



From the Dean

As the demand for management education rises, business schools today are facing greater scrutiny than ever before. How can business leaders best be trained to meet the challenges of a rapidly changing world? What role can business play in addressing systemic issues such as healthcare delivery, poverty, and education? These are just a few of the questions being asked as forces including globalization and technology reshape markets and societies.

Harvard Business School is remarkably well positioned to face these challenges. The closeness to practice that is a hallmark of the School fuels a continuous process of innovation that has allowed us to meet, and to anticipate, the needs of business leaders for nearly a century. Recent developments at HBS — many outlined in this report — highlight the range and depth of this process of change.

In the MBA Program, the signature HBS academic formula — case-method instruction and the general management focus — is particularly welcoming to new approaches in the classroom. The required MBA curriculum today includes three courses (Finance II, The Entrepreneurial Manager, and Leadership and Corporate Accountability) introduced in the last five years, as well as a new module on information technology. We have enhanced the elective MBA curriculum as well through a steady stream of new courses and materials — more than 50 new courses in the last five years.

We also launched MBA Learning Teams — small groups of first-year students from diverse backgrounds and drawn from different sections who work together on projects throughout the year designed to improve their teamwork and communication skills. Students thus gain a broad foundation of skills, tools, and frameworks in the first year, and then can choose from a wide array of elective courses, seminars, and field studies in the second year — roughly 90 in 2006 — to tailor the program to their interests and career aspirations.

Attracting and supporting outstanding faculty is crucial to accomplishing the mission of the School and an operational challenge of increasing significance. As fewer young people pursue academic careers, the tightening supply of extraordinary faculty candidates has been a concern for all business schools. And at HBS, we set the bar high: We seek faculty who demonstrate a strong commitment to both teaching and research as well as a deep interest in the practice of business — a rare blend of characteristics. We are working strategically to develop the pool and strengthen the pipeline, and to ensure we are able to recruit the most promising candidates to HBS. Our doctoral programs will play a key role.

We also work hard to help new faculty thrive once they arrive on campus. The C. Roland Christensen Center for Teaching and Learning has been particularly effective on this front. The Center enables new faculty who may not be familiar with case-method instruction to hone their classroom skills, and to learn from other faculty with many years of teaching experience.

Additionally, we have been increasing steadily our investment in resources that support faculty research. This investment has dramatically expanded the research staff and services available to faculty on campus and around the world. Our research centers in California, Latin America, Europe, the Asia-Pacific, and, most recently, India are opening doors to relationships with local companies, governments, and their leaders. Combined with the resources at Soldiers Field, including advanced technology support, skilled research associates and casewriters, and Baker Library's information resources, our faculty are uniquely equipped to pursue ambitious, multiyear, and often cross-disciplinary research projects.

Globalization remains one of Harvard Business School's priorities. With students and faculty becoming more international, and with economies knitting ever more tightly together, we must build on previous initiatives and seek new ways to prepare students to lead and manage in an increasingly globalized world.

HBS classrooms are becoming markedly more international. Members of the MBA Class of 2008 come from nearly 70 countries, bringing with them a rich diversity of perspectives that has a profound influence on learning. The number of cases developed overseas and dealing with issues of globalization continues to rise, as does the number of courses offered in the elective curriculum.

A new area of focus is offering students and faculty more opportunities to work and study globally. January treks, long popular with students as a way to explore career opportunities in key areas around the world, are being developed — following the success of the faculty-led trip to New Orleans to help in the wake of the devastation left behind by Hurricane Katrina — as a way to enable students to immerse themselves in a region, with follow-on coursework so as to enhance the educational component of the experience. A pilot program is planned for China in 2007.

For faculty, we plan to roll out next year a global travel fellowship program that will lower the barriers to prolonged overseas stays. To extend the School's reach and impact, we are expanding the number of regional research symposia, where our faculty take their work back to its origins and test out new ideas with practitioners. In Executive Education, we are steadily increasing the number of programs we offer overseas — again, enabling our faculty to test their ideas where they originated.

Improving efficiency and quality in the business of healthcare is of critical importance to HBS. Our alumni hold positions of leadership in every healthcare sector and student interest in the field is high. Faculty involved in the School's Healthcare Initiative, launched last year, are working to produce leading research, a world-class MBA healthcare curriculum, and executive programs that enhance the skills of healthcare leaders. HBS stands at the center of the world's most significant community of researchers and practitioners in the field, and we are unusually well-equipped to contribute knowledge to this important field.

We see a number of opportunities as the University moves forward with its Allston development and begins construction of a 500,000-square-foot science complex that will bring life sciences and other groups in close proximity to our students and faculty. Over the next decade, the plans for Allston call for the construction of a 1-million-square-foot science zone and a professional schools corridor that will include HBS, the relocated Schools of Education and Public Health, and the John F. Kennedy School of Government.

The development of Allston puts HBS both literally and figuratively at the heart of the University and allows us to collaborate more closely with the world's foremost experts in a wide range of fields, with profound impact on business, government, and society. In addition to the new MD/MBA dual-degree program with Harvard Medical School, our faculty is exploring a true joint degree program with the Kennedy School of Government.

While it will be many years — indeed decades — before Harvard's full vision for Allston is realized, we are preparing for this potential in the way we think about the School's academic programs and the shape of our campus in the future. In 2007 we will be developing a comprehensive master plan for the HBS campus. We hope to identify new opportunities for interaction with colleagues throughout the University, from informal partnerships on research, to teaching undergraduates, to longer-term projects and programs. As this process unfolds, we will continue to invest in the facilities renewal and growth necessary to achieve greater excellence and impact in our teaching and research, while maintaining the integrity and unique residential quality of our campus.

Moving forward, it is clear that innovation will remain crucial. We must continue to experiment and to launch new initiatives that strengthen the core activities of the School: outstanding educational programs, pathbreaking research, and the dissemination of new ideas to a broad range of business practitioners.

We begin the new fiscal year with momentum and strength. I look forward to keeping you informed about our progress.



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