

## Interview

# An Interview with AIB 2023 International Educator of the Year Salvador Carmona

Salvador Carmona<sup>1</sup>, Maria Tereza Fleury<sup>2</sup>, William Newburry<sup>3</sup>

<sup>1</sup> IE University, Spain, <sup>2</sup> Fundação Getulio Vargas, Brazil, <sup>3</sup> Florida International University, USA

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Salvador Carmona, Rector of IE University and Professor and Dean at the IE University Business School in Madrid, Spain, was selected as the 2023 AIB International Educator of the Year by the Fellows of the Academy of International Business (AIB). In this interview, he discusses with Maria Tereza Fleury and William Newburry what led him to become a professor of accounting, his career path to his current position, and the keys to success for IE University. He also provides advice to both emerging scholars and IB program administrators regarding important success factors in the current academic environment.

## INTRODUCTION

Salvador Carmona, Rector of IE University and Professor and Dean at the IE University Business School in Madrid, Spain, was selected as the 2023 AIB International Educator of the Year by the Fellows of the Academy of International Business (AIB). He has had a fascinating career starting at the University of Sevilla and then moving to Carlos III University before settling in at IE Business School, which later expanded to IE University. In the interview excerpts below, Dr. Carmona discusses with AIB Past President, Maria Tereza Fleury, and *AIB Insights* Editor, William Newburry, several themes of interest to international business scholars. These start with Dr. Carmona's personal background, how he chose to become a professor of accounting, and his career path that led him to IE. The interview then delves into factors that contributed to IE's rise as a prominent and highly ranked global university – one which has made transformational strides under Dr. Carmona's leadership to become an exemplar of successful international universities. Dr. Carmona also provides advice to both emerging scholars and IB program administrators regarding important success factors in the current academic environment.

*Interviewers: Maria Tereza Fleury [MTF], Fundação Getulio Vargas, Brazil, and William Newburry [WN], Florida International University, USA*

*Interviewee: Salvador Carmona [SC], Rector, IE University, Spain*

## PERSONAL BACKGROUND

**[MTF]: In the first part of this interview, I would like to start with some personal information about your education, career choice, the advantages and disadvantages. Then, we will move to your scholarly specialization of accounting. In the third part, I would like to**

## discuss more about IE's development throughout the years.

[SC]: I have held full-time positions in three universities, in Spain. One is the University of Seville where I completed my doctoral degree. And then Carlos III University, which is a rather new university, founded in 1990. There, I obtained full professorship. And I also served as dean of the School of Social and Legal Sciences. Then, after 11 years, I moved to IE Business School. At the time, IE was a stand-alone business school. Here I have served as Dean of Faculty and then as Rector of IE University. During this period in these three universities, I have held research or visiting positions in universities in Sweden, Gothenburg University; in the US, Indiana University; in China, China-Europe International Business School; in Canada, University of Alberta. I am also serving on the boards of two business schools. One is Sol-Bridge International School of Business, in Korea; and the other is the Aalto University School of Business, in Finland. And I have had the honor of serving in accreditation and assessment teams, for example, at Bocconi University, Hanken School of Economics, and Aalto University. These are some references concerning my service in institutions of higher learning.

In terms of my international profile, I have served as President of the European Accounting Association and also as President of the Academy of Accounting Historians. And I have held other responsibilities. For example, I have been the editor of *European Accounting Review* and senior editor of the *Oxford Research Reviews*. That was in the past. Right now, I serve on the editorial boards of 14 international journals. A couple of weeks ago, I received the Anthony Hopwood Award for Academic Leadership that is granted by the European Accounting Association.

## ACCOUNTING FOCUS

**[MTF]: Thank you. On a personal note, why did you choose to study accounting? What is your preference for this field?**

[SC]: Well, there are two related aspects with respect to that. One is a family issue. I had an uncle who passed away one year ago, lovely uncle, and I remember when I was little and I was a teenager, that he was telling me that he wanted to become a university professor and a professor of accounting. So, this is something that came very much to my DNA. The other thing was a complement. That one was an experience with a university professor. When I was doing undergrad at the University of Seville; I remember that we were talking about the future and I was something like 21 years old. And he said that the good thing of a faculty member is that you are your own boss. And this is something that had a very strong impact on myself. So, accounting like my uncle. And then, being my own boss is something that appealed very much to me.

**[MTF]: Yes, it's a good motivation, and I completely agree with you.**

[SC]: I'd like to elaborate on that. Something that can help other people to engage in this profession is that what you do is for yourself. It's not like what your company does when you're working for a company where what you learn, what you develop is for somebody else. On the other hand, as a faculty member, you are the recipient of that knowledge. And this is something that makes a high impact on myself.

**[MTF]: We are all learning from each other, I think from our colleagues, and maybe from people around the world. In your scholarly career, I would like to focus a little bit more on your research, in accounting, on how it evolved. And then we can talk a little bit about the intersection between international business and accounting. So, if you can mention your career as a professor of accountancy.**

[SC]: Sure. This is something that can help scholars in the field of international business. I will elaborate a little further. One aspect that has been very fundamental to me is the international profile. For example, something that was happening in Spain during the 1970s, when I was doing my bachelor degree, is that we lived under the Franco dictatorship. And under the Franco dictatorship, there was a big saying that meant *Spain is different*. That meant that we didn't have to interact with other people. We did not have to learn other languages because Spain was different. And I think that this was a big mistake because the thing is that what you were talking about was learning from another people. The thing is that learning from people with other cultures, other ways of approaching research problems is something that makes a difference in the professional career in the university. So, to me, internationaliza-

tion was something really very important. And I can tell you it is something that has absolutely changed my professional life.

My wife is also a university professor. She is a professor of management, and she did her doctoral thesis on fuzzy sets. And then one thing that we did when I was an assistant professor of accounting and she was an assistant professor of management was to prepare a paper on a sort of fuzzy sets approach to financial ratios analysis. As we wanted to go international, one thing that we did was to present this paper in an international conference that was held in the US. We presented the paper and then, right after the presentation, there was not a comment at all. I guess that our English most likely was not good enough and people did not understand a single word. So, we came back to Spain and translated that piece into Spanish. And we submitted it to a good Spanish journal, which was a professional one, because that was how the accounting academia was organized in Spain, around professional journals and not academic journals. We submitted the paper to the journal, and the paper was rejected. And, therefore, what we did was to translate the paper from Spanish into English again. Then, from English to Spanish, and then from Spanish to English, because there were no computers at the time and we had lost all the records and so forth. And then we submitted the paper to a journal, the *International Journal of Operational Research*. We received some comments from the referees and we didn't know how to handle the referees' comments. Because this was something that no one had taught us, what was it? And we felt so offended because of the comments raised by the referees that we decided not to resubmit the paper. As I remember, a colleague of ours came home, and as a curiosity, we showed him the comments that the *nasty* referees had made to our paper. I think he said: are you stupid? "This paper is nearly accepted. These are really very minor comments." So, we resubmitted the paper in May 1987, and the paper was accepted one month later.

So, we had a paper in an international journal, and at the time, Carlos III University was building its faculty. They wanted to go the way of becoming international, and because of that paper, we were called for an application to Carlos III University. And that changed our life. If the paper had been rejected, or accepted in the Spanish journal, or if we had not resubmitted the paper because of the conversation with our colleague, we would still be faculty professors at the University of Seville. This is something that we learned in terms of internationalization. And I think that for people who are in emerging economies, faculty members who are in emerging economies, this can provide them a gesture of hope of how becoming more international is highly beneficial for them. Of course, they can stay in their countries while adopting an international approach to research and education. No question about that. But this international approach is going to provide them with a wider perspective.

**[MTF]: Salvador, it's fascinating. And I found similarities between your story and my personal story from an**

emerging economy, my husband also. But just to add to your mention that you are a very humble person. I remember I had the opportunity to be Dean at the University of Sao Paulo, the School of Economics Management and Accounting. And I really enjoyed working with professors from the accounting department because they were hands-on, humble and everything was okay. The professors from the department were all stars waiting to be discovered. I really enjoyed going to that department.

[WN]: The advice Salvador just gave was fantastic. And I think this is good advice for people not just from emerging markets, but even from developed countries. Sometimes your own little bubble guides what you know and the opportunities available to you, and it is difficult to get out of that bubble. And realizing that there's a bigger world out there is important. There are parallels in my situation, too. I grew up in a small town in Missouri in a rural environment and no one in my family was an academic. And things I do now, I never would have dreamed of. I think there are parallels across all different types of career trajectories and backgrounds. And this is excellent advice for faculty and students.

## IE UNIVERSITY DEVELOPMENT

[MTF]: I would like to move to the third part regarding IE's development. In the late nineties or early 2000s, we attended a conference hosted by you and it was very successful. And since then, I have been following IE's development and it's amazing. If you can talk a little bit about the history. Why did you change from being a business school, focusing on management education, and then you became a university, and now a very successful university.

[SC]: Thank you. The business school was founded in 1973, 50 years ago. Something which is very much in the DNA of the school is that that we are not celebrating 50 years. We are celebrating the next 50 because we are always looking forward. At that time, it was a stand-alone business school. It was in the middle of the context that we were talking about before: *Spain is different*. The country was isolated from the rest of the world. And the business school was well regarded and provided high-profile education to top management. And they were really very good at that because many university professors in the areas of business administration were conducting normative research in the sense that they said how people had to behave rather than investigating the best practices and trying to share these best practices with other managers. In the 1980s, the school made an important move towards becoming international. This is something that, in a sense, is parallel to the situation of Spain. In 1986, Spain joined the European Economic Community. I don't say that this was the result, but we're talking about parallel moves. And then in the 1990s, the business school made another move towards knowledge

creation. Up until then, it was a teaching institution, very well-regarded teaching institution. But what they tried to do is not just repeat what other people had created, but they also wanted to have their own views. So, internationalization and knowledge creation were combined at that time. It was by that time when I joined IE Business School, in 2002.

Right after that, one thing that happened is that in the hyper regulated European system of institutions of higher learning, and particularly in the Spanish one, the university umbrella is necessary because, otherwise, you cannot produce *official* degrees. So, no matter whether your degrees were highly respected, even if you had the accreditation of the AACSB, offering official master degrees mattered most. For example, the public administration has a significant weight in the economies of European countries and state-owned enterprises have had a relevant influence. These stakeholders required, or at least highly valued, official degrees. So, for many reasons, it was important for us to go the way of the university umbrella. Right now, the university has five schools, the School of Business, the School of Law, the School of Politics and Economics and Global Affairs, the School of Architecture and Design, and the School of Science and Technology. The university is moving forward in trying to offer more degrees. For example, this year, we are offering for the first time a bachelor degree in Environmental Sciences for Sustainability, not environmental management, and then another one in Applied Mathematics. These degrees signal our involvement in science.

[MTF]: And you moved from Madrid, but you had to acquire a university or not?

[SC]: Yes, we did that because the Spanish university system, and we are talking about 2007, was hyper regulated. And getting a university license was something that would take several years. So, we started negotiations with a university located in Segovia. At first, we acquired 80% of that university and then 100 percent of the university. And now, formally speaking, the university is located in Segovia. And we have a campus in Madrid. By now we are in the process of applying for a university in Madrid. The campus would be an autonomous university. We are in the process.

[MTF]: Okay. So, you are going to have two. And do you teach at the university? I was fascinated by another interview when you mentioned all the new things in accountability and you used to teach and do research together.

[SC]: I do that because this is my mission, my personal mission, the academic world. I cannot teach much. But, for example, in a couple of weeks. I will teach an elective course on management control for start-ups, where I share with the students the tension between creativity and control. Creativity is what people think is for startups. But control is fundamental in order to make the start-up grow. In terms of research, I also do research as much as possible. For example, I have a paper accepted on strategic management and

management accounting, a review paper, in the *European Accounting Review* in a special issue. And, then, I have a paper accepted in the *Journal of Accounting and Public Policy*. It was published in April, which is about accounting and the Spanish Inquisition. It's a historical paper on the accounts of the Spanish Inquisition. And what I try to do with historical research is not just to provide a description of the events but make a contribution to the theorization of accounting; not just to describe the past, which is very important, but also make a contribution to theory.

**[MTF]: And you also mentioned something regarding accounting and sustainability. And I thought it was really interesting.**

[SC]: Yeah, this is very interesting. I don't conduct research on that. But there is a need both in terms of research and teaching. This is critical. For example, this is something that when I teach the module that I mentioned on management control for start-ups, we discuss about the balanced scorecard. According to the different dimensions in the scorecard, sustainability can be one that is very important for students to learn while they are still in the university, as this has to be a part of the mission of all startups and companies. But I'm not a sustainability expert. I try to share the experiences from other people with students, but I don't have a research team on that.

**[WN]: This is fascinating. I know from my own knowledge and then from getting ready for this meeting, IE is a very well-respected university around the world. In the *Financial Times* ratings, the executive MBA program is ranked #12 and many other programs are very highly ranked. What is your advice for other schools and your perspective on the most important factors in gaining reputation in the broader global community. What were the most important factors under your excellent leadership that have led to the success of IE University?**

[SC]: Thank you. I think there are two aspects. One is internationalization. If you don't have an international faculty, no way of getting success in international rankings. You need an international faculty for, otherwise, these are local institutions. And, for an international ranking like the *Financial Times* 100, local schools are not going to be considered. International faculty means full-time faculty, but also adjunct faculty. And for us, just to give an example, at the university level, we hired 27 full-time faculty members for this academic year. They joined our university in September 2022, and 23 were international. So, this is a critical decision. This aspect is the same for our adjunct faculty, who must be *international*. We are talking about people who are working in companies that are located in Spain. But they have an international profile and they can share the best experiences from practice with their students.

The other factor in addition to internationalization is knowledge creation. If we don't have faculty that create knowledge, at the end of the day, they are just repeating

what other people have published in their textbooks. And this is something that from the standpoint of students is not very good. For example, if we have a faculty member engaged in knowledge generation, this person will attend conferences like the Academy of International Business or the Academy of Management. In those meetings, they learn about the whole amount of knowledge which is being shared, and they attend the event because they are connected to that. They are good enough to distinguish which kind of research is going to have an impact; the research that after three or four years is going to get published in a top journal. And after six, seven years, if the research is really very good, may appear in textbooks. So, if they can share with their students what they have learned in an international conference, students will be actually anticipating what will be published in the textbooks six or seven years later. In essence, they are teaching them something that is the way of thinking of the next generation. So, we have adjunct faculty that are teaching what is new in the industry and a full-time faculty which is teaching what they produce in terms of knowledge creation and what they have learned from the latest research output. In that respect, I think these are two critical factors: internationalization and knowledge creation.

**[WN]: Thank you. Sound advice.**

**[MTF]: Yes. But you also attract international students. I think that a high percentage of IE students are international students.**

[SC]: Yes, this is true. At the university, we have around 8000 students. And 81% of the students are international. And we have more than 140 nationalities on campus at the student level. And quite interesting is that 52% of the students are female. This is something that we care about. It's not like, for example, males meeting clones of themselves. What matters most is the profile. For example, for decades our MBA program is not called MBA. It's called International MBA. And 92% of the students in the International MBA are international.

**[MTF]: And I think that you have a very interesting strategy because you don't have facilities abroad. You have agreements with universities around the world. And it's different from, for example, the US and other universities that decided to have facilities abroad. And it's similar when you think about a firm in the internationalization process. What is the best strategy to go abroad?**

[SC]: Well, we don't have facilities abroad, but we have agreements. For example, with Brown University on a global executive MBA. And of course, we have agreements and partnerships for student exchange, etc. with more than 160 universities around the world. What we have done that perhaps can be helpful for the international profile is that we have a network of 32 international offices. And these offices are very important in terms of placement. For exam-

ple, if we have a student who is coming from Brazil, it's not that, after graduation, the student goes back to Brazil and he or she doesn't know what to do. As far as IE University is concerned, there is an office that will help her/him with placement in Brazil if this is the plan. And I think this is something that makes a difference.

**[WN]: You partially answered a question that was generating in my mind. You're able to attract all these students from 140 countries, which is fantastic. What's the attraction? I think part of it is an international student body. Part of it is that you help them after they graduate. They realize that with an IE degree, they'll be able to get a job not just in Spain, but in their home market or other parts of the world. Is there any other piece of the equation in terms of the attractiveness to international students that we should add?**

[SC]: The other part of the equation is experience. And we make a point of that. We have a unit which is called Campus Life. It tries to nurture our students. For example, we have clubs that are being organized by Campus Life. And then, for example, there is a Brazilian club where students from Brazil can get together. And they organize activities. And when there is a Brazilian leader coming to Spain, we invite him or her to give a conference and then some other people can come. So, they are very active.

But it's not only that. We have something that, just to give you an example that perhaps can be considered by other institutions, we call the labs. And the labs, in my view, are very interesting for first year and second year undergrads. As we know, it is very unlikely for these students to get an internship in a firm. After completing the first year, just to give an example, there is a Lab of Law students, where they provide advice to students that are in our Venture Lab on how to launch a startup. All the legal aspects are being provided by these students. So, students learn a lot from practice and at the same time they are providing a service. And we have many other labs in other areas. I think that the experience is something that is very important in terms of not only social, but also knowledge acquisition. For example, leaders or managers are coming here. The leader of ChatGPT gave a lecture here a couple of weeks ago. And this is something that can be organized at the central level, but we give full involvement to the Lab so that they have the chance of interacting with this kind of people.

**[MTF]: Fantastic. What kind of advice would you give for the young generation?**

[SC]: Well, I am not sure about that because I believe that younger generations are better than our generation. We have to be positive. Our children are much better than us. So, let's be humble about that. But if I can, I think the two most important pieces of advice have to do with internationalization and technology. They have to be knowledgeable about technology because technology is changing the world. For example, we have talked about ChatGPT. That is

something that is changing the way things are being considered. At the university level, it is not only a matter of issues with respect to cheating, as exams are virtually conducted. But it is also, and most importantly, the way we teach; using these tools is going to change our pedagogy. To the new generations, if we are talking about the new generation of students, I think this is something very important for them.

For new generations of faculty members, and perhaps something that can be shared with faculty members of the Academy of International Business, I think that our role has to do with research, teaching and service. These are our three roles. So, we're talking about teaching, which is very important. How we disseminate our knowledge with our colleagues, students and the society at large.

**[MTF]: Interesting. Very good.**

**[WN]: Are there any other last comments you'd like to make?**

[SC]: No, just, thank you. Thank you for your time and for the opportunity and thank the Academy of International Business for this recognition. In view of the scholars that have been granted the award, I feel overwhelmed. Thank you very much.

**[MTF] and [WN]: Thank you!**

## ABOUT THE AUTHORS

**Salvador Carmona** is Rector of IE University and Professor and Dean at the IE University Business School in Madrid, Spain. Prior to joining IE University, he served as Dean, School of Social and Legal Sciences at Universidad Carlos III, and as Chairman, Department of Accounting at the Universidad de Sevilla. Prof. Carmona served as Editor of the *European Accounting Review* and as Senior Editor of *Oxford Research Reviews*. He has received honorary doctorates from the University of Almería and Aalto University. Professor Carmona has been granted the Anthony G. Hopwood Award for Academic Leadership (2023) and the Academy of International Business Fellows Educator of the Year (2023).

**Maria Tereza Fleury** is a full professor of International Management at both Fundação Getulio Vargas (FGV) and the University of São Paulo (USP) and the Past President of the Academy of International Business. She was dean of the School of Business Administration (2008-2015) and the Director of FGV, a Brazilian think-tank. Previously at the University of Sao Paulo, she was the Director of the School of Economy, Administration, and Accountancy – USP. She was a Research Fellow at the Institute of Manufacturing at Cambridge University, UK at the Institute of Development Studies, University of Sussex, UK, Institute for Development Economics, Japan, and Visiting Professor at ESSEC – France.

**William Newbury** is the Ryder Eminent Scholar of Global Business at Florida International University. Bill is also a Non-Resident Senior Research Fellow at the Nanyang Business School Center for Emerging Markets. Bill is an Academy of International Business (AIB) Fellow and served as

Local Host Chair of the 2022 AIB Meeting in Miami. He is serving a five-year term on the Academy of Management International Management Division Executive Committee (2019-2024). He also serves as President of the Consortium for Undergraduate International Business Education (CUIBE) and as Editor of *AIB Insights*.



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