



OSB Strategic Plan

5-Year Plan for the Olayan School of Business



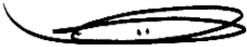
January 2012

Dean's Message

OSB is proud to put its finishing touches on its second formal strategic plan covering the period 2011 through 2016. This plan is the result of an intensive consultative process of collective thinking, strategic debate, idea-exchange and shared contributions involving the entire OSB family. It serves as a directional blueprint to guide our progress toward sustaining our position as the leading academic center for business education between Europe and South Asia in an increasingly competitive and complex environment. The blueprint is flexible and encompasses a coherent yet broad set of initiatives designed to move us from our mission toward our vision. The latter defines our identity and future directions whereas the former informs our approach to building world-class excellence. My colleagues and I are proud of what our School has been able to accomplish and are determined to see OSB move steadily in the direction of global positioning. Ours is a pursuit of best-practices where rigor and relevance reinforce each other and are always subject to the overarching criterion of impact.

A big debt of gratitude is owed to the individuals who spent long hours for this plan to be completed.

Sincerely,



Georges K. Najjar, Dean,
The Suliman S. Olayan School of Business

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Executive Summary

The mission of the Suliman S. Olayan School of Business (“OSB”), which has been reviewed by the School’s Strategic Planning Committee, reads as follows:

“Building on over a century of prominence in business education, the Suliman S. Olayan School of Business (“OSB”) is committed to providing quality undergraduate and graduate programs aimed at developing business leaders in, for or from the Middle East region and beyond.

The School’s undergraduate program (“BBA”) accentuates a liberal arts-based operational focus whereas the Executive MBA has a distinct leadership and strategy orientation. The MBA program imparts globally current, regionally relevant general management competencies to the next generation of business leaders; the specialized masters programs are designed to graduate expert practitioners.

OSB’s role in knowledge dissemination and service is reinforced by the School’s contribution to knowledge generation through basic and applied research. OSB upholds and promotes the highest ethical standards and a continuous improvement ethos in all its activities.”

In the last 5 years and in line with its mission, OSB has made impressive strides which include, to name a few, the acquisition of AACSB business accreditation, the completion and move to a new building, the enhancement of the caliber and impact of its academic research, the development of a critical mass of energetic, talented faculty from top US, UK and Canadian institutions, the raising of over US\$ 9 million in gifts and endowments to fund academic programs and the enhancing of an already a strong reputation in the Levant and GCC through a repositioned EMBA program and a new suite of high quality custom executive education offerings to major regional clients.

Going forward, the School’s key challenges will be to:

- attract senior international faculty in key academic discipline areas
- develop world-class teaching talent across its degree programs
- develop high quality research on the region
- pursue joint alliances with international business schools around the world
- grow its graduate enrollment through:
 - the repositioning and modularization of its MBA program
 - the launch of 2 new specialized programs
 - the growth of the EMBA (including a possible launch of the EMBA off-campus)

OSB plans to capitalize on its key strengths to leverage opportunities, mitigate weaknesses and defend against threats both regionally and globally.

The School's strategic plan is built on a strong understanding of market dynamics, SWOT analyses, reviews and deliberations undertaken by the School's Tracks, faculty-at-large and the Strategic Planning Committee ("SPC"). The planning process also benefited from the formal input and feedback of OSB's regional and international advisory boards both through individual member input as well as through formal (bi) annual meetings.

The global business education landscape and the Middle East region in particular are experiencing key influences that are necessitating customized quality delivery methods and distinctive branding and positioning in the face of rapid globalization. The highlights are as follows:

- Intensifying up-market competition from leading international providers of business education establishing presence in the region
- Intensifying home-grown competition from well-funded business schools
- "Plateauing" demand for fulltime, two year MBA Degrees
- Active pursuit of business accreditation and quality assurance certifications in the region
- Global increase in faculty salaries due to global business Ph.D. shortage, particularly in accounting and marketing fields
- Management education interest and preoccupation with globalization

In light of the above and given OSB's strength areas and development needs, OSB has determined a future direction for the next 5 years that is laid out in its 17 strategic initiatives, which align with 8 strategic objectives that stem from the OSB vision statement.

The OSB vision statement has been reviewed in the spring 2011 and currently reads as follows:

"To become globally recognized as the leading business school between Europe and South Asia in terms of academic research, teaching excellence and business impact."

What this means is that OSB aims to become the leading academic gateway to the region; the "go-to" institution of choice in, from and for the Middle East for students, faculty, for-profit, non-profit, governmental and non-governmental organizations, business partners and top academic institutions around the world.

The vision statement comprises 5 key elements:

1. Producing the highest quality globally-recognized academic research from or about the Middle East region
2. Providing outstanding academic products/services through:
 - a. creating globally rigorous, current and regionally relevant academic programs
 - b. attracting the best students in the region
 - c. developing the strongest teaching faculty in the region
3. Providing the most competitive employment opportunities for graduates
4. Providing the most effective managers for employers in the region and beyond

5. Providing world-class service to the regional business community through consulting and executive education

These elements are translated into 8 concrete strategic objectives:

1. Develop the highest quality globally-recognized academic research from or about the region
2. Attract the best graduate and undergraduate students from the region or interested in the region based on the most competitive international admission standards
3. Attain a graduate enrollment level that allows for international rankings
4. Further differentiate all products through globally rigorous, current and regionally relevant academic programs (this includes developing and retaining the best teaching faculty in the region)
5. Provide the most competitive employment opportunities for OSB graduates in the region
6. Develop the most effective managers for employers in the region and beyond
7. Provide world-class service to the Levant and GCC business communities through consulting and executive education
8. Enhance international visibility and reputation to become globally recognized as the region's business education leader

The progress toward the achievement of the aforementioned strategic objectives will be measured through key performance indicators outlined in the section entitled “*Mapping of Objectives, KPIs and Strategic Initiatives.*” OSB will work toward attaining its 8 objectives through the following 17 strategic initiatives:

1. Recruit senior thought leaders to fill leadership, marketing, finance and rotating management endowed chairs
2. Grow the reach of the Darwazah Center for Innovation Management and Entrepreneurship and produce the expected outcomes
3. Improve the quantity and quality of research through the Olayan Research Fund (through conference participation, mentoring/review relief, faculty time buy-out, monetary rewards for high-impact publication)
4. Reduce teaching loads for professorial rank faculty to further enhance academic research
5. Recruit a business development director to promote graduate programs and centers of excellence (this person will develop marketing materials and conduct road shows across the region and the alumni community globally)
6. Grow the EMBA program (with potential to launch off-campus EMBA) as per University due process
7. Successfully launch and grow the Specialized Masters Programs in Finance and Human Capital Management
8. Restructure and reposition the MBA program
9. Fund on-going faculty training program for case study teaching and writing.

10. Launch a program of teaching effectiveness involving, inter-alia, external peer-review to feed into annual performance reviews
11. Recruit additional senior teaching capacity in development need areas for graduate programs: marketing, accounting, leadership and statistics
12. Develop a full-service career planning and placement function that:
 - a. Places BBA, Specialized Masters and MBA students post-graduation
 - b. Uses technology to match employers with students and tracks student progress post-graduation
 - c. Advises/coaches and prepares students in a systematic manner
 - d. Solicits input from employers on OSB student skills/corporate needs
 - e. Tracks alumni careers, contact information and maintains network through events and communications
13. Develop executive open enrollment programs to supplement already existing corporate custom executive education programs
14. Further scale quality, scope and processes for customized, in company executive programs while acquiring new clients
15. Raise US\$ 7 million for OSB Global Fund
16. Pursue international partnerships with top Universities from around the world:
 - a. Research partnerships
 - b. Student exchanges
 - c. Joint programs
 - d. Joint courses
17. Pursue international rankings (contingent upon intake sufficiency for MBA and EMBA – 75 graduates per year)

By AY 2015-2016, OSB plans to stabilize its enrollment levels in its undergraduate program at approximately 1050 fulltime students while growing its graduate student body to the order of 330 fulltime students in its MBA, EMBA and Specialized Masters programs. To support this enrollment, its fulltime faculty complement will grow to 75 fulltime faculty (by 20 incremental faculty), primarily in the professorial rank with an additional 5 faculty in chaired positions. This will improve the student FTE to fulltime faculty ratio for OSB from approximately 19 to 17 by AY 2015-2016.

Under this strategic plan, the School's operating budget will need to grow from US\$11.5 MM in academic year 2010-2011 to US\$ 15.1 MM by academic year 2015-2016 in order to fund initiatives 4, 5, 6, 7, 8, 11, 12, 13, 14. In other words, by 2015-2016, the annual operating budget must grow by US\$ 3.6 MM over and above its present 2010-2011 level. To fund these resourcing requirements, the School will:

- Introduce two new specialized masters programs in finance and human capital management, respectively and a variation to the current EMBA program to be delivered off-campus. For the specialized masters programs, tuition is assumed to grow at 5% per annum. For the Off-campus EMBA, tuition fees are assumed to grow at a conservative 7% per annum. These programs will self-fund and generate excess proceeds. Two thirds of the net proceeds from these three programs will be retained by OSB to fund the

mentioned initiatives while the remainder of the proceeds will belong to general university funds.

- Grow its executive education operation by introducing open enrollment programs and growing its custom executive education client base. Tuition/corporate fees are assumed to grow at a conservative 7% per annum. These non-degree programs will self-fund and generate excess proceeds. 45% of the net proceeds from executive education programs will be retained by OSB to fund the mentioned initiatives while the remainder of the proceeds will belong to general university funds.

In addition, the School's extra funding from existing and additional expected endowment proceeds needs to be no less than US\$ 1.2 MM per year which will be used to fund initiatives 1, 2, 3, 9, 10, 15, 16, 17. Most of the gifts and grants required to fund these initiatives have already been secured with the exception of the US\$ 7 million global fund (Initiative 15) to fund initiatives 16 and 17.

Detailed revenue and cost projections for each of OSB's 17 strategic initiatives indicate that AUB's net revenues from OSB after budgeted expenses are expected to grow from US\$ 9.6 MM in AY 2010-2011 to US\$ 11.5 MM by AY 2015-2016, an increase in surplus of approximately US\$ 1.9 MM or 20%. The cumulative 5-year additional surplus is equal to approximately US\$ 7.4 MM.¹

The strategic planning process at OSB was managed by the Office for Continuous Improvement and involved, at the on-set, the development of SWOT analysis for each track, program and function at OSB. These analyses were primarily conducted by faculty groups with input from selected students and under the guidance of track conveners and directors. The School's Strategic Planning Committee used these unit-level analyses as a basis for its strategy meetings which took place on a weekly basis over a three-month period. This plan, which serves as the School's strategy roadmap for the next 5 years, is an output of these sessions and was circulated to the faculty and staff at large for input, comment and feedback. Because the School's strategy is a dynamic, continuously improving one, this document will serve as a general roadmap that will be subject to review and improvement every year.

While OSB reviews and monitors its strategic priorities and performance every year, it plans to formally revisit its strategic plan once every five academic years with the next zero-based review planned for 2015-2016. This is based on the belief that it is necessary to continuously update the School's 5-year objectives and strategic initiatives and in order to cope with a constantly changing business environment.

¹ All US\$ figures are stated in nominal terms.

OSB Mission Statement

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Major Accomplishments and Challenges

Key Accomplishments for the period 2006 - 2011

Research

- Recruitment of over 20 net new full-time faculty, primarily in the professorial rank – significantly strengthened the Finance, Accounting, Organizational Behavior, Decision Sciences and Information Technology areas in terms of research and teaching
- Substantial improvement in caliber of research as measured by ISI impact factor/FT top 50 journal publications
- Organic growth in senior faculty members – through successful promotion applications to Associate and Full professor ranks
- Improved research support through mentoring and School-level funding
- The case (proposal with analysis) for teaching load reduction completed and discussions initiated with Office of the Provost

Global Branding

- Acquiring AACSB Business Accreditation in 2009
- Improvement in global credibility and reputation as indicated by recurring invitations to serve on AACSB accreditation peer-review teams, standing accreditation committees, conference panels and as expert trainers in learning outcomes assessment field
- Development of co-branded cases – Stanford University and Goldman Sachs Foundation/10,000 Women
- Assurance of Learning/Assessment (AoL) programs lead the university and the region; OSB selected by AACSB to deliver AoL seminars around the world

Academic Programs

- Significant enhancement in reputation and brand of EMBA program – better participants, better teachers, holistic student experience, rigor and relevance of program, training, alumni community
- Increasing quality of BBA and MBA students as demonstrated by increasing SAT and GMAT scores
- Increasing gender diversity of BBA and MBA students as demonstrated by % of intakes that are women

Executive Education and Corporate Linkages

- Launching and managing significant in-company executive education programs with key corporate clients in the region
- Launch of professional external communication channel to alumni and corporate constituencies: ALIGN newsletter
- Improved engagement with corporate constituencies at the Track level, especially for the FAME (Finance, Accounting and Managerial Economics) Track

Facilities, People and Fund Raising

- Completion and move into the new building in 2009
- Improvement in number and caliber of management staff - Institutional research, EMBA, Executive Education
- Significant fund-raising successes (over US\$ 9 million in the past 3 years) that include, among other grants, chairs (leadership, corporate governance), centers (Darwazah), research funds (Olayan)

Key Challenges for the period 2006 – 2011

Research

- Recruitment of senior faculty, especially to fill chairs in management, marketing, finance and leadership
- Mismatch between research/teaching expectations and workload for faculty (although 3-2 workload initiative in progress)
- Focus on graduate education and emphasis on academic research not adequately resourced to attain desired quality outcomes

Academic Programs

- Inability to recruit EMBA and MBA students in sufficient numbers as per May 2006 strategic plan
- Inability to launch CEMBA due to government bureaucratic processes
- MBA program quality still requires improvement – quality, relevance and level of curriculum; student satisfaction with experience, placement, quality of instruction, independence of director, administrative support, marketing and promotion efforts
- Launch of full-blown case study center delayed; so far only one-off cases produced
- Executive education presence has a long way to go – reliance on few clients and a limited group of faculty
- Corporate partnering and alliances need to be further developed and formalized

Management and Planning

- Processes and accountabilities – little existence and oversight
- Web presence and School marketing in need of improvement
- Lack of professional staff in areas such as marketing and promotion/fund-raising; recruitment of skilled senior professional talent, particularly in development, fund-raising and marketing is a challenge
- Space constraints to accommodate influx of planned faculty recruits
- Quantity and quality of support services – facilities, ordering, calling, copying, janitorial, maintenance, IT support and so forth (all central university facilities)

Strategy and Positioning

- ***Need to Build and Promote Key Differentiators.*** Since its founding as a stand-alone School, OSB has been focused on building foundations and capacity in critical challenge areas. Assisted by the accreditation process, OSB has managed to build a strong physical and academic infrastructure for global business education provision. Looking ahead and in the face of significant regional and international competition in the Middle East at the undergraduate, graduate and executive levels in both degree-bound and non-degree-bound education, OSB must develop unique competencies stemming from its ability to design and deliver customized region-relevant top-caliber business programs for organizations and individuals from or interested in the Middle East. This involves an understanding of the needs of the Arab organization, culture and business community better than any other provider in the world (i.e. Cultivating the OSB brand as “*in, for and from*” the Middle East; being perceived as understanding the dynamics and complexities of culture, economies, organizations and managers in the region while producing global caliber research). An ability to do this with the benefit of top internationally published and credentialed scholars and management staff makes for a truly unique value proposition. The challenge is to achieve this while continuing to “incentivize” OSB faculty to publish in top international outlets that are potentially less receptive to regional research.
- ***Sustained resourcing.*** This will always be an on-going challenge for the School as it is vital to executing its strategy on a variety of fronts, from focused recruitment and talent management, to physical /support capability-building and marketing/promotion, to name a few. The availability of annual proceeds from the Olayan endowment is a big step in the right direction. The key challenge here is that we have to compete in a global business education industry where major competitors have a combined resource base in the billions of US\$. We have to carve a niche commensurate with our limited resources by being selective in what we do and intensifying fund-raising as an on-going activity.

External Trends and Influences

The Management Education Industry Environment

- ***Intensifying Up-market Competition in the Region.*** OSB has witnessed intensified up-market competition from leading international providers of business education establishing their presence through a variety of models, some more successful than others. For example, London Business School has successfully launched an Executive MBA Program based in Dubai (over 75 participants). Manchester Business School has also launched an MBA in Dubai and supports 600 MBA students in its Middle East Regional Center in Dubai knowledge village. INSEAD has recently also launched an EMBA program based in Abu Dhabi and is already extensively involved in Case Writing and Executive Education there. In 2010, [New York University](#) opened up a campus in Abu Dhabi as has [Michigan State](#) in Dubai. The Wharton School also offers executive education programs in Abu Dhabi. Carnegie Mellon, Cornell, Georgetown, Northwestern, [Texas A&M](#) and Virginia Commonwealth all have programs in Qatar's Education City. These are just a sampling of the many exceptionally well-resourced European and American universities operating in the Gulf and attracting some of the best students in the region. Under many of these arrangements, the GCC governments provide all the infrastructure, fund all faculty time and provide other financial support while the American or European university oversees and administers the academic programs. Although many international providers continue to operate in the region, the long term successes of their operating models have yet to be proven and their survival depends on continued government subsidies which may prove unsustainable. Some endeavors such as that of Bentley in Qatar and Bahrain, DePaul in Bahrain and George Mason in Ras Al-Khayma have not succeeded due to a variety of reasons:
 - The inability to attract and admit a sufficient amount of students by the same admission standards as that of their home campus. Finding students with excellent English skills, SAT and GMAT scores (comparable to their American counterparts) and college-ready academic preparation has been a challenge, and is essential for "branch" credibility and brand safe-guarding;
 - Fluctuating funding of capital commitments by host governments;
 - Top faculty members are sometimes unwilling to travel and live in the Middle East resulting in less qualified lecturers teaching at the satellite campuses;
 - Faculty members are dissatisfied with caliber of admitted applicants and find it difficult to adjust pedagogical approaches to student learning style;
 - Constant turnover in the leadership due to host government policy changes, and;
 - Lengthy, sometimes bureaucratic processes of gaining local governmental accreditation.

- ***Intensifying Home-Grown Competition.*** As for “home-grown universities,” some such as the American University of Sharjah and American University in Cairo are extremely well-funded either by host governments or international organizations. They are growing in terms of programs, building differentiators through region-specific centers of excellence and attempting to form alliances with top American institutions for student exchanges, executive education and certificate programming.
- ***“Plateauing” Demand for Fulltime, Two Year MBA Degrees.*** Lebanon is experiencing a lower demand for business students from the region due to political uncertainty and the economic downturn. Many Lebanese professionals (potential MBA degree-seekers) are leaving Lebanon in search of employment opportunities in the GCC. Therefore, the opportunity cost of leaving a lucrative fulltime GCC position in pursuit of a fulltime MBA degree is on the rise.
- ***Active Pursuit of Business Accreditation and Quality Assurance Certifications.*** Since its inception, AACSB business accreditation has been considered a prestigious global certification. More recently, however, and as more programs have acquired AACSB certification, it has become a well-recognized business school “rite of passage.” Several well-funded schools in the region, especially in the GCC, have recently acquired AACSB business accreditation: Kuwait University, United Arab Emirates University (Al-Ain), American University of Sharjah, American University of Cairo, Qatar University, University of Dubai, and King Fahd University of Petroleum and Minerals (KFUPM).
- ***Global Increase in Faculty Salaries.*** There is a current global shortage of business Ph.D. graduates (and a global decline in Ph.D. program enrollment) coupled with a surge in demand for new doctorates from top programs, especially in the accounting and marketing discipline areas. As a result, starting 9-month salaries for Assistant Professors in business have grown explosively over the last five years, to an average of nearly \$120,000.
- ***Management Education Preoccupation with Globalization.*** Students all over the world are looking for programs that allow for student international experiences and exchanges and B-Schools around the world are looking to form alliances with others in different parts of the world.

The Regional Macro-Environment

- **Demographic.** Populations that are predominantly young often with 65% or more in age groups below 25 years. This is true of Syria, Jordan, the West Bank, Turkey, Iran and the entire GCC region.
- **Social.** Changing values favoring globalization, gender equality, mobility in pursuit of education, emphasis on social media and networking, as well as professionalism and the emergence of performance cultures.
- **Economic.** Clear signs of expanding private sector role in wealth and job creation at the expense of a bloated public sector. Family business environment, public-private partnerships, attempts at diversification, increasing emphasis on human capital, increasing integration into the global knowledge economy and clear signs of expansion in the entrepreneurial and SME sector.
- **Political.** Protracted political instability in Lebanon, country risk perceptions adversely affecting willingness to come to campus on the part of relevant regional and international constituencies despite the attractiveness of Lebanon to many regional constituencies.
- **Technological.** Emergence and rapid expansion of technology integration into higher education particularly in terms of delivery platforms, impact on curriculum and assessment methods, changing nature of job and market and technology-driven organizational innovation.
- **Educational.** Rapid growth of the higher education landscape in Lebanon, the Levant and the GCC. Alarming growth with chronic quality deficits: mismatch between higher education outputs and labor market input requirements, rapid growth of the for-profit higher education sector practically following an open-admission philosophy, resuming of the policy of massive foreign scholarships in the GCC region, spread of higher education regulatory bodies and national accreditation boards, coming of age of private higher education, their regional commitment to the liberal arts approach at the heart of their missions and core values.
- **Legal/Regulatory.** Adoption of most countries in the Levant and GCC of regulatory frameworks for organizing higher education and the spread of national accreditation boards.

Business Schools in the Levant and the GCC are subject to all such influences in addition to:

- A tendency to mushroom out of control encouraged by undiscerning demand and very low entry barriers
- Major differences in quality involving both faculty and students
- A newly detectible trend among the better schools to undergo some form of accreditation. Among the models followed, we find British, Australian accreditations and for a few, in KSA, Kuwait, UAE and Qatar, the pursuit of AACSB accreditation. The latter is based mostly on undergraduate programs and modest mission statements. Even with these two qualifiers, accreditation is normally attained by employing international expensive consultants for extended periods
- Penetration of the market by Western Business schools who respond to invitations from GCC governments to establish satellite campuses in their countries. While the list includes some medium brands, mostly of British and Australian institutions, it also includes some top US and European brands. These include Carnegie Mellon, Harvard, MIT, NYU, Wharton, INSEAD and LBS. The presence of such satellite campuses is perhaps the most compelling external influence that we need to be mindful of. Sustainability of “branch” operations without the massive host government subsidies that are received is an open question we need to ponder as objectively as we can.

OSB SWOT Analysis

Strengths

S₁: *Strong Regional Reputation.* OSB's reputation on a variety of dimensions attracts the best students and faculty from the Middle East. These dimensions are:

- ***Academic Research.*** Rigorous research expectations produces the best globally recognized academic research in the region (esp. in Finance, OB, CSR/Ethics, MIS, Management Science and Corporate Governance). This attracts the best faculty in the region and provides international credibility for alliances with US and European schools
- ***Young, Energetic Academic Talent in Region.*** Young, enthusiastic faculty members who are excellent teachers and have substantial potential
- ***Knowledge of and Experience in the Middle East.*** Ability to understand/cater to regional business needs and culture while aspiring to global standards. This involves an understanding of the needs of the Arab organization, culture and business community better than any other provider in the world (i.e. Cultivating the OSB brand as “*in, for and from*” the Middle East; being perceived as understanding the dynamics and complexities of culture, economies, organizations and managers in the region while producing global caliber research). An ability to do this with the benefit of top internationally published and credentialed scholars and management staff makes for a truly unique value proposition
- ***Improved Student Profiles.*** High quality undergraduates and graduates held to rigorous admission standards at all levels
- ***Reputation of Undergraduate Program.*** Strong and improving reputation of BBA program in terms of academic standards and student experience: rigor, diversity of faculty and smaller class sizes. Recent AUB employer focus group rated OSB students as particularly strong in being able to present themselves professionally in the workplace

S₂: *Size, Influence and Loyalty of AUB Alumni/Corporate Network.* Given AUB's history as the oldest University in the Middle East with a US- liberal arts-based model of higher education, its alumni base is vast and much of it comprises business graduates.

- ***Size.*** To date, AUB has graduated over 7,000 students from its undergraduate business programs and over 1,600 from its graduate business programs

- ***Influence.*** These alumni have had a wide impact on the Middle East region through the years. Many graduates have served as presidents of their countries, prime ministers, members of parliament, ambassadors, governors of central banks, and as presidents and deans of colleges and universities. In the private sector, many AUB business graduates either head their own firms or are chief executives of some of the largest and most successful banking and business enterprises in the Middle East
- ***Loyalty.*** Most business alumni (especially the generation graduating in the 50s and 60s) are very fond of their AUB experience and are very attached to their alma mater. There is a generational “gap” among AUB business alumni. AUB’s reputation is very strong among older alumni who hold senior positions in many places around the world (grandparents). Even though the reputation is strong as ever, the Lebanese war forced a whole generation of students (the parents) to study outside Lebanon, which temporarily produced a lower number of graduates with similar levels of loyalty

S₃: Strengthening Global Reputation as Leading Business School in and from Levant and GCC. Indication of this is collaboration with Stanford to develop a local case study, partnership with Goldman Sachs/ 10,000 Women to develop 4 case studies, several faculty case publications in Ivey Publishing and invitation (as only School from Arab Middle East) to:

- Participate in AACSB international conferences as panel discussant and speaker
- Serve on AACSB peer-review teams around the world
- Serve as global facilitator/trainer for AACSB Assurance of Learning seminars to Deans, Faculty members and University administrators
- Serve on AACSB Pre-Accreditation Screening Committee

S₄: Leadership Commitment to Fund-Raising, Outreach and Academic Quality. Dedication, professionalism and dynamism of leadership team in fund-raising/networking, corporate outreach, professionalism and commitment to high quality standards.

- ***Fund-Raising.*** Over US\$ 9 million in endowed pledges and donations raised in past two years to fund academic programs, student initiatives and faculty research
- ***International and Regional Press Coverage/Outreach.*** Profiles and feature articles in international outlets such as FT, Forbes, BizEd and BusinessWeek. Regional press and TV coverage and public relations efforts very strong
- ***Commitment to Quality.*** Used as aspirant benchmark for other homegrown schools in region particularly in admission standards, curriculum design and assurance of learning practices

Weaknesses

W1: *Research and Teaching in Certain Disciplines.*

- Need to hire **research talent** in the following areas: leadership, marketing and accounting
- Need to hire additional graduate **teaching talent** in leadership, marketing, accounting, entrepreneurship and statistics

W2: *Faculty Resources Stretched.* Faculty workload to teaching/research expectations high (although initiative is underway with University to reduce teaching loads for professorial ranks from 3-3 to 3-2), resulting in:

- Less time dedicated to curriculum design, teaching effectiveness and innovative pedagogy
- Lower research output as compared with potential
- Limited access to senior faculty for mentoring – the latter wear many administrative hats and are busy with University and School service commitments
- Dissatisfied students, particularly at MBA level

W3: *Recruitment of Senior Faculty.* Inability to attract senior scholars to fill endowed chairs due to geographic distance, nascent global reputation and perceived political risk.

W4: *Dated Pedagogy.* Pedagogy is still largely “chalk and talk”/lecture-based due to lack of training, time commitment and incentives.

- Limited use and development of case studies
- Limited use of on-line tools (including Moodle), experiential, student-centered and team-based learning
- Interdisciplinary teaching not practiced enough due to heavy workload and few incentives
- Relevance of curricula to region and participants needs improvement (esp. in MBA and BBA)
- Rigor and global currency of curricula in terms of emerging global topics - such as latest financial meltdown, social media and growing relevance of China/India – must be improved. Because “education” is readily available online, students can download course material from other (excellent) universities; so the classroom experience must be made very meaningful

W₅: Quality of Graduate Programs – MBA in particular. Teaching and curricula require improvement.

- MBA curriculum is largely BBA-like and taught in silos, resulting in student dissatisfaction with the program
- Several current students and recent graduates have commented negatively on the program:
 - lots of overlap with BBA courses
 - some instructors neither motivated nor professional
 - few instructors have real world experience
 - don't understand need for a thesis
 - overall, not very good value for money; especially for those with undergraduate BBA degrees from AUB
- Not enough faculty incentives and flexibility to redesign curriculum and reposition program
- Lack of faculty sufficiency in marketing, leadership and decision-making at MBA levels
- Most faculty too technical/theoretical (limited consulting/practical experience) which reflects on the way courses are taught
- Few top-notch teachers are “over-employed,” especially at EMBA and Executive Education seminars

W₆: Graduate Enrollment Targets. Inability to achieve graduate enrollment targets in line with University goals (25% of overall enrollment) due to high tuition of MBA and EMBA programs, lack of pro-active marketing (and negative market perception) and availability of less costly branded alternatives(i.e. specialized masters) in UK and Europe that require no work experience. While continuously improving quality, OSB aims at achieving a target enrollment of 120 EMBA's, 110 MBA's and 105 Specialized Masters programs while reducing undergraduate enrollments. Graduate program quality and enrollment affects:

- Pursuit of rankings for international branding purposes
- OSB reputation as a graduate school of business
- Operational feasibility of programs
- Impact OSB makes on the community through educating students

W₇: Graduate Marketing Function. Dedicated marketing and business development function for graduate programs is essential to program branding and positioning (and market perceptions), which are critical to enrollment sufficiency and diversity

W₈: Career Planning and Placement. Absence of formal, customized career guidance/planning/placement function (currently ad hoc, faculty-led, student-led, internship-focused) at the OSB level that:

- Places BBA and MBA students post-graduation
- Uses technology to match employers with students and tracks student progress post-graduation
- Advises/coaches students in a systematic manner
- Solicits input from employers on OSB student skills/corporate needs

W₉: Facilities and Support. Not enough space and inadequate levels of administrative/operational support:

- Physical space constraints due to growth in faculty and staff beyond projected targets and inefficient use of space in new building (large corridors and common spaces that are not adequately used)
- AUB support services for janitorial, food service/catering and technical are neither timely, well-planned nor of adequate quality (not directly controllable). This affects service quality to OSB students, executive participants and faculty
- AUB approval processes for business services such as telephony, reimbursement, guest parking, travel are slow and bureaucratic (not directly controllable)

W₁₀: Communication. All forms of internal communication need improvement. Specifically:

- Information needs to be more widely shared
- More committee time needs to be devoted to strategic rather than operational issues
- Collaboration - instead of fiefdoms/territoriality - needs to be encouraged

Opportunities

O₁: *Beirut Socio-Cultural Environment.* Open civil society, literary and cultural capital of Arab Middle East, Laissez-faire economy, open society, melting pot of Arab world. This along with OSB's building location can be better leveraged to attract the best faculty and students from the region (esp. when targeting the Lebanese diaspora)

O₂: *Increasing Awareness of and Demand for Business Education.* Awareness of importance of and demand for business education in region creates opportunities to grow reach of existing products and introduce new products that regional businesses demand. For example:

- Increasing demand for specialized programs allows for OSB to provide a specialized Masters in management with specializations in various areas of business (i.e. real estate, media, hospital administration and so forth).
- Growing demand for customized executive education allows for further penetration in that area.

O₃: *Degree-bound Executive Education.* Growing market for degree-bound executive education and board approval to pursue off-campus opportunities

O₄: *Globalization and Interest in the Arab Middle East.* On the one hand, there is a US and European B-School preoccupation with internationalization and globalization – seeking alliances/footprints in the region. This provides opportunities for co-branding and collaboration. On the other, there is increasing global student interest in the Middle East with political and economic changes in the region. This opens doors for international exchange opportunities

O₅: *Difficulties Facing Western University Implants/Branch Models in GCC.* Negative experiences of western universities and faculty with international university branch models in the GCC: dilution of admission standards, reduced funding due to financial crisis and use of alternate (non-home-campus) faculty

O₆: *Potential for a PhD program.* There may be an opportunity to introduce a Ph.D. program given regional interest in pursuit of higher education and absence of credible, accredited providers in the region

Threats

T₁: *Perceived Country Risk.* This has been an on-going concern since the unexpected 2006 war. Country risk perceptions:

- Prevent the recruitment of international senior faculty
- Threaten global alliances – exchanges, co-branded programs and so forth
- Reduce demand for on-campus graduate programs for regional students (enrollment number and diversity affected)

T₂: *Increasing Country Cost-of-Living.* Increasing home prices, rent and commodity prices result in challenges in attracting and retaining top faculty given limited University finances and an already existing gap between OSB salaries and those of other Faculties at the University

T₃: *Global Up-market Competition.* OSB has witnessed intensified up-market competition - especially in executive and graduate education space - from leading international providers of business education establishing their presence through a variety of models, some more successful than others. These European and American universities operating in the Gulf are well-resourced, have powerful global brands and provide best-in-class teaching, service and regional case development. Many of them attract some of the best students in the region. Under many of these arrangements, the GCC governments provide all the infrastructure, fund all faculty time and provide other financial support and the American or European university oversees and administers the academic programs. These institutions may attempt to recruit our most talented instructors with significantly higher salaries and more “prestigious” brands

T₄: *Emerging Regional Competition.* Emerging, AACSB-accredited and well-resourced regional competitors such as AUC and AUS are already developing alliances with global business schools and establishing centers of excellence and corporate links (i.e. case studies)

T₅: *Reduced Demand for 2-year Full-time MBA Programs.* Reduced student demand for 2-year full-time MBA programs due to opportunity cost of time away from the workplace

OSB Vision Statement

The OSB vision statement has been reviewed in the spring 2011 and currently reads as follows:

“To become globally recognized as the leading business school between Europe and South Asia in terms of academic research, teaching excellence and business impact.”

What this means is that OSB aims to become the “go-to” institution of choice in, from and for the Middle East for students, faculty, for-profit, non-profit, governmental and non-governmental organizations, business partners and top academic institutions around the world.

The vision statement comprises 5 key elements:

1. Producing the highest quality globally-recognized academic research from or about the region
2. Providing outstanding academic products/services through:
 - a. creating globally rigorous, current and regionally relevant academic programs
 - b. attracting the best students in the region
 - c. developing the strongest teaching faculty in the region
3. Providing the most competitive employment opportunities for graduates
4. Providing the most effective managers for employers in the region and beyond
5. Providing world-class service to the regional business community through consulting and executive education

Strategic Objectives

The vision elements are translated into 8 concrete strategic objectives so that OSB becomes the leading academic gateway to the region; the “go-to” institution of choice in, from and for the Middle East for students, faculty, organizations, business partners and top academic institutions around the world.

The strategic objectives are:

1. Develop the highest quality globally-recognized academic research from or about the region
2. Attract the best undergraduate and graduate students from the region or interested in the region based on the most competitive international admission standards
3. Attain a graduate enrollment level that allows for international rankings
4. Further differentiate all products through globally rigorous, current and regionally relevant academic programs (this includes developing and retaining the best teaching faculty in the region)
5. Provide the most competitive employment opportunities for OSB graduates in the region and beyond
6. Develop the most effective managers for employers in the region
7. Provide world-class service to the Levant and GCC business communities through consulting and executive education
9. Enhance international visibility and reputation to become to become globally recognized as the region’s leader

Strategic Initiatives

The progress toward the achievement of the aforementioned strategic objectives will be measured through key performance indicators outlined in the next section entitled “*Mapping of Objectives, KPIs and Strategic Initiatives.*” OSB will work toward attaining its 7 objectives through the following 17 strategic initiatives:

1. Recruit senior thought leaders to fill leadership, marketing, finance and rotating management endowed chairs
2. Grow the reach of the Darwazah Center for Innovation Management and Entrepreneurship and produce the expected outcomes
3. Improve the quantity and quality of research through the Olayan Research Fund (through conference participation, mentoring/review relief, faculty time buy-out, monetary rewards for high-impact publication)
4. Reduce teaching loads for professorial rank faculty to further enhance academic research
5. Recruit a business development director to promote graduate programs and centers of excellence (this person will develop marketing materials and conduct road shows across the region and the alumni community globally)
6. Grow the EMBA program (with potential to launch off-campus EMBA) as per University due process
7. Successfully launch and grow the Specialized Masters Programs in Finance and Human Capital Management
8. Restructure and reposition the MBA program
9. Fund on-going faculty training program for case study teaching and writing.
10. Launch a program of teaching effectiveness involving, inter-alia, external peer-review to feed into annual performance reviews
11. Recruit additional senior teaching capacity in development need areas for graduate programs: marketing, accounting, leadership and statistics
12. Develop a full-service career planning and placement function that:
 - a. Places BBA, Specialized Masters and MBA students post-graduation
 - b. Uses technology to match employers with students and tracks student progress post-graduation

- c. Advises/coaches and prepares students in a systematic manner
 - d. Solicits input from employers on OSB student skills/corporate needs
 - e. Tracks alumni careers, contact information and maintains network through events and communications
13. Develop executive open enrollment programs to supplement already existing corporate custom executive education programs
14. Further scale quality, scope and systems for customized, in company executive programs while acquiring new clients
15. Raise US\$ 7 million for OSB global Fund
16. Pursue international partnerships with top Universities from around the world:
- a. Research partnerships
 - b. Student exchanges
 - c. Joint programs
 - d. Joint courses
17. Pursue international rankings (contingent upon intake sufficiency for MBA and EMBA – 75 graduates per year)

Mapping of Strategic Objectives, KPIs and Initiatives

Objective	KPIs	Initiatives
<p>A. Develop the highest quality globally-recognized academic research from or about the region</p>	<ul style="list-style-type: none"> • % of PRJs with impact factors and/or widely recognized as Tier 1 Current: 68% Target: 90% • Number of Impact Factor/Tier 1 PRJs per full-time faculty on a moving 3-year average Current: 0.4 Target: 0.8 • % of Impact factor/Tier 1 PRJ articles on or involving the Middle East Current: 16% Target: 50% • Percent of Fulltime Faculty producing 1 or more Impact factor/Tier 1 PRJ articles per year on a 3-year moving average Current: 34% Target: 75% 	<ol style="list-style-type: none"> 1. Recruit <u>senior thought leaders</u> to fill leadership, marketing, finance and rotating management endowed chairs 2. Grow the reach of the <u>Darwazah Center for Innovation Management and Entrepreneurship</u> and produce the expected outcomes 3. Improve the quantity and quality of research through the <u>Olayan Research Fund</u> (through conference participation, mentoring/review relief, faculty time buy-out, monetary rewards for high-impact publication) 4. Reduce <u>teaching loads</u> for professorial rank faculty to further enhance academic research
<p>B. Attract the best students from the region or interested in the region based on the most competitive admission standards</p>	<ul style="list-style-type: none"> • BBA: Average SAT of intake Current: 1100 Target: 1200 • MBA: Average GMAT of intake Current: 600 Target: 630 • EMBA: % of EMBA entrants who come from senior executive positions (at or 1 level below top level - reporting to GM, VP or CEO, CFO, COO) by class Current: 30% Target: 60% 	<ol style="list-style-type: none"> 5. Recruit a <u>business development director</u> to promote graduate programs and centers of excellence (this person will develop marketing materials and conduct road shows across the region and the alumni community globally)

Objective	KPIs	Initiatives
<p>C. Attain a graduate enrollment level that allows for international rankings</p>	<ul style="list-style-type: none"> Number of students enrolled in each program Current: MBA 77; EMBA 49; MS 0 Target: MBA: 110; EMBA 115; MS 105 	<p>See # 5 above</p> <ol style="list-style-type: none"> 6. <u>Grow the EMBA program</u> (with potential to launch off-campus EMBA) as per University due process 7. Successfully launch and <u>grow the Specialized Masters Programs in Finance and Human Capital Management</u>
<p>D. Further differentiate all products through globally rigorous, current and regionally relevant academic programs (this includes developing and retaining the best teaching faculty in and for the region)</p>	<p><u>Rigor and Currency</u></p> <ul style="list-style-type: none"> COMP-XM Percentiles– BBA, MBA and EMBA Current: BBA: 75; MBA N/A; EMBA N/A Target: BBA: 85; MBA: 85; EMBA 80 % of required courses using case studies Current: BBA: N/A; MBA N/A; EMBA N/A Target: BBA: 60; MBA: 90; EMBA 90 Percent of full-time faculty by program receiving decidedly positive evaluations by outside reviewers Current: BBA: N/A; MBA N/A; EMBA N/A Target: BBA: 80; MBA 90; EMBA 90 <p><u>Relevance</u></p> <ul style="list-style-type: none"> % of core courses with regional course material Current: BBA: N/A; MBA N/A; EMBA N/A Target: BBA: 50; MBA 90; EMBA 90 Number of regional case studies produced per year Current: 2 Target: 10 	<ol style="list-style-type: none"> 8. <u>Restructure</u> and reposition the <u>MBA program</u> 9. Fund on-going <u>faculty training program</u> for <u>case study teaching and writing</u>. 10. Launch a <u>program of teaching effectiveness</u> involving, inter-alia, external peer-review to feed into annual performance reviews 11. Recruit <u>additional senior teaching capacity</u> in development need areas for graduate programs: marketing, accounting, leadership and statistics <p>(implicit in initiatives 8-11 is the regular review of all academic programs with a view toward rigor, global currency, relevance and scope)</p>

Objective	KPIs	Initiatives
<p>E. Provide the most competitive employment opportunities for OSB graduates in the region and beyond</p>	<p>BBA and MBA</p> <ul style="list-style-type: none"> • % of graduates seeking employment with offers from recognized regional or international firms upon graduation Current: BBA: 37%; MBA 60% (last year was exceptional due to global financial crisis; historical averages are closer to 80%) Target: BBA: 90%; MBA 95% • Average starting salary Current: BBA: US\$ 920; MBA US\$ 2,750 Target: BBA: US\$ 1,500; MBA US\$ 3,500 	<p>12. Develop a <u>full-service career planning and placement function</u> that:</p> <ol style="list-style-type: none"> a. Places BBA, Specialized Masters and MBA students post-graduation b. Uses technology to match employers with students and tracks student progress post-graduation c. Advises/coaches and prepares students in a systematic manner d. Solicits input from employers on OSB student skills/corporate needs e. Tracks alumni careers, contact information and maintains network through events and communications
<p>F. Develop the most effective managers for employers in the region and beyond</p>	<ul style="list-style-type: none"> • Employee satisfaction surveys Current: N/A Target: 80% exceeding expectations • % salary increase in 3 years Current: BBA: N/A; MBA N/A; EMBA N/A Target: BBA: 50%; MBA 60%; EMBA: 80% 	<p>See #s 8 - 12</p>

Objective	KPIs	Initiatives
<p>G. Provide world-class service to the Levant and GCC business communities through consulting and executive education</p>	<ul style="list-style-type: none"> • Number of Levant and GCC clients who are industry leaders Current: 6 Target: 10 • Percent of custom clients renewing per year Current: 80% Target: 90% • Number of participant person-days delivered per year Current: 15,000 (2010 CY) Target: TBD • Evaluation Scores Current: TBD Target: TBD 	<p>12. Develop <u>executive open enrollment programs</u> to supplement already existing custom corporate executive education programs</p> <p>13. Further scale quality, scope and systems for <u>customized executive programs</u> while acquiring new clients</p>
<p>H. Enhance international visibility and reputation to become globally recognized as the region's leader</p>	<ul style="list-style-type: none"> • Number of collaborations with top international institutions Current: 0 Target: 3 • Number of visiting faculty from top international institutions per year Current: 4 Target: 10 	<p>14. Raise US\$ 7 million for <u>OSB global fund</u></p> <p>15. Pursue <u>international partnerships</u> with top Universities from around the world:</p> <ol style="list-style-type: none"> a. Research partnerships b. Student exchanges c. Joint programs d. Joint courses <p>16. <u>Pursue rankings</u> (contingent upon intake sufficiency for MBA and EMBA – 75 graduates in 1 cohort per year)</p>

Strategic Initiatives: Implementation and Resourcing

The strategic initiatives required to achieve OSB's 5-year objectives have implementation and resourcing requirements and considerations. These are briefly outlined below for each initiative. For further detail regarding resources and funding, please refer to **Appendix I** for the financial model and projections associated with the OSB 2011-2016 Strategic Plan.

1. Recruit senior thought leaders to fill leadership, marketing, finance and rotating management endowed chairs

Rationale

- a. To further enhance caliber of globally recognized, regionally-relevant academic research by leveraging School strengths in certain discipline areas
- b. To improve research mentoring and graduate-level teaching

Implementation and Resource Requirements

- a. Promotional budget for international advertising
- b. Proactive convener/senior faculty recruitment efforts at conferences
- c. Proceeds of endowments to fund recruitment, compensation and research – already available

2. Grow the reach of the Darwazah Center for Innovation Management and Entrepreneurship and produce the expected outcomes

Rationale

- a. To produce regionally-oriented research and teaching in areas of innovation management and entrepreneurship

Implementation and Resource Requirements

- a. Agenda setting and faculty buy-in
- b. Execution plan and timing
- c. Proceeds from endowment – already available

3. Improve the quantity and quality of research through the Olayan Research Fund (through conference participation, mentoring/review relief, faculty time buy-out, monetary rewards for high-impact publication)

Rationale

- a. To improve research quantity and quality across ranks and disciplines while enhancing region-specific research

Implementation and Resource Requirements

- a. Operating structure and funding priorities set up

- b. Proposal submission and review
- c. Grant award and cycle review
- d. Proceeds – already available

4. Reduce teaching loads for professorial rank faculty to further enhance academic research

Rationale

- a. To create a more supportive research environment focused on quality
- b. To allow for more innovation and time to devote to quality teaching and case study development

Implementation and Resource Requirements

- a. Analysis and proposal prepared
- b. Acquire approval from University Provost
- c. To be funded by operating budget (covered through tuition proceeds)

5. Recruit a business development director to promote graduate programs and centers of excellence (this person will develop marketing materials and conduct road shows across the region and the alumni community globally)

Rationale

- a. To increase intakes and diversity of graduate students while improving quality by leveraging OSB global alumni network

Implementation and Resource Requirements

- a. Acquire approval from University Provost
- b. Recruit senior director
- c. Allocate promotion/T&E budget to each graduate program
- d. To be funded by operating budget (covered through tuition proceeds)

6. Grow the EMBA program (with potential to launch off-campus EMBA) as per University due process

Rationale

- a. To increase intakes and diversity of graduate students while improving quality
- b. To take advantage of demand for degree-bound executive education in region

Implementation and Resource Requirements

- a. Appoint associate director
- b. Recruit students – in progress
- c. Develop deployment plan

- d. Funded by tuition fees
- e. Proceeds to be split with AUB to fund other OSB strategic initiatives covered by operating budget

7. Successfully launch and grow the Specialized Masters Programs in Finance and Human Capital Management

Rationale

- a. To better serve the demands of regional corporate constituencies and students

Implementation and Resource Requirements

- a. Appoint director and administrative officers for each program
- b. Recruit students
- c. Launch programs
- d. Funded by tuition fees
- e. Proceeds to be split with AUB to fund other OSB strategic initiatives covered by operating budget

8. Restructure and reposition the MBA program

Rationale

- a. To improve reputation of the program with marketplace, students and faculty; this has a direct effect of OSB's educational brand
- b. To better serve the regional community and become more competitive in the face of local and global competition in the region

Implementation and Resource Requirements

- a. Administrative officer for program
- b. Set promotion budget for student recruitment
- c. Modularize program to increase intakes
- d. To be funded by operating budget (covered through tuition proceeds)

9. Fund on-going faculty training program for case study teaching and writing

Rationale

- a. To systematically inject more regional content into OSB curricula, especially at the graduate levels
- b. To improve classroom teaching and pedagogy
- c. To develop regional corporate contacts for data-gathering and academic research purposes
- d. For faculty to acquire more regional business expertise through company immersion and potential consulting opportunities

Implementation and Resource Requirements

- a. Contact case centers to develop and price custom case teaching and writing week-long seminar
- b. Conduct faculty training seminars at least twice per year
- c. Recruit experienced faculty to coordinate effort (see initiative 11)
- d. Raise funds for program – to be done (through restricted grant/fund)

10. Launch a program of teaching effectiveness involving, inter-alia, external peer-review to feed into annual performance reviews

Rationale

- a. To improve classroom teaching and pedagogy
- b. To provide faculty with teaching methodology coaching and feedback

Implementation and Resource Requirements

- a. Raise funds for program – to be done
- b. Agree with global visiting professors on a teaching evaluation program for OSB faculty teaching in graduate programs
- c. Organize and implement faculty training and evaluation programs at least twice per year
- d. Raise funds for program – to be done (through restricted grant/fund)

11. Recruit additional senior teaching capacity in development need areas for graduate programs: marketing, accounting, leadership and statistics

Rationale

- a. To improve classroom teaching and pedagogy, particularly at the graduate level – expertise in case teaching desired
- b. To relieve already-stretched graduate teaching resources

Implementation and Resource Requirements

- a. Proactive convener/senior faculty recruitment efforts at conferences
- b. To be funded by operating budget (covered through tuition proceeds)

12. Develop a full-service career planning and placement function that:

- Places BBA, Specialized Masters and MBA students post-graduation
- Uses technology to match employers with students and tracks student progress post-graduation
- Advises/coaches and prepares students in a systematic manner

- Solicits input from employers on OSB student skills/corporate needs
- Tracks alumni careers, contact information and maintains network through events and communications

Rationale

- a. To improve program reputation and pursue rankings more efficiently
- b. To better serve regional corporate constituencies by acquiring feedback on graduate skills and market needs to improve all academic programs

Implementation and Resource Requirements

- a. Allocate 0.5 of an administrator's time to maintain relationships, develop on-campus activities and acquire feedback from employers
- b. Assign dedicated faculty career coaches providing course release
- c. Develop careers website
- d. Subscribe to career resources online
- e. To be funded by operating budget (covered through tuition proceeds)

13. Develop executive open enrollment programs to supplement already existing corporate custom executive education programs

Rationale

- a. To improve links and relationships with businesses and executives for research and fund-raising
- b. To more immediately serve the regional business community
- c. To take advantage of the growing demand for business education in region to enhance School resource base

Implementation and Resource Requirements

- a. Launch 6 open enrollment programs over a 9 month period
- b. Funded by tuition fees
- c. Proceeds to be split with AUB to fund other OSB strategic initiatives covered by operating budget

14. Further scale quality, scope and systems for customized, in company executive programs while acquiring new clients

Rationale

- a. To improve links and relationships with businesses and executives for research and fund-raising
- b. To more immediately serve the regional business community
- c. To take advantage of the growing demand for custom executive education in region to enhance School resource base

Implementation and Resource Requirements

- a. Proactively organize and promote programs throughout the region through alumni network, corporate and BOT Contacts
- b. Funded by tuition fees
- c. Proceeds to be split with AUB to fund other OSB strategic initiatives covered by operating budget

15. Raise US\$ 7 million for OSB global Fund

Rationale

- a. To fund globalization initiatives by leveraging OSB alumni and business networks

Implementation and Resource Requirements

- a. Dean proactive networking through BoT, Corporate and alumni contacts
- b. Set up alumni giving program – subject to feasibility assessment
- c. Develop targeted proposals
- d. Pitch program as part of University Master Plan Campaign

16. Pursue international partnerships with top Universities from around the world:

- Research partnerships
- Student exchanges
- Joint programs
- Joint courses

Rationale

- a. To enhance global brand and positioning as leading business school from, for and of the region
- b. To take advantage of globalization trends and interest in the Arab Middle East

Implementation and Resource Requirements

- a. Dean proactive networking through AACSB, BoT, Corporate and other contacts
- b. Agree on most suitable, mutually beneficial partnership structures with top international providers
- c. Raise funding for such collaborations – to be raised (see initiative 15)

17. Pursue international rankings (contingent upon intake sufficiency for MBA and EMBA – 75 graduates in 1 cohort per year)

Rationale

- b. To enhance global brand and visibility of School
- c. To take advance to globalization in management education
- d. To improve quantity, quality and diversity of intakes

Implementation and Resource Requirements

- a. Reposition programs – including career support (see initiative 12)
- b. Increase intakes to a minimum of 75 students graduating in 1 cohort (starting and ending at same time) per year per program
- c. Network at GMAC conferences and participate in recruitment tours
- d. Raise funding ranking initiative – to be raised (see initiative 15)

Resourcing Requirements

Under this strategic plan, the School's operating budget will need to grow from US\$11.5 MM² in academic year 2010-2011 to US\$ 15.1 MM by academic year 2015-2016 in order to fund initiatives 4, 5, 6, 7, 8, 11, 12, 13, 14. In other words, by 2015-2016, the annual operating budget must grow by US\$ 3.6 MM over and above its present 2010-2011 level. To fund these resourcing requirements, the School will:

- Introduce two new specialized masters programs in finance and human capital management, respectively and a variation to the current EMBA program to be delivered off-campus. For the specialized masters programs, tuition is assumed to grow at 5% per annum. For the Off-campus EMBA, tuition fees are assumed to grow at a conservative 7% per annum. These programs will self-fund and generate excess proceeds. Two thirds of the net proceeds from these three programs will be retained by OSB to fund the aforementioned initiatives while the remainder of the proceeds will belong to general university funds.

(New Degree Programs /Program Variation Proceeds)

- Grow its executive education operation by introducing open enrollment programs and growing its custom executive education client base. Tuition/corporate fees are assumed to grow at a conservative 7% per annum. These non-degree programs will self-fund and generate excess proceeds. 45% of the net proceeds from executive education programs will be retained by OSB to fund the aforementioned initiatives while the remainder of the proceeds will belong to general university funds..

(Executive Education Proceeds)

In addition, the School's extra funding from existing and additional expected endowment proceeds needs to be no less than US\$ 1.2 MM per year which will be used to fund initiatives 1, 2, 3, 9, 10, 15, 16, 17. Most of the gifts and grants required to fund these initiatives have already been secured with the exception of the US\$ 7 million global fund (initiative 15) to fund initiatives 16 and 17.

² All US\$ figures are stated in nominal terms.

Surplus to AUB

Detailed revenue and cost projections for each of OSB’s 17 strategic initiatives indicate that AUB’s net revenues from OSB after budgeted expenses are expected to grow from US\$9.6 MM in AY 2010-2011 to US\$ 11.5 MM by AY 2015-2016, an increase in surplus of approximately US\$ 1.9 MM or 20%. The cumulative 5-year additional surplus is equal to approximately US\$ 7.4 MM. The breakdown by year is shown in the following table:

	2011/12	2012/13	2013/14	2014/15	2015/16
Annual Proceeds to AUB*	\$ 773,742	\$ 1,235,051	\$ 1,656,819	\$ 1,790,316	\$ 1,933,930

* All figures are incremental to 2010/11 proceeds levels which are estimated at approximately US\$ 9.6 million

Faculty, Student and Staff Requirements

By AY 2015-2016, OSB plans to stabilize its enrollment levels in its undergraduate program at approximately 1050 fulltime students while growing its graduate student body to the order of 330 fulltime students in its MBA, EMBA and Specialized Masters programs. To support this enrollment, its fulltime faculty complement will grow to 75 fulltime faculty, primarily in the professorial rank with an additional 5 faculty in chaired positions. This will improve the student FTE to fulltime faculty ratio for OSB from approximately 19 to 17 by AY 2015-2016.

Student Forecasts

	Actuals 2010/11	1 2011/12	2 2012/13	3 2013/14	4 2014/15	5 2015/16
Student Forecasts						
BBA	1012	1020	1020	1040	1050	1050
MBA	77	80	80	90	100	110
EMBA	49	60	75	75	75	75
Off Campus EMBA	0	20	40	40	40	40
MF	0	20	40	60	60	60
MHRM	0	15	30	45	45	45
Total	1138	1215	1285	1350	1370	1380
Undergraduate Enrollment	1012	1020	1020	1040	1050	1050
Graduate Enrollment	126	195	265	310	320	330
	1138	1215	1285	1350	1370	1380
Percent of Enrollment Graduate	11%	16%	21%	23%	23%	24%

Increased graduate enrollments will be supplemented by additional hires in each of the OSB Tracks in accordance with the strategic initiatives laid out in this plan. In the first two years, the School will conduct aggressive recruitment efforts to staff its new specialized programs and its MBA program. In years 2 onwards, graduate enrollment levels are expected to grow progressively to reach the steady-state level of approximately 330. The faculty growth projections, presented as incremental to current (2010/2011) levels for each of the years are as follows:

Faculty Forecasts

OSB Full-time Faculty Projections Incremental to Current	1 2011/12	2 2012/13	3 2013/14	4 2014/15	5 2015/16
FAME	4	6	6	9	9
Chaired - Professor	1	1	1	1	1
Professor	0	0	0	0	0
Associate Professor	0	1	1	1	1
Assistant Professor	2	3	3	5	5
Lecturer	1	1	1	2	2
Instructor	0	0	0	0	0
BIDS	1	2	2	3	3
Chaired - Professor	0	0	0	0	0
Professor	0	0	0	0	0
Associate Professor	0	1	1	1	1
Assistant Professor	0	0	0	1	1
Lecturer	1	1	1	1	1
Instructor	0	0	0	0	0
MME	4	7	8	8	8
Chaired - Professor	1	2	3	3	3
Professor	0	0	0	0	0
Associate Professor	3	4	4	4	4
Assistant Professor	0	1	1	1	1
Lecturer	0	0	0	0	0
Instructor	0	0	0	0	0
Total - Incremental to Current	9	15	16	20	20

Note: The above analysis does not factor in promotion or attrition assumptions/estimates. It only depicts planned new hires into specific ranks and Tracks.

In the first two years of the plan, OSB also will ramp up its management and support staff to accommodate the introduction and promotion of new graduate programs, the growth in its MBA program and the development of a full-service career support unit. The management/professional staff growth projections, presented as incremental to current (2010/2011) levels for each of the years are as follows:

Management/Professional Staff Forecasts

Management/Professional Staff	1	2	3	4	5
	2011/12	2012/13	2013/14	2014/15	2015/16
Darwazah Center Assistant	1	1	1	1	1
Business Development Director	1	1	1	1	1
Off-Campus EMBA Director	1	1	1	1	1
Off-Campus EMBA Assistant	1	1	1	1	1
MBA Assistant	1	1	1	1	1
Specialized Masters Director	1	1	1	1	1
Specialized Masters Assistants	2	2	2	2	2
Director for Careers and Alumni	0.5	0.5	0.5	0.5	0.5
Total - Incremental to Current	8.5	8.5	8.5	8.5	8.5

For further detail regarding resources and funding, please refer to **Appendix I** for the financial model and projections associated with the OSB 2011-2016 Strategic Plan.

Mechanisms and Activities to Secure Faculty/Staff Engagement in Planning

Strategic direction setting at OSB is a flexible process underscoring the importance of overall high quality and continuous improvement and allows substantial leeway to faculty, staff, students and corporate constituencies in the ways they contribute toward the planning process.

The OSB has developed this strategic plan to serve as a roadmap for its programs and activities for the next 5 years. The planning process was managed by the Office for Continuous Improvement and involved, at the on-set, the development of SWOT analysis for each track, program and function at OSB. These analyses were primarily conducted by faculty groups with input from selected students and the guidance of conveners and directors. The School's SPC used these unit-level analyses as a basis for its strategy meetings which took place on a weekly basis over a three-month period. This plan is an output of these sessions and was circulated to the faculty and staff at large for input, comment and feedback. Because the School's strategy is a dynamic, continuously improving one, the document will serve as a general roadmap that will be subject to review and improvement every year. On a regular basis, the School's leadership reviews its strategic plan in light of external influences and competitive forces as per the input of select/active members of the alumni, corporate employer, BoT/IBO/MEAB, faculty, student, manager and staff constituencies.

OSB holds at least 2 faculty and staff retreats (at the School and Track levels) per academic year to solicit feedback and input on its strategic directions and priorities. During these retreats, directors and conveners report on progress against the School's strategic initiatives while soliciting questions, comments and feedback from the faculty. In addition, faculty members regularly attend track meetings where they have the opportunity to provide suggestions through their respective track conveners.

Schedule of Strategic Performance Reviews

While OSB reviews and monitors its strategic priorities and performance every year, it plans to formally revisit its strategic plan once every five academic years with the next zero-based review planned for 2015-2016. This is based on the belief that it is necessary to continuously update the School's strategic initiatives and 5-year objectives in order to cope with a constantly changing business environment.

The review process is spearheaded by the OSB SPC. The SPC involves the leadership of the School and solicits school-wide participation through planning sessions, retreats and board meetings. The standing members of the SPC are the Dean, the Associate Deans, the 3 Track Conveners, the 2 Program Directors and the Director for Continuous Improvement.

Appendix 1: Financial Model and Assumptions