

January 30, 2013

Michael L. Hardman
Senior Vice President for Academic Affairs
205 Park Bldg.
Campus

RE: Graduate Council Review
David Eccles School of Business School-wide Programs

Dear Vice President Hardman:

Enclosed is the Graduate Council's review of the David Eccles School of Business School-wide programs. Included in this review packet are the report prepared by the Graduate Council and the Memorandum of Understanding resulting from the review wrap-up meeting.

After your approval, please forward this packet to President David Pershing for his review. It will then be sent to the Academic Senate to be placed on the information calendar for the next Senate meeting.

Sincerely

A handwritten signature in cursive script that reads "Donna M. White".

Donna M. White
Interim Dean, The Graduate School

Encl.

XC: Taylor R. Randall, Dean, David Eccles School of Business
William S. Hesterly, Associate Dean, David Eccles School of Business

The Graduate School – The University of Utah

**GRADUATE COUNCIL REPORT TO THE SENIOR VICE PRESIDENT
FOR ACADEMIC AFFAIRS AND THE ACADEMIC SENATE**

October 29, 2012

The Graduate Council has completed its review of the **David Eccles School of Business (DESB)**. The External Review Committee included five members:

J. Richard Dietrich, PhD
Department Chair, Accounting & MIS Fisher College of Business
The Ohio State University (specialty: accounting)

Michael D. Hutt, PhD
Ford Motor Company Distinguished Professor of Marketing
W. P. Carey School of Business
Arizona State University (specialty: marketing)

Matthew Spiegel, PhD
Professor of Finance, Yale School of Management
Yale University (specialty: finance)

Asoo J. Vakharia, PhD
McClatchy Professor
Warrington College of Business Administration
University of Florida (specialty: operations and information systems)

Todd R. Zenger, PhD
Robert and Barbara Frick Professor of Business Strategy
Olin School of Business
Washington University in St. Louis (specialty: management)

The Internal Committee of the University of Utah included five members:

Cynthia M. Furse, PhD; Professor, Dept. of Electrical and Computer Engineering
John F. Hurdle, MD, PhD; Associate Professor, Dept. of Biomedical Informatics
JoAnn Lighty, PhD; Professor and Chair, Dept. of Chemical Engineering
Ross T. Whitaker, PhD; Professor, School of Computing
Xuesong Zhou, PhD; Assistant Professor, Dept. of Civil and Environmental Engineering

This report of the Graduate Council is based on the self-study report submitted by the David Eccles School of Business, the reports by the internal and external review committees, a report from the University Diversity Committee, and a response to the reports received from the DESB Associate Dean for Faculty and Research, William Hesterly.

DESB PROFILE

Program Overview

The David Eccles School of Business (DESB) is comprised of five academic units including the School of Accounting, the Departments of Finance, Management, Marketing, and the new Department of Operations and Information Systems. At the undergraduate level, the DESB offers both the Bachelor of Arts as well as the Bachelor of Science degrees (major-oriented degrees in the various departments). At the MBA level, the School has three programs: a full-time (day) program, an evening Professional MBA program, and a weekend Executive MBA program. Finally, the DESB offers the PhD in Business Administration in seven areas of specialization: accounting, finance, information systems, marketing, operations management, organizational behavior, and strategy. This configuration of offerings is typical for business schools in large university settings.

The DESB's main mission is to instill in students the foundations for business leadership. DESB seeks to be among the most respected business schools in the nation. In addition to its programs at the undergraduate, MBA, master's, and PhD degree levels, the School is home to several centers including the Pierre Lassonde Entrepreneurship Center, the Ivory-Boyer Real Estate Center, the Sorenson Center for Discovery and Innovation, the Global Knowledge Management Center, and the Bureau of Economic and Business Research.

Since the last report of the Graduate Council in 2006, the DESB has taken several steps to improve the quality of its programs and its standing among leading business schools. The School has hired over 20 tenure-track faculty since 2004 and improved research productivity across departments. DESB also expanded its resource base by adopting differential tuition for undergraduate courses (above the 3000 level) and for all master's level courses. Finally, DESB engaged in a comprehensive revision of its strategic plan during AY 2009-2010. This process resulted in dramatic increases in the size of admission and placement staffs, institution of processes and measures to insure better service performance for students and recruiters, and revision of its Website. Guided by the planning process, DESB also revised its undergraduate program to distinguish students in traditional department majors from those students who desire more general breadth across the business functions.

The leadership of the School secured the funding required for the new Spencer Fox Eccles Business Building, which was dedicated in November 2011. Such success of DESB leadership in securing donor support for the project represents a noteworthy achievement. The new DESB facility provides an attractive learning and work environment that meets or exceeds the standards set by most top-tier business schools.

Faculty

The School has 64 regular faculty and 25 full-time auxiliary faculty members. As a result of reallocation of resources and new funds provided by differential tuition, the numbers of regular and auxiliary faculty have grown over the last decade. A large number of early-mid career recruits coming from very good peer institutions were hired to join the School. Faculty research productivity is good: based on standardized counts of top-tier publications the School is ranked 22nd among state-supported, US business schools. The faculty themselves report to department chairs; specifics on teaching, service, etc., are in the departmental reports. The School institutes formal policies for RPT, carried out by the departments, which includes annual reviews of each faculty member.

Diversity

With respect to diversity within the DESB faculty, approximately 30% of the regular faculty members are female, 3 are Hispanic, and 1 is Black. The DESB self-study reports that the School has lost two Black tenure-track females in the last five years. One left for family reasons and the other was not on track to achieve tenure. The School makes an effort to maintain visibility in faculty venues such as sponsoring the Management Scholars of Color and the Academy of Management's LGBT groups. The School is also a sponsor of the PhD Project, which is a consortium to encourage more minority candidates in PhD programs.

With respect to student diversity, of the approximately 1900 undergraduate students enrolled in AY 2010-11, approximately 30% of these were female and 70% were male students; 7% were Asian/Pacific Islanders, 6% were Hispanic, and less than 2% were Black or Native American, while 73% were White, non-Hispanic (the rest were unreported or from other countries). Of the 843 master's level students enrolled in AY 2010-11, 6% were Asian/Pacific Islanders, 3% were Hispanic, and less than 1% were Black or Native American, while 81% were White, non-Hispanic (the rest were unreported or from other countries). Of the 57 PhD students enrolled in AY 2010-11, 3 were Asian/Pacific Islanders, 2 were Hispanic, 28 were White, non-Hispanic, and 24 were reported from other countries. Gender was not reported for either the master's or PhD programs.

The DESB Dean has indicated that the School is committed to increasing diversity in the DESB overall. In particular, the Dean sees increasing the number of traditionally underrepresented students as being "front and center" for the DESB. To support this stance, he has created an Opportunity Scholarship for first generation university students and has hired a staff member at the School level dedicated to the counseling and mentorship of minority students. Additionally, an offer was recently extended to an Hispanic advisor.

Academic Programs

Undergraduate degree programs. The School has modernized and improved its undergraduate curriculum. The curriculum has been revised to distinguish department majors who seek a more specialized career track (e.g., finance or marketing) from those who desire more general breadth, and are less interested in intensive placement support and extracurricular activities related to a particular career path. Two new programs have been introduced since the last review, the Bachelor of Business Administration and the Business Scholars program, which operates much like the Honors Program. Since the last review, DESB has devoted major attention to student advising, but some problems remain: with each advisor serving roughly 500 students, an advisor's workload is excessive, exceeds accreditation standards, and results in the needs of students not being met.

MBA and master's degree programs. The DESB offers three types of MBAs: the full-time MBA (based on the DESB self-study, 111 students were enrolled in 2010-11); the Executive MBA (132 students enrolled); and the Professional MBA (337 students enrolled). The full-time MBA has a fixed, two-year curriculum. Enrollments in this program have been strong and enjoyed a significant increase in 2009. The Executive MBA, which also has a fixed curriculum, has also enjoyed strong enrollments over the past five years. The Professional MBA is designed for students who work full-time, thus the curriculum is much more flexible for these students. Enrollments in this program have been steady over the past five years. The entire MBA program is very well supported, including having a full-time program director. The School has made a concerted effort to improve student services and career counseling since the last review. In addition to the MBA, the School offers master's degrees in accounting, health administration, finance, real estate development, and information systems.

Enrollments have been robust in all of these programs (total of 263 MS students). In 2009 the master's degree in business statistics was eliminated. As with the undergraduates, diversity remains a recruitment challenge for these programs.

PhD degree program. DESB offers a PhD in Business Administration with specializations in each of its academic departments. The PhD program is appropriately sized (total of 57 students) and of high quality. The School employs a well-structured process in reviewing the applicant pool and in admitting students by using a committee comprised of representatives from each department. The PhD program is viewed as an essential element in attracting and retaining high-quality faculty. DESB PhD students typically complete in 4-5 years.

Program Effectiveness and Outcomes Assessment

The DESB is consistently ranked in the top 50 in the nation by *Financial Times*, *The Wall Street Journal*, the *Public Accounting Report*, *Business Week*, and *US News & World Report*. The Utah program was ranked third as the most “family-friendly business school” in the country by the *Princeton Review*. For undergraduate outplacement success, the DESB relies on the University Placement Office: according to the AY 2009-10 survey, 195 of 237 students (83%) who reported seeking employment did in fact find work within three months of graduation. The Professional and Executive MBA students are already working, so the School typically does not report employment statistics for them. For the full-time MBA students, 70% reported finding employment in 2009-10 within three months of graduation.

The accrediting body for business schools is the Association to Advance Collegiate Schools of Business (AACSB). The School itself relies on the student evaluations as its chief evaluation metric for faculty teaching performance. There is considerable discomfort among the faculty about the utility and usefulness of student evaluations, at least in their present form. Finally, senior undergraduates take a business ETS exam. The latest figures from the performance of the students indicate that 26% scored in the top 10% nationally, while nearly 52% scored in the top quartile.

Facilities and Resources

The completion of the new Spencer Fox Eccles Business Building has provided a very attractive place for learning and academic work. Computer and library facilities seem adequate. Faculty members receive stipends for new computers every three years and are well supported by information technology staff. Library services are provided by the Marriott Library, which is within close walking distance. The availability of research support funds is appreciated by the faculty. The centers noted above in the Program Overview play a critical role in the mission of the School. Innovation and entrepreneurship have been a special focus of the DESB. The School is host to the University Venture Fund, which is an \$18 million investment fund managed by students. The Lasonde Center fosters entrepreneurship through student competitions for innovation, design, and business planning. It is also home to start-up “incubators” working together with the Technology Commercialization Office.

COMMENDATIONS

1. *School-wide.* The success of DESB leadership in securing donor support for its new building, during a particularly challenging economic environment, represents a noteworthy achievement. The administration of the DESB has been successful in sustaining the research culture of the School by providing funding awards to productive faculty members and by supporting strategies for recruiting research-active scholars.

2. *Undergraduate programs.* The DESB is to be commended for significant efforts to modernize and improve the undergraduate curriculum. The goal of developing students who are critical thinkers and who can solve business problems is admirable. Recent improvements to the advising programs in the DESB are commendable. The Business Scholars program is a great opportunity for recruiting and developing a cohort of ambassadors for the DESB, and providing an incredible undergraduate signature experience for the students.
3. *Graduate programs.* The Executive and Professional MBA programs are excellent. Despite tuition having nearly doubled, admissions remain strong. MBA student morale is high; students are especially keen on the variety of innovative programs like the Venture Fund, the Lassonde Center, and related opportunities as well as the rejuvenated career development program. The PhD education quality is demonstrated by the very high percentage of PhD graduates who receive academic positions at research universities nationwide.

RECOMMENDATIONS

1. DESB administrators should adopt a more inclusive and collaborative management approach when introducing new initiatives to faculty, staff, and students. The introduction of numerous changes in the curriculum at the undergraduate and master's level resulted in many faculty member concerns and increased tension and uncertainty. There should be better communication between the administration of the full-time MBA program and the faculty who teach courses in that program so that the faculty can have input on curriculum, admissions standards, and expectations of students.
2. DESB supports a large number of different degree programs for the size of the faculty. Because of the breadth, significance, and in many cases the novelty of recent curricular changes, effective assessment followed by response revision(s) should be implemented to ensure that this is the best way to serve the School and the students.
3. DESB should continue to pursue strategies to improve the responsiveness and effectiveness of its central advising function to better meet student needs. Potential strategies include increasing staff size, building a stronger work ethic and customer service orientation, and developing easier ways for curriculum navigation by students.
4. The MBA program needs to carefully balance the size of the class admitted each year and student quality. MBA admission standards must be adjusted to reduce the number of weakly qualified students entering the MBA program, while enlarging the applicant pool with a greater proportion of out-of-state students.
5. DESB should seek ways to enhance the reputation of its MBA programs by building programmatic course offerings in the areas of entrepreneurship and innovation management, the key differentiating features of the School.
6. DESB should continue its efforts to recruit students from diverse backgrounds across program levels, particularly from those groups that enjoy relatively high representations in Utah, such as Latinos and Pacific Islanders. This effort is likely to be effective only if it occurs at the level of the DESB as a whole. The DESB should also continue to support efforts to recruit minority faculty. The Office of the Associate Vice President for Equity and Diversity is committed to this goal and may provide useful ideas and strategies in this regard. The use of annual progress reports to the Graduate School should be considered as a way to encourage the School to work effectively towards this goal.

Submitted by the Ad Hoc Committee of the Graduate Council

Vladimir Hlady (Chair), Professor, Department of Bioengineering
College of Engineering

Allyson Mower, Scholarly Communications & Copyright Librarian
J. Willard Marriott Library

Sharon Aiken-Wisniewski (Undergraduate Council)
Asst. Vice-President for Academic Affairs/Undergraduate Studies

The following tables were provided by the David Eccles School of Business. Standard-format OBIA tables are included in the reviews prepared for individual departments within the DESB.

Graduate Enrollments by Program, 2007-12

MASTERS Department/Major	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	TOTAL
ACCOUNTING	<i>73</i>	<i>81</i>	<i>110</i>	<i>129</i>	<i>111</i>	<i>504</i>
Accounting MAC	73	81	110	129	111	504
BUSINESS	<i>11</i>	<i>9</i>	<i>3</i>	<i>3</i>	<i>7</i>	<i>33</i>
Business MST	11	8				19
Healthcare Adm. MHA		1	3	3	7	14
BUSINESS ADMINISTRATION	<i>538</i>	<i>545</i>	<i>565</i>	<i>581</i>	<i>556</i>	<i>2,785</i>
Business Administration ExMBA	121	124	125	130	136	636
Business Administration MBA	98	106	114	141	125	584
Business Administration Pr MBA	319	315	326	310	295	1565
FINANCE	<i>43</i>	<i>57</i>	<i>99</i>	<i>70</i>	<i>67</i>	<i>336</i>
Finance MS	43	57	99	70	67	336
OPERATIONS AND INFO SYSTEMS	<i>0</i>	<i>0</i>	<i>28</i>	<i>54</i>	<i>62</i>	<i>144</i>
Information Systems MS			28	54	62	144
DOCTORAL Department/Major	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	TOTAL
BUSINESS ADMINISTRATION	<i>45</i>	<i>51</i>	<i>51</i>	<i>58</i>	<i>63</i>	<i>268</i>
Business Administration PHD	45	51	51	58	63	268

Number of Graduates by Program, 2006-11*

MASTERS	Department/Major	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	TOTAL
ACCOUNTING		47	64	70	83	103	367
	Accounting MAC	47	64	70	83	103	367
BUSINESS		4	8	16	2	8	38
	Business MST	1	1				2
	Healthcare Adm. MHA	3	7	16	2	8	36
BUSINESS ADMINISTRATION		245	322	258	256	177	1,258
	Business Administration ExMBA	62	58	61	57	66	304
	Business Administration MBA	53	52	47	56	72	280
	Business Administration MPL	1				1	2
	Business Administration Pr MBA	129	212	150	143	38	672
FINANCE		27	22	31	38	43	161
	Finance MS	27	22	31	38	43	161
MANAGEMENT		2	0	0	2	1	5
	Management MS	1			2	1	4
	Management MST	1					1
OPERATIONS AND INFO SYSTEMS		0	0	0	2	37	39
	Information Systems MS				2	37	39
DOCTORAL	Department/Major	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	TOTAL
BUSINESS ADMINISTRATION		7	10	6	8	6	37
	Business Administration PHD	7	10	6	8	6	37

* This table covers the most recent five years of data. Thus, it concludes with 2011 graduates while the previous table goes through the current school year since it deals with enrollments.

Memorandum of Understanding
David Eccles School of Business – School-wide Programs
Graduate Council Review 2011-12

This memorandum of understanding is a summary of decisions reached at a wrap-up meeting on December 20, 2012, and concludes the Graduate Council Review of the David Eccles School of Business School-wide programs. Michael L. Hardman, Interim Senior Vice President for Academic Affairs; Taylor R. Randall, Dean of the David Eccles School of Business; William S. Hesterly, Associate Dean of the David Eccles School of Business; Donna M. White, Associate Dean of the Graduate School; and Denise Haynie, Executive Secretary in the Graduate School, were present.

The discussion centered on but was not limited to the recommendations contained in the Graduate Council review completed on October 29, 2012. At the wrap-up meeting, the working group agreed to endorse the following actions:

Recommendation 1: DESB administrators should adopt a more inclusive and collaborative management approach when introducing new initiatives to faculty, staff, and students. The introduction of numerous changes in the curriculum at the undergraduate and master's level resulted in many faculty member concerns and increased tension and uncertainty. There should be better communication between the administration of the full-time MBA program and the faculty who teach courses in that program so that the faculty can have input on curriculum, admissions standards, and expectations of students.

In response to the review, the Dean and Associate Dean noted that the review process was an important catalyst to identifying some less than inclusive and collaborative administrative structures and protocols that needed to change. They subsequently took action to make improvements and should be commended for doing so in such a timely fashion. Some of the fundamental changes include: 1) A structural change to two associate deans for programs: one for graduate programs and one for undergraduate programs. Spreading the program workload between two associate deans will facilitate more collaboration and communication. 2) Communication was cited as one of the key elements in Recommendation #1. Although the faculty have routinely been involved in curriculum decisions in the MBA program, there has been a pronounced effort to be more inclusive and collaborative. Program Directors and Department Chairs meet regularly. The DESB has also put together a 5-faculty-member group to study issues in the MBA program (re: future of the program) and they have submitted some recommendations. The MBA program director is now feeling more supported. The Dean and Associate Dean believe the problems described in this recommendation have been solved.

Recommendation 2: DESB supports a large number of different degree programs for the size of the faculty. Because of the breadth, significance, and in many cases the novelty of recent curricular changes, effective assessment followed by response revision(s) should be implemented to ensure that this is the best way to serve the School and the students.

The leadership in the DESB have attempted to achieve synergies using shared courses. They are in regular conversations about course viability and the purposes they serve in the School. The quality of the courses is of primary concern and annual assessment of quality and target enrollments are embedded in the administrative structure of the DESB.

Recommendation 3: DESB should continue to pursue strategies to improve the responsiveness and effectiveness of its central advising function to better meet student needs. Potential strategies include increasing staff size, building a stronger work ethic and customer service orientation, and developing easier ways for curriculum navigation by students.

The DESB is in the process of taking action on this recommendation. The undergraduate advising staff has been increased in size by two. The career advising staff in the undergraduate area has also been increased significantly. The new supervisor of advising has assisted in the process by assigning advisors to specific department chairs, and those constituents have regular meetings. Pre-business students are monitored by staff advisors and interventions are made to help them get into “best fit” programs. Curricular structures for these students have been streamlined and clarified. The DESB philosophy speaks to a customer service orientation: “Students are customers we need to pay attention to.” The CIO of the DESB has an active database through which the School can assess the impact of these changes. To further address this recommendation, the DESB has assigned a staff person to assist in managing student clubs. Student leaders have gone on some benchmarking trips, and the new staff person and students involved in the trips are considering how best practices from those visitations can aid in student government in the DESB. Through these efforts, the Dean and Associate Dean are confident that there will be a new and more effective student government process in the future.

Recommendation 4: The MBA program needs to carefully balance the size of the class admitted each year and student quality. MBA admission standards must be adjusted to reduce the number of weakly qualified students entering the MBA program, while enlarging the applicant pool with a greater proportion of out-of-state students.

It was noted that class sizes in the DESB are not particularly large when compared to other larger peer schools; however, the Dean and Associate Dean are committed to raising standards for their applicants and working toward creating and marketing a more distinctive MBA program. To this end they will consider earmarking funds to recruit more out-of-state applicants in an effort to increase the applicant pool and to seek higher quality students. The Dean noted that there is a well-established admissions strategy in place and the School’s Admissions Director works in conjunction with the Job Placement Director to strategically recruit and select the best students possible.

**Memorandum of Understanding
DESB School-Wide Programs
Graduate Council Review 2011-12
Page 3**

Recommendation 5: DESB should seek ways to enhance the reputation of its MBA programs by building programmatic course offerings in the areas of entrepreneurship and innovation management, the key differentiating features of the School.

There is a major initiative in entrepreneurship underway and there have been definite increases in enrollments. The DESB is starting to appear in the top 20 of entrepreneurship rankings nationwide. The impact of this initiative will be tracked and reported in the DESB annual reports to the Graduate Council.

Recommendation 6: DESB should continue its efforts to recruit students from diverse backgrounds across program levels, particularly from those groups that enjoy relatively high representation in Utah, such as Latinos and Pacific Islanders. This effort is likely to be effective only if it occurs at the level of the DESB as a whole. The DESB should also continue to support efforts to recruit minority faculty. The Office of the Associate Vice President for Equity and Diversity is committed to this goal and may provide useful ideas and strategies in this regard. The use of annual progress reports to the Graduate School should be considered as a way to encourage the School to work effectively towards this goal.

As has been stated in all of the departmental MOUs, the DESB considers its efforts to recruit students from diverse backgrounds across program levels to be “front and center.” The DESB leadership have made commendable efforts and have been aggressive in setting in place initiatives to this end: There is an advisor at the school level whose main focus is to advise and help retain students from underrepresented groups; there is a newly appointed national advisory board member whose passion is recruiting minority students (and who will contribute funds and means to do so); an Opportunity Scholarship has been established that is available to all departments in the DESB; all departments report making continued efforts on their own and working closely with the DESB to take advantage of these resources. The DESB and the departments have all responded positively and proactively to the University Diversity Committee’s report and many have already had meetings with the Office of Equity and Diversity to discuss strategies for successfully recruiting minority faculty as searches become active. Data on efforts and improvements in these areas are being collected and will be reported in annual reports to the Graduate School.

This memorandum of understanding is to be followed by regular letters of progress from the dean of the David Eccles School of Business to the dean of the Graduate School. Letters will be submitted each year until all of the actions described in the preceding paragraphs have been completed.

Michael L. Hardman
Taylor R. Randall
William S. Hesterly
Donna M. White



Donna M. White
Interim Dean, The Graduate School
January 30, 2013