



**Committee for the Evaluation of Business Administration and
Management Study Programs**

Bar-Ilan University
Graduate School of Business Administration
Evaluation Report

October 2015

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Chapter 1: Background

The Council for Higher Education (CHE) decided to evaluate study programs in the field of Business Administration and Management during the academic year of 2014-2015.

Following the decision of the CHE, the Minister of Education, who serves ex officio as Chairperson of the CHE, appointed a Committee consisting of:

- **Prof. Russell Winer** - Stern School of Business, New York University, USA – Committee Chair.
- **Prof. Jane Fedorowicz** - Bentley University -Massachusetts, USA.
- **Prof. Jeffrey Callen** - Rotman School of Management, University of Toronto, Canada.
- **Prof. Simon Benninga¹** - Recanati School of Business Administration, Tel Aviv University, Israel.
- **Prof. Arnoud Boot** - Professor of Corporate Finance and Financial Markets, University of Amsterdam, the Netherlands.
- **Prof. Stuart Greenbaum²** - Olin Business School, Washington University in St. Louis.
- **Prof. David Mazursky** - The Jerusalem School of Business Administration, the Hebrew University of Jerusalem, Israel.

Ms. Maria Levinson-Or served as the Coordinator of the Committee on behalf of the CHE.

¹ Prof. Simon Benninga did not part take in the evaluation of the Graduate School of Business Administration at Bar-Ilan University. Sadly, Professor Benninga, passed away during the committee's work. However, his contributions to the committee were numerous and invaluable.

² Prof. Stuart Greenbaum did not part take in the evaluation of the Graduate School of Business Administration at Bar-Ilan University.

Within the framework of its activity, the Committee was requested to:³

1. Examine the self-evaluation reports, submitted by the institutions that provide study programs in Business Administration and Management, and to conduct on-site visits at those institutions.
2. Submit to the CHE an individual report on each of the evaluated academic units and study programs, including the Committee's findings and recommendations.
3. Submit to the CHE a general report regarding the examined field of study within the Israeli system of higher education including recommendations for standards in the evaluated field of study.

The entire process was conducted in accordance with the CHE's Guidelines for Self-Evaluation (of September 2013).

³ The Committee's letter of appointment is attached as **Appendix 1**.

Chapter 2: Committee Procedures

The Committee held its first meetings on 17.03.2015, during which it discussed fundamental issues concerning higher education in Israel, the quality assessment activity, as well as Business Administration and Management Study programs in Israel.

In March 2015, the Committee held its first round of visits of evaluation, and visited Ben-Gurion University, the Hebrew University, Tel-Aviv University, the Interdisciplinary Center Herzliya, the Technion, and the College of Management. In June 2015, the Committee held its second round of visits of evaluation, and visits the Open University, University of Haifa, Netanya Academic College, Ruppin Academic Center, Ono Academic Center, Ariel University, Bar-Ilan University, and the College of Law and Business. During the visits, the Committee met with various stakeholders at the institutions, including management, faculty, staff, and students.

This report deals with the graduate School of Business Administration at Bar-Ilan University. The Committee's visit to the University took place on June 17, 2015.

The schedule of the visit is attached as **Appendix 2**.

The Committee thanks the management of Bar-Ilan University and the Graduate School of Business Administration for their self-evaluation report and for their hospitality towards the committee during its visit at the institution.

Chapter 3: Evaluation of Business Administration and Management

Study Program at Bar-Ilan University

This Report relates to the situation current at the time of the visit to the institution, and does not take account of any subsequent changes. The Report records the conclusions reached by the Evaluation Committee based on the documentation provided by the institution, information gained through interviews, discussion and observation as well as other information available to the Committee.

1. Executive Summary

The Graduate School of Business Administration (GSBA) is one of 12 units within the Faculty of Social Sciences, reported to be the largest Faculty in all Israeli universities. The GSBA is a small unit within the Faculty offering four MBA programs, two of which are off-budget and generating incremental resources for BIU and the GSBA. Its approximately 14 faculty are productive scholars as well as effective instructors offering an unusually high level of personal interactions with students. The Rector is very supportive of the GSBA with plans to improve the revenue sharing from off-budget programs. The new chair is energetic, entrepreneurial, and reasonably autonomous. MBA students are enthusiastic about the quality of instruction and the contributions that the coursework are making to their careers.

The most pressing areas of concern are the following. The current organization of the Faculty with separate departments of Economics and Management do not permit BIU to reach its potential as the home of a strong Faculty of Management. In addition, the location of Accounting in the Department of Economics is inconsistent with its role in both business education and research. We recommend that Accounting be part of the GSBA and that planning continue to create a unified Faculty. In addition, more courses with English language instruction must be added to the three Hebrew-language MBA programs. The size of the full-time faculty needs to be increased with particular attention to hiring an Accounting scholar. Finally, we recommend

that more attention be paid to quality of research versus quantity of publications in the faculty evaluation process.

2. Mission and Goals

Observations and findings

The mission statement of the GSBA is composed of four goals: (1) excellence in research, (2) excellence in teaching and instruction, (3) the development of specialized areas of distinction, and (4) strengthening the school's ties with the business community. We find the statement to be comprehensive and distinctive and offer no suggestions for improvement.

3. Organizational Structure

Observations and findings

The GSBA is one of 12 units in the Faculty of Social Sciences. Two of the units in the Faculty, the Department of Management and the Department of Economics, are relevant to the GSBA but were not under the purview of the visiting committee. The programs and faculty of the Department of Management focus on logistics, public health, and healthcare management. The web site for the Department of Economics notes that other than economics, the department specializes in accounting and finance studies. However, there are no full-time ("Academic Staff") accounting faculty in the Department of Economics, only "affiliated" faculty. Add to this mix the fact that the GSBA has only roughly 14 full-time faculty FTE specializing in Finance, IT, Marketing, and Management but with none in operations/logistics or accounting.

Clearly, a strong case can be made for a combination of the three departments into a Faculty of Management. In fact, we heard from several sources that such a plan has been considered for some time with the addition of the Department of Information Science from the Faculty of Humanities. At a minimum,

Accounting should be in the GSBA. While there may be political and historical reasons for its location in the Department of Economics, the fact that there are no full-time accounting faculty anyway and that accounting is a fundamental business activity makes the GSBA the logical home for it.

However, we feel that it is not yet time for the creation of a new Faculty. A prerequisite is the GSBA increasing its collaborations among the relevant departments: Economics, Management, and the Department of Information Science (Humanities). Until the GSBA starts building bridges to other areas and simultaneously increases the size of its faculty, there is too much risk that putting them together would not create the synergies one would hope for. As an initial step, a joint planning committee composed of representatives of the affected departments as well as from the University and the Faculty of Social Sciences should be established to chart how to achieve the end goal of a new Faculty.

Within the GSBA, we applaud the new chair's entrepreneurial spirit. He is well-supported by both the Rector and the Dean of the Faculty. In addition, the chair appears to have more autonomy to allocate resources than we have seen in most of the other schools we have visited.

Recommendations

Essential:

Accounting should be moved from the Department of Economics to the GSBA.

Important:

A committee should be established to plan for the eventual creation of a new Faculty of Business/Management which combines the Departments of Economics, Management, Business, and Information Science.

4. Study Programs

Observations and findings

The GSBA has 4 professional programs: (1) a regular MBA program, with and without a thesis, (2) and MBA for Excelling Students with somewhat tougher admission criteria than the regular program, (3) an Executive MBA program (EMBA) for more experienced applicants, and (4) an International MBA program (IMBA) where the language of instruction is English. In addition, there is a doctoral program.

Notably, the EMBA and IMBA are off-budget and provide important resources to the University and the GSBA. While there has been some concern in the past about how much of the resources generated from these programs flow to the GSBA, we are pleased to see that the current Rector has improved the situation.

We note from the report that there has been a 40% drop in the number of registered MBA students since 2009-10. In addition, while the number of EMBA students has remained steady, the IMBA program has seen a reduction in the number of students and is alarmingly small. Since it provides important resources to the GSBA, this situation needs to be rectified. In addition, the IMBA student body needs to be diversified beyond its current large Chinese population.

We also found that there are no MBA courses offered in English in the three Hebrew-based programs. This absolutely needs to be rectified in order that the students are capable of competing in an increasingly global business world where English is the lingua franca.

Finally, there are no visible alumni activities.

We heard from the doctoral program that most of the graduates take industry positions. Given the lack of qualified doctorate graduates available to be hired, the GSBA faculty should try to promote more of their PhD students to go into academia. Similar to the situation in other Israeli universities, there are almost no doctoral-level courses available in the GSBA in their fields. Also, funding is low. Full-time PhD students get a very small monthly stipend while the part-time students receive no financial support.

Recommendations

Essential:

- a) English-language courses must be introduced into the three Hebrew-language programs: the MBA, the MBA for Excelling Students, and the EMBA.
- b) The GSBA faculty must move from providing PhDs to industry to providing a quality PhD program for Israeli universities and colleges.

Important:

- a) The GSBA needs to increase its marketing efforts to recruit more students into its MBA and IMBA programs.
- b) The GSBA should establish an alumni network and involve the alumni more with its existing programs.
- c) Add doctoral level coursework in methodology and business relevant areas.

5. Human Resources / Faculty

Observations and findings

The GSBA faculty has roughly 14 full-time faculty members of which 3 are on the teaching/expert tracks. The faculty members are spread across the areas of Finance, IT, Marketing, and Management. Accounting courses are staffed by adjunct faculty.

The faculty is clearly too small to have critical mass in the different areas as well as to cover the curriculum. The report notes that the “ratio of students to faculty member is fairly high” without giving a specific number (it looks like about 50:1). The chair sees a steady-state faculty size of 20-22 people, but given the zero rate of growth net of separations and retirements and the difficulty of recruiting, it is hard to see how this goal will be met. In addition, there are no full-time faculty members in the field of Accounting (nor are there any in the Economics Department) and more faculty in Marketing and Management are needed.

It is crucial that the University support the GSBA in increasing the faculty size. This support includes not only providing hiring lines but also finding creative ways to attract the quality people that meet the BIU standards. Although we understand that the hiring packages are lower compared to some other universities, we heard from some pre-tenured faculty that they appreciated the speed with which their job offers were generated.

Recommendations

Essential:

- a) The size of the GSBA full-time faculty needs to be increased. In addition, the school should look to hire at least one full-time person in the field of Accounting.
- b) The University and Faculty must support the GSBA in its hiring efforts by providing permanent faculty slots and finding creative ways to attract faculty given the lower startup packages that can be offered.

6. Students

Observations and findings

The students are enthusiastic about the MBA program.⁴ They are particularly appreciative of the personal approach taken by the faculty which is more typical of a college than a university. Several noted that they have taken concepts right from class into their workplace.

They also indicated that some improvements could be made. As we noted above, the students would like more courses where the instructional language is English. They would also like more outside speakers, more events where they can meet students in the other programs (when calendars permit), and more interaction with alumni.

Recommendations

Essential:

More courses need to be offered in English.

Important:

As noted earlier in this report, the relations with alumni need to be strengthened with more interactions between alumni and current students.

Desirable:

Instructors should seek to have more outside speakers in their courses.

7. Teaching and Learning Outcomes

Observations and findings

The report has an extensive list of expected learning outcomes (p.52) that appears to be well-thought out. In general, the GSBA has clearly devoted time

⁴ We did not meet with any of the students in the off-budget programs, EMBA and IMBA.

to thinking about how it evaluates teaching and student performance. We offer no suggestions in this area.

8. Research

Observations and findings

The GSBA has a strong, research-oriented group of faculty who are publishing in some of the top global academic journals. The more recently-hired faculty show a considerable amount of promise. Research resources appear to be adequate.

One important area is the evaluation system for faculty. During our visit, there were a number of comments about a quantity orientation dominating quality. Pre-tenured faculty were told that they have to publish 12 papers of which 3-4 should be in what are generally considered to be “A” journals. We consider that number to be unrealistic and incentivizes faculty to publish in low-quality journals. Our recommendation is that the numbers orientation needs to be reduced and more focus given to the quality of both the journals (e.g., citation index) and the work itself. In addition, all faculty need to be informed of this change so that there is no ambiguity, particularly among pre-tenured faculty members.

In addition, we are concerned that the percentage of full-time faculty who are on the teaching/expert tracks is too high and might grow. Right now, about 20% of the full-time staff are on the teaching/expert tracks. While it is difficult to know what the optimal percentage is, we would be concerned if that number grew higher.

Recommendations

Essential:

Faculty evaluations should be based on quality of publications rather than quantity. This message should be communicated to all full-time faculty, especially the pre-tenured faculty members and to university tenure and promotion committees.

Important:

The ratio of teaching/expert track staff to research-oriented faculty should be carefully monitored to ensure that there are adequate numbers of the latter to sustain a high-level academic environment.

9. Infrastructure

Observations and findings

We were impressed with the reconstruction plans to provide more space for student networking, a trading room, and new classrooms in a common location (currently spread out on campus). Although the GSBA would like to have its own building, that will hopefully come if/when a new Faculty of Business/Management is established.

10. Self-Evaluation Process and implementation of previous recommendations

Observations and findings

The visiting committee is pleased that the GSBA made a number of improvements based on the recommendations from the previous committee. As noted in the report, these included the areas of faculty recruiting and evaluation, improvements in the MBA program, and a start to inter-departmental cooperation with the establishment of joint research colloquia. We note the continuing issue of a high adjunct rate and too small faculty, as

well as inattention to the recommendation of bringing the Accounting faculty into the department.

Chapter 4: Summary of Recommendations and Timetable

Essential Recommendations:

1. Accounting should be moved from the Department of Economics to the GSBA.
2. English-language courses must be introduced into the three Hebrew-language programs: the MBA, the MBA for Excelling Students, and the EMBA.
3. The GSBA faculty must move from providing PhDs to industry to providing a quality PhD program for Israeli universities and colleges.
4. The size of the GSBA full-time faculty needs to be increased. In addition, the school should look to hire at least one full-time person in the field of Accounting.
5. The University and Faculty must support the GSBA in its hiring efforts by providing permanent faculty slots and finding creative ways to attract faculty given the lower startup packages that can be offered.
6. More courses need to be offered in English.
7. Faculty evaluations should be based on quality of publications rather than quantity. This message should be communicated to all full-time faculty, especially the pre-tenured faculty members and to university tenure and promotion committees.

Important Recommendations:

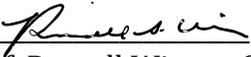
1. A committee should be established to plan for the eventual creation of a new Faculty of Business/Management which combines the Departments of Economics, Management, Business, and Information Science.
2. The GSBA needs to increase its marketing efforts to recruit more students into its MBA and IMBA programs.
3. The GSBA should establish an alumni network and involve the alumni more with its existing programs.
4. Add doctoral level coursework in methodology and business relevant areas.

5. The relations with alumni need to be strengthened with more interactions between alumni and current students.
6. The ratio of teaching/expert track staff to research-oriented faculty should be carefully monitored to ensure that there are adequate numbers of the latter to sustain a high-level academic environment.

Desirable Recommendations:

1. Instructors should seek to have more outside speakers in their courses.

Signed by:



Prof. Russell Winer - Chair



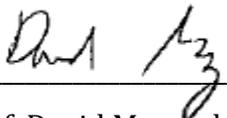
Prof. Arnoud Boot



Prof. Jeffrey Callen



Prof. Jane Fedorowicz



Prof. David Mazursky

Appendix 1: Letter of Appointment



November 2014

Prof. Russell Winer
Leonard N. Stern School of Business
New York University
USA

Dear Professor,

The Israeli Council for Higher Education (CHE) strives to ensure the continuing excellence and quality of Israeli higher education through a systematic evaluation process. By engaging upon this mission, the CHE seeks: to enhance and ensure the quality of academic studies, to provide the public with information regarding the quality of study programs in institutions of higher education throughout Israel, and to ensure the continued integration of the Israeli system of higher education in the international academic arena.

As part of this important endeavor we reach out to world renowned academicians to help us meet the challenges that confront the Israeli higher education by accepting our invitation to participate in our international evaluation committees. This process establishes a structure for an ongoing consultative process around the globe on common academic dilemmas and prospects.

I therefore deeply appreciate your willingness to join us in this crucial enterprise.

It is with great pleasure that I hereby appoint you to serve as the chair of the Council for Higher Education's Committee for the Evaluation of the study programs in **Business Administration**. In addition to yourself, the composition of the Committee will be as follows: Prof. Simon Benninga, Prof. Arnoud Boot, Prof. Jeffrey Callen, Prof. Jane Fedorowicz, and Prof. Stuart Greenbaum.

Ms. Maria Levinson-Or will be the coordinator of the Committee.

Details regarding the operation of the committee and its mandate are provided in the enclosed appendix.

I wish you much success in your role as the chair of this most important committee.

Sincerely,


Prof. Hagit Messer-Yaron
Vice Chair,
The Council for Higher Education (CHE)

Enclosures: Appendix to the Appointment Letter of Evaluation Committees

cc: Dr. Varda Ben-Shaul, Deputy Director-General for QA, CHE
Ms. Maria Levinson-Or, Committee Coordinator

Appendix 2: Site Visit Schedule



בס"ד, י" סיון תשע"ה
 28 מאי 2015

Business Administration – Schedule of site visit

ל" סיון תשע"ה, 2015, June 17th
 Location: Building no. 504, Room no. 011

Time	Subject	Participants
09:00-9:30	Opening session with the heads of the institution	Prof. Miriam Faust , Rector Prof. Amnon Albeck, Vice-Rector
09:30-10:00	Meeting with the Dean of the Faculty of Social Sciences	Prof. Joseph Deutsch, Dean of the Social Sciences Faculty
10:00-11:00	Meeting with the Head of the Graduate School of Business Administration	Dr. Eyal Yaniv, Head, Graduate School of Business Administration
11:00-11:45	Meeting with senior academic staff with tenure * (up to 8)	Prof. Gila Fruchter Prof. Roy Gelbard Dr. Guy Kaplanski Prof. Beni Lauterbach Prof. David Schwartz Prof. Jacob Weisberg
11:45-12:30	Meeting with senior academic staff without tenure * (up to 8)	Dr. Menachem (Meni) ABudy Dr. Zvi Josman Dr. Eli Kraizberg Dr. Eyal Pe'er Dr. Alon Raviv Dr. Dana Sheffer Prof. Shemuel Stashevsky Dr. Inbal Yahav-Shenberger
12:30-13:15	Lunch (in the same room)	Closed-door meeting of the committee
13:15-14:00	Visit at the classrooms' site and discussion of future plans.	Dr. Eyal Yaniv Prof. Roy Gelbard Prof. Shemuel Stashevsky Ms. Zehavit Isser

Time	Subject	Participants
14:00-14:45	Meeting with MBA students** (up to 8 students)	Adi Aharon Shani Berko Yotam Britchner Avraham Dolev Gili Kolp Lilach Laufer Shay Mosae Shilo Shamash
14:45-15:15	Meeting with PhD students** (up to 8 students)	Michal Davidescu Ran Etgar Yosef Heller Or Iny Noam Koriat Roni Ramon-Gonen
15:15-15:45	Closed-door meeting of the committee	
15:45-16:15	Closing meeting with heads of institution, the Dean of the Faculty of Social Sciences, and the Head of the Business School	Prof. Miriam Faust , Rector Prof. Amnon Albeck, Vice-Rector Prof. Joseph Deutsch, Dean of the Social Sciences Faculty Dr. Eyal Yaniv, Head, Graduate School of Business Administration

* The heads of the institution and academic unit or their representatives will not attend these meetings.

*** The visit will be conducted in English with the exception of students who may speak in Hebrew and anyone else who feels unable to converse in English.