

Role of Business Schools in Emerging Countries and Challenging Environments

The Suliman S. Olayan School of Business (OSB) Experience

Salim Chahine
Acting Dean,

Abdul Al Aziz Al Sagar Endowed Chair Professor of Finance
OSB - American University of Beirut

Emerging Countries

The term is often reduced to the unhelpful tautology that emerging markets are “emerging” because they have not “emerged.” (Forbes, 2010)

Emerging Countries?

- Fast Growing Economies (Large, low-cost and increasingly educated labor pools with tremendous competitive advantage in production, and IT).
- Emerging competitors (BRIC could be larger than (USA, Japan, UK, Germany, France and Italy) before the middle of the twenty-first century (Goldman Sachs, 2003).
- A transformative shift in the distribution of global power. Fierce Competition (e.g. Lenovo 's purchase of IBM 's personal computer business in 2004, the acquisition of Jaguar and Land Rover by India's Tata Motors in 2008).

Emerging Countries!

A deeper look suggests that emerging markets are:

- financially Unstable.
- Insecure Intellectual property rights.
- Government bureaucracies.
- Unreliable Product quality.
- Local talent is insufficient to staff operations.
- Endemic corruption.

=> An emerging market is a country that has some characteristics of a developed market, but does not meet standards to be a developed market.

Business Schools in Emerging Countries

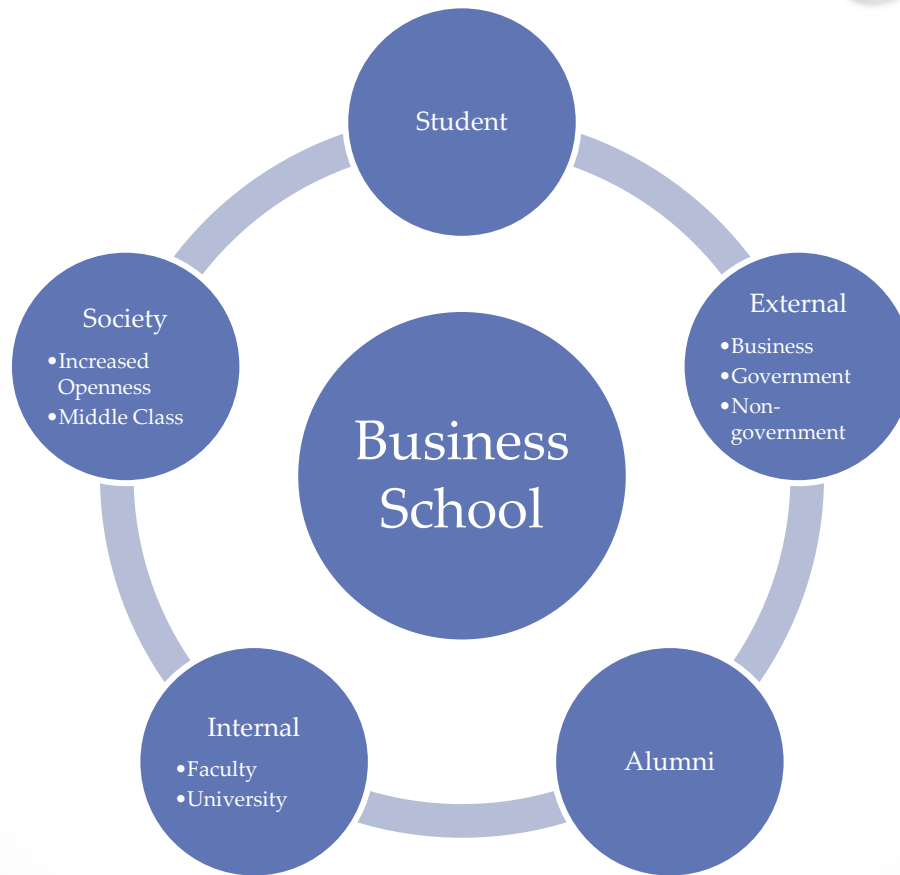
⇒ Business Education is not simply about greater profitability and competitiveness of businesses

⇒ It is about building a sustainable model

Business Schools in Emerging Countries

- It is **not sufficient** to be A provider (there are about 15,000 educational institutions worldwide providing business education degrees, the number has grown from around 11,000 since 2009)
- To play A role, it is **necessary** to become a provider of **quality** business education. However this brings with it a set of challenges

School of Business: A Center For Progress



You need to think about your Stakeholders rather than your Shareholders

School of Business: A Center For Progress

- To develop an Entrepreneurial/Innovation spirit that could support the liberalization of our economies
- To adapt training to a changing need starting with technical knowledge and moving gradually to soft skills as our economies become more mature and increasingly complex
- To impact and add value to our community

Think Big

Challenges

Clear **Vision** and an Aligned **Mission**

Our Role:

- Programs
- Faculty
- Community

Role: Programs and Students

Fostering a culture of continuous improvement

- Macro Level: Develop Their Understanding In:
 - National and global economies
 - Ethics, good governance, and awareness of societal needs
 - Entrepreneurship
- Micro Level: Develop Their Abilities And Skills In:
 - Analyzing, evaluating, and communicating
 - Planning and organizing
 - Leading and delegating
 - Conducting negotiations and working either as an individual or a team member

Role: Faculty/University

- To have the right balance at the local, regional, and international levels:
 - Professorial: produce impactful research and engage various members of the community
 - Non-Professorial: who can build the bridge between Academia and the business community
- Lead efforts to increase the level of academic rigor and excellence, and practical relevance to other disciplines

Role: Community

- Nurture and grow **Alumni base** and engage them in the life of the school
- Catalyst of positive change to business, government, and non-government organizations, building capabilities and spreading knowledge and best practices.
- Contribute to the creation of a middle class as more people will have access to better paying jobs and benefits

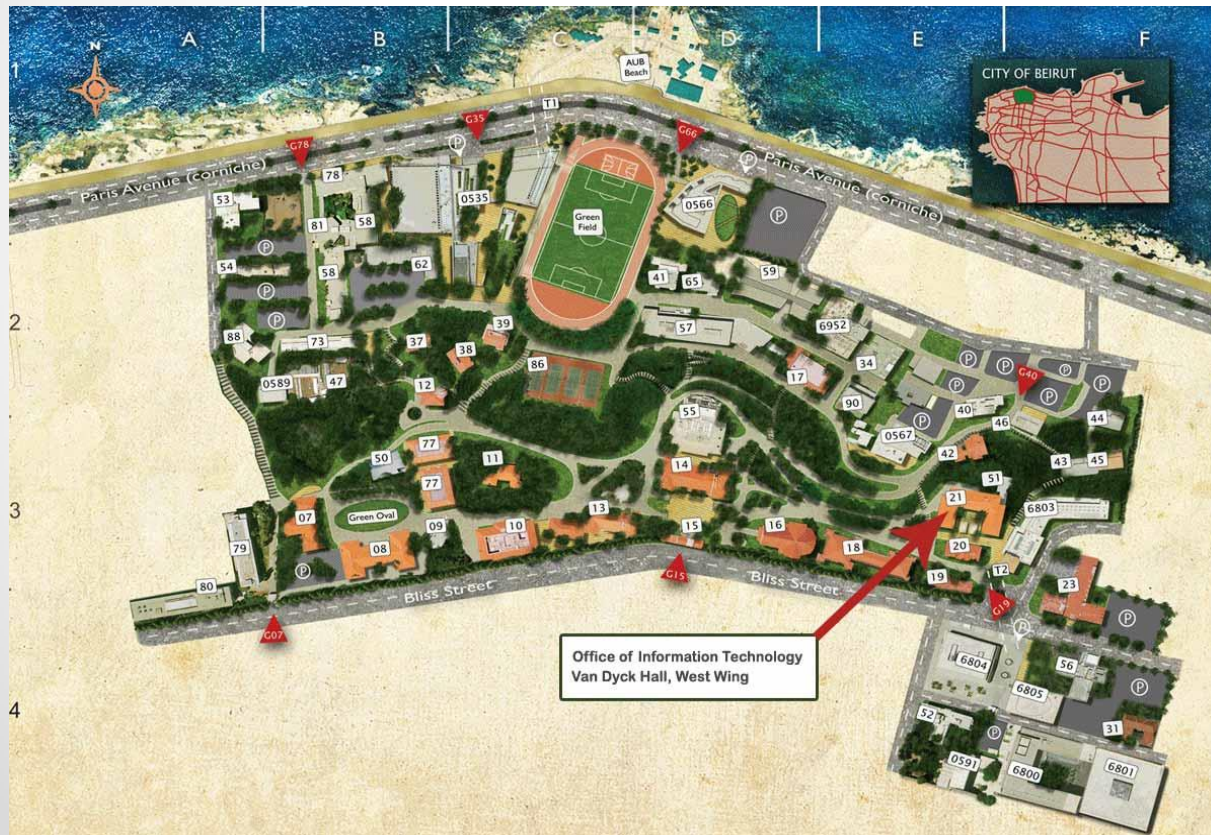
A Business School in a Challenging Environment:
The Olayan School of Business Experience
American University of Beirut



Regional Leadership, Global Excellence.

AUB History and Tradition

Founded 150 years ago in the heart of Beirut



AUB History and Tradition

AUB Campus :

- 60.9 acre (246,459 sqm)
- 8,500 students per year
- campus overlooks the Mediterranean Sea and includes athletic fields, private beach,...
- A total of 64 buildings.
- 6 faculties and Schools
- the biggest Medical Center/Hospital in the Arab World
- An Influential history in the region



“That they may have life and have it more abundantly.”



LEBANON: A Complex Mosaic



LEBANON: A Complex Mosaic



The Middle East and North Africa Region



7.38 % of
the Globe;

5.6 % of
Global
Population;

4.15 % of
Global GDP

The MENA region has vast reserves of petroleum and natural gas that make it a vital source of global economic stability.

According to the Oil and Gas Journal (January 1, 2009), the MENA region has 60% of the world's oil reserves (810.98 billion barrels (128.936 km³)) and 45% of the world's natural gas reserves (2,868,886 billion cubic feet (81,237.8 km³)).

Business Education

AUB introduced business education to the Middle East region in 1900.

AUB has a business alumni base of over 8,000 worldwide. Its business graduates are considered among the region's leaders – prime ministers, CEOs, diplomats, members of parliament,....



Vision (Our Strategic Intent / Aspirations)

*“We aim to become **globally recognized as the leading business school between Europe and South Asia** in terms of academic research, teaching excellence and business impact.”*

Mission (How to Achieve our Vision?)

*“... OSB ... **aims at developing business leaders in, for or from the Middle East region and beyond.***

With our 55 Full-time Faculty members, we serve about 1200 students based on Our:

- *Programs: BBA, Executive MBA, MBA, Specialized Masters Programs (MFin, MHRM,...)*
- *Intellectual Contributions*
- *The **highest ethical standards and a continuous improvement ethos** in all its activities.”*

The Olayan School of Business: A Snapshot

Key Performance Indicators	2015-2016
<i>Total Full-time Faculty</i>	55
<i>Professorial (Full, Associate, Assistant)</i>	41
<i>Non-Professorial (Instructor, Lecturer, Senior Lecturer)</i>	14
<i>Students (UG/GRAD)</i>	
<i>Graduate MBA / EMBA / MFIN / MHRM</i>	134
<i>Undergraduate</i>	1000
<i>Total Enrollment</i>	1,134

The Olayan School of Business: A Snapshot

- Executive education: (e.g. Hikma Pharmaceutical, National Bank of Kuwait, Kuwait Petroleum Company, Al Fardan – Qatar, Aramex, Audi Bank, Averda, etc.)
- Innovative teaching: Case study writing and teaching, Blended learning, Simulations (Capsim)
- Conferences (Business, HR, ...)
- Workshops (NGOs, Women Entrepreneurs, Family Business,...)
- Seminars:
 - Visiting Scholars Series: Michael Brennan, Naresh Malhotra, Luigi Zingales,...
 - Keynote Speakers: Carlos Slim, Carlos Ghosn, Sam Zell,...

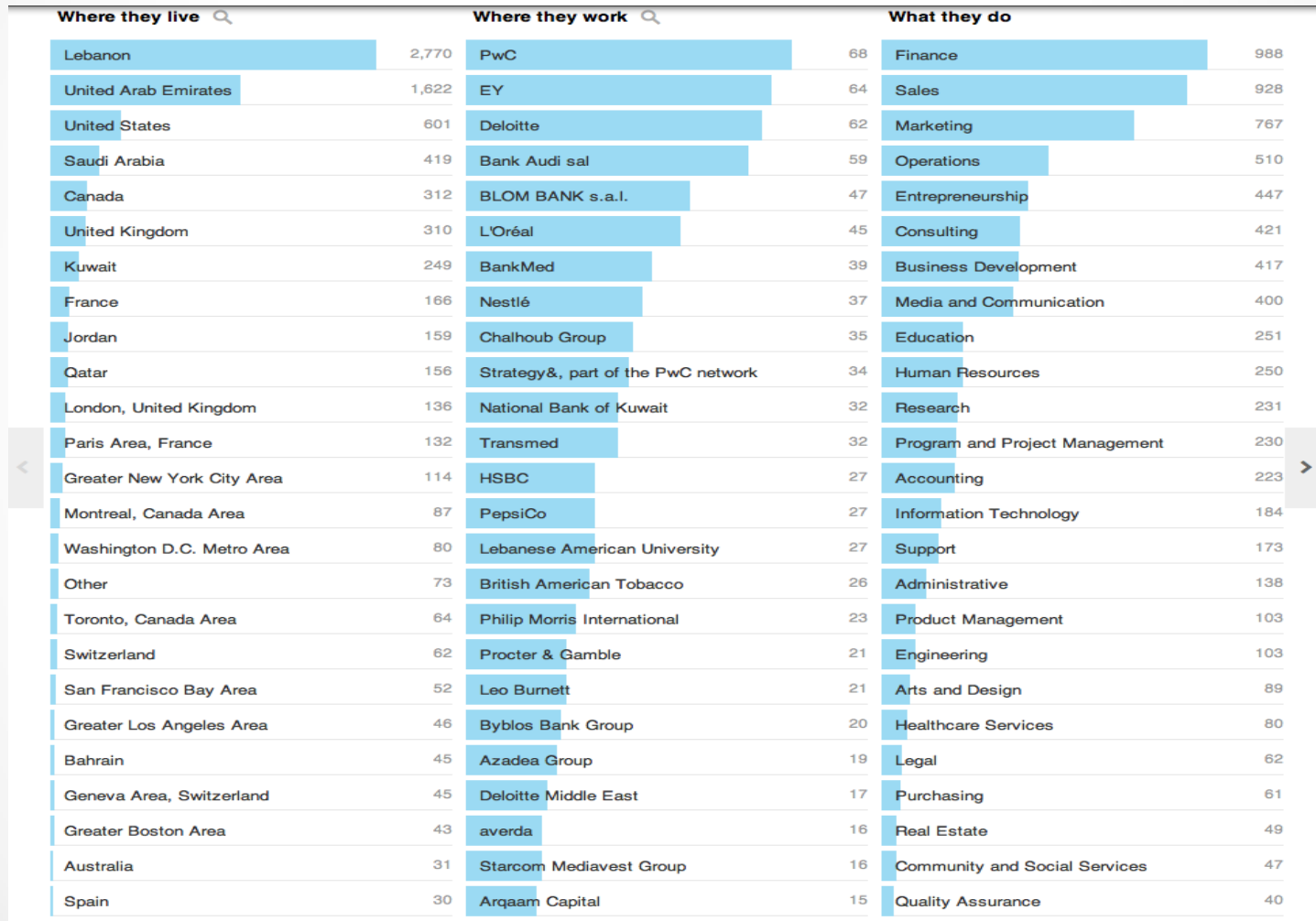
We Achieve our Mission through our Intellectual Contributions

Publishing in Quality Journals

Journal	Number	Impact Factor
STRATEGIC MANAGEMENT JOURNAL	1	3.341
ENTREPRENEURSHIP THEORY AND PRACTICE	1	3.144
JOURNAL OF COMPUTER-MEDIATED COMMUNICATION	1	3.117
KNOWLEDGE-BASED SYSTEMS	1	2.947
INTERNATIONAL JOURNAL OF NURSING STUDIES	1	2.901
INTERNATIONAL JOURNAL OF PRODUCTION ECONOMICS	1	2.752
JOURNAL OF WORLD BUSINESS	1	2.388
GOVERNMENT INFORMATION QUARTERLY	1	2.321
EUROPEAN JOURNAL OF INFORMATION SYSTEMS	1	2.213
JOURNAL OF BUSINESS ETHICS	8	1.326
JOURNAL OF CORPORATE FINANCE	5	1.193
INTERNATIONAL JOURNAL OF HUMAN RESOURCE MANAGEMENT	4	0.916
BUSINESS ETHICS-A EUROPEAN REVIEW	4	0.541
CAREER DEVELOPMENT INTERNATIONAL	3	1.290
ASIA PACIFIC JOURNAL OF MANAGEMENT	2	2.091
BUSINESS ETHICS QUARTERLY	2	1.927
COMPUTERS & OPERATIONS RESEARCH	2	1.861
ENVIRONMENTAL MONITORING AND ASSESSMENT	2	1.679
ACM TRANSACTIONS ON INTELLIGENT SYSTEMS AND TECHNOLOGY	2	1.252
JOURNAL OF BUSINESS FINANCE & ACCOUNTING	2	0.914
ACCOUNTING HORIZONS	2	0.881

We Achieve our Mission through our Programs

LinkedIn Profile of Business Graduates



“Knowledge is power. Information is liberating. Education is the premise of progress, in every society, in every family”

-Kofi Annan



Thank You