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[www.efmd.org/annualreport](http://www.efmd.org/annualreport) DOWNLOAD

THIS REPORT IS ALSO AVAILABLE TO DOWNLOAD FOLLOWING THE 2012 EFMD ANNUAL GENERAL ASSEMBLY
Message from the President

Dear EFMD member,

Forty years ago in November 1971, EFMD was formed after the merger of the European Association of Management Training Centres (EAMTC) and the International University Contact (IUC). From the very outset, EFMD’s mission has been "to act as a catalyst to promote and enhance excellence in management development in Europe and worldwide" and with the support of many leading business schools and companies, EFMD has stayed true to this mission and has had a profound impact on our community.

I really do feel that reaching this landmark achievement merits a time for reflection not only on the success of the past, but also on the future and how EFMD will look in another 10 years. As I have mentioned before, never in my working life have I seen such an abundance of information that is now available around the globe every minute of every day. Technology and competition means there is very little balance between the boundaries of work and home. What does become clear is the need to make the right choices and the value of trust and relationships (both professional and personal) is where I feel EFMD stands out. Every time I attend an EFMD event, I get a sense that EFMD is a truly unique network of members at the heart of one of the most important aspects of society. I hope and am sure that EFMD will never lose sight of the importance of relationships and the value of its membership.

I would like to particularly thank all the members of the EFMD Board of Trustees and all those who volunteer their time and effort to serve on our Steering Committees, Awarding Bodies, and those who host and chair our events. A network is only as strong as the links that connect its members and the EFMD logo continues to show that our links are strong, productive and effective.

To finish, I would like to congratulate Eric and his team for all their hard work and professionalism and also congratulate you, the members, for your continued support and commitment to EFMD over the past forty years.

Happy Anniversary EFMD!!!

Alain Dominique Perrin
President
Message from the 
Director General

Dear EFMD member,

I am very pleased to report that 2011 was another successful year for EFMD and our international network. Despite the ongoing economic troubles facing the world, the support and commitment from the EFMD membership has been exceptional and I would like to warmly thank everyone who was involved with EFMD during 2011.

Once again, we started 2011 with a tremendous meeting for Deans and Directors General in January at EM Lyon and finished in Shanghai in December with the China EFMD Accreditation Community Summit, hosted by Antai College of Economics and Management at Shanghai Jiao Tong University. In between, EFMD ran a wide range of networking events and advisory seminars, published research reports, represented the network at events across the globe and further developed the EFMD accreditation systems.

Certainly, one of the highlights for 2011 was EFMD’s conference on ‘Management Education in Africa’ that was held for the first time in Africa, hosted by the University of Stellenbosch Business School, with the generous support of GMAC, the University of Cape Town and Emerald Group Publishing Limited. As the meeting showed, Africa is an amazing continent that has many great success stories but also many challenges and the role and impact that good quality management education and development can have was clear for all to see. We are very engaged in supporting management education in Africa and will continue to work closely with the Association of African Business Schools (AABS) in the future.

The 2011 edition of the EFMD Excellence in Practice Awards was the best so far and attracted winning cases from ArcelorMittal, CCL, Emerging World, ING Bank, INSEAD, Microsoft, Royal Bank of Scotland, Royal Philips Electronics, the world we work in, TMA World and Wharton. I am convinced that the awards will continue to grow and flourish and will become one of the leading awards of its kind around the world.

As you know, EFMD acts as a catalyst to promote and enhance excellence in management development in Europe and worldwide. This is partly fulfilled by its existing accreditation systems, EQUIS and EPAS, which are aimed at the very top schools. However, EFMD also has a social responsibility to support all levels of schools, whether they are members of EFMD or not. In response to this, I am delighted to say that the Deans Across Frontiers (DAF) programme was officially launched in 2011. DAF is a mentoring system designed to assist developing Business Schools and Business Schools from developing countries and I am certain it will prove to be a great success for the schools, mentors and wider EFMD community as Business Schools improve all around the world.

In closing, I would like to thank all of the membership for your continued support and dedication to EFMD. The network is very strong and in a good position to continue with the many successes that have already been achieved as we celebrate the milestone of 40 years.

Eric Cornuel
Director General & CEO
Highlights

2011

DAF Pilot Phase Takes Off
Deans Across Frontiers pilot phase launched and presented in Morocco and South Africa

EFMD Annual Conference – a Record Year!
407 participants attended the 2011 Annual Conference, the highest number ever recorded

Research & Surveys Unit
EFMD’s research and surveys unit developed its strategic plan to coordinate EFMD research activities

EQUIS Accreditations Awarded in Two New Countries
Japan and Peru join the growing body of countries where EQUIS accredited schools are located

EFMD’s First Conference on Doctoral Programmes
“Why Do We Need Doctoral Programmes” was the focus at the first edition of this conference

EFMD Case Writing Competition Continues to Grow Year after Year
2011 was another record year for the EFMD case writing competition: 196 submissions in 14 categories
EPAS Accreditations Awarded in Three New Countries
EFMD awarded EPAS accreditations to programmes in Morocco, China and Croatia

2011 Excellence in Practice Awards Outstanding Case Studies
Top quality applications from prestigious organisations and L&D providers tackled business challenges through impactful people and organisation partnerships

EPAS Accredits its First Doctoral Programme
The Doctoral Programme from HEC Management School, University of Liege, was the first programme of its type to receive EPAS accreditation

EFMD Celebrates 40 Years!
EFMD’s 40 year celebration commenced in 2011
Quality Services

Introduction

The Quality Services (QS) annual meeting for Deans and Directors General took place in Lyon, France, on 27 January.

The meeting focused on:

- the contribution of EFMD accreditations to the improvement of business schools’ quality
- the added value of EFMD accreditations after several rounds of five-year accreditation
- updates in the EQUIS/EPAS process, including a proposal on the sustainability and typology of a three-year/five-year accreditation system
- new policies for EQUIS/EPAS, including procedures following negative re-accreditation decisions
- Deans Across Frontiers (DAF)

On 6 May, the first joint EQUIS/EPAS Accreditation Seminar took place at the National University of Singapore. On 4 October, the European School of Management and Technology (ESMT) in Berlin hosted the second joint EQUIS/EPAS Accreditation Seminar.

The QS department organised the first joint EQUIS and EPAS Committee meeting on 17 May in Brussels. Strategic issues addressed included the future of international accreditation and its implications for EQUIS, EPAS and DAF, as well as how EFMD accreditation systems should approach diversity and deal with differences in cultural values.

“The first joint EQUIS and EPAS Committee meeting discussed, alongside strategic matters, how EFMD accreditation systems should approach diversity and deal with differences in cultural values.”
EQUIS organised 42 Peer Review Visits in 2011 with the EQUIS Awarding Body taking 38 accreditation decisions. Six new Business Schools gained initial accreditation and 26 schools were re-accredited.

The newly accredited schools are listed to the right.

The Keio Business School, Keio University, and the CENTRUM Católica, Pontificia Universidad Católica del Perú, were the first schools to receive EQUIS accreditation in Japan and Peru respectively, bringing the total number of countries with EQUIS-accredited schools to 38.

The EQUIS Committee meetings held on 1 March, 15 June and 15 November declared eight business schools from six different countries (Canada, China, Germany, Japan, Russia and Singapore) eligible to start the EQUIS process.

The EQUIS Committee meeting on 17 May considered the following items:

- adding value to re-accreditations after three consecutive five-year accreditations
- raising awareness on sustainability within the accreditation processes
- interpretation of internationalisation within EQUIS
- EQUIS Strategy

A pilot QS webinar took place on 21 June for the reviewers of the remaining 2011 Peer Review Visits to update and train them on the application of the EQUIS Standards & Criteria and Processes.

EQUIS Accreditation Seminars took place in Brussels on 3 March and in Casablanca, Morocco, on 15 November.

<table>
<thead>
<tr>
<th>EQUIS Newly Accredited Schools</th>
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<tr>
<td>CENTRUM Católica</td>
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<tr>
<td>Pontificia Universidad</td>
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<tr>
<td>Católica del Perú</td>
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<td>Peru</td>
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<td></td>
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<tr>
<td>Keio Business School</td>
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<tr>
<td>Keio University</td>
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<tr>
<td>Japan</td>
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<td></td>
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<tr>
<td>Lee Kong Chian School of Business</td>
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<td>Singapore Management University</td>
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<td>Singapore</td>
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<tr>
<td>School of Business</td>
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<tr>
<td>Sun Yat-sen University</td>
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<tr>
<td>China</td>
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<tr>
<td>Three years</td>
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<td></td>
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<tr>
<td>The Faculty of Commerce &amp; Administration</td>
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<tr>
<td>Victoria University of Wellington</td>
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<tr>
<td>New Zealand</td>
</tr>
<tr>
<td>Three years</td>
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<tr>
<td></td>
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<tr>
<td>Management School</td>
</tr>
<tr>
<td>University of Sheffield</td>
</tr>
<tr>
<td>United Kingdom</td>
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<tr>
<td>Three years</td>
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There were six new accreditations & 26 re-accreditations

The total number of countries with EQUIS accredited schools 38.
The EPAS Committee considered 28 new applicant programmes in 2011, of which 21 were declared eligible. During meetings held in Brussels on 17 May and 24 November, the Committee discussed EPAS and QS developments, including ways to strengthen academic learning within the accreditation process.

The EPAS Accreditation Board granted accreditation to 19 new programmes from 15 institutions. These are listed to the right.

The Bachelor of Business Administration of Al Akhawayn University in Ifrane, School of Business Administration, was the first programme in Morocco (and Africa as a whole) to receive EPAS accreditation.

The Master of Economics of Peking University, HSBC School of Business, and the Economics and Business International Programme (EBIP)/Bachelor Degree in Business (BDiB) from University of Zagreb, Faculty of Economics and Business, are the first accredited programmes in China and Croatia.

The doctoral programme from HEC Management School, University of Liege, is the first programme of this type to receive EPAS accreditation.

EPAS Accreditation Seminars took place in Brussels on 10 February and in Casablanca, Morocco, on 15 November.

<table>
<thead>
<tr>
<th>EPAS Newly Accredited Programmes</th>
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<tbody>
<tr>
<td>Bachelor of Business Administration</td>
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<tr>
<td>School of Business Administration</td>
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<tr>
<td>Al Akhawayn University in Ifrane</td>
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<tr>
<td>Morocco</td>
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<tr>
<td>Master Grande Ecole</td>
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<td>Ecole de Management de Normandie</td>
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<td>France</td>
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<tr>
<td>Magellan MBA</td>
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<td>Executive MBA</td>
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<tr>
<td>EGP – University of Porto Business School, Portugal</td>
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<tr>
<td>Bachelor of Management</td>
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<tr>
<td>Graduate School of Business Administration, Lomonosov Moscow State University, Russia</td>
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<tr>
<td>Institut Européen de Commerce et de Gestion (IECG – International Bachelor)</td>
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<tr>
<td>Ecole Supérieure de Commerce (ESC – Master in Management)</td>
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<tr>
<td>La Rochelle Business School, Groupe Sup de Co La Rochelle, France</td>
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<tr>
<td>Master in Management Science</td>
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<tr>
<td>Doctoral Programme</td>
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<tr>
<td>HEC Management School, University of Liege, Belgium</td>
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<tr>
<td>MBA Programme</td>
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<tr>
<td>Higher School of Finance and Management, Academy of National Economy under the Government of the Russian Federation, Russia</td>
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<tr>
<td>BSc in Business Information Systems</td>
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<tr>
<td>JE Cairnes School of Business and Economics, National University of Ireland, Galway, Ireland</td>
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<tr>
<td>Master in Strategic Entrepreneurship</td>
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<tr>
<td>Jönköping International Business School, Sweden</td>
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<tr>
<td>Doctoral Programmes (PhD and DBA)</td>
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<tr>
<td>Kingston Business School, Kingston University, United Kingdom</td>
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<tr>
<td>Master of Business Administration (FT and PT in Melbourne and PT in Hanoi)</td>
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<tr>
<td>Bachelor of Business (Tourism and Hospitality)</td>
</tr>
<tr>
<td>Faculty of Business, Economics and Law, La Trobe University, Australia</td>
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<tr>
<td>EMBA Programme</td>
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<tr>
<td>Lorange Institute of Business</td>
</tr>
<tr>
<td>Zurich, Switzerland</td>
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<tr>
<td>Master of Economics</td>
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<tr>
<td>HSBC Business School, Peking University, China</td>
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<tr>
<td>BA (Hons) Business Studies Suite</td>
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<tr>
<td>University of Portsmouth Business School, United Kingdom</td>
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<tr>
<td>Economics and Business International Program (EBIP)/Bachelor Degree in Business (BDiB)</td>
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<tr>
<td>Faculty of Economics and Business, University of Zagreb, Croatia</td>
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Quality Services
DAF & CEL

DAF (Deans Across Frontiers)

On 11 April, the DAF team held a workshop in Brussels with 12 participants from EFMD member institutions. The findings from this workshop were presented at a session during the EFMD Annual Conference in Brussels on 7 June. A DAF Committee, composed of experienced members from 11 different countries, was established and had its inaugural meeting on 18 October.

At its first meeting, the Committee discussed concepts and processes and agreed on the basic factors involved in running the DAF system. This paved the way for the official launch of the DAF Pilot Phase. The launch included presentations at the EFMD Africa Conference in Cape Town, South Africa, on 2 November and at the EFMD Conference in the MENA Region in Casablanca, Morocco, on 13 November.

CEL

Escola Brasileira de Administração Pública e de Empresas (EBAPE) received CEL accreditation for two programmes: Executive Master in Business Education and Undergraduate Course in Process Management.

CEL took part in the following conferences: EDEN Conference in Dublin from 19 – 22 June; the 2011 EFQUEL Forum in Oeiras, Lisbon, Portugal from 14 – 16 September; and Online Educa in Berlin from 30 November – 2 December.

″At its first meeting, the DAF Committee discussed concepts and processes and agreed on the basic factors involved in running the DAF system."
Network Services

Corporate Services

At the core of the EFMD Corporate Services’ value propositions are the notions of “deep sharing” and “continuous peer learning and improvement”. Based on these deep sharing approaches, a flow of new knowledge is being created and disseminated via both traditional means and, increasingly, via technology based approaches such as webinars and blog postings. The unique Corporate Learning Improvement Process (CLIP), the central flagship offering which provides the core source for sharing exemplary practices, has been successfully complemented by a Special Interest Group with its focus on emerging “Next Practices”.

While there is unrelenting pressure on corporate budgets, companies have realised that their investment in Learning and Development is essential given the need to attract and retain the best talent – now and for the years to come. From the sample of the EFMD Corporate University membership group, it can be concluded that the strategic role of corporate learning organisations is increasingly understood and appreciated by senior management. However, with this, the pressure to demonstrate the impact of Learning and Development investments and to “achieve more with less” is increasing. Despite the difficult economic environment, EFMD Corporate Services comes out strengthened and confident from 2011, ready to support the Corporate Members in their future challenges.

CLIP (Corporate Learning Improvement Process) and SBP (Sharing Best Practice) Workshops

Core CLIP Community – the extended CLIP Steering Committee

In 2011, the CLIP Steering Committee was strengthened with the addition of the following companies: BBVA, MAN, PSA Peugeot Citroën and UniCredit Group.

CLIP Process Revision

The Task Force mandated in 2010 to carry out a periodic revision of the CLIP Process as well as the Standards and Criteria completed its mission. Participants included heads of learning from Siemens, Santander and Capgemini, the former head of learning of ERGO and EFMD team members.

A new version of the Process Manual included a number of significant amendments and additions. A major outcome was a new “pre-eligibility” diagnostic service to help companies that are interested in CLIP but may not, for a variety of reasons, be ready to enter into the accreditation process.

This new service provides a preliminary assessment of the learning function’s standing with respect to the CLIP standards. It will be offered independently of any ultimate decision to apply for CLIP accreditation and is intended to be a useful benchmarking exercise in its own right.

The Task Force finalised the CLIP Standards and Criteria, which define guidelines for interpretation of the quality standards for assessment.

29.03

PARIS

THE FIRST CLIP STEERING COMMITTEE MEETING IN 2011 AT GDF SUEZ, PARIS
CLIP Accreditations and Re-Accreditations

Akademie Deutscher Genossenschaften (ADG) successfully went through the first CLIP National Accreditation process and was accredited for five years.

The Peer Review for EDF re-accreditation took place in December. EDF Corporate University was awarded the CLIP quality label for another five years.

CLIP Steering Committee Meetings and Sharing Best Practice Workshop

The first CLIP Steering Committee meeting in 2011 took place on 29 March at GDF Suez in Fillerval, Paris, on “Creating Strategic Alignment”. During the meeting, Steering Committee members discussed a situational model linking L&D organisation configurations (positioning and governance) with the company context (level of integration and industry characteristics).

The Sharing Best Practice CLIP workshop on 30 March concentrated on the theme of “The Learning Function as a Strategic Agent for Corporate Integration”.

The second CLIP Steering Committee meeting took place on 6 October at Siemens in Feldafing, Germany. It included a roundtable discussion on “Corporate Learning & Development and Executive MBA (EMBA) Programmes” to which Jordi Díaz, Chairman of the Executive MBA Council (EMBAC), was invited to contribute.

The Sharing Best Practice workshop on 6 – 7 October explored the theme of “The Corporate Learning Function as a Force of Innovation and Changes”.

“... A flow of new knowledge is being created and disseminated via traditional means and via technology based approaches such as webinars and blog postings. ...”

06.10

FELDAFING, GERMANY

THE SECOND CLIP STEERING COMMITTEE MET AT SIEMENS
Network Services
Corporate Services

Special Interest Groups (SIG), Corporate Advisory Seminars (CAS) and Future Series Webinars (FS)

The Learning Business Partner SIG

The Learning Business Partner SIG includes the following participating organisations: Allianz, BBC, Coca-Cola, Eli Lilly, EnBW, Ergo, L’Oreal, GSK, Holcim, Toyota, MAN, MLP, and Novo Nordisk.

Its first workshop took place in Brussels on 1 – 2 February and focused on the topic, “Business Impact and Measurable Results – Building Learning Business Case and Managing Your Commitment”.

The second workshop also took place in Brussels together with a Corporate Advisory Seminar (CAS) on 15 – 16 June. The CAS focused on the evolving role and impact of L&D organisations in business transformation and had case studies and input from Shlomo Ben-Hur (IMD), Robert Dörzbach (EnBW) and Steven Smith (CapGemini).

Future Series Webinars

A first series of five webinars took place from May to November and involved over 150 participants. The webinars brought together the outcomes of the Workplace Learning Special Interest Group (2009-2010). The following topics were covered:

- **The 70:20:10 Model in Action**
  by Charles Jennings, 24 May
- **Lessons from the EFMD Workplace Learning Special Interest Group**
  by Charles Jennings, Peter Casebow and Ann-Sophie Cremers, 20 June
- **Corporate Learning in Borderless Workplace**
  by Josh Bersin, 26 September
- **The Power and Potential of Social Learning**
  by Jane Hart and Eric Davidove, 24 October
- **From LMS to Personal Learning Networks**
  by Richard Straub, Martin Moehrle and Charles Jennings, 21 November

Knowledge Capture and Dissemination

The second edition of the CLIP Report, “Quality Improvement in Corporate Learning Organisations” was published and a summary included with the June edition of Global Focus magazine. This edition contains a rich set of examples illustrating good practice from CLIPed companies in areas such as positioning and design of the corporate learning organisation, segmentation and sequencing of learning and development interventions, integration supporting the needs of the business, responding to strategic challenges, and acting as a strategic contributor.

The final report of the activities and output of the Workplace Learning Special Interest Group (2009-2010) is now available. The report provides details of the tools and approaches developed during the project and includes descriptions of brief case studies from the participating organisations that demonstrate effective workplace learning in action, including “Managers’ Checklist for Workplace Learning” and “21 Strategies for Engaging Non-Learning Professionals in Workplace Learning”.

The participating organisations were: Allianz, BBC, Coca-Cola, Eli Lilly, Ergo, L’Oreal, GSK, Holcim, Toyota, MAN, MLP, and Novo Nordisk.

A compilation of articles on workplace learning was assembled in a fully dedicated Global Focus Supplement including case studies.

A Global Focus Special Supplement on the Excellence in Practice Awards was published in the autumn providing executive summaries of the winning and highly commended cases as well as observations and trends from all submitted cases.
Membership Development

Marketing and Communication

On 26 - 27 April, Richard Straub, EFMD Corporate Services Director, chaired the EMEA HR Directors Summit in Barcelona and delivered a keynote speech. In this two-day event, participants from various countries in Europe, North America, Middle-East and Africa demonstrated their cases and networked with fellow participants.

Speakers included HR executives from institutions and companies such as NATO, Bekart, BT, Staples, Regus, RBS, USB and American Express. A wide range of issues were addressed such as facing global challenges and sharing a vision on the future of the HR.

EFMD also took an active part in the second edition of the International Corporate Universities Forum (ICUF) in Barcelona on 9 – 11 November with more than 100 corporate Learning and Development professionals attending. The programme focused on “Meeting, Learning and Knowledge Sharing”.

Mario Vaupel, Corporate Services CLIP Expert, ran a CLIP workshop for company representatives during the Quatera Congress in Berlin on 24 November. The Congress focused on human resources development and continuing education and brought together decision-makers from business and academia. More than 150 participants joined from German-speaking countries.

Evolution of Corporate Membership

The current economic climate remains difficult. Companies are severely scrutinising all fee-based memberships and corporate restructuring implies changes in the Learning and Development area. Nevertheless, EFMD has maintained the number of company members at last year’s level of 62.

The Special Interest Groups and the Excellence in Practice Awards have raised EFMD’s visibility in a number of companies. Besides adding new participants to the Corporate Services activities, it led to two new company memberships in 2011.

Excellence in Practice Awards

The unique ability of EFMD to act as a “bridge” between the corporate world and the business education and research community was further enhanced via joint programmes such as the Excellence in Practice Awards (EiP).

The EiP awards have grown steadily in quality since 2007. In 2011, the following winners received awards: ArcelorMittal, Center for Creative Leadership, Emerging World, ING Bank, INSEAD, Microsoft, Royal Bank of Scotland, Royal Philips Electronics, the world we work in, TMA World & the Wharton School. The jury also identified a number of highly commended cases.

The winners presented their cases at the EFMD Excellence in Practice Awards ceremony on 12 October in Maastricht, Netherlands. This event was combined with the EFMD Executive Education Meeting hosted by Maastricht University School of Business and Economics on 12 – 14 October. The winners also presented their cases during webinars in November and December. Two cases from 2011 and one from 2010 were also showcased at the International Corporate University Forum (ICUF) in November in Barcelona.

“

The unique ability of EFMD to act as a “bridge” between the corporate world and the business education and research community was further enhanced via joint programmes such as the Excellence in Practice Award.

”

CORPORATE MEMBERS

CORPORATE MEMBERSHIP REMAINS CONSTANT AT 62 COMPANIES
Network Services

Business School Services

Specific Conferences and Events

In 2011, Business School Services ran the following events attended by over 2,000 participants:


2011 EFMD MBA Conference, 16 – 18 March. Hosted by IESEG School of Management, Paris, France. Theme – “To Change or Not to Change…”.


2011 International Deans’ Programme (IDP) in partnership with the Association of Business Schools (ABS)

Module 1 – Philadelphia, Pennsylvania [USA], 14 – 16 March. Participants visited the Wharton School of Business, University of Pennsylvania, LeBow College of Business, Drexel University and Erivan K Haub School of Business, Saint Joseph’s University.

Module 2 – The Netherlands, 25 – 26 May. Participants visited TiasNimbas Business School, Tilburg University, as well as Rotterdam School of Management, Erasmus University.

Module 3 – Barcelona, 25 – 26 October. Participants visited ESADE Business School, EADA Business School and IESE Business School. On the last day of this module, an alumni meeting was organised, gathering participants from previous International Deans’ Programmes.

2011 EFMD Annual Conference, 5 – 7 June. Hosted by EFMD, Brussels, Belgium. Theme – “Business Education in 2025”. With a record attendance of 407 participants, compared to 354 in 2010, the 2011 Annual Conference explored what management education will look like in the future, how the corporate world will change, what their challenges will be and how business schools can prepare the right talents to face them. For the first time, the Annual Conference was combined with the 2011 PRME Summit under the theme “Partnership in Responsibility: Embedding PRME in Support of the Corporation for the 21st Century”. More than 200 participants attended this additional event.

2011 EFMD Doctoral Programmes Conference 16 – 17 June. Hosted by Copenhagen Business School, Copenhagen, Denmark. Theme – “Why Do We Need Doctoral Programmes”.

2011 EFMD Executive Education Conference, 12 – 14 October. Hosted by Maastricht University School of Business and Economics, Netherlands. Theme – “Executive Education in a Virtual World”.

2011 EFMD Africa Conference, 1 – 3 November. Hosted by the University of Stellenbosch Business School, Bellville (Cape Town), South Africa. Theme – “The Business School in Africa as an Agent for Sustainable Business, Economic and Societal Development”.

2011 EFMD Conference in the MENA Region, 13 – 15 November. Hosted by ESCA – School of Management, Casablanca, Morocco. Theme – “Challenges and Opportunities in the New MENA Region – What Will the Impact be on Management Education in the Coming Years?”.


2011 EFMD Case Writing Competition EFMD received a record 196 submissions (88 in 2009, 130 in 2010) in 14 categories. This increase is due to EFMD’s commitment to give special attention and visibility to the winning cases and the institutions that they represent. Two new categories have been created (MENA Business Cases and Latin American Business Cases) and a ‘Best of the Best’ winner will be selected in April 2012, in collaboration with the European Case Clearing House (ECCH).

EQUAL – European QUALity Link Regarding the general functioning of EQUAL, EFMD agreed, after discussion with the EQUAL Board, to continue its role as secretariat. The EQUAL position paper on ethics has been discussed with the Globally Responsible Leadership Initiative (GRLI), European Business Ethics Network (EBEN) and the Academy of Business in Society (EABIS) and will be finalised in 2012. EQUAL has begun revising much of its documentation. The world of management education has changed and many of the documents need to be updated. EFMD is actively involved in this revision, with the help of its Quality Services Department.

On 1 October, Mathias Falkenstein joined EFMD and took over the position of Director, Business School Services Unit. Mathias was previously the Director of International Relations at IESEG School of Management Paris – Lille, France.
Network Services

Advisory Services

Five EFMD Advisory Seminars were held in 2011 with over 100 participants taking part. The following topics were covered:

“Creating Competitive Advantage with Pedagogical Innovation”
8 February

“How Do Governance, Leadership and Strategy Make a Difference in the Quality of Business Schools?”
28 April

“Creating an Effective Marketing and Sales Process in Business Schools”
6 October

“Defining a Programme Portfolio Aligned with the School’s Strategy and Positioning”
22 November

“Embedding Corporate Connections into Business Schools Activities: An Accreditation Perspective”
6 December

100

PARTICIPANTS

EFMD ADVISORY SEMINARS WERE ATTENDED BY OVER 100 PARTICIPANTS
The Research and Surveys Unit (RSU) was set up at the beginning of 2011 to conduct research activities closely linked to EFMD’s mission to promote and enhance excellence in management development in Europe and worldwide. The research outcomes provide intelligence for EFMD members and also lead to valuable media exposure.

RSU is supported by a Research Steering Committee, which is chaired by Andrew Pettigrew (Professor of Strategy and Organisation, Said Business School, UK) and consists of 18 members including representatives from EFMD member schools and academics with an interest in higher education/business school-related research. The RSU coordinates the activities of the Steering Committee, which convened once in 2011.

As an initial activity, the RSU developed a strategic plan, which outlines as specific objectives: the development of a fully functional database with relevant business school data by 2013; the completion of one major survey report per year; the completion of one major in-depth industry study by 2014; the publication of three special journal issues by 2014; and the development of an EFMD Best Practice book series.

In addition, the RSU assumed a lead role in organising the EFMD Higher Education Research Conference, to be run annually starting in 2012. It will serve as a platform to link EFMD with researchers focused on business schools and higher education in general.

As part of the regular survey activities, the following surveys were completed in 2011: Membership Survey (results presented at the EFMD Annual Conference 2011); GMAC/EFMD Corporate Recruiters Survey (results published on the GMAC website, additional materials provided to the 2011 EFMD Annual Conference participants); and Deans’ Barometer (results partially presented at the 2011 EFMD Annual Conference).

Anna Pastwa joined the RSU team in October as Manager.

The RSU assumed a lead role in organising the EFMD Higher Education Research Conference, which will serve as a platform to link EFMD with researchers focused on business schools and higher education.
Development Services
European Affairs

The European Affairs Unit built on its existing links with the European Commission by submitting two EFMD consultation papers on EU Research and Innovation Funding in May and on the Strategic Agenda of the European Institute of Innovation and Technology (EIT) in June.

Response to the EU Research and Innovation Funding (May 2011)
This EFMD consultation paper answered two questions asked by the Commission: “How should EU funding best cover the full innovation cycle from research to marketplace?” and “How should EU funding best take account of the broad nature of innovation, including non-technological innovation, eco-innovation and social innovation?”

The above questions were addressed by the following discussion and recommendation points: the need to have a clearer definition of innovation to shape future policy; the need to increase the focus on non-technological innovation; the need to acknowledge the vital role of management as a discipline in the full cycle of innovation; and the need to invest further in management research.

Response to the Strategic Agenda of EIT (June 2011)
In this consultation paper, EFMD welcomed the open-communication approach adopted by the European Commission, which offers great opportunities for external stakeholders to broaden their knowledge in relation to EIT concepts and activities. It also indicated that EFMD is in a strong position to provide assistance on the EIT’s strategic priority of management and entrepreneurship education.

The paper included three main recommendations: explore the essential role of management capabilities in the full cycle of innovation; view entrepreneurship in the broader context of managerial education initiatives; and improve communication and interaction with non-Knowledge and Innovation Centre (KIC) stakeholders.
EurActiv

EFMD launched a blog “BlogActiv” under the framework of a new EurActiv initiative. The aim is to convey EFMD’s stance on EU affairs to the Brussels circle of think tanks and officers in the EU institutions.

Updates of the EU Presidency Steering Committee

EFMD, as a member representative to the EU Presidency Steering Committee, was strongly supported in its advocacy activities. The Committee supported the further development of EFMD’s position concerning the potential value of management research and education for future progress in the European Union.

Interaction with the EU Institutions and Other Think Tanks in Brussels

DG Research and Education

EFMD submitted input to key policy questions and participated regularly in informal meetings to share information and feedback on the latest policy developments.

EU Joint Research Centre

Following a meeting with the Cabinet of Commissioner Márie Geoghegan-Quinn in November, the EU Affairs Unit has started a dialogue with the Joint Research Centre (JRC) of the European Commission. The purpose is to emphasise the importance of management research on the JRC Strategic Agenda.

European Business Summit (EBS)

The European Business Summit is one of the most prestigious events where policy-makers meet business representatives and academia. It takes place annually in Brussels. It is considered as a key occasion for business leaders and decision makers to meet, share and discuss issues related to the latest developments in the EU. The 2012 summit has “Skills for Growth” as its core theme.

EFMD was invited to be a member of the EBS programme committee in 2011, together with Business Europe, Accenture, EurActiv, INSEAD and Vlerick. Richard Straub, Director of EFMD EU Affairs, will chair the session “Leveraging Technology to Innovate” at the 2012 summit with the Innovation Commissioner, Márie Geoghegan-Quinn, and senior executives from various companies.

“BlogActiv aims to convey EFMD’s stance on EU affairs to the Brussels circle of think tanks and officers in the EU institutions.”
In recent years, much has been happening in the field of responsible management education. EFMD has increased its effort to mobilise its network resources in support of this. For example, in order to consolidate its services to members and the communication flow in this area, EFMD has invited Deans and Directors of member schools to nominate a “Responsible Management Education” Liaison Officer with whom EFMD can interact directly. Some 120 member schools have so far responded positively.

**Globally Responsible Leadership Initiative (GRLI)**

**The GRLI General Assemblies**

**Melbourne, Australia**
28 February – 4 March
Hosted by La Trobe University

The programme included an academic symposium on 28 February and a “Business Forum on Leadership for Sustainability” with a focus on climate change on 1 March.

**Stuttgart, Germany**
1 – 4 October
Hosted by Daimler AG

With 60 participants, this was the largest General Assembly ever held. In addition, 125 students participated in the Daimler World Dialogue, which followed the General Assembly.

**Governance**

The Board of Trustees, chaired by Professor Pierre Tapie, ESSEC Business School, France, met four times during 2011. At the end of the year, Professor Michael Powell, Griffith Business School, Griffith University, Australia was appointed to succeed Professor Tapie, who remains on the GRLI Board and is a member of its Executive Committee, which includes vice chairs Pascal Lizin, GlaxoSmithKline Biologicals, Belgium and Uwe Steinwender, Daimler AG, Germany. The latter was elected vice chair at the end of 2011.

The GRLI (Young) Ambassadors programme saw the launch in September 2010 of “The GRLI & Net Impact Challenge 2010”, a team-based competition for students and young managers on: “How Can Next Generation Leaders Contribute to the Development of Globally Responsible Leadership?”.

The winning team of 12 students presented their project at the General Assembly in Melbourne. They subsequently worked with Uwe Steinwender on a new, and potentially very sound, framework for individual engagement in the GRLI.

CENTRUM Católica, Peru launched a community of GRLI Ambassadors in Peru during the year with a gathering of 250 participants.

Communities of Responsible Action (CoRAs) are the mechanism through which GRLI partners engage in responsible leadership with their local communities. The CoRA on Latin American Energy Industries is driven by Fundação Dom Cabral, Brasil. It has made good progress in developing a powerful framework for identifying levels of global responsibility.
A blueprint was developed for the project on the 50+20 Rio report. The project was further strengthened by the secondment of a project manager from the University of Pretoria. Project meetings were held in New York in April and St. Gallen in August. Over 30 delegates attended both meetings and the project was a point of focus at the GRLI’s Stuttgart General Assembly in October. The 50+20 Project has secured some €140,000 of funding and is being managed by the GRLI. The project is a partnership between GRLI, the World Business School Council for Sustainable Business and the PRME Secretariat.

The GRLI Fitness Framework, known as the GRID, has now been completed and is being increasingly used by both corporate and Business Schools partners.

The GRID enables any organisation or individual to assess their approach to sustainability. Uniquely, it moves the focus away from incremental Corporate Social Responsibility to the challenge of meeting the requirements of society for social justice and environmental sustainability.

The first and second editions of two new academic journals: the “Journal of Global Responsibility” and the “Sustainability, Accounting, Management and Policy Journal” were published along with two editions of the GRLI Partner Magazine “Global Responsibility” in January and June.
Development Services

Principles for Responsible Management Education (PRME)

The PRME Steering Committee met in Lyon, France, on 26 January. A second meeting was held in Brussels on 8 June during which Eric Cornuel was confirmed as the new chair through to December 2012, succeeding John Fernandes, President and Chief Executive Officer, AACSB International.

2011 saw the expansion of the Steering Committee to include representatives from continents not yet represented, namely the Association of African Business Schools (AABS) and the Association of Asia-Pacific Business Schools (AAPBS).

Immediately following the EFMD Annual Conference, EFMD, GRLI and PRME co-hosted a PRME Summit from 7 – 8 June in Brussels entitled “Embedding the Principles for Responsible Management Education in Support of the Corporation of the 21st Century”. This event was a big success with 220 participants attending.

> 220

PRME SUMMIT

THE PRME SUMMIT EVENT WAS ATTENDED BY 220 PARTICIPANTS
Projects Involving Technology Enhanced Learning

EU-VIP: Enterprise-University Virtual Placements
EU-VIP is concerned with virtual mobility, or ICT-supported interaction, in international internships. EFMD is responsible for the strategy element of the project.

EFMD coordinated the second stakeholder meeting in Mechelen, Belgium, on 27 April at the European Network for Business Studies and Languages (SPACE) conference and organised a workshop at the EFMD annual conference. It also chaired the dissemination session at the European Association for International Education (EAIE) conference in Copenhagen, Denmark, on 15 September.

EFMD conducted interviews with corporate representatives for the final report and contributed to the project handbook "Make it Work! Integrating Virtual Mobility in International Work Placements."

FoSentHE: Fostering Entrepreneurship in Higher Education
FoSentHE aims to develop an entrepreneurial mind-set, e-learning, excellence, entrepreneurship centres and a European network in the higher education sphere. EFMD is responsible for quality assurance of the project.

EFMD has participated in all relevant activities, in particular the workshop on "Entrepreneurship in Global Environment" in Rishion LeZion, Israel, on 13 – 17 February and the international conference on "Entrepreneurship Education Innovations (ENEDIN)" organised in Maribor, Slovenia, on 30 June – 1 July.

OpenScout
OpenScout is creating an online platform for searching and sharing open learning materials for management education and training. EFMD coordinates the building of a community of users and stakeholders and contributes to the evaluation and dissemination of information about the portal.

EFMD coordinated the project report "Social Networks Dynamics Recommendations" and contributed to the development of guidelines and tutorials for community members.

EFMD was also involved in the evaluation of the portal through gathering feedback from potential users. EFMD has promoted the OpenScout portal through its communication channels and at its events and conferences, organising specific sessions and workshops.

Global Marketing Competition: 2011 Edition
EFMD and the Spanish Business and Marketing School ESIC, in collaboration with The Economist and Banco Santander, run the Global Marketing Competition, which is an advanced computer simulation of a real-life business environment.

The game, which has been awarded EFMD CEL accreditation, was promoted within the EFMD network and received a very high level of support with more than 4,500 participants. EFMD also promoted the launch of a regional version of the competition targeted at the Americas. Two versions (Spanish and English) are now run in parallel.

FoSentHE aims to develop an entrepreneurial mind-set, e-learning, excellence, entrepreneurship centres and a European network in the higher education sphere.
Development Services
Projects

VISIR: Vision, Scenarios, Insights and Recommendations on How ICT May Help Making Lifelong Learning a Reality for All
VISIR aims to bridge three major gaps hampering the full utilisation of ICT for learning (understanding, networking and mainstreaming) and to establish links between communities of professionals and students to foster the innovative use of existing and affordable ICT tools.

The project screens initiatives, trends, developments and changes related to the use of ICT for learning in order to identify and analyse the most interesting and promising. The goal is to highlight replicable innovations that can facilitate the access to lifelong learning. EFMD’s involvement is related to the identification of innovative examples in management education.

Projects Concerning the Modernisation of Higher Education
MODERN: Higher Education Modernisation
The European Platform for Higher Education Modernisation (MODERN) is creating an open platform for innovation, dissemination of good practice, and joint action on university leadership, governance and management. EFMD leads on the design and organisation of peer-learning activities.

EFMD contributed to a survey of training needs for leadership and management in European higher education institutions and listed its own relevant training programmes in the online portfolio of training programmes. It also wrote the executive summary of the “Final Report on Peer Learning”.

EU-DRIVERS: European Drivers for a Regional Innovation Platform
EU-DRIVERS focuses on increasing co-operation between higher education institutions, public authorities and business to encourage regional innovation. EFMD provides expertise in the field of management development and leadership.

EFMD identified interesting case studies to illustrate successful partnerships and contributed to the workshop “Sharing Physical Space” organised in Riga, Latvia, on 4 – 5 May and co-organised the annual project conference “The EU Smart Specialization Strategy (S3) Initiative” in Brussels, Belgium, on 1 December.

QUESTE-SI: Quality System of Science and Technology Universities for Sustainable Industry
QUESTE-SI is a quality improvement system for engineering education that incorporates guidelines for sustainable industry. EFMD, as the project co-ordinator, is responsible for overall project management, the supervision of the project progress and its quality, and project dissemination.

EFMD contributed to the development of a system for taking into account, sustainability in higher education and in engaging pilot institutions willing to go through the quality improvement process.

01.12
BRUSSELS
CONFERENCE ON THE EU SMART SPECIALIZATION STRATEGY (S3) INITIATIVE
U-Multirank: Multi-dimensional Global University Ranking

U-Multirank aims to design a multi-dimensional ranking system for higher education institutions and to test its feasibility in engineering and management studies. EFMD acts as an observing partner.

EFMD was kept informed about outcomes and milestones. The results of the feasibility study were presented during the final project seminar on 9 June in Brussels, Belgium.

Projects Concerning International Co-operation

Europe-China BMT: Europe-China Business Management Training

Europe-China BMT is a project for developing practice-oriented business management training for Chinese professionals. EFMD’s role is to enhance the visibility of the European Union in China and promote the relationship between Europe and China within the EFMD network.

The EFMD-CEIBS conference “Competition and Cooperation between Europe and China” took place on 24 – 25 November at ICHEC Brussels Management School and attracted a wide audience.

ETP: Executive Training Programme

The Executive Training Programme (ETP) provides European companies with the business, language and cultural training necessary for success in Japanese and Korean markets. ETP is managed and financed by the European Commission and implemented with the assistance of external contractors in Europe, Japan and Korea. The Central Management Unit, led by Deloitte Belgium, is in charge of the administrative management of ETP. EFMD’s involvement is to raise awareness of ETP and to promote it to EU executives and companies.

PROFOR: Consolidating and Strengthening Cuban Managerial Capabilities

This project aims at developing management training programmes in Cuba and establishing long-term co-operation. EFMD is in charge of the project’s overall design, coordination and execution, and partners with ESADE Business School in the delivery of academic activities.

Following an unexpected decision by the Executive Committee of the Cuban Council of Ministries, the project is now partially suspended. EFMD is awaiting clarification of the situation by the Cuban authorities. It is maintaining links with its Cuban partners and continues to monitor the situation closely.

24/25.11
EFMD-CEIBS CONFERENCE
“COMPETITION AND COOPERATION BETWEEN EUROPE AND CHINA”
Publications
Global Focus

Global Focus Magazine

Three issues of *Global Focus* in English and Chinese and one special supplement were published during 2011. The English version also appeared in audio format and via iTunes.

The January issue, entitled “The Future of Management Education”, was distributed at the 2011 Meeting of Deans and Directors General.

The second issue, entitled “The Man Who Never Stopped”, was published in June and disseminated at the 2011 EFMD Annual Conference.

The third and final issue in 2011, entitled “Business Education 2025”, was published in October along with a special supplement on “Excellence in Practice” which highlighted the 2011 EFMD Excellence in Practice Awards that recognise outstanding and impactful partnerships between businesses and educational organisations. The five winning cases were also published by Emerald Group Publishing Limited in its journal, *Strategic Direction*. 

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The future of management education
A high-level EFMD round table looks at the options.
As of December 2011

EFMD Governance

Honorary President
(1) Gerard van Schaik
Former EFMD President, Former Chairman of the Executive Board of Heineken N.V., Netherlands

President
(2) Alain Dominique Perrin
Executive Director, Richemont International S.A., Switzerland

Vice-President
(3) Thomas Sattelberger
Board Member for Human Resources, Deutsche Telekom AG, Germany

Director General & CEO
(4) Eric Cornuel
EFMD

Board of Trustees
(5) Fátima Barros
Dean, Católica Lisbon School of Business and Economics, Universidade Católica Portuguesa, Portugal

(6) Laurent Batsch
President, Université Paris-Dauphine, France

(7) Eugenia Bieto*
Director General, ESADE Business School, Spain

(8) Laurent Choain*
Chief HR Officer, Mazars, France

(9) François-Xavier Cornu
Executive Director of Education Research and Training Division, CCIP – Chambre de Commerce et d’Industrie de Paris / Paris Chamber of Commerce and Industry, France

(10) Susan Cox
Dean, Lancaster University Management School, United Kingdom
“EFMD is now firmly established as the network organisation for progressive Business Schools and leading corporations committed to executive development.”

PROF. PETER LORANGE, PRESIDENT, LORANGE INSTITUTE OF BUSINESS, ZURICH, CH
The following members were ratified in Brussels in June 2011 at the EFMD Annual General Assembly.

**New Full Members**

**Academic**

- **Catholic University of Portugal School of Economics and Management**
  Portugal
- **Colegio Universitario de Estudios Financieros (CUNEF)**
  Spain
- **Cracow University of Economics Cracow School of Business**
  Poland
- **Donghua University Glorious Sun School of Business and Management**
  China
- **Hong Kong Baptist University School of Business**
  China
- **ICHEC Brussels Management School**
  Belgium
- **IEB – Instituto de Estudios Bursátiles**
  Spain
- **International School of Management (ISM)**
  Germany
- **JAMK University of Applied Sciences School of Business and Services Management**
  Finland
- **Katholieke Universiteit Leuven Faculty of Business and Economics**
  Belgium
- **Lebanese American University School of Business**
  Lebanon
- **Leeds Metropolitan University Faculty of Business & Law**
  United Kingdom
- **Munich Business School**
  Germany
- **San Martin de Porres University Business School**
  Peru
- **Thompson Rivers University School of Business and Economics**
  Canada
- **University of Cyprus School of Economics and Management**
  Cyprus
- **University of Innsbruck School of Management**
  Austria
- **University of Melbourne Faculty of Business and Economics**
  Australia
- **University of Porto Faculty of Economics**
  Portugal
- **Zhejiang Wanli University Business School**
  China
- **BBVA – Banco Bilbao Vizcaya Argentaria**
  Spain
- **Die Akademie für Führungskräfte der Wirtschaft GmbH**
  Germany
- **The Academy for Leadership**
  Germany
- **EADS Eurocopter**
  France
- **EDP – Energias de Portugal EDP University**
  Portugal
- **Galician Automotive Cluster (CEAGA)**
  Spain
- **CEAGA Corporate University (UCC)**
  Spain
- **KPMG S.A.**
  France
- **Mazars**
  France
- **Microsoft Corporation**
  United States of America
- **UniManagement Srl UniCredit Group**
  Italy

**New Affiliated Members**

**Academic**

- **Binus Business School**
  Indonesia
- **Chulalongkorn University Chulalongkorn Business School**
  Thailand
- **Colegio de Estudios Superiores de Administracion (CESA)**
  Colombia
- **Groupe ISCAE (Institut Supérieur de Commerce et d’Administration des Entreprises)**
  Morocco
- **Institute of Business Administration (IBA)**
  Pakistan
- **Instituto Superior de Administración e Economía do Mercosul (ISAE)**
  Brazil
- **ISCAM-Institut Supérieur de la Communication, des Affaires et du Management**
  Madagascar
- **Mahidol University College of Management**
  Thailand
- **Management and Science University Graduate Management Centre**
  Malaysia
- **Mundiapolis University Faculty of Management**
  Morocco
- **National Tsing Hua University College of Technology Management**
  Taiwan
New Associate Members

Academic

- Abu Dhabi University College of Business Administration
  United Arab Emirates
- Karlstad University Karlstad Business School
  Sweden
- Lebanese Canadian University Faculty of Business Administration
  Lebanon
- London School of Economics Department of Management
  United Kingdom
- Ural State University Faculty of Economics
  Russia

New Reciprocal Members

- ECCH – The Case for Learning
  United Kingdom
- IAM – The International Academy of Management
  Spain

Transition from Associate to Full Membership

Academic

- Institute of Management Technology – Dubai
  United Arab Emirates
- Jacobs University Bremen
  Germany
- National University of Ireland Maynooth
  School of Business and Law
  Ireland

New Honorary Members

- Gabriel Hawawini
  Former Dean & The Henry Grunfeld Chaired Prof. of Investment Banking
  INSEAD
  France
- Gordon Shenton
  Associate Director EFMD
  Belgium

North Carolina State University
Poole College of Management
United States of America

Shanghai Institute of Foreign Trade
China

Southwestern University of Finance and Economics School of Business Administration
China

S.P. Jain Center of Management
Singapore

Université Saint-Joseph Faculté de Gestion et de Management
Lebanon

University of Calgary Haskayne School of Business
Canada

University of International Business and Economics Business School
China

University of Pretoria
Gordon Institute of Business Science (GIBS)
South Africa

Zhejiang University School of Management
China
The following new members are to be approved by the Board of Trustees and ratified in Sophia Antipolis, France in May 2012 at the Annual General Assembly.

**New Full Members**

**Academic**

Heilbronn University – Hochschule Heilbronn  
Faculty of Business and Transport Management  
Germany  

University of Applied Sciences HU Business School Utrecht  
The Netherlands  

Hult International Business School  
United States of America  

Moscow University of Finance and Law  
Russia  

Namibia Business School  
Faculty of Economics and Management Science  
Namibia  

Purdue University  
Krannert School of Management  
United States of America  

Universidad Anahuac  
Facultad de Economía y Negocios  
Mexico  

University of Southern Denmark  
Faculty of Business and Social Sciences  
Denmark  

University of Twente  
School of Management and Governance  
The Netherlands  

XLRI  
School of Business & Human Resources  
India  

Zagreb School of Economics and Management  
Croatia  

**Corporate**

Amcor Group GmbH  
Switzerland  

ArcelorMittal  
Luxembourg  

Delhaize Group  
Belgium  

DTEK  
DTEK Academy  
Ukraine  

Power Management Institute (PMI), NTPC Ltd.  
India  

Raiffeisen Zentralbank Österreich (RZB)  
Austria  

TÜV SÜD Akademie GmbH  
Germany  

**New Affiliated Members**

**Academic**

American University of Beirut  
Olayan School of Business  
Lebanon  

Beirut Arab University  
Faculty of Commerce and Business Administration  
Lebanon  

Ben-Gurion University of the Negev  
Guilford Glazer Faculty of Business & Management  
Israel  

Doshisha University  
Doshisha Business School  
Japan  

Hohai University  
Business School  
China  

MANCOSA – Management College of Southern Africa  
South Africa  

Memorial University of Newfoundland  
Faculty of Business Administration  
Canada  

San Jose State University  
College of Business and Lucas Graduate School of Business  
United States of America  

Xiamen University  
School of Management  
China  

**New Reciprocal Members**

China MBA/EMBA Association  
China  

CNMESC – China National MBA Education Supervisory Committee  
China  

HRPS – HR People & Strategy  
United States of America  

SPACE – European Network for Business Studies and Languages  
Denmark
2012

EFMD Team

1. Eric Cornuel
   Director General & CEO

2. Liliane Gaspari
   Personal Assistant to DG & Membership Manager

Network Services

3. Jim Herbolich
   Director

4. Robin Hartley
   Manager

Network Services

5. Mathias Falkenstein
   Director

6. Diana Grote
   Manager

7. Delphine Hauspy
   Manager

8. Virginie Heredia-Rosa
   Manager

9. Inês de Matos Proença
   Coordinator

Network Services

10. Richard Straub
    Director & CLIP Programme Director

Network Services

11. Shanshan Ge
    Senior Manager

12. Florence Grégoire
    Membership Manager

13. Caroline Malvaux
    Coordinator

Network Services

14. Ulrich Hommel
    Associate Director

Network Services

15. Christophe Terrasse
    Associate Director
2012

EFMD Team

Network Services
Research & Surveys Unit continued
(16) Martine Plompen
Associate Director
(17) Jocelyne Wang
Manager, EU Affairs & Research
(18) Anna Pastwa
Manager

Quality Services
(19) Julio Urgel
Director
(20) Christian Delporte
Associate Director
(21) Chris Greensted
Associate Director
(22) Ulrich Hommel
Associate Director
(23) Gordon Shenton
Associate Director
(24) Roland Van Dierdonck
Associate Director
(25) Veronique Roumans
Manager
(26) Friedmann Schulze-Fielitz
Manager

(27) Marielle Van Renterghem
Coordinator
(28) Catarina Botelho
Coordinator
(29) Isabel Ramos
Coordinator

Development Services
Development Unit
(30) Liliana Petrella
Director, Development Initiatives
“The success of EFMD is linked to the tremendous contribution and involvement of all the members and staff. This is what makes it very special.”

ALAIN DOMINIQUE PERRIN, PRESIDENT, EFMD
2011
Auditor’s Report

Subject to the closing of the financial statements by the Board of Directors

STATUTORY AUDITOR’S REPORT TO THE GENERAL MEETING OF THE MEMBERS OF THE EFMD INTERNATIONAL NON-FOR-ProFIT ASSOCIATION FOR THE YEAR ENDED 31ST December 2011

In accordance with the legal and statutory requirements, we report to you on the performance of the mandate of statutory auditor, which has been entrusted to us. This report contains our opinion on the true and fair view of the financial statements as well as the required additional statements.

Unqualified audit opinion on the financial statements

We have audited the financial statements for the year ended 31st December 2011, prepared in accordance with the financial reporting framework applicable in Belgium, which show a balance sheet total of € 9,348,332,77 and a profit for the accounting period of € 472,831,20.

Management is responsible for the preparation and the fair presentation of these financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the legal requirements and the Auditing Standards applicable in Belgium, as issued by the Institute of Registered Auditors (Institut des Réviseurs d’Entreprises / Instituut van de Bedrijfreviseurs). Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, whether due to fraud or error.

In accordance with the above-mentioned auditing standards, we considered the association’s accounting system, as well as its internal control procedures. We have obtained from management and from the association’s officials the explanations and information necessary for executing our audit procedures. We have examined, on a test basis, the evidence supporting the amounts included in the financial statements. We have assessed the appropriateness of accounting...
policies and the reasonableness of the significant accounting estimates made by the association as well as the overall financial statement presentation. We believe that these procedures provide a reasonable basis for our opinion.

In our opinion, the financial statements for the year ended 31st December 2011 give a true and fair view of the association’s assets and liabilities, its financial position and the results of its operations in accordance with the financial reporting framework applicable in Belgium.

Additional statements

The compliance by the association with the law of 27 June 1921 related to not-for-profit associations, international not-for-profit associations and foundations is the responsibility of management.

Our responsibility is to supplement our report with the following additional statements, which do not modify our audit opinion on the financial statements:

- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- There are no transactions undertaken or decisions taken in violation of the association’s by-laws or the law of 27 June 1921 related to not-for-profit associations, international not-for-profit associations and associations that we have to report to you.

Brussels, 8th March 2012

Simplon PVMD Renvoi d’entreprises
Statutory auditor
Represented by Chaerels Alain
Legal auditor
## Financial Statements 2011
### Balance Sheet: Assets

All amounts are in Euros

<table>
<thead>
<tr>
<th>Fixed Assets</th>
<th>Codes</th>
<th>31/12/2011</th>
<th>31/12/2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Formation expenses</td>
<td>20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>II. Intangible assets</td>
<td>21</td>
<td>32,292</td>
<td>40,149</td>
</tr>
<tr>
<td>III. Tangible assets</td>
<td>22,27</td>
<td>2,220,540</td>
<td>2,274,217</td>
</tr>
<tr>
<td>A.1. Land and buildings (in freehold)</td>
<td>22,31</td>
<td>1,985,207</td>
<td>1,963,881</td>
</tr>
<tr>
<td>B.1. Plant, machinery and equipment (in freehold)</td>
<td>221</td>
<td>337,152</td>
<td>310,764</td>
</tr>
<tr>
<td>C.1. Furniture and vehicles (in freehold)</td>
<td>241</td>
<td>169,169</td>
<td>180,720</td>
</tr>
<tr>
<td>IV. Financial assets</td>
<td>28</td>
<td>66,663</td>
<td>60,281</td>
</tr>
<tr>
<td>A. Affiliated entities</td>
<td>280/1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Participating interest in affiliated companies</td>
<td>280</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Amounts receivable</td>
<td>281</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Other companies linked by participating interests</td>
<td>282/3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Participating interests</td>
<td>282</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Amounts receivable</td>
<td>283</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Other financial assets</td>
<td>284/8</td>
<td>66,663</td>
<td>60,281</td>
</tr>
<tr>
<td>1. Shares</td>
<td>284</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Amounts receivable and cash guarantees</td>
<td>285/8</td>
<td>66,663</td>
<td>60,281</td>
</tr>
<tr>
<td>V. Amounts receivable after more than one year</td>
<td>29</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Trade debtors</td>
<td>290</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Other amounts receivable</td>
<td>291</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VI. Stocks and contracts in progress</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Stocks</td>
<td>30/36</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Raw materials and consumables</td>
<td>30/31</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Work in progress</td>
<td>32</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Finished goods</td>
<td>33</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Goods purchased for resale</td>
<td>34</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Immovable property acquired or constructed for resale</td>
<td>35</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Advance payments</td>
<td>36</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Contracts in progress</td>
<td>37</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VII. Amounts receivable within one year</td>
<td>40,41</td>
<td>4,074,522</td>
<td>3,736,275</td>
</tr>
<tr>
<td>A. Trade debtors</td>
<td>40</td>
<td>3,827,502</td>
<td>3,723,102</td>
</tr>
<tr>
<td>B. Other amounts receivable</td>
<td>41</td>
<td>247,020</td>
<td>113,173</td>
</tr>
<tr>
<td>VIII. Investments</td>
<td>50,53</td>
<td>2,838,188</td>
<td>2,285,062</td>
</tr>
<tr>
<td>A. Own shares</td>
<td>50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Other investments and deposits</td>
<td>51,53</td>
<td>2,838,188</td>
<td>2,285,062</td>
</tr>
<tr>
<td>IX. Cash at bank and in hand</td>
<td>54,58</td>
<td>6,978</td>
<td>4,212</td>
</tr>
<tr>
<td>X. Deferred charges and accrued income</td>
<td>490,1</td>
<td>108,180</td>
<td>112,487</td>
</tr>
</tbody>
</table>

| Total Assets | 20,58 | 9,348,333 | 8,512,683 |

EFMD Annual Report 2011
## Financial Statements 2011

### Balance Sheet: Liabilities

All amounts are in Euros

<table>
<thead>
<tr>
<th>Social Funds</th>
<th>Codes</th>
<th>31/12/2011</th>
<th>31/12/2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Associative funds</td>
<td>10</td>
<td>3,642,569</td>
<td>3,169,738</td>
</tr>
<tr>
<td>A. Initial patrimony</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Permanent means</td>
<td>101</td>
<td></td>
<td></td>
</tr>
<tr>
<td>III. Revaluation surplus</td>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IV. Allocated funds</td>
<td>13</td>
<td></td>
<td></td>
</tr>
<tr>
<td>V. Profit carried forward</td>
<td>140</td>
<td>3,642,569</td>
<td>3,169,738</td>
</tr>
<tr>
<td>Loss carried forward</td>
<td>141</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VI. Investment grants</td>
<td>15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VII. A. Provisions for liabilities and charges</td>
<td>160.5</td>
<td>178,000</td>
<td></td>
</tr>
<tr>
<td>1. Pensions and similar obligations</td>
<td>160</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Taxation</td>
<td>161</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Major repairs and maintenance</td>
<td>162</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Other liabilities and charges</td>
<td>163.5</td>
<td>178,000</td>
<td></td>
</tr>
<tr>
<td>B. Provisions for donations and legacies with right of recovery</td>
<td>168</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VIII. Amounts payable after more than one year</td>
<td>17</td>
<td>532,500</td>
<td>564,249</td>
</tr>
<tr>
<td>A. Financial debts</td>
<td>170.4</td>
<td>332,500</td>
<td>564,249</td>
</tr>
<tr>
<td>1. Subordinated loans</td>
<td>170</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Unsubordinated debentures</td>
<td>171</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Leasing and other similar obligations</td>
<td>172</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Credit institutions</td>
<td>173</td>
<td>332,500</td>
<td>564,249</td>
</tr>
<tr>
<td>5. Other loans</td>
<td>174</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Trade debts</td>
<td>175</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Suppliers</td>
<td>1750</td>
<td></td>
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<tr>
<td>2. Bills of exchange payable</td>
<td>1751</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Advances received on contracts in progress</td>
<td>179</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D. Other amounts payable</td>
<td>179</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Interest-bearing</td>
<td>1790</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Non-productive of interest or with an abnormally low interest</td>
<td>1791</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Securities received in cash</td>
<td>1792</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IX. Amounts payable within one year</td>
<td>42.48</td>
<td>917,147</td>
<td>1,033,283</td>
</tr>
<tr>
<td>A. Current portion of amounts payable after more than one year</td>
<td>42</td>
<td>30,393</td>
<td>27,391</td>
</tr>
<tr>
<td>B. Financial debts</td>
<td>43</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Credit institutions</td>
<td>430.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Other loans</td>
<td>439</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Trade debts</td>
<td>44</td>
<td>399,953</td>
<td>333,401</td>
</tr>
<tr>
<td>1. Suppliers</td>
<td>440.4</td>
<td>399,953</td>
<td>333,401</td>
</tr>
<tr>
<td>2. Bills of exchange payable</td>
<td>441</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D. Advances received on contracts in progress</td>
<td>46</td>
<td>274,306</td>
<td>334,105</td>
</tr>
<tr>
<td>E. Taxes, remuneration and social security</td>
<td>45</td>
<td>209,281</td>
<td>306,909</td>
</tr>
<tr>
<td>1. Taxes</td>
<td>450.3</td>
<td>209,281</td>
<td>306,909</td>
</tr>
<tr>
<td>2. Remuneration and social security</td>
<td>454.9</td>
<td>18,235</td>
<td>247,027</td>
</tr>
<tr>
<td>F. Other amounts payable</td>
<td>48</td>
<td>3,634</td>
<td>9,617</td>
</tr>
<tr>
<td>1. Bonds, dividends and securities received in cash</td>
<td>48.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Other various debts producing interest</td>
<td>4890</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Other various debts non-productive of interest or with an abnormally low interest</td>
<td>4891</td>
<td>3,634</td>
<td>9,617</td>
</tr>
<tr>
<td>X. Accrued charges and deferred income</td>
<td>492.3</td>
<td>4,078,117</td>
<td>3,745,413</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>10.49</td>
<td>9,348,333</td>
<td>8,512,683</td>
</tr>
</tbody>
</table>
## Financial Statements 2011

### Income Statement: Charges

All amounts are in Euros

<table>
<thead>
<tr>
<th>II. Operating charges</th>
<th>Codes</th>
<th>01/01/2011 – 31/12/2011</th>
<th>01/01/2010 – 31/12/2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Raw materials, consumables and goods for resale</td>
<td>60</td>
<td>6,555,828</td>
<td>6,161,858</td>
</tr>
<tr>
<td>1. Purchases</td>
<td>600/8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Increase (-); Decrease (+) in stocks</td>
<td>609</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Services and other goods</td>
<td>61</td>
<td>4,246,289</td>
<td>4,069,552</td>
</tr>
<tr>
<td>C. Remuneration, social security costs and pensions</td>
<td>62</td>
<td>1,790,228</td>
<td>1,758,041</td>
</tr>
<tr>
<td>D. Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets</td>
<td>630</td>
<td>179,431</td>
<td>187,712</td>
</tr>
<tr>
<td>E. Increase (+); Decrease (-) in amounts written off stocks, contracts in progress and trade debtors</td>
<td>631/4</td>
<td>63,529</td>
<td>30,644</td>
</tr>
<tr>
<td>F. Increase (+); Decrease (-) in provisions for liabilities and charges</td>
<td>635/7</td>
<td>178,000</td>
<td></td>
</tr>
<tr>
<td>G. Other operating charges</td>
<td>640/8</td>
<td>98,331</td>
<td>115,909</td>
</tr>
<tr>
<td>H. Operating charges capitalised as reorganisation costs</td>
<td>649</td>
<td></td>
<td></td>
</tr>
<tr>
<td>V. Financial charges</td>
<td>65</td>
<td>58,748</td>
<td>48,673</td>
</tr>
<tr>
<td>A. Interest and other debt charges</td>
<td>650</td>
<td>25,469</td>
<td>20,159</td>
</tr>
<tr>
<td>B. Increase (+); Decrease (-) in amounts written off current assets other than mentioned under II.E.</td>
<td>651</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Other financial charges</td>
<td>652/9</td>
<td>33,279</td>
<td>22,514</td>
</tr>
<tr>
<td>VIII. Extraordinary charges</td>
<td>66</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Extraordinary depreciation of and extraordinary amounts written off formation expenses, intangible and tangible fixed assets</td>
<td>660</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Amounts written off financial fixed assets</td>
<td>661</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Provisions for extraordinary liabilities and charges (increase +, decrease -)</td>
<td>662</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D. Loss on disposal of fixed assets</td>
<td>663</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E. Other extraordinary charges</td>
<td>664/8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F. Extraordinary charges capitalised as reorganisation costs</td>
<td>669</td>
<td></td>
<td></td>
</tr>
<tr>
<td>XI. Profit for the period (transferred to profit carried forward)</td>
<td>70/67</td>
<td>472,831</td>
<td>383,293</td>
</tr>
<tr>
<td>Total</td>
<td>60/67</td>
<td>7,087,407</td>
<td>6,593,824</td>
</tr>
</tbody>
</table>
Financial Statements 2011
Income Statement: Income

All amounts are in Euros

<table>
<thead>
<tr>
<th>Codes</th>
<th>01/01/2011 – 31/12/2011</th>
<th>01/01/2010 – 31/12/2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Operating income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Turnover</td>
<td>70</td>
<td>7,039,033</td>
</tr>
<tr>
<td>B. Increase (+); Decrease (-) in stocks of finished goods, work and contracts in progress</td>
<td>71</td>
<td>3,456,178</td>
</tr>
<tr>
<td>C. Own construction capitalised</td>
<td>72</td>
<td></td>
</tr>
<tr>
<td>D. Membership fees, donations, legacies and subsidies</td>
<td>73</td>
<td>3,206,680</td>
</tr>
<tr>
<td>E. Other operating income</td>
<td>74</td>
<td>376,175</td>
</tr>
<tr>
<td>IV. Financial income</td>
<td>75</td>
<td>48,374</td>
</tr>
<tr>
<td>A. Income from financial fixed assets</td>
<td>750</td>
<td>54</td>
</tr>
<tr>
<td>B. Income from current assets</td>
<td>751</td>
<td>31,739</td>
</tr>
<tr>
<td>C. Other financial income</td>
<td>752/9</td>
<td>16,818</td>
</tr>
<tr>
<td>VII. Extraordinary income</td>
<td>76</td>
<td></td>
</tr>
<tr>
<td>A. Adjustments to depreciation of and to other amounts written off intangible and tangible fixed assets</td>
<td>760</td>
<td></td>
</tr>
<tr>
<td>B. Adjustments to amounts written off financial fixed assets</td>
<td>761</td>
<td></td>
</tr>
<tr>
<td>C. Adjustments to provisions for extraordinary liabilities and charges</td>
<td>762</td>
<td></td>
</tr>
<tr>
<td>D. Gain on disposal of fixed assets</td>
<td>763</td>
<td></td>
</tr>
<tr>
<td>E. Other extraordinary income</td>
<td>764/9</td>
<td></td>
</tr>
<tr>
<td>XI Loss for the period</td>
<td>67/70</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>70/77</td>
<td>7,087,407</td>
</tr>
</tbody>
</table>

EFMD Revenue 2011

- 31% Quality Services
- 37% Business Schools
- 19% Conferences
- 7% Corporate
- 3% Contracts & Projects
## Financial Statements 2011
### Forecast 2012

<table>
<thead>
<tr>
<th>(EUR 000’s)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating income</strong></td>
<td>7,127</td>
</tr>
<tr>
<td><strong>Direct costs</strong></td>
<td>(1,504)</td>
</tr>
<tr>
<td><strong>Overheads</strong></td>
<td></td>
</tr>
<tr>
<td>Personnel (including inside consultants and interim personnel)</td>
<td>(3,860)</td>
</tr>
<tr>
<td>Rent and Maintenance</td>
<td>(150)</td>
</tr>
<tr>
<td>Office Equipment</td>
<td>(92)</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>(83)</td>
</tr>
<tr>
<td>Printing (brochures...)</td>
<td>(66)</td>
</tr>
<tr>
<td>Travelling</td>
<td>(385)</td>
</tr>
<tr>
<td>Fees (external consultants and sundry services)</td>
<td>(270)</td>
</tr>
<tr>
<td>Communication</td>
<td>(25)</td>
</tr>
<tr>
<td>Other overhead expenses</td>
<td>(115)</td>
</tr>
<tr>
<td>Depreciation on fixed assets (1)</td>
<td>(177)</td>
</tr>
<tr>
<td>Amounts written down on debts (2)</td>
<td>(40)</td>
</tr>
<tr>
<td>Financial result</td>
<td>(1)</td>
</tr>
<tr>
<td><strong>Total overheads</strong></td>
<td>(5,264)</td>
</tr>
<tr>
<td><strong>Net result (3)</strong></td>
<td>359</td>
</tr>
<tr>
<td><strong>Cash flow (3) + (1) + (2)</strong></td>
<td>576</td>
</tr>
</tbody>
</table>
Comments on the Balance Sheet 2011

At year-end 2011, the social funds amounted to €3,642,569, while the long-term debts were €532,500. A provision of €178,000 has been set aside to cover potential risks on contracts linking EFMD, subcontractors and the European Commission (code 163). The long-term resources represented a total of €4,353,069 and were partly used to finance the fixed assets amounting to €2,320,495. The cash position was positive at €2,845,136.

The intangible assets (code 21) cover the IT software, whereas the tangible assets encompass the 4th and 5th floors which are depreciated over a 50-year period with the furniture and equipment depreciating respectively between 3 to 10 years. The financial assets (code 288) are essentially the cash advances for social security.

The trade debtors (code 40) amount to €4,074,522 and are comprised of:

- the invoicing of the 2012 membership fees and other activities for a total of €3,792,405. EFMD invoiced the 2012 membership fees and the 2012 EFMD Meeting for Deans and Directors’ General fees in December 2011. The counterpart of this amount can be found under the deferred income (code 492),
- the invoices prior to 2011, which were followed up during the first quarter of 2012 are provisioned. These bad receivables represent less than 1% of the total invoicing,
- the advance payments to the suppliers totaling €35,097,
- the other amounts receivable (code 41) mostly represent advance payments (€247,020).

The amounts payable within one year (€917,147) include:

- the annuities on the loans for 2010 totaling €30,363 (code 42),
- the ordinary debts to the suppliers for €399,563 (code 440/4),
- the advances received on European contracts (€274,306) which directly increased the cash position,
- the social security liabilities and other debts for €212,915.

The accrued charges and the deferred income (code 492/3) represent mainly the 2012 invoicing as explained above (€4,078,117).
Financial Statements 2011
Comments

Comments on the Income Statement 2011
The operating income (€7,039,033) increased in 2011 by 7%, the membership, the conferences and the Quality Services activities increased by 15% while the contracts & projects decreased by 47%, specifically due to the fact that a number of projects were postponed or suspended.

The operating charges (€6,555,828) increased in 2011 compared to 2010 (€6,161,858) due to the increase of direct costs (21%), the increase in personnel costs and consultants (5%) and in overheads (1%). The projects internally developed by EFMD are included in the direct costs instead of in the overheads. It shows that all the costs are very well under control.

The net result in 2011 is then €472,831 compared to €383,294 in 2010 and the cash flow increased by €114,141 (€715,791/€601,650). This provides EFMD with a very good comfort zone for the reinforcing of investments and new activities planned for 2012.

Comments on the Forecast 2012
The operating income will be at €7.1 million + 1% compared to 2011.

This income is mainly the result of:
- a growth in the membership [+7%],
- a decrease of the Quality Services activities [-11%] due to a lower number of reaccreditations,
- a stable level of conference activities,
- the involvement in new projects [+56%] which takes into account a number of deferred projects from last year.

The direct costs will increase slightly more than the operating income (+€313,000).

Personnel charges and other overheads will remain stable apart from the provision (€178,000).

The net result should be in the range of €359,000 and the cash flow just over €576,000.

Given that the annuities of the loans represent €30,000, EFMD will continue to self-finance investments in a number of key development areas such as:
- the development of research projects,
- the reinforcement of activities devoted to corporate members,
- the investment in EFMD activities outside Europe.

All these above-mentioned items are already integrated into the forecast for 2012.

As in the past years, EFMD will continue in 2012 to invest in key components for the network management such as:
- the development of on-line services and website,
- the investment in IT systems,
- the training and development of the staff.