



IAE trains business leaders as well as top government officials

Profile: IAE Business School innovates in Argentina

By Jude Webber

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Training top executives in a country frequently riven by political and economic turmoil is a big challenge for Argentina's **IAE Business School**.

"It's tough. We have to be a world-class business school in a country that is criticised and viewed with suspicion," says Professor Marcelo Paladino, the school's dean.

In his 30 years' tenure at IAE – 20 of which have been as dean – Prof Paladino has witnessed military dictatorship, hyperinflation, corruption and, more recently, discredited official statistics and market-unfriendly policies that have discouraged investment. But amid the chaos, the school's aim has remained steady, he explains: "To occupy a leadership position in the understanding of emerging economies, with particular emphasis on Latin America."

Yet IAE plays a much greater role than the traditional business school, Prof Paladino says, something he feels is particularly pertinent in developing countries. "We are a business school but we are very clearly training leaders for society, not just for business," he says.

The dean was instrumental in founding the school's Studies on Government, Business, Society and Economics (Gese) Centre, which was established in the aftermath of the country's economic collapse in 2001-02. It aims to bridge the divide between the public and private sector, and export IAE's expertise to regional leaders.

The remit of the school's top management programme ranges beyond just corporate leaders to train budget, tax and military officials. IAE also sends students out of the capital to work with social entrepreneurs to highlight "another dimension of leadership", Prof Paladino says.

Located just an hour's drive outside Buenos Aires, IAE is an Opus Dei school that forms part of the Austral University, a private university based in Argentina. It reflects the Catholic prelate's influence through a focus on ethics, rather than the usual issues of corporate social responsibility or graft.

Students are expected to answer questions such as "What is the real point of businesses in society?", and case studies touch upon real issues such as supplying gas to impoverished sectors of society or even how the sales of air-conditioning units affect the poor.

If the message sounds overtly religious, Prof Paladino is unapologetic. Forging human values to build better businesses "is not a course or a book or a method. It's a spirit," he says.

The school seeks to emphasise "federalising" executive education in order to immerse students and professors in the wider realities of Argentina. In addition, it aims to build networks within Latin America to bolster the region's economic capabilities. For example, it took its senior executive programme to the Paraguayan capital, Asunción, in 2009 and will repeat the experience this year. In-company training courses have been tailored for companies in Bolivia and Paraguay.

IAE, which follows the model of schools such as **Harvard** in its emphasis on the use of case studies, has recently moved to strengthen links with Mexico's **Ipade Business School**, taking advantage of their combined staff to teach week-long programmes on both campuses. "Our idea is to be able to show that we have a presence from north to south in Latin America," says Prof Paladino. Plans are also under way to look beyond the region. The school is working with **lese** – the Spanish business school that helped establish IAE – and Ipade to offer its senior executive programme in Miami and New York alongside a global chief executive programme for former alumni in Madrid. "We're looking at different alternatives ... We are going to stand out because of the regional work we are doing," the dean explains.

Looking ahead, Prof Paladino questions whether the Gese Centre can continue in its current form or whether, as it continues to grow, it will need to be spun off as a separate entity, much like the **Kennedy School of Government at Harvard**. "We're a university in development. We're looking at places with good experience," he says. At present, however, he is keen to emphasise that the school continues to innovate. IAE has been recruited by a state-owned bank for the first time to train 80 senior managers and has developed programmes for industrial "chains" including Arcor, an Argentinian confectionary company; YPF, an energy firm; and the country's chambers of construction and software. Though most of its 50-strong faculty have been trained in-house, with PhD studies sponsored abroad, IAE is now also considering bringing in staff from outside.

"Companies are asked for a lot of flexibility," Prof Paladino says. "Part of our success is to be very flexible too."