



EFMD

Graduate  
Management  
Admission  
Council®

# Latin America

Management Education's Growth  
and Future Pathways

Gabriela  
Alvarado

Howard  
Thomas

Lynne  
Thomas

Alexander  
Wilson



**LATIN AMERICA: MANAGEMENT  
EDUCATION'S GROWTH AND  
FUTURE PATHWAYS**

This page intentionally left blank

# LATIN AMERICA: MANAGEMENT EDUCATION'S GROWTH AND FUTURE PATHWAYS

BY

**GABRIELA ALVARADO**

*ITAM, Mexico*

**HOWARD THOMAS**

*SMU, Singapore, and Boston University, USA*

**LYNNE THOMAS**

*Stratford-Upon-Avon, UK*

**ALEXANDER WILSON**

*School of Business and Economics, Loughborough University, UK*



United Kingdom – North America – Japan – India – Malaysia – China

Emerald Publishing Limited  
Howard House, Wagon Lane, Bingley BD16 1WA, UK

First edition 2018

Copyright © 2018 Emerald Publishing Limited

**Reprints and permissions service**

Contact: [permissions@emeraldinsight.com](mailto:permissions@emeraldinsight.com)

No part of this book may be reproduced, stored in a retrieval system, transmitted in any form or by any means electronic, mechanical, photocopying, recording, or otherwise without either the prior written permission of the publisher or a licence permitting restricted copying issued in the UK by The Copyright Licensing Agency and in the USA by The Copyright Clearance Center. Any opinions expressed in the chapters are those of the authors. Whilst Emerald makes every effort to ensure the quality and accuracy of its content, Emerald makes no representation implied or otherwise, as to the chapters' suitability and application and disclaims any warranties, express or implied, to their use.

**British Library Cataloguing in Publication Data**

A catalogue record for this book is available from the British Library

ISBN: 978-1-78756-808-2 (Print)

ISBN: 978-1-78756-807-5 (Online)

ISBN: 978-1-78756-809-9 (Epub)



ISOQAR certified  
Management System,  
awarded to Emerald  
for adherence to  
Environmental  
standard  
ISO 14001:2004.

Certificate Number 1985  
ISO 14001



INVESTOR IN PEOPLE

*To the Thomas, Tuch, and Wilson families who are  
the foundation of our lives.*

This page intentionally left blank

## Acknowledgments

This book would not have come into being without the collaboration, stimulus, and support from a number of people, and of professional organizations.

Strong support has come from funding provided by EFMD (The European Foundation for Management Development) and GMAC (The Graduate Management Admissions Council). In particular, Eric Cornuel, Director General of EFMD and Sangeet Chowfla, President and CEO of GMAC, became the catalysts for a project examining pathways in the global evolution of management education in Latin America, but also the need for innovation and learning about the similarities and differences in the business models of management schools globally. Helpful advice in this effort has also been given by Matthew Wood, Director of Operations at EFMD, Ron Sibert, Director for Africa at GMAC and Dan Le Clair, COO at AACSB.

Among collaborators and contributors to this project, it is important to recognize the generosity and openness of deans and faculty colleagues. For example, Andrew Pettigrew of Birkbeck, London, and Ken Starkey of Nottingham University have urged the importance of undertaking research studies on the evolution of global management education and on the adaptation of business school models to different cultures, contexts, and countries. Further, deans and strong friends, such as Michel Patry (HEC, Montreal), David Schmittlein (MIT Sloan), and Ken Freeman (Questrom School, Boston University) in North America; Peter Lorange (CEIBS, Europe), Santiago Iñiguez (IE, Madrid, Spain), Jordi Canals (IESE, Barcelona, Spain), and Simon Collinson (Birmingham, UK) in Europe; Nicola Kleyn (GIBS, South Africa), Nick Binedell (GIBS, South Africa), Enase Okenedo (Lagos, Nigeria), and Thami Gorfi (ESCA, Morocco) in Africa; and finally Fernando D'Alessio (CENTRUM) in Latin America deserve special thanks and gratitude for their support. We would also like to thank colleagues such as Kai Peters (Coventry), Rick Smith (SMU), Steve Davidson (Boston University, BU), Paul Carlile (BU), and Venkat Venkatraman (BU) for forcing us to re-examine the business models for business schools.



However, it is also extremely important to recognize the considerable institutional and personal support provided by Singapore Management University. Howard is Director of ASMEU (The Academic Strategy and Management Education Unit) at SMU, which has provided research assistance, data analysis, and administrative support to this project. Beyond that, Professor Arnoud De Meyer, President of SMU, has mentored and given advice in his inimitable, quiet, effective leadership style. His long-term friendship is much appreciated by Howard.

At SMU, we also owe a debt of thanks to many other colleagues such as Professor Gerard George, Dean of LKCSB, Gregor Halff, Deputy Dean of LKCSB, and Professor Michelle Lee who is a co-author of Howard's papers and books about the evolution of global management education. We want to thank the research assistants involved with this project. And our sincere appreciation goes to Jes Ong, Howard's PA, for assisting and managing the many stages and revisions that occurred as the project came to a successful conclusion.

We also want to acknowledge the institutional and financial support provided by ITAM and Asociación Mexicana de Cultura, A.C. Gabriela Alvarado has worked for 24 years at ITAM and was rewarded with a sabbatical leave during the academic year of 2016–2017. This sabbatical allowed her to fully devote herself to this research project. Further, special thanks and profound gratitude to Santiago Iñiguez, President of IE University, and Martin Boehm, Dean of IE Business School, for giving Gabriela the opportunity to spend a part of her sabbatical at IE Business School. During that period, a significant portion of this book was written.

We also wish to thank the 24 individuals listed in the appendix who gave us two to three hours of their time and were highly supportive, open, warm, and frank in sharing their expertise, insights, and opinions about management education in Latin America.

Finally, the quality and readability of this book's contents is largely due to the professionalism and helpful criticism derived from our consulting editor at EFMD, George Bickerstaffe. However, we are solely responsible for the book's argument. We sincerely hope that it provides some insights and stimulates thinking about necessary contextual and adaptations to management education as it continues to evolve.

*Gabriela Alvarado, Howard Thomas, Lynne Thomas, and Alexander Wilson*

# Contents

|  |             |
|--|-------------|
| About the Authors  | <i>xi</i>   |
| Preface  | <i>xiii</i> |
| <br>   |             |
| <b>Chapter 1 Latin America: Countries with a Common Past Facing Different Realities</b>    | <i>1</i>    |
| <b>Chapter 2 The Evolution of Management Education in Latin America</b>                    | <i>25</i>   |
| <b>Chapter 3 An Evaluation of the Last Decade of Management Education in Latin America</b> | <i>37</i>   |
| <b>Chapter 4 The Current State of Management Education in Latin America</b>                | <i>79</i>   |
| <b>Chapter 5 The Future Evolution of Management Education in Latin America</b>             | <i>127</i>  |
| <br>   |             |
| Postscript   | <i>165</i>  |
| References   | <i>167</i>  |
| Appendix: Names of Interviewees  | <i>169</i>  |
| Index  | <i>171</i>  |

This page intentionally left blank

## About the Authors

**Gabriela Alvarado** is the Director of the Business Intelligence Center and a Professor of Marketing at ITAM, Mexico. She holds a Doctor in Business Administration degree from IE Business School, and an MBA and a BS in Actuarial Science from ITAM. Gabriela was the Associate Dean of MBA programs at ITAM Business School for 14 years, where she developed the international MBA program portfolio. Her research focuses on management education, business schools' reputation, international accreditations, and rankings.

**Howard Thomas** is an Emeritus Professor of Strategic Management and Management Education at Singapore Management University (SMU) where he is currently Mastercard Chair of Financial and Social Inclusion. He is also the inaugural Ahmass Fakahany Distinguished Visiting Professor of Global Leadership at the Questrom School of Business, Boston University. As a highly-cited scholar (having written over 300 articles and 40 books) in strategic management and management education and an experienced business school dean across several continents (US, Europe, and Asia), Howard continues to serve the academic community through his roles at EFMD and professional academic bodies such as the British Academy of Management. He is regarded as one of the foremost authorities in management education.

**Lynne Thomas** is a writer and co-author in the field of management education.

**Alexander Wilson** is a Lecturer in Strategy at the School of Business and Economics at Loughborough University. He holds a BA (hons) in Management from the University of Leeds, an MA (Distinction) in Organization Studies, and a PhD in Management from the University of Warwick. He has been Lim Kim San Fellow in Strategy and Organization (2011, 2012, 2013, and 2014) and Visiting Researcher (2017) at the Lee Kong Chian School of Business, Singapore Management University. He is currently a Research Fellow for the Chartered Association of Business Schools (UK) and is conducting an analysis of management education in the UK. His research examines the development of management education globally as well as conducting research on open-strategy and strategic IT projects with a focus on technology in-use.

This page intentionally left blank

## Preface

After attending several international academic conferences for more than 20 years, Gabriela Alvarado and Howard Thomas have witnessed how the level of awareness of Latin American business schools and their activities have increased through time. Yet, it is still relatively low when compared to the publicity that schools from other parts of the world have achieved. In addition, not much has been written about Latin American management education despite efforts such as those made by CLADEA in advancing the quality and awareness of Latin American schools.

Hence, this research project got under way motivated by the opportunity of sharing the progress that Latin American business education has made over the last decades with management education colleagues outside the region. It was also catalyzed by the strong spirit of collaboration and friendship among the authors. However, when conducting the interviews and developing the manuscript, a further opportunity presented itself: namely, providing some insights that could aid Latin American management educators in reflecting on the current state of business education on the continent and actions that need to be undertaken to strengthen its positioning within the international academic and business community in the years to come.

As such, this volume on Latin American business education adds to previous work by Howard Thomas, Lynne Thomas, Michelle Lee, and Alexander Wilson (Emerald, 2013, 2014, 2016, 2017) about management education in different regions across the globe. Thus, it sharpens our understanding of the similarities and differences between business schools across geography and time and it allows us to examine systematic differences in the business models and performance of business schools across continents. It is based on the responses from a number of face-to-face in-depth interviews with rectors, deans, and influential educators from leading business schools in Latin America, and follows a past, present, and future perspective on the growth of management education.

After providing a brief overview of the main historical, cultural, social, political, and economic aspects of the Latin American continent, the book describes the evolutionary path of business education in the

region until its current state. In particular, it analyzes and interprets the major events, key issues, the impact of different actors, main changes, and “blind spots” in the evolution of management education in Latin America over the last 10 years. The book then identifies the biggest ongoing challenges confronting business education on the continent and discusses whether a Latin American model for management education is a realistic proposition. Finally, it explores how the competitive environment of business education in the region will evolve over the next 10 years, outlines a set of potential scenarios, and examines critical issues for the future.

We hope this book will contribute and, more importantly, create an open debate among Latin American management educators about the future evolution of business education on the continent. Clearly our main aim is to spark a growing interest from global stakeholders about Latin American business schools and their role in growing and developing inclusive growth in Latin America.

## Chapter 1

# **Latin America: Countries with a Common Past Facing Different Realities**

The evolution and the major challenges facing management education in Latin America are strongly related to its history, culture, and economic development. This chapter provides a brief introduction to, and overview of, the main historical, cultural, social, political, and economic aspects characterizing the Latin American region.

The term Latin America is generally used to refer to all countries in the Americas south of the US where the Spanish or Portuguese languages are dominant, and which were Spanish or Portuguese colonies in the past.

By this definition, Latin America is equivalent to “Ibero-America,” where the prefix Ibero relates to the Iberian Peninsula in Europe. Another important term to be aware of is Hispanic America, which comprises Spanish-speaking countries in the Americas. Hispanic America differs from Ibero-America in that the latter includes Hispanic America and Brazil and sometimes the Iberian Peninsula as well.

However, for the purpose of this book, the analysis will focus on the countries of the Latin America mainland.

This book offers a detailed examination of the common cultural elements of Latin America, particularly its colonial history; its demographic structure and social development; its legal and regulatory framework; its main governance concerns; its economic growth and the extent of international trade and global connections; and its distinctive management profile.

These elements are analyzed using data from various international organizations such as the International Monetary Fund, the World Bank, the International Communication Union, and Transparency International. Some data were also gathered from the US Central Intelligence Agency (CIA).



## **Common Historical and Cultural Aspects among Latin American Countries**

Mainland Latin America is regarded as being composed of 20 countries and one dependent territory. Geographically, it can be divided into three sub-regions: North America (Mexico), Central America, and South America.

Central America is bordered by Mexico to the north, Colombia to the southeast, the Caribbean Sea to the east, and the Pacific Ocean to the west. It comprises seven countries: Belize, Guatemala, Honduras, El Salvador, Nicaragua, Costa Rica, and Panama, which together represent almost 8% of the population in the region (IMF, 2017).

South America is bounded by Panama to the northwest, the Caribbean Sea to the north, the Atlantic Ocean to the northeast, east, and southeast, and the Pacific Ocean to the west. It has more than 70% of the total population of mainland Latin America (IMF, 2017) and consists of 12 countries: Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Guyana, Paraguay, Peru, Suriname, Uruguay, and Venezuela, and French Guiana, a French dependency.

The Latin America region shares a common history of colonial rule, mainly Spanish, which lasted three centuries. As [Table 1.1](#) shows, 16 of the 20 countries on the Latin American mainland were Spanish colonies from the late fifteenth century till the end of the eighteenth century and gained independence between 1810 and 1825.

Of the four remaining countries, Brazil was colonized by the Portuguese and became independent in 1822 while Belize officially became a colony of British Honduras in 1854 and its independence was delayed until 1981 due to territorial disputes between the UK and Guatemala.

Guyana, originally a Dutch colony in the seventeenth century, became a British territory in 1815 and achieved independence from the UK in 1966. Suriname was initially explored by the Spaniards in the sixteenth century, colonized by the UK in the mid-seventeenth century and later became a Dutch colony in 1667, gaining its independence from the Netherlands in 1975.

The shared experience of colonization by the Spaniards among most Latin American countries exposed them to two critical cultural aspects: their language and religion, as shown in [Table 1.1](#).

Spanish is the official language of most nations on the Latin America mainland and is spoken as a first language by more than 60% of the population. Portuguese is uniquely spoken in Brazil, the largest and most populous Latin American country with over 35% of the aggregate

Table 1.1. Colonization and Main Languages and Religions in Latin America.

| <b>Country</b> | <b>Colonized By</b> | <b>Year of Independence</b> | <b>Main Languages</b>   | <b>Main Religions</b>   |
|----------------|---------------------|-----------------------------|---|---|
| Argentina      | Spain               | 1816                        | Spanish (official)  | Roman Catholic 92%  |
| Belize         | UK                  | 1981                        | English 62.9% (official), Spanish 56.6%, Creole 44.6%, and Maya 10.5% | Roman Catholic 40.1% and Protestant 31.5%                                   |
| Bolivia        | Spain               | 1825                        | Spanish 60.7%, Quechua 21.2%, and Aymara 14.6% <sup>a</sup>           | Roman Catholic 76.8%, Evangelical and Pentecostal 8.1%, and Protestant 7.9% |
| Brazil         | Portugal            | 1822                        | Portuguese (official)   | Roman Catholic 64.6% and Protestant 22.2%                                   |
| Chile          | Spain               | 1810                        | Spanish 99.5% (official) and English 10.2%                            | Roman Catholic 66.7% and Evangelical or Protestant 16.4%                    |
| Colombia       | Spain               | 1810                        | Spanish (official)  | Roman Catholic 79% and Protestant 14%                                       |
| Costa Rica     | Spain               | 1821                        | Spanish (official)  | Roman Catholic 76.3% and Evangelical 13.7%                                  |
| Ecuador        | Spain               | 1822                        | Spanish 93% (official)  | Roman Catholic 74% and Evangelical 10.4%                                    |

Table 1.1. (Continued)

| Country     | Colonized By       | Year of Independence | Main Languages   | Main Religions  |
|-------------|--------------------|----------------------|--|---|
| El Salvador | Spain              | 1821                 | Spanish (official)   | Roman Catholic 50% and Protestant 36%                               |
| Guatemala   | Spain              | 1821                 | Spanish 60% (official) and Amerindian languages 40%          | Roman Catholic  |
| Guyana      | The Netherlands/UK | 1966 <sup>b</sup>    | English(official)  | Protestant 34.8%, Hindu 24.8%, Roman Catholic 7.1%, and Muslim 6.8% |
| Honduras    | Spain              | 1821                 | Spanish (official)   | Roman Catholic 46% and Protestant 41%                               |
| Mexico      | Spain              | 1821 <sup>c</sup>    | Spanish only 92.7% and Spanish and indigenous languages 5.7% | Roman Catholic 82.7%  |
| Nicaragua   | Spain              | 1821                 | Spanish 95.3% (official)                                     | Roman Catholic 51.6% and Evangelical 33.9%                          |
| Panama      | Spain              | 1821 <sup>d</sup>    | Spanish (official)   | Roman Catholic 85% and Protestant 15%                               |
| Paraguay    | Spain              | 1811                 | Spanish (official) and Guaraní (official)                    | Roman Catholic 89.6% and Protestant 6.2%                            |

|           |                    |                   |  |   |
|-----------|--------------------|-------------------|--|---|
| Peru      | Spain              | 1821              | Spanish 84.1%, Quechua 13%, and Aymara 1.7% <sup>a</sup> | Roman Catholic 81.3% and Evangelical 12.5%                            |
| Suriname  | UK/The Netherlands | 1975 <sup>e</sup> | Dutch (official)   | Protestant 23.6%, Hindu 22.3%, Roman Catholic 21.6%, and Muslim 13.8% |
| Uruguay   | Spain              | 1825 <sup>f</sup> | Spanish (official)                                       | Roman Catholic 47.1%, Christians 11.1%, and non-denominational 23.2%  |
| Venezuela | Spain              | 1811              | Spanish (official)                                       | Roman Catholic 96%  |

Source: CIA (2017).

Notes: <sup>a</sup>All official.

<sup>b</sup>Dutch colony until 1815 when it became a British possession.

<sup>c</sup>1810 (declared), 1821 (recognized by Spain).

<sup>d</sup>1821 (from Spain), 1903 (from Colombia).

<sup>e</sup>British colony until 1667 when it became a Dutch colony.

<sup>f</sup>Colonized by Spain but annexed by Brazil in 1821, it declared its independence from the latter four years later.