

Going Global at MIT-Sloan¹

I. Motivation and Overview

The future of management education will involve a greater focus on global issues, including the challenges of managing businesses in multiple countries and diverse operating environments. Many companies are already facing these challenges and a growing number of Sloan graduates will work in more than one country over their lifetime. Moreover, many of today's greatest opportunities for companies exist in emerging markets. This globalization of business provides a unique opportunity for MBA programs to help train leaders in the skills they will need to successfully manage international companies. This also provides an opportunity for Sloan to position itself as one of the leaders in global business education. This global emphasis has the additional advantage that it can complement Sloan's efforts to build expertise in other areas—such as Sloan specializing in “innovation and global leadership”.

Sloan has many advantages that could help position it as a leader in global business education. It has strong international name recognition, a diverse international student body, and strong teaching and research in international economics and management. Sloan also has a growing network of partnerships with schools outside the United States. These advantages have allowed Sloan to rank more highly than some of its competitors in selected “global” rankings—despite having placed far less emphasis on international issues in its curriculum, teaching and hiring. In other rankings, however, Sloan does not even show up as a top international program and it is lagging its competitors in the number of international offerings. Given its existing international strengths, however, fairly minor modifications to Sloan's global program could substantially improve its recognition and content. Moderate, albeit more substantive, changes could improve the program so that it ranked among the top global programs in leading business schools.

This report begins with statistics on how Sloan's international program is typically ranked in surveys evaluating business schools. The remainder of the report presents three sets of recommendations. First are minor modifications that are a “bare minimum” to have some semblance of an international program at Sloan. These “bare minimum” proposals are just a starting point and probably not enough to maintain the school's current ranking in the field or adequately prepare MBA students to work in global businesses. The second set of “moderate” proposals will be necessary to ensure that Sloan offers a strong international program—and probably a top international program. These “moderate” modifications would be necessary for Sloan to be able to accurately describe itself as a program in “innovation and global leadership.” The final set of recommendations is the most ambitious and would make international an important focus of a Sloan MBA—but would also require substantial additional resources. The “ambitious” proposals also have mixed support (including a wide variance in reactions).

¹ Report reflects work by the committee of: Kristin Forbes (chair), Yasheng Huang, Simon Johnson, Don Lessard, Richard Locke, and Roberto Rigobon. We also appreciate useful input from and discussions with Michael Cusumano, Steve Eppinger, Dick Schmalensee, Eleanor Westney, Alan White, and representatives of the Sloan student senate committee.

II. Sloan's International Rankings and Perceptions

Sloan's rankings for its "global" or "international" program are as varied as Sloan's overall rankings for its MBA program. The rankings and data provided in the most recent MBA rankings by *Business Week*, the *Wall Street Journal* and the *Financial Times* show the diversity of views.

Business Week (2004) provides a ranking for full-time MBA programs with a "Global Scope". As shown in Table 1, Sloan is ranked #6 for its "Global Scope," as compared to a ranking of #9 for its overall MBA program.

Table 1
***Business Week* (2004) Rankings**

School	"Global Scope"	Overall MBA Program
Wharton	1	3
HBS	2	5
Colombia	3	8
Kellogg	4	1
Chicago	5	2
Sloan	6	9
Thunderbird	7	"2 nd tier" (# 31- 50)
Michigan	8	6
Fuqua (Duke)	9	11
Tepper (Mellon)	10	15

The *Wall Street Journal* (2005) provides an "International Ranking" for MBA programs.² As shown in Table 2, Sloan is ranked #8 in the "International Ranking," as compared to an overall ranking of #12. Sloan is also ranked above all of the schools that it views as its main competitors in the United States.

As part of the rankings, however, the *Wall Street Journal* also asked recruiters "which schools excelled in the discipline of international business". This ranking yields substantially different results than the "international rankings" in Table 2. As shown on Table 3, according to these new criteria, MIT was not included in the list of top-5 schools, but several schools with lower "international rankings" than Sloan (including 3 of the schools that Sloan views as its major competitors in the United States) are ranked above Sloan.

² This ranking includes European, North American and Central American schools that have a global pool of recruiters. It is based on how recruiters rated each school on 20 different attributes, their future plans to recruit students from the school, and the number of countries from which it draws recruiters. To be eligible for this ranking, a school needed respondents from at least 4 countries.

Table 2
WSJ 2005 Rankings

School	Intl. Rank 2005	Intl. Rank 2004	# Countries Recruiters From	National Ranking for MBA program
IMD	1	1	15	NA
EASDE	2	3	12	NA
Tepper (Mellon)	3	3	6	3
IPADE	4	-	4	NA
LBS	5	2	20	NA
Ivey (W. Ontario)	6	-	8	NA
Thunderbird	7	8	5	-
Sloan	8	5	7	12
Insead	9	12	20	NA
INCAE	10	-	6	NA
HEC Paris	11	4	7	NA
Inst. de Empresa	12	20	13	NA
Colombia	13	13	5	8
Erasmus	14	15	8	NA
Schulich (York)	15	14	5	NA
Chicago	16	11	5	13
HBS	17	16	7	14
Stanford	18	10	5	15
IESE	19	18	13	NA
Bocconi	20	-	6	NA

Table 3
WSJ 2005 Rankings of Programs which “Excel in International Business”

School	Ranking in International Business	# of Mentions by Recruiters³	National Ranking for Overall MBA Program
Thunderbird	1	649	-
Insead	2	265	NA
Harvard	3	196	14
Colombia	4	139	8
Wharton	5	107	6

The *Financial Times* does not have different rankings for U.S. MBA programs and global MBA programs, nor does it break out the top schools in international disciplines. The standard rankings for the *Financial Times*, however, are for “global” MBA programs, and as part of this ranking, the survey provides some useful statistics on the international composition of the faculty, students and board for each business school.⁴ It also provides

³ This is the number of times that recruiters mentioned the school when asked which MBA programs excel in the academic discipline of international business

⁴ International faculty is the percentage whose nation differs from his/her country of employment. International students is the percentage of international students. International board is the percentage of the board whose nationality differs from the country in which the business school is situated.

a ranking of the “international mobility” of MBA graduates (with a lower score indicating that graduates have higher international mobility) and the “international experience” of MBA graduates (with a lower score indicating that students have greater international experience).⁵

As shown in Table 4 (which is a subset of the full rankings and only focuses on Sloan’s group of primary competitors in the United States), Sloan is ranked 10th for its overall program and is near the bottom of its group of competitors. In this group, Sloan is also near the bottom and below the mean when ranked for its percentage of international faculty, and at the median when ranked for its percentage international students. On the other hand, Sloan is ranked 2nd in this group when ranked for its international mobility, and 1st when ranked for the international experience of its students. Although the criteria used to rank “international experience” are rather vague, this appears to be the ranking that most accurately captures the exposure to international topics and experiences in the MBA course.

Table 4
FT 2006 Rankings Global MBA Programs”
Comparison with MIT Competitors

School	FT Overall Ranking	Intl. Faculty (%)	Intl. Students (%)	Intl. Board (%)	Intl. Mobility Rank	Intl. Experience Rank
Wharton	1	31	42	75	46	36
HBS	2	35	37	15	42	54
Stanford	3	39	39	20	60	40
Columbia	4	58	33	36	49	65
Chicago	6	37	32	18	63	32
Sloan	10	31	33	24	45	30
Kellogg	17	26	26	6	75	39
<i>Mean</i>		37	35	28	54	42
<i>Median</i>		35	33	20	49	39
<i>Insead</i>	8	87	86	75	6	9

Conclusion: Therefore, this set of surveys yields a mixed set of results on how Sloan’s international program is generally perceived in the market. On the WSJ survey ranking the top “international business programs,” Sloan does not even make the list of top five schools. On the other hand, Sloan’s international ranking is often higher than Sloan’s overall ranking for its MBA program—despite the minimal attention that has been paid to developing its international program. This undoubtedly results from some of MIT’s natural advantages, and suggests that fairly moderate improvements to the international program could make Sloan a leading business school in global rankings.

⁵ International mobility is a ranking system that measures the degree of international mobility based on the employment movements of alumni between graduation and today. International experience is a weighted average of four criteria that measure international exposure during the course.

III. A Starting Point for Recommendations: The Bare Minimum

Below are several minor modifications that would be a bare minimum to support the current international program at Sloan. These proposals may not be enough to maintain Sloan's current ranking as other schools begin to place greater emphasis on their global programs. Therefore these recommendations should be viewed as a starting point to hopefully be combined with the additional "moderate" or "more ambitious" proposals.

- A. Create an international group at Sloan— Global Economics & Management (GEM). This group (at least initially) could be an overlay with other groups—so that members of the new group would continue to be affiliated (and sit) with their current groups. Over time (and after the new building is completed), the group might want to sit together and/or have people whose main affiliation is with this group. The group would mainly be comprised of the faculty members who teach and do research in international economics and international management—although it would certainly be open to other faculty who have an international interest and/or focus.

There are three key reasons for the creation of this group. First, it would have primary responsibility for hiring new international faculty (while still consulting with members of other groups), including dedicated resources. This will facilitate the hiring of new international faculty and ensure a more balanced approach to matching needs with hiring. Second, the new group head would also be responsible for coordinating teaching and course offerings in international. This coordination is difficult when international courses are offered by different groups (as reflected this year by almost all international electives being offered at the same time). This would also help the faculty develop better links across the international classes, and help address one of the major student concerns—a lack of coordination across international course offerings. Third, the group would have regular meetings and seminars to foster an international community at Sloan to discuss research and projects (as well as teaching). This interaction will not only make Sloan a more attractive place for international faculty, but also be important to help develop the other recommendations below.

- B. Increase international offerings (which includes expanding the sections of current offerings, actually offering the courses listed in the catalog, and introducing new offerings). Most of the current offerings in international economics and management have very large enrollments. In fact, over half of the current offerings were oversubscribed in the 2005-2006 academic year. Moreover, one of the most frequent complaints of MBA students after taking the introductory classes in international economics and management in the spring of their first year is that there are limited additional electives to take in the 2nd year. In the past when the international faculty has been able to offer more electives, these electives were very popular and had large enrollments.

Attachment A provides additional information on the unsatisfied current demand for course offerings in international economics and management. Of the 13 sections of international economics or management offered in the 2005/06 academic year, 8

classes were oversubscribed and had waitlists. Most of these classes are much larger than average for Sloan. More specifically, 5 classes (15.012, 15.014, 15.223, 15.229, and 15.389) each offered two sections and had average enrollments of over 70 students per each section. The average enrollment in each section of 15.014 and 15.389 was over 80 students. Each of these classes would have had even larger enrollments if class sizes were not restricted. In fact, the average enrollment for all international classes offered in the MBA program in 2005-2006 was 63 students, well above the average enrollment in all Sloan MBA classes of 45 students.⁶

Moreover, in the past Sloan offered several electives in international economics that are no longer taught due to a shortage of faculty. As shown in the middle of Attachment A, “Management and Policy in the International Economy (15.018) attracted an average enrollment of over 100 students, and Macroeconomics in Emerging Markets (15.040)⁷ attracted about 60 students (before hitting classroom size constraints). Due to a shortage of faculty in international economics, the last time that “Management and Policy” was offered was in 2002, and the last time that “Emerging Markets” was offered was 2001.

For comparison, Appendix B lists the international courses in the full-time MBA programs at Sloan’s major competitors. All of Sloan’s major competitors offer a larger number of international courses—generally taught by a combination of faculty in the main international economics or strategy group combined with electives taught by faculty in other groups (such as Marketing, Finance, Accounting or Entrepreneurship). More specifically, Wharton offers 23 international courses (across all groups); Stanford offers 16; HBS offers 11; and Columbia and Chicago offer 9. Moreover, these numbers do not include courses that have a substantial international component but do not have a title obviously indicating this international focus. In contrast, Sloan offers only 8 international courses, most of which are ½ semester instead of full-semester courses (as in the other schools). Therefore, Sloan offers substantially fewer courses on international or global topics than its primary competitors.

Sloan’s MBA curriculum should be expanded to include additional sections of current international courses to meet the existing demand, as well as to offer additional short courses on focused global topics. These courses should be taken after the introductory classes in international economics and management (15.012/15.014 and 15.220/15.223) to build more expertise on specialized topics. The actual courses that should be offered would depend on the expertise of the faculty, but some potential course offerings (each ½ semester) are: Development Economics, The Economics and Institutions of Emerging Markets, Trade and Industrial Organizations, Debates on International Issues, Globalization, International Finance, International Accounting,

⁶ In 2004-2005 there were 245 class offerings with a total enrollment of 11,081, yielding an average class enrollment of 45 students. This does not include any doctoral, undergraduate, Sloan Fellows, or interdepartmental courses.

⁷ This course # is currently used for a different course since Macroeconomics in Emerging Markets has not been taught since 2001.

Global Marketing, M-Lab (a type of G-lab except for multinational companies), and/or S-Lab (a type of G-lab but focused on sustainability issues).

Sloan should also consider adding international courses to the Sloan undergraduate program. There are currently no international economics or management classes offered by Sloan in the undergraduate program. The economics program at MIT teaches some classes in international economics, but these classes are highly theoretical and technical and include minimal applied material. Sloan should offer a class such as “Global Markets” (15.223) to undergraduates in order to give them background on the business challenges when operating outside the United States and across borders. If this course is popular, Sloan should also consider offering additional international business electives for undergraduates.

- C. *Hire additional faculty in international.* As discussed above and shown in attachment A, the current international faculty is unable to meet the current demand for international courses—without even offering all of the courses that are listed in the catalog. In order to fulfill current demand for the basic international offerings, as well as to provide new electives, it will be critically important to increase the number of faculty teaching international offerings. Finding faculty that have top research credentials and can successfully teach these classes in a business school can be difficult, so it would likely take several years to find attractive candidates. The number of faculty that would need to be hired would also depend on which proposals (discussed in the next section) are adopted.
- D. *Encourage non-international faculty to add more international cases and courses.* An informal poll of current course offerings at Sloan suggests that the majority of classes focus mainly on U.S. companies and business issues and have very little (if any) international content. More specifically, in an informal email poll, faculty members provided information on 50 course offerings at Sloan (of which 4 are international classes). Of these 50 courses, about 50% included 2 or fewer cases or “substantive discussions” involving a country outside the United States or a cross-border issue. About 20% of the course offerings for which information was provided did not have a single international case or substantive global example. On the other hand, a few faculty have made substantial efforts to include cases based on countries outside the United States. As a whole, however, the cases and discussions at Sloan tend to be heavily U.S.-centric.

Faculty should make a greater effort to include more non-U.S. cases in their class, including not only examples that take place in other countries, but also examples of cross-border issues. New international cases and examples should be more fully integrated into courses as part of the key lessons—and not as an “exotic” example outside of the main structure of the course. In some cases, this will take a substantial amount of work and course redesign. Several faculty who have already expressed interest in including additional international material in their classes have had difficulty finding appropriate material (and especially finding good international cases). Some of the material may already exist—but from non-traditional sources of which faculty are not aware. For example, the Richard Ivey School of Business at the

University of Western Ontario leads the world in output of Asian case studies (ahead of even HBS). Therefore, to help promote a greater use of international material, Sloan should provide information (possibly a webpage for faculty on Sloan space) that would provide guidance on where to find this material. Sloan should also consider providing additional resources (money or points) for faculty who would be willing to create this new teaching material.

Faculty outside of the traditional “international” faculty should also consider offering international electives in their fields of expertise. For example, finance faculty could offer a class in international financial markets, accounting faculty could offer a class in international accounting, and/or marketing faculty could offer a class in global marketing. As shown in Part III of Appendix B, many of these courses are offered at other top business schools. In fact, the appendix shows that each of Sloan’s major competitors offers a range of “international” courses taught by faculty outside of the traditional international groups. More specifically, Wharton offers 14 international courses (in addition to the international offerings by its relevant economic and strategy groups), Stanford offers 9, Chicago and HBS offer 3, and Columbia offers 2 courses. If Sloan could use a similar model and encourage faculty outside of the traditional international economics and management faculty to teach more internationally-oriented courses, this would be an effective way to improve the global positioning of Sloan, without requiring as many additional resources or additional faculty.

E. Create an International Center at Sloan. Work is in progress to create a MIT-Sloan Center for Business in Development, which will focus on increasing the impact of faculty research on issues of first-order importance for poorer countries.⁸ The Center will focus on four main strands of activities: collection and analysis of new data (e.g., on cross-border transactions and exchange rate pass-through, survey data on business practices or obstacles to growth, and qualitative interviews); hands-on work with multinational corporations and firms based in emerging economies that are expanding internationally (e.g., on the link between product design and labor practices, integration into international supply chains, local vendor upgrading); practical assistance for innovative, relatively small-scale entrepreneurs (e.g., with new solar technologies that are appropriate for low income situations, integration into national and international networks); and advice for local governments attempting to deal with long-standing economic backwardness (e.g., in India and China).

The Center will, as far as possible, leverage the skills of MIT students, emphasizing how these are complementary to faculty research (e.g., investigating development strategies in relatively backward regions). It will also bring policy-oriented implications to broader audiences through a series of conferences, with the intention of co-organizing these with existing leaders in relevant fields. The Center will also explore the possibility of developing executive programs that would link multinationals more closely with development issues.

⁸ Current work developing this center is being led by Simon Johnson.

- F. *Better branding of international program at Sloan.* There is currently minimal discussion of international offerings and the international program in the literature for Sloan's MBA program. More discussion of the program (especially after some modifications have been made to improve the program) could help draw attention to the existing strengths of the school. (For example, there is not even any mention of the courses in international macroeconomics on the Sloan website that discusses different course offerings.) The Sloan literature could make more effort to describe Sloan as a school that teaches global innovation and leadership. This type of branding as a school that provides a global business education has been effective in the Sloan Fellows program. The international faculty would also need to commit to make more effort to promote their work and the international program at Sloan. These efforts to improve the branding and recognition of Sloan's ongoing work in international have already started with the creation of a new website on Sloan's global activities (thanks to work by Alan White and Eleanor Chin), which can be viewed at: <http://mitsloan.mit.edu/globalmitsloan/>

IV. Moderate Recommendations: To Build a Competitive (and probably top-five) International Program at Sloan

Below are two "moderate" recommendations that would build a competitive, and possibly top-five, global program at Sloan. The overall "vision" driving these proposals is to combine theory and practice to educate principled leaders for a global world. This would involve training managers to successfully operate businesses within and across diverse environments, as well as training managers to use innovative practices to build sustainable businesses. More specifically, the MBA program would have two components. First, a minimal international requirement for all MBAs to ensure that students graduating from Sloan have some exposure to global topics and issues. Second, an option for MBA students to pursue a more structured and ambitious sequence that combines coursework, projects, and an international "experience" in order to gain significant theoretical and practical training in global issues. Students completing the full, optional sequence and requirements would be awarded an "international certificate".

- A. *Minimal international requirement for all MBA students:* Any student graduating from Sloan would be required to complete one semester of coursework in international economics or management. These would be required to ensure that all Sloan graduates have a basic understanding of key international concepts, and especially of the different challenges that arise from operating in emerging countries and major economies outside of the United States. Although some of these topics could be covered in traditional classes if faculty made a greater effort to include international cases and examples in their discipline, many important international topics need to be treated as substantive, stand-alone subjects and could not easily be merged into current courses. Some of these topics would also be more effectively taught by faculty who are experts in the topic and have a deeper understanding of the issues.

This minimal international requirement could be very flexible or more rigid. A more flexible approach would be to require that all students complete one semester of

coursework out of a list of classes that qualify as international economics or management. For example, any of the classes listed in Appendix A (including courses such as G-lab) and any new electives in this area (such as International Corporate Finance) could qualify. This would give students substantial flexibility in how they achieved their minimal international requirement.

A more rigid approach could be to add international courses to the MBA core. For example, MBAs would be required to complete a half-semester course on “Topics in Macroeconomics and International Economics” (which would be a shortened version of 15.012 that only met two times per week) and a half-semester course in international management –either “Global Strategy” (15.220) or “Global Markets” (15.223). These are already part of the core requirements for the Sloan Fellows program and have helped this program merit the description as a “Program in Innovation and Global Leadership.” By including specific international requirements in the core curriculum, Sloan would be sending a message that this is an important topic to which all MBAs should have some exposure.

All of Sloan’s major competitors with core requirements already include at least 1 international course as part of their cores. More specifically, as shown in Part I of Appendix B, Columbia, HBS, Stanford and Wharton each require 1 full semester of international coursework as part of their core requirements in the 2nd term of their MBA programs. Chicago does not have core requirements, but several classes in international macroeconomics qualify as part of their “breadth requirement”. Granted, Sloan tends to have fewer core requirements than most of its competitors (except Chicago), but nonetheless, Sloan is lagging most of its competitor schools by not requiring any type of international coursework as part of its curriculum.

Requiring Sloan MBA students to complete a half-semester course in both international economics and international management would only require moderate changes to the current curriculum and teaching needs. The core international/macroeconomics courses (15.012 and 15.014) would be shortened to a standard half-semester course that only meets twice a week—thereby focusing the syllabus more on basic tools and less on applied topics. In the spring of 2006, about 285 students were enrolled in either 15.012 or 15.014 (not including the wait lists for 15.014). Since the current MBA program has 325 students per class, making this course required would imply an additional 40 students—basically 1 additional section (not adjusting for the additional teaching freed up by shortening 15.014 and 15.012).⁹ The core international management classes are already standard half-semester courses that meet twice a week, so there would be no need to adjust their syllabi. In the spring of 2006 about 220 students were in enrolled in either 15.220 or 15.223 (not including the wait lists for 15.223), so that course offerings would need to be expanded to include about 100 additional students (about 2 additional sections). Therefore, requiring that MBAs take a half-semester class in both international economics and management would only require adding an additional 3, half-semester sections to the

⁹ Note that due to space constraints, only 4 sections of 15.012 and 15.014 are being offered this year. Classes are too large (and oversubscribed), and the equilibrium is 5 sections.

current equilibrium teaching load and require hiring only about 1 additional faculty member.¹⁰

B. Optional “international certificate” for individuals who complete a more rigorous international sequence. This sequence would emphasize a combination of theory, practice and international exposure. Below is one possible proposal of the requirements for an international certificate (although a variety of options would be possible).

- *1st year, coursework (each ½ semester):*
 - 15.012: Macro and International Economics
 - 15.220: Global Strategy or 15.223 Global Markets

- *1st or 2nd year, coursework:*
 - New course: Globalization: History, Theory & Issues (½ semester, taken in 2nd year)
 - 2 international SIPs
 - 3 courses from the following menu of ½ semester electives:
 - 15.018: Management and Policy in the Intl Economy (shortened)
 - 15.220: Global Strategy (if not taken as core)
 - 15.223: Global Markets (if not taken as core)
 - 15.229: China & India
 - 15.996: Special Seminar in Cross-Cultural Leadership
 - Selected offerings in political science (such as Political Economy)
 - New course offerings, some subset of:
 - International trade and industrial organizations
 - Development Economics
 - Offshoring
 - Debates on international issues,
 - Macroeconomics and Institutions of Emerging Economies
 - International Corporate Finance
 - International Accounting
 - Global Marketing

- *2nd year, 1 “global projects” course, either:*
 - 15.389: Global Entrepreneurship Lab (G-lab)
 - 15.395: Entrepreneurship Without Borders (EWB)
 - New course offerings, such as:
 - M-Lab (focusing on multinational companies)
 - S-Lab (focusing on sustainability issues)

- *Required international experience.* This could be satisfied through a range of flexible options (and in most cases would be automatically satisfied through the global projects work or traditional Sloan activities):

¹⁰ Some teaching would be freed up if the full-semester 15.014 and 3-day/week half-semester 15.012 would both be downsized to 2-day/week, half-semester required course in international macroeconomics.

- A G-lab, EWB, M-lab or S-lab project that involved substantial work with a company outside the individual's home country
- Summer or January internship in a country other than home country
- "Certified" international trip (see below)
- MISTI internship (or other similar program at MIT)
- Structured program at international partner schools (e.g., China, Korea, Mexico)
- Project-teams China (PT-China)

Therefore, the full sequence to receive an international certificate would require that students took 1½ semesters worth of coursework (basically one course throughout their MBA, starting in the spring of the 1st year), plus complete one projects course and have one "international experience". Offering this sequence would require moderate additional resources—mainly additional faculty to help teach the electives and projects courses. (About 200 students already take G-lab or EWB.) This sequence would also require some time from an administrative person to help manage the program and verify if students meet the requirements.

The number of new faculty required would depend on the number and variety of new electives that were offered as part of the sequence. If existing faculty at Sloan could be utilized to teach short electives in the sequence (such as a current member of the finance faculty teaching an elective in international finance), this would reduce the number of new faculty that would need to be hired to create the certificate program. Realistically, new classes and faculty would be phased in over a period of several years so that new hires would be partially driven by demand for the program. The international certificate program could be started with an additional 1-2 faculty members (in addition to the hiring required to meet teaching demands in the traditional MBA program), and could include part-time visitors to teach specialized ½ semester electives.

V. **Ambitious Recommendations: To Make International a Key Focus of a Sloan MBA**

Below are several proposals that could be adopted in addition to the "moderate" proposals discussed above. These proposals would ensure that global exposure and training is an important focus of the Sloan MBA program and would likely make Sloan a top program in rankings of schools with an international focus. The drawbacks are that these proposals would require substantial additional administrative resources, would require more fundamental changes to the Sloan MBA, and have mixed support from different faculty and students. Some faculty and students are extremely enthusiastic, but others have expressed serious hesitations. It would be possible to adopt only a subset of these recommendations and/or to phase in these recommendations slowly over time.

- A. Required international experience for all students. All students (and not just students in the international certificate program) could be required to have an "international experience" that would be satisfied through a range of flexible options. For example, some of the ways in which students could satisfy this criteria are:

- Summer or January internship in a country other than his/her home country
- G-lab, EWB, M-lab or S-lab project that involved substantial work with a in a country outside the individual's home country
- "Certified" international trip (see below)
- MISTI internship (or other similar program at MIT)
- Structured program at international partner schools (e.g., China, Korea)
- Project-teams China (PT-China)

B. Special joint sessions that bring together students from the international certificate program with faculty from Sloan's international programs. The primary goal would be to improve the interaction between participants in Sloan's global programs and top MBAs. These joint sessions would need to be carefully structured to ensure productive interaction, and possible options include:

- Week of debates on international issues during SIP or IAP with teams involving a mix of MBAs and Sloan's international fellows
- A simulated exercise during SIP or IAP that has the different groups of students working together in teams to solve a business problem
- Trip to a partner school in a foreign country (such as China or Mexico) for debates and visits

C. Certified international trips. There is widespread dissatisfaction with many of Sloan's international trips. Many of these trips are not taken very seriously and lack a serious educational component. Even more disconcerting, some groups of students have been poorly prepared and/or behaved inappropriately in another country, which reflects poorly on Sloan and can damage our reputation abroad. One possible solution is that for an international trip to qualify as Sloan-sponsored, it would need to meet more rigorous, substantive requirements and include greater faculty involvement. Trips would be more professional and have an improved learning experience, with most trips better integrated into a rigorous Sloan class. Some of the trips could also include a project-oriented focus or more innovative program. The main challenge to this type of restructuring is that it would require substantial faculty time and administrative support to organize and support these more professional trips. It would likely be necessary to offer faculty a substantial amount of points and/or payments to generate enough faculty involvement to staff the numerous Sloan trips each year.

If these more rigorous criteria for Sloan trips were adopted, some students might still opt to go on student organized trips that involved less work and were not "certified". This could still occur under the new system, but students would not receive credit for these trips. Students would also be advised that they can not advertise the trips as officially sponsored by Sloan (although it would be impossible to prevent students from using the Sloan name in order to arrange meetings).

D. Increased focus on specific regions or countries through integrated, cross-discipline classes. Sloan could offer more short classes focused on a specific region or country. The classes would combine faculty from different fields and include issues such as: the country's macroeconomics, institutions, business structure, governance,

international policy, history, culture, etc. These classes could be combined with a “certified” trip during spring break. Students have expressed interest in these types of classes, but they would require substantial coordination to teach. One concern with these types of classes is that countries and regions that are popular can vary from year to year, making it difficult to hire faculty (or even have faculty develop a substantial amount of new course material).

Appendix A
Course Offerings in Graduate Programs in International
 (* denotes that the class was at full capacity with a wait list)

Course #	Name	Enrollment	Professors	Description
<i>Courses Offered in MBA Program: 2005-2006</i>				
15.012 (Spring, H1 or H2)	Applied Macro and International Economics (short version)	109 (2 sections)	Thurow & visitor	Case studies used to investigate the macro-environment in which firms operate. First section develops the basic tools of macroeconomic management: monetary, fiscal, and exchange rate policy. Second section evaluates different strategies of economic development, with topics ranging from trade and industrial policy to reliance on natural resources. Third section discusses recent emerging market crises and examines the causes of these crises as well as how best to address them and prevent them from reoccurring in the future. Final section evaluates several major challenges currently faced by developed countries, such as global integration, inequality, and asset-price bubbles.
15.014 * (Spring, full term)	Applied Macro and International Economics (long version)	176 (2 sections)	Forbes	This course uses case studies to investigate the macroeconomic and international environment in which firms operate. Most classes will focus on a key economic concept in the context of a different country--providing an opportunity to explore why different governments adopt certain economic policies and how these policies affect the ability of companies to do business. A sample of the topics covered in the course include: monetary and fiscal policy, economic development strategies, the drivers of economic growth, natural resource dependency, exchange rate management, foreign aid, recent crises in emerging markets, predicting what countries will experience crises and contagion in the future, the U.S. trade deficit, high unemployment in Europe, aging populations and insolvent entitlement programs, high oil prices, outsourcing, globalization, and the emergence of China and India as major economic powers.
15.220 (Spring, H2)	Global Strategy	90 (est.) (2 sections)	Lessard	Focuses on the international dimensions of strategy and organization, and provides a framework for formulating strategies in an increasingly complex world economy, and for making those strategies work effectively. Topics include the globalization of industries, the continuing role of country factors in competition, organization of multinational enterprises, building global networks, and the changing managerial tasks under conditions of globalization. Half-term subject.
15.223 * (Spring, H1)	Global Markets, National Policies & the Competitive Advantages of Firms	127 (2 sections)	Huang	The world is changing in two fundamental ways. First, the development of a truly global market in products, services, capital and even certain types of workers is changing the basic terms of competition for an array of different firms and industries. Second, the rules and institutions governing the new international economic order are still in flux. National regulations are no longer adequate yet international accords over trade, intellectual property, labor standards and a host of other issues are fiercely and frequently contested by competing interests. The final results of these debates will determine who wins and who loses in the new global economy. Understanding the interaction between business environment and firms around the world is key to understanding both the possibilities for and constraints on either managing or starting a new business in today's fast-changing economy.

15.229 * (Spring, H2)	China & India: Opportunities and Issues	126 (2 sections)	Huang	Increasingly, as markets or production bases, China and India are becoming important and integral players in the global economy. Firms and investors from the developed world remain fascinated by these countries, as evidenced by the rising volume of foreign direct investment in both countries. Despite this interest, misconceptions and long-held prejudices often substitute for a systematic framework for thinking about the opportunities and constraints in doing business in, or with, these countries. This course starts with a “macro” perspective on these two countries and then moves to industry/firm-level analyses. Topics that will receive special attention in the course include economic reforms, business environment, entrepreneurship, the role of diaspora communities, and foreign direct investment. The case-based course should be of interest not only to those interested in business in these countries per se, but also in managing across borders and managing in emerging markets more generally.
15.389 * (Fall, spring)	Global Entrepreneurship Lab	166 (2 sections), --includes 144 in class plus 22 indep. study	Locke	Enables teams of students to work with the top management of international start-ups and gain hands-on experience in starting and running a new enterprise outside the United States. Lectures expose students to the issues and policies that affect the climate for innovation and start-up success around the world. Subject begins in the second half of the fall semester and continues for 2-3 weeks during IAP, when students spend time at company sites. Concludes in the first half of the spring semester. Students must complete all three components to receive credit.
15.395 (Spring, full term)	Entrepreneurship Without Borders	30 (approx) (1 section)	Johnson	Examines the opportunities and problems for entrepreneurs outside the US, particularly in emerging markets. Students gain understanding of the linkage between the business environment, the institutional framework, and new business creation. They also learn the analytics of venture finance. In addition to discussing the range of global entrepreneurial situations, student groups pick one particular market opportunity on which to focus and develop an outline business plan. Classroom interactions based primarily on case studies.
<i>Courses Offered in Executive MBA Program: 2005-2006</i>				
15.015 (Exec, Summer)	Macro and International Economics	95 (2 sections)	Rigobon	Focuses on the policy and economic environment of firms. Subject divided in three parts: study the closed economy and how monetary and fiscal policy interacts with employment, GNP, inflation, and interest rates; look at national economic strategies for development and growth, and study the recent financial and currency crises in emerging markets; study the problems faced by transition economies and the role of institutions both as the engine of growth, and as the constraints for policy. Half term course. Restricted to MIT Sloan Fellows in Innovation and Global Leadership.
15.223 (Exec, Fall)	Global Markets, National Policies & the Competitive Advantages of Firms	95 (2 sections)	Lessard	Examines opportunities and risks firms face in today's global market. Provides conceptual tools for analyzing how governments and social institutions influence economic competition among firms embedded in different national settings. Public policies and institutions that shape competitive outcomes are examined through cases and analytical readings on different companies and industries operating in both developed and emerging markets. Half-term subject.

<i>In the Catalog, but NOT Offered in 2005-2006</i>				
15.018 (Spring, full term)	Management and Policy in the International Economy	105 (avg.) ¹¹ (1 section)	Forbes / Rigobon (formerly Dornbusch)	This course also studies international macroeconomic aspects that affect firms but now from the developed economy perspective. It studies the issues of the determinants of growth, international trade patterns, trade policy, foreign direct investment, flexible exchange rates, international capital markets, stabilization and reforms, the growth policies in Asia, and the issues of globalization. Additionally, the course studies country cases that vary year by year depending on the important issues that afflict developed and developing markets. Countries that are usually included are: China, France, Mexico, Argentina, Korea, two African countries, Russia, India, etc.
15.040 * (old #) (Fall, full term)	Macroeconomics in Emerging Markets	60 (1 section)	Rigobon	The purpose of this course is to introduce students to the macroeconomic, institutional, and micro-reform challenges that most emerging markets face. The course is divided in three parts: The first is mainly lectures that cover theoretical models in international finance and trade. This provides the tools to understand the more difficult problems these economies face in their development process. The second uses cases and country experiences with: stabilization policies, reforms, crises, income distribution, poverty, education, and social security reforms. In this section we study the source of the problems and the trade-offs faced by govts. Finally, the third part of the course involves country case presentations. Students organize in teams and choose one emerging country to analyze & design a stabilization program for the following 3 to 5 years.
15.967 (Spring, full term)	Offshoring	30 (approx) (1 section)	Thurow / visitor	New course that discussed various aspects of offshoring. Included a series of guest lectures.

¹¹ Average enrollment over the last 5 years that the course was offered.

International Classes NOT Taught by Core Intl Econ/Mgmt Faculty

15.227 (Spring, H1)	Special Seminar in International Management: MBA Spring Trip (currently for: China, India, Korea, Turkey)	81 (4 sections)	Hartman, Kelly, Huang, Morse	Opportunity for group study by graduate students on current topics related to international business not otherwise included in curriculum. These are precursors to trips over spring break.
15.578 (Spring, full term)	Global Information Systems: Communications & Connectivity among Information Systems	40 (approx) (1 section)	Madnick	Explores critical issues of communications and connectivity among global and internet-based information systems from strategic, organizational, and technical perspectives. Strategic connectivity: globalization and integration of information, competitive forces, interlinked value chains. Physical connectivity: protocols and technologies of local-area and wide-area, and internet communications networks. Logical connectivity: distributed databases, data extraction from web sites, semantic reconciliation among heterogeneous sources. Organizational connectivity: loosely coupled organizations, development of standards, motivating strategic alliances.
15.765J (Spring, H1)	International Supply Chain Management	10 (approx) (1 section)	Weiss / Marcus	An overview of globalization and the international environment. The international marketing and supply chain interface; the international finance and supply chain interface; global strategy for logistics and supply chain management; global supply chain models; role of government intervention and regulations (including border crossings, local content laws, etc.); the role of ports and airports in international product movements; the economics of international air and ocean carriers; and the forwarding industry. Half-term subject offered in the first half of the term.
15.996 (Spring, H1)	Special Seminar in Cross-Cultural Leadership	25 (approx)	Bentley	Collaborative research course that examines what constitutes “effective” leadership across cultures. Students are asked to describe aspects of leadership in particular cultures based on their research and/or personal experiences. The goal of the course is to help prepare students for business assignments outside of their native countries.

Appendix B
**Benchmarking: International Requirements and Offerings
in Full-time MBA Programs of Competitor Schools¹²**

I. Required Courses in International

- *Colombia*: Core requirement – “The Global Economic Environment” (2nd term)
- *Chicago*: No core requirements, but several classes in Macroeconomics (most of which are international macroeconomics) will qualify as a “breadth requirement,” similar to Sloan’s former “extended core”
- *HBS*: Core requirement – “Business, Government and the International Economy” (BGIE) (2nd term)
- *MIT*: No requirements.
- *Stanford*: Core requirement – “Strategy and Organization in the Global Economy” (2nd term)
- *Wharton*: 2 core requirements – “Macroeconomic Analysis and Public Policy” (Macro/Intl Economics) and “Global Strategic Management” (each are ½ term courses)

II. International Electives taught by Faculty with Primary Affiliation in International Economics or Strategy (or nearest equivalent for the school)

- *Colombia*:
 1. International Banking (in Finance/Economics Group)
 2. Emerging Financial Markets (in Finance/Economics Group)
 3. International Business (in Finance/Economics Group)
 4. International Finance (in Finance/Economics Group)
 5. Business and Financial Markets in East Asia (in Finance/Economics Group)
 6. International Media Business (in Finance/Economics Group)
- *Chicago*:
 1. International Commercial Policy (in Macroeconomics/International Business Group)
 2. International Financial Policy (in Macroeconomics/International Business Group)
 3. Managing the Firm in the Global Economy (in Macroeconomics/International Business Group)
 4. Finance and Entrepreneurship in Emerging Markets (in Macroeconomics/International Business Group)
 5. International Business Environment: Global Capitalism and International Governance (in Macroeconomics/International Business Group)
 6. Understanding Central Banks (in Macroeconomics/International Business Group)

¹² Competitor schools are defined as: Colombia Business School, Chicago’s Graduate School of Business, Harvard Business School, Stanford Graduate School of Business and The Wharton School (of the University of Pennsylvania).

- **HBS:**
 1. Economic Strategies of Nations (in BGIE group)
 2. Field Study Seminar in Energy (in BGIE group)
 3. Energy – additional ½ semester course (in BGIE group)
 4. Institutions, Macroeconomics, and the Global Economy (in BGIE group)
 5. Managing International Trade and Investment (in BGIE group)
 6. Globalization of Emerging Markets (½ semester course) (in Strategy Group)
 7. International Strategy (in Strategy group)
- **MIT:** *(note that two of these classes would traditionally be a “core” class and not an elective)*
 1. Applied Macro and International Economics (½ semester & full semester versions) (in Applied Economics group)
 2. Global Strategy (½ semester) (in International Management Group)
 3. Global Markets, National Policies & the Competitive Advantage of Firms (½ semester) (in International Management Group)
 4. Global Entrepreneurship Lab (in International Management Group)
 5. Entrepreneurship without Borders (in International Management Group)
- **Stanford:**
 1. Growth and Stabilization in the Global Economy (in Economics Group)
 2. International Development (in Economics Group)
 3. Projects in International Development (in Economics Group)
 4. Managing Global Businesses (in Strategy Group)
 5. Doing Business in China (in Strategy Group)
 6. International Business (in Strategy Group)
- **Wharton:**
 1. International Industrial Development Strategies (in Business & Public Policy Group)
 2. Nations, Politics & Markets (in Business & Public Policy Group)
 3. Technology in Global Markets: Corporate Strategy, National Policy (in Business & Public Policy Group)
 4. Privatization: An International Perspective (in Business & Public Policy Group)
 5. Geopolitics (in Strategy/Management Group)
 6. Multinational Business Policy (in Strategy/Management Group)
 7. International Comparative Management (in Strategy/Management Group)

III. Electives Taught by People with a Primary Affiliation OUTSIDE of the International Economics or Strategy groups (or nearest school equivalent)

- **Colombia:**
 1. Modern Political Economy (in Management Group)
 2. Global Marketing (in Marketing Group)

- **Chicago:**
 1. International Entrepreneurship Lab- China (in Entrepreneurship Group)
 2. Financial Markets and Institutions (in Finance Group)
 3. International Comparative Organizations (in Microeconomics/Industrial Relations group)
- **HBS:**
 1. Entrepreneurship and Global Capitalism (in Entrepreneurial Management Group)
 2. International Financial Management (in Finance Group)
 3. Global Branding (½ semester course) (in Marketing Group)
- **MIT:**
 1. Global Information Systems (in PROFIT Group)
 2. International Supply Chain Management (½ semester)—very small enrollment
 3. Special Seminar in Cross-Cultural Leadership (½ semester)
- **Stanford:**
 1. Global Financial Reporting (in Accounting Group)
 2. Globalization Strategies (in Entrepreneurship Group)
 3. International Financial Management (in Finance Group)
 4. Globalization Strategies (interdisciplinary)
 5. Debt Markets (in Finance Group)
 6. Human Resource Management in Global Organizations (in Human Resource Management Group)
 7. Global and International Marketing (in Marketing Group)
 8. Global Operations Management (in Operations, Information & Tech. Group)
 9. Politics and Business in Europe (taught by Political Economics Group)
- **Wharton:**
 1. International Accounting and Financial Reporting (in Accounting Group)
 2. International Corporate Finance (in Finance Group)
 3. Macroeconomics and the Global Economic Environment (in Finance Group)
 4. International Financial Markets (in Finance Group)
 5. International Banking (in Finance Group)
 6. Comparative Health Care Systems (in Health Care Systems Group)
 7. Markets for Pure Risks (in Insurance & Risk Management Group)
 8. International Business Transactions in Industrialized and Emerging Economies (in Legal Studies and Business Ethics Group)
 9. Corporate Law and Management in Global Perspective (in Legal Studies and Business Ethics Group)
 10. International Business Ethics (in Legal Studies and Business Ethics Group)
 11. Private Equity in Emerging Markets (in Management Group)
 12. Global Consulting Practicum (in Marketing Group)
 13. Multinational Marketing (in Marketing Group)
 14. International Real Estate Comparisons- ½ semester (in Real Estate Group)

IV. Other International Specialty Programs of Note

- **Chicago: Three Noteworthy Aspects of its International Program**

1. *International MBA Degree (IMBA)*: Our IMBA degree provides students with a solid foundation in international business concepts, expertise in intercultural management as well as flexibility in building cultural and linguistic fluency. IMBA students can choose international coursework from the GSB; other professional schools on the University of Chicago campus (including the Harris School of Public Policy, the Law School, or the departments of Political Science or Area Studies); or our IBEP partner schools. Additionally, IMBA students can further specialize their degree by completing concentrations. Chicago GSB students interested in earning an International MBA are admitted to the full-time program and apply to the IMBA during autumn quarter of their first year. (Evening MBA and Weekend MBA students petition through the Evening MBA and Weekend MBA Program Office to participate in the IMBA degree).
2. *Office of International Programs*: The Office of International Programs (OIP) oversees two academic programs, as well as promotes international activities and initiatives in Chicago and around the world. Chicago GSB students seeking cultural and experiential learning opportunities can participate in our International Business Exchange Program (IBEP), pursue internships outside their home country, or participate in project or lab courses overseas. Academically, students can take a few specialty classes, concentrate in International Business, or pursue the International MBA degree (IMBA). The IMBA degree is ideal for students interested in gaining a competitive edge in positioning themselves for a career in international business. Chicago GSB students have the flexibility to add the appropriate level of international expertise, to meet their academic and professional goals.
3. *International Business Exchange Program (IBEP)*: One of the most extensive programs of its kind, IBEP enables students to participate in study-abroad opportunities conducted in seven languages (including English) at 33 partner schools in 21 countries. Like Chicago GSB, our partner schools command international respect and are located in major centers of government, culture, finance and commerce. All GSB students can apply to the IBEP program during their first year for study abroad during their second year. Programs vary in length, term dates and course content depending on the partner institution. More details can be found on our IBEP website.

- Columbia: Offers an Optional “Concentration” in International Business:** Almost all successful businesses go global. The financial, marketing and managerial skills required to be successful in global markets are the focus of this concentration. Students learn techniques that will enable them to operate in an international context, whether as consultants, managers or financial advisers. Issues in international business that are typically not addressed in other concentrations include currency hedging, international valuation of companies, international market entry and how to operate in countries with significant macroeconomic instability as well as vastly different political and financial institutions. The International Business concentration is typically taken along with another concentration. The core plus five courses is required (“International Business” and four courses/seminars). One of the courses for this concentration may be taken from another division or school in the University in a related field such as economics, international relations, law, political science, sociology and regional studies, provided the course has significant international content. For most courses taken outside the Business School, the approval of the program director is required.
- Wharton: Global Immersion Program (1/2 semester):** The Wharton Global Immersion Program (GIP) is an optional half-credit elective that provides first-year MBA students with an in-depth exposure to international business practices and first-hand insights into a foreign culture. The course is divided into several sections each of which examines a different global market. In 2004, programs were offered in China, the European Union, and South America. Each section is limited to 45 students. The course design features five weeks of on-campus lectures by a faculty area specialist, followed by a four-week immersion experience in the region of study following Spring term final examinations. Final conclusions will be presented in written form upon return to campus in the Fall term.

The overall objectives of the program are to provide an understanding of the region’s cultural, historical, social, political, and business environments and to achieve a working knowledge of its business practices through direct interaction with managers, workers, and government officials. In addition to the benefits to students inherent in such an experience, the program also provides organizations with sources for recruiting managers.

The Global Immersion Program consists of three main components: On-campus training sessions and lectures; In-country lectures and company visits; and a Written Paper. Each component is designed to provide an in-depth understanding of how business is conducted in a significant global economy