

Headlines

After the Storm

When Hurricane Katrina hit the Gulf Coast of the United States in August, Angelo DeNisi had been dean of the A.B. Freeman School of Business at Tulane University in New Orleans for just under two months. But Katrina's arrival wasn't just an overwhelming test of leadership for one new dean. School administrators in Louisiana, Mississippi, and Alabama have had to cope with the devastation and flooding caused by Katrina and her aftermath. Some schools sustained minimal damage and soon reopened. Others, particularly those in New Orleans, were forced to shut down as they faced a city in tumult, a student body scattered, and a host of questions about what happens next.

These schools moved quickly to set up blogs, chat groups, and emergency Web sites to keep students, staff, and faculty informed and connected. "What everyone wanted most was to know whether everyone was safe," says J. Patrick O'Brien, dean of the College of Business Administration at Loyola University New Orleans. In fact, the near-miraculous power of the Internet has allowed these schools to regroup their administrative teams, working from multiple sites in far-flung cities to communicate, plan their next moves, and even hold a semblance of a fall semester online.

One of the first orders of business for these schools was to reassure students that they would not be forgotten and faculty that they were still employed. For instance, at the University of New Orleans, full-time faculty were told they would be paid at least through the end of the fiscal year. Adjunct faculty received salaries through September 30 and some



On September 7, the Tulane University campus in New Orleans is covered by floodwaters following Hurricane Katrina.

DAVID J. PHILIP / AP WIDE WORLD PHOTOS

were rehired on a case-by-case basis, particularly those who could conduct classes online.

The University of Southern Mississippi in Hattiesburg not only guaranteed faculty a payroll, it worked with FEMA to help find housing and other necessities for staff members whose homes were destroyed. "We're trying to keep people engaged in their lives and moving forward," says Harold Doty, dean of the College of Business.

A major goal for all affected universities has been helping their students find places at other academic institutions. Many Loyola students were able to enroll as transient students at other Jesuit universities, and thousands enrolled in Louisiana's state university system. In fact, according to Paul Hensel, interim dean of the University of New Orleans' College of Business Administration, so many UNO students enrolled at Louisiana State University in Baton Rouge that some UNO faculty began teaching LSU classes to help with the overflow.

But schools across the country

and around the world have offered academic homes to the evacuated students, either waiving tuition altogether or charging only a minimal fee. "I want to thank sincerely all those universities that have opened their arms to our students," says Hensel. "We've got students at Brown, Oklahoma State, Southern Illinois University in Carbondale, and North Texas State. I have six French-speaking students here from Africa, and the University of Montreal wanted to take them in."

Southern Mississippi is one of the dozens of schools that have accepted displaced scholars as "visiting students." Although the Gulfport campus sustained enough damage to be closed at least for the semester, the Hattiesburg campus was up and running again in early September and poised to hold a full semester of classes.

According to Doty, "I've declared that any student who was enrolled in higher education at the start of the semester will be admitted. That's without benefit of transcripts. We're fudging on some rules, and we know

“KATRINA WILL SURELY TEST OUR ABILITIES TO MANAGE CHANGE AND ADAPT TO A NEW, UNCERTAIN ENVIRONMENT. IT IS OUR INTENTION TO RESURRECT WITH A STRONGER, MORE FOCUSED INSTITUTION.”

—J. Patrick O'Brien, Loyola University New Orleans

there's an accreditation issue. But for these visiting students, we're willing to stand up and look three other AACSB deans in the eye and explain our decision.”

Educators realize it will be an administrative nightmare to determine which students have earned credit where. “We are committed to being as flexible as we can to make sure that any relevant course a student takes during this semester can be counted as credit toward the student's degree,” says DeNisi. “It will be a *huge* task, but it's what we have to do.”

In some cases, students didn't have to continue their education elsewhere: Some hurricane-ravaged universities were able to quickly start offering courses electronically. By mid-September, UNO as a whole had more than 50 classes online, and more were being readied every week. Says Hensel, “We have a Web site where students can sign up for online classes, and we'll have rolling enrollments. Classes have to be finished by December 31, but that's easier to do online where students are self-paced.”

At Loyola, the majority of CBA classes were made available online, commencing in late September. Meanwhile, the school was dealing with its other challenges. “By one week after the hurricane hit, we had laid out action plans for all faculty and staff members—teaching of online courses, revision of five-year faculty development plans, continuation of the development of assessment programs for each of the majors, revisions of syllabi to reflect assessment plans, and individual research,” says O'Brien. “We also announced to the faculty and staff that it was our full intention to

reopen for classes in January 2006.”

That's the goal for administrators at all of the disrupted schools, but to some extent, the decision is out of their hands. Doty hopes to move back into the Gulfport campus for the spring semester—if the city is able to supply power, water, and other services. “Right now, we have not made a decision about the spring semester,” he says. “We have to take care of our students and community first.”



BILL HABER / AP WIDE WORLD PHOTOS

A New Orleans resident tries to drive his car through floodwaters past the University of New Orleans on Tuesday, August 30.

While Tulane University sustained minor damage, most can be repaired with relative ease. For the campus to open in January, DeNisi expects the university will have to provide some housing and other services on its own. “Right now, this is all under discussion,” he says.

At UNO, the early focus was on a branch campus that survived the flood better than the main campus.

But even that building won't be holding classes unless the city of New Orleans is habitable again, and when that will happen is anybody's guess. “We've heard estimates of everywhere from two months to eight months to never,” says Hensel.

Yet an even longer-term problem looms on the horizon: the fates of the affected universities in the coming years. Next year's classes may be considerably smaller as some temporarily displaced students choose to stay where they are, and other students under recruitment decide not to chance a Gulf Coast school.

“We are currently recruiting students at all levels for 2006,” says DeNisi. “We realize this may be difficult. We realize some of our students won't return. But we believe that if we can deal with problems in a compassionate way, help students graduate on time, and actually get things running again soon, we will demonstrate that Tulane is a caring and capable organization. It may take a year or two, but if we can learn anything from dealing with this crisis, Tulane will come back a better university than it was.”

O'Brien of Loyola echoes these sentiments. “Katrina will surely test our abilities to manage change and adapt to a new, uncertain environment. It is our intention to resurrect with a stronger, more focused institution.”

Hensel not only expresses confidence that his school will recover, but he also predicts that the city will rebuild. “How can you not have New Orleans?” he asks. “We've got to focus on the positive. That's what we tell our students, that's what we tell our faculty, that's what we tell ourselves. We've got things to do. Let's get to work.”

■ AACSB Tackles Critical Issues

As part of its expanded role as a thought leader for management education, AACSB International has issued two papers on critical topics. One articulates the value of management education today; the other addresses the problems posed by media rankings and how to solve them. Each report was issued by a task force of the Committee on Issues in Management Education (CIME).

In "The Business School Rankings Dilemma," the committee members acknowledge that media rankings have helped promote business schools in general and the MBA in particular. However, they say the ranking methods used by *Wall Street Journal*, *BusinessWeek*, *Financial Times*, *Forbes*, *U.S. News & World Report*, and other media outlets can have "serious negative impacts on business education."

According to the report, problems with the rankings include a reliance on inconsistent data and subjective opinions; too much emphasis on short-term performance; use of blanket criteria that do not differentiate among schools with varying missions or orientations; and emphasis on full-time rather than part-time programs.

The committee members offered four recommendations:

- That AACSB develop a global communications program to engage the media, educate the public about the limitations of the rankings, and assist business school leaders in dealing with issues related to rankings.

- That AACSB define and collect better indicators of program quality, such as academic qualifications of faculty and research. AACSB is already collaborating with the MBA Career

Services Council and the Graduate Management Admission Council to organize data for media surveys.

- That AACSB strengthen the external value of accreditation through a media campaign and a partnership with accredited institutions.

- That AACSB commission studies about the methods, validity, and impact of rankings, as well as the link between research, teaching, and practice.

The task force was chaired by Robert Duncan of Michigan State University. Other CIME members who participated were Sung Joo Park of KAIST, Andrew Policano of the University of California Irvine, Sharon Smoski of State Farm Insurance Companies, and Dan LeClair, vice president and chief knowledge officer of AACSB International. The report is available online at www.aacsb.edu.

In another report prepared by a second CIME task force, committee members outline the contributions management education has made to the world. The paper, "Why Management Education Matters," points out that business has transformed the world over the past century.

The report goes on to look at how management education offers

value to three distinct groups.

Management education benefits *individuals* by giving them practical skill and offering them the means to create personal wealth. Management education benefits *organizations* by providing cutting-edge ideas that help improve efficiency and by offering a fertile environment for the development of new ideas. It benefits *society* because it facilitates economic development and provides opportunities to an increasingly diverse population.

The task force was co-chaired by Patrick Liverpool of Delaware State University and Patricia Meyers of the University of Dayton. Other CIME members who worked on the report include Ángel Cabrera of Thunderbird; Lee Caldwell of Dixie State College; Paul Danos of Dartmouth College; Fred Evans of California State University in Northridge; Stuart Greenbaum of Washington University; Andrew Policano; Stephen Watson, scholar in residence at AACSB; and Anne Graham, executive vice president and chief operating officer of AACSB. Information about obtaining the report is available from AACSB at 813-769-6500 or www.aacsb.edu.

Also from AACSB

As part of a campaign to promote the value of accreditation worldwide, AACSB International has produced a new set of materials designed to communicate with a range of management education stakeholders.

A brochure titled "Excellence. The Best Business Schools in the World" is targeted at members of the business community, including CEOs, human resources professionals, recruiters, and advisory boards. It is accompanied by a pamphlet titled "The Best Business Schools in the World," which is a compilation of all schools accredited by the association. For students, AACSB has produced a brochure called "Choosing the Right Business School," which emphasizes that AACSB accreditation should be among the most important criteria used in making this decision. For information about and copies of these accreditation materials, call AACSB at 813-769-6500.

While the authors found no evidence that a low score in the *U.S. News* rankings affected the likelihood of dean turnover, they found that a low ranking from *BusinessWeek* did.



Deans and Rankings

Does a bad ranking by

a top publication cause a dean to leave a business school? Maybe, if that low ranking appears in *BusinessWeek*. Probably not, if the ranking appears in *U.S. News & World Report*—but if a school’s student placement score deteriorates in the eyes of *U.S. News*, a dean is more likely to depart.

Those are some of the overall findings in “Business School Rankings and Business School Deans: A Study of Nonprofit Governance” by C. Edward Fee, Charles J. Hadlock, and Joshua R. Pierce, which appeared in the spring 2005 issue of *Financial Management*.

The authors examined the careers of all the deans who served at the schools ranked by *BusinessWeek* or *U.S. News* from 1990 to 2002. While the authors found no evidence that a low score in the *U.S. News* rankings affected the likelihood of dean turnover, they found that a low ranking from *BusinessWeek* did. Their conclusion is that “schools behave as if they evaluate deans based on factors that are captured in the *BW* ranking measure.” Furthermore, they note that deans are more likely to be penalized for a drop in rankings than rewarded for upward movement.

But does it do a school any good to replace a dean who has presided over a change in rankings? The authors say no. “We find little evidence of large changes in rankings or program characteristics after a change in dean, indicating that new deans may be limited in their ability to change a school’s direction,” they write.

Reclaiming the Land

Heavily polluted land will be cleaned

up and made productive again thanks to a new partnership between the nonprofit Cherokee Property Foundation and the University of North Carolina’s Kenan-Flagler Business School in Chapel Hill. The Cherokee Property Foundation accepts donations of environmentally damaged property, or “brownfields,” and turns them into tax-producing community assets. UNC students will help the foundation negotiate the donations, contract to clean up the land, and then resell it.

“The donated property might be an old gas station, an industrial site, or a former shopping center with a dry cleaner,” says Dave Hartzell, North Carolina Real Estate



Educational Foundation Professor and director of the Center for Real Estate Development at UNC Kenan-Flagler. Owners of such properties often don’t know how to clean them up, he explains, and they fear legal liabilities if they sell. The foundation, which is closely tied to the private equity fund Cherokee Investment partners, plans to indemnify owners against such liability in exchange for

donation of the land. Profits from land sales will support future deals, with excess proceeds donated to community human service and economic development efforts.

With the new partnership, up to six MBA students will work with the foundation annually. “Last year was our startup year,” Hartzell said. “We hope to close on several deals this year. Students get exposure to developers, different markets, and due diligence. They also get a good feel for how contaminated and fallow properties can be remediated and brought back into economic use.”

The PhD Project Turns Not-for-Profit

The KPMG Foundation has announced that

The PhD Project has been established as a separate not-for-profit corporation known as The PhD Project Association. The organization has been instrumental in encouraging minorities to pursue doctoral degrees in business and take positions as faculty at business schools.

According to Bernie Milano, president of the KPMG Foundation and lead administrator of The PhD Project, “With over 1,200 universities issuing degrees in business, the need for a more diverse faculty is quite apparent.” The KPMG Foundation will continue to provide support to The PhD Project Association.

Since The PhD Project was founded in 1994, the number of minority professors at U.S. business schools has more than doubled, from 294 to 751. Further, 415 minorities are currently enrolled in doctoral programs and could take a place at the front of the classroom in the next five years.

SHORT TAKES

NEW APPOINTMENTS

■ **Judy Olian** has been named dean of the Anderson School of Management at the University of California in Los Angeles. She will take the position January 1. Currently she is dean of the Smeal College of Business Administration at Pennsylvania State University, where she has been dean and professor of management since 2000.

■ **Lewis R. Gale** has been selected as the new dean of the John B. Goddard School of Business and Economics at Weber State University in Ogden, Utah. Gale has spent the last two years as dean of the B.I. Moody III College of Business Administration at the University of Louisiana at Lafayette.

■ **Rajib Sanyal** has been named dean of the Walker L. Cisler College of Business at Northern Michigan University in Marquette. Previously, he was a professor of management at the College of New Jersey, formerly Trenton State College.

■ **Nancy Hayes** has been appointed dean of the College of Business at San Francisco State University in California. Hayes worked at IBM for 20 years, and more recently was president and CEO of WISE Senior Services in Southern California.

■ **David K. Graf** has been named the new dean of the College of Business and Economics at the United Arab Emirates University. He was formerly the dean at Northern Illinois University.



■ **Stefanie Lenway** has been named dean and professor of managerial studies at the University of Illinois at Chicago College of Business Administration. She was previously associate dean of MBA programs at the University of Minnesota. She succeeds interim dean John McDonald, who will retire from UIC.

NEW PROGRAMS

■ This fall, the Owen Graduate School of Management at **Vanderbilt University** in Nashville, Tennessee, launched a health care MBA program in which students collaborate closely with professionals at Vanderbilt's Medical Center as well as some of the health care companies based in the city. Participating students will earn a traditional MBA with a concentration in a functional discipline while also completing courses specific to health care. Students will learn strategic, economic, ethical, and operational aspects of health care while pursuing specializations in the fields of health services, medical devices, biotech, consulting, pharmaceuticals, or managed care.

■ The **Yale School of Management** in New Haven, Connecticut, has launched its MBA for Executives: Leadership in Healthcare program this fall. It is the school's first degree tailored to the needs of working executives. Students currently enrolled in the program represent diverse sectors of health care, including pharmaceuticals, biotech, managed care, medical devices, non-profit and government health organizations, hospitals, private practice, consulting, and insurance.



■ **Southern Methodist University's** Cox School of Business, Dallas, Texas, has developed cooperative programs with the Journalism Division of the Meadows School of the Arts at SMU. Funding was provided by William J. O'Neil, chairman and CEO of *Investor's Business Daily*. The Cox School will establish the William J. O'Neil Center for Business and Financial Reporting and the William J. O'Neil Chair in Business and Financial Reporting. The school also has developed a new BBA major in business and financial reporting.

■ The **University of North Carolina's** Kenan-Flagler Business School in Chapel Hill has launched the Leadership Initiative, an integrated, experience-based program that assesses and develops MBAs' leadership skills. The program is directed by Mindy Storrer. Students will develop individual self-assessment and goal-setting plans, receive feedback from leadership coaches, and consult with companies to solve real-world problems. Storrer, who was previously director of MBA Career Services, has been replaced in that position by Susan A. Amey.

GRANTS AND DONATIONS

■ An anonymous donor will provide \$25 million toward a new executive education building for the Haas School of Business at the **University of California in Berkeley**. It is the largest single gift in the school's history. The center will create space for classrooms and short-term housing for executives attending educational programs.

■ The Gordon and Betty Moore Foundation has awarded the Yale Environment Management Center a \$1.5 million grant to support the

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joint masters degree program between the **Yale School of Management** and the Yale School of Forestry & Environmental Studies. Students enrolled in the three-year program at the New Haven, Connecticut, school earn both an MBA and a Masters in Environmental Management.

■ The Belk College of Business at the **University of North Carolina at Charlotte** has received a \$1 million contribution from the BB&T Charitable Foundation to create a program for the study of the moral foundations of capitalism. The donation was spearheaded by BB&T Chairman and CEO John A. Allison IV. It will be used to support the development of a course on ethics and morals in capitalism for advanced business undergraduates and MBA students. Additionally, the gift will fund faculty research on the philosophical underpinnings of capitalism, create a speakers series focusing on ethical and core values in business, support the Center for Applied Ethics at UNC Charlotte, and establish an Ayn Rand reading room on campus.



COLLABORATIONS

■ **Audencia Nantes School of Management** in France has doubled its number of academic partners in Asia with the creation of nine new agreements with foreign schools and universities. Seven of the new partners are Asian, including the Faculty of Business at the City University of Hong Kong, Korea University Business School in Seoul, the Royal University of Law and Economic Sciences in Cambodia, the Univer-

sity of International Business & Economics in Beijing, the Welinkar Institute in Mumbai, the National Organization for the Study of Policy and Administration in Laos, and the Franco-Vietnamese Management Centre in Hanoi. The school has also signed partnerships with the European Business School in Germany and Izmir University of Economics in Turkey.

■ The **University of Newcastle upon Tyne** in the U.K. and **Grenoble Ecole de Management** in France have launched a joint Doctorate of Business Administration program. The DBA program, which accepted its first participants this fall, will specialize in the management of technology, innovation, and change. Students will be assigned supervisors from both schools and will attend seminars at both institutions.

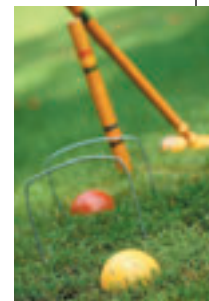
■ Henry Lowenstein, dean of the School of Business and Public Administration at **California State University, Bakersfield**, recently met with representatives from four universities in Santiago Querétaro to establish academic ties and a formal sister city relationship with the city in Mexico. He also made a presentation on behalf of AACSB International.

OTHER NEWS

■ **Edward M. Mazze**, dean of the College of Business Administration at the University of Rhode Island in Kingston, has announced that he will retire as dean at the end of the 2005–2006 academic year. At that time, he will have the title Distinguished University Professor of Business Administration and will teach in the areas of corporate governance, international business and marketing.

■ **Audencia Nantes School of Management** in France has been accredited by the Association of MBAs (AMBA). The school becomes the 23rd institution worldwide to receive triple accreditation: AMBA, EQUIS, and AACSB International.

■ The alumni association of **IESE** in Spain has organized the first MBA Alumni Olympics, which was held in September. It gave recent business school graduates a chance to network with each other, compete against each other, display school spirit—and raise money for good causes. Each competitor donated money for The Prince's Trust, a U.K. charity aimed at helping young adults realize their potential. The competition included football, tennis, croquet, and track-and-field events.



■ The **University of Chicago** Graduate School of Business has announced two new fellowship programs aimed at distinct groups. The Chicago Fellowships for Women program, which gives each recipient \$50,000 in scholarship money over two years of study, is designed to attract more women to the business school. It also pairs each woman with a sponsoring company that provides a mentor. The Dennis W. and Jane B. Carlton Israeli Fellows program is aimed at Israeli applicants who plan to return to Israel after they receive their MBA degrees. Those recipients will receive more than \$100,000 in tuition and living expenses, as well as mentoring by Chicago businesspeople, during their two-year course of study. **Z**

