Internationalisation Strategies of Business Schools

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Stakeholder No 1:

**Business** needs Management Education that is global in Outlook and Context

1. The ‘old’ MNCs to Expand and Consolidate
2. The ‘new’ MNCs to Defend and Internationalise
3. The domestic Firms for Benchmarking
Stakeholder No 2:

Most Business Schools are geographically anchored

- Charged with local/national Objectives
- Dependent on Government Funding
- with many local and few foreign Participants

...and have lots of Constraints:

- Institutional Limitations (Location, Fees + Costs, Degrees, etc.)
- Lack of Resources (Funds, People, Knowledge, Vision)
- Different Programme Portfolios, Revenue Models
**Stakeholder No 3:**
Internationalisation of *Students/Participants*

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| - Broadening  
  - Global Learning  
- See, Feel, Touch…  
  - Global Values  
- Immersion  
  - Global Thinking | - Group Capsule (us vs them)  
- Academic Input vs Tourism  
- High Costs  
- Immediate Relevance? |

*Abroad one discovers Oneself*
HOW to Internationalise Institutionally?

- “Domestic” Internationalisation
  - Content, Delivery, Languages (‘the Gap’/Ghemawat)

- Multi-faceted Partnerships/Alliances/Exchange Programmes

- Geographic Expansion
  - The Virtual Model (Import of for. Participants/Faculty)
  - The Suitcase Model (Export of Faculty)
  - The Campus Model (FDI)
  - The Network Model

- Foreign Stakeholders, Mergers & Acquisitions
Institutional Partnership Models

• Exchange of Participants
• Exchange of Faculty

+ Joint Programmes, Projects, Seminars, Research

Requiring Similarities in:
  Image, Curricula, Costs, Accreditation, etc

High Transaction Costs
The Export Model

- Dispersed Delivery
  Hotels
  Corp. Facilities
  Own Satellites
- Relatively Simple
  Organisation
- Faculty/Staff Travel

- Requirements:
  Responsiveness
- Crucial: Local > Global
- Higher Costs
The Campus (FDI) Model: HQs vs Subs

• The Universalism of Management/Leadership
• Projecting Globally = Intellectual Imperialism?
• Assuming Convergence of Business Systems
  = Managerial Relevance?

• or Universal Truth + Local Context

Parallels to the Business World:

From Exports to FDI, from Standardisation
to Differentiation/Responsiveness
The Network Model

- Dispersed Knowledge Resources Assets

- Requirements: Coordination
  - Crucial: Global + Local

Cross-Fertilisation?
- Founded 50 Years ago (Treaty of Rome)
- European Alternative to US Business Schools
- Independent, *not French or Part of the French System*
- No ‘Foreigners’, because no ‘Locals’

- Last 10-15 Years from ‘European’ to ‘Global’:

  European Campus + Asia Campus + Wharton USA Alliance
  + Abu Dhabi (Campus) + ....
Singapore: part of the ‘Global School House’

not Part of the Singaporean System

Transfer of People, Systems, Power and ‘Culture’ to SGP
Slow Start, Credibility Issues, some Resistance…

Today: Far ahead of Expectations
Second Campus, not Subsidiary
Full Integration, Cross-Fertilisation
Asians in Europe and v.v.
The Network Model – Advantages/Disadvantages

• De-emphasises Country of Origin
• Stabilises Revenue Flows
• Enhanced Knowledge Generation
• Global Links with Global Business

• Higher Costs, Little Economies of Scale
• Danger of Cloning rather than Differentiation
• Academic Freedom vs administrative Control
• Global Culture or footloose Troops?
The Globalisation of Professional Firms

People Processors
Service Providers
Professional Firms in B2B
Auditing Firms, Consultants
Ad Agencies, Research Cos.
Health Care Providers
Law Firms

Building: Global Reach
Global Brands
Global Systems
Global Customers