



The Global 100 Sustainable MBAs

100 Shades of Green

The Financial Times list of top MBA programs aims to identify the best programs in the world, but do these schools take the business of sustainability seriously?

In a video introduction to its most recent **Global MBA Ranking**, the Financial Times' Laurent Ortmans was asked to identify the most conspicuous trend from its findings over the past few years. "Strikingly, the schools from Canada are all dropping," Ortmans said, pointing to lower Canadian salaries for graduates compared to their U.S. counterparts.

Are Canadian business schools dropping the ball, or are they simply being measured on an outdated series of indicators?

Since 2003, *Corporate Knights* has aimed to rank MBA programs on how holistically they have integrated sustainability into the learning process. At first, only programs within Canada were ranked. Last year, the list was expanded to include institutions from around the world. Using a methodology inspired by the now-suspended Beyond Grey Pinstripes ranking, a comprehensive survey was distributed among schools that wished to participate.

This survey technique allowed for an in-depth assessment of each program, but it also contained several important drawbacks. It was difficult to verify much of the information provided to us, particularly when it came to internal data points such as relevant scholarships and co-op placements. More importantly, it required buy-in from each participating program. While we were able to assemble a list of MBA programs around the world that take sustainability seriously, it also allowed for some schools to opt out of participation.

With these limitations in mind, the ranking was pared down this year to include three key indicators. All data was culled from

publicly available sources, eliminating the survey entirely. Rather than approaching schools with an invitation to participate, a decision was made to assess all 100 programs that ranked on the Financial Times (FT) Global MBA Ranking 2013. This has allowed *Corporate Knights* to judge which of the top MBA programs in the world are prioritizing sustainability education by supporting core curriculum choices, dedicated institutes and centres, and relevant faculty research.

The results for the 2014 Global 100 Sustainable MBA ranking show three Canadian schools leading the pack, with the Schulich School of Business at York University as top performer.

For Dezso Horvath, the long-time dean of the Toronto-based business school, Schulich's prescient embrace of sustainability issues in the early 1990s helped to build an early competitive advantage. "Students were pointing out that they had not heard a single mention of the environment in their classes, despite the financial, social and legal ramifications of sustainability issues they were likely to encounter in their careers," says Horvath. A survey of the curriculum at other top schools around the world found this to be a widespread problem. "We made a determination at the time, which I believe has now been borne out by the facts, that the triple-bottom line approach makes good business sense," he says.

Supportive corporate partners, while initially difficult to find, were brought on board. A concerted effort to blend aspects of the first corporate social responsibility course into the rest of the curriculum was made in the mid-1990s, based on lessons learned a


Rank	School	Country	Score
1	Schulich School of Business - York University	Canada	93.21
2	Sauder School of Business - University of British Columbia	Canada	90.66
3	University of Alberta School of Business	Canada	88.95
4	Harvard Business School - Harvard University	United States	87.43
5	Yale School of Management - Yale University	United States	86.56
6	Stephen M. Ross School of Business - University of Michigan	United States	83.73
7	TIAS School for Business and Society	Netherlands	77.74
8	Scheller College of Business - Georgia Institute of Technology	United States	76.23
9	Indian Institute of Management Ahmedabad	India	75.51
10	George Washington University School of Business	United States	75.14
11	University of Bath School of Management	United Kingdom	70.95
12	The University of Chicago Booth School of Business	United States	69.68
13	Rotterdam School of Management - Erasmus University	Netherlands	67.9
14	Olin Graduate School of Business - Babson College	United States	67.48
15	Walter A. Haas School of Business - UC Berkeley	United States	66.14
16	Mason School of Business - College of William & Mary	United States	65.66
17	Desautels Faculty of Management - McGill University	Canada	65.58
18	Cranfield School of Management - Cranfield University	United Kingdom	64.78
19	Wharton School of the University of Pennsylvania	United States	63.17
20	Lancaster University Management School	United Kingdom	62.46
21	ESADE Business School	Spain	62.38
22	China Europe International Business School	China	59.83
23	International Institute for Management Development	Switzerland	57.84
24	HEC Paris	France	55.95
25	Darden School of Business - University of Virginia	United States	55.78
26	Cambridge Judge Business School	United Kingdom	53.93
27	Australian Graduate School of Management	Australia	52.46
28	Saïd Business School - University of Oxford	United Kingdom	52.04
29	Anderson School of Management - UCLA	United States	51.75
30	Smeal College of Business - Penn State University	United States	50.83
31	INSEAD	France	50.78
32	Strathclyde Business School	United Kingdom	50.68
33	A.B. Freeman School of Business - Tulane University	United States	50.11
34	Mannheim Business School	Germany	50.07
35	Owen Graduate School of Management - Vanderbilt University	United States	49.12
36	Krannert School of Management - Purdue University	United States	48.37
37	W.P. Carey School of Business - Arizona State University	United States	47.8
38	Manchester Business School	United Kingdom	46.75
39	Carroll School of Management - Boston College	United States	46.7
40	IESE Business School - University of Navarra	Spain	44.62
40	McCombs School of Business - The University of Texas at Austin	United States	44.62
42	Vlerick Leuven Gent Management School	Belgium	44.02
43	University of Cape Town Graduate School of Business	South Africa	43.52
44	Stanford Graduate School of Business	United States	43.51
45	Kenan-Flagler Business School - University of North Carolina at Chapel Hill	United States	43.17
46	Samuel Curtis Johnson Graduate School of Management - Cornell University	United States	42.81
47	Cass Business School - City University London	United Kingdom	42
48	McDonough School of Business - Georgetown University	United States	41.96
49	Boston University School of Management	United States	41.89
50	Rotman School of Management - University of Toronto	Canada	41.76

few years prior when integrating issues of business ethics across the board. Schulich continues to push the limits of sustainable business education today, anchored by research hubs such as the Centre of Excellence in Responsible Business and the Institute for Research and Innovation in Sustainability.

Following Schulich on the ranking is the Sauder School of Business at the University of British Columbia, along with the Alberta School of Business at University of Alberta. These Canadian schools were highly competitive due to the high marks they received for curriculum, determined by tallying up core courses fully dedicated to sustainability. Harvard Business School and the Yale School of Management rounded out the Top 5.

While North American schools dominated the top of the list, European schools also fared well. Three programs from the United Kingdom finished in the Top 20, along with two Dutch programs. The top school from Asia, meanwhile, was the Indian Institute of Management Ahmedabad, ranked ninth.

Corporate Knights' use of the Financial Times universe should not be viewed as an effort to belittle the newspaper's ranking itself. Both prospective students and the general public remain interested in indicators such as the salary increase for alumni three years after graduation. In addition, certain indicators used by the Financial Times, including female faculty members and other diversity-oriented data points, touch upon issues that *Corporate Knights* has long advocated for.

Our mission, quite simply, is to build on the FT ranking by determining which of the top schools in the world are focused on the intersection of business and sustainability. On that note, Canadian schools appear to have found an international strength. 

Methodology

The 100 schools ranked in the 2014 Global 100 Sustainable MBA ranking were taken from the Financial Times Global MBA Ranking 2013. These schools were assessed on three indicators: curriculum, institutes & centres and faculty research. Data for these three indicators was taken from publicly available sources. Outreach was conducted to those schools with data gaps. Schools that did not respond were assigned a zero in each corresponding category.

Curriculum: Only core/required courses fully dedicated to sustainability were counted under the scoring. (50% weighting)

Institutes & Centres: Only relevant institutes housed in the business school, or sponsored in partnership with another school, were counted towards the scoring. (20% weighting)

Faculty Research: All research was conducted using Google Scholar. All relevant peer-reviewed publications in academic journals were considered between 2011-June 2014. Half of the final score was derived from total number of relevant publications per business school. The other half was extracted from total citation score on all relevant publications combined. (30% weighting)

Once all the data had been collected, all schools were percentile ranked on each indicator individually. Following that, a weighted average of these percentile ranks was calculated.

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Rank	School	Country	Score
51	Melbourne Business School	Australia	41.09
52	Imperial College Business School	United Kingdom	40.83
53	Kellogg School of Management - Northwestern University	United States	40.65
54	Ivey Business School - University of Western Ontario	Canada	40.23
55	Tepper School of Business - Carnegie Mellon University	United States	39.18
56	University of Washington Foster School of Business	United States	38.82
57	Nanyang Business School	Singapore	38.43
58	London Business School	United Kingdom	38.12
59	Korea University Business School	South Korea	37.97
60	SDA Bocconi School of Management	Italy	35.99
61	Kelley School of Business - Indiana University	United States	35.98
62	Columbia Business School	United States	35.84
63	Fuqua School of Business - Duke University	United States	35.49
64	Guanghua School of Management - Peking University	China	35.38
65	MIT Sloan School of Management	United States	35.11
66	Paul Merage School of Business - UC Irvine	United States	34.78
67	Rady School of Management - UC San Diego	United States	30.95
68	Goizueta Business School - Emory University	United States	29.07
69	Fisher College of Business - Ohio State University	United States	27.21
70	Tuck School of Business - Dartmouth College	United States	26.65
71	Hult International Business School	United States	26.46
72	HKUST Business School	China	25.7
73	Henry B. Tippie College of Business - University of Iowa	United States	25.55
74	IE Business School	Spain	24.93
75	Chinese University of Hong Kong Business School	China	24.69
76	NUS Business School - National University of Singapore	Singapore	24.32
77	Eli Broad College of Business - Michigan State University	United States	24.04
78	Moore School of Business - University of South Carolina	United States	23.26
79	Wisconsin School of Business	United States	22.97
80	University of St Gallen	Switzerland	22.73
81	New York University Stern School of Business	United States	22.24
82	The Lisbon MBA	Portugal	22.07
83	Warwick Business School	United Kingdom	21.05
84	Weatherhead School of Management - Case Western Reserve University	United States	20.53
85	University of Illinois College of Business	United States	19.98
86	Faculty of Business and Economics - University of Hong Kong	China	19.95
87	Marshall School of Business - University of Southern California	United States	19.36
88	UCD Michael Smurfit Graduate Business School	Ireland	18.62
89	Robert H. Smith School of Business - University of Maryland	United States	17.65
90	INCAE Business School	Costa Rica	15.28
91	Indian School of Business	India	15.12
92	Cox School of Business - Southern Methodist University	United States	12.2
93	William E. Simon Graduate School of Business - University of Rochester	United States	11.04
94	Fudan University School of Management	China	9.68
95	Mays Business School - Texas A&M University	United States	8.87
96	EMLYON Business School	France	8.18
97	Olin Business School - Washington University in St. Louis	United States	4.08
98	Sungkyunkwan University Graduate School of Business	South Korea	2.72
99	Jesse H. Jones Graduate School of Business - Rice University	United States	1.97
100	COPPEAD Graduate School of Business	Brazil	0

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DIRK MATTEN

Professor of Strategic Management/Policy
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Schulich Leads in Rankings Schulich is ranked in the world's top tier of business schools by *The Economist* (#22 in the world); *Forbes* (10th best non-US school); *Bloomberg Businessweek* (13th best non-US school); *Corporate Knights* (#1 in the world); The Aspen Institute, a US think tank (#2 in the world in Social and Environmental Leadership); and *Expansión* (#21 in the world) in their most recent global MBA surveys. The Schulich MBA is also ranked #1 in Canada by *The Economist*, *Forbes*, *Corporate Knights*, The Aspen Institute and *Expansión*. The Kellogg-Schulich EMBA is ranked #1 in the world by *The Economist* and #1 in Canada by the *Financial Times* of London.

Running Before Walking

The key to building a successful business – sustainable or otherwise -- doesn't necessarily start with an MBA. There are faster ways to get there.

By Ashley Renders

Pursuing an MBA has long been seen as a high-reward option for business-minded individuals and societies alike. But when it comes to addressing today's global issues, it's quickly becoming a luxury in terms of time and money.

Fortunately, some community college and privately funded start-up programs have figured out that developing real-world experience right out of the gates is more important to becoming a successful entrepreneur than time spent in the classroom.

North American students have racked up a mountain of debt over the last decade, and many of those are MBA students. Tuition for a two-year MBA can range from \$10,000 to well over \$60,000, depending on the school.

Sitting at \$1.2 trillion, college debt is the second-highest form of private debt in the U.S. behind mortgages. It's no wonder that economists and debt-rating agencies such as Standard & Poor's have warned that student loans could be the next economic bubble.

In Canada, the picture is less extreme, but still quite dim. According to the latest Statistics Canada survey, student debt grew 24 per cent between 2005 and 2012, leaving one in eight families paying student debts with a median value of about \$10,000.

Aside from making it impossible to buy houses and start families, debt is holding young people back from pursuing projects that could help solve the world's problems, says Danielle Strachman, program director at the Thiel Fellowship.

When graduates come out of college, they need to service their debt first, which means that they need a job that pays well, she says. "Most people say their jobs are temporary, but after a while, it becomes difficult to turn around and say 'I'm going to work on that project I wanted to do when I was 18.'"

With the motto "some ideas just can't wait," the fellowship gives creative and motivated young people \$100,000 to focus on a project, research or self-education.

Since the program began in 2011, 58 organizations and companies have been founded and are still running. The fellows have raised over \$100 million in investments, grants and partnerships and created jobs for over 250 employees.

The fellowship teaches young people that the best way to test an idea is to put it out on the market and learn from one's mistakes, says Strachman.

Eden Full, a fellow in the program's first cohort, developed a device called SunSalutor, which allows solar panels to rotate with the sun, generating up to 40 per cent more electricity.

While a similar technology already existed, Full saw an opportunity to lower the cost, create a more intuitive design and start a non-profit organization that would allow local residents to start for-profit businesses without much technical knowledge.

But when the start-up launched in Uganda and Tanzania in 2012, Full found that neither country was the right fit for the early phases of the project. After realizing her mistake, she relocated the project to India in 2013, built a team and secured grant funding.

The company now has a manufacturing base in Bangalore, and

has raised over \$250,000 in grant money and deployed over 70 SunSalutors to 10 different countries.

But not everyone can so easily secure \$100,000 to take two years off from school and pursue a dream. And that is where community colleges step in, says Andrew Gold, a business professor and social entrepreneur at Hillsborough Community College (HCC) in Tampa, Florida.

Entrepreneurship students at HCC are expected to realize a business idea or re-strategize and pursue something else within 15 weeks. While this may seem like an unrealistic expectation, Gold says the accelerated pace of the program is the most important part. It relies on the Lean Startup methodology, which requires entrepreneurs to build a boiled-down product as quickly as possible, show it to consumers and redesign the product based on the feedback.

In MBA programs, business students are typically taught to write business plans and tell people why their ideas are great in the hope that investors will come on board, says Gold. That is a flawed and broken process, especially if the product is not tested on the people who will be buying it, he says.

"You don't build anything just because you have a feeling that someone is going to want it.... What most cutting-edge entrepreneurs are doing today is learning to fail quickly."

While failing can be scary and costly, Gold says, community colleges provide a safe and affordable environment for all types of people to test their ideas with support from experts who they would otherwise not have access to.

Community colleges do a lot of hand-holding, and when you break down the number of class hours and face time with professors, the one-semester entrepreneurship certificate at HCC costs \$9.12 per hour – far below


what it would cost to hire a consultant, he says.

A big part of transitioning to a sustainable future is equal access to strong education, says Todd Cohen, director of the Sustainability Education and Economic Development Center, an initiative of the American Association of Community Colleges. "Community colleges are made for the working mother to come back to school or for a mid-career worker who realizes they want to go green," says Cohen. "It opens up the door to many more types of people."

Community colleges are also willing to train entrepreneurs who want to start small- or medium-size businesses that four-year business programs may not be interested in, says Gold.

As the chief executive of a tech startup without an MBA or university degree, Full says the challenge is mostly a mental one.

"Some of the hard part is knowing that you are on a different path from other people and positioning yourself in a certain way so that people don't think you're weird because you didn't do what everyone else did," she says.

The goal of the Thiel Fellowship, explains Strachman, is to set young people on a radically different trajectory and prevent more 30-year-olds from coming out of post-graduate studies saying "I wrote that thesis, but now what is my life about?" 

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A Business School Bias?

Dirk Matten, professor of strategy at York University's Schulich School of Business, says the cooperative business model should have a larger presence in the classroom.

By Dirk Matten

I am writing this from the annual Academy of Management conference in Philadelphia, the largest gathering of management scholars in the world. Yet a search of the word “cooperatives” on the conference website delivers zero hits out of the 20,000 papers presented at the meeting.

Why has business school research and teaching largely ignored cooperatives? The answer to this question is part historical, part ideological.

Historically, the contemporary business school has grown with the modern shareholder-governed business corporation. As such, business education has always been focused around educating professionals who are interested in a career in these particular organizations.

It is the large corporation in which, over the last century, management has become a profession and the MBA degree the ultimate certificate of being a member of this profession. Consequently, business education has focused on those large corporations at the neglect of other forms of business organization, such as cooperatives. That neglect, by the way, has also been palpable with regard to small- and medium-sized enterprises and not-for-profit organizations.

Beyond this historical explanation there is also an ideological reason for this bias. Certainly since the 1970s, with the rise of what today is often referred to as “neoliberal” thinking, business schools by and large have bought into a view of the firm as an organization whose only purpose is the maximization of its shareholders' wealth.

Making investors wealthy is still the main game in town. This, of course, is fundamentally opposed to the idea of a cooperative, where the main purpose is to achieve some social goals while at the same time using collaboration as an approach to improve the lot of all people involved in the business.

Cooperatives are based on the assumption that working together as producers, employees and investors (often in the same person) will make everybody better off. Cooperatives represent a “stakeholder view” of the firm, where the purpose of the firm is not just to enrich investors or shareholders but to operate as a social venture that serves the interests and purposes of multiple communities.

On that note, then, having an issue of *Corporate Knights* focusing on cooperatives is a timely venture. Certainly after the financial crisis of 2008 we have seen some serious navel gazing in the business community. No less than Dominic Barton, global managing director of McKinsey, and Harvard strategy guru Michael Porter have raised their voices to actively think about a different approach to doing business. Seeing business as just extracting value for one single constituency is just not working – it's not sustainable.

The debate on alternative forms of organizing and governing businesses is in full swing. Cooperatives are just one example. Looking at countries such as Italy, Spain or Switzerland shows that cooperatives can actually be a major player in the economy. And a profitable option, too. Migros, the Swiss cooperative retail chain, is a major multinational player in many markets. And a lot of our super-elite Italian fashion gadgets are produced by cooperatives.

It is time to move beyond the shareholder-dominated view of the firm. Business has always been about creating goods and services that address social needs – or, more simply put, stuff that real people need. Cooperatives are a unique example of how people in a specific situation come together, “cooperate” and collectively create value for all involved.

We should be thinking more creatively about this form of organizing business – and it should definitely play a larger role in the classroom. 