

# **EXECUTIVE SUMMARY**

**ZICKLIN SCHOOL OF BUSINESS  
BARUCH COLLEGE, CITY UNIVERSITY OF NEW YORK**

Submitted To:

## **AACSB Peer Review Team**

Melvin T. Stith (Chair), Dean, College of Business, Florida State University

Thomas E. Moore, Dean, College of Business Administration, Northeastern University

Silvia A. Madeo, Director and Professor, J. M. Tull School of Accounting, Terry College of  
Business, University of Georgia

Ram T.S. Ramakrishnan (Vice Chair), Head, Department of Accounting, College of Business  
Administration, University of Illinois at Chicago

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## BACKGROUND

The Zicklin School of Business is one of three schools that comprise Baruch College. Baruch is a senior college in the City University of New York (CUNY) system, the largest urban public institution of higher education in the United States with over 217,000 degree-seeking students. CUNY's 1979 mission was defined in New York State Education Law with language that includes the following statements:

*The legislature's intent is that the City University be supported as an independent and integrated system of higher education on the assumption that the university will continue to maintain and expand its commitment to academic excellence and to the provision of equal access and opportunity for students, faculty and staff from all ethnic and racial groups and from both sexes.*

*The City University is of vital importance as a vehicle for the upward mobility of the disadvantaged in the city of New York.*

Baruch grew from the Free Academy, created in 1847 as a tax-supported, tuition-free college and re-named The City College of New York (CCNY) in 1866. A major component of CCNY was its School of Business and Public Administration established in 1919 and re-named after Bernard M. Baruch in 1953. Baruch became an independent senior college when CUNY was formed in 1968. In 1998, Baruch's business school was renamed the Zicklin School of Business in honor of alumnus Lawrence Zicklin ('57).

While Baruch's mission has expanded its focus to include the Weissman School of Arts and Sciences and the School of Public Affairs, it is still known primarily for its programs in business. In 2003, for example, 89.5 percent of Baruch undergraduate degrees and 79.8 percent of master's degrees granted were to students in programs offered by the Zicklin School.

Words from the mission statement of the Zicklin School of Business<sup>1</sup> indicate we see ourselves as:

...providing	<i>"the largest accredited business school in the United States;"</i>
...located in	<i>"high quality, high value education;"</i>
...having	<i>"a world city;"</i>
...producing graduates	<i>"a uniquely diverse student body;"</i>
...serving	<i>"who contribute to and lead varied enterprises in New York and beyond;"</i>
...devoted to	<i>"undergraduates primarily from New York City" and "more widely drawn master's and doctoral students;"</i>
...building on a	<i>"quality theoretical, empirical, and applied research;" and</i> <i>"tradition of excellence in public higher education in business."</i>

During the last decade, the Zicklin School has adopted an ambitious vision and has made substantial gains in the funding it has available to support its operations, in the quality of faculty it recruits, the quality of students it enrolls, and the support it is able to provide them. To continue this progress, it faces equally substantial challenges.

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<sup>1</sup> See Zicklin School of Business mission statement at: <http://zicklin.baruch.cuny.edu/about/mission.html>.

## **IMPROVEMENTS AND EFFECTIVE PRACTICES**

### Facilities have been transformed

Since the 1990s, Baruch College's physical plant has been transformed with over \$600 million in new facilities investments. The Zicklin School is housed in Baruch's new Vertical Campus. Honored by the American Institute of Architects, it is a 17-floor, 800,000 square-foot building with over 100 high-technology classrooms, an athletics and recreation complex, a performing arts center, campus bookstore, and food court.

Across the street, the William and Anita Newman Library is a 330,000 square-foot facility that won the prestigious Excellence in Academic Libraries Award for best college library in 2003. It offers hundreds of online databases and information resources in print and electronic formats, remote access from off-campus locations, and a 24/7 Web-based reference service in which librarians answer questions via a text chat.

The Baruch Computing and Technology Center (BCTC) is the largest student computing center in New York City featuring over 500 computer workstations with Web access and multimedia capability.

The Bert W. and Sandra Wasserman Trading Floor allows integration of hands-on financial services practice into the curriculum. The only business school resource of its kind in New York, it is a fully equipped, simulated trading environment featuring 42 high-end networked computer workstations, continuous live data feeds, real-time market quotes, and computerized trading models.

### Resources to support operations have grown

The commitment to quality enhancement, the end of remedial instruction for students unprepared for college-level studies, and the Zicklin School's top-25 vision, helped drive significant increases in alumni fund-raising and support at Baruch College. The College reached \$160 million in private fund raising during the last six years, including securing gifts of \$40 million, \$18 million, two of \$10 million, and more than 15 at the \$1 million+ level.

Beginning with the Spring 2002 semester, the Zicklin School received authorization from the CUNY Board of Trustees to charge a higher, differential tuition for the MBA program over the prevailing rates for other master's programs within the university. The sharing arrangement reflected in the Board resolution permits Baruch College to retain the differential revenue for use by the Zicklin School. This permits investments and expenditures to support quality enhancement in Zicklin of approximately \$3 million annually and offers significant future revenue growth potential.

The Zicklin School is now offering master's degrees in four countries overseas: Israel, Singapore, Taiwan and Hong Kong. These programs extend the school's reputation and network, afford faculty development opportunities and international exposure, and build its revenue base. With 161 students enrolled as of September 2004, program enrollment could grow to 300 in the next three years.

Forty-two substitute faculty were replaced with full-time, tenure-track faculty

Additional revenue from higher MBA tuition rates, and continuing strong fundraising support from the Baruch College Fund, have permitted Zicklin to support competitive compensation packages. Forty-two highly trained tenure-track faculty joined in the 2002-2004 period replacing about one-fifth of Zicklin full-time faculty, individuals who were serving on substitute appointments.

Academic qualifications of students have improved

The academic qualifications of both undergraduate and master's students have shown gains: freshman SAT scores increased 60 points to 1104 from Fall 1999 to Fall 2004 and 156 points over the last 10 years; average GMAT scores among newly enrolled graduate students increased 24 points to 593 from Fall 1999 to Fall 2004, and is 641 for students in the Full-Time Honors MBA program.

Stronger academic qualifications are evidenced by improved undergraduate 6-year graduation rates. For full-time, degree-seeking freshman, the 6-year graduation rate increased from 37 percent in 1995 to 55 percent for the Fall 1998 cohort.

First-to-second year retention rates have also increased; from 79% in 1995 to 89% for 2002 full-time, degree-seeking, freshman.

Research productivity is consistent with mission and growing

Intellectual contributions generated by Zicklin faculty over the past five years are consistent with the School's mission-based objectives with 1,430 contributions in basic scholarship, 602 contributions in applied scholarship, and 103 contributions in pedagogical scholarship.

Significant scholarly output produced by Zicklin faculty is registering in various recent research productivity studies in leading disciplinary journals. Zicklin faculty are:

- 8<sup>th</sup> in advertising <sup>2</sup>
- 20<sup>th</sup> in operations management<sup>3</sup>
- 29<sup>th</sup> in accountancy<sup>2</sup>
- 32<sup>nd</sup> in international business<sup>2</sup>
- 38<sup>th</sup> in finance<sup>4</sup>

Forty-eight publications have appeared or have been accepted in "A-level" journals by Zicklin faculty since 2002.<sup>5</sup>

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<sup>2</sup> Tony L. Henthorne, Michael S. LaTour and Tina Loraas, "Publication Productivity in the three Leading U.S. Advertising Journals: 1989 through 1996", Journal of Advertising, Summer 1998, v.27, n.2.

<sup>3</sup> Trieschmann, J.S., Dennis, A.R., Northcraft, G.B., and Niemi, A.W., "Serving Multiple Constituencies in the Business School: MBA Program versus Research Performance," Academy of Management Journal, December 2000, 43:6, 1130-1141. Rankings from working paper.

<sup>4</sup> Chan, K.C., C.R. Chen, and T.L. Steiner, "Production in the Finance Literature, Institution Reputation, and Labor Mobility in Academia: A Global Perspective, Financial Management, 31 (Winter, 2002), 131-156.

The Zicklin School's Law Department, with 11 full-time faculty, published 11 articles in Tier I law journals since 2002.

Strategic focus on master's programs is helping Zicklin improve

At Baruch, master's programs are largely administered at the school level. In 1996, the College moved to put more emphasis on growth in the size and quality of graduate programs. In 1998, these ideas were incorporated in the Presidential Commission report that indicated, "Baruch's graduate programs are designed in accordance with national standards for selective, nationally-ranked graduate education..."<sup>6</sup> These developments supported Zicklin's focus on improving its master's programs. As a consequence:

- A director of graduate studies position was created in the Dean's Office.
- A Full-Time Honors MBA program was created that attracted very qualified students and became a strategic and fundraising lever.
- The core of the MBA was revised, first using the Full-Time Honors MBA as a pilot, and then through adoption across the entire MBA.
- A graduate internship program was created that permits one, two, and three-semester internships with concurrent academic supervision.
- An English immersion program, Advanced Business English, was created to help otherwise highly qualified international students more easily adapt to study in a U.S. business school.
- A modular, pre-term program, QuickStart, was created to help students bolster core skills before beginning their graduate studies.
- A graduate career management office was created that has now grown to six professional staff.

With momentum from these initiatives, Zicklin leadership sought and won approval for a distinct and higher tuition rate for the MBA program with subsequent additional revenue invested in new faculty, professional staff, program support, and marketing.

Use of relevance-building, active learning strategies is enhancing the educational experience

Willing to engage external constituents and challenge students with realistic assignments, Zicklin faculty, staff, and students involve themselves in the life of New York City through curricular and co-curricular activities. As a result, the relevance of a degree from Zicklin is growing. Examples from the past year include:

- Undergraduate and graduate students now select recently created one, two, or three semester credit-bearing internships with academic supervision. In the Fall 2004 semester, 137 students registered for these internships. At the master's level alone, 1,111 MBA and MS students registered for graduate internships from 1997-2003.

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<sup>5</sup> Classification based on listing by Financial Times and used in compilation of their 2005 Full-Time MBA program rankings.

<sup>6</sup> See "Baruch College: The City University of New York: Institutional Self-Study," January 2000, p. 59. Document on file in the Zicklin Dean's Office.

- All undergraduates complete the BBA Business Policy capstone that requires involvement in an interactive business simulation and that, with its designation as a *communication intensive course*, assigns each student a communications consultant to assist them in improving their oral and written communication skills.
- Master's students in the Accelerated Part-Time and Full-Time Honors MBA programs take a Business Consulting course and work with external clients on semester-long engagements. In Fall 2004, 12 organizations participated.
- In Spring 2004, about 250 (mostly) Accounting students participated in the Volunteer Income Tax Assistance program, set up sites around New York City, and helped people with their tax preparation and filing.
- In Fall 2004, the Direct Marketing Resource Center was opened as an interactive classroom facility and direct marketing lab for students. In the past five years, Zicklin master's students competed in the Direct Marketing Association's national Collegiate ECHO competition and 38 have won ECHO awards for excellence in integrated direct marketing campaigns for clients like Hallmark Cards, Mazda, and Advanta, more than any other school in the U.S.. Direct marketing students are currently working on a campaign to raise awareness about integrity among students.
- One hundred-eighty-three students participated in the study abroad program and, in so doing, completed a significant international educational experience in countries including Spain, Mexico, India, France, Germany, England, Sweden, and Korea.
- In 2004, Zicklin master's students made the finals in the New York Society of Security Analysts (NYSSA) Investment Research Challenge, an eight-month initiative in which leading industry professionals teach business and finance students how to research and report on a publicly traded company.
- In 2004, a five-student team of undergraduate students from the chapter of ALPFA (Association of Latino Professionals in Finance and Accounting) won the northeastern regional round of the annual ALPFA accounting case study competition sponsored by KPMG.
- In Fall 2004, 127 executives participated in the Baruch College Executives-on-Campus Program that helps build relationships between students, faculty, and leaders in the business, nonprofit, and public sectors. They shared their perspectives through classroom lectures, participation in student clubs and events, working with career management offices, and in mentoring programs.
- The Baruch College Entrepreneurship Competition began its 5<sup>th</sup> year in Fall 2004 by giving students a chance to compete to develop business plans. Cash prizes are awarded to winning teams, and up to \$50,000 in seed capital is available annually.
- In 2004, RINA Systems provided the Wasserman Trading Floor with 60 licenses of its PortfolioStream Software, its advanced, professional-grade software and a gift valued at \$600,000. Students use the software to perform analytical modeling of portfolios across multiple asset classes. The software's powerful optimization features allows them to gain insight into multiple trading strategies.

### Strong Performance in External Rankings

The part-time MBA program continues to enjoy a strong reputation. It is currently ranked 14<sup>th</sup> nationally by *US News* (tied for 8<sup>th</sup> among public schools). The undergraduate business program is currently ranked 48<sup>th</sup> nationally by *US News* (tied for 28<sup>th</sup> among public schools), a jump from 62<sup>nd</sup> in 2003.