

Business Education Trends from around the World

The future of the Business School: Challenges and Opportunities
Western Europe

presented by Axel Schumacher



Inspiring Personalities.

Index



Trend 1 Improvement in Rankings



Trend 5 Mergers



Trend 2 M.Sc. In Management



Trend 6 Accreditations



Trend 3 Teaching in English



Trend 7 Turbulance



Trend 4 Student Body



Trend 8 Elite Universities

Trend 1

Western European Universities and Business Schools are getting better in the Rankings



Examples:



QS top world universities 2015: 8 European universities among the top 21



THE Ranking: Europe combined features 345 universities in the global top 800



Financial Times Global MBA Ranking 2015: 8 European business schools among the top 20

Trend 1

US dominance slides as THE ranking becomes top 800

The United States showed “signs of decline” in the Times Higher Education, or THE, World University Rankings 2015-2016, as did Japan and South Korea. Countries with improved performances in an expanded ranking that examined 1,128 universities worldwide and doubled its list to 800, include the United Kingdom and Germany.

Europe combined featured 345 universities in the global top 800 – more than two-fifths of all institutions, including 78 British universities – while there were 147 American institutions in the rankings released last Wednesday.

There are universities from 17 countries in the global top 100, led by the US with 39 and followed by the UK (16), Germany (nine), the Netherlands (eight), Australia (six), Canada (four) and Sweden (three).

Trend 1

View the complete rankings: Top 800 universities

1. Massachusetts Institute of Technology (MIT)
2. Harvard University
- 3= University of Cambridge
- 3= Stanford University
5. California Institute of Technology (CALTECH)
6. University of Oxford
7. UCL (University College London)
8. Imperial College London
9. Eth Zurich (Swiss Federal Institute of Technology)
10. University of Chicago
11. Princeton University
12. National University of Singapore (NUS)
13. Nanyang Technological University (NTU)
14. École polytechnique fédérale de Lausanne (EPFL)

15. Yale University
16. Johns Hopkins University
17. Cornell University
18. University of Pennsylvania
- 19= Australian National University (ANU)
- 19= Kings College London KCL
21. University of Edinburgh



(QS World University Rankings)

Trend 1

FT.com Global MBA Ranking 2015

FINANCIAL TIMES FT.com Business School Rankings

Rank in 2015	Rank in 2014	Rank in 2013	3 year average rank	School name	Country	Audit year ⁽¹⁾	Salary today (US\$)	Weighted salary (US\$)	Salary percentage increase	Value for money rank	Career progress rank	Aims achieved (%)	Placement success rank
1	1	1	1	Harvard Business School	US	2013	180,183	179,910	96	66	3	84	33
2	3	4	3	London Business School	UK	2015	155,754	154,147	97	61	10	85	28
3	4	3	3	University of Pennsylvania: Wharton	US	2013	172,699	171,543	90	87	22	82	40
4	2	2	3	Stanford Graduate School of Business	US	2015	178,929	177,089	80	79	1	82	15
4	5	6	5	Insead	France / Singapore	2015	155,546	155,015	86	11	23	82	51
6	5	5	5	Columbia Business School	US	2014	170,849	169,252	106	78	36	82	20
7	7	7	7	Iese Business School	Spain	2014	144,782	144,992	121	65	8	85	59
8	8	9	8	MIT: Sloan	US	2014	157,360	158,926	97	89	20	81	26
9	9	10	9	University of Chicago: Booth	US	2012	162,791	161,289	97	92	35	83	1
10	11	12	11	University of California at Berkeley: Haas	US	2012	159,140	158,518	88	72	50	83	10
11	17	15	14	Ceibs	China	2014	140,602	149,504	147	31	9	78	80
12	13	11	12	IE Business School	Spain	2014	151,411	152,286	104	20	4	81	78
13	16	16	15	University of Cambridge: Judge	UK	2012	148,909	146,664	93	5	12	86	23
14	14	8	12	HKUST Business School	China	2011	133,023	132,416	117	2	31	81	86
14	15	13	14	Northwestern University: Kellogg	US	2014	160,142	159,598	90	86	18	84	7
16	21	21	19	HEC Paris	France	2014	130,199	129,544	104	26	17	83	83

TREND 1

Challenge: Attracting the best talent



The competition between the leading Business Schools in North America, Asia and Europe is getting tougher:

The competing schools are trying to attract the very best students and faculty by increasing the number of scholarships for students and the number of endowed chairs and professorships for faculty members.



Trend 1

The competing schools ALL try to improve their rankings and recognition

The **Financial Times (FT)** is considered the authoritative ranking of Business Schools. The FT MBA and Masters Ranking are critical for the international recognition of a school and have a direct impact on the recruitment of international and increasingly of national students.





Trend 2

Western European Business Schools dominate the Market of **Masters in Management Programmes**



European Business Schools have taken the first 14 spots in the Financial Times Masters in Management Ranking 2015 and occupy 71 spots out of 80 spots in total

Trend 2

FT.com Masters in Management 2015
FINANCIAL TIMES FT.com Business School Rankings

2015	2014	2013	Three-year average School name	Country	Programme name	Salary today (US\$)	Weighted salary (US\$)	Value for money rank	Careers rank	Aims achieved (%)
1	1	1	University of St Gallen	Switzerland	Master of Arts in Strategy and International Management	89,600	89,600	4	23	95
2	2	4	HEC Paris	France	HEC MSc in Management	86,354	83,309	34	12	93
3	3	8	Essec Business School	France	MSc in Management	82,150	81,712	44	4	92
4	5	7	Cems	See table note	Masters in International Management	68,486	68,774	10	34	90
5	8	5	Rotterdam School of Management, Erasmus University	Netherlands	MSc in International Management	80,114	80,114	16	22	91
6	10	-	London Business School	UK	Masters in Management	78,814	77,006	37	64	94
7	7	2	ESCP Europe	France, UK, Germany, Spain, Italy	ESCP Europe Master in Management	69,472	69,359	53	26	91
8	4	3	WHU Beisheim	Germany	MSc in Management	98,123	98,123	14	20	94
9	12	17	Università Bocconi	Italy	MSc in International Management	70,193	70,193	42	19	91
10	9	5	IE Business School	Spain	Master in Management	70,644	72,569	50	7	89
11	14	-	EBS Business School	Germany	Master in Management	85,066	85,066	33	9	95
12	6	10	Esade Business School	Spain	MSc in International Management	65,029	65,029	38	16	90
13	22	22	WU (Vienna University of Economics and Business)	Austria	Master in International Management	64,793	64,699	21	43	89
14	18	16	Mannheim Business School	Germany	Mannheim Master in Management	82,094	82,109	7	42	92
15	16	18	Indian Institute of Management, Ahmedabad	India	Post Graduate Programme in Management	99,049	99,544	65	3	86
16	13	19	Indian Institute of Management, Calcutta	India	Post Graduate Programme in Management	93,122	92,964	45	1	87
17	11	9	HHL Leipzig Graduate School of Management	Germany	MSc in Management	90,776	90,776	32	60	94
18	16	14	Edhec Business School	France	Edhec Master in Management	57,183	57,119	61	32	88
19	19	12	Imperial College Business School	UK	MSc in Management	58,310	56,864	73	41	90
20	15	13	Grenoble Graduate School of Business	France	Master in International Business	59,210	58,499	52	17	85

Trend 3

Every year more European Business Schools in non English speaking countries teach their programmes in English.

Some schools offer their programmes in both English and the language of their respective home country

Examples for programmes taught in two languages:

-  HEC Paris
-  Rotterdam School of Management
-  WU Vienna
-  Edhec Business School
-  Nova School of Business and Economics
-  Stockholm School of Economics









Trend 4

Growing Internationalization of the student body at Business Schools in Western Europe

Example: Masters in Management 2015



	University of St. Gallen	89 international students
	London Business School	96 international students
	IE Business School	65 international students
	EBS Business School	42 international students
	ESADE Business School	79 international students
	Indian Institutes of Management	no international students

Trend 5

Mergers of European Universities and Business Schools

92

**UNIVERSITY
MERGERS**
TOOK PLACE
IN EUROPE
BETWEEN
2000
AND 2015,

according to a new report from the European University Association. The research shows that these mergers have been on the rise over the last decade. Information for 2015 is incomplete, but 14 mergers took place in 2014, 12 in 2013 and eight in 2012, according to the report.

◆ ◆ ◆



Rouen Business School and Reims Management School announced on April 24 that the two French institutions would merge to form a single business school.

„In order to serve the interests of all its stakeholders as well as possible, the new entity will leverage the skills and strengths that have made excellence the hallmark of both founding schools,“ the schools said in announcing the merger

TREND 5

Mergers

Example 1: France

2009 Ceram Business School + Groupe ESC Lille
  Skema Business School

2012 Bordeaux Ecole de Management + Euromed Marseille
  KEDGE Business School

2013 Reims Management School + Rouen Business School
  NEOMA Business School

Opportunity? Is big always beautiful?



Trend 5

Mergers

Failure:

2012

Amiens + Brest + ESC Clermont-Ferrand +
ESCM Orléans-Poitiers-Tours:



France Business School

Challenge: If you merge four underfinanced institutions, can they ever become a leading Business School?

Trend 5

Mergers

Example 2: Norway

The **Norwegian University College Reform** transformed 98 smaller colleges into 26 larger university colleges, starting from 1 August 1994.

The goal of the reform was to effectivate the operations at the colleges through economy of scale.

In 1996 the Norwegian University of Science and Technology was created in Trondheim after a merger of the Norwegian Institute of Technology and the University of Trondheim, reducing the number of public colleges and universities in Trondheim from thirteen to two.

From 2005 university colleges were allowed to convert into universities if they met certain requirements. So far both Stavanger University College and Agdar University College have converted (to the University of Stavanger and the University of Agder, respectively).

Trend 6

Accreditations:

More and more Business Schools in Western Europe seek Accreditation by AACSB
(Association to Advance Collegiate Schools of Business)

2015: 736 Business Schools in 48 countries and territories have earned AACSB Accreditation,
among them 83 Schools in (Western, Central and Eastern) Europe.

Trend 6

Only three American Business Schools are accredited by EQUIS (European Quality Improvement System)

2015



Bentley University



Babson College



Krannert School of Management, Purdue University



Challenge: What does that mean for the Accreditation Business?

European Business Schools with AACSB Accreditation (Selection)

Germany

In Germany nine institutions are so far accredited by AACSB:

- ESMT European School of Management and Technology (04/2012)
- Frankfurt School of Finance & Management (05/2014)
- Handelshochschule Leipzig (04/2004)
- Hochschule Pforzheim, Fakultät für Wirtschaft und Recht und der Bereich Wirtschaftsingenieurwesen (07/2011) *
- Johann Wolfgang Goethe-Universität Frankfurt/Main, Fachbereich Wirtschaftswissenschaften (01/2005)
- RWTH Aachen - Rheinisch-Westfälische Technische Hochschule Aachen (international: RWTH Aachen University), Fakultät für Wirtschaftswissenschaften (04/2011)
- Universität Mannheim, Fakultät für Betriebswirtschaftslehre, Mannheim Business School (03/2000)
- WHU – Otto Beisheim School of Management Vallendar (12/2010)
- WWU - Westfälische Wilhelms-Universität Münster, Wirtschaftswissenschaftliche Fakultät (04/2011)

* Fachhochschule = University of Applied Sciences

European Business Schools with AACSB Accreditation (Selection)

France

- [ESSEC](#) was accredited in 1997 as first business school outside North America
- [INSEEC Business School](#)
- EM Strasbourg *and many others ...*

Switzerland

- [Zürcher Hochschule für Angewandte Wissenschaften \(ZHAW\)](#), [Zürich](#) (05/2015)
- [International Institute for Management Development \(IMD\)](#), [Lausanne](#) (01/2004)
- [Universität St. Gallen](#) (01/2004)
- [Universität Zürich](#) (08/2010)

Netherlands

- [Erasmus-University of Rotterdam](#)
- [University of Groningen](#), Faculty of Economics and Business (FEB)
- [University of Maastricht](#), School of Business and Economics
- [University of Tilburg](#)

European Business Schools with AACSB Accreditation (Selection)

Great Britain

- [University of Newcastle upon Tyne](#), Newcastle University Business School
- [Ashridge Business School](#)
- [Aston University](#), Aston Business School
- [Cardiff University \(Wales\)](#), Cardiff Business School
- [City University London](#), Cass Business School
- [Cranfield University](#), Cranfield School of Management
- [University of Durham](#), Durham Business School
- [Imperial College London](#), Imperial College Business School
- [Lancaster University](#), Lancaster University Management School
- [London Business School](#)
- [The Open University](#), The Open University Business School
- [Northumbria University](#), Newcastle Business School
- [University of Bradford](#), School of Management
- [University of Edinburgh Business School](#)
- [University of Glasgow](#), University of Glasgow Business School
- [University of Hull](#), **Hull University Business School**
- [University of Manchester](#), Manchester Business School
- [University of Liverpool](#), Management School
- [University of Reading](#), Henley Business School
- [University of Sheffield](#), Management School
- [University of Strathclyde](#), Strathclyde Business School
- [University of Surrey](#), School of Management
- [University of Warwick](#), Warwick Business School^{1]}



Trend 7

Unprecedented Turbulance

Technology is destabilizing the business education sector and non-academic organisations are emerging as competitors



MOOCS: Massive Open Online Courses

Trend 7

Opportunities

One answer: Blended Programmes

Example: IE Business School, Spain



Trend 7

Blended Programmes

I. Structure of Blended Programmes at IE Business School

1. Face to Face period (one week)
2. Online period (five weeks, combining synchronous and asynchronous sessions)
3. Face to Face period (three days)
4. Online period (five weeks)
5. Face to Face period (three days)
6. Online period (five weeks)
7. Face to Face period (three days)
8. Online period (five weeks)
9. Face to Face period (three days)
10. Online period (five weeks)
11. Face to Face period: Examination and Graduation Ceremony (three days)








Face to Face periods: Ideally 30% of the programme

Trend 7

Blended Programmes

II. Important Ingredients

-  Small groups
-  The right blend
-  Starting Face to Face
-  Ending Face to Face
-  Lockstep Modell: Clear and transparent Start and End dates
** 98% Completion rate at IE Business School*
-  Faculty led

Trend 8 Elite Universities Drive

Examples: Germany and France



Elite Universities Drive

1. Germany

- ➔ Since 1945, Germany's governments have tried to explode the myth that all the country's universities are equal
- ➔ In 2006, the government launched an 11-year, €4.6 billion programme that aimed to make **the best German universities more competitive with the likes of Oxford, Cambridge and Harvard**
- ➔ The campaign, called the **Excellence Initiative**, led to 14 institutions gaining the common – although unofficial – label of 'elite university'!

Trend 8

Winners: Future Concept 2012

Out of the 140 universities in Germany 11 universities were chosen, among them five new winners (HU Berlin, University of Bremen, University of Cologne, TU Dresden, University of Tübingen) and six title holders: RWTH Aachen, FU Berlin, Heidelberg University, University of Konstanz, LMU Munich, and Technical University of Munich. These universities are commonly referred to by the media as "elite universities". As in 2006 and 2007, also other universities were awarded for special clusters of excellence and renowned graduate schools.

University	Title	Year of Award
RWTH Aachen University	RWTH 2020: Meeting Global Challenges	2007
Freie Universität Berlin	International Network University	2007
Humboldt University of Berlin	Education through science	2012
University of Bremen	AMBITIOUS AND AGILE	2012
University of Cologne	Meeting the Challenge of Change and Complexity	2012
Dresden University of Technology	The synergetic university	2012
Heidelberg University	Heidelberg: Realizing the Potential of a Comprehensive University	2007
University of Konstanz	Model Konstanz - towards a culture of creativity	2007
Ludwig Maximilian University of Munich	LMUexcellent: Working brains – Networking minds – Living knowledge	2006
Technical University of Munich	TUM. The Entrepreneurial University	2006
University of Tübingen	Research – Relevance – Responsibility	2012



Elite Universities Drive

Current International Standing

According to the **Third European Report on Science & Technology Indicators** (an official document compiled by the European Commission) four of the Universities of Excellence are among Europe's top 10 universities: Technical University of Munich (joint 3rd), Freiburg (joint 6th), Karlsruhe (joint 6th), and Heidelberg (joint 9th).

In the **Academic Ranking of World Universities**, Technical University of Munich (53), LMU Munich (60), Heidelberg (62), and Freiburg (99) are included in the global top 100, heading the field of German universities by those criteria.

Eight of the eleven Universities of Excellence are included in the world's top 250 universities, according to the **QS World University Ranking**: Technical University of Munich (53); Heidelberg (55); LMU Munich (60); Free University of Berlin (87); Humboldt University of Berlin (130); Tübingen (144); RWTH Aachen (150); Cologne (247). **The Times Higher Education World University Ranking** ranks 8 of these 11 Universities of Excellence among the world's 250 top universities: LMU Munich (45); Heidelberg (73); Technical University of Munich (88); Humboldt University of Berlin (109); Free University of Berlin (151); RWTH Aachen (168); Tübingen (187); Konstanz (194).

Elite Universities Drive

2. France

Initiatives d'excellence (IDEX)

„fait partie des investissements d'avenir, programmes dont le but est de créer en France des ensembles pluridisciplinaires d'enseignement supérieur et de recherche qui soient de rang mondial.

Lors du premier appel à projet en 2011, huit projets Initiatives d'excellence (quatre en région parisienne et quatre en province) ont été sélectionnées et ont reçu une subvention totale de 7,7 milliards d'euros“

Initiatives d'excellence (IDEX)

Name of the Institution	University	Attributed Money
Aix-Marseille Initiative d'excellence : Interdisciplinarité pour l'excellence d'Aix-Marseille (A-M IDEX)	Université d'Aix-Marseille (PRES-EPCS puis université réunifiée)	750 M€
Campus Plateau de Saclay (CPS)	Campus Paris-Saclay (FCS)	950 M€
Initiative d'excellence de l'université de Bordeaux	Université de Bordeaux (PRES-EPCS puis université réunifiée)	700 M€
Paris Sciences et Lettres étoile : rendons possible le nécessaire (PSL*)	Paris Sciences et Lettres (PRES-FCS et EPCS dédié)	750 M€
Sorbonne Paris Cité	Sorbonne Paris Cité (PRES-EPCS puis ComUE)	800 M€
Sorbonne Universités à Paris pour l'Enseignement et la Recherche (SUPER)	Sorbonne Universités (PRES-FCS)	900 M€
Toulouse initiative d'excellence (UNITI)	Université de Toulouse (PRES-EPCS)	750 M€
Université de Strasbourg : par delà les frontières, l'université de Strasbourg (UNISTRA)	Université de Strasbourg (université réunifiée)	750 M€

Thank you for your attention

