

The Latin American Business School Challenge



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Currently, Latin America is poised to push beyond being an emerging market to becoming a major player in today's global economy. In order to support this effort, it is imperative that local business schools become more competitive by offering world-class educational programs to form business leaders who are globally minded, socially responsible, and have the capabilities for strategic thinking. The last decade has seen a boom in the business education market in Latin America, with more students taking graduate business classes, and more schools offering them. Many of these institutions; however, lack the capabilities needed to offer quality education. Among the more than one thousand business schools in the region there are 14 AACSB-accredited, 11 EQUIS-accredited, and 28 AMBA-accredited, and only 7 holding the Triple Crown. Also, there are only three Beta Gamma Sigma Chapters installed.

Because of the demand for international exposure, some business schools in Latin America have begun to think globally and have started developing agreements with prestigious international institutions to offer double degrees and diplomas, study abroad programs, and student and faculty exchanges.

Business schools now are looking for more full-time faculty with international experience, and strong research backgrounds. They are offering better salaries in order to attract the best professionals. Latin American research also needs to start placing greater importance on the soft-skill areas of leadership, strategy, competitiveness, entrepreneurship, and innovation. This will serve not only the purpose of bringing prestige to the school, but will allow students to receive an education that is current and innovative, while serving the greater purposes of creating knowledge and helping local, regional, and global development. Similarly, as in other parts of the world, more business-oriented research also is needed.

As a result of increased competition over the past decade, schools have had to focus more on quality and continuous improvement. Latin American schools can no longer afford to disregard students' perceptions of quality, and have begun to take greater care in meeting their expectations by placing greater importance on implementing assurance of learning programs. When selecting a school, prospective students now look for differentiating factors such as accreditations and quality certifications, faculty quality, student diversity, internationalization, and the corporate and academic networking potential offered by the school.

Furthermore, competitive Latin American business schools have revamped their curricula and course delivery methods to include the latest in technology, and are constantly monitoring the latest educational trends. Many of them have had to start to restructure themselves as autonomous units of their parent universities in order to streamline the decision-making process and keep up with changes in the business.

Latin American students are looking for schools with the ability to provide a world-class education, but that also can satisfy their time and budget constraints. The majority of graduate business students in Latin America are working professionals looking for the competitive advantage that a graduate degree gives them, but who do not want, and in most cases, cannot afford to put their careers on hold. More schools now are offering alternative schedules and online MBA programs, as well as more economical professional and executive education certificate programs. The demand for graduate education is high, and schools that do not manage to make changes to meet this demand will not be able to compete.

During the next decade, as Latin American business schools gain greater international exposure, they will compete successfully with their peers in North America, Europe, and Asia. Taking into account the potential of Latin America as a business destination, it is expected that not only will more local students decide to undertake their graduate studies locally, but also that more international students will view Latin America as an attractive destination for their graduate work—and possibly a location to develop their careers. As such, Latin America should be seen by its colleagues in North America and Europe as the natural partner due to both geographical and cultural ties.

The next decade also will bring many challenges to business education. Latin American schools will need to focus on the leadership and strategy aspects of business education. As the focus increases on social responsibility, schools must be able to form leaders who are socially responsible, ethical, culturally sensitive, and environmentally minded. The recent trends in Latin America reflect a feeling of discontent among large portions of the population. Culturally and economically, Latin America is extremely heterogeneous, and what may be important to some people is not important to others. In these times of uncertainty, the business community must be socially responsible and recognize that local communities are key stakeholders in their operations.

Furthermore, as the world's population grows and the demand for resources becomes greater, it also is imperative that business schools form leaders with the mindset of sustainable development and environmental stewardship. These are **global** issues that must be addressed by the **global** business community, and require a conscious cultural evolution that only can be brought about through education. Regional business school associations will need to play a more active role, helping to consolidate the efforts of the schools by encouraging knowledge exchange and joint regional projects. Every school must do its part if we are to be successful in our efforts to leave future generations a better place to live.