

IMD's Position on the Economist Ranking

In May 2016, IMD sent its alumni an update on recent advances in ranking results – particularly with the Financial Times & Bloomberg Business Week which improved by 7 and 4 positions respectively. It also informed alumni that, based upon a discussion with the Economist, IMD had decided not to participate in the Economist 2016 ranking, due to the belief that the underlying ranking methodology does not accurately measure the uniqueness of the IMD MBA. The Economist agreed to this decision.



RANKINGS MATTER! BUT WHAT MATTERS IN RANKINGS?

The IMD MBA program develops technical competence, self-awareness and moral judgment. This informs our choices of program content, teaching method and research agendas. We select a small group of participants every year - experienced, mature and globally minded. We offer solid, real-life education that combines the attention of a small class-size with the leverage of one of the world's largest executive networks.

IMD's choices continuously earn it the highest praise for offering an educational experience second to none; they also limit our ability to compete on issues unrelated to education.

IMD participates in rankings whose methodology and processes of data use are beyond reproach. We did not participate in the 2016 Economist MBA survey and we are surprised that we are still ranked. For more see our website.

EDUCATIONAL EXPERIENCE	FT Open Program Rankings measure educational experience	FIRST IN OPEN PROGRAMS WORLDWIDE FINANCIAL TIMES 5 YEARS IN A ROW 2012-2016
RETURN ON INVESTMENT	Forbes measures average salary 5 years upon graduation	FIRST IN INTERNATIONAL MBA PROGRAMS FORBES 2015
AIMS ACHIEVED	FT MBA Rankings measure participants achievement relative to what they set out to do	FIRST IN FULL-TIME GLOBAL MBA PROGRAMS FINANCIAL TIMES 2016

THE IMD MBA
The skills to know
The confidence to act
The humility to lead

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At the end of September, we were informed that IMD would be included in the 2016 MBA ranking, despite the Economist's initial agreement. This is surprising as we had not supplied any information and our participants and alumni had not been surveyed for this ranking. This contradicts the paper's statistical method, which requires a minimum 25% survey response rate to be ranked.

Needless to say, IMD has serious reservations regarding the Economist's methodology and its outcomes. In 2015, relative to the previous year's ranking, LBS & IESE fell 9 ranks, IMD fell

11, and ESMT fell 23. Meanwhile, IE, Warwick and Macquarie all jumped up 19 scores. As a result, Queensland, Warwick, Henley were ranked better than Cornell, London Business School, Carnegie Mellon and IMD!

Such huge fluctuations have come to be scrutinized by many schools and experts in the industry. For IMD, the Economist ranking does not value what most of us believe to be one of our program's biggest strengths – its small size. Around 1/3 of the ranking is highly scale sensitive. Even if we were to admit that bias, what we must not accept is that, when weighing and hence interpreting results, the Economist commits serious logical flaws. For example, while in a scale-sensitive area performing *on par* with schools more than 10 times our size should mean *de facto* outperforming large-scale competitors, the Economist's current ranking system effectively flips the results and turns our success into failure.

Again, IMD was not surveyed for the 2016 ranking and did not actively participate. Given this, we do not know which data the Economist will use to establish our position. What we do know is that the Economist ranking has just lost its last bit of credibility.

Unfortunately, there is little IMD can do to stop the Economist from proceeding.