

PERMANENT INNOVATION

As innovation plays an ever greater role in our evaluation of the world's top business schools, Stanford has taken first place in our ranking. But Harvard remained the best regarded school in the region.

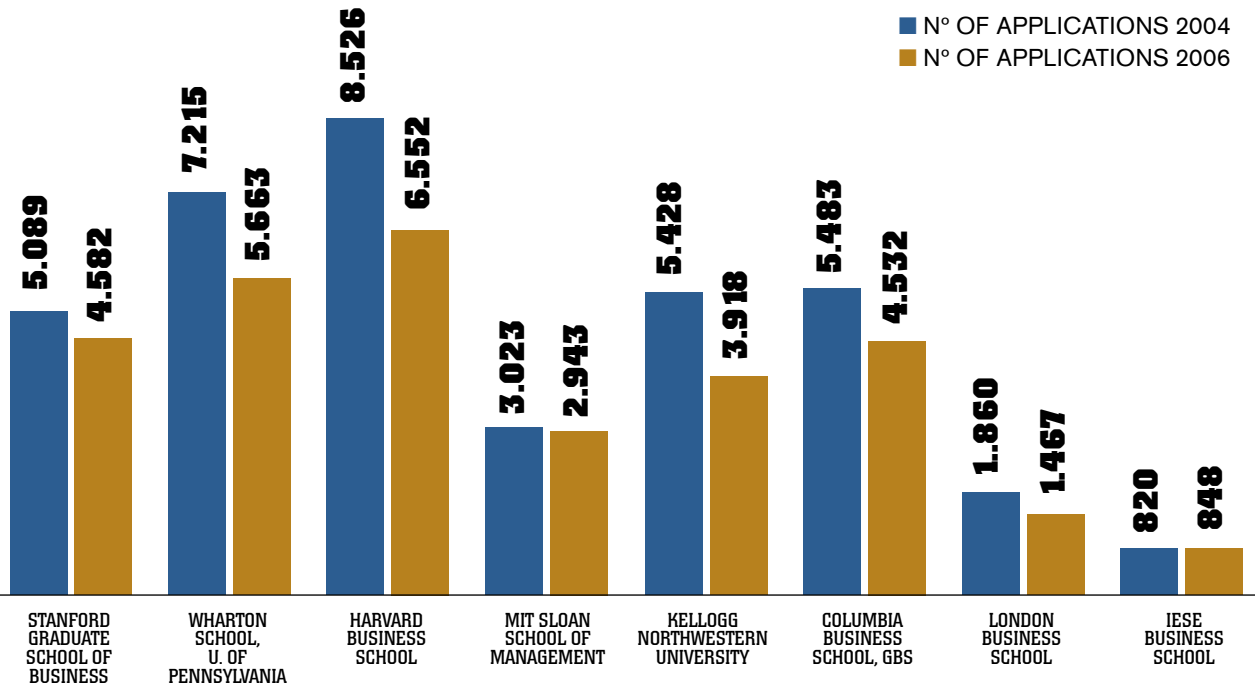
IVÁN COLODRO

WHAT WILL THE MBA study program of the future look like? At the Graduate School of Business at the University of Stanford, they claim to have the answer. Last May, the university's academic board approved the largest reform of its MBA program's curriculum in twenty seven years. The new model, which will come into effect from

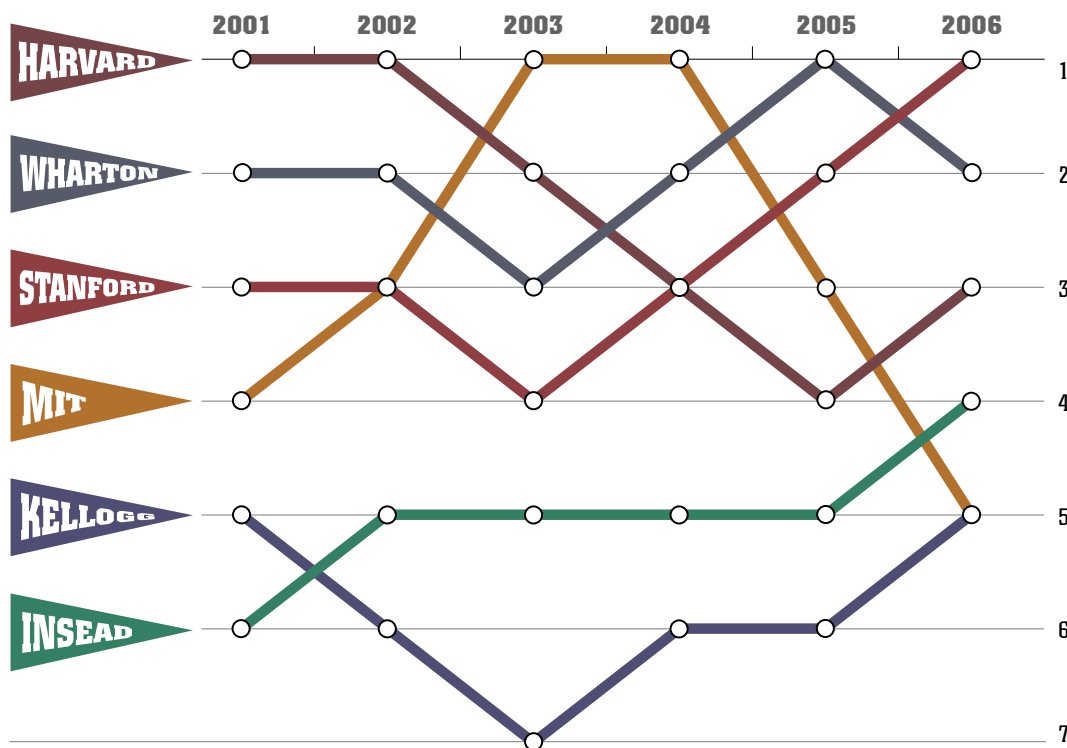
2007, will allow each student to put together his or her own study program with no required courses beyond the first semester. The revised curriculum will also put greater emphasis on analytical critical thinking, general management and the development of leadership skills (or soft skills as they are known in the industry).

The reform will be supported by the construction of a completely new campus, valued at US\$275 millions. Where are they getting the money from? The recent donation of US\$105 millions to the university by Philip H. Knight, the founder of Nike Inc and the holder of an MBA from Stanford should help. It not only

APPLICATIONS TO MBA FULL TIME PROGRAM 2004 - 2006



AMERICAECONOMIA RANKING (2001-2006)



broke the record for the largest private donation to an academic institution, but will also allow the university to begin work on the new campus, to be known as The Knight Management Center.

So congratulations to the University of Stanford, whose business school tops our annual global ranking of MBA programs for Latin Americans. This is the first time the school at Palo Alto has taken first place in the list which this year put more emphasis than ever on the importance of innovation.

THE SOCIAL FACTOR

The preoccupation with innovation has led business schools to look ever wider in search of lessons and opportunities for their students. Even as far as Latin America. Stanford, for example, has created the Center for Social Innovation (CSI) to study enterprise at lower levels of society and responsible business prac-

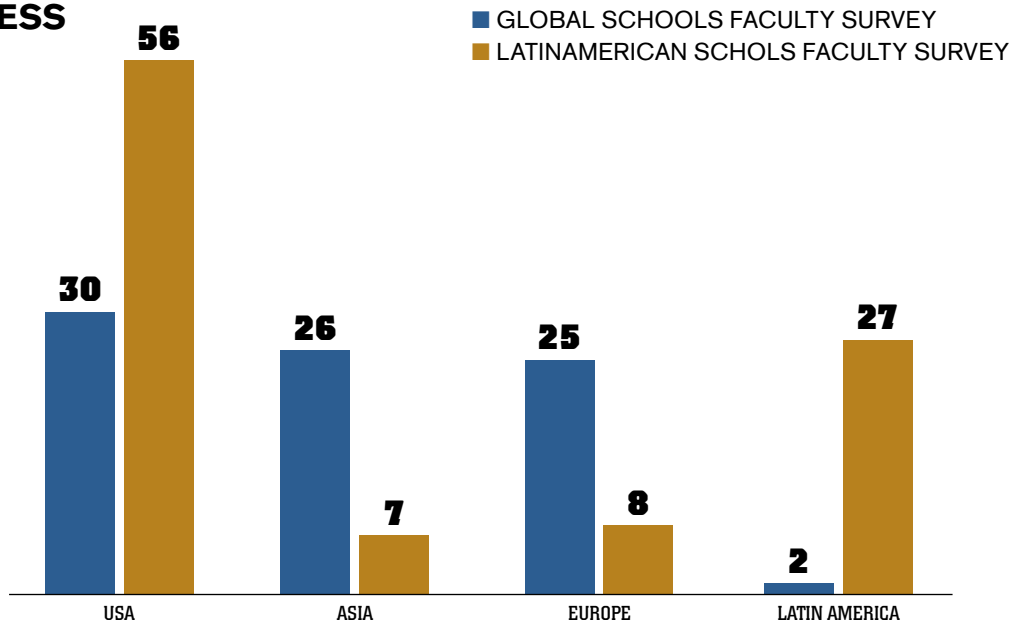
tices. Here they look at companies like Mexico's Cemex or Central American coffee producers to see how the poor have emerged as a new link in supply and consumption chains. Similar work is being carried out by the Center for Responsible Business at the Haas School of Business at Berkeley (No 12 in the ranking) and the Center for the Advancement of Social Entrepreneurship at Duke's Fuqua School of Business (No 14). These centers focus on the study of responsible business, providing students with the chance to move their careers beyond the traditional frontiers of business management. They also offer a special learning opportunity for Latinos to take on the new challenges being thrown up by the region.

This is not the only reason why Stanford has able to take top spot in the list. The school's defining characteristic remains its untiring dedication to bring together

the worlds of management and scientific research, an activity which has allowed it to oversee the creation of some of the world's most innovative companies, especially in the areas of information technology and biotechnology. The Silicon Valley school has become a global benchmark for what is known as "technological transfer", i.e. providing patents created by their academics to businessmen to create start-up companies. Some of the most famous of these include SUN Microsystems (Did you know that SUN stands for Stanford University Network?) and, more recently, Google, created by the students Larry Page and Sergei Brin with the university's support. After the initial public offering of Google shares last year, Stanford earned US\$336 millions by selling its stake in the company.

During 2005, Stanford transferred twelve companies to the private sector. Only the

MOST COMPETITIVENESS MARKETS FOR BUSINESS SCHOOLS



Massachusetts Institute of Technology (MIT) created more companies (20). In 2004, 432 of the companies in the United States last year were born in universities, up 24% from the year before, according to the Association of University Technology Administrators, the organization which represents the activity.

Given that it is smaller than other schools of a similar standard, Stanford is able to reform its curriculum much faster than its competitors.

Like Stanford, France's Insead (4) has also intervened in the structure of its study program to put greater emphasis on people management. Two years ago, the Fontainebleau-based school began to take steps in this direction by including obligatory courses on "Leadership of People and Groups" and "Leadership of Organizations".

By making their curriculums more flexible, business schools not only seek to bring the content taught to students into line with the new needs of modern senior management. They also aim to attract talented students from different disciplines into management. Demand for MBAs has fallen from the peaks

achieved at the end of the last decade, a fact reflected in the generalized drop in the number of applications received by management faculties at the world's top business schools (see graph). New programs at schools of government, international relations or even philosophy and arts are attracting students looking to develop careers in business, investment banking or management consulting, sectors that are ravenous for ever more new and creative talent.

COMPETITION

While Stanford topped the general ranking, Harvard (No 3) was named the most renowned school by Latin American academics and executives, according to the survey carried out by *AméricaEconomía* (see results on page 50), followed by Wharton (No 2), based at the University of Pennsylvania. As well as prestige, Harvard also possessed the most powerful network of contracts in the region, understood as a combination of efforts to strengthen its network, the development of activities and academic experience related to the region, relations with local business schools as well as

the existence of an extensive network of former students.

Competition among the world's top business schools to attract students is becoming ever more global but they still do not consider schools in Latin America as rivals. In the survey, academics from the top schools considered the US (30%), Asia (26%) and Europe (25%) as rival markets while a very small number (2%) considered Latin America a threat to their business.

Meanwhile, teachers at Latin American schools identified the United States as their main competition, followed by other schools in Latin America (27%) while the threat posed by schools in Europe (8%) or Asia (7%) was considered minor.

The appearance of the first Chinese school in the ranking of the world's top business schools for Latin Americans may start to change this perception. The China Europe International Business School (CEIBS), based in Shanghai, took 49th position on our list, opening the door for other universities in China or perhaps India to join the ranking in the coming years, making for a truly global competition. ■

POS 06	POS 05	SCHOOL ⁽¹⁾	CITY	COUNTRY	TOTAL AVG. GMAT	SELECTIVITY ⁽²⁾ (OPENINGS/ APPLICATIONS) %	STRENGTH REGIONAL NETWORK ⁽³⁾	CURRICULAR INNOVATION ⁽⁴⁾	PRESTIGE OF SCHOOL (FACULTY) ⁽⁵⁾	NUMBER OF STUDENTS ⁽⁶⁾
1	2	STANFORD GRADUATE SCHOOL OF BUSINESS	STANFORD	USA	712	10.8	MEDIUM	HIGH	51	378
2	1	WHARTON SCHOOL, U. OF PENNSYLVANIA	PHILADELPHIA	USA	714	21.0	GOOD	MEDIUM / HIGH	56	794
3	4	HARVARD BUSINESS SCHOOL	BOSTON	USA	707	16.0	EXCELLENT	MEDIUM	70	914
4	5	INSEAD	FONTAINEBLEAU	FRANCE	702	N.D.	MEDIUM / GOOD	MEDIUM / HIGH	50	882
5	3	MIT SLOAN SCHOOL OF MANAGEMENT	CAMBRIDGE	USA	710	20.1	GOOD	MEDIUM / HIGH	37	372
6	6	KELLOGG, NORTHWESTERN UNIVERSITY	EVANSTON	USA	700	24.2	MEDIUM / GOOD	MEDIUM / HIGH	40	533
7	7	COLUMBIA BUSINESS SCHOOL, GSB	NEW YORK	USA	706	15.0	MEDIUM	MEDIUM	29	515
8	9	UNIVERSITY OF CHICAGO	CHICAGO	USA	701	N.D.	MEDIUM / GOOD	MEDIUM / BAJA	30	549
9	8	LONDON BUSINESS SCHOOL	LONDON	ENGLAND	680	N.D.	MEDIUM / GOOD	MEDIUM / HIGH	48	325
10	12	IESE BUSINESS SCHOOL	BARCELONA	SPAIN	674	38.3	EXCELLENT	MEDIUM	26	223
11	10	IMD	LAUSANNE	SWITZERLAND	680	26.8	MEDIUM	HIGH	26	90
12	14	HAAS SCHOOL OF BUSINESS, BERKELEY	BERKELEY	USA	702	23.1	LOW	MEDIUM	15	247
13	13	FUQUA SCHOOL OF BUSINESS, DUKE UNIVERSITY	DURHAM	USA	705	N.D.	MEDIUM	LOW	13	410
14	11	NEW YORK UNIVERSITY, STERN SCHOOL OF BUSINESS	NEW YORK	USA	694	27.0	LOW	MEDIUM	18	419
15	17	TUCK SCHOOL OF BUSINESS AT DARTMOUTH	HANNOVER	USA	699	23.7	MEDIUM / LOW	MEDIUM	14	245
16	15	MCCOMBS, UNIVERSITY OF TEXAS AT AUSTIN	AUSTIN	USA	672	39.4	GOOD	MEDIUM	8	257
17	16	UCLA, THE ANDERSON SCHOOL	LOS ANGELES	USA	700	30.0	MEDIUM	LOW	19	318
18	20	UNIVERSITY OF MICHIGAN, ROSS SCHOOL OF BUSINESS	ANN ARBOR	USA	691	32.1	LOW	MEDIUM / LOW	14	423
19	19	INSTITUTO DE EMPRESA (IE)	MADRID	SPAIN	685	28.6	GOOD	MEDIUM	13	360
20	18	DARDEN GRADUATE SCHOOL, U. OF VIRGINIA	CHARLOTTESVILLE	USA	680	49.1	MEDIUM / GOOD	MEDIUM	10	304
21	21	CARNEGIE MELLON	PITTSBURGH	USA	692	35.0	LOW	MEDIUM / HIGH	3	163
22	23	U. OF NORTH CAROLINA AT CHAPEL HILL, KENAN-FLAGLER	CHAPEL HILL	USA	680	49.2	MEDIUM / GOOD	MEDIUM	3	281
23	22	ROTMAN SCHOOL OF MANAGEMENT, U. OF TORONTO	TORONTO	CANADÁ	642	53.1	MEDIUM	MEDIUM / HIGH	4	257
24	26	HEC SCHOOL OF MANAGEMENT	PARIS	FRANCE	650	24.0	MEDIUM / GOOD	MEDIUM / LOW	8	180
25	24	YALE UNIVERSITY	NEW HAVEN	USA	683	28.0	LOW	MEDIUM	7	211
26	27	ESADE BUSINESS SCHOOL	BARCELONA	SPAIN	650	45.2	GOOD	MEDIUM	15	113
27	25	CORNELL UNIVERSITY, JOHNSON SCHOOL	ITHACA	USA	660	36.0	LOW	MEDIUM / LOW	5	300
28	28	RICHARD IVEY SCHOOL OF BUSINESS (WESTERN ONTARIO)	LONDON, ONTARIO	CANADÁ/ CHINA	653	68.4	MEDIUM / LOW	MEDIUM	15	241
29	29	RSM, ERASMUS UNIVERSITY	ROTTERDAM	NETHERLANDS	640	58.8	MEDIUM / GOOD	MEDIUM / LOW	2	106
30	30	BABSON COLLEGE	WELLESLEY	USA	623	68.7	MEDIUM	LOW	6	162
31	31	GOIZUETA BUSINESS SCHOOL, EMORY UNIVERSITY	ATLANTA	USA	681	39.7	MEDIUM / LOW	MEDIUM / LOW	1	147
32	35	JUDGE INSTITUTE OF MANAGEMENT, CAMBRIDGE UNIVERSITY	CAMBRIDGE	ENGLAND	670	23.9	LOW	MEDIUM / LOW	2	56
33	34	Saïd BUSINESS SCHOOL, UNIVERSITY OF OXFORD	OXFORD	ENGLAND	676	52.0	LOW	MEDIUM	6	221
34	33	MCGILL UNIVERSITY	MONTREAL	CANADÁ	652	40.1	MEDIUM / LOW	MEDIUM / LOW	4	110
35	36	CRANFIELD SCHOOL OF MANAGEMENT	CRANFIELD, BEDFORD	ENGLAND	660	55.8	MEDIUM / LOW	MEDIUM	3	64
36	32	TULANE UNIVERSITY, FREEMAN SCHOOL	NEW ORLEANS	USA	654	63.6	MEDIUM	MEDIUM / LOW	4	91
37	37	WASHINGTON UNIVERSITY IN ST. LOUIS	ST. LOUIS	USA	639	55.7	LOW	MEDIUM / LOW	1	119
38	39	SDA BOCCONI	MILAN	ITALY	660	35.1	LOW	LOW	4	115
39	38	GEORGETOWN UNIVERSITY	WASHINGTON	USA	658	47.0	LOW	MEDIUM / LOW	1	241
40	40	UNIVERSITY OF SOUTHERN CALIFORNIA (MARSHALL)	LOS ANGELES	USA	677	38.0	LOW	LOW	0	222
41	41	SIMON GRADUATE SCHOOL, UNIVERSITY OF ROCHESTER	ROCHESTER	USA	659	40.0	LOW	LOW	1	122
42	43	THUNDERBIRD (THE GARVIN SCHOOL)	GLENDALE	USA	602	65.4	MEDIUM / GOOD	MEDIUM / LOW	6	249
43	42	PURDUE UNIVERSITY (KRANNERT)	W. LAFAYETTE	USA	657	49.1	LOW	LOW	1	118
44	44	INDIANA UNIVERSITY	BLOOMINGTON	USA	646	39.7	LOW	MEDIUM / LOW	1	192
45	45	WAKE FOREST UNIVERSITY (BARCOCK)	WINSTON-SALEM	USA	630	72.2	MEDIUM	LOW	2	88
46	47	WARWICK BUSINESS SCHOOL	COVENTRY	ENGLAND	620	52.0	LOW	LOW	2	56
47	48	MANCHESTER BUSINESS SCHOOL	MANCHESTER	ENGLAND	625	52.4	MEDIUM / LOW	MEDIUM / LOW	2	69
48	50	BOSTON UNIVERSITY SCHOOL OF MANAGEMENT	BOSTON	USA	655	44.8	LOW	LOW	2	143
49	.	CEIBS (CHINA EUROPE INTERNATIONAL BUSINESS SCHOOL)	SHANGHAI	CHINA	688	33.9	LOW	LOW	4	124
50	46	VANDERBILT UNIVERSITY	NASHVILLE	USA	624	51.0	LOW	LOW	1	195
51	49	UNIVERSITY OF PITTSBURGH, KATZ	PITTSBURGH	USA	624	54.9	LOW	LOW	2	97
52	54	HHL-LEIPZIG GRADUATE SCHOOL OF MANAGEMENT	LEIPZIG	GERMANY	650	51.6	MEDIUM / LOW	LOW	2	39
53	52	UNIVERSITY OF MIAMI, SCHOOL OF BUSINESS ADMINISTRATION	MIAMI	USA	605	65.1	LOW	MEDIUM / LOW	1	112
54	51	CASE WESTERN RESERVE UNIVERSITY	CLEVELAND	USA	588	65.0	MEDIUM	MEDIUM	0	107
55	55	THE CHAPMAN GSB, FLORIDA INTERNATIONAL UNIVERSITY	MIAMI	USA	523	45.2	MEDIUM / LOW	LOW	1	40

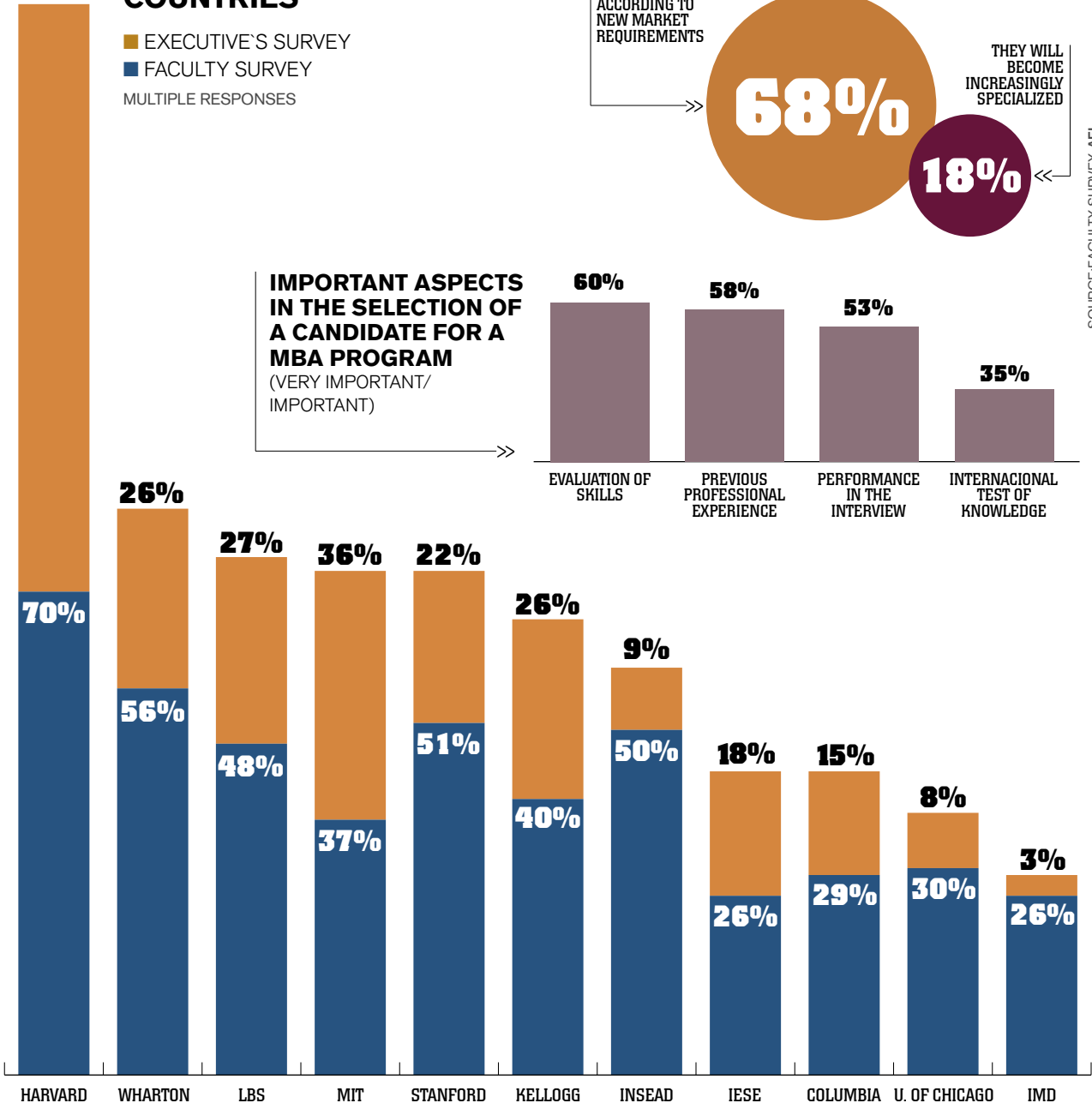
% FOREIGN STUDENTS	DURATION (MONTHS)	TOTAL COST OF MBA US\$ THOUSANDS ⁽⁷⁾	ANNUAL COST OF LIVING US\$ THOUSANDS ⁽⁸⁾	SALARY AFTER MBA US\$ THOUSANDS/ YEAR ⁽⁹⁾	OBSERVATIONS	WEB PAGE
39	20	86.8	22.6	104.9	Changes to curriculum approved. Studies in "responsible business".	www.gsb.stanford.edu
42	18	82.9	17.7	101.6	Leadership experience with an emphasis on communications skills.	www.wharton.upenn.edu/mba
33	18	75.0	28.6	99.8	Contact with the region through research center in Buenos Aires.	www.hbs.edu/mba
87	10	56.6	36.0	100.4	Multicultural perspective. Contact with international business community.	www.insead.edu
33	22	85.3	27.0	99.6	Work experience in global enterprise offered in many countries.	mitsloan.mit.edu
26	22	77.7	15.5	96.7	Interesting course on global management initiative.	www.kellogg.northwestern.edu
31	20-16	76.6	22.4	96.4	Ethics course; annual conference looking for business opportunities in Latin America.	www.gsb.columbia.edu
33	21	83.2	22.8	97.6	New courses incorporated into curriculum.	www.chicagogsb.edu
91	21-15	76.0	41.3	106.9	Possibility of following fifteen month program.	www.london.edu
75	19	74.2	20.3	107.9	Training programs in eighteen countries. Establishment of the European Entrepreneurship Accelerator with Insead.	www.iese.edu
98	11	44.7	28.5	113.0	Innovative research.	www.imd.ch/mba
37	21	73.1	29.1	95.5	Interesting work on "responsible business".	www.haas.berkeley.edu
39	22	78.7	14.2	90.2	Integrated learning, emphasizing leadership and ethics in multicultural environments.	www.fuqua.duke.edu
29	21	75.4	26.8	90.7	Double degree with HEC. Intensive courses in Argentina, Denmark and Australia.	www.stern.nyu.edu
28	21	81.3	9.0	100.0	Consulting projects with Latin American clients.	www.tuck.dartmouth.edu
22	22	67.3	13.0	84.0	Option to study language and culture to develop businesses in the region.	www.mcombs.utexas.edu
27	21	65.8	23.7	89.5	Efforts made to find jobs in the region.	www.anderson.ucla.edu
35	20	77.6	10.6	90.0	Changes in obligatory part of curriculum.	www.bus.umich.edu
76	13	53.0	19.5	80.0	Personal development program (career, communication, negotiation); good regional network of alliances.	www.ie.edu
26	21	79.0	16.5	91.7	Research development in Latin America through Batten Institute.	www.darden.virginia.edu
30	21	78.1	19.8	87.5	Choice among career tracks to develop program in line with personal interests.	www.gsia.cmu.edu
29	21	74.8	19.6	85.6	New course for international students. Good results in case studies.	www.kenan-flagler.unc.edu
45	16	39.6	11.4	75.7	Redesign of curriculum according to integrationist business thought; courses held in region.	www.rotman.utoronto.ca
82	16	48.6	20.8	86.8	Multidisciplinary seminars.	www.mba.hec.edu
21	21	78.4	18.8	89.5	Curriculum redesigned from 2006-2007 around leadership axis.	www.mba.yale.edu
75	18	61.7	18.2	72.9	Focus on skills, enterprise and a socially responsible attitude.	www.esade.edu/mba
26	20	77.6	18.6	89.2	Learning through experience; wide range of courses on international subjects.	www.johnson.cornell.edu
44	12	58.7	16.9	85.3	Program reduced to one year.	www.ivey.uwo.ca/mba
96	15	40.8	16.8	115.0	New specialist courses incorporated, including in finances, marketing, communication, technology and strategy.	www.rsm.nl
46	21-12	65.8	19.0	80.7	Two-way transfer of knowledge and experience throughout Americas.	www.babson.edu/mba
35	19	72.1	15.0	83.8	Leadership program; trips to region to visit companies.	www.goizueta.emory.edu
90	12	49.0	18.5	97.0	Curriculum focused towards areas of personal interest through optional courses.	www.thecambridgemb.com
92	12	54.0	19.0	112.0	New optional courses in one year program. Optional course on business in China and design leadership.	www.sbs.ox.ac.uk
54	16	35.7	15.1	69.0	Summer program in Brazil.	www.mcgill.ca/mba
61	12	50.0	15.0	111.8	Interesting restructuring of program.	www.cranfieldmba.info
30	24-17	67.5	14.1	74.0	Ph.D. program for schools in region. Major impact from Hurricane Katrina.	www.freeman.tulane.edu
35	21	71.9	28.6	80.2	Developing network of contacts among ex-students in the region.	www.olin.wustl.edu
50	14	40.0	18.0	84.5	Introduction of specialist management areas.	www.sciabocconi.it/mba
33	24	68.0	24.0	87.8	Curriculum focused on reality of business. International business course includes residency abroad.	mba.georgetown.edu
22	20	70.2	12.0	82.0	Growth of global program.	www.marshall.usc.edu
51	22-18	71.5	17.7	81.7	Redesign of obligatory part of curriculum.	www.simon.rochester.edu
44	16	64.2	21.4	72.3	New curriculum that requires global experience.	www.thunderbird.edu
29	24	60.0	11.0	81.1	New areas of specialization: technology, innovation and entrepreneurship.	www.krannert.purdue.edu
40	21	54.7	14.4	82.5	Leadership experience program.	www.bus.indiana.edu/mba
27	21	59.0	11.7	74.5	Summer trip for students: consulting for small businesses.	www.mba.wfu.edu
75	12	43.6	21.4	72.8	New obligatory course to develop soft skills.	www.warwickmba.com
86	18	55.4	16.8	93.9	Revision of program.	www.mbs.ac.uk
34	21	61.1	16.1	81.5	Development of portfolio of experiences to present to employers and plan career.	www.management.bu.edu
19	18	27.5	9.0	38.1	Good network of connections in Europe and the United States.	www.ceibs.edu
37	18	70.4	24.7	81.0	In-depth studies in certain areas: enterprise, brands, environment, etc.	www.mba.vanderbilt.edu
48	16	46.4	10.7	67.0	Executive MBA program in Brazil.	www.katz.pitt.edu
62	15	28.7	7.7	65.0	Program being made more flexible; periods of study abroad.	www.hhl.de/mba
29	21	61.4	15.1	63.9	Broad ranges of courses and classes focused on international business.	www.bus.miami.edu/grad
38	21-11	66.8	16.5	65.0	Possibility of specializing in several areas.	www.weatherhead.cwru.edu
45	12	31.5	14.4	43.9	Deepening links with region.	business.fiu.edu/chapman

OTHER GUIDES...

BEST SCHOOLS FOR STUDENTS FROM EMERGING COUNTRIES

85%

■ EXECUTIVE'S SURVEY
 ■ FACULTY SURVEY
 MULTIPLE RESPONSES



THE FUTURE OF MBA PROGRAMS

THEY WILL RENOVATE ACCORDING TO NEW MARKET REQUIREMENTS

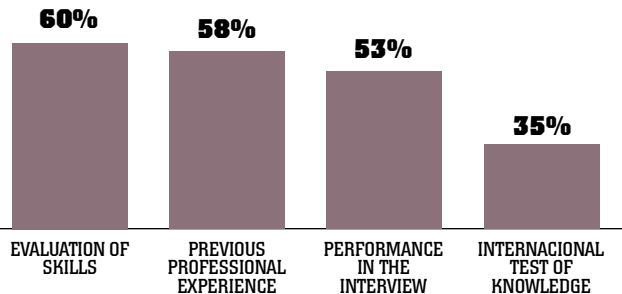
68%

THEY WILL BECOME INCREASINGLY SPECIALIZED

18%

SOURCE: FACULTY SURVEY, AEI

IMPORTANT ASPECTS IN THE SELECTION OF A CANDIDATE FOR A MBA PROGRAM (VERY IMPORTANT/IMPORTANT)



MBA OR MASTER'S IN BUSINESS SPECIALIZATION THAT WILL BE CONSOLIDATED IN THE FUTURE

SOURCE: FACULTY SURVEY, AEI

FINANCE	44%	WHARTON 52%	CHICAGO 33%	LBS 28%
MARKETING	14%	KELLOGG 43%	HARVARD 41%	IESE 16%
TECNOLOGY	15%	MIT 70%	STANFORD 30%	HARVARD 25%
HUMAN RESOURCES	15%	HARVARD 49%	ESADE 15%	IESE 15%
OPERATIONS AND LOGISTICS	12%	MIT 39%	HARVARD 28%	STANFORD 24%

FORMAL QUALITY VS SCHOOL PRESTIGE

