



SSE Riga News

Newsletter No 1 2004

Visit by the Portuguese President



His Excellence Dr Jorge Sampaio

During his state visit to Latvia the President of the Portuguese Republic, Dr. Jorge Sampaio, visited SSE Riga on May 15, 2003. The President gave a lecture on "The New Prospects of Co-operation between Portugal and Latvia in an Enlarged Europe". In the lecture the president focussed on "European construction" as the right goal for the future and the enlargement as a commitment to the construction of a space of peace, democracy, justice, stability, security and prosperity shared by all. The lecture was followed by a questions and answers session.

The Speaker of the Swedish Parliament visiting SSE Riga

During H.E. Dr. Björn von Sydow's official visit in Latvia, the Speaker of the Swedish Parliament visited SSE Riga on October 24. During the visit he met with SSE Riga management as well as students, who took him on a guided tour of the School.



Cooperation with Hanken

Cooperation with the Swedish School of Economics and Business Administration (Hanken) in Helsinki started in 2001/2002 with SSE Riga entering the joint Erasmus project "Swedish for Foreigners". The course "Swedish for Foreigners" has become a core elective course at SSE Riga, and student study trips to Helsinki and Riga being part of the course. To promote cooperation in the Baltic Sea region in general and with Hanken in particular, the staff and the faculty of SSE Riga visited Hanken on September 26, 2004. During the visit further cooperation projects were discussed with Marianne Stenius, Rector, and Kerstin Salminen, "Swedish for Foreigners" Project Director. To transfer the well-established concept of Internet based learning, cooperation among several higher education institutions and cross-cultural learning, a new project "Russian for

Foreigners" was seen as a new avenue of further cooperation.

Grant from the Eric Rhenman Memorial Foundation

SSE Riga alumni Diana Tomberg and Gints Mednis have been awarded a grant from the Eric Rhenman Memorial Foundation. The grant will enable them to go to Jönköping International Business School, Sweden, to further develop their M.Sc. thesis, "Strategic Management in Baltic SMEs. Applying the Strategy-as-Practice Perspective". More information about the Eric Rhenman Memorial Foundation can be found at www.siar.a.se

New Students

This fall 111 students in the class of 2006 commenced their studies in the B.Sc. program at SSE Riga out of more than 1,300 applicants. The class of 2003 is comprised of 12 students from Estonian, 77 from Latvia, and 22 from Lithuania. The fraction of females is 43%. The SSE Riga Executive MBA program admitted its second class of students. A total of 22 students were admitted. The group is diverse when it comes to nationalities (Latvia, Estonia, Canada and Taiwan) as well as to professional experiences. The SSE Riga Executive MBA program is a two-year

professional program for managers who have reached key positions in the private or public sector.

Student Exchange

"Within the Erasmus/ Socrates agreement Maria Larsson, exchange student from Kalmar University will join SSE Riga study programme in spring semester 2004. From SSE Riga Anna Aleksandrova and Katri Pokats, two final year students were short listed to study at the Baltic Business School in Kalmar for five months in 2004."

New Faculty Member

Dr. Vyacheslav (Slava) Dombrovsky joined the SSE Riga resident faculty in August 2003. Slava has a Ph.D. in economics from Clark University, Worcester, Massachusetts. During his Ph.D. studies Slava specialized in the fields of public finance and applied econometrics. His thesis research was in the area of the political economy of the government. After graduation Slava came back to Riga and as of the fall of 2003 he has a joint appointment with SSE Riga and the Baltic International Centre for Economic Policy Studies (BICEPS – www.biceps.org). Slava has also been involved in advising the Latvian Ministry of Economy as well as the Latvian Ministry of Finance



How does Latvia stimulate the growth of high-tech companies?

On November 11, SSE Riga together with CONNECT Latvija arranged a seminar on how does Latvia stimulate the growth of the Latvian high-tech sector.. One of the guest speakers of the seminar was Dr. Mary L. Walshok, Vice Chancellor of the University of California, San Diego. She is one of the CONNECT founders and has been one of the key persons in developing university-industry connection in San Diego region through different programs. Professor Walshok is the Dean of the University Extension at UCSD and is responsible for the self-funded continuing education at the University. She has published numerous books and articles on the role of research institutions in creating news science based companies.

Panelists at this seminar were Dr. Janis Stabulnikes, Latvian Technological Center, Andris Liepins, Ministry of Economics, and Örjan Isacson, CONNECT Sweden. The organization CONNECT Latvija was founded by universities of Latvia (Riga Technical University, University of Latvia and Stockholm School of Economics in Riga.), Riga City Council and CONNECT Sweden in February, 2003 with the aim to support and improve the opportunities for entrepreneurs, technology, intensive start-ups and university spin-offs. This is done by creating a network of business professionals, scientists and entrepreneurs, with links entrepreneurs with the financial, technical and business development resources they need to create and develop high tech companies in Latvia.

The Seventh Graduation Ceremony in Riga



The seventh graduation ceremony took place in the Riga Congress Hall on May 24, 2003. A total of 102 students received their B.Sc. diplomas (69 from Latvia, 24 from Lithuania and 9 from Estonia). The number of SSE Riga graduates now exceeds 600. In the speech to the graduates, SSE Riga's Rector Anders Paalzow gave them two words to be remembered:

"To help you remember what I am going to say today, I will give you two words to remember. The first one is probably one of the most common at SSE Riga and I guess it has appeared on average at least once on every of the tens of thousands of text book pages you have read. It is value, for example net present value, marginal value, expected value, value added tax, human resource value, market value etc. So in terms of value, I hope that the education at SSE Riga has provided you with value added. Value added that in turn should be turned into value added by you after your graduation, both monetary value and social value.

Value was the first word to remember for the rest of your life – and I guess it will be pretty easy. The other one is not difficult either, what differs is just an 's'. 'Values' and by values I do not mean the plural of the

noun value we just discussed. I mean the noun that only exists in plural and which is defined by the MacMillan Dictionary in the following way:

'the principles and beliefs that influence the behaviour and way of life of a particular group or community'

Although the two words are almost similar they could be in conflict with each other. As has been shown by the recent corporate scandals this happens quite often. At least in the short run value can be created by the sacrificing values. On the other hand, as the recent experience shows, it looks like long term value cannot be created without values. This is good news, since it should make the choice simple.

Taking into account what I said at the beginning of this speech, you might think that I am too optimistic, but I hope that if we meet in 10 years from now and I ask: 'Do you remember the speech I gave at your graduation?', you will answer 'Value and values and that it had guided you through your professional career'."

Higher Education Support Program

Library of the Stockholm School of Economics in Riga takes part in the Library Core Collection Development Program of the HESP (Higher Education Support Program), which supports the development of core collections in the social sciences and humanities at network institutions. Core collections are essential if institutions are to meet student and faculty demand for current knowledge in their respective disciplines. The majority of publications supported through the program are in English. In year 2003 the library had a possibility to purchase 31 monographs but in year 2004 more 74 books will be added to the collection. In 2003 application the library also joined the new Internet Development Program. Its aim is to assist the HESP network institutions in the utilization of the Internet, primarily as a research and learning tool but also as a means of further developing administrative capacity. The program supports the purchase of equipment and thus the library will purchase a new computer terminal to provide faster access.

The Staffan Burenstam Linder Scholarship

SSE Riga alumna Julija Masane has been awarded the Staffan Burenstam Linder Memorial scholarship for 2003/2004. The scholarship amounts to EUR 6,600. Ms. Masane currently studies in the Corporate Governance program at the Swedish School of Economics, Hanken, in Helsinki, Finland. Professor Burenstam Linder was the founding father of SSE Riga. The scholarship is awarded to SSE Riga graduates who study in the Nordic countries.

From left: the Director of the MSc Program at SSE, Professor Karl-Olof Hammarkvist, Mariana Burenstam Linder, Julija Masane, Jacob Palmstierna and Anders Paalzow



Russia Contains Golden Opportunities

Two SSE Riga students have completed a tough selection process to be awarded a traineeship with a leading edge St Petersburg based company. Roman Abramovich, the new Russian owner of Chelsea Football Club, may be recruiting the best football players money can buy. But when it comes the recruiting the best business minds then St Petersburg Electro Technical Company (SPEC) is the Russian business equivalent.

SPEC recently turned its recruiting attention to the Baltic's as a source of new innovative thinking. The Director of SPEC says he is looking for people who are intelligent but also with fire in their belly. "I want people who have a burning desire to succeed" "I want people with ambition, who want to be the next Bill Gates".

SPEC approached the Business Development Lab at Riga's Stockholm School of Economics for assistance in identifying people he can train to be Executives of the future. SSE Riga was seen as forward thinking through its initiative in creating the Business Development Lab and it is this type of thinking that is required of SPEC executives.

Dean Strautiņš, the Director of the Lab, gladly took on this task because it presented a valuable and rare opportunity for the students at SSE Riga. "Basically what SPEC is offering is a 7 month Traineeship that will fast track the right people to be leading business executives and company Directors". The Lab will

oversee the development of the successful applicants and co-ordinate exposure to new thinking methods.

The Business Lab is open to all Baltic people to utilize, as its purpose is to assist start-ups and existing companies become more successful. Opportunities such as SPEC has offered are not for the exclusive benefit of SSE Riga students but are open to people throughout the Baltic's. The Business Lab would like to hear from anyone who would like more information about the SPEC opportunity. Please make contact via dstrautins@sseriga.edu.lv and title the message SPEC Op.



The President of SSE Riga, Anders Paalzow and the Pro Rector Diana Pauna congratulate SSE Riga students - Jevgenijs Kukins and Andrejs Maslovs.

The “Golden Fox” award



Three Stockholm School of Economics in Riga (SSE Riga) students: Gatis Vitols, Kaspars Vitols, and Didzis Silis won the “Golden Fox” award for the best business idea in competition between students from SSE Riga and the Stockholm School of Economics (HHS) universities.

The business plan is currently being implemented by Gatis Vitols, the author of the idea; and, although not everything is working out as predicted, it is planned to launch the project in spring 2004. Here, Gatis speaks about his idea: "The business plan is about the project called Business Meets Business (B-meets-B). B-meets-B will be business to business web-based industry directory where Latvian manufacturing (and also service) companies will insert information about themselves. The information will consist of entries like: name of the company, legal form, contact information and contact person, range of products and activities, prices, technology, existing foreign partners, and other useful information.

This directory will be a useful source for foreign companies looking for subcontractors or partners in Latvia. In essence, the project will be manufacturing companies' web-based data base having two types of customers – Latvian manufacturing companies providing the information and foreign companies using this information. Latvian companies will be charged for inserting the information in the data base, therefore these companies can be considered as primary customers. Foreign companies will be allowed to use the web-page/data base free of charge."

The other two members of the team, Kaspars Vitols and Didzis Silis are currently working on different business

projects and speak about their role in the business plan writing. "All of us are good friends and have different areas of interests. Every one of us put maximal effort in the area, he is the most competent in. Therefore, Didzis created the financial part of the business plan, Kaspars carried out market research and created marketing plan, while Gatis worked on sales tactics, overall presentation of the service, and launch plan. The plan was written within the Entrepreneurship Specialization course and the team faced severe time constraints, nevertheless, as most aspects of the idea were already discussed among members of the team, the plan was created in few weeks. After completing the plan, Gatis started to slowly implement the idea."

Several weeks after the end of the Entrepreneurship course an e-mail announcing that the team has won the competition and has to go to Sweden for the award ceremony was received. The members were very surprised not only about the victory but also about the fact that the ceremony took place already one day after receiving the e-mail. Kaspars describes his feelings: "Not only I could believe that we have won, but also I had to book tickets, postpone several events, and convince my friends and relatives that I am not kidding..."

In Stockholm the team enjoyed the city, its architecture and fairly good weather and participated in the award ceremony. "The ceremony and banquet was well-organized and attended by many HHS students. We were the only non-Swedish-speaking persons there. Although several lectures from successful Swedish entrepreneurs were in Swedish, they were translated to us and proved to be very interesting," reveals Didzis.

The Jury, consisting of entrepreneurs and venture capitalists awarded students with the “Golden Fox” award, described below: Jury's decision: "Nomination: Best Business Idea

The business idea B-meets-B represents hands-on solution in order to facilitate business opportunities between Latvian and foreign companies. The business plan is very strong and covers most of the theoretical aspects of doing business. The entrepreneurial team has successfully identified and interesting business model, which also is scaleable into other markets. The jury wishes you the best luck when moving into execution phase."

Business Development Lab at SSE Riga

Whatever your mind can conceive and believe you will achieve” a quote by the world famous author Norman Vincent Peal. In essence the Business Development Lab at SSE Riga subscribes to this type of thinking because it is representative of people that desire business success.

In its first month of operation the Lab has been responsible for providing the wireless internet connection in to SSE Riga. The lab has assisted one entrepreneur get her idea into production so that now she has manufactured her first 100 prototypes, and the Lab has negotiated and arranged for two SSE Riga students to undertake a traineeship with a multi million dollar company. The Lab also is a centre for attracting innovation to SSE Riga that will benefit the students.

So to sum up the Lab is performing for the benefit of the students at SSE Riga and leading by example. The Lab manages projects and provides projects for students to get involved with.

Inese Galante and SSE Riga Choir

A new CD has been produced by Campion Records, UK, and The Chance (Carmina Baltica), Latvia, with the world renowned soprano Inese Galante, Latvian National Symphony Orchestra under Terje Mikkelsen and the Choir of SSE Riga. In a review in MusicWeb, Robert J Farr writes i.e.:

"The chorus sings with full-blooded commitment in Libera me, which is well caught by the generally well balanced slightly warm recording."

"This is some of the most dramatic, expressive, well characterized vibrant Verdi soprano singing Inese Galante I have heard since Zinka Milanov fifty years ago! Verdians, and other lovers of fine singing and interpretation should hurry and buy this disc and ensure its early passage to 'Gold' and 'Platinum' status."

SSE Riga Calendar

The International Conference
"How Baltic States compete
in the EU single Market".....April 22-24, 2004

Graduation DayMay 29, 2004

The International conference:
International Business in Transition Economics..... September 2004

The Art of Career Development

The second SSE Riga Alumni Forum took place on November 11 – SSE Riga’s 9th Birthday. The theme of the Forum was "The Art of Career Development or When? Why? And How?". This year’s key note speaker was Mr. Bo Krantz, management advisor. The message of his speech, "Career Planning, or, Just Let it Come to you and Organize it!", was have fun at work!

Among the other speakers were representatives of KPMG, Hansabank, Fontes R&I, and CV-Online, as well as graduates of SSE Riga. The Forum also saw the premiere of the Alumni Movie "Motivation, Life", where SSE Riga graduates shared their experiences and thoughts on motivation and careers.

BICEPS/SSE Riga Seminars

This semester the Baltic International Centre for Economic Policy Studies (BICEPS) and SSE Riga have combined to hold a monthly seminar series. On 18th August SSE Riga alumnus Rudolfs Bems (Stockholm School of Economics) presented a paper (jointly authored with Kristian Jonsson) on the theme "Trade deficits in the Baltic States: how long will the party last? Rudolfs presented a simulation of the Baltic economies which suggested that eventually the trade deficits, which continue to worry commentators, will within the decade to self-corrected. This induced considerable discussion. Slava Dombrovsky (BICEPS) presented on 24th September on the theme of "Internal exit in the Russian Federation" in which Slava offered an econometric analysis of fiscal federalism in Russia, arguing that central government in Russia has used fiscal transfers to the richer regions to prevent secession. A lively discussion ensued. At the most recent seminar (22nd October) Mihails Hazans (University of Latvia and BICEPS) reported the results of a unique on-line survey of migration intentions in Latvia after EU accession (paper title: "The potential emigration of the Latvian labour force after EU accession: an analysis of survey results"). The survey suggested that migration might be higher than conventional wisdom has it and also came up with the surprising result that there was little difference in migration intentions between the different ethnic communities in Latvia.

Attendance has been encouraging, especially from outside with participants from the EU delegation in Latvia, the United Nations in Latvia, the Finance Ministry, the Ministry of Welfare, the State Employment Service, and Vidzeme University, as well as from BICEPS and SSE Riga.