

# Competing for

**L**ike business schools, corporations have a real stake in making sure that b-school graduates are prepared to work in the commercial world. Businesses have many ways of participating in the educational process, from funding internships to providing guest lecturers to serving on advisory boards. A few corporations take a more active role by sponsoring and running their own student competitions.

Hosting a competition not only allows corporations to offer training opportunities to students, it also gives them a chance to increase their name recognition on campus. In fact, the branding opportunity is one of the key benefits corporations reap when they organize competitive events. Students who participate in a sponsored competition meet with the company's recruiters, use the company's products, play business games based on the company's numbers, and generally become more familiar with what the company has to offer—which can

come in handy when the corporation is looking to hire top graduates.

Yet there's an altruistic side to such competitions as well, and companies that sponsor these events emphasize that their primary goal is to give students a trial run in the real world before they're actually out wrestling with it. For instance, *BusinessWeek's* case writing competition, launched last year by the

New York City-based magazine, was founded partially so that students could use real-world resources when solving a business dilemma.

"Most case competitions are organized so that students read a case and respond to the questions," says Deborah

Parker, *BusinessWeek's* director of education and corporate marketing. "In the real world, an

employee would do the research, ask the questions, and facilitate the discussion." Thus, the *BusinessWeek* game requires students to find and construct their own cases.

Trust by Danone, an interactive business strategy game offered by Paris-based food producer

The synergy between business schools and major corporations operates on many levels, and one of the most intriguing is the company-backed student competition.

by Sharon Shinn

illustration by David Lesh

# ATTENTION

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## “This is not a classic job interview. This is seeing people in ACTION,

Groupe Danone, is also designed to help students deal with real-world issues. In this case, it forces them to make complex business decisions while factoring in issues of corporate social responsibility and sustainable development.

Meanwhile, students also develop critical job skills when they play two business games sponsored by cosmetics firm L'Oréal, headquartered in Paris. The newest game, the e-strat Challenge, “not only requires analytical thinking and number crunching, but it also covers communications skills, written expression, forecasting, and branding and positioning,” says Celica Thellier, L'Oréal's vice president of corporate strategic recruiting. “As it finishes up, the game becomes very sales-oriented because of the presentation students give to a very senior audience. Even if they don't win the game, students leave saying, ‘I grew. I learned something. I've had an experience I can take with me wherever I go.’”

Obviously, companies that sponsor business student competitions also improve their visibility on campus, and Parker notes that the magazine's case competition has increased the number of schools participating in *BusinessWeek's* college program. But she stresses how closely the competition fits with the corporate mission, which states: “We provide essential information and insight that helps individuals, markets, and societies perform to their potential.”

Parker adds that the competition has been “a tangible way of helping universities connect the methodology in the classroom to the real world.” At a time when business schools are seeking ways to align the classroom with the boardroom, three corporate representatives explain how their competitions help schools and business students make that connection. They also point out that students who are well-groomed for a corporate competition may be lucky enough to capture the attention of a corporate sponsor—and land a job in the process.

### The Case of the Critical Incident

For *BusinessWeek's* Student Case Writing Competition, students can choose any incident that was the catalyst for change at any existing business. They then write a “critical incident report,” or what *BusinessWeek* calls a mini case, says Parker. “The incident has to be a real one, though names can be changed,” she adds. “Accuracy is paramount. Incidents can range from tactical events where the manager needs to refine a process to strategic planning that makes the manager say, ‘Now is the time to rethink my business.’”

Each case must include an ethics component, a set of teaching notes, and at least one reference to information published in *BusinessWeek* or its online counterpart within the last year. The Society for Case Research helped the magazine develop

the standards used to assess the submissions.

Because students can choose to write up any incident that appeals to them, they can work in very familiar territory. “A student can go back to his part-time job and ask his boss, ‘What made you decide to open a kiosk in a mall?’” says Parker. “As he models the incident from there, he comes to understand it on many levels—on the financial level, on the ethical level, and in terms of the marketplace.”

The rules are few but firm: Participants must consist of teams of two to five students. The university is responsible for making sure those who submit cases are students in good standing; each university may submit only three entries. The competition is structured this way so that all kinds of business students can participate—undergraduates, graduates, students at four-year universities, and students at community colleges.

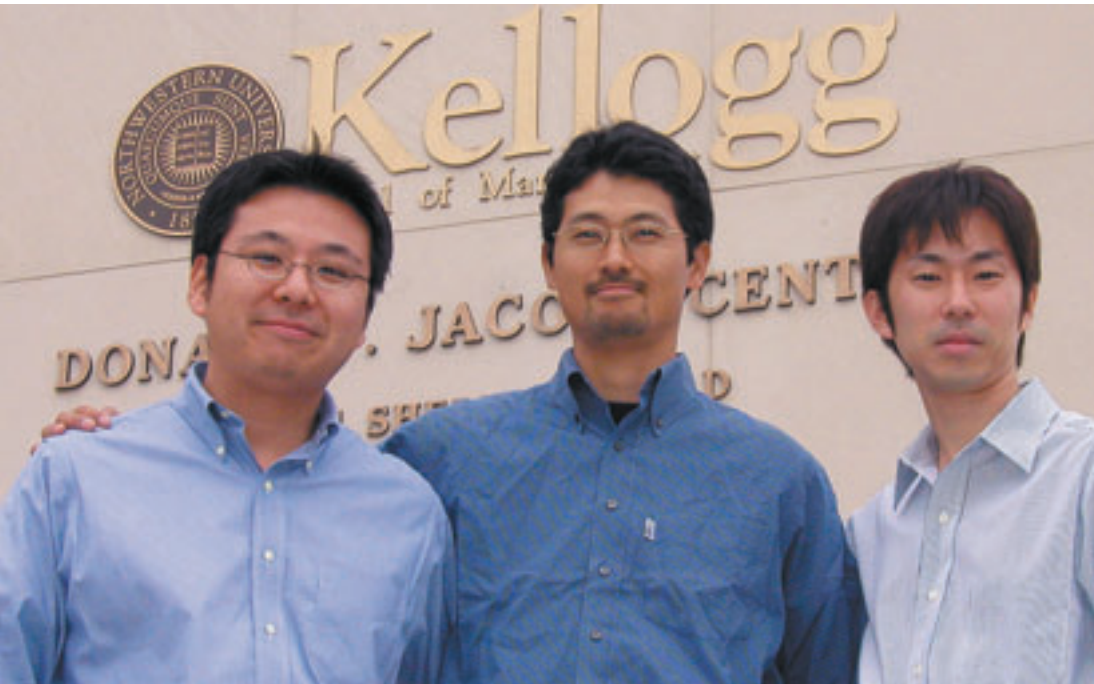
This flexibility has allowed school administrators to be as involved or as uninvolved as they like. Students can form teams on their own and do all the work themselves, as long as a faculty member signs off on the submission. Alternatively, professors can choose to conduct classwide competitions to determine which students will compete at the national level. Parker says that one school is holding a preliminary competition between MBA and executive education students, while another is bringing in local business leaders to judge submissions.

“Teachers at community colleges have told me, ‘Most of my students work in the real world and take courses on the side, so we think they're going to have a richer source of incidents to draw on than students totally immersed in academia,’” says Parker. On the other hand, she points out, full-time students might be better at conducting research. Ultimately, she expects the playing field to be leveled by the combination of skills required to present a good case. “I tell people, there's one bar but it's a fairly high one,” she says.

Entries will be judged by executives within *BusinessWeek*, business school faculty, and business leaders. “We want a range of visible people who are both practitioners and academics,” says Parker. The top three teams will be announced at the Midwest Business Administration Association conference in Chicago in March.

Prizes include cash, complimentary *BusinessWeek* subscriptions, and letters of commendation that students can use when job hunting. Parker is hoping to line up a sponsor to fly the top teams to Chicago, where students can present their cases to faculty. “They'll be able to have the same kind of conversation around the case that faculty have when they're reviewing each other's cases,” Parker says. “The

seeing how they perform and what they learn.” —Celica Thellier, L’Oréal



Dai Tsuruki, Mikio Kawahara, and Kent Nakagawa, members of the Chabozu team from Northwestern University’s Kellogg Graduate School of Management, competed in L’Oréal’s e-Strat Challenge last year. Chabozu tied for first place with INSEAD of Singapore in the graduate division.

involvement of so many people in the questioning process will help them make sure they’ve thought of all the details.” In addition, *BusinessWeek* plans to publish the winning cases, giving students additional exposure.

If all goes well with the first competition, the plan is to hold additional and expanded competitions in the future. While the first was open only to U.S. schools, Parker expects Canada to be included soon and is considering the best way to reach out to schools in Asia and Europe.

### **Outwit, Outlast, Outplay**

Recruiting students is one of the top goals for L’Oréal’s two student-oriented competitions, particularly its newest one. While the interactive Marketing Award game had its debut in 1993, the e-strat Challenge, an online strategy competition, launched in 2000. The e-strat Challenge has been wildly successful, attracting 31,000 registered students in 2004 alone. Three-person student teams register to compete, taking an online pre-selection quiz and handling a mini case. A set number of teams—this year, there will be about 1,500—are selected to compete in eight global playing zones during the seven weeks of the competition. Finalists meet in Paris,

where they get a chance to sell their fictional companies to senior L’Oréal executives.

For L’Oréal, one of the benefits of the e-strat Challenge is meeting business students who might not otherwise have considered going to work at a cosmetics company, including men or those with a manufacturing or technological bias. “We’ve been very successful in terms of the diversity of students who have gotten interested in L’Oréal through the game,” says Thellier.

Nonetheless, those aren’t the only students the company is targeting through the competition. “E-strat first and foremost is about putting us in touch with the best and brightest students around the world in the most original manner possible,” says Thellier. “It’s also about taking recruitment to a new level. This

is not a classic job interview. This is seeing people in action, seeing how they perform and what they learn.”

The students—even those who aren’t among the winning teams—also get exceptional access to L’Oréal representatives. “Recruiters invite students to apply. They attend kick-off events, and they coach students through the game,” says Thellier. “Recruiters get to see students work, which is an incredible way to get to know them.” That chance for recruiters and students to interact has led L’Oréal to hire about 100 game participants worldwide—and that’s in addition to another 70 or more people who have been recruited through the Marketing Award game.

Students win relatively small prizes at the early competition levels, but those who make it to the final round have something to be excited about: a trip to Paris, where they make a presentation to the board. “They sell their company to a jury, which is made up of everyone from executive vice presidents of L’Oréal to general managers of our subsidiaries,” says Thellier. Consulting partners from companies such as McKinsey also are present for this final round. Students have 15 minutes to pitch their ideas and then five minutes to answer questions.

**“TRUST BY DANONE is an effective tool for spotting talents who are likely to understand and share our culture.”** —Franck Mougín, Groupe Danone

The top teams win a one-week trip to the destination of their choice. Says Thellier, “We give travel because we want to prolong their sense of discovery and adventure. That’s what the whole game is about.”

The game is also about education, and L’Oréal constantly works to upgrade the parameters so students who played as undergraduates can compete again as grad students and still be challenged. Other changes are incorporated every year because the game is based on real numbers from L’Oréal, and the market is always progressing, says Thellier. “There are different distribution factors, and costs for advertising and research and development evolve in a worldwide market. So we update all the numbers in the simulation. We give students new decisions to make. This year there were more parameters in terms of product development and packaging.”

L’Oréal often relies on business school professors for advice on other alterations. “For example, we’re going to introduce an element of corporate social responsibility,” says Thellier. “When students play the e-strat Challenge they have to create a strategy for a certain market situation. They allocate their budgets into different buckets, such as advertising, production, research, and personnel. This year, they will be given an option to change primary materials, decentralize production, or choose whether or not to invest in environmental protection. If they make the wrong decision, it will hurt them on the bottom line.”

### Doing Well by Doing Good

Corporate social responsibility is already a key part of Trust by Danone. The business competition is sponsored by Groupe Danone, which sells products such as Dannon yogurt and Evian water. During the interactive strategy



**In countries around the world, students compete in Danone’s “Trust Day,” participating in a variety of activities and meeting with Danone managers and directors in a relaxed setting. The winners at individual universities move on to country competitions; the top winners eventually face off during the finals in Paris.**



game, students have to balance issues of sustainable development with the need to keep their business profitable, all the while maintaining the confidence of consumers and other stakeholders. Faced with contradictory imperatives, says Franck Mougín, general manager of human resources at Groupe Danone, “students have to come up with suitable answers, while taking business requirements into account and observing certain management principles set out by Danone.”

Like students competing in the L’Oréal games, students participating in Trust also stand a good chance of being recruited, since the game gives them a chance to show off a



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wide range of skills. To be eligible to play, students must be fluent in English, part of a team from a participating school, and registered through the Trust Web site. Five-member student teams band together to develop a business strategy for a new subsidiary to be launched by Danone. The first stage takes place in a single day on the campuses of participating universities. During "Trust Day," as it is called, students have an opportunity to lunch with Danone managers and directors while they're competing, interacting with Danone management in a unique setting.

One or two teams from each participating university become finalists and compete with other universities within their countries; one finalist team per country attends an international event in Paris. There, students take part in workshops revolving around analytical skills, creativity, rapidity, and team spirit. They also present their work to Danone's Management Committee and get a chance to meet Groupe Danone CEO Franck Riboud.

During the first year of the Trust competition, participants included more than 500 business and engineering students from universities in six countries—China, Spain, France, Italy, Mexico, and the Czech Republic. The second year, 11 countries were involved, with new additions including Belgium, Germany, Indonesia, Russia, Turkey, and the U.K. Countries were chosen based on areas where Danone had recently expanded and wanted to recruit heavily.

"Trust helps us reach students who might not always think of Danone as a starting point, like those from engineering schools," explains Mougín. "Trust by Danone is an

effective tool for spotting talents who are likely to understand and share our culture."

Among the traits Danone recruiters watch for is empathy, as they look for students who pay attention to other individuals. Says Mougín, "Whether those individuals are consumers, colleagues, or fellow citizens, we want them to have a greater understanding of others. We also want them to have a pragmatic hands-on approach."

But the game wasn't organized merely to give Danone a new pool of potential hires; it was also designed to give students a more complete picture of the company itself. "We want them to realize that we're not just a company with efficient marketing and good products, but also a company that is responsible toward its stakeholders," says Mougín. The goal was reached: Of 300 students interviewed after the game, 97 percent said they viewed Groupe Danone as a company that both offered good products and was a socially responsible firm.

Thus, for Danone, as for these other companies, the competition is serving a key role in familiarizing students with the corporate culture. All three competitions are also proving successful in helping students see that every decision they make can have a far-reaching impact. While choices made in business games don't carry the same repercussions as real-world business decisions, competitions are high-pressure situations that force participants to examine every decision, research every action, and pay for every mistake. Such scenarios, say competition organizers, aren't bad substitutes for real life—or real business. **Z**