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From Rankings to Ratings:

Time for a more
complete view of MBA
Programme quality

Over the past three decades business schools have undergone significant changes, due in part to the work of media ranking publications contend **Robert S. Rubin**, **Eric C. Dierdorff**, and **Fredrick P. Morgeson**



Rankings such as *BusinessWeek*, *US News & World Report*, and *Financial Times* have pushed MBA programs toward increased accountability to constituent concerns. Indeed, our colleagues who were in business schools prior to *BusinessWeek* refer to life back then as “BBW” – before *BusinessWeek*. Business schools seemed to have heard the central message: come down from the ivory tower and get to work improving the MBA. After all, stakeholders have the right to know how their resource investments will be shaped. The influence of media rankings on recruiter behavior, alumni donations, placement, applicant quality and so forth is undeniable.

MBA Academic Quality

We reviewed the academic literature on educational quality, both within business education and in post-secondary education in general. We also reviewed media sources and accreditation standards. From this initial effort we identified nearly 50 sources and derived more than 300 different educational quality indicators.

We reviewed these indicators, and sorted them into twenty four key indicators, within nine broad clusters (below). These indicators were then independently verified by subject matter experts. This is a synopsis of our quality model:

1. Curriculum:

- a) content, b) delivery, and
- c) program structure

2. Faculty:

- a) qualifications, b) research,
- c) teaching, and d) overall quality

3. Placement:

- a) alumni network, b) career services,
- c) corporate/community relations.

4. Reputation:

- a) perceptions of programme quality

5. Student learning and outcomes:

- a) personal competency development,
- b) student career consequences, c) economic outcomes, and d) learning outcomes

6. Institutional resources:

- a) facilities, b) financial resources,
- c) investment in faculty, d) tuition and fees, and e) student support services.

7. Programme/institution climate:

- a) diversity and b) educational environment

8. Programme student composition:

- a) the overall makeup and quality of students

9. Strategic focus:

- a) the quality of the articulated institutional mission and strategic plan.

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The general consumer view of media rankings is that they objectively and comprehensively summarise an MBA programme’s most fundamental product – educational quality. Unfortunately, academic research shows rankings are inadequate indicators of educational quality. We believe the time has come to move business school assessment away from incomplete rankings and toward a comprehensive rating system.

Moving to a rating system requires a detailed understanding of the essential criteria that constitute educational quality in graduate management education. To date, such an important undertaking has yet to be conducted. We recently conducted a research study aimed at systematically defining and assessing what constitutes MBA program quality. Our research builds the necessary foundation to move beyond rankings, and towards a rating system.

The more we looked at the challenge of understanding quality of educational programmes, the more complex we found it. We especially wanted to avoid the so-called “criterion-problem,” which refers to the inherent difficulties in conceptualising and measuring concepts that are clearly multi-dimensional in nature. Criteria developed with insufficient thought regarding the ultimate aim – in this case, quality of education – will be deficient. Indeed, one critical misstep of any evaluative system is to begin assessment without first developing a complete understanding of the essential indicators of interest.

Based on our research, most existing indicators of programme quality lack the multidimensionality we uncovered. When comparing our model’s 24 quality dimensions against media rankings, we discovered that media rankings are highly deficient. *BusinessWeek* and *Financial Times* rankings cover only 9 or 10 of the 24 dimensions in their rankings’ criteria, and *US News & World Report* covered just four. That is, at least 60% of the indicators we uncovered are not represented in media rankings. We therefore recommend caution in interpreting the meaning of rankings as overall quality indicators.

At the same time, if stakeholders are interested in knowing about a few dimensions (e.g. student economic outcomes), rankings do capture some of this information, albeit on a limited number of institutions. Yet, even here, many of the criteria captured in rankings are largely out of direct institutional control. For example, our subject matter experts indicated that the most malleable aspects of MBA programme quality are those falling under Curriculum and the least malleable as Reputation. Ironically then, reputation represents the factor least sensitive to institutional change efforts yet is the very factor driving most media rankings.

Our research also captured reactions to assessing quality from MBA policy-makers (e.g., programme administrators, associate deans, etc.) A few results were troubling to say the least. For instance, only 9% of policy-makers endorsed the idea that media rankings provide “good measures” of overall quality, yet 73% reported that their institutions pay close attention to rankings. Herein lies the tyranny of rankings: academic stakeholders (and even many publishers of rankings) know that media rankings are flawed, but with few alternatives available, they feel stuck chasing the rankings rather than their unique educational mission. Yet, as a study by Fred Morgeson and Jennifer Nahrgang on the stability of media rankings recently showed, such efforts are not likely to result in breaking into rankings regardless of the educational quality achieved.

Advantages of a Rating System

Using our multidimensional model of programme quality content, we believe we have built the foundation for the development of an educational rating system (akin to Consumer Reports). Such a system would offer some key advantages over rankings, including:

Multidimensionality: Ratings systems allow for depictions of “quality profiles” across schools. Stakeholders could evaluate the full breadth of quality, applying their own weightings to what matters most for them. And ratings are by nature compensatory, meaning that the quality dimensions programmes choose to emphasise will be more clearly depicted.

Focus on important differences (and similarities): Programmes that are not substantially different in terms of quality ratings can be treated as functionally equivalent. Actual differences would be more clearly highlighted across quality criteria while taking certain “baseline” information (e.g., accreditation) into account.

Improvement of transparency: Rating systems are not limited to an arbitrary “best set” of institutions, which allows for differences to emerge across a wide swath of programmes. This transparency is not present in rankings today. No longer would debates be structured around whether or not a school ranked 15th is really different than the school ranked 19th.

Reduction in “gaming” educational rankings:

A rating system is likely to reduce the dysfunctional behavior involved in chasing or manipulating the most heavily weighted criteria in media rankings.



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Further, a rating system would more clearly highlight distinctiveness in programmes. Distinctiveness encourages schools to invest in their strengths and serve their mission more fully; whereas rankings encourage schools to chase the same small set of heavily weighted criteria regardless of their educational mission. A rating system would make it perfectly apparent when schools possess equivalent levels of quality on any given criteria; whereas a rank, by its very nature, forces even the most miniscule of differences to appear significant.

Although a rating system could be used to establish wide bands of schools who achieve certain levels of quality (e.g., “Tier 1” schools), the number of schools able to achieve such levels is not limited. Under a rating system, the number of schools able to achieve different quality levels is limited only by an institution’s own efforts and accomplishments.

Because ratings aren’t concerned with declaring a winner, the end result is a system that provides flexibility, transparency, and increased usability to all stakeholders. Given the hundreds of schools worldwide who have already achieved high standards in educational quality, it’s hard to see the value of endorsing ranking systems that obscure rather than illuminate important distinctions between programmes. For example, media rankings give recruiters limited information regarding the quality of the curricula and whether students actually learn the knowledge and skills purported to be trained by the programme. A rating system would better serve all business school stakeholders by providing this type of detailed information that can truly shape decision making, within and outside business schools.

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It is time to take accountability seriously

Despite these promises, we recognise that many people will prefer a system that declares winners and losers, no matter how incomplete the data driving it. Although no comprehensive alternatives to ranking and ‘league tables’ currently exist, over time, consumers are likely to embrace a system based on ratings

With this in mind, we firmly believe it is no longer viable to stand on the sidelines, while inadequate systems dictate conversations of business school quality. Instead, we need to apply the general philosophy of rigorous and evidence-based decision-making that we so often espouse in schools of business.

It is time to take accountability seriously. [gf](#)



FURTHER INFORMATION

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