



**Committee for the Evaluation of Business Administration  
Study-Programs**

**Ono Academic College**

**The School of Business Administration**

**Evaluation Report**

**April 2007**

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**Appendices:** Appendix 1 - Terms of Reference of the committee

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## **Chapter 1 - Background**

At its meeting on March 8<sup>th</sup>, 2005 the Council for Higher Education (CHE) decided to evaluate study programs in the fields of Business Administration during the academic year 2005-2006.

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

- ***Professor Stuart I. Greenbaum*** - Former dean and Bank of America, Emeritus Professor of Managerial Leadership, U.S.A, Committee Chairperson.
- ***Professor Arnoud W.A. Boot*** - Faculty of Economics and Econometrics, University of Amsterdam, the Netherlands.
- ***Professor Arie Goldman*** - KMART Chaired Professor in Marketing, The Jerusalem School of Business Administration, the Hebrew University of Jerusalem.
- ***Professor Dr. Peter Leeflang*** - Frank M. Bass Professor of Marketing, Department of Economics, University of Groningen, the Netherlands.
- ***Professor Thomas Z. Lys*** - Eric L. Kohler Chair in Accounting, Accounting Information and Management, Kellogg School of Management, Northwestern University, USA
- ***Professor Yair E. Orgler*** - Former Chairman of The Tel-Aviv Stock Exchange, and former Vice-Rector, Tel - Aviv University, Committee Deputy Chair.
- ***Professor David A. Walker*** - John A. Largay Professor, McDonough School of Business, Georgetown University, Washington DC, U.S.A.

***Ms. Chen Hadad*** - Coordinator of the committee on behalf of the Council for Higher Education.

Within the framework of its activity, the committee was requested to<sup>1</sup>:

1. Examine the self-evaluation reports, submitted by institutions that provide study programs in Business Administration, and to conduct on-site visits at those institutions.

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<sup>1</sup>The Document with Terms of Reference of the committee is attached as **Appendix 1**

2. Present the CHE with reports for the evaluated academic units and study programs - a separate report for each institution, including the committee's findings and recommendations.
3. Submit to the CHE a separate report regarding the examined field of study within the Israeli system of higher education.

The entire process was conducted in accordance with the CHE's Guidelines for Self-Evaluation (of October 2005) and on the basis of the Specific Questions for the Fields of Business Administration which were compiled by the committee.

## **Chapter 2 - Committee Procedures**

The Committee held its first meeting on January 11, 2006, during which it discussed fundamental issues concerning Business Administration study programs in Israel and the quality assessment activity.

During the months of June-July 2006, the committee members received the self-evaluation reports and in September 2006 they began to hold discussions regarding these reports.

In November-December 2006, the committee members visited the institutions. During the visits, the committee met with officials of each institution as well as faculty and students.

In accordance with the committee's request, each institution publicized in advance the committee's visit and it invited academic staff members, administrative staff and students to meet with the committee in order to express their opinions concerning the Business Administration study programs.

This report deals with **Ono Academic College - the School of Business Administration.**

The committee's visit to the Ono Academic College took place on December 13, 2006. The schedule of the visit, including the list of participants representing the institution, is attached as **Appendix 2.**

The committee members thank the management of Ono Academic College and the School of Business Administration for their self-evaluation report and for their hospitality towards the committee during its visit to the institution.

## **Chapter 3: Evaluation of Ono Academic College - the School of Business**

### **Administration.**

The evaluation is based on the information and the data provided in the self-evaluation report, the committee's visit to the institution and the general impressions of the committee.

### **Background**

- ONO Academic College (OAC) is a private institution presently operating a business school and a law school. Tuition is almost the only source of income.
- For a six year period ending in 2002, OAC was affiliated with the University of Manchester and issued their degrees.
- OAC was accredited by the CHE in 2002 and allowed to operate as an Israeli institution of higher education.
- In 2003, the CHE recognized the BA degrees in business administration and law.
- In 2005, the CHE recognized the MBA degree.
- The main campus is in Kiryat Ono where a new building for the business school is being constructed. During the construction period the school has moved to the Or Yehuda campus and it may remain there longer than originally planned due to construction delays.
- A second campus for ultra orthodox students is located in Or Yehuda with separate tracks for men and women.
- The social ideology of the school is to open its gates to all sectors of the Israeli population, hence the program for ultra orthodox students. In addition, 50 students of Ethiopian descent are admitted to the OAC each year, exempt from tuition and with substantial academic support (in cooperation with the Jewish Agency).

### **Organizational Structure**

- The school of business is an independent academic unit with full autonomy for decision-making within an allocated annual budget.
- The Dean is nominated by the Chairman and the Rector.
- There are heads of each program and disciplinary specialization: finance, marketing and advertising, accounting, human resources management and information systems and an academic manager of the ultra orthodox campus.

- There are four academic committees: teaching, research, development and library but no school council or executive committee.

### **Faculty**

- Last year there were 39 full-time faculty members: 4 veteran associate professors (including the Dean), who were faculty members for many years at Hebrew University and Tel Aviv University, 5 senior lecturers, 16 lecturers and 14 teachers.
- A majority of the senior lecturers and lecturers obtained their Ph.D. from Israeli universities, most from Bar Ilan University.
- Most of the teachers are Ph.D. students at Israeli universities.
- Many of the full-time faculty members also teach at other institutions of higher education and some have full-time non-academic positions.
- Employment contracts of full-time faculty members are for periods of 3-5 years and there is no tenure.
- Contracts are discontinued if student course evaluation scores fall below 3 on a scale of 5.

### **Students**

- The total number of B.A. students last year was about 1200 plus about 1000 ultra orthodox students.
- The total number of MBA students last year was 340.
- Admission requirement for B.A. students is an average grade of at least 90 in the high school matriculation diploma. The psychometric exam is **not** required.
- Admission requirements for the MBA program are a Bachelor's degree with an average of at least 80 and a personal interview with a faculty member. The GMAT test is **not** required.

### **B.A. Program**

- The regular program requires 120 semester hours (credits); the MIS specialization requires 125 credits and the accounting specialization 136 credits (for which partial exemption from the CPA certification exams is granted).

- Up to 35 credits are allowed based on previous academic studies.
- The average period for completing the program is 3 years with a minimum of 2½ years and a maximum of 7 years.
- Class attendance is mandatory.
- The course schedule is designed for the convenience of full-time working students in four tracks: Morning track, intensive track, evening track and two-day track. It is impossible to comprehend how the studies in the last two tracks, which require 12 class hours per week, can be concluded in three years (as stated in the report), even with summer semesters.

### **MBA Program**

- Students with a business background and a BA in business administration or economics study 75 trimester hours in 5 trimesters for 15 months.
- Students without such a background study up to 34 additional trimester hours in two preparatory trimesters and then join the regular program.
- Teaching hours are scheduled for the convenience of full-time employees (no details).
- Attendance is enforced.
- During the 2004/5 academic year, a comprehensive reform of the program was undertaken, adding more applied courses such as one credit workshops on "ERP systems" and "Managing the supply chain".
- There are very limited opportunities for study abroad.

### **Research**

- There is no formal attention to research except for plans to establish a multi-disciplinary research center addressing new product development.

### **The Self-Evaluation Process and the Report**

- The report is unique in its emphasis on self-praise and neglect of weaknesses, the only one mentioned is the heterogeneity among students with respect to their quantitative and management background.
- The vision and mission statements are poorly phrased and contain mostly initiatives designed to improve the quality of faculty and teaching.
- Answers to the specific questions contribute little beyond the main report.

- No data are provided on the ultra orthodox students despite their large number and importance to the school's mission.

### **Observations and Evaluations**

- The objective of the OAC apparently is to maximize the number of tuition paying students, subject to some minimal standards. In order to achieve this objective, given the high tuition compared to the public programs, a substantial emphasis is put on teaching and on the convenience of the students, especially with respect to the course schedule that is designed for full-time working students. While this practice is common in Israel for MBA students, it is rare among BA programs. For competitive reasons, emphasis is put on more practical courses.
- Except for the morning track, all others are highly compressed and do not include summer vacations. It is difficult to imagine how students can cope with the study material in such a format. While this format of studies is common in Israel for more mature MBA students, it is clearly undesirable for undergraduates.
- Admission requirements do not include the standard psychometric test for BA studies and the GMAT for MBA studies. While this may be justified for certain candidates, it clearly attracts many applicants with quantitative and language shortcomings. Consequently, it has a negative impact on the overall quality of students and especially on their analytical skills and ability to use the English language.
- Faculty members complained that "Students do not read – not even in Hebrew." While the students reading problem is common in Israeli colleges, it usually applies to English and not to Hebrew literature. At OAC this problem is apparently more serious, which may also explain the fact that the library is poorly equipped and contains mostly textbooks.
- The tight course schedule reduces curricular flexibility. One of the serious consequences is that no electives are offered in the BA program, a complaint among students.
- The faculty includes a few veteran associate professors with substantial practical experience and a good teaching record. Most of the full-time faculty members are relatively young Ph.D.'s from Israeli universities without post-

doctoral research experience. Many started teaching as Ph.D. students and continue as lecturers upon receipt of their degree. Most also teach 4 hours per week in other higher education institutions despite the heavy 12 hour weekly teaching load at OAC.

- Little attention is given to research although some financial support is available. The report points out the policy of hiring teachers in unique areas without overlap in fields of interest. This practice makes collaborative research very difficult, although a few faculty members conduct research with colleagues at other institutions, and it clearly prevents the establishment of a critical mass in any particular area. Research assistants are not available since MBA students work full-time and come for their concentrated schedule of studies. Even trips abroad for academic conferences, let alone longer travel periods for research purposes, are almost impossible due to the overlap of trimesters (MBA) and semesters (BA) throughout the year, including summers.
- It should be mentioned that some among the faculty whom we met expressed interest in doing more research and that management stated that it is willing to support it. Obviously, much more effort should be made in this area.
- The undergraduate program for ultra-orthodox students is unique and of great social importance. It provides these students with an opportunity to gain employment, improve their standard of living and integrate better into Israeli society. The educational barriers for this group are very high and the OAC should be commended for their efforts to provide solutions to this problem. We were also impressed by the students' determination and motivation to close the gaps created by their deficiencies in secular studies. The one-year preparatory program is very helpful in this respect. The students' habit of studying for long hours is useful in coping with their highly concentrated program which spreads over the entire calendar year. We believe that the program could be much more effective if it is extended over a longer period, even at the cost of getting the degree one year later. The students of this group that we met are clearly appreciative of the opportunity to study in this program with separate classes for men and women. They nevertheless complained about the cost of tuition which is lower than the standard rate at OAC, but higher than at budgeted colleges.


## **Recommendations**

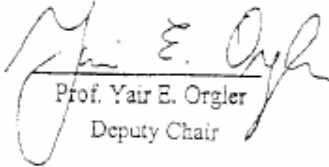
- Admission requirements for the BA program should include the psychometric test. Ultra-orthodox and other special case students could be given a waiver by completing a one-year preparatory program with a predetermined minimal GPA.
- Admission requirements for the MBA program should include the GMAT without exemptions. The minimal required cutoff score should be published as well as data relating to those granted exemptions
- The OAC should clearly state its social goals in its vision and mission. This will enhance its image and could also serve in fund raising
- New junior faculty members should be required to have two years of post-doctoral studies in leading universities, preferably abroad, with the financial support of the OAC. In addition, several senior faculty members who are still active in research should be hired to serve as mentors for the young faculty.
- Faculty members should be encouraged to do research which could include the publication of textbooks and cases. Adequate support should be provided for this purpose. Trips abroad for participation at academic conferences should be encouraged and supported financially. Faculty members who win outside research grants should be offered a choice between a financial reward and reduction in teaching load, so that they can spend more time on research.
- The library should be better equipped with books and periodicals and journals.
- The highly concentrated BA tracks should be extended by one or two semesters and elective courses should be added.
- All programs should include course offerings in entrepreneurship and business values (corporate governance).
- Serious efforts should be undertaken to improve the reading habits of students. English fluency as well as written, oral and electronic communication skills should be required of all graduates.


### **Concluding Comment**

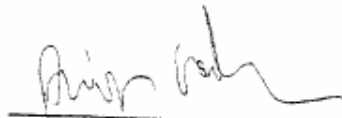
The BA and MBA programs offered by the School of Business Administration are weak by any standard. Students are not required to take the psychometric test for the BA studies nor the GMAT for MBA studies and the faculty includes a large proportion of young lecturers who received their Ph.D. from Israeli universities and are without post-doctoral research experience at leading universities. In addition, due to their relatively high tuition and formidable competition the School caters to students excessively. For instance, class schedules are compressed in very long days and evenings throughout the entire calendar year so that the students, most of whom work full-time, can complete their studies expeditiously and without interference with their employment obligations. While common among Israeli MBA programs this compression is unusual among BA programs. As a result, studies at the School are diluted and major reforms have been required in order to maintain CHE accreditation which is still under review by a follow-up committee.


**Signed by:**

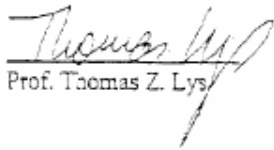
  
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