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Russian business schools seek a global perspective

The country's business leaders are keen on courses to help them expand internationally

Andrew Jack March 22, 2019

The signs on the walls at Skolkovo, a business school on the outskirts of Moscow, are written in English letters twice as large as those in Russian and Chinese, signalling the global ambitions of the institution.

Just one thing is missing: native English-speaking students. The school was created in 2006 by and for Russian business executives to offer training with a strong practical focus. Its clientele remains predominantly drawn from Russia and its hinterland.

Despite the complex legacy of the Soviet era and current tense political relations with the west, there is an aspiration for a global perspective in this school — and in a growing number of business education institutions across the country.

“There has been 10 years of stagnation and greater isolation in Russia, but business can only be global and there is a real demand,” says Marat Atnashev, the dean, who says Skolkovo covers its costs with a range of innovative programmes. “We are entrepreneurial and want to survive as an independent school: we eat what we kill.”

There is clear appetite among the country's business leaders to expand internationally. “The Russian market is slowing down and I've thought a lot about global expansion,” says Elena Novikova, who runs a conference audiovisual support consultancy, and is attending a special programme for small- and medium-sized business.

“I'm looking for opportunities to develop outside Russia,” adds Dmitry Ryzhenkov, who runs an industrial paints business and is considering expansion into the Balkans and China. “The question is how long this market will survive.”

Elsewhere, St Petersburg University was a pioneer in post-Soviet Russia in offering business education with global ambitions. It opened a school of management in 1993 and moved rapidly to seek international accreditation and forge partnerships and degree programmes with counterparts in other countries.

It was not easy to introduce western management training at the time, according to Valery Katkalo, its former dean. “There was no tradition in the Soviet Union,” he says. “Management was considered to be vocational training based on intuition and personal experience.”

Sergei Myasoedov, rector of the [Institute of Business Studies in Moscow](#), agrees. “There was a quote from Lenin that everyone could be taught to manage, leaving a perception that management was rather superficial and not a profession that some talented people could learn.”

There was also resistance to new approaches from more conservative parts of academia. He recalls having to free the school from the grip of his former bosses at the prestigious Moscow Institute of International Relations, where some long-established professors delivered theoretical lectures of little interest to assertive new corporate clients.

Mr Myasoedov then moved the IBS to the Russian Presidential Academy of National Economy and Public Administration, a more flexible training institute in the southern suburbs of Moscow.

While many traditional Russian universities have been keen to offer high-priced MBAs and others have started offering online courses, Mr Myasoedov cautions that the quality is variable and there is no regulation of such qualifications by international MBA-awarding authorities. “We enjoy freedom but not recognition,” he says.

Like St Petersburg University, IBS has stepped up its efforts to attract part-time executive MBAs. In both cases, that has meant a shift to city-centre campuses separated from broader academic sites, to appeal to senior business people.

Skolkovo, meanwhile, has kept a focus on executive business education and specialist bespoke training and has dropped its full-time MBA programme after failing to attract sufficient candidates.

At one end of the market, demand for applicable knowledge on contemporary topics and practical skills has led to the growth of dedicated universities within big corporates in Russia. Mr Katkalo, for example, left St Petersburg University to build an ambitious series of programmes for staff and clients at Sberbank, the state-owned financial institution.

This has included programmes for its employees developed jointly with Stanford, Insead and the London Business School.

The primacy of applied teaching in Russian business schools has led to difficulties in winning recognition by international accreditation bodies. Some require academic research as a precursor to approval, which is in turn essential to participate in many published schools’ rankings and to lure experienced international faculty.

Skolkovo was created with the Russian government’s blessing as a standalone school independent of any broader academic institution. But Mr Atnashev — who is seeking accreditation — says he is starting to build a permanent faculty with professors hired from foreign business schools on longer-term contracts, to supplement visiting lecturers on tours and talks by local business executives.

The school has also diversified its offerings by setting up an on-site China Institute. It has also forged links with the Hong Kong University of Science and Technology, with which it has launched an executive MBA focused on China’s Belt and Road Initiative and has applied for — but not yet received — international accreditation.

The school has developed specialist courses more tailored to the specific nature of the Russian market, including a training programme for officials and businesses based in former Soviet

factory-towns or “mono-cities”, as well as short courses for schoolchildren interested in entrepreneurship, many of whom are children of its own graduates.

Petr Sannikov, a Skolkovo EMBA student, says that he considered going to European and US business schools but decided that building personal networks in his home country was more important.

“Ninety per cent of our professors are from abroad, so we get the international exposure,” he says. “But it’s more valuable that you know someone you can call for advice from your course who has experience when the local tax people come round.”