%VAT for CEEMAN institutional members
- €3,600+20%VAT for exchange and individual members
- €4,000+20%VAT for non-members

The above tuition fees are already substantially subsidized by OSI-HESP. The fees do not include meals, accommodation and travel expenses.

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19-22 May 2010, Iasi, Romania

Following the successful format of the IMTA Alumni Conference held in Montenegro last year, the 5th IMTA Alumni Conference will be held at the A. I. Cuza University of Iasi, Faculty of Business Administration, Romania. Silviu Ursu and Catalin Clipa (both IMTA 2007 alumni) will lead the organizing team, which will prepare the following three inter-related events:

- Seminar on Simulation Methodologies – A Pedagogical Perspective with Joe Pons (IMTA faculty), 19-20 May
- International Teaching Week on 19-20 May, where IMTA alumni will have the opportunity to deliver lectures on various topics to A. I. Cuza University students and receive feedback from peer alumni and IMTA faculty
- IMTA Alumni Conference on Integrating Business Practice into Effective Teaching, 21-22 May

An integral part of the event will be the IMTA Alumni Annual Meeting in which participants will discuss past and future activities of the association. On 22 May they will also attend attractive social and cultural events, including a visit to Dracula's Castle, Moldavian Monastery Tour, and dinner at a traditional Romanian restaurant.

Contacts: Silviu Ursu, silviu.ursu@gmail.com and Catalin Clipa, c_clipa@yahoo.com

A I Cuza University of Iasi, Romania



New CEEMAN Member: ESIC Business and Marketing School, Spain

ESIC Business and Marketing School, a private institution founded in 1965, responds through its different areas of activity (undergraduate, graduate, executive, ESIC Editorial and ESIC Languages) to the needs of companies and their competitive environment by training professionals who are capable of analyzing, deciding, and acting responsibly at all levels in a company.

We are growing and evolving along with companies by stimulating their development and offering answers that are only possible through the research and analysis carried out by our team of professionals – educators who live and understand the reality and needs of a world in constant evolution as witnessed in companies.

Our way of understanding education implies the transmitting of knowledge that permits professionals to gain a clear competitive advantage and this is only achieved through permanent contact with business reality and academic rigor, which grant absolute consistency in the training given.

Our school is highly renowned in business education with unique geographic implementation, both nationally and internationally, thanks to more than 40 years dedicated to the spreading of knowledge by and for professionals as demanded by companies.

There are currently more than 4,000 students in its programs and more than 25,000 alumni, which make up a network of great worth.

ESIC offers training from undergraduate level to on-going training for professionals in public and private institutions emphasizing business management in all of its facets with a bent towards marketing in the whole of its programs.



What is missing? Spirituality

By Ichak Adizes

“Schools of management... nurture the head and neglect the heart.”

I once had a client whose behavior was typical of thousands of other executives: He was managing a very successful empire, taking risks, working harder and harder.

“What for?” I asked him. “You have all the money you may ever need.”

“So I can get myself a bigger plane,” he said with a smile. Eventually he owned the biggest, most luxurious private jet. Then he bought an expensive beach compound for the summer, a lavish 182-foot yacht, a compound in the mountains, and began looking for an even bigger mansion with a helicopter pad.

It reminded me of women who own hundreds of pairs of shoes and keep buying more. They shop for more and more clothes, more and more jewelry ... what they already have is never enough.

What are they missing?

I suggest that they are missing true meaning in their lives. It is as if they have a hole inside their chest, where the heart is, that they keep trying to fill with material possessions.

When we lack a spiritual center, we try to fill it up with things, which never suffice because a spiritual “hole” has no bottom.

When people have spiritual meaning in their lives, their interest in material possessions takes a back seat. For instance, material needs have no meaning whatsoever to those who are candidates for sainthood.

What does it mean to be “spiritual”? Is it to be religious?

To me being spiritual means having a meaning for one’s life that is beyond oneself, beyond material goods. It is to serve in a way that feeds the heart, not the mind, not the body. The heart.

It is totally intrinsic. You do not care if anyone knows what you did. It is enough that you know. It is not conspicuous consumption. It is not in the taking that one gets the pleasure. It is in the giving. Without expecting anything in return.

It is pure love and love is when in the giving is the taking.

Why do you take your little kids to the circus? So you can write in your diary that you took them and that they owe you to take care of you when you are old? God forbid.

It is a Sephardic curse: "may you expect from your children".

So why do you do it?

Because in watching your kids giggle and laugh and enjoy the show you get right there your benefit, your reward. The taking is in the giving. That is love.

When you give of yourself (better than when you just give something) you enrich yourself; the more you give the more you get.

What I am suggesting here is that the executive I described above has no spiritual meaning in his life. He has a "hole" and until he fills this "hole" with meaning, he will continue building a material empire. But no matter how big his empire might become, he will still feel unfulfilled.

How we measure success

Now imagine a finishing school for young ladies where they are taught to measure their success in life by how many shoes they have and the cost of the clothing and jewelry that fill their closets. You would feel aghast, no?

But that is what business schools do. They teach students to measure success exclusively by measuring EBITA, earnings per share, and how much stockholders' equity has increased.

We are creating a class of rich, unhappy people. To find peace in their lives, they need to develop their spiritual lives independently because they sure don't get it from business school.

Many people confuse spirituality with religion. Big mistake. Some religions, or the fringes of those religions, have lost their spiritual orientation; they preach killing and destruction. "Spiritual," to me, means feeling part of something bigger than yourself by adhering to moral principles that are absolute and timeless.

Let me give you an example from my consulting experience.

Years ago I had a client that produced respiratory equipment for hospitals. The company had a quality-control problem. The question was how many new quality-control people they should hire.

I suggested an alternative solution: Take the people from production – those whom everyone looks up to – to the neighborhood hospital and have them visit children who have respiratory diseases. Have them imagine that those kids

are their own sons and daughters. Take pictures of these kids breathing, using the equipment the company manufactures. Bring those pictures back to the company and hang them everywhere.

What might that do to the quality of the equipment?

Nurturing the heart

We teach our future business leaders numbers, concepts, and theories. We fill their heads but their hearts might be empty. Schools of management that prepare future powerful leaders nurture the head and neglect the heart. True, these people might pay attention to their hearts at an older age and donate their accumulated "shoes and jewels" to charity but that is almost like atoning for a wasted life.

I have a suggestion to make: No one should be admitted to a school of business or get accredited as a professional leader unless he or she has exhibited that they care for the world beyond him or herself.

Today, leading business schools require that the applicant have prior business experience. In the future, I suggest that in order to be admitted, students must also have community experience. For instance, they must show that they have worked as a community organizer or served in the Peace Corps or volunteered for a not-for-profit organization.

And during their management education they must take a summer internship helping people who need help: build houses with Habitat for Humanity or work in poverty-stricken neighborhoods or raise funds for neighborhood medical centers that provide free care for those who cannot afford medical coverage.

Without spiritual meaning, life is empty. No matter how much we have, we still will not feel complete.

Management and business schools are doing a disservice to their students with their incomplete programs. It is time for schools to train leaders with brain and heart for the sake of society and our own happiness.

Reprint from Adizes Insights, October 2008.

ALBA Graduate Business School, Greece



ALBA Graduation

International Scholarships

At ALBA we aim to attract the best international applicants regardless of their ability to finance their education. For this reason, we offer a limited number of scholarships to applicants who have demonstrated a strong academic performance and/or an excellent professional track record.

We have created several scholarship programs in collaboration with distinguished organizations that are addressed to candidates from specific geographical regions:

- The Novo Nordisk A/S MBA Scholarship Program for South African nationals
- The AG Leventis Foundation MBA Scholarship Program for Nigerian nationals
- The TITAN Cementarnica USJE MBA Scholarship Program for Former Yugoslav Republic of Macedonia nationals

For more information please contact Ms Erato Paraschaki, Director of International Development at eparasch@alba.edu.gr.

Congratulations to the 2009 ALBA Graduates!

The 2009 ALBA Graduation Ceremony took place on 8 October in Athens, Greece. Eighty-one MSc and 116 MBA degrees were awarded to the graduating students of the ALBA Programs: MSc in Business for Lawyers, MSc in Strategic Human Resource Management, MSc in Finance, ALBA-EFG Eurobank Ergasias MBA in Financial Services, Full Time MBA, Professional MBA, and MBA in Shipping.

During the ceremony, Nikos Ebeoglou, Chairman of the Board of ALBA, presented the Field Consulting Project awards as well as the Special Business Plan Award to the MBA team 'AQUA PHAGE SOLUTION Co.' that represented ALBA at the European Business Plan of the Year Competition 2009.

ALBA participates in PRME

ALBA has become a participant in the United Nations Principles for Responsible Management Education (PRME) as of November 2009. Participation ensures that ALBA integrates Sustainability and Social Responsibility values into its learning and teaching, research, and day-to-day operations.

PRME is a voluntary engagement platform for business schools and management-related academic institutions. An institution that signs up to PRME expresses its conviction that academic institutions, through integrating universal values into curriculum and research, can contribute to a more stable and inclusive global market and help build prosperous and thriving societies.

ALBA believes that PRME is an extremely important initiative for business education and consequently for the business world and society at large, especially because of the changes and developments that have taken place in economy and society during the last decade.

It is the first Greek Academic Institution to have become a participant in PRME. Following an internal review process, ALBA has made sure it fulfills all six Principles for Responsible Management Education and is currently preparing its first review report.

Contact: Dr. Yiota Pastra, President of the ALBA Social Responsibility Committee, ypastra@alba.edu.gr, +30 210 8964531.

The Baltic Management Institute (BMI), Lithuania

Tenth Anniversary

BMI celebrated its 10th anniversary on 19 June 2009 with a solemn event at Vilnius Old City Hall attended by distinguished guests from the business and government as well as the diplomatic community.

During the ceremony the Lithuanian Minister of Education praised BMI as "one of the best examples and success stories for and of Lithuanian higher education". Economy Minister Dainius Kreivys thanked BMI for its contribution to developing a modern, responsible management culture in Lithuania.

Vytautas Magnus University awarded honoris causa doctoral degrees to two persons whose work and vision led to BMI's creation and development: Professor Jean-Paul Larçon and Vytas E Gruodis. *"The fact that one person from academia and one from the business community have been honored in this way by VMU is a powerful symbol of the two pillars of BMI's success,"* noted Professor Larçon, who is head of international development at HEC School of Management.

Internationalization

On 21 November 40 business leaders began the 11th International Executive MBA Program at the Baltic Management Institute (BMI).

"Moving ahead with our goal of internationalizing the student body, we are pleased to welcome executives from Belarus and Spain in the new cohort," BMI Director General Jaunius Pusvaškis said. *"And we are proud that despite the current economic downturn, 40 top-level decision makers have started their knowledge journey at BMI."*

The new group of BMI students includes managers from global business organizations such as Philip Morris, Statoil, Coca Cola, and IBM. Others represent some of the Baltic region's best-known brands, including mobile communications provider Omnitel, biotechnology firm SICOR Biotech, and brewer Švyturys-Utenos alus, as well as financial companies Lietuvos Draudimas, Nordea Bank, Danske Bank, and PZU Lietuva.

Grants for International Students

BMI has announced the launch of grants for international students. Foreign applicants who reside outside Lithuania may be eligible for grants equivalent to as much as 50% of Executive MBA tuition.

"The new grants are designed to make this top-level training program for high-potential business leaders accessible to more international students," said BMI Director General Jaunius Pusvaškis. *"This is a strategic step to further increase the diversity of experience among the high-level managers in each Executive MBA group. After all, the sharing of real-life insights among students themselves is a key part of the learning experience at BMI,"* the director added.

First China Module

Members of BMI International Executive MBA Class X recently took part in the program's first-ever module in Shanghai, China. The week-long session included lectures at Shanghai Jiao Tong University as well as visits with management briefings at companies including Bao Steel, Phonak Unitron Hearing Co, Suzhou Silk Factory Co, and a division of Nestlé Group.

Caucasus University, Georgia



*Presentation of the first textbook in banking
in Georgian language*

Presentation of *Foundation Banking Studies* by GBTC of Caucasus University

On 13 November at the Cultural Center Muza (Tbilisi, Georgia), Caucasus University, the Association of Banks of Georgia, and Georgian Banking Training Center presented the new textbook *Foundation Banking Studies*.

The book is the translation of the original published by the Hellenic Bank Association. Translation was financed by the Hellenic Aid Program and carried out by the University of Piraeus in collaboration with the Georgian Banking Training Center of Caucasus University.

At a time when life-long learning has become an increasing necessity in a sector with on-going major developments, high-quality employee training is imperative. This textbook is intended to contribute to this end.

The Foundation Banking Studies Program fills a major gap in banking education, the provision of fundamental knowledge in the fields of economy, finance, and the banking business. This knowledge is essential for everyone working in the broader financial sector. The program forms the ideal basis on which trainees may subsequently build specialist knowledge in specific financial sector operations.

The textbook, which follows the structure of the 90-hour study program offered by Georgian Banking Training Center in the Georgian language, is divided by subject-matter into three parts.

In the first part, under the general title "The Monetary and Financial Environment", there is an account of the basic notions of economics, focusing on the function of the monetary and financial systems.

The second part is entitled "Products and Customers" and deals with matters involving the provision of services and products to bank customers.

Finally, Part C tackles issues of professional ethics, bank management, and the marketing of banking products.

The Georgian Banking Training Center (GBTC) was set up by the Association of Banks of Georgia (ABG) and Caucasus University (CU) with the financial support of the USAID's SME Support Project. The dynamic, innovative, and flexible training programs offered by GBTC in cooperation with the Hellenic Bank Association and the Hellenic Banking Institute provide Georgian banking sector professionals with the skills required by Georgia's expanding financial sector.

Educatis, Switzerland

Educatis Foundation and Educatis University have signed a cooperation agreement with Ludwigshafen University of Applied Sciences. Under this agreement, Educatis University will offer all its MBA blended learning programs with a double-degree.

A bachelors program with various specializations as well as a MA in International Management is under development and will be launched during 2010.

As Educatis University operates its Graduate Schools of Management in English, German, Spanish, and French, additional cooperation agreements have been signed. In November an agreement for a joint Executive MBA was signed in China. Educatis University is also negotiating various cooperation agreements with universities and business schools in Central and Eastern Europe to expand its network. Ms Mateja Kramar, who joined Educatis University team early this year, is now Head of Central and East European Programs.

Beginning of October 2009 the Spanish Graduate School of International Humanitarian Law and Human Rights started operating, with the main focus on Latin America. It will be complemented by an English school next year.

The curriculum of its blended learning programs is tailored to address the specific requirements of an e-learning program that offers maximum flexibility to its students. All online seminars are exclusively developed by renowned professors from reputable, international universities.

Educatis University is an institution of the Educatis Foundation, a Swiss not-for-profit organization that specializes in providing distance learning or blended learning programs via the Internet.

The driving force behind Educatis University is the vision of making higher academic education affordable and accessible to a broad global audience. Educatis University therefore specializes in graduate education at a high and demanding level through distance learning programs over the Internet.

www.educatis.org

ESB Business School at Reutlingen University, Germany

ESB Business School at Reutlingen University is training part of its student body to be not only managers but managers who complement their business skills with sound technical knowledge in the field of logistics.

This new orientation, which had already been foreshadowed by the integration of the School of Production Management (faculty of industrial engineering) into the business school in 2008, is part of the school's endeavors to remain on top of fundamental developments in management education.

Despite some losses in turnover caused by the current economic crisis, logistics is still considered to be one of the largest future international growth markets. Especially in Germany, the logistics industry has grown strongly in the last few years, which has been fuelled by the eastward enlargement of the EU.

In their study Germany 2020, consultants of McKinsey & Co analyzed the chances and perspectives of key German industries and found that apart from high-tech, health, and trade, the logistics industry has excellent prospects to be one of the main growth markets and creators of employment for the next decade.

In order to keep up with such developments, ESB conducted a survey among German companies in 2006. This analysis showed that academically trained logistics managers are in great demand on the German job market and will most likely continue to be sought after in the future.

ESB logistics students at work with visTABLE, a virtual planning tool





ESB logistics students at work with visTABLE, a virtual planning tool

ESB therefore designed new undergraduate program in international logistics to equip graduates with the necessary skills – for example, the competence to work at the interface of business and technology –to succeed in this growing market.

The 3.5-year BSc program includes an industry placement as well as a study semester abroad. In the near future, several double degree options with international partners are planned.

Furthermore, one of the largest shipping companies in Germany has agreed to sponsor a logistics professorship for 10 years. The position will be filled from the spring semester 2010, which adds an extra dimension to the study program.

Grenoble Ecole de Management, France

New PhD in Business Administration

Grenoble Ecole de Management has opened a PhD in Business Administration after having delivered a DBA for over 15 years.

Three concentrations are proposed for this first intake: 1) Marketing, 2) Organizational Theory and Human Resources Management and 3) Strategy and Management of Innovation. Other concentrations, in particular in Finance, will be proposed in the coming years.

The first intake is composed of five students (two Indians, one Croatian, one German, and one French).

Olivier Trendel, researcher and head of the marketing department at Grenoble Ecole de Management, said: *"The principle goal of the Grenoble PhD program is to produce scholars who will become faculty members in leading international business schools, in line with our involvement in AACSB's 'Post-Doctoral Bridge to Business Programs' aimed at responding to the global doctoral faculty shortages business schools are facing today.*

"Indeed, according to AACSB, there will be a worldwide shortage of more than 2,400 professors holding a PhD degree in business administration by 2012."

Olivier Trendel (right) and new PhD students



New Michelin-GGSB partnership – A gateway to India

Michelin has recently signed a partnership with Grenoble Graduate School of Business (GGSB). The world's largest tire manufacturer will be sponsoring GGSB's new MSc Business Development launched in September 2009, offering students the opportunity of field work in India.

José Tarantini, Distribution Development Manager for Michelin, will present an integrative case study to the new class by sharing his experience in being in charge of network distribution development for Michelin in Brazil and examining the possible issues for a similar development in India.

The students will then travel to India in February 2010 to put into practice a business development plan that they would have previously developed in the class room.

12 champions in the race for degrees

Convinced that high-level athletes can no longer afford to wait until the end of their sports career to think about the future, Grenoble Ecole de Management has decided to help them prepare their "after-sports life" by offering them new tailor-made degree programs.

"Sportsmen and women no longer need to choose between passion and reason. If they have chosen to follow these programs it is because they know that their sports career will not suffer from the hours spent in class. Indeed, Grenoble Ecole de Management has pledged to 100% respect the champions' constraints by delivering tailor-made programs to suit their busy schedules," explains François Leccia, head of the Sports and Management Institute at Grenoble Ecole de Management.

The tailor-made programs include Bachelor in International Business, the Grande Ecole program, and other executive education programs delivered via distance-learning, intensive seminars, and tutoring.

HHL – Leipzig Graduate School of Management, Germany

Karl-KOLLE-Foundation supports HHL

Academia and research are the focus of the Karl-KOLLE-Foundation, which was created in 1998 by the Dortmund-based entrepreneur Karl Kolle (1913-2008).

With her masters thesis titled "Enterprise succession in small and medium-sized family businesses", MSc graduate Cora Theißen won the first Karl-KOLLE Prize 2009 for Strategic Management at HHL – Leipzig Graduate School of Management at the end of July 2009.

In 2008, scholarships for highly qualified students from Eastern Europe were awarded by the Karl-KOLLE-Foundation to Andrey Sereda (Russia) and Soňa Žáčková (Czech Republic). Ms Žáčková is also the recipient of the DAAD Prize 2009 "Best International Student".

The prize is donated by the German Academic Exchange Service (DAAD) to foreign students at German universities in order to honor superior academic achievements in combination with exemplary contributions to the academic life and strong social or intercultural commitment.

In 2009, the Karl-KOLLE-Foundation awarded scholarships to Tatiana Bazhenova (Russia), Tarlan Mammadov (Azerbaijan), Karol Ceynowa (Poland), Igor Stepanishchev, and Ramilya Sufianova (both Russia). Besides the Karl-KOLLE-Scholarship, the three Russian students are being supported by DAAD.

Karl-KOLLE-Foundation prize winners with Frank Hoffmann, HHL Director of International Relations (third from right)



New Partnership

From 2010 onwards, HHL and the Plekhanov Russian Academy of Economics (Moscow) will start an exchange program. The Plekhanov Academy has the highest level of accreditation by the Ministry of Education and Science of Russia and takes part in numerous international university collaborations. Currently, it is one of the best ranked universities in Russia.

The partnership was discussed during a visit of Professor Dr Vladimir G Knjazev (Vice Rector of the Plekhanov Russian Academy of Economics) and Professor Dr Andrey V Zverev (Minister-Counsellor of the Embassy of the Russian Federation in the Federal Republic of Germany) to HHL in November 2009.

Expanding successful partnership

Two years ago, HHL and the Lithuanian ISM University of Management and Economics signed a cooperation agreement on mutual student exchange. The Executive Management of HHL took the opportunity to visit the partner school in November 2009 and has agreed on expanding the fruitful cooperation.

Festival of Lights in Leipzig

The Festival of Lights 2009 on October 9 provided a multi-faceted commemoration of the Peaceful Revolution in the autumn of 1989. Along the historic demonstration route around the inner ring road of Leipzig, a commemorative walk covering 20 stations was organized.

Among the 100,000 visitors were many members of the HHL community who enjoyed the works of architects, lighting planners, designers, and artists from numerous European countries. These artists interpreted the theme of the 20th anniversary of the Peaceful Revolution and European unity.

The Festival of Lights 2009 commemorated the Peaceful Revolution. After prayers for peace in four Leipzig churches on 9 October 1989, some 70,000 people gathered in the city center. They carried candles in order to demonstrate for their human rights and more freedom in the GDR, in spite of the threat that police would be ordered to open fire on them.

Thousands of police and soldiers were in position ready to break up the demonstration by force but everything proceeded peacefully. This event, which came to be described as the Peaceful Revolution, was a major milestone on the way to the fall of the Berlin Wall, to German reunification, and to a unified Europe.

IBS-Moscow, Russia

Professor R Charles Moyer becomes academic advisor of undergraduate finance specialization at IBS-Moscow

The Institute of Business Studies Moscow of the Academy of National Economy under the Government of Russian Federation (IBS-Moscow) is proud to announce that Professor R Charles Moyer, Dean of the College of Business, University of Louisville, and author of many well-known books on financial management, has become the academic advisor of undergraduate finance specialization at IBS.

"IBS-Moscow is widely recognized as one of the most elite Russian business schools. I am pleased to serve as an advisor to IBS-Moscow on the development and improvement of the international finance specialization," said Professor Moyer. *"My goal is to add to the value of the curriculum and to develop a better level of understanding and cooperation between our American faculty and students and the Russian faculty and students of IBS-Moscow".*

The Bachelor Degree Program in International Finance, launched by IBS in 2009, is a four-year full-time program designed for students who wish to combine a solid foundation in finance and accounting with the knowledge and skills necessary to work in the international environment and prepare them for career opportunities in financial analysis and management in the global business community.

IEDC-Bled School of Management, Slovenia



Professor Hermann Simon

IEDC among top business schools in the world for innovation

IEDC was named among 100 top business schools in the world for innovation according to the Aspen Institute's 2009-2010 edition of *Beyond Grey Pinstripes*, the only ranking that measures how well schools are preparing students and participants for the environmental, social, and ethical complexities of modern-day business. IEDC was the only school from Central and Eastern Europe to appear among the top 100.

According to Professor Danica Purg, the School's President, *"IEDC is proud to make it to the Top 100 list with its very first try – and we are delighted to lead the region with our innovative curriculum and deep commitment to management for a better world"*.

Dr Nadya Zhexembayeva, One-year Executive MBA Director and professor of sustainability at IEDC, confirmed that *"management of social, environmental, and ethical risks and opportunities is a required element of our Executive MBA program. Our goal is to make sure that 'green' thinking and ethics become a norm for any business decision and for every business leader"*.

This year, 149 business schools from 24 countries participated in an 18-month effort to map the landscape of teaching and research on issues pertaining to business and society. Relevant data collected in the survey, as well as the entire "Global 100" list of business schools, is available at: www.BeyondGreyPinstripes.org.

Hidden champions of the 21st century are true models of leadership beyond the crisis

The keynote speaker at this year's Annual Presidents' Forum, "Role Models of Leadership Beyond the Crisis" was Professor Hermann Simon, one of the most important management thinkers in Europe, who focused on "Hidden Champions of the 21st century", globally successful but little known companies.

According to Professor Simon, the key success factors of these companies are rapid growth,

market leadership, massive innovation, closeness to their customers and best competitors, narrow specialization, and global reach.

In the introductory part of the forum, the President of the Republic of Slovenia, Dr Danilo Türk, pointed out that we should not waste the opportunity for reforms in the near future and set out social dialog as the aspect that is in particular calling for a serious reform. Professor Danica Purg, President of IEDC, said that more attention needs to be paid to the development of responsible leaders who are connected to a broader society.

Major IMISP Project in 2009: Ambitious Training Program for Uralkaliy

IMISP (St Petersburg, Russia) has launched a comprehensive two-year modular corporate education program for the management of Uralkaliy Plc. Ten groups of students will attend different training courses simultaneously.

The program began in late August 2009 as a business educational conference, attended by the management of IMISP, the leadership of Uralkaliy, and company managers, the target audience of the project (about 300 people).

Uralkaliy is among the 20 leading Russian companies and one of the foremost international companies in mineral fertilizer manufacturing. The company specializes in potassium-based fertilizers (such as potassium chloride). In 2007 Uralkaliy became the first Russian public company in the chemical industry to trade shares on RTS, MICEX, and LSE exchanges.

Most classes will take place in Berezniki (Perm Region), where the main office and the main recovery divisions of Uralkaliy are located.

"We are very pleased and honored that IMISP is now Uralkaliy's partner in implementing this ambitious and large-scale project. We won a tender, and were selected from among 12 top Russian business schools," said Sergey Mordovin, IMISP rector, addressing the students of the program.

"For the first time ever, IMISP will provide the entire range of education services to top managers, mid-line managers, and the pool of candidates. This will allow staff members from various levels and divisions to speak the same language. I am sure that this will make our company even stronger," said Vladislav Baumgaertner, General Director of Uralkaliy, in his remarks during the opening ceremony.

The tender was preceded by a lengthy multi-level discussion of competency needs for various groups of employees (top managers, mid-line managers, and manager and worker candidate pools) organized by the Personnel Department of Uralkaliy.

ISM University Management and Economics, Lithuania

EFMD Executive Education Meeting held at ISM

The annual Executive Education Meeting of the European Foundation for Management Development (EFMD) was held at ISM University Management and Economics (Vilnius, Lithuania) on 11-13 October 2009. The theme of the meeting was "From creativity to operational excellence: The challenges for Executive Education".

Griet Houbrechts, Director of Business School Services at EFMD, said that the event had not been held in the Baltic area for 10 years.

"Moreover, the challenges of the countries in transition are very different. For those responsible for executive education in business schools in different countries it will be very interesting to hear what the particular needs are of the companies in the area and how business schools can respond to those needs. It will be of great value to this network to learn good practices from a school that functions in this particular environment," she added.

Around 70 representatives from leading business schools all over the world attended the meeting.

Lithuanian Business Cases Presented to the Academic Community for the First Time

The first Lithuanian business cases were presented at ISM University of Management and Economics, 19 November 2009. During the event, experts from Estonia, Greece, Lithuania, and the UK introduced the case method and its benefits for companies.

Representatives of ISM and the University of Tartu presented the first Lithuanian and Estonian business cases, which had been developed in cooperation with Lithuanian and Estonian enterprises. These cases included improving a company's production processes, setting salary levels for employees, starting a business and ensuring its entry into the market, and so on.

This project, which is currently being carried out at ISM, is aimed at adopting the case method in teaching/learning in Lithuania. The Lithuanian and Estonian cases were developed under

the Leonardo da Vinci Transfer of Innovation Project entitled "Transfer of innovative teaching/ learning experiential methods for management education".

Valdas Adamkus and Peter Lorange Become ISM Doctors of Honor

During the celebrations of the 10th anniversary of ISM University of Management and Economics, which was held on 19 November 2009, Valdas Adamkus, President Emeritus of the Republic of Lithuania, and Professor Dr Peter Lorange, an internationally recognized strategy expert and former President of IMD in Lausanne, Switzerland, were awarded honorary Doctoral degrees from the university.

Associate Professor Dr Nerijus Pačėsa, President of ISM, stated that President Valdas Adamkus was awarded the title of ISM Honorary Doctor for his substantial contributions to the reform of higher education in Lithuania while Professor Lorange was bestowed this title for his support in educating the Lithuanian business community.

Valdas Adamkus and Professor Lorange delivered lectures on entrepreneurship and leadership in a time of change.

Training innovation managers by "learning by doing" – management of Hi-Tech innovative projects at MIRBIS

At the start of the 21st century various projects were launched in Russia in order to alter its economic model, minimize its resource intensity, and foster innovation-driven activities.

The goal of switching the economy to an innovation scenario has spurred the creation of additional national development agencies.

One of them is a venture capital institution that works as a private-public partnership. The state thus showed that it is ready to share the risks of investing in high-tech industries alongside private investors. In record time (2006-2008), never seen before in the world, Russia has built a substantial venture capital sector.

It is evident that personnel play a significant role in increasing the effectiveness of any start-up business. And for the venture investments sector its role is decisive. That is why the design of "Management of highly technological innovative projects" at MIRBIS (Moscow International Higher Business School) was preceded by discussions with experts representing Russian venture investment, direct investment companies, and employment agencies. The goal was to identify real business processes in the innovation spheres so as to train specialists adequately.

The MIRBIS MBA program "Management of highly technological innovative projects" made active use of the principle "learning by doing" when training innovation managers. For this purpose MIRBIS has chosen the Maxwell Biotech venture fund (VF), the winner of the second tender for the funds of the JSC Russian Venture Company transferred into trust management.

In its first year (October 2008-October 2009) Maxwell Biotech chooses three or four projects for the approval of the investment committee as challenging investment projects. The process of choosing the projects includes a search and a primary analysis of the project, determining an exit scenario, finding a group of contractors, and determining the structure of investment transaction.

To make a choice of the projects, Maxwell Biotech analyzed no less than 200-250 proposed

From left: Petras Barsauskas (Vice President for Research of ISM), Peter Lorange, Nerijus Pačėsa, Valdas Adamkus, and Jens Peter Tondel (Executive Vice President, BI Norwegian School of Management)



invitees whose project portfolios will be submitted to the venture fund.

It is evident that in order to cope with the amount of work the company will need to expand its staff by recruiting more specialists or use the services of outsourcing agencies. Both ways could lead the company to great expense both in remunerating trained staff specializing in a very narrow field or risking of losing confidential information.

MIRBIS has found an appropriate solution to the problem by suggesting that Maxwell Biotech could work with "Management of highly technological innovative projects" students on a part-time contract basis. This will let the fund consider more projects, minimize the costs of expertise, and employ the most dedicated and productive students.

At the same time students of the program get a chance to apply the skills and knowledge they acquired during studies for analyzing and managing real innovation projects, for identifying case problems, which can be discussed and studied with a lecturer.

This way of teaching innovation management by integrating students into real business processes and presenting them with a chain of real-life situations and practical seminars with the support of teachers from the real business world meets several objectives.

It gives students a unique work experience in a prestigious national financial company, develops team-work skills on a project, cuts down the risks and strains of the first steps into a profession, minimizes the costs of education, and creates good conditions for future employment.

Students on the program stress that the opportunity to combine studies with work in a large Russian venture fund gives MIRBIS obvious competitive advantages in comparison to similar business education programs in Russia.

The trial use of "learning by doing" technology in the MIRBIS MBA program "Management of hi-tech innovative projects" has been very productive for both the students of the program and for strengthening MIRBIS's image as an innovative business school.

Natalia Kurakova, director of the Centre of Venture Business, MIRBIS

Rotterdam School of Management, Erasmus University, the Netherlands

Kick start your career

RSM announces a new Open Programme in Executive Education. The RSM Diploma Programme In Business Management and Leadership is designed to provide first-time managers with a comprehensive platform on which to build an outstanding career.

RSM's Diploma Programme covers four fundamental disciplines: marketing, finance, strategy, and leadership. Each module is taught by an expert in the field and focuses on providing the skills for real-world application and maximum impact.

Participants follow a nine-day program at RSM and then work individually away from the school on a Business Improvement Plan for the next eight weeks. They are expected to apply all relevant theories, concepts, models, and tools acquired during the program to this plan.

The RSM Diploma Programme in Business Management and Leadership is designed to benefit anyone wishing to enhance their managerial capabilities.

RSM Symposium Examines Bad Behavior In Business

How can someone who claims to value moral behavior in business rationalize their own wrongdoings? The Erasmus Centre of Behavioural Ethics (ECBE) aims to use scientific research to find out more about ethical leadership, its motivations, and effects.

"The current crisis is the time to reflect on the things we do in business," said Professor Dr David De Cremer, renowned behavioral ethicist at RSM, as he introduced the work of the ECBE. *"We need to understand and predict business ethics,"* he said.

Will You Think About It?

An invitation to make a commitment to the future is part of a teaser campaign to introduce 'I WILL', a new movement by RSM. I WILL is launched



Professor George Yip

today at iwill.rsm.nl. The full version of RSM's I WILL website aims to develop the movement's sense of community and to keep everyone involved thinking in the future tense.

"I WILL takes us into new territory," said RSM's Dean, Professor George Yip. "It is not an advertising campaign because it gives everyone the opportunity to co-create and share their ambition and drive with the world."

He continues: *"Research has identified the new generation of students – those who will be managers, researchers, and decision makers of the future – as generation Y, who like change, challenge, and choice, and a sense of purpose and meaning. I WILL positions RSM as a different business school that makes a difference by transforming critical thinking into practical action and – by doing so – growing new leaders with innovative ideas."*

RSM celebrated by Aspen Institute for Excellence on Social and Environmental Issues

RSM has demonstrated significant leadership in integrating social, environmental, and ethical issues into its MBA program according to the Aspen Institute's 2009-2010 edition of *Beyond Grey Pinstripes*, a biennial survey and alternative ranking of business schools.

The school ranks 7th on a global list of the Top 100 business schools, being the first on the European list and second on an international non-US list. While many MBA rankings exist, only *BGP* looks beyond reputation and test scores to measure something much more important: how well schools are preparing their students for the environmental, social, and ethical complexities of modern-day business.

SBS Swiss Business School, Switzerland

SBS - RAU MBA Class

At the end of September, a new group of SBS-RAU students took up their studies. They began with the course Marketing Management (in October) with Mr Olsen. We wish all the students a happy learning experience.

Almaty Graduation 2009

On 12 October 19 students of the 2007-2009 class graduated in Almaty, Kazakhstan. The students obtained a dual degree, a local masters degree (from IAB) and the MBA from SBS Swiss Business School.

Swiss Finance Week in Riga

BA School of Business and Finance (Riga, Latvia) and SBS Swiss Business School (Zurich) organized a "Swiss Finance Week in Riga". This program has been developed for final-year bachelors students and will take place 8-12 February 2010 in Riga.

Classes will be conducted with case studies and business games and will be held by:

- SBS Swiss Business School Dean Dr Bert Wolfs
- SBS Swiss Business School Professor Dr Carl Gustav Malmstrom
- SBS Swiss Business School Professor Dr Sudhindra Bhatt
- BA School of Business and Finance Assistant Professor Elchin Jafarov
- BA School of Business and Finance Assistant Professor Tatjana Mavrenko.

Participants will meet program alumni and participate in round-table discussions with leading specialists in finance and business. Teams of three participants will develop projects. The best three teams will be awarded discounts for tuition fee for the MBA/MF program "International Finance and Banking" in Riga in 2010.

International Management Expert Helms SMU Business School



Professor Howard Thomas

Professor Howard Thomas, an expert in international strategic management, has been appointed the new Dean of Lee Kong Chian School of Business at the Singapore Management University (SMU). He will take office on 1 January 2010, taking over from Interim Dean Professor Lim Kian Guan.

Professor Thomas is a strong academic and intellectual leader who will take the business school to a new level. He is currently Dean of the Warwick Business School and Professor of Strategic Management at the University of Warwick in the UK.

In addition, he is Chair of the American Association of Collegiate Schools of Business International (AACSB), Chair of the Global Foundation for Management Education (GFME), and Chair of the Association of Business Schools (ABS). He has also served as President of the Strategic Management Society, and is currently its Dean of Fellows. Professor Thomas is a leading scholar in strategic management. He has published a wide range of articles in areas that include competitive strategy, risk analysis, strategic change, international management, and decision theory.

He has also served on the editorial board of leading academic journals such as *Strategic Management Journal* and *Academy of Management Review*. Professor Thomas is the author or co-author of over 30 books including *Strategy: Analysis and Practice* and *Handbook of Strategy and Management*.

Bridging theory and practice, he has been a consultant to global companies such as Unilever, Phillips, and Johnson and Johnson as well as professional organizations, such as the Institute of Chartered Accountants and the Institute of Marketing. Since 1997, he has been a Board Member of State Farm Bank, a subsidiary of State Farm Insurance, USA.

Before his current appointment at the Warwick Business School, he was Dean of the College of Commerce and Business Administration at the University of Illinois at Urbana-Champaign (UIUC) for nine years. He was elected as a Distinguished

Senior Scholar in 1986 and the James F Towed Distinguished Professor of Strategic Management in 1987.

He was previously Foundation Professor of Management at the Australian Graduate School of Management, Australia's national business school in Sydney, New South Wales, and Director of the Doctoral Programme at London Business School.

He has also held visiting and permanent appointments at a range of institutions including the European Institute of Advanced Studies in Management in Brussels, the University of British Columbia, the Sloan School of Management, MIT, and the Kellogg School, Northwestern University.

"I've led an American business school and a European business school, and now I have a chance to lead a young and dynamic business school in Asia. I am looking forward to it and I am confident we will continue to groom and nurture future business leaders and creative entrepreneurs with a solid foundation in business principles while embodying strong values of ethics and social responsibility," said Professor Thomas.

"The new Dean, Professor Thomas, has distinguished himself throughout his career, whether as a scholar or as a Dean. I am confident that he will be an outstanding and experienced leader who can help us continue to build a business school of the highest quality. I would also like to recognize and thank Interim Dean, Professor Lim Kian Guan (who will take a five-month sabbatical from January 2010 before resuming his duties at the school), for his extraordinary leadership and achievements in the past year," said SMU President, Professor Howard Hunter.

AMDISA International Workshop “What Price Quality? Towards a New Paradigm for Management Education”



Mr Karma Tshering, President, AMDISA - inaugural address

14 September 2009, Hyderabad, India

The Association of Management Development Institutions in South Asia (AMDISA) organized an international workshop on 14 September 2009 at Hyderabad inviting management teachers and professionals from South Asia to deliberate on the current state of management education in the South Asian region and, taking stock of national, regional, and global trends, evolve a new paradigm that responds to the emerging needs of management professionals both within the region and elsewhere.

The workshop was attended by a select group of about 50 participants, consisting of members of AMDISA and stakeholders in management education.

The workshop was held as a follow-up to AMDISA's growing ties with international accreditation agencies such as AACSB and EQUIS. It was also appropriate that South Asian Quality Assurance System (SAQS) Council held its annual meeting before the workshop, enabling members of the Council to participate in the deliberations of the workshop.

The workshop was inaugurated by Karma Tshering, president of AMDISA, and was conducted and moderated by Dr Sudarsanam Padam, member of SAQS Council.

After Dr Padam explained the theme and expectations from the workshop, Dr Eileen Peacock of AACSB and Dr Jim Herbolich of EFMD/EQUIS made their presentations.

Following these presentations, country presentations on the state of management education were given by Karma Tshering of the Royal Institute of Management, Bhutan, Professor Abdul Mannan from Bangladesh, Dr A H Kalro and Dr Uday Salunkhe from India, Shatif Ali from Maldives, Dr Dinesh Pant from Nepal, and Dr Zahoor Hassan from Pakistan.

Dr Peacock, vice-president for Asia, AACSB, introduced the philosophy and working of her organization. AACSB's aim, according to Dr Peacock, was to advance quality management

education worldwide through accreditation and thought leadership.

AACSB has undertaken a vigorous drive to upgrade management schools in the South Asian region and to help them qualify for accreditation. Dr Peacock elaborated in detail the philosophy and process of AACSB and urged South Asian schools to seek enduring association in order to make quality a continuous process, giving encouragement to take the path to accreditation.

Dr Jim Herbolich, deputy director general of the European Foundation for Management Development (EFMD), plays a leading role in EQUIS, which is the accreditation arm of EFMD. He and his colleague Christophe Terrasse took an active part in helping AMDISA take the initial steps in establishing SAQS.

Professor Padam, winding up the discussions and the presentations, mentioned that a stage has come in management education where it should address the concerns of not only business and industry but a range of social and public interest issues with the ultimate objective of improving the quality of life of the peoples of South Asia.

Given the enthusiastic support of international organizations such as EFMD/EQUIS and AACSB and the emergence of AMDISA's own SAQS the stage is now set for a major breakthrough in setting high standards of quality and meeting a variety of stakeholder expectations and, at the same time, claiming autonomy and academic independence, without which no education can excel.

South Asian Quality Assurance System

The South Asian Quality Assurance System (SAQS) of the Association of Management Development Institutions in South Asia (AMDISA) has granted SAQS Accreditation to Xavier Labour Relations Institute, Jamshedpur, and International Management Institute, New Delhi, both from India.

Baltic Management Development Association



Group discussions

International Scientific Conference “Insights into the sustainable Growth of the Business”

An International Scientific Conference “Insights into The Sustainable Growth of Business” organized by the Baltic Management Development Association (BMDA) together with ISM University of Management and Economics and BI Norwegian School of Management took place at ISM University of Management and Economics in Vilnius, Lithuania, on 19-21 November.

The conference attracted more than 85 participants from 15 countries (Austria, Belarus, Croatia, Estonia, Finland, France, Italy, Latvia, Lithuania, Norway, Poland, Russia, Sweden, the UK, and the US). This international diversity and excellent evaluations from the conference participants make us to believe that the Conference was very successful.

Keynote speakers Professor Dr Raul Eamets (professor of Macroeconomics at Tartu University, Institute of Economics, Estonia), Professor Dr Jean Paul Lemaire (Professor at ESCP Europe Paris campus, Marketing department, France), Professor Dr Wolfgang Mayrhofer (Professor of Organizational Behavior and Management at WU Wirtschaftsuniversität, Austria), Professor Dr Ralf Müller (Professor of Project Management at Umeå University, Sweden), Professor James Reardon (Professor of Marketing at University of Northern Colorado, USA), Dr Saulius Būdvytis (Director of Human Resource Department at AB Swedbank, Lithuania) and Robertas Dargis (Managing Director at JSC Eika, Lithuania) shared their views and experiences on economic development, marketing innovations, human resource management, and project management.

Parallel sessions gave participants the chance to listen to different presentations from researchers from many countries, to analyze various research outcomes, and a chance to have meaningful discussions on those issues.

The conference provided a great opportunity for networking activities, making new contacts, sharing international experiences in order to receive

answers to various questions in management, and to hear the thoughts of excellent international speakers.

The conference ended with friendly and meaningful discussions, leading to a readiness for future collaboration.

BMDA Competence Development Seminar

BMDA is continuing to arrange Competence Development Seminars for Faculty and Administration of business schools in the Baltic Region and beyond. The Competence Development Seminar for Faculty and Administration on Internationalization will be held at BA School of Business and Finance, Riga, Latvia, on 4-5 March 2010.

8th Annual BMDA Conference “Flying through Turbulence – Transformation for the Future”

BMDA is pleased to announce that the 8th Annual BMDA Conference “Flying through Turbulence – Transformation for the Future” will take place in Riga, Latvia, on 13-14 May 2010. The Conference will be hosted by ISMA (Latvia) and will take place in the heart of Riga at Reval Hotel Latvia.

The Conference will bring together the international business education sector and various business corporations from the Baltic region and beyond. During the conference the lessons learned during the current special economic situation will be shared and the opportunities to use the outcomes from those lessons in the future development of management will be discussed.

European Foundation for Management Development (EFMD)

Call for submissions for the EFMD Excellence in Practice Award 2010

The EFMD Excellence in Practice Award recognizes and promotes outstanding partnerships between companies and learning and development providers (business schools, executive development centers, and consultancies).

Case studies of best practice and collaboration in leadership, professional, and talent and organization development are submitted for review to an international judging panel. The best short-listed cases chosen by the panel are then invited to present their partnerships at the EFMD Annual Conference (6-8 June 2010 Frankfurt, Germany), when several sessions are devoted to the Excellence in Practice Award.

Following the presentations the jury panel makes a final decision and the winners will be announced on 7 June during the EFMD Awards Ceremony. The winning case will be featured extensively across the EFMD network and all of the short-listed cases will be published by Emerald Group Publishing.

The 2009 award was won by Allyson Stewart-Allen, Programme Director, Center for Management Development, London Business School, and Michael Christ, Lufthansa School of Business, for the case *Partnership in Planning, Development, Design, Delivery, and Evaluation of the General Management Programme*.

On winning the award Ms Stewart-Allen said: *"It is so satisfying to be recognized for our partnership. Every aspect of our work with Lufthansa has been about mutual trust, communication, being pushed to always do that little bit more for the participants and the program's design. Clearly this hard work has delivered great results and I'm personally very proud that the EFMD acknowledges our achievements given the formidable competition we had in winning this award."*

All cases will be presented to an international jury. Selection criteria will take into account operational excellence, program management, and business impact.

Deadline for case submission: 1 February 2010
www.efmd.org/eip

GMAC application trends survey findings

A summary of findings for full-time, one-year, MBA programs in Europe and the US

In the second quarter of 2009, GMAC (the Graduate Management Admission Council) surveyed business schools around the world about their actual and projected application volumes for the 2009/10 academic year and how they compared with 2008/09 volumes.

This article focuses on the responses from 84 full-time, one-year MBA programs in Europe (42) and the US (42). These responses represent 91% of all European MBA programs but only 28% of the programs in the US, where the two-year format dominates. For the purposes of this article, programs lasting 18 months or less were classified as one year.

Key findings

Europe remains a popular study destination for international candidates. By citizenship, 90% of applications were received from non-domestic candidates compared with 46% for US programs.

In 2009/10, the number of applications received was significantly higher than actual enrolments. European programs received an average of 319 applications for 68 seats versus US figures of 140 and 51. Translating these figures into application-to-admit ratios indicates European programs enjoy a ratio of 4.7 compared with 2.7 for the US.

45% of European programs reported application volumes increased by more than 10%, compared with 40% of US programs. These increases were primarily attributed to economic conditions. Of the UK respondents reporting increases, 44% attributed them to other reasons, which included accreditation, demand from Indian nationals, and more interest from candidates in the Indian subcontinent.

Whereas increases in foreign application volume for UK programs are driven by Indian candidates (89%), mainland European programs cited India (50%) and the US (29%). US programs cited India (53%) and China (40%).

The class being recruited for the 2009/10 academic year is projected to be slightly larger, on

average, than last year – 68 versus 2008/09 average class sizes of 55 in Europe; 51 vs 48 in the US.

Program profiles

Across Europe and the US, class sizes for full-time, one-year MBA programs are typically small. Nearly three-quarters (73%) of European full-time, one-year MBA programs and two-thirds (66%) of those in the US reported having 50 or fewer students in a class. Actual average class sizes for the 2008/09 intake across Europe and the US were 55 and 48, respectively. The 17% of European programs reporting more than 100 students are concentrated primarily in the UK.

European programs are more likely to operate with private funding than in the US (67% compared with 55%). However, this combined figure hides significant and surprising pan-European differences. While UK programs are primarily (91%) government funded, 87% of continental European institutions receive private financing.

The applicant pool

European programs reported that 90% of applications come from non-domestic candidates compared with 46% of applicants to US programs. No region appears to have an effective way of attracting female candidates but the US is doing slightly better than Europe: 36% of applications were reported to have come from women compared with 29% in Europe.

The applicant pool appears to be viewed similarly around the world. Roughly one-quarter (24%) of European programs and 27% of US programs assessed applicants to be moderately or significantly more academically qualified than last year. Some 43% of European and 39% of US programs reported little change.

Application trends

Application volume appears to indicate that the one-year MBA is in greater demand when delivered in Europe rather than in the US. In terms of application volume, each reported receiving, on average, 319 and 140 applications respectively.

Within Europe, MBA programs located in the UK received the greatest number of applications (mean 452; median 321). Translating these figures into the number of applications per place produces an average applicant-to-admit ratio of 4.7 in Europe (this includes 5.3 per UK seat) and 2.7 for the US.

Comparing 2009/10 application volume with applications received the year before, admission professionals reported a significant change: 45% of European programs and 40% of US programs reported application volumes increased by more than 10%. Some programs, although none UK-based, reported a decrease of more than 10%: 19% of mainland European and 10% of US programs. A small number - 10% in Europe

and 3% in the US - reported static application volumes.

Economic conditions were perceived to be the primary reason driving an increase in application volume across all markets.

The effect was felt most strongly in the US, as 85% of those providing comments attributed an increase to economic conditions compared with 60% in Europe. Around one in four (28%) European programs cited reputation/rankings as having an influence followed by marketing efforts (16%). For the US, those figures were both 10%. From UK respondents reporting increases, 44% attributed them to other reasons, which included accreditation, demand from Indian nationals, and more interest from candidates in the Indian subcontinent.

Domestic candidates

In Europe, where 90% of the total applicant pool is international, 28% of programs reported an increase of more than 10% in domestic applicant volume from last year (compared with 47% in the US). More (46%) UK programs reported an increase than their mainland European counterparts (20%). Two-fifths of European programs (40%) versus 5% of those in the US reported flat domestic volumes. Some 8% of European programs - mainly those located in the UK - reported a moderate or significant decrease in domestic candidates.

Foreign candidates

Programs in Europe rely more heavily on international candidates than their US counterparts. However, while 24% of US programs reported declines of more than 10% in foreign application volume, only 10% of European programs, none in the UK, saw a similar drop.

European programs were more likely to report foreign application volume increases of more than 10% (39%) than their US counterparts (21%) but this figure hides differences within Europe. Again, the UK appears to be driving the growth, as 64% have seen moderate or significant increases in foreign, predominantly Indian, applicant volume. Mainland European programs cite India (50%) and the US (29%) as being a significant source of foreign candidates. For the US, important source countries are India (53%) and China (40%).

Finally, for both the UK and US, Saudi Arabia is a growing source of candidates, with 22% and 7% of programs, respectively, seeing the largest year-on-year increase in candidates from this country. In contrast, continental European programs are attracting larger numbers of US students.

Enrolment ratios and future class size

Given the general increase in application volume experienced by European and US full-time, one-year MBA programs it is not surprising that

the application-to-enrolment ratio is quite high. The UK comes out of on top with an average ratio of 5.3 compared with 4.5 for mainland Europe and 2.7 for US programs. Interestingly, the UK has the lowest average offer-to-enroll rate: on average, only 39% of candidates who are offered a place actually take it compared with 61% across the rest of Europe and 65% in the US. This low UK figure may be driven by the large proportion of Indian applicants who, on average, apply to more programs.

The class being recruited for the 2009/10 academic year is projected to be slightly larger, on average, than last year - in Europe, 68 versus the 2008/09 average class size of 55; in the US 51 vs 48 in 2008/09. This projection reflects the number of programs reporting positive growth plans, as two-thirds of European (63%) and half of US programs expect to increase.

To participate in GMAC research, gain access to in-depth information not available to the public and get personalized and benchmarking reports, please contact research@gmac.com.

George Soros' Reflexivity Theory

George Soros' Reflexivity Theory has earned renewed justification during the recent global financial crisis and Soros attracts further attention via his recent book *The New Paradigm for Financial Markets*.

While Soros' presentation is not scientific, it is a good representation of reality and needs to be tested against scientific methodology.

New research at CEU Business School under the project leadership of Numan Ülkü, Associate Professor of Finance, summarizes Soros' theory of reflexivity by the testable postulate that "thinking and reality may interact so that the market prices may affect fundamentals which they are supposed to accurately reflect".

As such, it nicely complements Behavioral Finance theories to make an important modification to *Efficient Markets Theory*.

There is a quite recent and high-profile literature on this concept though under different names (usually feedback effects). Two-way causation between prices and fundamentals has been noted in corporate valuation (Subrahmanyam and Titman, 2001); in business investments (Angeletos et al, 2007); in emerging market country spreads and macroeconomic performance (Uribe et al, 2005); in mutual fund flows and performance (Chen et al, 2009). Ozdenoren and Yuan (2008) have developed an asset price formation model that incorporates the effects of feedback from prices into fundamentals based on a co-ordination game.

CEU Business School is to contribute to this work by (i) testing the possibility of replicating reflexivity effects in a laboratory experiment (financial market simulation) with a special design that allows feedback from asset prices into fundamentals, (ii) developing an empirical system that can identify reflexive situations while developing; and using this system to empirically show, in some specific contexts, that significantly stronger short-lag positive and long-lag negative autocorrelation patterns arise whenever reflexive forces (feedback effects) are in action.

We believe this work will have significant contribution to leading international literature and could guide agencies regulating or supervising financial markets.

Practices in Cross-cultural Management Courses



Bernadett Köles

Cross-cultural management is a multifaceted and widely researched topic, incorporating scholarly work with industry feedback and experience as well as consequences based on relevant market-related events.

The appropriate dissemination of research findings into undergraduate, graduate, and executive education curricula is of great importance as incomplete understanding could often lead to conclusive overarching stereotypes.

There are many approaches in the area of cross-cultural or multicultural management courses. Students benefit most from such courses if they understand the specifics concerning particular situations, times, places, means, and the extent to which culture matters as well as seeing potential advantages derived from their enhanced cultural awareness and competence.

By the time brief summaries and overviews of relevant research make their way into instructional materials, they may become oversimplified and often quite superficial.

Additionally, cultural dimensions due to globalization and particularly in radically changing societies also exhibit a more dynamic nature than previously expected. Thus classroom instruction should also respond to the complexities in a global context.

Tibor Vörös



In order to enable students to obtain first-hand experience in understanding issues characterizing multicultural environments, while avoiding overarching stereotypes, there are examples and validated practices that might help educators as well as practitioners in designing their courses.

For example, in our own practice, we found that exposing students to cross-cultural issues using business simulations appears to be an effective method.

The Central European University as a whole is particularly well suited for providing business simulation environments due to its diverse student body. On average, in a group of 100 students, there are approximately 40 different countries represented. Such diversity provides optimal grounds for interactive learning with all participants contributing with unique insights based on their own backgrounds.

At the graduate level, we have designed a boardroom exercise where boardroom-level decisions and debates concerning global issues are expected in a multi-cultural environment. A complete storyboard has been developed to cover various issues, including environmental, political, and ethical problems (for example, ethics issues are explored via a situational exercise of bribery).

Initially, a careful group assignment is completed in order to ensure an appropriately diverse mix of nationalities and cultural backgrounds in each group. A discussion of the GLOBE constructs and other relevant research findings takes place with each of the groups.

Finally, a concluding assessment and discussion at the end of the simulation is undertaken to measure ways in which perceptions and stereotypes have changed over the course of the simulation.

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Innovative Research Management in Business Schools: the Case of IAB Research Capacity, Kazakhstan

The Center for Research and Development (CRD), the newly established division of the International Academy of Business, Kazakhstan, launched its first innovation research project "Motivation Maps" in October, 2009.

This is a research using a newly developed HR management model (HRM) that was previously applied in one of the large telecommunications sector companies of in Kazakhstan in 2008. The main principles of the model have been used and adapted by CRD for the Academy's management objectives. The main purpose of the project is to assess the research and project capacity of the International Academy of Business and compare it with the other business schools in Central Asia.

This model can be applied by private business schools to measure their efficiency, innovation, project, research capacity, and other quantitative and qualitative indexes (for example, publications) or key performance indicators (KPI).

Although there are several stages envisaged in this project, the preliminary results of the first stage can be released and shared here. The internal IAB research project consists of two steps and it has a similar framework used in further comparative analysis.

The first step is an assessment of research and project capacity of IAB's faculty members.

The second step is an assessment of research and project capacity of administrative staff of the academy with a hypothesis that the similar KPIs for administration would be much lower compared to the KPIs of Faculty members.

The next stage, which is planned to be implemented during 2010, focuses on the assessment of the research capacity among the business schools that are IAB's Central Asian partners: the School of Economics and Business (Turkmenistan), Academy of Management under the President of Kyrgyzstan, and the recently opened Singapore Institute of Management Development in Tashkent (Uzbekistan). The preliminary results of an internal project among the IAB's faculty members with a 49% participation

rate revealed that the highest KPI on publications among the key six Chairs is 413 (Chair of Finance and Audit) and the highest KPI on international publications is in the Economics Chair (which is 13). This stage of research is targeted at quantitative indicators and the next stage will focus on the quality indicators for further comparative analysis with the Central Asian business schools mentioned above. The "Motivation Maps" project could be compared in some of its intentions with the 2008 Research Assessment Exercise (RAE) that provides the evidence of the high quality and international standing of research carried out in higher education institutions in the UK.

With a full understanding that building research and project capacity in Kazakhstan and other Central Asian business schools is a long-term process, nevertheless we realize that the best way to do it is to learn the best world practices but do it with a certain internally developed and innovation models that work better for this part of the world.

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EABIS Sustainable Value Report

Corporate Responsibility, Market Valuation, and Measuring the Financial and Non-Financial Performance of the Firm

How does the environmental, social, and governance performance of companies impact their long-term business success?

And how do companies overcome the obstacles that often appear to stop the investment community from taking environmental, social, and governance performance fully into account in assessing long-term sustainable value creation?

The final report, entitled *Sustainable Value*, from a two-year EABIS-funded project seeks to answer these questions. The report proposes a “Value Creation Framework” to show how improved environmental, social, and governance performance can impact the drivers of financial performance.

The Value Creation Framework challenges the existing dominant norm of shareholder value and of how value is created or destroyed. In the context of growing sustainability pressures worldwide, the objective of the framework is to help business embed corporate responsibility and sustainability and support the investment community in refining business valuation models.

According to the report, this new approach will have to overcome obstacles – limited data, lack of understanding, shifting terminologies, and few incentives to change – in business and in the investment community.

The research group therefore proposes a number of concrete recommendations and initiatives to help change behaviors and mindsets in these communities. The objective is to implement the Value Creation Framework and create a critical mass of companies and investors using it.

Visit the related project website to learn more about:

- The research papers supporting the final report
- Proposals to overcome barriers in mainstreaming and communicating non-financial performance
- Recommendations on how to improve communications around meaningful indicators of value created through non-financial performance

www.investorvalue.org

Consumerism: Change or keep suffering, you choose

By Javier Rovira

Surroundings, markets, and competitors change today at faster speeds than ever. Companies need something different; an adequate response to the movements in society that permit a change in rhythm and even to be ahead of it. And that response does not seem to be present in traditional marketing. For that reason, companies change or they will have to survive with greater suffering and effort.

Consumerism is a new proposal that is not based on theoretical models but on market realities and present-day examples of success to propose a brand-new strategy.

Controversial, revolutionary, iconoclastic, and provocative like its author, *Consumerism* is a reference brand that opens a new cycle in marketing in order to respond to the basic need of companies: to generate sustainable and profitable demand.

From the very concept of the book to its contents and proposals, today’s marketing is questioned from its origin: from markets and segmentation to product development, price policies and, of course, communication and other mix elements.

Aside from the degree of agreement that one might have with what is expressed here, *Consumerism* is a book to reflect on and think about what we do and how we do it.

Based on companies and full of real examples, this new framework was presented before printing to academicians, presidents, general directors, and heads of marketing for their validation.

All of them coincided in how ground-breaking the proposal was and they all agreed on wanting to know “how can I put it into practice in my company?”

Contact: Paloma Remírez de Esparza, ESIC Editorial, paloma.remirez@esic.es

Past and Future Culture

By Anne E Witte, Professor, EDHEC Business School, France

This unconventional book explores the gradual internationalization of past cultures as they become the societies of the present. Eight thematic chapters investigate values, authority, global culture, transnational communication, social capital, and civic concerns, concluding with a focus on one contemporary cultural sphere (Indian, Chinese, Central Asian/Arab-Islamic, Russian, Western Capitalist, South American, African, Japanese). Drawing from more than a thousand publications – philosophy, literature, political science, business history, economics, and anthropology – the content is tailored for the non-specialist drawing attention to vital humanities and social science concepts. Particularly thought-provoking in a period of economic recession, environmental crisis, and religious conflict, the essay positions contemporary themes in historical perspective. This book departs from the traditional approach to teaching culture for the professions with less focus on national differences and more on the interdependent factors that determine personal, social, institutional, and civic values. This search for integrated, cross-disciplinary paradigms is a quest not only to sustain business models but to enhance human prosperity and link geographically distant people and conceptually diverse ideas into sustainable eco-systems.



Mainstreaming Corporate Responsibility - Building the Skills Future Managers Will Need

By Craig Smith and Gilbert Lenssen

Corporate Responsibility (CR) has never been more prominent on the corporate agenda than in the current economic crisis. More and more companies are coming to understand that it is in their economic interest to address environmental, social and governance (ESG) issues in a manner that is integrated with their operations.

As managers find themselves confronted with increasingly complex social and environmental problems, they require different knowledge, skills, and competencies than in the past to address these problems as a part of business strategy and operations. *Mainstreaming Corporate Responsibility* pioneers a way for business schools to equip future business leaders and managers to meet these challenges.

Based upon the EABIS flagship education project "Curriculum Development" the book from Professors Craig Smith and Gilbert Lenssen is a collection of texts and cases to be used not only in traditional CR courses but across all business disciplines including accounting, economics, entrepreneurship, finance, marketing, organizational behavior, operations management, and strategy.

Financed by EABIS Corporate Founding Partners - IBM, Johnson & Johnson, Microsoft, Unilever, and Shell – the project was initially supported by London Business School and ultimately the INSEAD Social Innovation Centre. The case studies are accessible to EABIS members via Intranet and the related project website offers an overview of all other deliverables including links to the special journal and thematic booklets

FORTHCOMING CEEMAN EVENTS

- **Educational Material Development Program
Case Writing Module - Part I**
1-3 February 2010
Bled, Slovenia
- **Program Management Seminar**
10-12 March 2010
Bled, Slovenia
- **Educational Material Development Program**
31 May - 1 June 2010
Bled, Slovenia
- **Educational Material Development Program
Research and Publishing Module - Part I**
2-4 June 2010
Bled, Slovenia
- **IMTA – International Management Teachers Academy**
6-18 June 2010
Bled, Slovenia
- **18th CEEMAN Annual Conference
In cooperation with Coca Cola HBC Italia**
23-25 September 2010
Naples, Italy




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