

2004-2005 ALLIANCES SURVEY RESULTS

AACSB International—The Association to Advance Collegiate Schools of Business, European Foundation for Management Development (EFMD), and the Canadian Federation of Business Schools Deans (CFBSD) joined forces in the fall of 2004 to conduct an initial investigation of international alliances among business schools. The primary objectives of the survey were to gather initial information about international alliances, including (a) geographic distribution, (b) strategic objectives, (c) factors affecting partner selection, and (d) success factors. Results from the survey are presented in this summary, which is provided to your school as an exclusive benefit of participation.

Email invitations for the web-based survey were sent to deans at 1,274 business schools that are members of AACSB, EFMD, and/or CFBSD. The survey was closed on November 17 with 163 responses (13 percent) from schools in 28 countries. Among survey participants, 68 percent described their position as dean or associate/assistant/deputy dean. 62 percent of the respondents represented schools that are accredited by either AACSB or EFMD. 7 percent were accredited by both. Close to two-thirds (62 percent) of the respondents represented schools based in the United States. Table 1 shows the distribution of the respondents by region/country.

HIGHLIGHTS

- Compared to schools in Western Europe and Asia, U.S. schools are generally less likely than schools to have alliance agreements in any region. For example, only 7.7 percent of U.S. respondents have or are considering agreements in Oceania, while the corresponding figures for Western Europe and Asia are 43.8 and 75.0, respectively. (See Table 2)
- Western Europe appears to be the most frequent target for alliance agreements. More than 45 percent of all respondents say that have or are considering alliances with schools that region. Among U.S. respondents the figure is 34.1 percent, more than any other region or country. (See Table 2)
- Schools in Western Europe and Asia are more likely to be involved with intra-regional collaboration than schools in North America. Compared to 11.1 percent of U.S. schools, 65.0 percent and 83.3 of respondents from Western Europe and Asia indicating that they have or are considering alliance agreements with schools countries (See Table 2)
- Alliances involving MBA degree programs are more popular among survey respondents than programs at the undergraduate/first degree level. More than 40 percent of all student exchange and program alliances involve MBA programs. (See Table 3)
- “Enhancing student educational opportunities is the main motivation for creating strategic alliances. Developing faculty is also a primary objective. Another important goal is to increase visibility, brand, or reputation of the school. Other objectives include helping to globalize the school and attract students. (See Table 4)
- When selecting partners for student exchange, schools consider (in order of importance) the quality of faculty and students, types or programs offered, location of school, and recommendations of faculty and dean colleagues most important. Reputation and rank of the school is becomes more important than location when considering potential partners for program alliances. (See Tables 5 and 6)
- The success of international alliances hinges most importantly on the appropriate choice of partner and agreement on the objectives and terms of the agreement. (See Table 7)
- Respondents rate the success of program alliance highly in terms of student experiences and reputation enhancement. Few, however, indicate that program alliance have been financially successful. (See Table 8)

DATA TABLES

Table 1. Responses by Region/Country.

Region or Country	Number of responses	Percent
1 Africa	0	0.0%
2 Asia	10	6.1%
3 Canada	9	5.5%
4 Central/Eastern Europe	4	2.5%
5 Western Europe	27	16.6%
6 Latin America	7	4.3%
7 Middle East	1	0.6%
8 Oceania	3	1.8%
9 United States	102	62.6%

Table 2. Geographic Distribution of International Alliances. Table shows the percent of respondents from the schools based in the U.S., Western Europe, or Asia that indicated *have agreement(s)* or *are considering agreement(s)* with schools in each of the listed regions/countries.

Region or Country	All respondents	U.S respondents	Western Europe respondents	Asia respondents
1 Africa	9.3%	4.3%	23.7%	23.4%
2 Asia	36.7%	26.9%	49.0%	83.3%
3 Canada	23.8%	11.1%	36.1%	82.3%
4 Central/Eastern Europe	26.6%	14.4%	55.0%	53.2%
5 Western Europe	45.4%	34.1%	65.0%	77.8%
6 Latin America	31.9%	24.6%	41.1%	51.3%
7 Middle East	12.2%	6.5%	22.7%	27.0%
8 Oceania	20.7%	7.7%	43.8%	75.0%
9 United States	32.2%	11.4%	53.3%	86.2%

Table 3. Student Exchange Alliances by Program Type. Table shows the percent of all alliance agreements indicated by program type.

Program type	Student exchange alliances	Program alliances
1 Bachelors/Undergraduate Degree Programs	36.5%	32.1%
2 Full-Time MBA Degree Programs	22.0%	18.8%
3 Part-Time MBA Degree Programs	13.4%	18.2%
4 Executive MBA Degree Programs	6.2%	7.7%
5 Other Master's Degree Programs	11.7%	12.0%
6 Doctorate Degree Programs	4.6%	3.9%
7 Executive Non-Degree Programs	5.6%	7.3%

Table 4. Strategic Objectives. In an open-ended question, respondents were asked to indicate the most important strategic objectives their school hopes to achieve by forming “program alliances” with foreign business schools. Responses were coded into categories listed in the table.

Objectives	Percent of all responses
1 Enhance student educational experiences	32.5%
2 Develop faculty	14.0%
3 Increase visibility, brand, or reputation	8.9%
4 Globalize school	8.2%
5 Attract students—foreign, domestic, or higher quality	7.6%
6 Enhance or expand research	5.7%
7 Achieve competitive advantage	5.1%
8 Increase revenue	4.5%
9 Complement degree programs/share resources	3.8%
10 Share best practices information	2.5%

Table 5. Factors for selecting foreign partners for student exchange alliances. Participants were asked to rate the importance of various factors when considering potential partners for international student exchange alliances. Factors are sorted in descending order by percent indicating *very important* or *extremely important*.

Factors	Number of responses	Percent indicating				
		Not important at all	Somewhat important	Important	Very important	Extremely important
1 Quality of faculty	152	1.3%	1.3%	21.7%	48.0%	27.6%
2 Quality of students	153	1.3%	3.9%	29.4%	39.9%	25.5%
3 Types of programs offered	153	1.3%	4.6%	29.4%	40.5%	24.2%
4 Location of school	153	1.3%	11.8%	30.1%	36.6%	20.3%
5 Recommendation of faculty or dean colleagues	152	1.3%	13.2%	34.9%	34.9%	15.8%
6 Reputation and rank of programs offered by the school	151	1.3%	10.6%	39.1%	36.4%	12.6%
7 Accreditation by AACSB or EQUIS (EFMD)	153	6.5%	24.2%	28.8%	26.8%	13.7%
8 Previous experience with school	153	8.5%	19.0%	32.7%	28.1%	11.8%
9 Other partners of the school	151	8.6%	27.2%	35.8%	21.9%	6.6%
10 Size of school (e.g., enrollment)	152	12.5%	40.8%	39.5%	5.3%	2.0%

Table 6. Factors for selecting foreign partners for program alliances. Participants were asked to rate the importance of various factors when considering potential partners for international program alliances. Factors are sorted in descending order by percent indicating *very important* or *extremely important*.

Factors	Number of responses	Percent indicating				
		Not important at all	Somewhat important	Important	Very important	Extremely important
1 Quality of faculty	135	1.5%	2.2%	18.5%	49.6%	28.1%
2 Quality of students	134	2.2%	2.2%	26.9%	47.0%	21.6%
3 Types of programs offered	133	2.3%	6.8%	22.6%	45.9%	22.6%
4 Reputation and rank of programs offered by the school	135	0.7%	8.1%	28.9%	47.4%	14.8%
5 Location of school	136	2.9%	6.6%	31.6%	42.6%	16.2%
6 Recommendation of faculty or dean colleagues	132	0.8%	12.1%	36.4%	34.8%	15.9%
7 Accreditation by AACSB or EQUIS (EFMD)	136	5.9%	11.0%	32.4%	30.9%	19.9%
8 Previous experience with school	136	6.6%	15.4%	30.9%	32.4%	14.7%
9 Other partners of the school	135	6.7%	21.5%	34.8%	28.9%	8.1%
10 Size of school (e.g., enrollment)	135	12.6%	29.6%	44.4%	12.6%	0.7%

Table 7. Success factors. In an open-ended question, respondents were asked to indicate the most important factors to achieving success in “program alliances” with foreign business schools. Responses were coded into categories listed in the table.

Factors	Percent of all responses
1 Partner Selection	25.9%
2 Agreement Objectives and Terms	25.9%
3 Management of Alliance	18.4%
4 Interest, Commitment, and Involvement	11.3%
5 Quality	9.9%
6 Resources	6.1%
7 Environmental Factors	2.4%

Table 8. Perceived success of program alliances. Respondents were asked to rate the overall success of their school’s international “program alliances” along each dimension.

Dimension	Number of responses	Percent indicating				
		Not successful at all	Somewhat successful	Successful	Very successful	Extremely successful
1 Educational experiences provided to students	99	0.0%	19.2%	25.3%	41.4%	14.1%
2 Financial (e.g., profitability)	96	9.4%	42.7%	36.5%	8.3%	3.1%
3 Development of faculty	98	5.1%	20.4%	43.9%	22.4%	8.2%
4 Reputation of program	98	2.0%	14.3%	45.9%	26.5%	11.2%

Suggestions from Survey Participants. In an open-ended question, participants were asked to provide suggestions to management educators that are considering establishing international program alliances. Excerpts for their responses are provided below.

Partner selection

- ✓ *Many schools wish to do alliances; few bring quality to the table.*
- ✓ *Work with schools with whom you have a good quality fit...*
- ✓ *Be sure of the stability of the school and/or the leadership there...*

Agreement objectives and terms

- ✓ *Look beyond early meetings of good will to find substance in proposals.*
- ✓ *Plan for them -- do not make them just as a result of personal relationships.*
- ✓ *Need to have clear logic benefiting both parties by growing business, not debating how to cut up an existing (small) cake.*

Management of alliance

- ✓ *Keep all your promises.*
- ✓ *The execution of the alliance in a measurable manner is extremely important.*
- ✓ *Be open and adapt yourself to the needs and wishes of your partners.*
- ✓ *Patience, trust and good communications. There will be many difficulties, and it needs a close relationship to overcome them.*

Interest, commitment, involvement

- ✓ *To make a preliminary survey with students to find out their interest*
- ✓ *Vet it with a few of your faculty to make sure it is desirable to them as well as to you...*
- ✓ *Be prepared to commit the time.*

Quality

- ✓ *Create synergies with curriculum combined with a solid and relevant academic experience...*

Resources

- ✓ *Have sufficient staff to really make a partnership. We don't have the staff and things don't get done.*
- ✓ *Don't over extend your faculty and staff for opportunities that are beyond the scope of your mission.*