



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

**Netanya Academic College
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 Boot²** - Professor of Corporate Finance and Financial Markets, University of Amsterdam, the Netherlands.
- **Prof. Stuart Greenbaum³** - Olin Business School, Washington University in St. Louis.
- **Prof. David Mazursky⁴** - 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 Business Faculty at the Netanya Academic College. Sadly, Professor Benninga, passed away during the committee's work. However, his contributions to the committee were numerous and invaluable.

² Prof. Arnoud Boot did not part take in the evaluation of the Business Faculty at the Netanya Academic College.

³ Prof. Stuart Greenbaum did not part take in the evaluation of the Business Faculty at the Netanya Academic College.

⁴ Prof. David Mazursky did not part take in the evaluation of the Business Faculty at the Netanya Academic College.

Within the framework of its activity, the Committee was requested to:⁵

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).

⁵ 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 visited the Open University, University of Haifa, Netanya Academic College, Ruppin Academic Center, Ono Academic College, 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 School of Business Administration at the Netanya Academic College. The Committee's visit to the College took place on June 10, 2015.

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

The Committee thanks the management of the Netanya Academic College and the 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 Programs at the Netanya Academic College

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 School of Business Administration (SBA) is one of 8 academic units of the Netanya Academic College (NAC). Established in 1995, the SBA currently offers both a B.A. in Business Administration and an MBA. The mission of the SBA is excellence in education with a focus on the Sharon geographical area and disadvantaged populations. It offers value to students by having a combined theoretical and practical curriculum with a “high touch” approach to students.

The students are satisfied with their education, appreciate the attention of the faculty and professional staff, and, in the MBA program, like the specializations and special study trip to China. The faculty are supportive of the SBA's mission, receive good research support, and a number of them are productive scholars.

At the same time, we identified a number of areas for improvement. While somewhat outside the scope of our assignment, we found the current organizational structure of the NAC which includes separate schools of Banking and Capital Markets, Insurance, and Real Estate, to be unusual and likely creating course duplication, particularly the separation of Banking and Capital Markets from the SBA. We also found the lack of English-language courses to be a glaring omission from the curriculum and should inhibit the development of an MBA program whose instructional language is English. A faculty nearing retirement age requires a substantial recruiting effort. All of

these comments are consistent with our observation of an overall lack of strategic planning at both the NAC and SBA levels.

2. Mission and Goals

Observations and findings

The mission of the SBA goes beyond the generic concept of high-quality business education by focusing on both the Sharon geographical area and disadvantaged populations. While we find this to be appropriate for the SBA, the mission statement as written in the Self-Assessment is quite brief and could use further elaboration in terms of the rationale for the areas chosen. In addition, there is no mention of research although it appears to play an important role in the school.

Recommendation:

Important:

The mission statement should be re-written to provide a more detailed rationale for its areas of focus. In addition, there should be some role for research in it.

3. Organizational Structure

Observation and findings

According to the Self-Assessment report, the NAC has 8 units of which one is a School of Banking and Capital Markets. Although we were told that there are historical reasons for the separation of the SBA and this School of Banking, it is difficult to understand why such a core aspect of business administration would be administered separately. The same holds for the schools of Insurance and Real Estate, although perhaps somewhat less so given the particular institutional aspects of those two areas. These three schools were not under the visiting committee's purview, so we did not conduct a detailed analysis of the overlap between them and the SBA. However, it is difficult to imagine that the curricula in the schools of Banking, Insurance, and Real Estate do not have

many similar courses to those offered in the SBA. Indeed, we were given such information from members of the faculty of the SBA.

This is a manifestation of the lack of strategic planning in both the NAC and the SBA. There were a number of indications that new programs are launched without consideration given to their fit to the institution, an example being online studies.

We also found that decision making and fiscal responsibility at the NAC are very centralized providing the deans with little authority to make their own resource allocation decisions. In effect, they are more like department chairs than deans. This makes it very difficult for the deans to plan and run the schools, in particular, the SBA. We also heard that it is very difficult to obtain resources from the central administration for new initiatives.

Recommendations:

Essential:

- a) A serious strategic planning effort at both the NAC and SBA levels needs to be undertaken to plan for the future.
- b) In particular, the NAC needs to re-visit its current organization structure which includes a number of schools that have significant overlap with the SBA.

Important:

Some de-centralization is warranted to provide the Dean of the SBA with more flexibility in making resource allocation decisions.

4. Study Programs

Observations and findings

The SBA offers two degree programs. The B.A. program used to allow students to specialize in one of three areas: finance, marketing, and management information systems. However, the ability to specialize was recently rescinded. Besides finance, marketing, and MIS, the MBA program offers two other areas of specialization, multidisciplinary management and the management of natural resources and environment. There are plans to develop an English-language MBA program.

Students from both programs are happy with their education. The B.A. students find the courses to be challenging and enjoy the personal attention they receive, both in and out of class. The MBA students appreciate the specializations and the study tours to China.

A general concern is the decline in the number of students in both programs. While there certainly is a considerable amount of competition in Israel for business students, the lack of marketing and problems with the Netanya brand were mentioned a number of times in our interviews. A fundamental issue is the lack of understanding of what the NAC and SBA brands stand for and how to better position the SBA in the marketplace. A suggestion is to engage its marketing faculty and students in this project.

We were also concerned about the move to eliminating specializations in the B.A. program. It was difficult for the committee to discern whether this was a cost-cutting move or due to some strategic issues.

An important issue is the lack of courses taught in English. This is unacceptable for any Israeli college or university given the globalization of business. It is somewhat puzzling that there are plans for an English-language MBA program

given the current lack of courses offered in English. We are also concerned about the planning for this new MBA program given the lack of strategic planning noted above.

Recommendations:

Essential:

- a) The SBA must begin the process to introduce English-language courses into the curriculum.
- b) Approval of an English-language MBA program should wait until English language courses have been introduced successfully in the existing MBA curriculum.

Important:

- a) The NAC and the SBA should begin to devote resources to better understand and promote its brand.
- b) The SBA should reconsider its decision to eliminate specializations from the B.A. program.

5. Human Resources / Faculty

Observations and findings

From Table 2a, it appears that there are 13 senior faculty members in the SBA.⁶ As noted earlier, students feel that the faculty members are very approachable. In our meetings with faculty, we were also impressed with their commitment to the social mission of the NAC.

An important issue that arose multiple times was the fact that the faculty are relatively old and most are near retirement. This creates a serious human resources issue that must be addressed. While the NAC (like some other Israeli

⁶ This differs from the 16 permanent faculty listed on p.114 of the Self-Assessment. However, we only counted those faculty members with Lecturer, Senior Lecturer, Associate Professor, and Professor titles and excluded those with Adjunct titles.

colleges) could possibly survive by hiring retired faculty from universities, this is not a guarantee as many of them are not suited for college jobs and there is competition for the ones that do fit. In addition, this just re-creates an older group of faculty. The NAC needs to place a priority on recruiting faculty members from the pool of new doctoral graduates or scholars who do not get promoted at universities.

We were surprised to see that “practically no course assignments, exercises, etc. are checked and graded” (Self-Assessment report, p. 23). While this was somewhat disputed by faculty and adjuncts we interviewed and there is contradicting information on p. 28 of the report, it is clear that budget cuts have taken their toll on the feedback students are receiving on their work and on the number of TAs assigned to work with the faculty.

Recommendations:

Essential:

The SBA needs to develop a plan for replacing its faculty who will retire soon.

Important:

The SBA needs to dedicate resources to grading student assignments either through hiring more teaching assistants or some other mechanism.

6. Students

Observations and findings

Because of the social mission of the NAC and SBA, the B.A. student body is more diverse than is found at other colleges and at the universities. This results in somewhat more variance in student quality than would be obtained with uniformly high admission standards. However, we view this as a strength as do the other constituents of the SBA. In addition, the SBA has excellent programs for students with special needs.

Two areas of much needed improvement are alumni relations and career services. According to the Self-Assessment report, the SBA does not have a database of alumni and only recently sent out a survey to collect information from its graduates. This problem needs to be rectified. In addition to a database, it is important for students to be exposed to alumni in class and at other events to provide opportunities for networking (even though they are already working). There is also dissatisfaction with the Kivun placement service. The SBA needs to work with Kivun to improve the service or consider replacing it.

Recommendations:

Important:

- a) The SBA needs to develop an alumni database and leverage its alumni more in its programs.
- b) The SBA should evaluate the effectiveness of the Kivun placement service and either work to improve it or replace it.

7. Teaching and Learning Outcomes

Observations and findings

Other than the usual examinations and exercises, the SBA does not have a formal system of learning outcomes. It must set up a faculty committee to do so from a schoolwide-perspective and encourage faculty to put learning outcomes on the course syllabi.

Recommendations:

Essential:

The SBA must establish a faculty committee to create guidelines for faculty to describe learning outcomes on their course syllabi.

8. Research

Observation and findings

The tenure-track faculty members receive adequate research funding and somewhat lower teaching loads than other colleges. There is good NAC support for faculty trying to obtain external grants. We learned that the promotion process values quality over quantity and that the process is very much like that used in the universities. Some of the faculty members are very productive scholars while others do not publish, go to conferences, or submit research proposals. Since it is unclear whether there are separate research and teaching tracks, we assume that the promotion process as well as salary decisions address these discrepancies.

We have no recommendations for this section of the report.

9. Infrastructure

Observation and findings

We found the infrastructure for the SBA to be adequate and thus have no recommendations for this section of the report.

10. Self-Evaluation Process and implementation of previous recommendations

Observations and findings

We found the Self-Assessment to be inconsistent on student numbers, graduation rates, and the number of full-time faculty (e.g. 16 on p.114 and 13 on p.156). The SBA should have had someone with complete oversight of the report to correct such inconsistencies.

We note that the recommendation of the previous committee with respect to increasing the number of courses taught in English has not been addressed.

This continues to be a problem and will delay the introduction of an MBA program in English.

Chapter 4: Summary of Recommendations

Essential Recommendations:

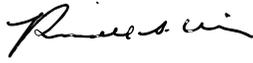
1. A serious strategic planning effort at both the NAC and SBA levels needs to be undertaken to plan for the future.
2. In particular, the NAC needs to re-visit its current organization structure which includes a number of schools that have significant overlap with the SBA.
3. The SBA must begin the process to introduce English-language courses into the curriculum.
4. Approval of an English-language MBA program should wait until English language courses have been introduced successfully in the existing MBA curriculum.
5. The SBA needs to develop a plan for replacing its faculty who will retire soon.
6. The SBA must establish a faculty committee to create guidelines for faculty to describe learning outcomes on their course syllabi.

Important Recommendations:

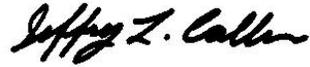
1. The mission statement should be re-written to provide a more detailed rationale for its areas of focus. In addition, there should be some role for research in it.
2. Some de-centralization is warranted to provide the Dean of the SBA with more flexibility in making resource allocation decisions.
3. The NAC and the SBA should begin to devote resources to better understand and promote its brand.
4. The SBA should reconsider its decision to eliminate specializations from the B.A. program.
5. The SBA needs to dedicate resources to grading student assignments either through hiring more teaching assistants or some other mechanism.

6. The SBA needs to develop an alumni database and leverage its alumni more in its programs.
7. The SBA should evaluate the effectiveness of the Kivun placement service and either work to improve it or replace it.

Signed by:



Prof. Russell Winer - Chair



Prof. Jeffrey Callen



Prof. Jane Fedorowicz

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

| <u>Business Administration - Schedule of site visit</u> | | |
|---|---|---|
| <u>Netanya Academic College</u> | | |
| Wednesday , June 10 ,2015 | | |
| 11:00-11:30 | Opening session with the heads of the institution | Prof. Zvi Arad, President Prof. Bernard Pinchuk, Rector |
| 11:30-12:30 | Meeting with the Head of the Business School | Prof. Yehoshua Liebermann, Former Dean (on sabbatical before retirement) Dr. Gadi Ravid, Dean |
| 12:30-13:15 | Meeting with senior academic staff (including heads of the various tracks) (up to 8) | Prof. Aharon Tziner; Prof. Yaakov Pikar; Prof. Nava Haruvy; Prof. Zvi Dubinsky; Dr. Amir Flint-Gur; Dr. Tamir Levi; Dr. Eyal Rozen; Dr. Gil Sharoni *1 |
| 13:15-14:00 | Lunch (in the same room) | Closed-door meeting of the committee |
| 14:00-14:45 | Meeting with Adjunct academic staff (up to 8) | Dr. Eyal Dolev; Dr. Tuvia Melamed; Dr. Liema Davidovich; Dr. Ophir Barnea; Adv. Tzvi Yogev; *2 |
| 14:45-15:30 | Open slot | 2 Presentations of Excellence Projects: M.B.A Students and their Academic Advisors: Dr. Gadi Ravid and Adv. Tzipi Iser Itzik Lecturer's Description of a Unique Course: Mr. Itsik Haberberg |
| 15:30-16:00 | Meeting with BA students (up to 8 students) | |
| 16:00-16:30 | Meeting with MBA students (up to 8 students) | |
| 16:30-17:00 | Closed-door meeting of the committee | |
| 17:00-17:30 | Closing meeting with heads of institution, the Head of the Business School | Prof. Zvi Arad, President; Prof. Bernard Pinchuk, Rector; Dr. Gadi Ravid, Dean |