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Building a New Global Higher Education Model



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Recent history is littered with examples of multinational corporations meeting spectacular failure on the international stage. Too often, cultural misunderstandings of other nations' customer bases or corporate environments cripple a company's efforts to enter foreign marketplaces. Not only have such catastrophic missteps cost companies billions of dollars, they have impeded the flow of goods and services in our increasingly globalized world. For instance, Germany's Daimler AG merged in 1998 with American car company Chrysler in a \$38 billion deal. Less than a decade later, irreconcilable gaps in corporate cultures led Daimler to unload the struggling Chrysler for one-fifth of its purchase price.

This example only scratches the surface, but the lesson is clear: in a world where S&P companies generate one-third of revenues from foreign markets, a globalized

perspective isn't just an advantage, but a necessity. As international marketing expert Nataly Kelly recently wrote in the *Harvard Business Review*, a defining trait of American companies that succeeded in international markets was that their founders or high-ranking executives often came from abroad or were first-generation Americans. But for many managers and the organizations they represent, the risks are high. A recent study found that 42 percent of managers on overseas assignments fail due to a lack of preparation and insufficient skill sets. These deficits are often magnified by inadequate language and cultural training provided by employers.

To eliminate these problems, individuals must gain such skills and foundations prior to their international assignments. As educators, we felt there was no better time to do this than during their formative years, when business students can greatly enhance skill sets learned in the classroom with cultural immersion, exposure to international executives, and hands-on experience in diverse environments. But how would we teach something that ticks all of these boxes? The answer came through a novel program we now call the "World

Bachelor in Business."

It all began as something quite common between universities: an agreement to collaborate and experiment. Our schools—the University of Southern California (USC), Hong Kong University of Science and Technology (HKUST), and the Università Commerciale Luigi Bocconi (Bocconi)—reside within three enterprising and diverse geographic areas with plenty of economic and cultural capital to educate and challenge business students. We initiated detailed discussions on how to create a viable experiential business program where students are simultaneously enrolled at all three universities. With an appreciation that there could be no serious innovation without calculated risk, our ambitious endeavor took flight.

We quickly discovered grounds for optimism.

Upon founding the World Bachelor in Business program, a survey of major corporations commissioned by Bocconi revealed two dominant reactions by respondents: 1) We have been waiting for a program like this; and 2) How do we hire these students? And when we launched the program in 2013, we received

over 1,000 applications for just 45 slots, making the World Bachelor in Business one of the most competitive programs on our three campuses, and amongst the most selective in higher education overall.

Over the first two cohorts, the program has attracted an incredibly diverse array of students from 23 countries across five continents, speaking more than 10 different native languages. Many were already multi-lingual entrepreneurs. To engage this uniquely talented group, we tailored coursework for global demands with regionally specific business and legal courses to help students acquire in-depth understandings of the nuances of doing business wherever they find themselves.

The goal is to prepare confident executives who are socially and professionally fluent in international settings. We do this by facilitating real-world experiences and face-to-face meetings with leaders so students can understand foreign workplace cultures and business climates. Students are regularly exposed to leading international executives, including most recently, the chairman of Disney International, and the chief technical officer at Nestlé USA.

We made a concerted effort to avoid the trappings of a study abroad program--the coursework is academically rigorous and there is no "pass/fail" option. Students spend their freshman year in Los Angeles, go to Hong Kong for their sophomore year, attend Milan for year three, and choose one of the three universities for their fourth and final year. Throughout their undergraduate careers, daily interactions with fellow students in a multi-lingual and multi-cultural environment represent a powerful tool to develop skills like mutual understanding, the ability to appreciate the value of diversity, and the intellectual curiosity to discover new opportunities beyond conventional wisdom. And since students receive degrees from all three institutions, they can tap into three distinct

alumni networks, each with strengths in three strategically important regions.

Rising sophomore Johnson Seong Hun Moon studied in a Chinese kindergarten, a Korean primary school and graduated from an American International school in Shanghai. He believes businesses will increasingly expand globally to survive and sees the WBB as a natural extension of his international upbringing and education.

Among many hopeful expectations, our program has shown that students learn through trial and error outside of the classroom. The entrepreneurial Benjamin Rubin, who is both American and Israeli, figured out that an understated approach proved more fruitful in Asia than the direct style with which he had grown up. Instead of contracts, which underpin transactions in the West, he learned to navigate a complex set of relationship-based vendor partnerships as part of the start-up he launched during his sophomore year at HKUST. These challenges, which he has the benefit of overcoming at a young age, will surely support his long-term global business ambitions.

In addition to her native tongue, Bosnian rising sophomore Farah Karabeg speaks German, Italian, and English. In preparation for her second year in the program, she began studying Mandarin Chinese. Grasping the importance of communication, Farah and two of her classmates launched a startup to enable people to overcome language boundaries in everyday life. Giulia Savino, a rising sophomore from Italy, benefited from her year in Los Angeles by not only adapting to a foreign environment, but by building a successful network that extends well beyond Southern California. This led her to a lucrative internship this past summer with SAP in Germany.

Although the program's students are only now beginning their junior year, global corporations are already actively recruiting them. When our sophomore

class toured Bocconi in preparation for their junior year in Milan, recruiters from nearly 40 companies were on hand to greet them. Not only is it highly unusual for sophomores to be recruited in this manner, but there were more companies than students at the event.

The success of the World Bachelor in Business gives birth to a new model of internationalization in academia. Indeed, now that this idea of a small cohort of students rotating together to different parts of the world has proven to deliver far greater depth than typical undergraduate exchanges, there is merit to explore scaling this approach to other degree programs beyond business.

Meanwhile, multiple inquiries from other universities who now seek to replicate our success have been received. Our application numbers certainly suggest that the market is ripe for more such programs. While this model will not work everywhere, the indispensable ingredients for educational institutions are clear: high academic quality, proximity to global business hubs, entrepreneurial values, and a high threshold for risk.

For every industry failure, there is a stunning success. Under Ford's ownership, Britain's iconic Jaguar operated at a loss every year. Yet when the Mumbai-based Tata Group acquired Jaguar, it was able to successfully revive the brand. Tata brought profitability to Jaguar by expanding into international markets like China with personnel who keenly understood the cultural business landscape. Today, through programs like the World Bachelor in Business, teaching the critical foundations of global business is beginning earlier than ever. By educating the next generation of business leaders in their formative years, we are not only promoting the prospects of success for global companies, but also the promise of success for our globalized world.
