Bitcoin: Why These Four Elite B-Schools Are Teaching MBAs About Blockchain

Imperial College latest school enthused by digital currency

Written by Seb Murray (http://www.businessbecause.com/resume/seb-murray) | Full Time MBA | Tuesday 26th January 2016 21:53:00 GMT

London’s Imperial College (http://wwwf.imperial.ac.uk/business-school/) is the latest elite business school to claim it is teaching students about the digital currency bitcoin (http://www.businessbecause.com/news/making-the-headlines/3509/schools-explore-bitcoin-blockchain) and its blockchain technology, which is among the hottest business topics.


He said Imperial grads are building digital money start-ups like YoYo, the UK’s fastest-growing mobile wallet, and business academics are delving into bitcoin at Imperial’s Centre for Cryptocurrency Research and Engineering.

“It’s not only radical libertarians and goldbug-like speculators who are taking cryptocurrencies seriously,” he said. “Some banks, governments, start-ups and academics are beginning to pay attention.”

Imperial is one of a throng of top schools banking on bitcoin. The nascent currency has business buzz with debate on the future of finance.

Enthusiasm around the blockchain

RELATED INDUSTRY STORIES

Electrifying Fintech Tempts Elite MBA St ... (http://www.businessbecause.com/news/mba-careers/3174/elite-mbas-flock-to-fintech)

Female Medellin Banker, MBA, On Colombia ... (http://www.businessbecause.com/news/mba-uk/3174/medellin-banker-on-colombia-mba-career-opportunities)
What Four Cass Business School MBAs Have ... (http://www.businessbecause.com/news/mba-uk/3761/cass-business-school-mbas-on-london)

ESADE FinTech Startup Raises €300,000 ... (http://www.businessbecause.com/news/mba-entrepreneurs/3696/esade-fintech-startup-raises-300k)

They say the near-instantaneous settlement of transactions can disrupt the way payments are made in the financial system.

This has caught the eye of innovative business professors, who have begun to set-up classes for MBAs alongside traditional electives in areas like strategy, accounting and marketing.

"Technology is having an increasing impact on banking and over the last few years, significant steps have been made towards a cashless society," said Markos Zachariadis, assistant professor of management and information systems at Warwick Business School (http://www.businessbecause.com/business-schools/mba-rankings).

The UK school will in February host a conference exploring the impact of technology on payments. A key theme will be the applications, issues and impact of distributed ledgers in payments.

MBA students too are keen on the digital currency. Bitcoin MBA clubs (http://www.businessbecause.com/news/mba-clubs) have been set-up at Harvard, Stanford, and MIT Sloan.

"We are still in the early days, but as future leaders of industry, business students need to be alert to how Bitcoin could change longstanding assumptions," said Dan Elitzer, founder of the MIT Bitcoin Club (http://bitcoin.mit.edu/).

B-schools are exploring the host of so-called financial technology — fintech (http://www.businessbecause.com/news/making-the-headlines/3674/10-bschool-experts-reveal-fintech-predictions) — start-ups that have emerged to spearhead the development of the blockchain.

Digital Asset Holdings, a blockchain start-up run by former JPMorgan Chase executive Blythe Masters, recently raised $50 million in a deal with ASX, Australia's main exchanges operator.

Some of the world's biggest banks are exploring blockchain tech. Many are investing in and partnering with the bitcoin start-ups hoping to disrupt them.

Goldman Sachs (http://www.businessbecause.com/news/mba-careers/3645/where-goldman-sachs-jpmorgan-morgan-stanley-hire-mbas) is developing a virtual currency settlement system. More than 20 others including Barclays, HSBC and UBS have invested in R3 CEV, a start-up launching a private blockchain network.

"The finance world is just starting to get disrupted. Technologies like blockchain are bound to change the way we do business in the coming years," said Paris de [E]traz, managing director of IE Business School (http://www.ie.edu/business-school/)’s Venture Lab, which has partnered with Santander InnoVentures to help fintech start-ups raise venture capital.

But widespread use of the blockchain is problematic because of the controversy that surrounds bitcoin. Security is a major concern. IOSCO, the standards body for securities regulators, this week said investor concerns over the safety of transactions must be addressed.

"I would also cite its weak governance structure as a huge impediment to reform and repair," said David Yermack, professor of finance at NYU Stern (http://www.stern.nyu.edu/programs-admissions/executive-education/short-
courses/schedule/short-course-program-16), which was one of the first top schools to launch a formal course on bitcoin.

“We are exploring a new technology that raises interesting questions about the nature of money and how that is likely to change in the future,” he said of the program.

At Duke’s Fuqua School of Business (https://faculty.fuqua.duke.edu/~charvey/550crypto.htm), which also runs a bitcoin course for MBAs, Campbell Harvey, professor of finance, said it’s goal is “to understand the technology behind bitcoin and to assess its potential to disrupt the way we transact, verify ownership, and construct contracts”.

Other top schools, such as Cambridge University’s Judge School of Business (https://www.jbs.cam.ac.uk/home/), Georgetown’s McDonough School of Business, and UNSW Business School (https://www.business.unsw.edu.au/agsm) in Sydney, have conducted research into bitcoin and the blockchain.

“Cryptocurrencies are making the transition from being written off as ‘funny internet money’ to becoming legitimate payment platforms,” said Eric Lim, a lecturer at the school of Information Systems, Technology and Management at UNSW.

More initiatives may abound. As Imperial College’s dean said, “We in universities must lead the change….Or risk falling behind.”
MBA Applicant Voice: Innovation Consultant Sizes Up Flexible MBA In Europe
Posted on 07-09-2015 | 0 comments

Guide To MBA Scholarships For Women — 2015
Posted on 03-07-2015 | 0 comments

White Hot Employer Demand For MBAs Who Speak Multiple Languages
Posted on 17-01-2016 | 0 comments