

# MBA CITY MONITOR 2017

ESADE

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# Acknowledgment

- I want to thank Dr. Xavier Mendoza (former Dean, ESADE Business School), who published “Business Schools and attracting talent to Barcelona” in 2008 (Paradigmes magazines, issue #1, Dec.08).
- The MBA City Monitor, although considering a methodology with significant variations, has been inspired by his vision.

# Cities, talent attraction & MBAs



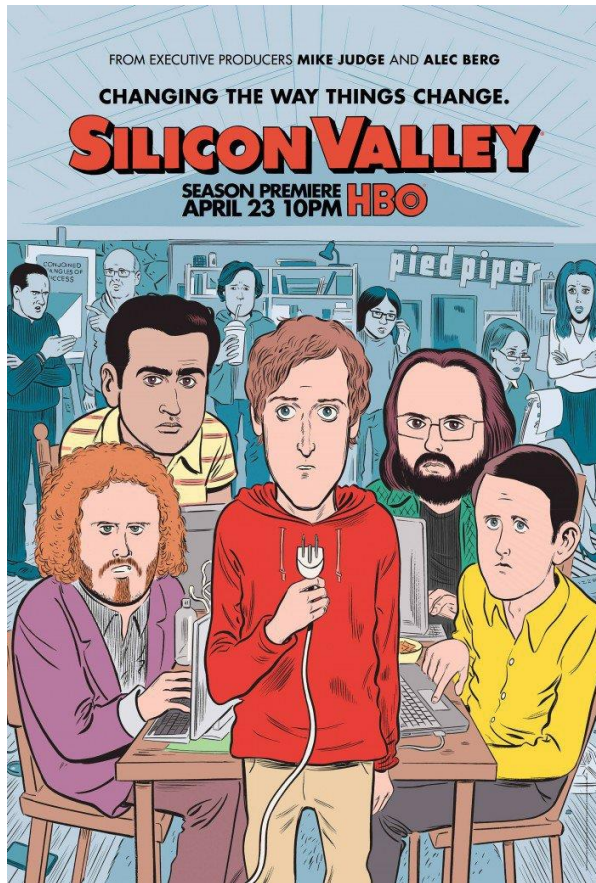
# Cities and talent attraction

- “The global talent risk is growing. Soon staggering talent gaps will appear in large parts of the world threatening economic growth. Economies will struggle”. (BCG)
- “The roots of talent scarcity in the Western hemisphere are no mystery: populations are ageing rapidly and educational standards are insufficient.” (BCG)
- We will see competition for talent on an unprecedented scale. Human capital is replacing financial capital as the engine of economic prosperity.” (BCG)
- On top of that, In the “Second Machine Age”, competition for highly-skilled talent will intensify (Brynjolfsson & McAfee, MIT)
- “The US will need to add 25 million+ workers to its talent base by 2030 to sustain economic growth. Western Europe: 45 million+.” (BCG)

# Cities and talent attraction

- 50%+ of the world's population lives in cities, which generate 80% of the GDP worldwide. (EIU)
- Urbanization is one of the major disruptive forces (McKinsey Global Institute)
- Global hubs are becoming increasingly influential: decisions made from a city-perspective (London, Hong Kong, Singapore,...) rather than a country or regional perspective. (EIU)
- We are starting to witness a certain rebirth of the city-state ("How We Get to Next", Gates Foundation).
- New highly-skilled, creative, global class is:
  - increasingly urban (Martin Prosperity Institute, U.Toronto)
  - increasingly mobile, which increases city's competition for talent attraction and retention. (BCG)
- We are moving from a world of stocks to a world of flows (John Hagel III, Deloitte Center for the Edge)

# Questions for the near future



In the same way as American cities capitalized talent mobility in the wake of the Second World War, a question looms today: which cities will capitalize on the global talent mobility flows after the Great Recession and the Dawn of the Digital Age?

# Questions for the near future

FINANCIAL TIMES

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Stuttgart, Baden-Württemberg [+ Add to myFT](#)

## Fears of being left behind tinge Stuttgart's prosperity

Critics say carmakers are trailing rivals in areas such as electric vehicles



Stuttgart was rebuilt after the second world war to suit motorists © Alamy

As great companies undergo massive processes of business transformation, how is this going to reshape the role of cities that hosted those companies for decades? And how is it going to impact on the city's “operating system”?



# Questions for the near future


FINANCIAL TIMES

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Amazon [+ Add to myFT](#)

## Amazon shops for North American city for \$5bn second HQ

Tech and online retail group asks for proposals in competitive bid process



Amazon's Seattle campus has more than 8m square feet of office space, 33 buildings and more than 40,000 employees.

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In which ways will massive platforms reshape how cities attract and retain global talent? Will those platforms become another type of “city-state”?

FINANCIAL TIMES

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Alphabet Inc [+ Add to myFT](#)

## Alphabet looks for land to build experimental city

Google sister company Sidewalk Labs makes progress with plan for urban innovation hub



# The MBA City Monitor

- For all these issues, we consider that cities need an actionable metric they can use to predict and measure their ability to attract and retain global, highly skilled talent.

# The MBA City Monitor 2017

## Methodology



# The MBA City Monitor

One single metric:

**International Full-Time MBA students currently enrolled in top business schools**

# The MBA City Monitor

## Why International. Why Full-Time MBA

As a predictor of not only talent attraction but also retention, we need to measure the level of commitment of students with the study location they choose:

- Moving internationally is generally a tougher choice (logistics, visas, cultural issues etc...) than moving nationally
- A Full-Time MBA program, which takes between 12 and 24 months is a massive commitment –compared to shorter programs- in terms of investment and forgone salary (cost of opportunity)

In other words, those who pick up a Full-Time MBA program, have carefully chosen both school and location.

# The MBA City Monitor

## Why Enrollments instead of Intakes.

Enrollments are a measure of “stationed” talent in the city, while intakes might be representative of the incoming flow only. MBA programs that take longer than 1-year also represent a higher commitment when it comes to investment/forgone salary than shorter programs.

Enrollments also send a better signal in terms of the amount of talent city / regional governments are missing: they could tap into this platform of talent in order to solve urging questions in the present or to engage them to come back / have an impact in the future.

# The MBA City Monitor

What is a top business school.

We consider top business schools those ranked by the latest Financial Times MBA ranking or The Economist Which MBA ranking.

How are schools assigned to urban areas.

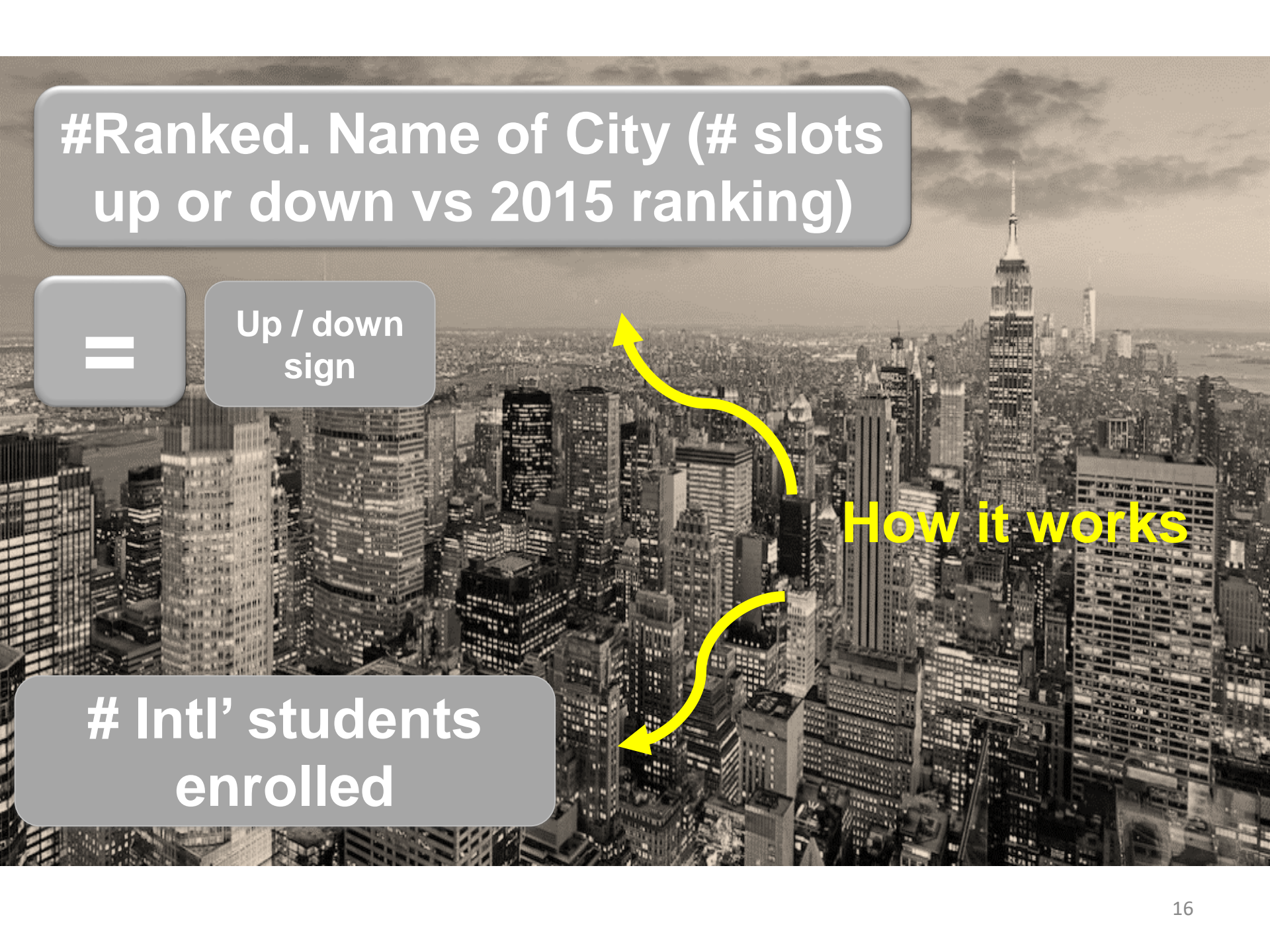
We consider all municipalities / counties within a 2-hr public transit distance (Google Maps) to belong to the same urban region.



# The MBA City Monitor 2017

The Global  
Top 10 Cities





#Ranked. Name of City (# slots  
up or down vs 2015 ranking)

=

Up / down  
sign

# Intl' students  
enrolled

How it works





**#10. Philadelphia**

**=**

**613**





# #10. Singapore (-1)



615



## #9. Route 40 North Carolina (+1)



635

## #8. San Francisco-Silicon Valley (-1)



Quarters of some  
major corporations:

Valley statistics:



Average salary: \$16,000-200,000  
per year



Average working day: 10 hours

Key  
fields:

- microelectronics
- information technologies (IT)
- biotechnologies
- instrumentation

# 669

was named Silicon because silicon is used  
conductors in microprocessors



## #6. Barcelona (+2)



924

**#6. Toronto**

**=**

**927**



## #5. Chicago (-2)



1,031



## #4. Paris (+1)



1,068



### #3. London (+1)



1,228

A black and white photograph of a busy New York City street intersection. Tall buildings line the street, and a large crowd of pedestrians is crossing the road. A yellow taxi is visible in the foreground, and a white van is partially visible behind it. The scene is captured from a low angle, emphasizing the height of the buildings.

**#2. New York**

**=**

**1,474**





**#1. Boston**

**=**

**1,582**

# Main Takeaways

- The **“Ivy League corridor”** is still the dominant region in the world when it comes to attracting a global top-notch MBA population.
- The top three European cities in MBA talent attraction, **London, Paris and Barcelona**, have substantially improved their relative position in the top 10, in contrast to a stagnation/decline in some of the US hubs. We won’t know, but this might have to do to a slight shift of top talent going away from new regulations and “spirit” of the new US administration.
- In particular, the **San Francisco Bay Area / Silicon Valley** has counterintuitively lost momentum in the last two years, probably as a “bounce back” effect that might be attributed to one of the highest costs of living in the world.
- **Emerging hubs in Asia** still struggle to gain relevancy among full time talent on a large scale, in contrast to the growth of other type of programs in the region (for instance, Executive MBAs)
- **All layers of government** should address their “talent risk” in the years ahead, and the global MBA population is a committed talent platform they can’t miss to benefit from, in the present and the future.



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