



Tsinghua SEM News

Tsinghua Welcomes Record-Setting IMBA Class of 2010

The Tsinghua IMBA program is now more international than ever, with this year's class setting a new record for number of international students enrolled. A total of 48 international students from 11 different countries are currently registered in the Class of 2010.

Already known for its stringent entry requirements for local Chinese students, the IMBA program is now also increasingly more competitive to enter for foreign students. Compared to the year before, the number of international student applications has increased by over 40%.

"This year, we are very pleased to have a group of diversified, passionate and high quality international students choosing Tsinghua to pursue their China dream," said Pearl MAO, Executive Director of the MBA Programs. "Today's China is a land rich in opportunities and dreams, but also with many challenges. The IMBA Program will make every effort to support and prepare our students."

Students from Korea and the United States make up for the majority of the international body. The school also welcomes students from Brazil, Nigeria, Indonesia, Japan, Malaysia, Singapore, Canada and Greece. Mr. Henrique Chociay was previously working for his family company in Brazil before deciding to embark on further MBA studies. After scoring a 770 on his GMAT, Henrique opted to travel across the globe to study in Tsinghua SEM.

"The economic relationship between China and Brazil is still in its early stages," said Henrique. "Tsinghua MBA is for me the best way to develop the knowledge needed to grasp the opportunities in that field."



“To become a world-class school of economics and management, contributing academic knowledge that fuels the revival of the Chinese economy and cultivating business leaders for China and the world.”
— Mission of Tsinghua SEM

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International MBA Program

Opening Ceremony Marks the Start of a New School Year

On September 4, 2008, Tsinghua SEM welcomed a diverse body of IMBA students in the lobby of Shunde Hall. The opening ceremony marked the beginning of the two year journey these students will go on together, and the sharing, excitement and passion that was evident that afternoon made this a very memorable experience

The ceremony began with the tune of Tsinghua's school anthem. 2008 is an extra special year, since it marks the 10th anniversary of partnership with MIT's Sloan Business School. The Dean of MIT took this occasion to send his greetings and reminded the students that this is only the very start of a great future.

During the opening ceremony, the Olympic torch was brought in by a Tsinghua SEM alumnus. As a symbolic gesture, the torch was passed from one generation of Tsinghua SEM students to the next. After the torch ceremony, Mr. Noah Meyerson, one of the new 2008 IMBA students shared his experience of being a volunteer in the rebuilding efforts in Sichuan following the earthquake. Noah painted the picture he saw in Sichuan, and told stories about persevering souls who strove to the end. A collective donation was made by the entire class symbolizing their concern for the afflicted.

After a round of performances organized by the students, Professor GAO Xudong and Professor Pearl MAO opened a bottle champagne to celebrate the start of the 2008 school year.

MBA Orientation Kicks Off with Lesson in Leadership

On September 5, 2008, Tsinghua University 2008 MBA Orientation Opening Ceremony and Leadership Forum was held in the International Auditorium. More than 300 new MBA students joined professors and managers at the event. In recognition of the importance of leadership to MBA studies, a Leadership forum was arranged in the second section. Dr. LU Xiangqian, the instructor of the course Entrepreneur Leadership, acted as moderator. The four guest panelist included Mr. Kaiser KUO, Digital Strategy Director of Ogilvy Group, Mr. LUO Jianfan, CEO of PacLantic Company, Ltd., Mr. Gary HOPWOOD, Founder and President of Jiayin Co., and Mr. Raymond YANG, Partner of Northern Light Venture Capital Co.

The four panelists shared their understanding of leadership from their work experience and life story, often arousing laughter and applause from the audience.

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Across Half the World to Experience Chile First Hand

Seventeen Tsinghua SEM students gained an intensive in-market experience in Santiago, Chile, from September 24 to October 5, 2008. The delegation was led by Chairman of Tsinghua University Professor CHEN Xi, Vice President of Tsinghua University Professor XIE Weihe, Dean of Tsinghua SEM Professor QIAN Yingyi and Associate Dean of Tsinghua SEM Professor Tong Yunhuan. Twelve of the participants were from the IMBA-2007 class. This trip was part of "Conducting Business in Chile", a short-term exchange collaboration between Tsinghua SEM and Pontificia Universidad Católica de Chile (UC).

Established in 1888, UC is one of the most prominent private higher education institutions in South America. Tsinghua is the first university in China to have such an exchange program with a Latin American university. The program is sponsored by Mr. Andronico LUKSIC, Vice President of the Bank of Chile (Banco de Chile).

The aim of the program is to provide students with a global experience, explained Ms YOU Hong, Executive Director of the Tsinghua SEM International Affairs Office. Unlike the usual developed markets like the US and Europe, Chile, as an emerging economy, offers different insights on doing business.

To solidify the learning experience, Tsinghua students chose research projects on the Chilean economy, covering eight areas including financial markets, entrepreneurship and business implications of cultural values. Students learned from Chilean partner teams handling corresponding topics on the Chinese economy, as well as seminars by UC lecturers. Students made three rounds of presentations: pre-trip, in Chile before the seminars, and back in Beijing. This learning progression helped students to develop a strong grasp of the issues. 2nd year IMBA student Mr. Gabriel WANG's research focused on the Chilean pension system. Discussing his project, Gabriel said, "Chile's current privatised pension system, known as the Defined Contribution and Accumulation system, was introduced in 1981, as part of their major economic reforms. During the project, we learned about the unique aspects of this model, which has been a reference for other Latin American countries, as well as India, UK and Hong Kong."

This visit to Chile was the second leg of the exchange program. Chilean students had visited Beijing in April 2008, where they gained insights on the Chinese economy.

The 30-hour flight journey between both countries has made the students value this opportunity even more. Into its second year, the exchange program has attracted much interest from students. A total of over 50 students from both schools have visited each other's countries. Beyond the duration of the trip itself, students established cross-continent networks with potential business leaders from both regions.

The program format has evolved from the first year to allow more in-depth understanding of the Chilean economy. This year, there are plans for two books to be published on doing business in Chile and China. The books, which will contain the students' project reports and teaching staff's papers, can help provide good introductory knowledge for businesses from both countries. Going forward, it is being considered for the next round to go deeper and focus on comparative case studies of businesses from Chile and China.

This collaboration between the top universities in China and Chile mirrors the growing business and economic ties between both countries. The first Latin American nation to establish trade relations with China, Chile has actively pursued free trade and investment. China is the second largest trading partner of Chile, which has enjoyed relatively stable economic growth of 2-6% for the past five years. To enhance trading cooperation, the two countries signed a free trade agreement (FTA) in 2005.

Tsinghua University has consciously built up a global outreach and continues to develop ties with its counterparts in Latin America and in other parts of the world. Tsinghua IMBA has 73 exchange partner schools from over 20 countries, as well as two other short-term exchange programs with the MIT Sloan School of Management and the Stanford Global School of Business.



The Tsinghua SEM delegation, in front of the Chilean Presidential Office



Catching the sun on a visit to a local Chilean vineyard

IMBA Students Gain Insights From Visiting MIT Professors

The month of October 2008 saw four visiting professors from the MIT Sloan School of Management deliver a series of stimulating lectures to Tsinghua IMBA first year students. Such a series is held every semester for the Tsinghua IMBA program. The two schools also jointly promote student collaboration through initiatives such as the China Lab program. Gateway contemplates the lessons learnt.

Building Macroeconomic Advantages From Microeconomic Factors

A recent author of the book, "Capitalism with Chinese Characteristics", Professor HUANG Yasheng expounded on India's and China's economic potential. He highlighted that micro factors such as education and financial systems are key in creating long term macroeconomic advantages.



Yasheng has been instrumental in helping to start China Lab and India Lab where students become short term consultants for firms in these countries. Feedback has been excellent; companies have benefited from students' recommendations while students have gained practical experience. The 2nd round of China Lab will be rolled out later this semester.

Retaining the Choice of Actions in Standing Up for Values

Making his 15th visit to Tsinghua since he first came in 2001, Professor Leigh HAFREY emphasized the importance of recognizing one's values and applying them to guide behavior in the workplace. The lesson built up to a final exercise, where students exchanged personal workplace episodes of values being challenged and the different ways of managing them. The conclusion? That we all have choices when our values are being challenged at the workplace; recognizing this is a key starting point.



Breaking Down the Jargon on the Crisis Factors

CMOs (Collateralized Mortgage Obligations), CDOs (Collateralized Debt Obligations), Credit Default Swaps... all terms which have been hogging the headlines for the past few months. Over a three-hour lecture, Professor Scott KEATING distilled the workings of these financial products to analyze the causes of the financial crisis. In closing, Keating noted, "Trust is



a very difficult thing to create, and it's a very easy thing to destroy. The future recovery would depend on if and when the trust would be regained.

Crisis, Inflation and Asking the Right Question at the Right Time

"What economies need to do is to be pragmatic... Everybody goes into some degree of crisis. The question is who rebounds faster." Over the next few months, we will see how this view by Associate Professor Roberto RIGOBON plays out. Researching in international and development economics, Roberto's recent work has been on contagion inflation, both hot topics now.



Gateway was privileged to interview Professor Rigobon on the crisis, his new "Billion Price Project" and his passion for academia beyond heteroskedasticity econometric models.

Gateway: What are the implications for policy makers - for those economies which have been hit, those that are going to be hit, and those which may not be hit, if any?

Roberto: Everybody will be hit because the major financial markets in the world have been hit, and everybody borrows or lends in these markets. What economies need to do is to be pragmatic. They need to protect the financial sector. They have to create confidence in the depositors, by recapitalizing the banking sector and increasing the deposit guarantees. The countries that do this in a credible and forceful manner are the ones that will rebound faster. Everybody goes into some degree of crisis. The question is who rebounds faster.

Gateway: Do you think that China should maintain its relatively tight control of the financial market?

Roberto: Yes, absolutely yes. China has just approved short selling on the stock market. I think they should eliminate it immediately and not allow short selling for a while, because this is not a time that you want more speculation. This is a time when you want calmness.

Gateway: What sort of a role can China play in this current financial crisis?

Roberto: I think that it is going to be very difficult to be a leader or to help other countries. As a foreigner, it is very difficult to recapitalize the banks in other countries. So I think in this case, the best thing that China can do is to rebound faster in this crisis.

Gateway: What are the implications for businesses in the immediate and medium term?

Roberto: All companies should be very conservative now. The manufacturing sector will benefit from this crisis significantly. This shock is going to force the US and other developed economies to reorganize their manufacturing sector because they cannot be subsidized with cheap credit. This reorganization will certainly have a tremendous benefit for Asia. So there are very good business opportunities in the manufacturing scene here.



Gateway: You have an ongoing project, the Billion Price Project (BPP), which involves collating the daily prices of millions of items from bread to CDs to real estate to maybe even haircuts. Tell us more. [An initial paper on the BPP will be published in November 2008.]

Roberto: I want to look at different questions. The first question is about pass-through. Imagine the international price of rice (as a commodity) goes up, say by \$1. The price of rice in the stores will increase by less because it has a lot of components which are services, such as distribution and retail. What is the end price level, what determines that end level, why is it so different across countries?

The second part is on the speed of adjustment. Prices in some countries move very fast, while in some countries it is very slow. There's only one theory about



competition that explains different adjustment speeds, and it has never been tested because the data has never been collected. The speed should tell something about the degree of competition of that sector.

I would also like to build an index for each country and then compute a food exchange rate across countries. We want to understand why there're so many differences. Food is easy to compare - tomato-tomato, meat- meat.. But because these prices do not exist at this level of fineness, at this level of details, we have never been able to see the reasons of the differences.

Gateway: What is your motivation for this project, beyond the theory?

Roberto: I don't have an agenda. I just show a country what they are doing, and I say, if you want to change, it's your choice. My job is just to try to provide the tools to decision makers so they can make a better decision. That also means that we as economists have to do a better job communicating what we have found, why it is important, and then actually get out of the decision..Because we are not able to incorporate constraints such as social and cultural aspects in our analysis and these are so important.

Gateway: Recession has fallen upon some economies and coupled with inflation, stagflation will occur in many countries. When do you expect global recovery, and what could be some recovery signs to look out for?

Roberto: The way things are going right now, I think that recovery will happen within a year, or a year and a half at most. Recovery is going to be seen in inflation. Don't look at the signs on the stock market. It's when you see consumer spending going up, that's when inflation shows up..that's the sign of recovery



Gateway: You had a degree in electrical engineering, worked as a marketing manager, did your MBA, and then took on academia. What were your career path factors?

Roberto: All were mistakes (chuckles). There was a point of time in my life, that besides working on my job, I was running my own business, and I was playing music in my rock band, performing on Thursdays to Saturdays in bars until 3 to 4 a.m. So I was sleeping 12 hours a week, if I was lucky. I was having plenty of fun. But that was the time I decided to do an MBA to refocus my life.

The MBA was where I met economics, and I fell in love with it. More importantly, I met one of my key mentors, Professor Ricardo Hausmann, who asked me the right question at the right time; "What do you want to say to your grandkids when you are 65?" That's when I made my last decision at the age of 30 to go into academia. So 15 years of mistakes brought me to where I am.

All this taught me something very important about education. The likelihood that the decisions you are making today are wrong is very high. So instead of deciding what you like today, decide what makes you more complete as an individual. The MBA's not to learn something that you already know. It's to complement yourself. So take the courses that you hate, or learn how to love it, because you'll need them in the future.

Gateway: What do you see yourself doing in the next 10 years? Do you see yourself teaching?

Roberto: Absolutely. In fact, I see myself when I'm 65, 20 years down, to be entering a room, and teaching. Let me explain the two most dramatic events that take place in a class. The first is when you take a complicated subject, and you're able to simplify it enough so that all the students understand. The second event, is the moment the students understand; their eyes glaze. It's an incredible feeling.

The other part of academia is super challenging. You're always surrounded by young people, who are always better than you, and are forcing you to keep up. I'm always in the search for questions. I keep a list of questions in the back of my mind, and I continue to grow it. Most individuals want a project that you know when it's going to end. In academia, you will start a project, and it's a lifetime project. It's a different state of mind.

Being a professor is a great job. I can't imagine a better job, except maybe being Tiger Woods. But except Tiger, academia is the best.

Gateway: You only sleep 2 hours a day during trips and dance the salsa in class. What drives you?

Roberto: Well, it's more than two hours a day; it's four. You know what drives me? It's that when I traveling, I know I am far from my family. So if I am far from my family, I don't have time to waste. So when I'm traveling, I work all the time. The motivation is, when I return, I will be able to be with my family. The unbounded energy is due to that.



Captaining Her Way to a Summer Internship

Ms. YE Biying, a second-year IMBA-2007 student, completed a summer internship in the Sales & Marketing Department at Mercedes-Benz China. As an intern, her main work was to set up a promotional exhibition for the company's Maybach brand.

Before enrolling into the IMBA program of Tsinghua SEM, Biying had worked in the Chinese Bureau of Statistics as well as in marketing research in a consulting company. When seeking a summer internship, she set a clear goal, placing priority on working in a marketing position for a large international company. She explained, "I would like to experience the operations in a big company and integrate it with my previous work experience."

"Actually, a lot of coordination work was involved in this job", said Biying. "Since I was not familiar with the company organizational structure, I took some time to adjust and fit into the company culture. So, the internship to me was not all that easy. By the way, it is quite hard for an intern to be involved in management work. So normally internships would involve more application of business analysis and communication rather than management techniques and theories."

There are two types of internships: full-time and part-time. Full-time internship can give a more complete picture about the company's operations. Students may get more chances to be assigned to a project and even secure a formal offer after graduation. However, a part-time internship can provide flexibility in terms of time management since the second year of study is also important. In the end, the choice depends on each individual.

Regarding channels to finding an internship, Biying says, "There are many channels. It depends on how you use it. Our SEM (School of Economics and Management) mailbox is one of them. Some Part-time MBA students will send emails about the available internship opportunities. Of course, CDC (Career Development Center) as well as the campus recruitment talks are available channels. Actually, guest speeches by top corporate management are also one important channel, but it means that you need to find a chance to impress the guest. Afterwards, you can then send him your resume along with a cover letter for internship. But use this channel appropriately. Another channel is related to your own network, which includes classmates, friends and the Alumni Mentor Program.

Needless to say, the resume plays a critical role in seeking an internship. Based on Biying's experience, it is better to send out resumes before the winter holiday. By that, you will get an idea on how to present yourself to your target companies. "Actually, I have revised my resume more than 10 times before I sent it to Mercedes-Benz China", Biying said. "I heard that the company received about 15 applications, but I was lucky to be the only one to be called for an interview."

Finally, based on her insight, Biying offered some good suggestions to foreign students when seeking internships, "One strategy," she recommended, "could be to target the large Chinese companies which are in the process of going international, like Li Ning and Haier. The other is to target representative offices or subsidiaries in China from your home country's companies." In a sentence, taking initiative and building up your networks are the most effective and efficient ways of securing an internship.

Company Recruitment Season Begins

The school year has only recently started, but already companies are visiting Tsinghua in hopes of recruiting some of the best and brightest China has to offer. Organized by the School of Economics and Management's Career Development Center, top international and local companies will be hosting individual recruitment seminars at the school starting from late September. The visiting companies cover a variety of business functions, ranging from investment banking and management consultancy to information services and manufacturing.

Different approaches are taken by each company for their recruitment sessions. Often attendees received not only information brochures, but also food and company souvenirs. Management consulting firms such as Bain & Company have even performed mock interviews in order to better prepare the students for their application and interview process.

Companies were also proud to showcase the Tsinghua SEM alumni who are now with their organizations. Five of the consultants from McKinsey & Company who were present at their recruitment session graduated with at least one degree from Tsinghua University.



A Full House at the McKinsey & Company Recruitment Seminar

Class Monitors Share Their Thoughts



IMBA Section 2 of Class 2010 holds its first committee meeting

Class committees were elected in early October. Energetic, vocal, and willing to serve, many individuals ran for and were elected into the committees. Mr. Tang XU Zhihong and Mr. Rock XIAO Changjin, the monitors of Sessions 1 and 2 respectively, took time out from their hectic schedules to speak with us.

What made you decide to run for the class committee?

Tang: I would like to do something for our class.

Rock: I think everyone in our class is excellent. I am willing to serve and learn from them. To be a monitor may be the best way to do this.

As class monitor, what can the class expect from you?

Tang: As we have learned from (the course) The Leader & Team, I expect myself to be a "participative" monitor. Our classmates will be encouraged to participate in the decision-making process and enjoy themselves at the same time.

Rock: All the successes of the class will belong to all of us; all the failures will belong to me! We will motivate the class to achieve beyond their expectations.

What do you hope to accomplish this year?

Tang: I would like my class to function effectively. Everyone should decide what he or she wants to achieve out of an MBA and determine his or her career goals.

Rock: I hope that our class will be a big and harmonious family. I will help my classmates as much as I can in both their daily and academic lives.

Both class committees have not wasted time in getting to work. Tennis, basketball, soccer, birthday parties, karaoke sessions, and meetings with senior MBAs have all been arranged in the short time that they were elected. It certainly looks like both classes are in good hands! We can look forward to an exciting year ahead.

MBA Clubs Begin Recruitment

On October 21, 2008, crowds thronged the main lobby of Shunde Building as a new season of recruitment begins for the clubs of Tsinghua SEM. With more than twenty associations and clubs to choose from, the MBA Office decided that it would be more efficient and convenient to have everything centralized in one location.

Indeed, the variety of clubs which range from basketball to real estate impressed the first year MBA students. Many were seen signing up, and some called their fellow classmates who could not be there so as to sign up on their behalf.

Mr Anthony HENDRIADI, a first-year IMBA student from Indonesia, said, "Having all the clubs in one place definitely made it easier for us to decide which ones we want to commit our time to. The opportunity to speak with key representatives of the clubs was especially important."

Twelve clubs were represented at the event. All were prepared with brochures, PowerPoint presentations and some even had sign-up gifts. By the end of the day, popular clubs such as the Entrepreneurship & Venture Capital Club had recruited 98 members. Last year's gold medal clubs such as IT and Outdoors Club also signed up more than 40 members each. Sign-ups can also be done online via a centralized portal created by the MBA Office.

Through participation in these activities, Tsinghua MBA students have an opportunity to put into practice what they have learned in class. More importantly, they establish new friendships and strengthen their leadership capabilities, preparing themselves well for their careers ahead.



Representatives from various student clubs drawing in students to sign-up

Welcome to the Class of 2010



Seniors Say Hi To All First Years



Striding Towards Tsinghua



In The Night Light Of Tiananmen



Happy Faces Before A Stressful Presentation



Enjoying a Barbeque during the National Holiday