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Javier Pampliega Nogués

The history of a global business school:

The case of IESE–University of Navarra*

Javier Pampliega Nogués
Historical Archive Director

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1. Historical origins

The IESE (Instituto de Estudios Superiores de la Empresa) has been closely linked to the Pedralbes neighborhood of Barcelona since 1958, one year after the first steps were taken to create this educational institution for company directors.

Many years before the IESE project was born, Saint Josemaría Escrivá de Balaguer, the founder of Opus Dei and grand chancellor of the Estudio General de Navarra (EGN), discussed with the directors of the Work in Barcelona the apostolic interest in improving the formation and Christian life of the many people in Catalonia who were involved in running businesses of all kinds, noting that there should be some educational activity of Christian inspiration for the training of future company managers. He made these remarks not as an explicit or urgent instruction, but rather as a suggestion of apostolic interest. He undoubtedly thought that such an initiative would contribute to business activity being guided to a greater degree by the principles of Christian social doctrine and ethics; that by improving the professional training of those who manage businesses, the social and economic development of the country would be advanced; and that individuals who studied business management at such an institution would understand that this type of work, done with professional competence and Christian sense, could be, like so many others, a place and means of personal sanctification and a suitable task with which to do good for many people and to serve society.¹

With this idea in mind, at the end of July 1957, during a few days' vacation in a villa in the Artaza neighborhood of the Biscayan municipality of Lejona, Antonio Valero Vicente, a young professor (since July 1954) of Chemistry of Dyes and Artificial Fibers, as well as Stamping and Finishing, at the then Higher Technical School of Textile Engineers of Terrassa,² aged just 32, was asked by José Javier López Jacoiste, who represented the future grand chancellor of the EGN,³ to act on the desire and interest expressed to him a few months earlier by a number of businessmen from Madrid, the Basque Country and Catalonia, from the consulting firm RASA (Racionalización y Automación, S. A.), headed by Alejandro Crespo Calabria, a graduate in marine engineering from Madrid, to bring to fruition the goal of creating an institution for the formation and educational improvement of business leaders (based on a Christian vision).

At that time, the knowledge of the leaders of Catalan companies was based on the day-to-day reality of the firms they ran, experience passed on by previous generations in family companies, and the application of Taylorist models of productivity, such as methods and times, timekeeping and bonus systems.⁴

Productivity became a fix for Spanish business. In the 1940s and 1950s, the economic resources, foreign currency and capital goods available to promote business renewal were practically non-existent. Therefore, the “productivist” resource of maximizing workforce performance was considered the primary method of improving the state of enterprises. The sale of products was guaranteed because everything was in short supply in the country. The focus on improving sales and overall management of companies was a response to the competitive environment, the complexity of the market, and the export expectations characteristic of the late 1950s and the 1960s.⁵

¹ Francisco Ponz Piedrafitá, “Datos para la historia de la Universidad de Navarra (1952–1980). Instituto de Estudios Superiores de la Empresa, IESE (1958)” (unpublished manuscript, 2013), PDF file, 2–3.

² IESE, *In memoriam de Antonio Valero y Vicente (1925–2001). Con motivo de la entrega de la Medalla de Oro de la Universidad de Navarra a título póstumo* (Barcelona: IESE, 2001), 8.

³ He later became grand chancellor of the University of Navarra following the Decree of the Sacred Congregation of Seminaries and Universities of August 6, 1960 (known as the Decreto Erudiendae), although it was not until October 25, 1960, during the pontificate of His Holiness John XXIII, that the EGN was elevated to the rank of university. Recognition by the Spanish state as an ecclesiastical university was granted by Decree 2294/1962 of the Ministry of National Education, of September 8, which fulfills the additional provision of the Agreement with the Holy See of April 5, 1962, published in the *Official State Gazette* No. 221 of September 14, 1962, <https://www.boe.es/boe/dias/1962/09/14/pdfs/A13046-13047.pdf>.

⁴ Josep Riverola García, “De la Producción a las Operaciones. Cómo hemos cambiado,” *IESE. Revista de Antiguos Alumnos*, no. 111 (October–December 2008): 96, <https://media.iese.edu/research/pdfs/R111.pdf>.

⁵ Beatriz Torres Olivares, “Los orígenes del IESE (1958–1968). La profesionalización de la dirección de empresas en la España del desarrollo” (doctoral dissertation, University of Navarra, 2012), 163. This research paper was published in 2015 by LID Editorial Empresarial under the title *Los orígenes del IESE* (see Beatriz Torres Olivares, *Los orígenes del IESE* [Madrid: LID Editorial Empresarial, 2015]).

Most business education was based on a self-taught approach, with little openness to abroad and few opportunities for innovation.

In those years, Spain was burdened with a framework of economic controls and interventions that were actually obstacles to development, as well as a series of suffocating regulations and bureaucracies.⁶

Within this historical-economic context, Valero had to come up with a proposal that would address the broad concerns of his colleagues. To tackle this challenge, Valero spent the next several months reading and carefully studying materials he had compiled on what was being done in other countries in business education. A friend of his, Juan Manuel Elorduy Taubmann, then secretary general of the National Productivity Commission of Vizcaya, gave him many ideas about what was being done abroad and provided him with various publications. On the basis of this painstaking work, the young professor gradually developed a plan while keeping the directors of the Work in Madrid and Barcelona informed of his progress.

From another RASA colleague, Joaquín Cortada Pérez, he learned that the École d'Administration des Affaires de Lille—a school for business leaders founded in 1953,⁷ directed by the Belgian Stephan Cambien, a Harvard Business School MBA graduate—was using the case method, an active approach to learning developed at the American school. To learn more, from April 23 to 29, 1958, Valero visited the French school, where he met with many professors and attended several sessions focused on developing the new methodology in Europe. He brought back a wealth of material and ideas and was able to draw up a plan, which he presented to Saint Josemaría Escrivá at the end of May 1958. The founder of Opus Dei approved the plan without getting involved in the technical details, such as the subjects that would be taught, the professors who would be involved, or how much it would cost. “He said that he had established the new academic center as a corporate work of the apostolate, as part of the Work, and that it would fit within the University of Navarra (then EGN). He also expressed his desire that it begin its work in the upcoming academic year, 1958-1959.”⁸

With Saint Josemaría's approval, the directors of the Work commissioned Valero to make the project a reality. It was the beginning of June 1958. He later wrote: “I had no money, no experience, no students, no premises... All I had was the document we had received from the grand chancellor of the University, approving the project and urging that it be carried out.”⁹

On a single sheet of paper under the heading “First Action Plan for IESE,”¹⁰ Valero drew up a series of lists with the names of the people he would work with. (Initially, the project was joined by Fernando Pereira Soler and Félix Huerta Herrero from Madrid, the Croatian Anton Wurster, Juan Farrán Nadal, Rafael Termes Carreró, and Carlos Cavallé Pinós, who was a research assistant at the time.) The plan was to call the new institution the Centro de Estudios de la Empresa en Barcelona, but on September 29, 1958 it was named the Escuela de Directores del Instituto de Estudios Superiores de la Empresa. The names of about 90 people (including acquaintances, future professors and possible students) appear on the document drawn up by Valero, which also includes annotations related to

⁶ Gabriel Tortella Casares, *El desarrollo de la España contemporánea. Historia económica de los siglos XIX y XX*, 5th ed. (Madrid: Alianza Editorial, 2003), 280.

⁷ A very comprehensive article on this school is Marie-Emmanuelle Chessel, “La formation des dirigeants d'entreprise en question: La diffusion de la ‘méthode des cas’ américaine (Lille, années 1950),” *Revue d'Histoire Moderne et Contemporaine* 2020/4, no. 67/4 (October–December 2020): 31–62, <https://www.cairn.info/revue-d-histoire-moderne-et-contemporaine-2020-4-page-31.htm?ref=doi>.

⁸ Ponz Piedrafita, “Datos para la historia,” 14.

⁹ Antonio Valero Vicente, “Los comienzos del IESE: el impulso del Beato Josemaría,” *Cuadernos del Centro de Documentación y Estudios Josemaría Escrivá de Balaguer*, no. 5 (2001): 146, <https://cedejbiblioteca.unav.edu/web/centro-de-estudios-josemaria-escrivá/biblioteca-virtual/es/viewer/11344/los-comienzos-del-iese-el-impulso-del-beato-josemaria>.

¹⁰ The document appears in the video “IESE Business School: A Remarkable Story,” posted on YouTube by IESE Business School, 1:50, June 13, 2014, <https://www.youtube.com/watch?v=ebSCONiULk>.

academic material, premises to consider, and other points. The possible locations were various premises in Barcelona such as the Palau de la Virreina, some of the mansions on Calle Montcada, and entities such as *Foment del Treball Nacional* (the main business organization in Catalonia) and some savings banks, to which visits would be made.

However, a meeting with Elorduy in July 1958 at the Parador de Jaizkibel (Guipúzcoa) proved decisive, since it confirmed the idea that Elorduy had shared with Valero during their meeting in the fall, when he stressed that the businessmen to be trained should “walk on grass.” By this he meant that they should get out of the city where their factories were located and go to a more relaxed setting, in contact with nature and close to the city—an environment that would facilitate learning. During those early spring and summer months, Valero was using as a logistics center an office he had occupied since 1955 on the second floor of Vía Augusta, 9, in the name of the Sociedad de Cultura Universitaria y Técnica,¹¹ but from a logistical standpoint it was not suited to the needs of the project. The final location was therefore a key issue that needed to be addressed as a matter of urgency.



His friend Cortada lived in the Pedralbes neighborhood, and over lunch Cortada’s wife, Loreto, mentioned to Valero that a nearby property was for sale. The site had the characteristics that Elorduy had emphasized. Its owner, Ramón Malagrida Pons, a textile industrialist, was selling the land and the building. In August 1958, they visited the Palladian-style villa, which had been designed by the architects Ricardo de Churruga y Dotres and Cristòfor Alzamora i Abreu and built by a construction company owned by Malagrida as a home for his family, although it was not yet finished. A series of economic setbacks led Malagrida to sell the property.

The plans for the villa were drawn up in September 1946 and construction work was completed in 1948, but it was not fully finished until December 1958, when it was occupied by IESE Business School.

One of the individuals involved in arranging the purchase of the property explained the details of the process:

The purchase process was difficult and, as is often the case, there was a risk of the deal falling apart. It was handled mainly by Antonio Valero and Rafael Termes Carreró, with the legal advice and participation of Francisco Ponz, through an initial private contract between Ramón Malagrida Pons, as the seller of the land, and Francisco Ponz Piedrafita, as the buyer on behalf of IESE. The sale, which included 0.39 hectares of land, was recorded before the notary José Gramunt y Subiela on September 27, 1958. Since there was no money to buy the villa and the land, and the owner wanted to sell, IESE entered into a relationship with the Consorcio Textil Algodonero [Cotton Textile Consortium], which, upon learning of IESE’s intentions, agreed to acquire the

Photo 1. Four IESE deans in 1962.
From left to right: Carlos Cavallé,
Antonio Valero, Fernando Pereira
and Juan Ginebra.

¹¹ Javier Pampliega Nogués, *La historia del IESE. Primeros pasos y desarrollo inicial. Un estudio inédito (1957–1960)*, vol. I, *La historia de una business school pionera a través de la documentación de sus archivos* (Barcelona: self-published, 2009), 64.

property at its own expense, even before the Malagrida villa was completed, and rent it to IESE at an acceptable price. The Consortium gave IESE a free hand to carry out works to adapt the building and granted it an option to purchase the property with the building at an agreed price, which was more or less the price paid by the Consortium. Impressed by IESE's goals and the quality of the work being done, the Consortium also decided to support the fledgling business school financially by donating an amount that was almost equal to the agreed annual rent. In July 1963, with the support of IESE alumni, Inmobiliaria Finestrelles, S.A. (IFINSA)¹² was able to purchase the entire property from Inmobiliaria Textil Algodonera, S.A. (INTASA) for use by IESE based on the pre-arranged purchase option.¹³

In addition, in April 1963, La Masía, owned by Juan Massó Soler and his brothers, was purchased.¹⁴ In June 1951, Juan Massó registered the property in his name instead of that of his wife, Nuria Tarruella Riu, who had been on the deed since December 2, 1941, when the land and house were purchased from Ignacio Barraquer Barraquer. Juan Massó also owned an adjoining plot of land at Calle Joan d'Alòs, 15, which became the property of IESE in April 1963. La Masía is an old Spanish-style house whose construction began in December 1925, designed by the architect Joaquim Lloret i Homs. In 1969, after serving as a residence for professors for several years, the building began to be used for IESE's regular activities.

In gratitude to the RASA engineers who promoted the original idea of IESE, Valero decided that those with roots in Catalonia should be part of the Institute—two of them, Valero himself and Cortada, as professors, and two, Juan Joly Fontanals and José Luis Valero Abadal, as participants in the first *Programa de Alta Dirección de Empresas* (PADE) in 1958-1959.

Valero served as IESE's first dean (1958–1967) (see **Photo 1**) and implemented the plan approved at the end of May 1958, in which he noted that senior business management was a new and undeveloped field in Europe. He needed a faculty with experience in the business world and visiting professors from abroad, which he was able to get thanks to the contacts he had made during his stay in Lille in April and a second three-week visit with Huerta and Pereira in September–October 1958. He visited the capital of the Haute-France region, and thanks to information provided to him in April by Roger Gregoire,

director of the European Productivity Agency, he also made trips to IMEDE (Institut pour l'Étude des Méthodes de Direction de l'Entreprise) in Lausanne (Switzerland), from which he brought back Harvard Business School case-books; the Scuola Direzionale e Tecnica ENI in San Donato Milanese, Milan (Italy); and the IPSOA (Istituto Post-Universitario per lo Studio dell'Organizzazione Aziendale) in Turin (Italy).

Photo 2. Closing of the first program in IESE's history, the 1958-1959 PADE. June 17, 1959



¹² IESE is a not-for-profit organization, so ownership of its campuses is currently held by various foundations. IFINSA changed its official name on June 25, 1963, shortly before the purchase of the buildings and land at Avenida Pearson, 21. From April 30 of the same year, it was known as IPESA (Inmobiliaria de Pedralbes, S. A.), a name it maintained until June 25, 1963.

¹³ Ponz Piedrafita, "Datos para la historia," 21.

¹⁴ On the facade of La Masía there is a sign that reads "In memory of our father. † August 4, 1936," referring to Ramón Massó Marcer, the father of Juan Massó Soler (PADE, 1960) and his brothers.

As mentioned above, as a result of Valero's brilliant insight the first program—the *Programa de Alta Dirección de Empresas* (PADE)—was aimed at high-level, highly experienced businessmen. He called them “the men at the apex of companies,” who had a comprehensive vision of general management, a broad perspective that was not limited to technical and compartmentalized matters.

By October, the faculty, the various areas of specialization that would later become IESE departments, and the people in charge of these areas had already been defined. There were six major areas: 1) Financing, headed by Termes; 2) Information and Economic Control, the department to which Pereira was assigned because of his proximity to accounting and which led him to spend a year in Lille; he was later joined by Morton Baker, Fernando Lorient and Xavier Requillart; 3) Markets, Distribution and Sales, with Huerta (who was the program's director of studies), an area to which Gérard Lignac and François Loots would be added after the trip to Lille; 4) Production Management, with Cortada, Rafael Escolá and Elorduy; 5) Human Relations, with Wurster, with Marc Turcotte brought in after Valero's visit to ENI in Milan; and 6) General Management, with Valero, Cambien and Frédéric de la Chapelle, *Le Général*.¹⁵ Many members of the faculty were visiting professors.

On November 25–26, 1958, IESE's inaugural sessions were launched at the Hotel del Parque¹⁶ in San Andrés de Llavaneras (Maresme county, province of Barcelona). The event was in the style of the opening of the Lille school, which was held in September in a hotel in the village of Le Touquet-Paris-Plage on the Côte d'Opale.

The following week (the week of December 2), Valero started his first program in Pedralbes with 20 participants, whom he called PADE Founders. In June 1959, this first group of program graduates founded the IESE Alumni Association, which over its more than 60-year history has grown to include over 57,700 alumni (see **Photo 2**).

Until the 1970s, the profile of IESE's business students largely reflected Catalonia's industrial heritage. At the same time, they were a generational bridge to the economic landscape of the second half of the century.

IESE's heraldic emblem is a quartered coat of arms. The first and fourth quarters contain four bars gules on a field of gold, which correspond to the arms of Aragon, and the second and third contain two gold roundels, the coat of arms of the Montcada family, set in a field of gules.¹⁷

The emblem is taken from the coat of arms of Elisenda de Montcada, the fourth and last wife of James II the Just, King of Aragon, and the founder of the Monastery of Pedralbes in 1327. “The red bars are from the coat of arms of Catalonia and the roundels are from the coat of arms of the House of Montcada.”¹⁸ The design was the work of the school's first director, Valero, and architect Juan Rius i Camps. The shield appears in the first brochure of October 1958 and was included on the certificates given to the first PADE graduates in June 1959.

¹⁵ Pampliega Nogués, *La historia del IESE*, 100.

¹⁶ The building, designed by Josep Coll i Vilaclara (a disciple of Antoni Gaudí), was known as *La Torre Gran* and its construction was promoted in 1909 by textile entrepreneur Antoni Serra Feliu. It was inaugurated as a luxury hotel in 1958.

¹⁷ Internal communication from Pereira, then dean of IESE, to Ponz, then rector of the University of Navarra, January 8, 1973. The document makes reference to an earlier draft by an unknown author, presumably from 1958. General Archive of the University of Navarra, Collection 900/410/1/1, communications from IESE to the Office of the Rector, January 8, 1973.

¹⁸ *Ibid.*



Photo 3. First Meeting of the HBS-IESE Advisory Committee in Boston. From left to right: Félix Huerta, Harry L. Hansen, Ralph M. Hower, Franklin E. Folts, Carlos Cavallé, Antonio Valero and José Faus.

2. Development¹⁹

After the first cohort graduated from the PADE program, IESE alumni came up with the idea of establishing a program with the same design, but aimed at their immediate collaborators, so that they could be trained in the same concepts and speak the same language. This led to the launch of the first edition of the *Programa de Dirección de Empresas* (PDE, renamed the *Programa de Desarrollo Directivo* [PDD] in September 1977) in April 1960. The participants were 26 divisional and departmental managers who, because of their involvement in general management issues, needed to have a broad view of company operations. The program was similar to Harvard's Middle Management Program, which was launched in 1957 and eventually became the Program for Management Development; however, it had a different origin in that it grew out of the need of PADE graduates to share a common conceptual framework with their lower-level management colleagues. In the 1961-1962 academic year, the *Programa de Desarrollo para la Alta Dirección de Empresas* (PDADE, known as the *Programa de Dirección General* [PDG] since September 1977) was introduced for those who had only two or three years of experience in general management positions.

Thus, in 1961, the three so-called "basic programs," later renamed Executive Development Programs, constituted one of the main pillars of the management training provided by IESE.

In 1959, IESE launched a new line: its first follow-up programs for alumni. On March 28, 1963, the then director of executive education programs at Harvard, Franklin E. Folts, praised the initiative as unique in the world.²⁰

The American professors who visited IESE as international observers and academic advisors (including Robert Osher Schlaifer in April 1959 and Thomas Cicchino Raymond in April 1960) established contacts between Harvard and the Catalan school. Later, in

¹⁹ For this part, see Javier Pampliega Nogués, Tomás López Pizcueta and Marta Crispí Cantón, "Una historia transversal del IESE Business School (1961-2010)" (unpublished manuscript, 2011), PDF file.

²⁰ "Particularly I am impressed with the 'follow-up' work you are doing. I know of no management program anywhere in the world that equals yours in this respect. Certainly, we at Harvard are not doing as well." *Boletín de Antiguos Alumnos del IESE II* (May 1963), "Visitas y viajes": 18.

July 1960, Valero visited the Harvard Business School, and from that year on, several professors went to Boston to complete their training. The first was Cavallé, followed the next year by Huerta, Farrán and Esteban Masifern. In 1964, Josep Faus was the first IESE professor with a doctorate from a US business school.

The relationship between the two schools crystallized at the end of April 1963 with the establishment of an HBS-IESE Advisory Committee to advise the dean of IESE on the development of the master's program. In the previous years, the relationship between Harvard professor Steve Fuller and Huerta and Farrán had paved the way for the creation of the committee. The members were Professors Ralph M. Hower (who was awarded an honorary doctorate by the University of Navarra in October 1967), Folts and Harry L. Hansen, together with IESE Professors Huerta (who chaired the committee for 12 years), Cavallé and Faus. The first meeting, held in Boston in October 1963, was also attended by Valero (see **Photo 3**).

In Barcelona, they leveraged the experience and prestige of HBS to promote the first master's program in Europe based on the American model²¹ and the first master's program in Spain.

On September 21, 1964, the first classes of the *Máster en Economía y Dirección de Empresas* (MED) got underway. The program was the first MBA offered in Europe. Out of a total of 120 applicants, 31 were admitted and 27 graduated in June 1966. Most of the admitted students were Spanish, but there were also students from Argentina, Kenya, the Philippines and Colombia. The average age of the participants was 24.5, and they held degrees in liberal arts, law, economics, engineering, and chemistry.

In June 1966, at a time when Spain was beginning to improve economically but was not very open internationally, the highest representative of the most important business school in the Western world, Dean George P. Baker (see **Photo 4**), attended the graduation ceremony for the master's program. This level of networking has been maintained by subsequent IESE leaders: In January 1989, John H. McArthur, dean of HBS, received an honorary doctorate from the University of Navarra; in 2007, Jay O. Light, dean of HBS from 2007 to 2010, attended IESE's 50th anniversary celebration and gave a lecture to alumni. In January 2014 and September 2018, the tenth dean of HBS, Nitin Nohria, visited the Catalan school. For his part, Srikant Datar, dean of HBS since 2021, was a member of the HBS-IESE Advisory Committee from 2006 to 2020 and visited IESE in July 2023.

In the first meetings of the HBS-IESE Advisory Committee, the Catalan institution was encouraged to develop programs at other Latin American schools and to provide them with support. This was one of the factors that led, in April 1966, to contacts being initiated with a group of Mexican businesspeople who wanted to create an institution similar to IESE in their country. Thus, in March 1967, IPADE was born, the first of 15 associated schools around the world that IESE supports and advises. In chronological order of their establishment, the associated schools are: IAE (Argentina) in 1978; PAD (Peru) in 1979; AESE (Portugal) in 1980; INALDE (Colombia) in 1985; IEEM (Uruguay) in 1986; Lagos

²¹ Carles M. Canals Álvarez, *Sabiduría práctica. 50 años del IESE* (Barcelona: Editorial Planeta, 2009), 86–87. This description appeared in the first *Boletín de Información Europea* published in 1964 by the Asociación Europea de Centros de Perfeccionamiento. The reference to the *Boletín de Información Europea* appears in *Memoria de la IV Asamblea Anual de la Asociación de Miembros de la IESE*, October 19–20, 1964, AM-4, p. 108. Antonio Valero literally says: "The master's program has been described as the first of its kind in Europe in the first *Boletín de Información Europea* published by the Asociación Europea de Centros de Perfeccionamiento [...]. To date, the IESE master's program is the first and only program of this type in Europe. Furthermore, in *HBS Bulletin* 43, no. 6 (November–December 1967), p. 33 in the "Faculty Notes" section it was noted: "IESE is the first institution in Europe to graduate MBA degree recipients from a formal two-year program." William C. Frederick and Chadwick J. Haberstroh, *Management Education in Spain. La enseñanza de dirección de empresas en España* (Madrid: Editorial Moneda y Crédito, 1969), 149, provides the following details: "IESE's full time, 2-year Master of Business Administration degree program was the first one in Europe and still one of very few there." A one-year program to train future leaders of the European Communities, taught in three languages, was launched at INSEAD in 1959, although it was not until June 16, 1975 that Pierre Cailliau, dean of INSEAD (1974–1982), officially decided that the French school would consider it an MBA. See Jean-Louis Barsoux, *INSEAD: From Intuition to Institution* (New York: St. Martin's Press, 2000), 126.

Business School (Nigeria) in 1991; IDE (Ecuador) in 1992; UA&P²² (Philippines) in 1995; ISE (Brazil) and UNIS Business School²³ in 1996; ESE (Chile) in 1999; MDE (Ivory Coast) in 2003; Strathmore Business School (Kenya) in 2005; and finally, the Timoney Leadership Institute (Ireland) in 2017.

After the first PADE students completed the program, IESE alumni needed to maintain a link with the school in order to keep their training up to date. This need was met by creating the IESE Alumni Association, which was founded in 1959 and formally constituted in July 1962, following the first assembly held in Pamplona on October 13–14, 1961. Gradually, due to the diverse geographical origins of the Spanish alumni, regional chapters were formed: in Valencia (Levante), Mallorca (Balearic Islands) and Madrid in December 1969; in Aragon in 1973; in Andalusia in 1975; in Galicia in 1986; and in La Rioja, the Basque Country and Navarre in 1988. In the 1980s and 1990s, regional chapters began to develop in foreign countries such as Argentina-Uruguay in 1986; the United States, Mexico and the Netherlands²⁴ in 1987; Germany and the Nordic countries in 1990; Chile and the United Kingdom in 1991; Colombia and Russia–Eastern Europe in 1992; and Peru in 1998.

In the fall of 1969, during the deanship of Juan Ginebra Torra (1967–1970), an innovative new program in management science was launched: the PhD program. The first two PhD graduates, Juan Carlos Vázquez-Dodero de Bonifaz and José Luis Lucas Tomás, defended their dissertations in 1975.²⁵

From 1958 to 1967, IESE had expanded its offering and grown in programs, responding to the needs of management and business in Catalonia and Spain, with an international outlook. The situation of those years²⁶ had led to the development of an expansion plan that included the construction of a new building (Building B) between 1961 and 1964, designed by the architects Rius and Juan Ignacio de la Vega Aguilar, and the acquisition of additional land to enable the implementation of the master's program. In this context, the institution had to consolidate the work it had done up to that point.

In the 1960s, Valero wanted to establish a Faculty of Business Administration and Economics at IESE within the framework of the University of Navarra. For this to happen, the business school needed to grow and take advantage of the fact that there were many plots of land and houses for sale in Pedralbes at the time. In October 1965, an attempt was made to acquire a 4,892-square-meter plot of land owned by the nuns of Loreto, located between Avenida Pearson, Calle Arnús i Garí and Calle Miret i Sans, but the negotiations were unsuccessful.

Finally, in November 1965, a 4,464-square-meter plot at Avenida Pearson, 28, owned by Rosa María Colomer Pujadas, was acquired along with Building C (Casa Sentmenat). The building, part of Barcelona's architectural heritage, was constructed in 1918 under the supervision of Enric Sagnier Villavecchia, a disciple of Antoni Gaudí, and occupied in December 1967, when it became home to the Alumni Department and faculty offices.

A few years later, in July 1968, a plot with an area of more than 8,000 square meters was acquired from Maria Antonia Desiront, the widow of Luis Clapers. The land was located at Avenida Pearson, 52–56, and could be joined to the property at Avenida Pearson, 28. In December 1967, the property at Avenida Pearson, 29, which also had access from Calle

²² Before becoming a university, this institution was established in 1967 as the Center for Research and Communication (CRC).

²³ Although Tayasal (now UNIS Business School) in Guatemala was founded in 1977, it did not become an IESE associated school until 1996.

²⁴ This chapter initially covered Belgium, the Netherlands and Luxembourg. In 1990, it split into two separate chapters: Belgium-Luxembourg and the Netherlands.

²⁵ IESE, *25 years of Research at IESE* (Barcelona: IESE, June 1983), 86. The first, in January 1975, defended by Vázquez-Dodero, was entitled "Atributos esenciales de los sistemas de control: criterios que considerar para su análisis y diseño" ("Essential attributes of control systems: criteria to consider for their analysis and design"). In May 1975, Lucas defended the second IESE doctoral dissertation, entitled "Proceso de negocio y sistema de objetivos y políticas" ("Business process and system of objectives and policies").

²⁶ Pampliega Nogués, *La historia del IESE*, 126–127.

Joan d'Alòs, 13, was acquired from a company called LUMA. In April 1976, the La Cubana villa, at Calle Joan d'Alòs, 37, was purchased from Rosa María Tarruell Sardá. The building had been rented since the fall of 1964 and was used by some professors and as an office for the translation of cases.

The growth of programs was not limited to Barcelona. On October 28, 1974,²⁷ a PADE program began in Madrid with the participation of 44 businesspeople, and the Hotel Monte Real in the Mirasierra neighborhood was rented, followed in June 1982 by Abeto in Aravaca, to hold sessions for participants from central Spain. In September 1991, King Juan Carlos inaugurated the new Madrid campus, designed by architect José Manuel Fernández Plaza and expanded in April 2004.



Photo 4. Graduation of IESE's first master's program, MED 1966. June 22, 1966.

Starting in 1968, IESE began to consider offering its programs outside Barcelona. From 1974, peripheral programs were initiated, including a PDE in Valencia in the 1973-1974 academic year; a PADE in Madrid in 1974-1975; a PDE in Zaragoza in 1975; and programs in Seville and Jerez in 1977, in Pamplona in 1980, in Bilbao in 1982, in Santiago de Compostela in 1983, and in Asturias in 1986, among others.

In addition, starting in 1978, a series of specific programs for companies (in-company and custom) began to be offered on a regular basis, bringing in students and economic resources to move the institution forward.

Shortly thereafter, in the early 1980s, all the land on the Avenida Pearson side of the mountain was sold to the Government of Catalonia, which established the School of Public Administration of Catalonia on the site. In 1981, effective financial management and the support of alumni enabled IESE to complete the new building to house the master's program. Work on the building, designed by architects Santiago Balcells Gorina and José Luis Balcells Canela, had begun in November 1979.²⁸ As part of this project, the prefabricated building that had been used to house the master's program since 1964 was demolished. The Pedralbes residence was built next to the new Building F and began to be used in 1983. Its construction required the demolition of the old dining facilities and the La Cubana building, which was located next to the current oratory garden, built in 1983.

Pereira's tenure as dean (September 16, 1970 to October 30, 1978) and that of the next dean, Juan Antonio Pérez López (October 30, 1978 to July 16, 1984), were financially challenging periods due to the economic crisis that Spain was going through. Francisco Sanllehí Comerma, IESE's general secretary, acted as the institution's administrator, taking charge of the construction of buildings, the sale of land and efforts to secure new sources of revenue. New programs and a wider range of services had to be offered.

²⁷ "El IESE en Madrid," *Boletín de Antiguos Alumnos del IESE*, no. 8 (December 1982): 48. Admissions and promotion of the program were managed by Cavallé, and many participants enrolled thanks to the contacts and friendships of Vicente Mortes. The first program director was José Luis Ferrando, assisted by Professor Huerta. The secretary was Carmen Moya.

²⁸ "Las instalaciones del IESE: Pasado, presente y futuro," *Boletín de Antiguos Alumnos del IESE*, no. 2 (June 1981): 2-3.

The special influence of Pedro Nueno Iñesta, who had been associate dean from 1977 to 1979 and was member of the *Executive Committee*, accelerated the inauguration of the new Executive MBA (EMBA) program (known as the *Máster en Economía y Dirección de Empresas para Directivos*, MED-D in Spanish) in Madrid on January 8 and 9, 1982. Executive MBAs were offered by institutions in the United States, where the programs at Columbia University and MIT were particularly noteworthy, but the degree was a novelty in Spain. IESE was beginning to expand internationally after launching the world's first bilingual MBA in September 1980, conceived by Nueno and Harald Burmeister.²⁹

3. Expansion

Under Cavallé's leadership (July 16, 1984 to June 30, 2001), the school accelerated its internationalization process. The initial idea was to build a business school that would be ranked among the top five in Europe.³⁰ That goal became a reality reflected in prestigious magazines such as *Business Week* in September 1985 and *Fortune* in May 1988. IESE was competing against Europe's top business schools based in France, the United Kingdom and Switzerland.

In September 1991, the European Association for International Faculty Development was established. The members were the HEC School of Management Group in Paris, the Scuola di Direzione Aziendale (SDA) of the Università Bocconi in Milan, and IESE in Barcelona, and their shared goal was to launch executive education activities in Central and Eastern Europe after the fall of the Berlin Wall. The International Faculty Development Program (IFDP) was launched in October 1992 in Barcelona.³¹ Since then, it has served as an international training program for professors all over the world.

In 1988, the International Advisory Board (IAB) was established. Made up of 11 heads of leading global business groups, its purpose is to collaborate in assessing business management needs and trends and to make any suggestions that could contribute to the achievement of IESE's goals. The first meeting, attended by eight board members and Professors Cavallé and Nueno, was held in Barcelona on February 10, 1989 (see **Photo 5**).

**Photo 5. First IAB meeting.
February 10, 1989.**



On January 22, 1992, the then mayor of Barcelona, Pasqual Maragall, inaugurated the new Building G on the Barcelona campus. Built by Ferrovial and designed by Josep Ribas González, the building houses the library and classrooms.

In the early 1990s, IESE also set its sights on open international executive education programs. To pursue this goal, an agreement was signed in 1993 with the University of Michigan, the world leader in this type of program.³² The first edition of the Global

²⁹ Harald Burmeister, "El MBA Bilingüe: Los tres primeros años o la conversión de la idea en realidad viva," *Boletín de Antiguos Alumnos del IESE*, no. 12 (December 1983): 23–32.

³⁰ "Es noticia en el IESE," *IESE. Revista de Antiguos Alumnos*, no. 30 (June 1988): 48–49.

³¹ Javier Pampliega Nogués, "La expansión globalizadora (1988–1998)," *IESE. Revista de Antiguos Alumnos*, no. 72 (December 1998): 42–45.

³² "El IESE y la Universidad de Michigan unen sus fuerzas," *IESE. Revista de Antiguos Alumnos*, no. 51 (September 1993): 73.

Program for Management Development (GPMD) was held from June 26 to July 8, 1994 at the Hotel Le Mirador in Mont Pèlerin, Vevey (Switzerland), with 46 participants from 17 countries.

Focused Programs were also introduced during Cavallé's tenure. They were first offered in 1992, when IESE's International Center for Financial Research³³ (Spanish acronym: CIIF) launched its first finance program for industry professionals. In 1994, they were renamed Short Seminars, and in 1999 they were given their current name: Focused Programs. The first programs of this kind, held in May, were "Finance for Senior Management" in Barcelona, and a seminar entitled "People Management: A Key Strategic Issue" in Madrid.

Another program introduced at the end of Cavallé's tenure was the Global Executive MBA (GEMBA), the first blended program in its category. Classes got underway in June 2001 with 22 participants from 13 countries.

The growth in the number of programs was accompanied by a new expansion plan: A North Campus with an area of nearly 30,000 square meters was built on land sold to the Government of Catalonia in April 1983 and reacquired in December 1998. Work on the new building began in October 2003. The architects for the project were Josep Ribas González, Josep Ribas Folgueras and Berta Rovira, who combined the possibilities of new glass and aluminum designs with the traditional style of buildings in Barcelona's Pedralbes neighborhood. In January 2007, the new campus was inaugurated by the then King of Spain, Juan Carlos I and Queen Sofia of Spain (see **Photo 6**).

In 2000, Casa Carreras was acquired. The modernist building, part of Barcelona's architectural heritage, was built in 1925 and originally owned by Manuel Carreras Torres. Casa Carreras, which belonged to Rafael Pich-Aguilera (PADE, 1959), was located between Avenida Pearson and Calle Abadessa d'Olzet.³⁴ The steep slope of its roofs shows the strong Nordic influence on its design.

Also in 2000, the Alumni Association held its Global Alumni Reunion (GAR) outside of Spain for the first time, in Amsterdam (Netherlands). Subsequent assemblies have been held abroad: in London (UK) in 2003, in Munich (Germany) in 2006, in New York (USA) in 2009, in São Paulo (Brazil) in 2012, in the Bavarian capital again in 2015, in New York in October 2018, and in Munich once again in October 2022.

Jordi Canals Margalef took the reins of the IESE on July 1, 2001. Under his leadership, programs on three continents were consolidated and growth in the Asian market was promoted.³⁵

In the case of Brazil, IESE has been operating since 2001 at ISE, an associated school founded in March 1996 and located in the Bela Vista neighborhood of São Paulo. From April to October 2002, the Senior Executive Management Program (SEMP) was held in Brazil. On June 7, 2014, the graduation ceremony for the first EMBA Brazil class took place in São Paulo. Since 2014, the Brazilian campus has been listed in IESE's brochures along with all the others.

In 2009, IESE's new New York campus was commissioned. After extensive renovation, the campus opened in March 2010, although it was not inaugurated until after the summer. The seven-story, 2,322-square-meter building was renovated to house two classrooms for 70 students each, seven work rooms, 26 offices, and a multi-purpose room for 150 people. The purchase of the building was made possible thanks to the generous support of alumni and friends of IESE. The work involved an investment of €14 million.

³³ Currently known as the Center for International Finance (CIF).

³⁴ Pich-Aguilera's company, Lamarkis, donated the building to the Fundació Privada Cultural Catalana (now Fundación Internacional para el Desarrollo Educativo, FIDE) on May 29, 2003.

³⁵ The IESE Alumni Association organized around 15 continuing education programs in Asia, where there were five regional chapters: China, Hong Kong, Japan, India and Singapore. IESE also delivered MBA, EMBA and Global-EMBA modules in China, as well as general management program modules such as the Global CEO Program and Global CEO for China. A number of programs for companies were also delivered in Asia. See *IESE. Revista de Antiguos Alumnos*, "Life. Más cerca de Asia," no. 134 (July 2014): 102–103.

It was a unique building, constructed in 1916, that had previously housed the Louis H. Chalif Normal School of Dancing. Years later, it became the home of CAMI Hall and hosted performances by artists such as Luciano Pavarotti, Josep Carreras and Wynton Marsalis, and actors such as Lauren Bacall, Meryl Streep and Harrison Ford.³⁶

The renovation was carried out by the American firm Gensler Architects, led by Ambrose Aliaga-Kelly, the firm's principal architect.

In May 2014, a new campus was established in Munich to boost IESE's activity in Germany and Central Europe. The 1,600-square-meter building has a large classroom, two multipurpose rooms for conferences and seminars, and eight meeting rooms. IESE has rented the building for an initial period of eight years. The campus in the Bavarian capital became operational at the end of April 2015, and the official inauguration took place on June 29.

On September 1, 2016, Franz Heukamp took over as the new dean of IESE. In less than four years, he has had to deal with three crises of varying magnitude at the institution. The first, in October 2017, was due to the tense political situation in Catalonia. The second was triggered on September 16, 2018 by a cyberattack on the old database of the Corporate Information System for companies and individuals and the IESE Publishing database, which allowed hackers to access many personal accounts of alumni and staff. The third crisis, which erupted in March 2020, was due to the COVID-19 pandemic, which forced IESE to activate a highly restrictive access protocol, but allowed the partial opening of the Madrid and Barcelona campuses and the delivery of hybrid classes in mid-June of that year. This protocol was very comprehensive and ahead of those in place at other business schools and educational institutions. It was approved by PROCICAT, the Catalan Civil Protection Plan, under the authority of the Catalan Ministry of Home Affairs.

In September 2016, a fifth section of the MBA was opened in Barcelona, and in December of the same year, Building B on the South Campus in Barcelona was expanded and repaired under the direction of the architectural firm Ribas & Ribas.

In May 2018, Building H, also located on the Barcelona South Campus and used for research and the PhD program, opened its doors. The building was designed by Josep Ribas Folguera, Inmaculada Ribas Folguera and Adriana Ribas of Ribas & Ribas.

In September 2018, work began on the expansion of the Madrid campus. The work was carried out by Ferrovial Agroman, and the Executive Building was designed by architects Juan Carlos Sancho Osinaga and his wife, Sol Madrdejos (Sancho-Madrdejos Architecture Office, SMAO). IESE inaugurated the 16,300-square-meter building in September 2021 after a stoppage due to COVID-19, which delayed the construction work. The building achieved LEED Gold certification. "LEED (Leadership in Energy & Environmental Design) is an international, voluntary environmental rating and certification system based on criteria for the design, construction, operation and maintenance of sustainable buildings with a high level of energy efficiency."³⁷ The new Madrid campus was officially inaugurated by King Felipe VI on February 3, 2022.

On June 3, 2019, Digital Mindset: Innovation and Leadership in the Digital Age, the first online focused program, got underway. Since July 2013, IESE's commitment to online programs has been supported by the Learning Innovation Unit (LIU), which focuses on improving teaching in IESE programs through the use of technology. At that time, IESE was already incorporating new digital technologies into its academic offerings, including a massive open online course (MOOC) and blended programs for executives.

³⁶ Europa Press, "El IESE invierte 14 millones en la rehabilitación de su futura sede en Nueva York," *Cinco Días*, February 4, 2009, https://cincodias.elpais.com/cincodias/2009/02/04/economia/1233887017_850215.html.

³⁷ "Conoce el IESE. Campus Madrid," IESE (web page), accessed October 31, 2023, <https://www.iese.edu/es/conoce-iese/campus/madrid>.

The Master in Management (MiM) program kicked off on August 28, 2019. The first class had 47 students, 40% of whom were women and more than 60% of whom were from countries other than Spain. The average age of the students was 23, and more than half of them had degrees in engineering, economics, or business administration. This full-time, English-language program was taught on the Madrid campus and ran for 11 months (one academic year).

On September 19, 2019, EMBA Munich got underway in Germany with a total of 61 participants of 21 different nationalities, 32% of whom were women.

On May 3, 2021, the Flexible PDD began with a new adapted format that allowed participants to complete much of the program from any location.



Photo 6. View of the North Campus before the official inauguration. October 2, 2006.

Completed over eight months through online modules, this new mode of delivery allowed IESE to round out the range of executive education formats and options, more necessary than ever during the COVID-19 pandemic. The program has a blended format, combining live online modules with three on-campus blocks (seven days of on-campus learning, at the beginning, midpoint and end of the program). The format ensures continuous and personalized contact with professors, the program team, and other participating executives. The Flexible PDD combines a number of methods that have long been used in many IESE programs (the case method, live interactive sessions, workshops, simulations, asynchronous discussions, practical exercises, individual and group coaching, etc.). Combined with the latest virtual classroom technology, these approaches ensure an optimal experience and interaction for participants at all times.³⁸

In May 2021, a series of blended learning programs were launched: the Financial Transformation program, which provided an integrated view of innovations in the world of finance and how companies can take advantage of them; Back to Growth, for senior management, with a focus on redesigning commercial strategy in an innovative and impactful way; and Business Model Innovation, which focused on ways to redesign business models to create more value.

On May 14, 2021, the Business Acceleration Program (BAP), open to middle managers in the Munich area, was launched in Germany.

In October 2022, the first edition of the IESE Leadership Coaching Program was launched in Barcelona, aimed at executives who want to use coaching techniques as a leadership tool and at coaches who want to incorporate the IESE management style. The program was offered in a blended format and attracted 27 participants of 11 different nationalities.

³⁸ "El IESE lanza su programa PDD para directivos en formato flexible," IESE (web page), October 26, 2020, <https://www.iese.edu/es/noticias/iese-lanza-pdd-flexible-directivos/>.

In February 2023, IESE joined forces with MIT Sloan School of Management to advance the careers of senior executives around the world. “The two leading business schools have combined their expertise to create the Global CEO Program, a transformational learning experience to help senior executives lead their enterprises to new levels of excellence.”³⁹ Originally set up in April 2008 and delivered in late March 2009 by US business school Wharton and CEIBS China, the program was aimed at presidents and CEOs of large companies operating in or headquartered in Latin America with more than 10 years of management experience.

A sixth section of the full-time MBA program was opened for the first time in September 2021. The MBA class of 2023 was the largest in the school’s history, with a total of 381 students from 60 countries, compared to 355 for the 2022 class. The 2024 MBA class is made up of 346 students from 49 countries, 37% of whom are women. Eighty-seven percent are international students, the average age is 29.4, and participants have an average of six years of professional experience. In total, there are 694 MBA students studying at IESE at the time of writing (September 2023).

As for research, in the academic year 2023-2024, IESE has 12 research centers and 24 chairs. The initial chairs are as follows, in chronological order:⁴⁰ 1) The Chair of Family-Owned Business, officially created in July 1987 (although set up in May of that year), was the first in Europe in this field and its first holder was Miguel Ángel Gallo. 2) The Bertrán Foundation Chair of Entrepreneurship was created on July 16, 1987 and its first holder was Pedro Nueno. 3) The PricewaterhouseCoopers Chair of Corporate Finance was created on July 20, 1987 and its first holder was Professor Faus.

In terms of publications, the output of IESE faculty includes not only books and articles, but also a wealth of teaching materials that are available in several languages and in various collections, including IESE Insight and IESE Publishing. In total, IESE professors published 118 new business cases and 87 articles in leading journals.

As for corporate sponsorship, over 146 partners collaborate with IESE to carry out short- and long-term projects, such as research programs, training of junior faculty members, expansion of the library, financing of scholarships and construction of new buildings.

In 2023, the IESE alumni community included a total of 57,700 business leaders and executives of 154 different nationalities. The activities of the Alumni Association are structured through 50 chapters (four industry chapters and 46 regional chapters), which ensure links with IESE and among members in a particular geographical area.

Also in 2023, “Companies founded by members of the IESE Business School community have created 72,000 jobs around the world and raised \$11.8 billion in capital as the school continues to expand its entrepreneurial ecosystem.”⁴¹

In the 2022-2023 academic year, the full-time MBA program had 727 students, 83% of whom were non-Spanish, representing 70 different nationalities. A total of 1,186 executives participated in open executive education programs in eight European cities (Barcelona, Madrid, Santiago de Compostela, Valencia, Zaragoza and Munich) and two cities in the Americas (New York and São Paulo).

³⁹ “IESE and MIT Sloan Join Forces to Help Global CEOs Reach New Heights,” IESE (web page), February 6, 2023, <https://www.iese.edu/stories/iese-mit-global-ceo/>.

⁴⁰ The endowment of the first three chairs was officially announced on December 23, 1987 by the then dean of IESE, Carlos Cavallé.

⁴¹ “IESE-led startups create 72,000 jobs worldwide and raise \$11.8 billion in capital,” IESE (web page), January 10, 2023, <https://www.iese.edu/stories/startups-create-jobs-capital/>.

For years, IESE's programs have been ranked among the best in the world⁴² by prestigious media such as the *Financial Times*, *The Wall Street Journal* and *The Economist*.

In conclusion, IESE, the business school of the University of Navarra, currently has campuses in Barcelona (its main location), Madrid, New York, Munich and São Paulo, and offices in Hong Kong, London, Shanghai, Singapore and Tokyo. IESE offers programs in eight cities on three continents that provide a broad vision of general management for business leaders and executives, and has contributed to the development of 15 management schools around the world, especially in Latin America. As of September 2023, the faculty is composed of 124 professors of 32 different nationalities (122 with PhDs) and 89 part-time, visiting and external collaborators.⁴³

⁴² In MBA programs, IESE ranks second in Europe according to *Bloomberg Businessweek* (2023), <https://www.bloomberg.com/business-schools/regions/europe/>; second in Europe and third in the world according to the *Financial Times* (2023), <https://rankings.ft.com/rankings/2909/mba-2023>; and first in the world according to *The Economist* (2021), see <https://www.iese.edu/stories/mba-ranked-best-world-economist/>. In executive education programs, the *Financial Times* ranks the school second in the world in 2023 (<https://www.ft.com/content/2d1e2e8f-66e3-4db8-b655-9b43d7f423c4>), after six consecutive years at number one (2015–2020). IESE is the only business school to have maintained such a high ranking for so long. (The ranking was suspended in 2021 due to COVID-19.) In the Global Executive MBA category, IESE ranks tenth in the world (*Financial Times*, 2023) <https://rankings.ft.com/rankings/2950/emba-2023>. As for the Master in Management, in its first appearance in FT rankings (2023; <https://rankings.ft.com/rankings/2948/masters-in-management-2023>) IESE was ranked 14th in the world, making it the highest-ranked new-entry educational institution.

⁴³ Of IESE's 213 professors, 70 hold a doctorate from a US business school.

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