

Annual Report 2008

HSE - a World Class Business School



Helsinki School of Economics (HSE) is Finland's largest and most diverse higher level institution providing education in economic sciences and one of the leading business schools in the Nordic countries. Having existed for nearly a century, HSE is the first business school in the Nordics to hold all of the international accreditations in the field (AACSB, EQUIS, and AMBA).

*HSE - a World Class
Business School*

Helsinki School of Economics in a Nutshell

- Established in 1911.
- Main campus in Töölö, Helsinki and a satellite campus in Mikkeli.
- Around 3,000 BSc and MSc degree students and around 250 Doctoral students.
- Employs around 500 people; about 50 % of which are in teaching and research.
- Education in Finnish and in English.
- Management of HSE: Chancellor Matti Lehti, Rector Eero O. Kasanen, Vice Rectors Olli Ahtola, Timo Saarinen and Hannu Seristö, Head of Administration Ulla Saarelainen (deputized for Esa Ahonen).
- Will be a part of the Aalto University on January 1, 2010.

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The annual report is accessible from the left tab menu.

Photo: Jaana Rannikko

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HSE in 2008



The year 2008 was marked by the planning of the Innovation University in close cooperation with TKK and TaiK.

Record Number of Masters

HSE continues to be the most sought-after place to study in the field of economics and business administration in Finland. Over one third of the applicants, a total of 1,973, selected HSE as their primary application target in the joint selection procedures in the field of economics and business administration.

As the new degree structure came into effect, the number of students completing their Master's degree exceeded all expectations. In 2008, no less than 1,002 Masters graduated from HSE, when the goal was 400, reaffirming HSE's status as one of the universities in Finland with the highest graduation rate. A total of 662 students graduated as Bachelors of Science in Economics and Business Administration and 24 completed their doctoral degree.

Evaluations Commend HSE Research

One of the major events of the year 2008 was the audit by The Finnish Higher Education Evaluation Council (FINHEEC). FINHEEC assessed HSE's quality assurance system in the spring, and in September the Council affirmed that HSE passed the audit successfully. The audit is valid for six years.

Peer-reviewed articles by HSE researchers were published in high-profile journals more frequently than ever before, and HSE researchers also received a record number of citations. HSE was also successful in acquiring research funding. This, in addition to the high number of citations, is an indication of the high impact of HSE research.

HSE research received positive feedback in the international EQUIS evaluation. Special praise was likewise given to the research administration processes in the FINHEEC audit. The evaluation teams rated the research processes and the organization of research at the highest level of development, even setting an example for other universities.

HSE was proud to be ranked 17th in the Financial Times European Business School Ranking 2008, which is the highest ranking in the Nordic countries.

In 2008, HSE launched a new Executive in Residence program aiming to advance the connections between teaching, research, and business life. The program uses practical experience and outlook to support both research and education. **Erkki Hämäläinen**, D.Sc. (Econ.), was the first to be invited to take on the task.

Busy Year for Research Units

The Center for Markets in Transition (CEMAT), a multidisciplinary research, teaching, and training center focusing on developing markets, celebrated its 10th anniversary in December. Research at the center focused especially on the assessment of global competitiveness in the Helsinki metropolitan area and the Baltic Sea region, in cooperation with the City of Helsinki. Multidisciplinary, international research projects within the cooperation programs of the Academy of Finland, the Russian Academy of Sciences, and the Chinese Academy of Sciences are at the cutting edge of research concerning Russia and China.

The Center for Knowledge and Innovation Research (CKIR) research unit was involved in the development of cooperation models for Aalto University's extensive strategic research projects. In addition, CKIR was active in the research and laboratory cooperation of Aalto University's Media Factory as well as the development of the leading research project, aivoAalto.

Popularity of Education Services Continued and Expanded

HSE Executive Education Ltd, which offers leadership training, was ranked the best leadership training provider in Finland for the 11th consecutive time.

Operations of the Small Business Center were further extended both in Finland as well as in St. Petersburg and Estonia. Company incubator activities were significantly boosted with the establishment of the new Start-Up Center in Ruoholahti, Helsinki, which hosted almost 50 companies by the end of the year.

Aalto University Preparations Underway

HSE operations in 2008 were characterized by the planning of and preparations for Aalto University in close cooperation with the University of Art and Design Helsinki and Helsinki University of Technology. HSE staff and students were actively involved in the preparations.

HSE has also been involved in Aalto University's cross-disciplinary development projects, comprising Media Factory, Design Factory, and Service Factory. HSE Professor **Kristian Möller** is the Director of Service Factory.

As part of Aalto University, HSE aims to ensure that Finnish university education in the field of economics has the prerequisites to meet the top global standards in the upcoming years.

Photo featuring Nokia Hall in the main building.
Photo: Jaana Rannikko

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Teaching



Student Admissions

BSc & MSc students 2 915
Doctoral students 251
International degree students 153
Average age of doctoral candidates 36 years (Md)

Helsinki School of Economics accepted 669 new students in the 2008 student admissions, of which 599 commenced their studies at HSE. The students were admitted to pursue a Bachelor's degree, both a Bachelor's and a Master's degree, or solely a Master's degree.

| Admission paths in 2008 | Applications | Accepted |
|--|--------------|----------|
| Open university channel | 30 | 28 |
| SAT I | 156 | 38 |
| Joint entrance examinations in economics | 1937 | 310 |
| Master's level admission | 239 | 131 |
| Mikkeli BScBA program* | 650 | 94 |

* The number of admitted students in the Mikkeli BScBA program is high due to its waiting list system. The number of enrolled students also includes students who had already been accepted, but who successfully applied for deferment.

In 2008, HSE had 2,915 students studying toward Bachelor's and Master's degrees. Of these students, 153 were international. The largest nationality groups were Chinese (37) and Russian (29). In total, HSE had degree students from 52 different countries on the Helsinki and Mikkeli campuses. A total of 236 foreign exchange students stayed in Helsinki for over 3 months.

Completed Degrees

As the new, two-phase degree structure came into force, the number of Master's degree graduates exceeded all expectations. In 2008, no fewer than 1,002 Masters graduated from HSE, when the target was 400. In addition, 24 completed their doctoral degree, which exceeded the set goal (22).

Degrees awarded in 2008

| Department | bachelor | master | licent. | doctor |
|--------------------------------|------------|--------------|----------|-----------|
| Economics | 79 | 54 | 1 | 6 |
| Accounting and Finance | 253 | 362 | - | 2 |
| Business Technology | 70 | 166 | - | 7 |
| Marketing and Management | 184 | 391 | - | 9 |
| Languages and Communication | - | 29 | - | - |
| BScBA Program (Mikkeli Campus) | 76 | - | - | - |
| Total | 662 | 1 002 | 1 | 24 |

Case Methods a Key Part of Education

Case studies are increasingly becoming the educational method of choice at HSE. The core of the method is case analysis know-how combined with related workshops, short courses, and seminars. HSE has a Case Studies unit that promotes case teaching methods and facilitates their use in education.

HSE is a member of the European Case Clearing House (ECCH), which is the largest global distribution channel for case tasks. By the end of the year 2008, the ECCH had 145 case tasks from HSE.

HSE supports students' case analysis know-how by organizing case competitions for students and by sending student teams to international case competitions. The HSE teams have achieved international success in these competitions. For example, in spring 2008 the HSE team won the international, undergraduate-level Network of International Business Schools competition in Great Britain. In fall 2008, the HSE teams likewise fared well in the Citi International Case Competition in Hong Kong and in the Thammasat University Business Challenge Case Competition in Thailand.

Student Feedback Integral to Quality System

Evaluation of teaching is seen as an integral part of the education quality assurance system. In practice, this means that students from each study program at HSE are requested for centralized, electronic feedback immediately after the completion of each study program. Teachers have also been requested to assess whether their own expectations with regard to the program were fulfilled. HSE is reorganizing the utilization process of its student feedback based on a statement issued by the Data Protection Ombudsman.

In 2008, HSE launched a new way to evaluate learning. The AACSB accreditation requires study programs to ensure that the students have achieved the predetermined goals for learning and skills.

The quality of basic degrees and the impact of education are continuously evaluated in various different ways. Issues evaluated annually include the functionality of student admissions and the entrance examination, the opinions and employment prospects of new graduates, and the way recruiting companies perceive new graduates. HSE strives to develop a guidance system that covers each student's entire lifecycle of studying.

Teaching Prepares for Working Life

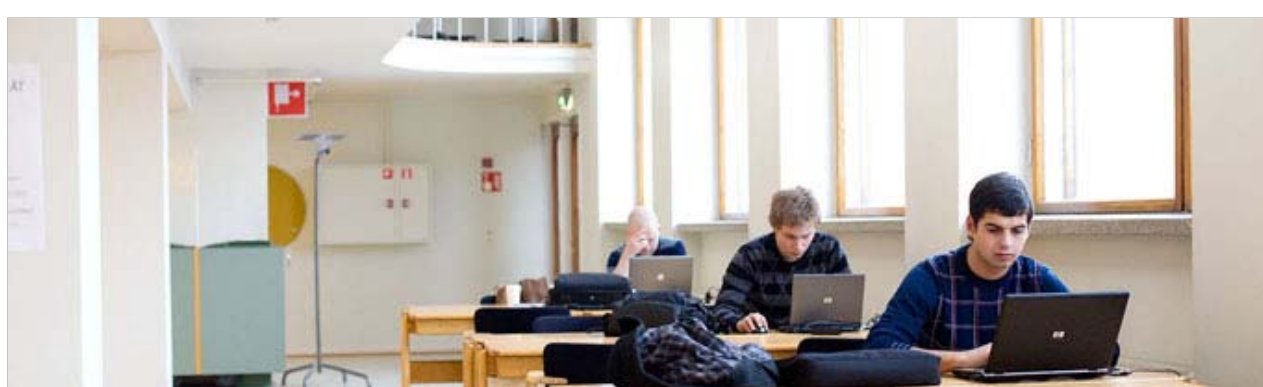
Various representatives of business life are involved in the development of HSE research and education. Corporate connections are central to the current, program-based degree structure. Each study program has a team, which includes an alumnus or other representative from working life. Cooperation is integrated into teaching through, for example, visiting lectures and company visits. These measures aim to ensure that the content of education responds to as well as anticipates the needs of working life.

Corporate projects offer HSE students and advisors a possibility to take part in various research and investigation assignments for corporate clients. Annually, about half of the Master's theses completed at HSE are commissioned by companies.

Photo: Jaana Rannikko

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Programs



In 2008, it was possible to complete a Bachelor's degree in 5 different study programs and a Master's degree in 13 different programs at the main campus of HSE. In addition, HSE offered a joint, European Master's degree, the CEMS MIM (CEMS Master's in International Management). HSE has agreements with the University of Cologne and the Louvain School of Management that allow for the completion of double degrees.

Programs:
[BScBA](#)
[Doctoral Program](#)
[IDBM](#)
[ITP](#)

A number of HSE study programs are held entirely in English or offer an English-language alternative for completing the degree. Students are also increasingly interested in completing their degrees in English.

Those pursuing their Bachelor's Degree in International Business taught in English study at the Mikkeli Campus.

Further information on the programs is available on their websites.

Study Programs

Bachelor's Degree Programs

| | |
|--|---------|
| Business Technology | English |
| International Business, BScBA (in Mikkeli) | English |
| Management | Finnish |
| Economics | Finnish |
| Marketing | Finnish |

| | |
|---|---------|
| Accounting, Finance and Business Law: | |
| - Specialization: Accounting | Finnish |
| - Specialization: Finance | English |
| - Specialization: Business Law | Finnish |

Master's Degree Programs

| | |
|---|-------------------------------------|
| Accounting | Language of study Finnish |
| Business Law | Finnish |
| Communication in Business and Economy | Finnish |
| Economics | Finnish/English |
| Entrepreneurship | Finnish |
| Finance | English |
| Information and Service Management | English |
| International Business | English |
| International Business Communication | English |
| Logistics and Service Economics | Finnish/English |
| Management | Finnish |
| Marketing | Finnish |
| Retail and Channel Management | Finnish |
| In addition, CEMS MIM, an European Joint Degree Program available | English |

Mikkeli BScBA Program

In a separate selection procedure in 2008, there were 650 applications for the Bachelor's Degree Program in International Business (BScBA) on the HSE Mikkeli Campus. A total of 84 students commenced their studies and 10 postponed their studies to the year 2009 due to military service. A total of 76 Bachelors graduated from the program.

A period of studying abroad for one semester is a mandatory part of the BScBA studies. By the end of the year 2008, the program had 49 exchange universities in total. During the course of the year, 75 exchange students went abroad while 60 foreign exchange students studied at the Mikkeli Campus.

With the help of visiting professors, regional impact was promoted through student thesis and various projects and research conducted on behalf of local companies. During the year 2008, the BScBA Program also took part in a number of projects with the other units of the Mikkeli University Consortium. These included, among others, the "SMEs and Social Responsibility" project, coordinated by the BScBA Program; the "Regional Business Expertise Development Project" (The Regional Centre Programme, RCP) managed by HSE's Small Business Center; and the Digibusiness project, launched in 2006 in cooperation with the Centre for Microfilming and Conservation at the National Library of Finland.

Doctoral Program

A total of 24 students completed their doctoral degree, which exceeded the goal set with the Ministry of Education by two. The large number of Doctors was partly due to the significant investments in guidance and the funding granted for those writing their doctoral theses on a full-time basis.

The interest toward doctoral studies at HSE continues strong, although the maximum number of admissions to the program has decreased and admissions criteria have been revised. In 2008, 43 applications for the doctoral program were received, of which 21 were accepted. Ten of the applicants were international.

In 2008, the number of doctoral students totaled 251, of which 24 had graduate school funding. The number of international doctoral students was 13.

In order to comply with high international standards, HSE has gradually transferred to using primarily international experts as referees and opponents for doctoral theses. In addition to periods spent abroad, doctoral students and the overall internationalization process of doctoral studies benefit from visits from international researchers and teachers.

IDBM Minor Program

The International Design Business Management (IDBM) minor program is a joint education and research program organized by HSE, TaiK, and TKK. The program aims to provide cross-disciplinary training for future professionals in international design business management. In the fall of 2008, 10 students nearing the end of their studies were selected from HSE to complete the program in the form of courses selected from the two other universities as well as business projects conducted in cross-disciplinary teams.

Within Aalto University, IDBM will be developed into a full Master's degree program, including a supporting research program. IDBM has also been actively involved in the launch and operations of Aalto University's Factories. Cooperation has been especially close with Design Factory. Notable international relations have been formed with the Indian Institute of Technology Kanpur and the Elephantdesign/Multiversity Pune.

ITP Program

The Information Technology Program (ITP) was organized already for the 14th time. The program consists of study modules and development projects carried out in cooperation with corporate partners. ITP is divided into two subprograms: "Strategy & Experience Design" and "Business & Technologies". ITP aims to combine academic education and practical business projects within a module that supports the aims of both students and corporate partners.

During the trainings organized by the subprograms in the summer of 2008, students gained an overview of information and communication technologies. Under the leadership of project coordinators, a total of 58 participating students took part in projects and successfully completed 12 projects for 10 corporate partners.

Besides HSE's basic degree students, the ITP program is also targeted at exchange students and students from other Finnish universities under the Flexible Study Rights Agreement (JOO). In addition to courses, various supplementary events and visiting lectures were held during the summer. The aim of the program is to work in close cooperation with companies and acquire diverse corporate contacts, as well as create an attractive study module and a functional, multicultural learning environment for students.

Photo: Jaana Rannikko

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HSE and University Cooperation



JOO Agreement

HSE is part of the national Flexible Study Rights Agreement (JOO). In 2008, a total of 198 students from other Finnish universities were also enrolled at HSE. The majority of students who came to HSE through the JOO program were from the Helsinki metropolitan area.

Helsinki Summer School

HSE offered two courses targeted at international students at the Summer School organized in cooperation with other universities in the metropolitan area. The courses were "Consumer Behavior" and "Doing Business in Asia". There were 40 students on the courses.

HERA Network

HSE is part of the Helsinki Education and Research Area (HERA), which is a joint umbrella project involving nine universities and ten polytechnics from the wider Helsinki metropolitan area. The participating institutions focus on regional development in an attempt to enhance the international competitiveness and balanced community development based on research and education through four different operational lines.

HSE Active in the Development of Electronic Systems

HSE is involved in the FUNIMA project aiming to develop an electronic application and joint marketing system for international applicants. HSE is participating in the development of the electronic application system for universities (YSHJ) and is the coordinator of the joint national selection procedures in the field of economics. In addition, HSE is part of the Oodi consortium which is developing a student information system aiming to support educational administration, education, and university management.

» [For further information on international networks, please see > International HSE](#)

Photo: Jaana Rannikko

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Research



Research at Helsinki School of Economics specializes in business know-how, which is based on multidisciplinary international research and close cooperation with the society and business life. In compliance with its strategy, HSE has four research foci: *globalization and competitiveness, financial markets and services, information economy, and business networks.*

Scientific publications 527
(RESCAT March 6, 2008)
References for
researchers 716 (ISI Web of
Science)
Web media hits 656

HSE Research is a network that develops, organizes, and supports HSE's research strategy and its implementation. The network operates as the shared foundation and brand for research conducted at HSE as well as the executive organ for strategic policies. Research activity at HSE is organized so that discipline-based research conducted by departments and research units is intersected by problem-based, applied, multidisciplinary research programs.

International quality accreditations and audits by the Finnish Higher Education Evaluation Council (FINHEEC) play a key role in the evaluation of HSE research activities. The feedback received from the FINHEEC audit in 2008 was highly positive.

The quality of research is measured in terms of the articles published in acclaimed scientific journals. HSE strives to invest in the quality and impact of the publications, and therefore encourages researchers to publish their articles directly in international publications, preferably ones that comply with the referee policy, rather than in HSE's own publication series.

When considering its size, Helsinki School of Economics has been highly successful in acquiring external research funding. Funding from Tekes (The Finnish Funding Agency for Technology and Innovation) has played a particularly significant role in recent years. HSE's success in acquiring external research funding indicates that research conducted at HSE is relevant and influential also in the business world.

The planning of Aalto University has created new research openings. For example, the joint Service Factory of HSE, the University of Art and Design Helsinki, and Helsinki University of Technology, which focuses on the research and teaching of services, launched its activities under the coordination of HSE in 2008.

Number of Publications

The outputs of HSE's research activities are registered into the RESCAT research database. By June 22, 2009, a total of 527 scientific publications had been registered into RESCAT from the year 2008. Not all publications registered into the RESCAT database are included in the KOTA database, maintained by the Ministry of Education (OPM).

Publications in 2008 according to the OPM's KOTA database (status on June 22, 2009)

Scientific articles (ref.)

| | |
|------------|-----|
| In Finland | 14 |
| Abroad | 123 |

Articles in scientific compilations or congressional publications

| | |
|------------|----|
| In Finland | 57 |
| Abroad | 94 |

Monographs

| | |
|------------|----|
| In Finland | 13 |
| Abroad | 16 |

University's own working paper series in Finland 35

Total 352

References to HSE Publications and Researchers

The most significant indicator when assessing the impact of HSE's research activities is the number of references made to HSE's research publications.

In 2008, the international ISI Web of Science database registered a total of 716 references for papers published in the name of HSE. By comparison, there were 504 references in 2007, so there has been no less than a 42% increase from the previous year.

HSE's media monitoring service monitors the visibility of HSE as well as its researchers and experts in the Finnish online media (e.g. online newspapers and news agencies). In 2008, HSE gained 656 hits, which is quite a significant number for a small university.

International Research Activities

Researchers at Helsinki School of Economics possess a long tradition of international cooperation. Among other tasks, HSE researchers hold positions of trust in international scientific associations, are members of the editorial staff at international scientific publications, take part in international conferences, and work in cooperation in international researchers.

Research cooperation is based on contacts between researchers. HSE participates in European research collaborations through, for example, EU funded research projects. In 2008, HSE was involved in 12 EU research projects with tens of partners including major companies, universities, and higher education institutes from various EU countries.

The Finland Distinguished Professor Programme (FiDiPro) is a joint funding program established by the Academy of Finland and Tekes. The goal is to recruit professor-level top researchers to Finland on a fixed-term contract; either international researchers or Finns who have resided overseas for many years. The pioneer of Indian Evolutionary Computation, Professor Kalyanmoy Deb, held the FiDiPro professorship in 2008. In addition to long-term research visits and cooperation, international professors are regular guests at the education and research departments, as well as at HSE's research units CEMAT and CKIR.

HSE's exchange program, "Visiting Scholar Program at the Helsinki School of Economics", supports international cooperation. The purpose of the exchange program is to offer both researchers and doctoral students the possibility to acquire flexible funding for international research cooperation activities conducted in the framework of research cooperation and doctoral studies. More than twenty professors, researchers and doctoral students received funding from the exchange program in 2008.

Photo: Jaana Rannikko

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Research units



CKIR Research Arises from Phenomena and Problems

Units:
[CKIR](#)
[CEMAT](#)

Center for Knowledge and Innovation Research, CKIR, is HSE's academic, international, multidisciplinary research unit. CKIR's research arises from phenomena and problems. The Center develops and pilots new operation and collaboration models in cooperation with companies, cities, various regions, and international actors to create research that aims for innovations.

In 2008, CKIR was involved in six EU projects and two Nordic projects funded by the Nordic Innovation Center. In addition to these, there were 12 on-going projects funded by the state. New projects were also under preparation.

EU projects accounted for roughly 40% of the total funding of the unit. The EU projects focused on the development of people- and user-centered business and service models in the service and information society. Special focus was given to information technology services and businesses in sparsely populated areas.

In 2008, CKIR was involved in the preparation and implementation of the strategic research and development programs for the Internet of the Future research program (ICT-SHOK) led by Tekes, the Finnish Funding Agency for Technology and Innovation. The unit has been particularly active in developing open, networked, flexible, and innovative service and business ecosystems.

CKIR's Knowledge Media Laboratory continued its research focusing on the interaction between users and media and communication technologies and services. The Knowledge Media Library has applied its research methods to, for example, digital games as well as social networks formed by information technology experts and their communication. CKIR is still actively involved in the development of the European Network of Living Labs.

The unit has taken part in the preparations for Aalto University and in Aalto University's Media Factory. The Knowledge Media Laboratory is also involved in Aalto's aivoAalto project, which is one of the three leading projects of the new university.

CKIR researches produced 20 scientific publications during the year 2008. The CKIR team included 31 researchers, of which eight were doctoral students and seven were visiting professors from around the world. The international professors included **Ikujiro Nonaka** (Hitotsubashi University, Japan), **Yves Doz** (INSEAD, France), **Franc Biocca** (Michigan, USA), **C. Otto Scharmer** (MIT, USA) and **Hans Schaffers** (Telematica, The Netherlands). Member of the Parliament of Hungary **József Veress** worked at CKIR as a visiting researcher. Expert in global business, **Richard Straub** (IBM EMEA), was the Visiting Executive.

» [Further information on CKIR is available on the unit's website](#)

CEMAT Researches Markets in Transition

The Center for Markets in Transition (CEMAT), a multidisciplinary research, teaching and training center specializing in markets in transition, celebrated its tenth anniversary in December 2008. CEMAT focuses particularly on the market areas in Russia, the Baltic Sea region, Asia, and Latin America.

During the year 2008, CEMAT was involved in 35 teaching, research, and development projects. The number of personnel at the end of the year was 30, which included six researchers with doctoral degrees and six doctoral students.

Research concerning international market areas is carried out partly in cooperation with research institutes within the target areas. During the year 2008, cooperation with the Higher School of Economics in Moscow was further intensified within a project coordinated by CEMAT and funded by the Academy of Finland and the Russian Academy of Sciences. In addition, cooperation activities with St. Petersburg State University / School of Management were launched.

Research cooperation in China was launched with the Institute of Finance, Trade and Economy (IFTE) in the Chinese Academy of Social Sciences (CASS).

CEMAT continued to be involved in the operations of the Finnish Graduate School for Russian and East European Studies as well as the Finnish National University Network for East and Southeast Asian Studies. HSE is a member of the executive boards of both the graduate school and the university network.

Additionally, CEMAT participated in international university cooperation within CEEMAN (Central and East European Management Development Association) and BMDA (Baltic Management Development Association).

In year 2008, the unit's research activities gave special focus to assessing the global competitiveness of the Helsinki metropolitan area and the Baltic Sea region in order to outline economy development and internationalization programs. The assessment was conducted in cooperation with the City of Helsinki. One of the aims was to develop tourism and logistics products for the entire Baltic Sea region. Cooperation was enhanced also by attracting multinational corporations into the Greater Helsinki area by focusing on the locating decisions of companies and the dynamics of clusters in cooperation with Greater Helsinki Promotion Ltd, specializing in marketing the Helsinki metropolitan area.

CEMAT continued to actively network with other units and departments at HSE. It was involved in the development of Russian training at the Small Business Center (SBC), researched the attitudes of Russian students toward entrepreneurship as part of the Tacis project at SBC, continued research cooperation with the International Business Communication unit at HSE, and offered teaching within HSE's International Business and Economics study programs.

» [Further information on CEMAT on the unit's website](#)

Photo: Jaana Rannikko

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International HSE



In 2008 HSE continued to develop, deepen and expand its internationality in a strategic and focused manner. In addition to student mobility, HSE is striving to increase its international visibility and invest in international degree students. After signing UN's Principles of Responsible Management Education initiative, HSE has become part of the international network of organizations that support global responsibility and strives to further refine its profile concerning these issues.

When establishing cooperation agreements, even more attention is given to the high level of quality at the partner universities.

HSE has 140 cooperation agreements with international business universities. During the year 2008, eight new cooperation initiatives were established for student exchange on the Helsinki Campus. When establishing cooperation agreements, even more attention is given to the high level of quality at the partner universities.

The eight new initiatives are with Universidade Nova de Lisboa and Universidad Carlos III de Madrid in Portugal, Sabanci University (Istanbul) and Bilkent University (Ankara) in Turkey, University of Stellenbosch Business School (Cape Town) in South Africa, Universite de Laval (Quebec City) in Canada, and University of Adelaide and University of Sydney in Australia.

In addition, Richard Ivey School of Business, University of Western Ontario, and University of Otago were re-opened for student exchange.

The Mikkeli Campus established new agreements with International Business School at Vilnius University in Lithuania, Instituto Tecnológico y de Estudios Superiores de Monterrey in Mexico, and American University (Washington D.C.) in the USA.

In 2008, an extensive quality survey of partner universities, with special attention to their academic standards, was conducted at HSE. The purpose was to develop cooperation so that agreements would be made with added emphasis on the high level of quality at partner universities and so that cooperation would be limited to fewer universities in the future.

» [HSE partner universities online](#)

Double Degrees Launched

HSE has agreements with the University of Cologne and the Louvain School of Management that allow for the completion of double degrees at these universities. The first visiting double degree students commenced their studies during the academic year 2008–2009 in the Master's programs of Finance and International Business. The first students to be sent to Cologne and Louvain were selected in spring 2009.

The agreement states that the students may study at HSE for one academic year and at the partner university for one academic year and complete their Master's degrees in Economics at both universities. The graduating student will therefore receive a Finnish M.Sc. (Econ.) degree from the HSE Master's program and a German or Belgian M.Sc. degree from the Master's program completed at one of the partner universities.

» [International degree students and regular exchange students in 2008, please see > Teaching > Student Admissions](#)

International Networks

HSE is a member of the CEMS network (The Global Alliance in Management Education), formed by the leading business schools and corporations in Europe. Only one university from each European country can obtain membership. The main product of the community is a harmonized, internationally-oriented Master's degree program, CEMS MIM (CEMS Master's in International Management).

In 2008, HSE continued its operations in the Partnership in International Management (PIM), which is a global cooperation network of top business universities.

HSE is involved in the Nordic Centre in China and, as a novelty, the Nordic Centre in India projects. These projects aim to ensure operational conditions in the large market areas of China and India. In addition, HSE is working in cooperation with several international research institutes.

» [For further information on the internationality of HSE research in 2008, please see > Research > International Research](#)

» [Further information on HSE's international research cooperation online](#)

» [Further information on HSE's international networks online](#)

Photo: Jaana Rannikko



HELSINGIN KAUPPAKORKEAKOULU
HELSINKI SCHOOL OF ECONOMICS

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Departments



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Department of Economics



Subject: Economics

Young Researchers Head toward International Labor Market

In 2008, the Department of Economics took a chance on the international academic labor market for the first time. The aim was to advance the mobility and career development of researchers in economics.

**5 professors,
2 lecturers,
310 students,
11 781.5 credits achieved,
79 BSc degrees,
54 MSc graduates,
1 licenciate degree,
6 doctoral degrees**

One of the researchers who took part in the recruitment meeting organized by American Economic Association (AEA) was **Olli Kauppi** from HSE, who proved that young, Finnish researchers are sought-after by taking on a lecturer's post at the University of Nottingham.

– People often think that having a Finnish degree makes it more difficult to find a job abroad. I hope that I will be an encouraging example to doctoral students who are dreaming of an international career.

Nottingham provides Kauppi, who also has special expertise in energy economics, a diverse research environment as well as the opportunity to pursue a tenure-track career. Kauppi especially commends his thesis advisor, Professor **Matti Liski**, as well as his other referees for their help and encouragement in sending the "output" into the world.

– I would like to especially thank my roommate, **Lotta Väänänen**, who was recruited into the University of Mannheim from the same labor market event. The long job-hunting process was much easier and more fun with a good friend.

Photo featuring Olli Kauppi in Economicum.
Text: Maarit Myrberg, photo: Jaana Rannikko

Department of Economics in 2008

The Department of Economics is situated in the Economicum building with the Departments of Economics of the University of Helsinki and the Hanken School of Economics, as well as the Finnish Doctoral Programme in Economics (FDPE). The Helsinki Center of Economic Research (HECER), functions as the umbrella organization for the departments.

Collaboration between the units at Economicum was further enhanced in 2008 in terms of the coordination of both basic degree programs and doctoral studies. Additionally, the HECER Graduate Programme was launched to enhance the possibilities for doctoral students in the member institutions to receive research funding. The researchers at the Department of Economics are also actively involved in the organization of weekly seminars at Economicum.

Long-term, international mobility has been systematically integrated as part of the doctoral studies at the Department of Economics. The mobility, networking, and career paths of young researchers were further advanced through participation in the international academic labor market for doctoral students. Investment from the Department has contributed to the fact that three doctoral students have received long-term post doc positions at the University of Mannheim, the University of Nottingham, and the London School of Economics and Political Science.

The Department of Economics has had several research projects with external funding. For example, the Finnish Funding Agency for Technology and Innovation (Tekes) is funding the "Sources of Productivity in Finland" project. The Academy of Finland is funding a research project concerning the developing countries as well as a project researching the impact of internationalization on companies and their employees.

The Finnish Work Environment Fund has contributed to the funding of the projects "Leadership practices, organizational change, and their impact on companies and employees" and "Creative destruction, job satisfaction, and productivity".

Professor **Matti Liski** continued his extensive research program on energy markets with funding from the Yrjö Jahnsson Foundation and the Nordic Energy, Environmental Constraints and Integration program.

Researchers from the department took part in international cooperation projects. For example, **Juuso Välimäki** worked as a professor at the University of Southampton. Professor **Pekka Ilmakunnas** was involved in the Nordic Center of Excellence in Empirical Labor Economics researcher network. The Department also received visiting lecturers, including Professor **Derek Jones** from Hamilton College, Professor **Tatsuyoshi Miyakoshi** from Osaka University, and **Marko Terviö** from University of California, Berkeley.

In 2008, a temporary professorship in Economics, particularly Applied Microeconomics, was established. The post was filled by Marko Terviö, Ph.D., an expert in both theoretical and empirical research in Microeconomics.

The department researchers were part of the editorial staff of various international journals and the personnel have actively participated in public debates on social and economic issues. The professors hold a number of positions of trust and expertise in, for example, public administration, research institutions, and foundation bodies.

Department personnel were granted a number of special recognition awards. The Board of the Yrjö Jahnsson Foundation granted Professor **Matti Pohjola** an award for his merits concerning research and its promotion, and the Student Union of the Helsinki School of Economics appointed Professor Matti Liski as the Teacher of the Year for 2008.

» [Visit the Department website](#)

Annual Report 2008

Department of Accounting and Finance



Subjects: Accounting, Finance, Business Law

Seppo Ikäheimo: Transparency Regarding Corporate Administration and Rewarding Systems

– It may be that in 20 years people are asking, what in the world is corporate governance, jokes **Seppo Ikäheimo**, who was appointed Professor of Corporate Governance and Executive Compensation in the beginning of April.

**15 professors,
3 lecturers,
238 Master's level students,
552 Bachelor's level students,
44 191.5 credits achieved,
253 BSc degrees,
362 MSc graduates,
2 doctoral degrees**

The future remains uncertain, but Professor Ikäheimo states that establishing the post shows that HSE is keeping up with the times. Corporate governance (CG) was first introduced in Great Britain during the 1990s, and since the turn of the millennium, the topic has gained such importance in society that universities must also have expertise in the field.

The topic is particularly current today, as the corporate world is suffering from severe recession. The professor has been following the reactions to various social crises and has noted several interesting historical phenomena.

– In the deep recession of the 1990s, many power structures in Finland broke down and the mechanism of corporate governance was consequently reformed. I believe that this had a strong influence on the fact that Finland has been so successful in the past 15 years. Conversely, Japan, for example, did not dissolve its old CG structures when faced with the same situation and this has caused negative repercussions that are visible in the country even today.

According to Professor Ikäheimo, it is now time to test whether the solutions to resolve the financial crisis are sustainable and whether they boost economic activity also in the long run. There is a strong political pressure toward market regulation, and rewarding systems in companies are likewise under discussion.

– History shows us that crashes occasionally occur. The increase of economic transparency could be one way to prevent them. This would reduce the amount of subsequent criticism and ensure that adequate measures are taken. The Finnish society is based on mutual trust, where people believe that everything is well until they hear otherwise. However, the global financial crisis means that monitoring practices will be here to stay.

Photo featuring Seppo Ikäheimo in Chydenia.
Text: Maarit Myrberg, photo: Jaana Rannikko

Department of Accounting and Finance in 2008

In 2008, the objectives for basic degrees in the Department of Accounting and Finance were exceeded almost threefold due to the degree structure reform. In fact, Accounting and Finance is one of the largest subjects at HSE in terms of the number of graduates. Two doctoral degrees were achieved in 2008: one in Business Law and one in Accounting.

Lecturer **Kari Koivistoinen** was appointed Teacher of the Year. The grounds for the appointment stated that Koivistoinen has an enthusiastic and motivating approach to Accounting. He teaches in a calm and clear manner and uses his comprehensive knowledge to carry out practical exercises in class and provide real-life examples.

The focus area of research in Financial Accounting was accounts information and its utilization. Research centered on International Financial Reporting Standards (IFRS). Management Accounting focused on operations management, performance assessment, and rewarding systems. Finance research centered on behavioral finance and corporate finance. The focus of Business Law research and teaching was on corporate taxation, particularly international taxation, as well as stock markets and the development of overall theories in business law (contract law in particular), to meet the needs of globalizing markets.

The subject of Finance published two articles in acclaimed publications in the field and Accounting published a record number of seven articles in international refereed journals.

The Nordic Finance Network (NFN), established in 2006, consists of 14 universities with HSE's Graduate School of Finance (GSF) as its host unit. The cooperation network aims to enhance doctoral education in Finance, promote Nordic research cooperation, and organize workshops. A total of eight graduate training courses in Finance were organized within the network. In 2008, the "Joint Finance Research Seminar" attracted a number of renowned researchers of Finance from top universities in the United States.

Department personnel were highly active in the society. They took part in public discussion and legislation matters, remained in contact with business experts, and were involved in various work groups appointed by the ministry. Department professors held positions on the boards of various HSE units as well as on boards of external companies. In addition, many were involved in Aalto University's work groups. The personnel taught at training events and published textbooks, scientific articles, working papers, and research reports.

» [Visit the Department website](#)

Annual Report 2008

Department of Business Technology



Subjects: Information Systems Science, Logistics, Management Science, Technology Management and Policy, Quantitative Methods

**14 professors,
3 lecturers,
301 students,
23 354 credits achieved,
70 BSc degrees
166 MSc graduates,
7 doctoral degrees**

Kalyanmoy Deb: Research is Like Running a Business

Kalyanmoy Deb (Indian Institute of Technology), specializing in genetic optimization algorithms, is currently working at the Department of Accounting and Finance as a FiDiPro Professor for the Academy of Finland. During his career, he has worked in several different countries and has noticed that both younger and older researchers around the world seem to be suffering from shyness when it comes to the marketing of their research.

– It is a misconception that a researcher should be humble and modest. There is a huge number of people, and even more ideas, in academia. When a researcher develops or invents something, they usually write an article on the topic, present it at a conference, or publish it in a good journal, but this is where the process usually ends. Scientific activity should also involve a consideration of how others could use and utilize the research outcomes.

Deb mentions the computer algorithm he developed in 2000 as a case in point. The program enables the creation of several solution alternatives for optimization problems. He established a website where the program may be downloaded and tested by anyone. In addition, Deb actively promoted the program to companies. Although the research was also published in a renowned scientific journal, Deb believes that marketing was the most significant factor in making his algorithm one of the most popular ones used today.

– Research is like running a business. The researcher must produce something that does not already exist, but the need for it is there. This requires a limited amount of time and resources. In order for the end product to sell and stand out from the rest, a researcher must diligently market the product. Of course, it takes time to make something well-known, but many ideas possess a lot of potential.

Photo featuring Kalyanmoy Deb at Chydenia.
Text: Maarit Myrberg, photo: Jaana Rannikko

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Department of Business Technology in 2008

The activities of the Department of Business Technology in 2008 were dominated by preparations for Aalto University. The Department was actively involved in a number of important work groups as well as the recruitment committee for the President of Aalto University. The Department was also represented in Aalto University's Service Factory, with Vice Rector, Professor of Information Systems Science **Timo Saarinen** as Chair and Professor **Markku Tinnilä** as Secretary of the Board.

As in the previous years, the Department offered a joint Bachelor's degree in Business Technology, and the Information and Service Management program at the Master's level with specialization fields in Management Technology, Information Systems Science, as well as Logistics and Service Management. The Department produced a record number of Master's degree graduates, mainly from Logistics and Information Systems Science.

During the course of the year, the Department launched a strategy process. The procedures for filling many important posts were likewise launched.

The Department professors worked actively in national research schools (Graduate School for the Electronic Business and Software Industry, GEBSI, and Graduate School in Systems Analysis, Decision-Making and Risk Management, SDR) as well as in administrative positions in academic research organizations. Professor **Jyrki Wallenius** began his work as President of the International Society on Multiple Criteria Decision making. Strong research activity has generated a number of ISI publications in the international scientific journals in the field.

Kalyanmoy Deb (Indian Institute of Technology), specializing in genetic optimization algorithms, is working at the Department as a FiDiPro Professor for the Academy of Finland. In addition to Deb, international input was added by two doctoral students from India and two from Iran.

The popular ITP summer program was organized for the 14th time, led by Professor **Matti Rossi**.

The research area of Information Economy organized the "What's New" event for HSE partner companies in January 2008 and a ferry seminar around the theme "Information Economy at Aalto University" on October 23–24, 2008, led by Jyrki Wallenius and **Esko Penttinen**. Seminar participants included 30 researchers from HSE, TaiK, TKK and Nokia.

Professor **Pekka Korhonen** continued as Director of HSE's Doctoral Program, where seven doctoral degrees were completed. The national graduate schools are a significant addition to the Department's doctoral output. Both the Graduate School for the Electronic Business and Software Industry (GEBSI) and the Graduate School in Systems Analysis, Decision-Making and Risk Management (SDR) operate jointly between HSE and TKK, and therefore pave way for Aalto University cooperation.

» [Visit the Department website](#)

Annual Report 2008

Department of Marketing and Management



Subjects: Economic Geography, Entrepreneurship, International Business, Marketing, Organization and Management, Philosophy and SME Business Management

**22 professors,
5 lecturers,
574 students,
44 413 credits achieved,
184 BSc degrees,
391 MSc graduates,
9 doctoral degrees**

Paula Kyrö: Transfer from Knowledge to Practice in Entrepreneurship

Entrepreneurship education at universities has become a development tool for national competitiveness on a global scale. Finland scored well in a European survey published in 2008, where universities were assessed based on their entrepreneurship education.

HSE boasts the oldest entrepreneurship subject taught in Finland, which, according to Professor of Entrepreneurship Education Paula Kyrö, enables a broad approach toward entrepreneurship to be transferred into teaching. HSE has also participated in international benchmarking events comparing best practices.

– According to our view, entrepreneurship is, above all, the creation and development of new operational models. Our research focuses on the dynamics of entrepreneurial activities and aims to understand and develop entrepreneurial operations and learning.

The Master's and doctoral programs in Entrepreneurship are currently being developed on the basis of entrepreneurial pedagogy. This will alter, for example, the examination practices, as the evaluation of papers should give way to the assessment of processes and outcomes. According to Kyrö, the traditional scheme is also revolutionized by the fact that interactive group situations will replace lectures and the content of teaching will be tailored to meet the students' preferences.

– This is a major change as the knowledge-based pedagogy is being replaced by a practical one. Although practical application is challenging, we are supported by Aalto University's development work, which supports entrepreneurial learning. The process has just begun, but the latest international research will provide a solid basis for development work.

Photo featuring Paula Kyrö at Arkadia.

Text: Maarit Myrberg, photo: Jaana Rannikko

Department of Marketing and Management in 2008

The Department of Marketing and Management continued its strategic project in 2008. Discussions were gradually directed toward the goals of Aalto University. For example, the A level publication activities of the Department researchers have already seen significant improvements.

Marketing

The subject of Marketing received two new professors in 2008. The permanent professorship of Trade was filled by Docent **Arto Lindblom**, D.Sc. (Econ.). The five-year professorship of Sales Management was filled by **Petri Parvinen**, Ph.D. Both began their term of office on January 1, 2009.

During the fall of 2008, Marketing welcomed two visiting professors, **Ian Wilkinson** and **Louise Young** from Australia.

The joint Stratmark research project between HSE Marketing and Hanken invited 600 company managers and other opinion-makers to a seminar in January 2008. One of the keynote speakers was Foreign Minister **Ilkka Kanerva**. The Department was also involved in a number of projects funded by Tekes, the Academy of Finland, and businesses.

Entrepreneurship and SME Business Management

Master's and doctoral programs in English were launched in the subject of Entrepreneurship and SME Business Management. International doctoral education was also developed within the European cooperation network. The subject received two joint professorships funded by the Small Business Center. The temporary post of Professor of Entrepreneurship was filled by **Markku Virtanen**, Ph.D., and that of Professor of Entrepreneurship Education was filled by **Paula Kyrö**, D.Sc. (Econ.).

The professorship of Entrepreneurship Education is the first of its kind in Finland. The largest research project launched by Kyrö's research team, *Entre*, is the INNOLA project concerning explorative entrepreneurship competence, funded by the State Provincial Office of Southern Finland and the European Social Fund.

International Business

The subject of International Business welcomed Visiting Professor **Peter Thirkell** from New Zealand and Doctoral Student **Rotem Shreor** from Israel, visiting from Norway.

Helsinki School of Economics was accepted as a plenipotentiary member of the Nord-IB research program in 2008.

Kristiina Mäkelä, who defended her doctoral thesis in International Business, was awarded first prize in the EDAMBA (European Doctoral Programmes Association in Management and Business Administration) thesis competition.

International Business and the IDBM program (International Design Business Management) were involved in several Tekes projects.

Organization and Management

Professor **Risto Tainio** from Organization and Management was appointed HSE's Study Advisor of the Year with regard to doctoral theses. **Susanna Kantelinen**, M.Sc. (Econ.), an Organization and Management graduate, was appointed Student of the Year by the Rector.

The subject of Organization and Management was involved in two EU projects and a number of Tekes projects. Additionally, three postdoctoral researchers from the Academy of Finland worked under Organization and Management.

The subject of Organization and Management organized an international conference on innovations in the developing countries, lead by Docent **Minna Halme**. The conference produced a book entitled "Sustainability Challenges and Solutions at the Base of the Pyramid" through an international academic publisher. Halme received an award from the Academy of Finland for the social impact of her research.

» [Visit the Department website](#)

Annual Report 2008

Department of Languages and Communication



Subjects: English Business Communication, Finnish and Communication, French, German, International Business Communication, Italian, Japanese, Spanish, Swedish, Russian

**2 professors,
25 lecturers,
58 students,
16 953 credits achieved,
29 MSc graduates**

Together Mirjaliisa Charles: English Business Communication Discovered at HSE at the Right Time

Professor of English Business Communication (EBC) **Mirjaliisa Charles** from the Department of Languages and Communication is glowing with satisfaction in light of her recent retirement. The goals set during her inaugural lecture have been met and her long career included a number of highlights.

Charles, who first began as Lecturer at the Helsinki School of Economics in 1974, found an excellent market niche for her subject. Her initiative generated an active, international research community as well as Master's and doctoral programs that are envied by colleagues abroad.

– We were in the right place at the right time on an international scale. We recognized the increase in communication and the need for a changed attitude in the research and teaching of English communication. Internationalization and the ever-growing number of non-native English speakers encouraged us to research and teach the strategic meaning of communication as well as English as a Lingua Franca, the common working language, instead of striving to teach only British or American English.

The research done at EBC played a pioneering role through its breakthrough in Finland when the subject began to receive research funding from the Academy of Finland. As further evidence of Charles' seminal work, the international Association for Business Communication granted her the Outstanding Researcher Award in 2005 in recognition of her creditable work for business communication research.

– I have not done all this by myself. The credit goes to my brilliant team, above all **Leena Louhiala-Salminen, Anne Kankaanranta** and our doctoral students. We possess great enthusiasm and zeal for what we do. It has been a joy and a privilege to work with such a team.

Photo featuring Mirjaliisa Charles in the hallway of the Department of Languages and Communication.

Text: Maarit Myrberg, photo: Jaana Rannikko

Department of Languages and Communication in 2008

HSE's Business Language and Communication Certificate was presented to corporate representatives at the Arena fair in November. The certificate describes the language and communication skills profiled for the needs of companies using a six-step European skill level scale. The certificate, which will be introduced in 2009, provides companies with clearly organized and understandable information on the actual language skills of the graduates. It also offers HSE the opportunity to further promote the good language and communication skills of its students.

In 2008, a record number of 29 Masters of Communication graduated from the Department. The large numbers of students during the transition year already presented a major challenge for the Department since the Master's program in Economics also includes 30 credits worth of language and communication studies. However, the Department came out on top in the end since the summer months were also actively utilized.

The master's thesis by **Aino Luukkanen**, graduate of the Master's program of International Business Communication, entitled "Towards a model of internal communication in Finnish multinational corporation", was appointed Master's Thesis of the Year 2008 in the field of personnel leadership. The award was granted by the Finnish Association for Human Resource Management HENRY ry (registered) in November 2008.

The Round table discussion series, launched in 2007 for corporate partners, continued on in the spring of 2008 with discussion on current communication issues.

Cooperation with HSE Corporate Relations continued in the fall as representatives from International Business Communication organized a seminar around the theme of Knowledge Communication. The motivating speakers included Professor **Martin Eppler** from the University of Lugano and Head of Communications **Lauri Peltola** from Nordea.

» [Visit the Department website](#)

Annual Report 2008

Services



Corporate Relations

Companies are involved in the development of HSE research and teaching in various ways. Companies have the possibility to construct their employee image on the HSE campuses by sponsoring lecture halls as well as by maintaining student contacts and visibility in student events.

Restructured Partnership Program Launched

In addition to project-, department-, and subject-specific cooperation, companies are offered the possibility to construct a long-term partnership with HSE through the Partnership Program. The Partnership Program was restructured in 2008 to include three steps: 1) research-oriented key partnership, 2) partnership focusing on student contacts, and 3) supporting the university's high-standard teaching facilities by sponsoring lecture halls named after the sponsoring company. The first key partner was the S Group.

Additionally, the partners and HSE departments work in cooperation in thesis commissions, corporate projects, and visiting lectures, among others.

» [Visit HSE Corporate Relations website](#)

» [Lecture hall sponsors online](#)

Career Services for Students and Companies

The improved CareerWeb service was introduced in the spring of 2008. CareerWeb remains the most popular service for students offered by HSE Career Services. Almost three thousand job advertisements for HSE students were published in CareerWeb.

A total of 73 companies took part in the Arena Career Fair in November. The fair continues to be the most popular recruitment and contact event among students, as over 3,000 of the 5,000 students enrolled at HSE or Hanken visited the fair.

The mentoring project focused on the training of mentors and the education of their mentoring partners. The project involved 41 pairs in total.

» [Visit the Career Services website](#)

Alumni Activities Focus on Increasing Visibility

In 2008, alumni activities generated about twenty different events of which open lectures and alumni reunions attracted the most participants. A total of 11 class reunions were held. Alumni activities focused on increasing visibility among current students as well as within social web services such as Facebook and LinkedIn.

The fundraising project regarding HSE's 100th anniversary year in 2011 was launched in the fall of 2007 and progressed on schedule in 2008. The actual fundraising campaign will commence in 2009.

» [Visit the HSE alumni website](#)

» [Visit the fundraising campaign website](#)

Photo: Jaana Rannikko

Services:
[Corporate Relations](#)
[Career Services](#)
[Alumni Relations](#)

Current Partners:
[Deloitte](#)
[Ernst & Young](#)
[Kemira](#)
[KPMG](#)
[Kumera](#)
[Nokia](#)
[Outokumpu](#)
[PricewaterhouseCoopers](#)
[S-Group](#)
[Stora Enso](#)

CEMS Partners:
[Kone](#)
[Nokia](#)
[Stora Enso](#)

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Education services



In January 2008, the HSE Board approved a lifelong learning strategy for HSE. The strategy states that lifelong learning services include the supplementary education offered by HSE Executive Education Ltd and the Small Business Center, Open University education offered by the adult education unit, supplementary studies by students who have completed a degree at the university, information services at Helecon Information Center, and the development of HSE personnel.

Units:
[Open University](#)
[HSE EE](#)
[SBC](#)

Open University

3,045 students participating in courses, 601 calculated full-time students, 17,549 credits achieved

Open University education allows anyone to learn the basics of various sectors of business regardless of their educational background. HSE provides Open University education in Helsinki and Mikkeli.

The operations of the Open University at HSE are quite extensive in relation to the size of the parent university. In 2008, the number of Open University students amounted to 71.2% of all degree students at the university, when the average percentage for Finnish universities was 40.1%.

Based on their Open University studies, 28 students were admitted to study as degree students at HSE.

During the spring and fall of 2008, the Open University organized 76 in-house courses and offered 255 course places in HSE degree programs. In the summer of 2008, the Open University organized 55 courses. HSE does not offer degree education in the summer so summertime education is available to degree students in the form of Open University education.

A student's right to complete a degree according to the curriculum set in 1995 ended in July 31, 2008. The Open University supported the graduating students by organizing several extra courses, especially in the summertime.

The standard of teaching and credits in Open University education is equivalent to that of degree education. The high standard of teaching is ensured primarily by having the same teachers in both open education and degree education. The standard of credits for completed courses is regularly monitored by comparing the distribution of examination grades with those from degree education.

The most popular courses at the Open University are introductory-level courses.

» [Visit the Open University website](#)

Supplementary Education

Supplementary education at HSE is provided by HSE Executive Education Ltd and the Small Business Center. In 2008, the number of students in supplementary education totaled 6,323, of which 60% were in the Small Business Center. A total of 241 courses were held.

HSE Executive Education Ltd

HSE Executive Education Ltd (HSE EE) fulfils the university's role in supplementary education by offering development services to upper management and experts. In addition to Finland, its focus areas include the Baltic Sea region as well as Singapore, Korea, China, and Taiwan. The company has had a subsidiary in Singapore since the year 2000.

In 2008, the turnover of the group was approximately €9.6 million, of which the parent company accounts for approximately €9.1 million. HSE Executive Education Ltd is owned by HSE Holding Ltd.

In 2008, the company launched two new programs in the domestic market: JOKO in the field of trade and the Young Manager program. During the year 2008, HSE EE invested heavily in the development of new content and methods as well as in the preparations for Aalto University by, for example, enhancing its cooperation with TKK and TaiK.

Best Educator in Finland

HSE EE was rated the best provider of management education in Finland for the 11th consecutive time in the corporate image survey on management training (Greater Helsinki area) conducted by Taloustutkimus, an independent research house in Finland. The company was likewise ranked the best education provider for upper management in a survey conducted by Corporate Image.

In spring, the company was ranked 41st in the combined rankings of business schools offering management education by Financial Times Executive Education. In the fall, the Financial Times Executive MBA ranking placed HSE EE 69th in the overall ranking list.

The HSE EE headquarters in Helsinki moved from Ruoholahti to new facilities in Domus Gaudium on Leppäsuonkatu.

» [Visit the HSE EE website](#)

Small Business Center

HSE Small Business Center (SBC) is a unit specializing in the promotion of entrepreneurship and the development of SMEs. It provides education, conducts research, and organizes business incubations in collaboration with both regional and national entrepreneurs and SMEs. The unit has branches in Mikkeli, Helsinki, St. Petersburg, and Tallinn.

The total turnover of the unit was €6.7 million. At the end of the year 2008, the unit had a staff of 51.

About 180 programs aimed at SMEs were organized throughout Finland in 2008. About 4,000 students attended SBC's training programs on its approximately 1,200 training days.

Trainings were also organized in Russia, Estonia, and Latvia in order to enhance the international operations of Finnish SMEs in these countries.

The participants in entrepreneurship programs in 2008 (approximately 1,500 people) gave rise to some 250 new businesses.

During the year, several joint projects related to Aalto University were launched with training units from Helsinki University of Technology and the University of Art and Design Helsinki. The main focus of the projects is on developing the business expertise as well as the entrepreneurial competence and education skills of people with an academic background.

Professorships Enhanced HSE Research Activities

Cooperation with HSE Department of Marketing and Management has allowed the professorships in Entrepreneurship Education and Sales Management to be placed in the Small Business Center in Mikkeli. By the end of the year 2008, there were three professorships. The research teams formed around the professorships focused on growth entrepreneurship and the growth of SMEs, entrepreneurial competence and the state of sales in companies, the innovation potential in Russia and especially the St. Petersburg area, as well as research serving educational purposes.

During the year, the Small Business Center took part in several international research and development projects in cooperation with education and development organizations in SMEs operating in EU countries. The projects were funded through various EU programs (e.g. Interreg, Tacis, Leonardo).

Business Incubators Promote Academic Entrepreneurship

Business incubators support the establishment of companies by people with an academic or other higher education background. The incubators operate in the new Start-Up Center in Salmisaari, Helsinki, as well as in Mikkeli, where the Small Business Center works in cooperation with the business incubator services in Miktech, Mikkeli Technology Centre.

Business incubation activities have proved to be a highly efficient method in enhancing academic entrepreneurship. The Start-Up Center is striving to become Aalto University's center of growth entrepreneurship also by bringing the creative industries into its sphere of operations. During the year, cooperation with Estonian business incubators was further enhanced, while preliminary inquiries for launching cooperation activities with university incubators in St. Petersburg were conducted.

» [Visit the Small Business Center website](#)

Photo: Jaana Rannikko

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Library and Information Services



Library and Information Services

In 2008, the Helecon Information Center at the HSE Library promoted the educational and research-related competitiveness of the university through its high-standard, multi-channeled range of services and materials. As the leading business information center in Finland, Helecon advances business know-how and entrepreneurship education, and responds to the information needs of people in supplementary education and various positions in business life. The Helecon electronic research follow-up services support the information services and management of economics.

*Helecon is
the leading
business
information
center in
Finland.*

The Information Center is the leading economic research library in Finland in terms of the range of material and services, the number of service transactions, utilization rate, international interest groups, and the number of customers.

Electronic Information Channels Increasingly Utilized

The Helecon Information Center supported HSE research and education by conveying the most recent international research findings to the scientific community through over 140 databases and 5,700 electronic journals. The use of electronic journals saw an increase of almost 20%. The number of users and the times of use of the library's Journals portal also increased.

The use of the ISI Web of Science database showed an increase of 123% with over 16,000 contacts. A monitoring service for articles related to Aalto University in Finnish periodicals was developed for the Helecon RSS services.

The Information Center launched a new project in cooperation with researchers aiming to develop a service portfolio that supports international, networking research groups. The project is intended to serve Aalto University's research groups in the future.

Helecon advanced the international distribution of HSE's research findings by developing and maintaining the university's open digital publications portal and an electronic publications portal for doctoral theses, working papers, and other research published in the HSE series. The electronic publications portal had approximately 83,000 users and was used no less than 117,583 times.

Helecon is active in the European, American, and Asian network of business school libraries and participated in the international benchmarking of best practices and the development of quality management systems.

Number of Adult Student Customers on the Rise

The new Aalto University, the cross-disciplinary approach, networking, internationalizing students and researchers, as well as the increasing importance of lifelong learning pose significant challenges to the continuous development of service processes in the scientific library.

As the life cycle of studying is prolonged, the number of customers in adult education who also work in companies continued to increase, totaling more than 3,300 customers out of all the registered customers of Helecon. Customer flow analyses show that the Information Center possesses major national significance as well as broad social and regional impact: over 70% of the registered customers came from outside the framework organization. There were over 28,000 registered customers in total, of which just over 900 were TKK and TaiK students.

» [Visit the Helecon website](#)

Photo: Jaana Rannikko

Annual Report 2008

Personnel



In 2008, HSE employed 546 people (FTE). Teaching and research personnel comprised 52.7%, or 288 FTE, and the remaining 47.3%, or 258 FTE, were comprised of other personnel (incl. assistant personnel for teaching and research, library and IT personnel, and supplementary education personnel).

Personnel satisfaction is higher than in public administration on average.

Temporary personnel accounted for 51.6% of all staff at the end of the year 2008, when in the previous year they accounted for 49.4%. The increase is partly due to the preparatory work for Aalto University, which has caused a temporary need for added resources in a number of units. Women accounted for 53.2% of personnel. The average age of personnel was 42 years.

The largest single group of personnel was administrative and office staff, which amounted to 29.8% (FTE). Of the personnel at HSE, 59.5% had a university degree (lower university level 7.2%, higher university level 30.2%, and doctoral level 24.7%).

Personnel Development in Light of Aalto University

Operations of Helsinki School of Economics in 2008 were highly influenced by Aalto University's planning and preparatory work in cooperation with the University of Art and Design Helsinki and Helsinki University of Technology. HSE management and personnel have significantly contributed to the preparations. HSE personnel have been involved as team leaders, members, experts, and advisors.

Personnel development is designed to support the preparations for Aalto University and to ensure the professional expertise of personnel. The HSE personnel policy aims to create an encouraging working climate that enhances commitment to the university and has a positive outlook on development. In accordance with the HSE strategy, the development of teaching, the improvement of language skills, and various intercultural communication skills required in international activities, the promotion of IT and communication technology skills, and management and executive training have played a crucial role in human resources development.

Personnel Satisfaction Higher than in Public Administration on Average

The job satisfaction survey for HSE personnel was conducted for the fifth time with a web-based tool from the Ministry of Finance. The general score was 3.36, which is slightly higher than in previous years and in most fields slightly better than at universities or the public administration in general.

The response rate of the survey was about 45%. HSE's assets included the content of and challenges experienced at work, as well as the working climate and cooperation. Satisfaction in terms of salary had improved significantly. Conversely, satisfaction with management, especially the general organization of work as well as the support and feedback from supervisors, had decreased.

Photo featuring teachers appointed Teachers of the Year on the wall of the main building
Photo: Jaana Rannikko

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HSE Foundation



Support, Recognition, and Donations to Economic Sciences

HSE Foundation – 34 years of support for teaching and research in economic sciences.

In 2008, the Helsinki School of Economics Foundation granted a total of €1,161,000 (€1,105,000 in 2007) to HSE and those operating within it in the form of grants and other support for the purpose of supporting research and teaching activities as well as facilitating studies.

The Foundation, established in 1974, targets its support primarily to scientific research, theses, travel grants, international student exchange, development projects in teaching, the sabbatical leave system, and various recognition awards.

Recognition Awards

The €10,000 recognition award for an accomplished research group was granted to the ValueNet research group led by Professor **Kristian Möller** (also including Assistant Professor **Arto Rajala**, Researcher **Timo Järvensivu**, Research Fellow **Risto Rajala**, and Researcher **Mika Westerlund**) for quality research and positive outcomes.

A €4,000 award for the Study Advisor of the Year was granted to Professor **Risto Tainio** for his significant contribution to the supervision of doctoral students in 2007.

The Doctoral Thesis of the Year award of €4,000 was granted to **Samuli Knüpfer**, D.Sc. (Econ.), for the doctoral thesis of the highest standard in 2007, "Essays on Household Finance".

In addition, recognition awards of €2,000 for outstanding theses completed in 2007 were granted to **Antti Kauhanen**, D.Sc. (Econ.), for his doctoral thesis, "Essays on Empirical Personnel Economics", and **Pekka Malo**, D.Sc. (Econ.), for his doctoral thesis, "Higher Order Moments in Distribution Modelling with Applications to Risk Management".

The €4,000 recognition award for Teacher of the Year was granted to Professor **Matti Pohjola** and the €4,000 recognition award for Administrator of the Year was granted to **Anna Gasiorowska**, MBA.

Awards for Quality Publications

HSE Foundation grants recognition awards to HSE researchers for research papers that are published in leading academic journals. The award is given in recognition of highly creditable long-term research / top performance.

As in the past three years, awards of €2,000 for high-quality publications were granted for research papers that were published in a journal with an official impact factor of over 1.0 at the time the article was sent or published. A total of 22 such awards were granted in 2008 (18 in 2007).

In compliance with the practice introduced last year, the Board of the Foundation granted a €4,000 recognition award for articles published in journals that are included in the Financial Times Top 40 ranking. A total of 11 such awards for high-quality publications in the FT Top 40 ranking were granted in 2008 (one in 2007).

Donations

In addition to property returns, the donations received from companies, other communities, and private persons make up a substantial portion of the funds conferred to individuals by the HSE Foundation as grants and other support.

In 2008, the HSE Foundation received a total of €194,000 (€313,000 in 2007) in the form of donations for theses, activities, and special mutual funds. In addition, TietoEnator Plc donated €25,000 into the basic capital of the Chancellor Matti Lehti Fund and €25,000 to the special mutual fund named after PricewaterhouseCoopers Ltd.

Helsinki School of Economics Foundation Administration 2008

Chairman of the HSE Foundation Delegation:
Counselor of Commerce, **Heikki Timonen**, M.Sc. (Econ.)

Deputy Chairman of the HSE Foundation Delegation:
Assistant Managing Director, **Pauli K. Mattila**, LL.D.

Chairman of the Board of the HSE Foundation:
Aatto Prihti, D.Sc. (Econ.)

Deputy Chairman of the Board of the HSE Foundation:
Chancellor, **Matti Lehti**, D.Sc. (Econ.)

Board Members:
CEO **Arto Hiltunen**, M.Sc. (Econ.)
Mining Counselor **Kari Jordan**, M.Sc. (Econ.)
Rector **Eero O. Kasanen**, D.Sc. (Econ.)
Maija Torkko, M.Sc. (Econ.)
CEO **Matti Vuoria**, LL.M.

Managing Director of the Foundation:
Arto Mäenmaa, M.Sc. (Econ.)

Photo: Jaana Rannikko

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Student union of the Helsinki School of Economics, KY



The 97th year of the HSE Student Union (KY) was exceptional in many ways. In addition to its usual activities, KY allocated a significant amount of resources to the preparations for the changes resulting from the upcoming Universities Act reform. As Aalto University commences its activities in the beginning of 2010, the status of KY will also change, as the new university will only have one student union.

The year 2009 will be the last operational year of KY in its current form.

Preparations for the new student union have been complicated by disagreements regarding the funding question, as the joining student unions are in significantly different financial situations. KY is by far the wealthiest of the three student unions in relation to its number of members.

During the year 2008, the largest individual project at KY was the future project, which involved the preparation of the decision to donate part of KY's capital to the association and foundation for economic students in Helsinki, which will continue the organizational activities for economics students. The aim of the decision is to secure the one hundred years of KY traditions as well as create good operational preconditions for future economics students. However, the decision has been appealed to the Administrative Court, and the fate of economics students will not be determined until the year 2010.

In addition to KY's future project, the student union took part in the preparations for Aalto University and the new student union by, for example, participating in various preparatory teams. KY also met various interest groups, including those involved in the joining student unions, state officials, and Members of Parliament.

Cooperation with HSE was further enhanced. The union meeting of the National Union of University Students in Finland generated positive results, as KY's Sini Jokinen was appointed into the Board of SYL for the year 2009.

The year 2009 will be the last operational year of KY in its current form. KY faces significant challenges: a new student union must be established, cooperation with TOKYO and TKY must be enhanced, and KY's operations must continue in the KY Association to secure the interests of economics students within Aalto University.

» [Visit the KY website](#)

Photo featuring students having lunch at Restaurant Rafla in the main building.
Photo: Jaana Rannikko

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Events at HSE in 2008



Feb 6, 2008

Kumera becomes HSE's partner

Kumera joined the HSE partnership program. Technology Corporation Kumera is in pursuit of a new cooperative dimension through the partnership. Through HSE, Kumera wishes to present itself as a major international actor in its field and offer HSE students a forum of experience regarding the development needs and trends of engineering and thereby support the industrial know-how and recruitment prospects of skilled students.

Apr 6–11, 2008

HSE team wins NIBS 2008 Case Competition

A high-quality presentation concerning management decisions secured the victory of HSE students in the Network of International Business Schools 2008 Case Competition in Coventry, England.

May 29, 2008

Innovation University became Aalto University

The new university formed by HSE, TaiK, and TKK was named Aalto University. The Charter of Foundation and Rules of the Foundation were signed on June 25. The Council of State appointed the Board of Aalto University on August 14, in accordance with the proposition presented by the Ministry of Education. On December 19, the Board of the Aalto University Foundation appointed **Tuula Teeri**, Ph.D., as President of Aalto University for a five-year term as from April 1, 2009.

July 3, 2008

HSE most sought-after place to study economics

HSE continues to be the most sought-after place to study economics in Finland. In the joint selection procedures in the field of economics, a total of 1,973 applicants, or over 1/3, selected HSE as their primary application target. Receiving a study place was difficult, as the number of points required for admission to HSE was the highest out of all business universities. In the 2008 admissions, a total of 376 new students were admitted to HSE to pursue a Bachelor's or Master's degree in Economics and Business Administration. A total of 131 students were admitted to pursue a Master's degree alone.

Nov 24, 2008

Executive in Residence program to HSE

A new operational program was established at HSE to promote the connections between business life, teaching, and research. Within the framework of the program, a person who has distinguished him or herself in business life is invited into the scientific community for a set period of time. The first visitor in the Executive in Residence program is **Erkki Hämäläinen**, D.Sc. (Econ.).

Dec 1, 2008

HSE went up in business schools ranking

HSE ranked in 17th place in the Financial Times ranking of European Business Schools. There is an upward tendency, as HSE was ranked 24th in 2006 and 20th in 2007. A total of 65 European business schools are included in the ranking.

Award-Winning Doctoral Theses

Among others, the theses of the following doctors received recognition:

The doctoral thesis by **Kristiina Mäkelä**, D.Sc. (Econ.), "Essays on Interpersonal Level Knowledge Sharing within the Multinational Corporation" in the field of International Business won first prize in the EDAMBA Thesis Competition (European Doctoral Programmes Association in Management and Business Administration).

Samuli Knüpfer, D.Sc. (Econ.), received HSE Foundation's Doctoral Thesis of the Year 2008 award for the doctoral thesis of the highest standard. Knüpfer studied household finance in his doctoral thesis in the field of Finance.

Antti Kauhanen, D.Sc. (Econ.), received HSE Foundation's 2008 award for an outstanding doctoral thesis. Kauhanen's thesis in the field of Economics studied the impact of personnel management on productivity and occupational welfare.

Pekka Malo, D.Sc. (Econ.), received HSE Foundation's 2008 award for an outstanding doctoral thesis. His thesis in the field of Quantitative Methods of Economics and Management Science studied the econometric models and risk indicators of the price of electricity.

HSE Foundation granted the Study Advisor of the Year award to Professor **Risto Tainio** for his significant and high-quality contribution to the supervision of doctoral students.

Other Awards

Among others, the following persons/research groups received recognition:

On October 16, 2008, the Academy of Finland presented an award to Academy Researcher, Docent **Minna Halme**. The award was granted for social impact.

HSE Professor **Henrikki Tikkanen** and TKK Professor **Juha-Antti Lamberg** won the esteemed 2008 Sloan Industry Studies Best Paper Award for the article, "Changing Sources of Competitive Advantage: Cognition and Path Dependence in the Finnish Retail Industry 1945-1995", published in *Industrial and Corporate Change Journal*.

Program Director **Anne Gustafsson-Pesonen** from HSE's Small Business Center received the Best Paper Award for the presentation she gave at the European EFMD Entrepreneurship Conference in Barcelona in February. The presentation displayed research results concerning the attitudes toward entrepreneurship among university students in St. Petersburg. In addition to Gustafsson-Pesonen, the research group comprised **Päivi Karhunen**, **Svetlana Ledyeva**, **Elena Mochnikova**, and **Dmitry Vasilenko**.

The HSE Research Group of the Year 2008 award was granted to the ValueNet research group led by Professor **Kristian Möller** at HSE Research Day in September. In addition to Möller, the research group comprised Assistant Professor **Arto Rajala**, Researcher **Timo Järvensivu**, Researcher **Mika Westerlund**, and Research Fellow **Risto Rajala**.

The Yrjö Jahnsson Foundation granted a €15,000 award to Professor **Matti Pohjola** in December. The Foundation awarded three distinguished economics researchers. The main point of consideration of the award was the merits regarding research and the promotion of research.

Photo: Jaana Rannikko

Events at HSE in 2008

16 Jan 2008

What's New seminar:
Digital workstyle

24 Jan 2008

Stratmark08 seminar

13 Feb 2008

Studia Economica:
Responsible business – an
obligation or competitive
advantage?

29 Feb 2008

Inauguration ceremony of
Professor Juhani Vaivio
and Professor Liisa
Väläkangas

23–25 Apr 2008

Corporate Credit
International Case
Competition

27–29 Aug 2008

CKIR Conference: How do
firms, societies and people
co-innovate for new value
and wealth creation?

4 Sep 2008

HSE Research Day

5 Sep 2008

HSE Opening Ceremony of
the Academic Year

18 Sep 2008

Opening of the Technology
Center and Start-Up Center

30 Sep 2008

CEMAT seminar: "Russia in
the Global Economy"

12 Dec 2008

10th Anniversary of CEMAT

17 Dec 2008

HSE re-accredited by
EQUIS

Annual Report 2008

Key Figures



Funding

| | |
|---|----------|
| Budget funding from the Ministry of Education | M€26.6 |
| Supplementary Funding | M€15.485 |
| Total | M€42.085 |

Personnel (FTE)

| | |
|---------------------------------|-----|
| Teaching and research personnel | 288 |
| Other personnel (*) | 258 |
| Total | 546 |

*Includes, in addition to administrative personnel, e.g., teaching and research assistant personnel, library and IT personnel, and the continuing education personnel.

HSE's publications in 2008 according to the Ministry of Education's KOTA database (status on July 2, 2009)

| | |
|-------------------------|-----|
| Publications in Finland | 119 |
| Publications abroad | 233 |

Citations to publications and articles (ISI Database)

| | |
|--|-----|
| Articles published under the name of HSE | 716 |
|--|-----|

Students (status on September 20, 2008)

| | |
|--------------------------------------|-------|
| - Number of BSc students in Helsinki | 1.726 |
| - Number of BSc students in Mikkeli | 272 |
| - Number of MSc students | 913 |
| - Doctoral Students | 268 |
| Total amount | 3.179 |

Applications / Accepted 2008

| | |
|--|-------------|
| - Joint entrance examinations in economics | 1.937 / 310 |
| - SAT I | 156 / 38 |
| - Mikkeli BScBA program* | 650 / 94 |
| - Master's level admission | 239 / 131 |
| - Open university channel | 30 / 28 |

* The number of accepted students in the Mikkeli BScBA program is high due to its waiting list system. The number of enrolled students also includes students who had already been accepted in the previous academic year, but who successfully applied for deferment.

Degrees Awarded 2008

| Department | Bachelor | Master | Licenciate | Doctor |
|---|------------|--------------|------------|-----------|
| Economics | 79 | 54 | 1 | 6 |
| Accounting and Finance | 253 | 362 | - | 2 |
| Business Technology | 70 | 166 | - | 7 |
| Marketing and Management | 184 | 391 | - | 9 |
| Languages and Communication | - | 29 | - | - |
| Mikkeli BScBA program | 76 | - | - | - |
| Total | 662 | 1.002 | 1 | 24 |
| MBA (Helsinki) | | 63 | | |
| Executive MBA (Helsinki, Soul, Singapore, Taipei, Poznan) | | 300 | | |
| MBA and EMBA -degrees taken in HSE Executive Education | | | | |

Photo: Jaana Rannikko