GEM: Kazakhstan and World Practice
by Leila Yergozha, Executive Education Manager

Nazarbayev University Graduate School of Business and Economic Research Institute conducted Panel Session “Global Entrepreneurship Monitor: Kazakhstan and the World Practice” at the Astana Economic Forum on May 22, 2015. The session represented a unique platform of communication for the leading experts in the field of entrepreneurial research. Acting entrepreneurs and business owners joining the session have learned about the level of entrepreneurial activity in Kazakhstan compared to the rest of the world, while representatives of the public sector were presented the new initiatives and policies on improving the business ecosystem. Within the framework of the panel session the preliminary results of the initial GEM Kazakhstan 2014 National Report written by the National team have been presented for the broader audience.

As Mr. Timur Zhaksylykov, Vice-Minister of National Economy of the Republic of Kazakhstan pointed out in his welcome speech development of entrepreneurship in Kazakhstan is of great significance for the country and the government. The Development Strategy “Kazakhstan-2050”, new political course of the state, identifies development of entrepreneurship as one of the long-term priorities for the country. In these circumstances, studies on entrepreneurship have particular importance, as the purpose of these kinds of studies is to identify issues of development of entrepreneurship as well as revealing the factors influencing and contributing to it.

Michael Herrington - Executive Director of Global Entrepreneurship Research Association (GERA), emphasized in his presentation that entrepreneurship and small and medium-sized enterprise (SME) development is vital to the well-being of any country in that it is a means to job creation and the alleviation of poverty as well as decreasing unemployment which in many countries is far too high especially in the so-called developing economies. Nowadays, large businesses are not creating jobs, moreover in most countries around the world, companies are: downsizing, restructuring and retrenching. Call it what you like, but they are getting rid of people and automating as much as possible. So in order to prepare ourselves we need to know more about entrepreneurs, what their perceptions are, what makes then “tick” and how we can help them. One way of doing this is through rigorously designed research that is harmonized and allows for cross-country comparison. Such a research engine is the “Global Entrepreneurship Monitor or GEM” as it is commonly known.

The session continued by presentation of Ehud Menipaz, Professor of Ben Gurion University and Team leader for GEM Israel who defined GEM as one of the very few surveys based on the collection of primary data on individual entrepreneurial activities, as well as on social values and personal attributes which contribute to or hinder such activities. His presentation was devoted to GEM conceptual framework, the “black box” that has been opened in order to test the characteristics of the assumed relationships between social values (how the society values entrepreneurial behavior), personal attributes (perceptions about opportunities, capabilities to act entrepreneurially, entrepreneurial intentions and fear of failure) and various forms of entrepreneurial activity (different forms of entrepreneurial activity along the life cycle of a venture: nascent, new business, established business, share of high ambitious ventures, discontinuation; and motivation for venturing :opportunity vs. necessity based ventures).

Ramon O’Callaghan, Founding Dean of
the Nazarbayev University Graduate School of Business presented results for GEM Kazakhstan 2014. Within the framework of Adult Population Survey (APS), National team conducted face-to-face interviews and surveyed 2100 Adults in August and September 2014 in the respondent’s language. The sample was stratified by gender and population group, then by region and community size. All 14 regions of Kazakhstan as well as two biggest cities Astana and Almaty were included into survey. Team also interviewed 36 experts asking them to assess various elements of the local economic and social infrastructure such as: Government Policy, Government Entrepreneurship Programs, Entrepreneurship Education, R&D Transfer, Entrepreneurial Finance, Commercial and Legal Infrastructure, Market Openness, Physical Infrastructure and Cultural and Social Norms that are seen to pertain to the development and nurturing of entrepreneurial activity. From the results of APS GEM Kazakhstan team revealed that:

1) Total early-stage Entrepreneurial Activity (TEA) Rate in Kazakhstan is 13.7% ; 2) Established Business Ownership Rate in Kazakhstan is 7.4% ; 3) New Business Ownership Rate is 6.2% ; 4) Nascent Entrepreneurship Rate is 8.1%. For example, within the Asia & Oceania geographic region, Kazakhstan emerges as having the 2nd highest ranking in terms of the general population’s perception of entrepreneurship as a ‘good career choice’. In terms of the general public’s perception of the relative social status of entrepreneurs, Kazakhstan was 4th in the region. Similarly, Kazakhstan ranked 4th in the region in terms of perceived media attention on the subject of entrepreneurship. After his comprehensive report presentation Professor O’Callaghan informed the audience that National Report will be released in September of 2015.

The session was continued by presentation on Entrepreneurship, Innovation, and Competitiveness by Mr. Michael Enright - Professor of Hong Kong University, who helped design and then managed the Competitive Advantage of Nations Project at Harvard Business School in the 1980s and undertook the first competitiveness project in a developing country based on the CAON methodology. He highlighted the role of competitiveness in national economic development and defined competitiveness from the perspective of being more productive. He also provided insights into links between the knowledge-innovation-creative economy and entrepreneurship (and intrapreneurship) that does the work of the knowledge-innovation-creative economy as well as to the links between GEM reports and competitiveness.

The second part of the session has begun with the presentation by Robert Rosenfeld, Duke Corporate Education, who shared with his experience of teaching at SME Executive Development Program at Nazarbayev University that provides business education and support to entrepreneurs in Kazakhstan who want to significantly grow their businesses. Over 1,600 participants have undertaken the program and learned to understand the management, marketing, financing, operating and planning components of growing profitable businesses, to reflect on the challenges facing leaders of small and medium businesses in Kazakhstan by networking and learning from other participants, to interact with legal, financial and investment experts from within the Kazakhstan business community and to produce a market growth plan to assess and receive feedback on the commercial potential of new business ideas. Business results reported by participants (2011-2014) shows that after the completion of the program participants observed 63% growth of new products and services and 60% growth in net profit margin, experienced 49% increase in number of employees, 31% of them have been able to attract external capital into the business. After the very prominent achievements reported by Robert session was continued by presentations of local businessmen Andrei Strelets and Aitugan Mukashhev. Both are local entrepreneurs having businesses in agriculture sector and very interesting success stories to tell.

The session uniting academia, business and politics has become a platform for productive dialogue.
The First Graduation Ceremony of Nazarbayev University (NU) took place on June 15, 2015.

Nazarbayev University held its first graduation ceremony on Monday, attended by the University’s founder, President Nazarbayev. During the ceremony, the head of the state presented diplomas to a dozen of lucky graduates of class of 2015. This year, nearly 500 students graduated from the country’s most prestigious university that has established itself as the flag-ship of the domestic higher education system. Nursultan Nazarbayev, President of Kazakhstan:

- Our adult society has just been joined by a new generation of young, well-educated and skilled workers. This is particularly important right now since we are starting a drastic transformation based on the new National Plan, a hundred steps towards major institutional reforms. I’d like to congratulate all of you on graduation. This is recognition of your success and an important step into a new life.

At the graduation ceremony, the Education and Science Minister Aslan Sarinzhipov urged the Nazarbayev University graduates to be responsible in their work. He congratulated the graduates and thanked the teaching faculty and partner organizations.

Nazarbayev University, created on the initiative of the President of Kazakhstan in 2010, is fast becoming a leading research university in Kazakhstan and the region. The first cohort of graduating students consists of 446 undergraduate and graduate students. Of the 365 bachelor degree holders, 115 have been accepted to Masters and PhD programs in leading universities of the world, some 90 graduates plan to continue their studies at Nazarbayev University; more than 80 received job offers from leading national and international companies, and another 50 are interviewing with prospective employers.

Shigeo Katsu, the President of Nazarbayev University, says: "The first graduation is a very important historical moment for us. I want to congratulate all of our graduating students who are truly pioneers. The fact that many of them have been admitted to very demanding Graduate programs in world-class universities attests to their talents and hard work and to the high quality of NU’s academic programs. For instance, Aisulu Aitbekova who graduated with a degree in chemical engineering from School of Engineering will pursue her studies at the Massachusetts Institute of Technology. As to those who will hit the job market, many will join global companies such as KPMG, PWC, Schlumberger and others. So I would like to thank our faculty and staff for their dedication to students, and government authorities as well as the taxpayers for allowing us to build a student-centered learning environment here."

NU has 7 schools that offer undergraduate and graduate programs, including a US styled medical program. At this point undergraduate and graduate degrees are offered at the School of Humanities and Social Sciences, School of Science and Technology, School of Engineering. The Graduate School of Public Policy, Graduate School of Education and Graduate School of Business (NUGSB) offer advanced degrees only. Majors in high demand include computer sciences, robotics and mechatronics, mechanical, electrical and civil engineering, education management, biological sciences, etc.

NU’s academic programs are designed in partnership with a number of the leading universities. In 2009, Nazarbayev University established a strategic collaboration with Duke University’s Fuqua School of Business to assist in ambition to build a world-class business school in Astana.

Duke’s Fuqua School of Business, located in Durham, North Carolina, is an internationally recognized business school with its faculty ranked #1 and its Daytime MBA program ranked #1 in the 2014 Business Week ranking of top business schools. The school has a global network with presence in London, Dubai, New Delhi, Shanghai and St. Petersburg.

The collaboration between Nazarbayev University Graduate School of Business and Fuqua School of Business leverages leadership, faculty and staff expertise in building the NUGSB from the ground up. The initial focus has been to develop high caliber MBA programs that prepare the next generation of business leaders to succeed, while building faculty strength and increasing the research capabilities of the institution.

Among the first graduates are the first 17 students of Executive MBA (EMBA) Program, who graduated from Graduate School of Business with the major “Master of Business Administration”.

The EMBA is designed for professionals with at least five years work experience. The participants of this Program are top-managers and CEOs of national and government companies in different areas of economy.

One of the graduated students, Aliya Jaxieva, who has the highest GPA in her cohort, was awarded diploma by Nursultan Nazarbayev personally.

We are proud of our first graduates and wish them "Ak zhol"!
NUGSB welcomed 29 students of The Duke MBA – Global Executive program (GEMBA), who have visited Astana, Kazakhstan with their first class residency in the country. There were students from the following countries: Brazil, Canada, India, Ireland, Italy, Mexico, Netherlands, Pakistan, Peru, Republic of Korea, Russia, UK, and USA.

The Duke MBA—Global Executive program is designed to help full-time working professionals earn a world-class MBA in only 15 months and study in 7 different locations across the world, including Astana residency for the first time ever.

On the first day of the residency, students did the Tour around Astana, visited to the newly opened National Museum of Kazakhstan, and the Khazret Sultan Mosque. On the second day, the Global Executive MBA Class visited the Nazarbayev University Graduate School of Business for the Speaking Session.

Nazarbayev University Executive Vice President Maksat Mamashev, Global Executive ‘13, welcomed the GEMBA class and introduced guest speaker Chairman of National Holding Baiterek Kuandyk Bishimbayev. The students benefited from learning about the strategy and the history of Baiterek Holding, they learned about economic situation in Kazakhstan, challenges and opportunities related to commerce in our region.

In the last day of the residency, GEMBA Class, Executive MBA participants and Alumni of the GSB had a fantastic opportunity to join for a Global Leader Keynote address by Mr. Yerbolat Dossaev, Minister of National Economy. Mr. Dossayev informed the audience about the preserved sta-

Nazarbayev University is proud that our collaboration with the Fuqua School of Business, this partnership is growing and expanding and the relationship between the two schools progress. And recently we could witness such an opportunity for the Global Executive MBA Program. The Duke GEMBA residency in Astana was a first for Duke students, and provided a unique experience that will expand the student’s global network and further develop their global competence through exposure to the largest economy in Central Asia.
Nazarbayev University’s 5th Anniversary Awards
by Xeniya Axt, Marketing Manager

This year is marked by the First Graduation Ceremony at Nazarbayev University and the 5th Anniversary since the University was founded. Our colleagues received special awards to celebrate their valuable contribution to the development of NU.

Assel Uvaliyeva, Executive Director of Nazarbayev University Graduate School of Business, received a letter of gratitude of the President of Kazakhstan Nursultan Nazarbayev for her personal contribution to the development of NU.

Richard Castleberry, Director of Business Development, received a special award from the Republic of Kazakhstan Minister of Education Aslan Sarinzhipov.

Atanu Rakshit, Professor, Anel Stambekova, Senior Manager for Admissions, Leila Yergozha and Alfiya Yermukasheva, Executive Education Managers, were awarded a letter of gratitude from the NU Executive Vice-President Maxat Mamashev for their invaluable contribution and cooperation.

Congratulations and every success in your future endeavors!
From May 12 to 15, 2015, Career Services at the Graduate School of Business held its second career week for full-time MBA students. Career week included an exciting series of workshops, employer panels, and networking designed to heighten students’ awareness of a variety of career opportunities. Related goals of the second career week were to provide students with strategies to become competitive candidates within specialized areas/industries, and to introduce them to tools they could utilize to conduct successful searches in their primary areas of interest.

These were the activities covered during 4 days:

We engaged with industry experts through panel discussions and Info Sessions. More than 20 companies attended and discussed career opportunities within their own specific industries, as well as within their own companies.

Through panel discussions and interactions with successful entrepreneurs based in Kazakhstan, students got insider tips on how to start their career and maximize the chances for success while minimizing the risks of failure.

Students had an opportunity to learn more about Oil and Gas, Consulting, Finance, etc. industry trends. They networked with people with similar interests.

We held a series of workshops aimed to polish those all-important first time impressions during an interview or during a networking opportunity, such as the ‘Elevator Pitch’, ‘Selling Yourself’ and ‘Active Listening’

We organized morning and afternoon mock interview sessions with senior staff from Nazarbayev University and human resources representatives from the participating companies, who gave individual feedback to the students as well interview advice and tips to all class members.

Career week had many participants — whether students, companies, faculty or staff — expressing their appreciation and overall satisfaction with the program. Planning for next career week is well underway. “Real” interviews will be arranged with companies so that our Full Time MBA students can achieve their career goals.

Career Week 2 was supported by the following organizations, whose active involvement is much appreciated:
Arun M. Kumar, United States Assistant Secretary of Commerce spoke to our Full-Time MBA students, and Nazarbayev University faculty and staff, at the Nazarbayev University Graduate School of Business on June 1. The Assistant Secretary of Commerce has an impressive business background which has included the highest ranks of KPMG worldwide to being a Silicon Valley entrepreneur, as founding CEO and CFO of three technology ventures!

Rahul Gupta, PWC’s US partner leading all of PWC’s Smart Astana/Expo 2017 work, was in town for the Astana Economic Forum, and gave a guest lecture on May 20 at the NUGSB (for our Full-Time MBA students). Rahul briefed what they have so far on smart governance (elements of vision and strategy), smart infrastructure with focus on power, data analytics for keen insight, and the approach to financing PPPs. This allowed a good dialogue on the trends, but also on the proper role of people, process, and technology to drive growth of a country like Kazakhstan.

Karl Gheysen, CEO of Khorgos Gateway, spoke to our Full-Time MBA students at the Nazarbayev University Graduate School of Business on June 3 as part of the NUGSB Full-Time MBA Program’s Distinguished Guest Lecture Series. Khorgos Gateway is a huge project that will significantly, and strategically link China and Kazakhstan.

On May 30, 2015 the Graduate School of Business had a privilege to host Bagdat Mussin, Chairman of the Management Board, JSC “Kazpost”. Mr. Mussin graciously shared his experience with the Executive MBA participants regarding the Transformation Program and actions aimed to capture changes needed for increasing company’s productivity.
Meet the third Executive MBA class
by Gulnur Rakhyseva, Manager for Admissions

This year, 28 students from Almaty, Astana, Atyrau and Aktau, with average work experience of 15 years, joined our Executive MBA program. They represent a variety of industries, organizations, companies, and include the Ministry of Energy, Worley Parsons, TengizChevroil, OzenMunaiGas, Tsesnabank, Ericsson, and Samruk Kazyna and its subsidiaries, among others.

The Executive MBA program at Nazarbayev University is delivered in strategic collaboration with the Fuqua School of Business at Duke University, one of the leading US business schools whose MBA and Executive Education programs have consistently ranked among the best. This 20-month program is designed for those who want to receive a world-class western-style education here in Kazakhstan while being able to continue to work full-time. One of the key advantages of the program is the opportunity students have to apply theories and the knowledge acquired in the program to solve real-world problems for their companies.

For more information and admission deadlines, please, contact mba.admissions@nu.edu.kz

Full-Time MBA news
by Saltanat Otasheva, Program Manager

In March, our guest was Sayora Ayupova, head of P&G Kazakhstan who addressed her topic related to Strategic Marketing as our FT MBA students were studying this subject during that period of time.

In May Full-time MBA students welcomed Timur Issatayev, managing/main partner at Verny Investments Holding LLP.

In June MBA students were on the meeting with Karl Gheysen, CEO, KTZ Express Khorgos.

The topic of his presentation was related to "Operations Management" as it is the course students recently completed. Karl shared with the class his success story as the CEO of one of the largest transportation projects in the Eurasian region, about the challenges that he was faced with during his work in Kazakhstan and how become passionate in what you do. The lecture was inspired and motivated!
The ‘Business Roadmap 2020: Small & Medium Enterprise Executive Development Program’ provides business education and support to entrepreneurs of small and medium size business in Kazakhstan who want to significantly grow their business. This program is funded by the Ministry of national economy RK and is supported by DAMU. The program has been designed and delivered by Duke Corporate Education, part of Duke University (USA), and in association with the Graduate School of Business at Nazarbayev University. The structure of the program has three parts:

Part 1: 3-day residential training

Part 2: Wedinars with local experts

Part 3: Submission of Market Growth plan and a Business Plans

In 2015, the program’s target is to deliver training and development to 420 participants. Residential part of the program started in April 13th will run August 29th. The delivery is split over 14 cohorts of 30 participants. We have delivered trainings for 306 entrepreneurs (10 cohorts) from 14 regions of Kazakhstan and cities Astana and Almaty.

Participants of Cohorts 1-10 represented different sectors of economy, particularly, manufacture of goods and equipment, education, the food industry and logistics.

In summary, the 2015 programme has a number of successes to date. In particular the new Graduate School of Business building offers significant advantages. This includes a larger classroom that can easily accommodate group sizes of 30 (or over) and which has sufficient space for the numerous group activities. Other positive indicators include the high feedback ratings that the programme continues to receive.

Business Road Map 2020: SME Executive Development program
by Alfiya Yermukasheva, Executive Education Manager
Family Enterprise Research Conference
by Dmitry Khanin, Associate Professor

Family Enterprise Research Conference (FERC) is an annual gathering of scholars studying the family business. This year, the 11th FERC was hosted by the University of Vermont (Burlington, Vermont). Next year, the meeting will be held in Brazil. Previously, it has been organized in Mexico, Canada and other countries. Visitors come not only from North and South America, however, but Europe and Asia as well. Without exaggeration, the FERC is a global event that attracts both established researchers and fledgling new scholars (including many Ph.D students) of family business from all over the world. At this meeting, I had conversations with a scholar from Germany, Poland, Holland and Singapore. The conference now accepts papers in Spanish and Portuguese in addition to English and is open to inclusion other languages!

I have presented a paper on psychological ownership in the family business that was well received by my colleagues. David Reeh, a well-known finance professor from Singapore, and Fred Keller, a family business founder, were among the guest speakers. The conference was dedicated to the subject of sustainability. Family businesses are more likely to contribute to sustainability than either public or private companies that are not family owned, argued Steven Hart, a top researcher of sustainability. He drew a portrait of the modern world overconsuming its resources at an ever increasing speed and made a case for developing sustainable business that would make it possible for this planet to survive. The first day of the conference – named Career Academy – was dedicated to transfer of knowledge and experience from the best known and well-published family business scholars to the participants of the conference.

In addition to meetings, we went on a cruise around the lake and were able to observe Vermont’s beautiful nature. I usually come back from the FERC reenergized with new interest to studying family business here in Kazakhstan. At the conference, I was able to tell dozens and dozens of participants, as the first representative of Kazakhstan ever, about the fine job we do here, at the Nazarbayev University. Both the GEM conference I attended in January and now the FERC conference in June contribute to greater knowledge of the Nazarbayev University among the world’s community of business scholars and educators!
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