



SSE RIGA

**DEVELOPMENT STRATEGY OF
THE STOCKHOLM SCHOOL OF
ECONOMICS IN RIGA
2019 - 2025**

RIGA

Approved by the Foundation of Rīgas Ekonomikas Augstskola-Stockholm School of Economics in Riga on May 31, 2019

Basic information about SSE Riga and its strategic development directions

Brief description of the university/college

The Stockholm School of Economics in Riga (SSE Riga/the School) was established as a non-profit limited liability company by the Stockholm School of Economics under a joint mandate from the Governments of the Kingdom of Sweden and the Republic of Latvia, the latter represented by the Ministry of Education and Science, in accordance with an agreement dated June 30, 1993. As part of the international agreement a special Law on the Stockholm School of Economics in Riga was established. The Law has been changed over the years and now its main function is to allow SSE Riga to use English as the language of instruction. The School opened its doors to the first cohort of students in summer 1994.

Originally the shares in the School were owned by the Stockholm School of Economics (51%) and the Ministry of Education and Science of the Republic of Latvia (49%). In 2010 the ownership of SSE Riga was transferred to the – at that time – newly established SSE Riga Foundation founded by the Stockholm School of Economics, the University of Latvia on behalf of the Latvian Government and the SSE Riga Alumni Association.

With the transition of ownership a licence agreement between the Stockholm School of Economics and SSE Riga replaced the previous arrangement, with SSE being the majority owner. The agreement requires SSE Riga to deliver education and other academic activities that are of the same quality as in Stockholm. To define the rather elusive concept of academic quality the licence agreement explicitly refers to the EFMD Quality Improvement System (EQUIS) developed by the European Foundation for Management Development. As the most comprehensive accreditation system for business schools, EQUIS covers all activities of a business school, including degree and non-degree programmes, knowledge generation, internationalisation, responsibility and sustainability, and contribution to the community. Hence, no contradiction exists between SSE Riga's original mission statement and the EQUIS standards – on the contrary.

The School offers two degree programmes:

B.Sc. Programme in Economics and Business, launched in 1994: a three-year programme enrolling around 120 students/year. This is the School's core activity and its *raison d'être*;
Executive MBA programme, launched in 2002: a two-year professional Master's programme enrolling around 25 students/year.

In total approximately 450 students are enrolled at SSE Riga. In addition there are 20-40 incoming exchange students (B.Sc.) every semester. So far, 2 251 B.Sc. students and 335 EMBA students have graduated from SSE Riga.

Both programmes are delivered in English. For 2019, the tuition fee charged for the B.Sc. programme is EUR 6 250/year (with a tuition fee waiver of EUR 2 350 for Baltic students, hence reducing the fee paid to EUR 3 900). The EMBA tuition fee is EUR 26 000 (if paid in instalments, EUR 28 000) for the entire programme. Part of the proceeds from the EMBA programme is used to subsidize the B.Sc. programme.

Currently the School does not receive any government subsidies (except for a small contribution towards the SSE Riga Choir's activities).

To finance their studies, students from EU countries in the B.Sc. programme can apply for Latvian state student loans. All students admitted to the SSE Riga B.Sc. programme can apply for the student loan programme offered by SSE Riga in cooperation with SEB Bank where the School (and not the individual or his/her family) guarantees the loan. In addition there are some

scholarships and stipends – needs-based as well as merit-based. The SSE Riga Alumni Association plays an active role in generating funds for scholarships.

The School's educational portfolio also includes Executive Education. The SSE Riga Executive Education unit serves local and international clients in the private and public sectors through open as well as custom and corporate programmes. Part of the proceeds from Executive Education activities is used to subsidize the B.Sc. programme.

The School maintains an active research agenda in its fields of competence. In addition to academic research, several SSE Riga faculty members engage in policy-relevant research and play an important role in Latvian policy discussion – examples include the shadow economy, demographic issues, and the investment climate. Faculty also serves on government committees and councils such as the Latvian Fiscal Discipline Council. Several SSE Riga faculty members are also affiliated researchers at the Baltic International Economics Centre for Economic Policy Studies (BICEPS), which is located at SSE Riga and part of the Stockholm Institute of Transition Economies (SITE) at SSE FREE Network of research institute. Furthermore, within SSE Riga, a separate Scientific Institute involves most of the faculty members.

For the benefit of the Latvian academic community SSE Riga, in cooperation with BICEPS, organizes a biweekly seminar in economics and an Open Workshop Series in business and management that on average meet every third week. Both seminars are unique in the Latvian academic context.

In 2009 the Anne-Marie and Gustaf Ander Centre for Media Studies was launched. The Centre's activities are mainly built around three areas: training for investigative reporting; networking and capacity building; and financial sustainability and media management.

Mission

The founders of SSE Riga, i.e. the Stockholm School of Economics and the Latvian and Swedish Governments, clearly defined the School's mission more than 25 years ago. The School should “contribute to the consolidation and development of a market economy and democracy in the Baltic states”. In comparison to most business schools' mission statements, SSE Riga's impact-focused statement has a considerably broader scope, going beyond simply contributing to the development of business and the business environment. The original mission statement has been slightly modified to include social development as well. The inclusion of “social” in the mission statement reflects the belief that societies which do not develop socially will have long-run difficulties in terms of economic as well as democratic development.

Furthermore, with the international expansion of B.Sc. recruitment going outside of the Baltic states and into the Eastern Partnership countries and Russia, the geographical scope, i.e. “the region” has been expanded. This development was to a large extent facilitated by Swedish Government grant programme financing up to a total of 20 students/intake from Belarus, Georgia, Moldova and Ukraine 2010-2017.

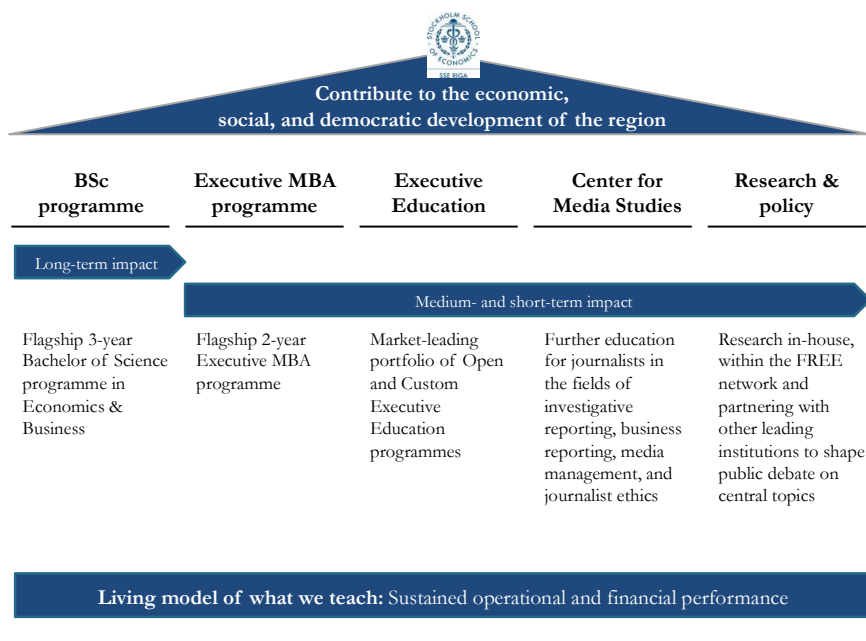
The current mission statement reads:

To contribute to the economic, social and democratic development of the region.

The mission rests on five pillars that have arisen during the School's first 25 years – the B.Sc. programme (and core activity); the Executive Education and EMBA programmes; research,

and the Centre for Media Studies. All of these contribute to fulfilling the ambitious mission set by the founders in the early 1990s, with the B.Sc. programme mainly having an impact in the long term, whereas the other three activities or pillars have an impact in the short to medium term.

SSE RIGA HAS FIVE KEY PILLARS COMBINING SHORT- AND LONG-TERM IMPACT



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As for educational content, the School is bound by the licence agreement with the Stockholm School of Economics. During the last couple of years SSE has revised its curricula and broadened the scope of its education. In doing so, the point of departure has been the observation that a successful decision maker will approach the world with curiosity and confidence and – as the Swedish philosopher Ingemar Hedenius put it: “is free and alive in relation to the unknown”. The decision maker may well be outperformed cognitively by artificial intelligence, robots or machines. But the core competence of a human is to be human and a successful decision maker of the future will maximise the potential of being human. In line with these observations, SSE has formulated its overarching educational aims through the acronym FREE, which stands for:

Fact- and science-minded. An education from SSE (and accordingly SSE Riga) rests on scientifically produced knowledge. The bases for knowledge and critical thinking are factual.

Reflective and self-aware. Graduates are to cultivate their reflective minds and understand their own motives, attitudes, preferences, perceptions, values and feelings.

Empathetic and culturally literate. Graduates are to develop their empathy. Being better at understanding and sharing the feelings of others makes them not only better decision makers but also better citizens.

Entrepreneurial and responsible. Graduates are to question the status quo, actively drive change, and adopt a creative approach to the activities they engage in. Being entrepreneurial also entails taking responsibility for one’s actions and seeing their impact on society and on the world at large.

Vision

The vision of SSE Riga is that of being the leading economics and business school in the region with a demonstrably robust record of contributing to regional economic, social, and democratic development.

This involves three key elements:

a portfolio of strong academic and executive programmes admitting the most suitable candidates and engaging the best faculty;
academically adept and highly motivated students; and
a pipeline of impactful research initiatives pursued both by SSE Riga resident faculty and researchers in-house and partnering with other leading institutions.

Implemented study directions and number of study programmes

SSE Riga offers two study programmes in two study fields:

B.Sc. in Economics and Business within the field of Economics; and

Executive MBA in “Business Management” within the field of “Management, Administration & Real Estate Management”.

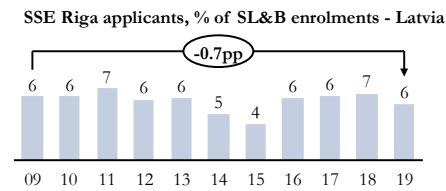
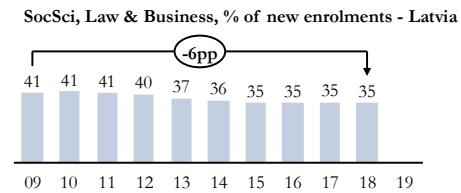
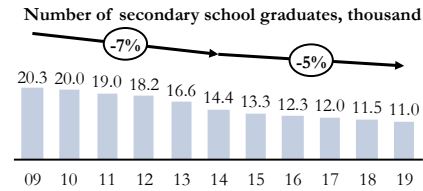
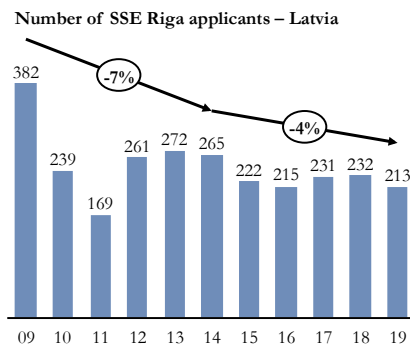
Dynamics of student numbers

The table below presents the dynamics of applications to the B.Sc. programme. The total number of applicants fell drastically between 2017 and 2018. To a large extent this was due to the discontinuance of the Swedish Government Grant Programme financed by the Swedish Institute. The Programme open to students from Belarus, Georgia, Moldova and Ukraine with a focus on Belarusian and Moldovan students offered 20 students per intake a full tuition fee scholarship, free accommodation and a monthly stipend of EUR 200 during all three years of the B.Sc. programme.

	2013	2014	2015	2016	2017	2018	2019
<i>Number of applicants</i>	578	607	513	510	516	395	353
from Latvia	272	265	222	215	231	232	213
from Lithuania	66	53	68	41	47	37	35
from Estonia	27	27	20	21	15	11	21
from Moldova	66	111	54	77	45	31	17
Belarus	69	99	85	76	88	36	21
Ukraine	20	15	23	47	43	15	19
Georgia	16	6	8	12	28	11	4
Russia	4	5	9	9	9	11	11
Other Countries	38	26	24	12	10	11	11
Male students	340	322	221	257	261	205	203
Female students	238	285	292	253	255	190	150

Furthermore, the table clearly shows a marked decline in the number of Latvian applicants – a trend that already started about a decade ago. To gain further understanding, this development has to be analysed in the light of dramatic demographic changes in Latvia as presented in the panel below showing that SSE Riga’s share of students enrolled in programmes in the social sciences, business and law is essentially the same today as it was in 2009.

LATVIAN DEVELOPMENT 2009-2019



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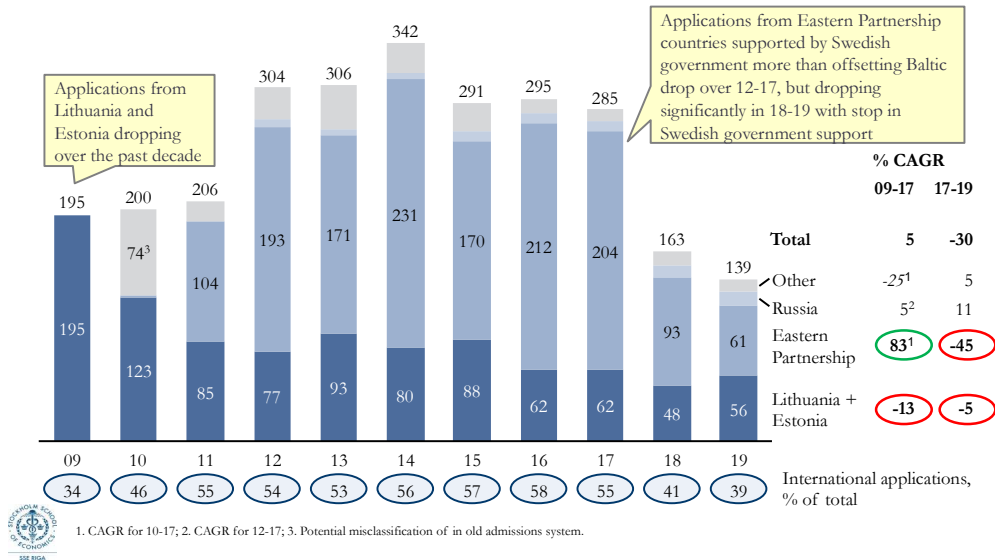
The sharp decline in the number of secondary school graduates in Latvia and Lithuania and to a somewhat lesser extent in Estonia was naturally also accompanied by a fall in the absolute number of highly talented secondary school graduates (i.e. potential students). This, together with increased competition for able students from new programmes (in particular in the field of IT) and increased international competition for able students further strengthened the scope for internationalisation.

In other words, internationalisation could be seen as a way of maintaining or even further enhancing the intellectual capacity of the SSE Riga student body – the latter being necessary in the light of the School’s vision. The positive effects, in particular in terms of positive externalities, became apparent when SSE Riga went from recruiting only Baltic students to recruiting from the region as broadly defined. In short, course requirements have risen and students are admitted benefiting from an improved lower level than was the case when students were only recruited from the Baltic states.

The dynamics of the numbers of international applicants to the B.Sc. programme is presented in the panel below, clearly demonstrating the impact of the Swedish Government Programme 2010-2017 for students from Belarus, Georgia, Moldova and Ukraine.

INTERNATIONAL STUDENTS

of International Applications to the BSc programme



Student enrolment (of first year students) at the beginning of each academic year is presented in the table below. From the table it is evident that the conversion rate (i.e. Enrolled/Admitted students) has decreased over the period. Part of the explanation for this could be found in the fact that in particular for Belarus, Moldova and Ukraine the conversion rate is low (after discontinuation of the Swedish Government Scholarship Programme).

Student enrolment: B.Sc. Programme (beginning of the academic year)

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Enrolled	126	128	124	127	131	114	117
Admitted	132	133	132	142	162	148	156
Male	79	73	57	73	73	71	65
Female	47	55	67	54	58	43	52
Belarus	11	10	9	9	10	5	4
China	1					1	
Estonia	12	7	6	7	8	4	5
Georgia	1	1	2	2	3		2
Latvia	70	72	75	83	82	86	80
Lithuania	20	25	20	11	13	9	13
Moldova	9	8	7	8	7	1	3
Romania					1		
Russia		3	3	4	3	6	5
Ukraine	2	2	2	3	4	2	5

Finally, total enrolment in the B.Sc. programme is presented together with the size of the B.Sc. graduating classes. As seen from the table below, total enrolment in, e.g. the first year is larger

than students actually enrolled through admission. This is partly because students that do not live up to the academic requirements in terms of credit points earned are forced to re-take the relevant study year and partly because some students need more than the required three years to complete their studies.

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Total enrol	455	454	471	489	467	454
Graduates	94	101	99	106	100	109

Strategy

As discussed above and illustrated below, the development strategy of SSE Riga is based on a set of key pillars combining short- and long-term impact.



B.Sc. programme

Development of the undergraduate proposition focuses on further enhancing the three-year B.Sc. programme in Business and Economics. Top development priorities include: further internationalising the student body; embedding the most impactful teaching methods as used at leading business schools worldwide (such as the case method and the field method); and developing new specialist courses, including industry-focused courses in partnership with businesses – e.g. retail management specialisation.

Executive MBA and Executive Education

SSE Riga drives development of the executive proposition along two fronts – the EMBA programme and the various executive education open and custom programmes.

EMBA development priorities include:

upgrading the EMBA curriculum to reflect the evolving needs of the executive audience of the course (including greater focus on designing and leading organisations, greater prominence of topics of globalisation, digital disruption, etc.) and to further embed leading business school teaching methods (e.g. the case method and the field method)

integrating the SSE Riga Executive MBA proposition closer to the broader SSE group, incl. the Stockholm School of Economics and the Stockholm School of Economics Russia (incl.

programme delivery through selective joint modules, integrated alumni affairs initiatives, and so on).

Executive Education development priorities include:

further building the core proposition of custom general management programmes designed for high-potential leadership candidates with leading businesses in the region;

broadening the portfolio of custom programmes to reach new audience segments (e.g. corporate-level executives, public sector leaders and specialists) incl. leveraging the SSE Riga alumni network across all programmes.

Centre for Media Studies

The main development priorities for the Centre are:

to continue widening and deepening its portfolio of further education programmes for journalists in the fields of investigative reporting, business reporting, media management, and journalistic ethics, partnering with top media institutions, non-governmental organisations and journalist networks worldwide; and

developing some of its programmes for the commercial market (i.e. participation not paid by grants or donors, but directly by companies).

Research & policy discourse

The main development priority for research initiatives at SSE Riga is to continue driving world-class academic and policy research in-house, within the FREE network and partnering with other leading institutions. In terms of shaping the policy debate the central topics include:

sustainable growth and demography;

shadow economy;

entrepreneurship development; and

competitiveness.