Skolkovo: A new Russian business school for a new generation of entrepreneurs

The likes of Harvard, Stanford or Wharton, are widely regarded as finishing schools for people who have set their sights on either a Wall Street or consulting firm career. Many business schools worldwide aspire to do the same, as they train future managers for corporate careers. The Moscow School of Management, Skolkovo, on the other hand, has a decidedly different, yet clear focus: It wants to be a training ground for entrepreneurs.

Abramovich, whose fame is for owning Chelsea, Wharton, and Stanford, endorsed the idea that Russia needs to diversify its economy. Abramovich was the guest of honour at its ground-breaking ceremony and its International Advisory Board was chaired by Dmitry Medvedev, the president of Russia.

How would you run Skolkovo differently in Russia? It will be very, very different. First of all, in terms of institutional set up, Skolkovo is a 50:50 between EU and the Chinese government, and if you know anything about partnerships, 50:50 joint ventures tend to be...

... the worst kind?

Right. Nobody is the boss, and everybody is the boss. Institutionally, Rothschilds did well, because China did extremely well, but the institutional set up is putting some constraints on what can be done. The second difference: Rothschilds is a huge operation because the demand for talent is enormous — it was basically a huge training factory. For a lot of the global companies, their talent in China are mainly in operations...

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Management@Work: To many people, the very concept of ‘entrepreneurship’ can’t be taught, so, how do you plan to address this issue?

‘We do not have the numbers. We want the leadership; we want to create a knowledge platform for a fast-moving economy because no existing business school is looking at that. That might have a Chinese expert or a Russian expert, nobody is thinking about all the management functions in a fast-moving economy.

What will be the language of instruction? English.

Will you take international students?

For the full-time MBA, 30% will be from outside Russia and CIS (Commonwealth of Independent States). Now, probably, to be realistic: 40% to 50% will be from Russia, but Russia is already 11 time zones, so by itself, it is already very heterogeneous.

We are going to recruit from Singapore, Japan, China and North America to have a real cross-culture mix. The world is globalized and if you want to have a leader in the global economy, you have to have the cultural experience and exposure.

Can you please describe the student profile that you want?

We are doing some focus groups now, and we are looking for different types of people. We want people with the managerial experience, people who have been managing other people for at least three to five years; we want people who are a bit more entrepreneurial, show leadership skills, and are quite confident, and willing to do something with their lives — give something back to society and not just be motivated purely by a big pay cheque. There will be some overlaps, but we have attached narrower profile than, say, Harvard or Insead or even SMU (Singapore Management University) will go for. They are more broad based, training people for general management wherever they go. We are looking for much more entrepreneurial-type of people, very specific.

Is there a cap on the venture fund that each student can draw?

US$100 million is a lot. We haven’t decided on the maximum amount yet. We are still figuring out how to set this up. Business schools typically are not for profit, but we want to set up a real commercial fund, so that they can be taken seriously. Stanford, for example, only has a very small venture fund, handicapped by their alumni, which is a good idea. But we want to take it more seriously. They learn and they face reality.

Do you have any ranking targets for Skolkovo?

Well, this is my philosophy, even when I was at Rothschilds, when we started out in China, our objective was not to be ranked. Rather, the focus was on the market. You are trying to do, to create the best product — you try to do it very well, and you focus on that. When your students are very well placed, your ranking and accreditation agencies will come to you because otherwise they will look like fools if you are not in there.

The school has been in touch with many other business schools around the world, including Stanford, to do tie-ups. Can you give us an idea of who you are in talks with?

To attract students with entrepreneurial inclinations and demonstrate its seriousness in grooming business talent for Russia, a US$300 million venture has been created, where students help manage this pool of money to invest in start-ups created by their classmates.

Russia needs to diversify its economy, you can’t build a world economy and sustain it using just natural resources. If the price of oil and gas goes down, then what?” says Vanhonacker in an interview with Management@Work. “We need to diversify, and upgrade.” And for that, we need entrepreneurial talent,” says the former dean and vice-president of Shanghai-based Ceibs, or China Europe International Business School, the top-ranked Asian business school based on the latest closely-watched rankings published by the Financial Times.

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