

## **Faculty Portfolio Analysis Revisited**

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*In this study we apply the faculty portfolio matrix developed by AACSB to a Midwest college of business. From this faculty portfolio model, implications arise which may be meaningful and useful to the administrators of the institutions of higher education. These implications are examined and policy alternatives are suggested.*

### **INTRODUCTION**

Utilization of Portfolio models in business organizations for allocating corporate resources among their multiple strategic business units (SBUs) has relatively a long history. For example, there was Boston Consulting Matrix (1970), General Electric/McKinsey market attractiveness/business position matrix (Abell and Hammond 1979), the directional policy matrix (Robinson, Hichen and Wade, 1978), and Arthur D. Little Strategic Condition Matrix (Wilson and Gilligan 2005) and the life-cycle portfolio matrix (Patel and Younger 1978), just to mention a few of the more popular ones. The Boston Consulting Matrix is perhaps the most popular and simplest among the aforementioned models. The model took the world of planning by storm. It ruled thinking in strategy during the 1970s (Schnaars 1991).

Application of portfolio models in not-for-profit organizations in general and institutions of higher education in particular is very rare. There are several reasons for the paucity of research in this area. First, variables used in the portfolio models are proxies for profitability of each strategic business unit. Consider, for example, the growth-share matrix model developed by the Boston Consulting Group (BCG). Boston Consulting Group uses market growth rate and relative market share for classifying SBUs of multiple-strategic business units. Both of these variables are related to profitability or cash flow of an individual strategic business unit. Using these variables, for example, in a university setting requires an assessment of “profitability” or “cash flow” of each SBU. It is very difficult, for instance, to place a monetary value on a play or sculpture produced in the College of Fine Arts. Second, assuming that one can overcome the problem of assessing the profitability of each SBU in not-for-profit organizations, there is also the problem of implementing policy alternatives, which arise from portfolio analysis. According to BCG, low-share SBUs in low-growth markets should be phased out because they often require more management time than they worth. In for-profit organizations, implementation of such a policy alternative

may not pose a significant problem; however, in institutions of higher education to eliminate a department or college raises complex legal, ethical and political problems.

In 1993, Borna and Arndt adapted BCG matrix to study faculty portfolio of a Midwest business college in the United States. In order to avoid the aforementioned problems, the authors used two variables, i.e., student course evaluation scores and average number of each faculty member's referred journal publication, which were indigenous to the environment of not-for-profit of educational institutions. By using cutoff-points of 4 for course evaluation scores and 6 for refereed journal publication, Borna and Arndt first classified the faculty of the college under study into four groups, stars, cash cows, question marks and "dead woods." After determining the status of faculty in four quadrants, the authors presented a normative perspective of the faculty and its policy implications.

The portfolio model purposed by Borna and Arndt had two limitations. First, it did not address the idea of desired distribution of faculty in the purposed matrix. Second, the article was silent on the standards of the Association to Advance Collegiate Schools of Business (AACSB)<sup>1</sup>. In this study we addresses both of these limitations. The current study employs the 2013 revised version of the AACSB matrix.

## **A BRIEF HISTORY OF AACSB STANDARDS FOR DEGREE PROGRAMS**

*"The association was founded in 1916 and established its first standards for degree programs in business administration in 1919. AACSB adopted additional standards for undergraduate and graduate degree programs in accountancy in 1980 to address the special needs of the accounting profession. The association regularly reviews its accreditation standards and processes for opportunities to improve relevance, maintain currency, and increase value. The association most recently adopted major revisions to the business standards in 1991 and 2003. This edition of the standards was adopted by the AACSB Accreditation Council in April 2013. The Committee on Accreditation Policy (CAP) and the AACSB Board of Directors has responsibility for and updates the accreditation standards and processes annually" (AACSB, 2015).*

## **AACSB STANDARDS FOR FACULTY QUALIFICATION/CLASSIFICATION**

The 2013 AACSB accreditation standards require that faculty collectively and individually demonstrate significant academic and/or professional engagement that supports the mission of the college of business. The four classifications of faculty qualifications and engagement and their definitions are given below (Adapted from AACSB 2013 Business Standards, p.39).

$$SA \geq 40\%; SA + PA + SP \geq 60\% \quad SA + PA + SP + IP \geq 90\% \quad (1)$$

### **Scholarly Academics (SA)**

Faculty members sustain currency and relevance through scholarship and related activities. Normally, SA status is granted to newly hired faculty members who earned their research doctorates within the last five years prior to the review dates.

### **Practice Academics (PA)**

Faculty members sustain currency and relevance through professional engagement and relevant activities. Normally, PA status applies to faculty members who augment their initial preparation as academic scholars with engagement activities that involve substantive linkages to practice or other forms of professional engagement.

### **Instructional Practitioners (IP)**

Faculty members sustain currency and relevance through continued professional engagement related to their professional backgrounds and experience. Normally, IP status is granted to newly hired faculty

members who join the faculty with significant and substantive professional experience, and with a master’s degree. Faculty with a terminal degree may be granted IP status if they hold a full-time professional position.

**Scholarly Practitioners (SP)**

Faculty members sustain currency and relevance through continued professional engagement and scholarship related to their professional background and experience. Normally, SP status applies to practitioner faculty member who augment their experience with engagement activities involving substantive scholarly activities in their fields of teaching.

The “Other” or “O” category in Table 1 applies to faculty members holding a faculty title but their qualifications do not meet the criteria the academic unit has established for SA, PA, SP, or IP status.

**TABLE 1  
SUSTAINED ENGAGEMENT ACTIVITIES**

		Academic (Research/Scholarly)	Applied/Practice	
<b>Initial academic preparation and professional experience</b>	Professional experience, substantial in duration and level of responsibility	Scholarly Practitioners (SP)	Instructional Practitioners (IP)	Other (O)
	Doctoral Degree	Scholarly Academics (SA)	Practice Academics (PA)	

**PURPOSE OF THE STUDY**

Our study has four main objectives. First, we assign a numerical value for each of the engagement activities, i.e., SP, SA, IP and PA, by using activities identified by the college under study. The rationale for selecting numerical values for activities is also presented in this section. Second, college of business faculty members are classified into AACSB groups by using their aggregate numbers computed from their assigned engagement activities (descriptive portfolio). Third, an ideal or desired distribution of faculty was superimposed on descriptive portfolio of the college (normative portfolio). Policy alternatives arising from the normative faculty portfolio analysis are examined. Finally, the limitations of AACSB matrix and suggestions to overcome these limitations are presents at the end of the paper.

**A GENERAL DESCRIPTION OF THE UNIT OF STUDY**

The College of Business under study is one of the academic units of an aspiring research 1 university in the Midwest with more than about 16,500 undergraduate students and about 4,000 graduate students in the United States. Thus, both research and teaching are highly valued. The college hosts the departments of Accounting, Economics, Finance, Information systems and Operation Management (ISOM), Management, and Marketing. The faculty of the college is comprised of 25 full, 20 associates, 29 assistant professors, and 25 instructors.

**Objective 1: Selecting and Assigning Values to the Engagement Activities**

In order to assign numerical values to the faculty engagement activities, each college has to prioritize the engagement activities of its faculty members relative to the stated mission of the unit and assign an arbitrary number to the most important activity. The remaining numerical values in the prioritized list would be a gradation of the number assigned to the most important activity. Obviously all numbers assigned to the activities are subjective in nature, but allow for an assessment of relative value toward achieving the college mission. In preparing Tables 2 and 3, the college under consideration employed the guidelines and examples given by the AACSB in conjunction with the college’s stated mission and the relative value of the various academic and professional engagement activities.

1. Initial academic preparation
2. Initial professional experience
3. Sustained academic and professional engagement
4. Academic engagement
5. Professional engagement

The draft copy of the Table 2 was circulated among the faculty of each department for their approval. Faculty members could rearrange the activities and change the values of the corresponding activities. After the list was vetted by each department, it was put to a college wide vote.

In order to maintain the quality of research, each department evaluated and categorized relevant peer reviewed journals are into three quality categories (A, B, and C). In addition to departmental list of categorized journals, the Dean’s office also has identified a select list of top tier journals designated as high quality journals. According to the relative values noted in Table 2, if faculty members publish in the Dean’s list of journals they will receive 15 points. Publication in other peer reviewed journals classified by their department as an “A” will generate 10 points, and peer reviewed discipline-based journals classified as “B” will generate 7.5 points, etc. Thus, a faculty will be assigned:

- SA status if they have a Ph.D. (or “ABD” less than 3 years in status) and have earned 15 points in the immediate past five year period from the activities shown in Table 2 provided at least 10 points come from the top two categories (i.e., recent academic preparation or peer reviewed journals).
- PA status if they have a Ph.D. and have earned at least 15 points in the immediate past five year period from activities shown in Table 2 and Table3.
- SP status if they have a Masters’ degree and earn 15 points in the immediate past five years from at least three different activities shown in Table 2 or Table 3 of which at least 5 points should come from Table 1 peer reviewed journal category.
- IP status if they have a Masters’ degree and earn 15 points in the immediate past five years from at least three different activities shown in Table 2 or Table 3.
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**TABLE 2  
INTELLECTUAL CONTRIBUTION ACTIVITIES**

CATEGORY	ACTIVITY	POINT VALUE PER ACTIVITY
Academic Preparation	Doctoral degree in the area in which the faculty member teaches earned in last 5 years or ABD for 3 years	15
Peer reviewed journal Article	Dean’s list of A/A- rated journal	15
	Other peer reviewed discipline-based scholarly/ Peer reviewed pedagogical journal/contributions to the practice journals from the department list of high quality (A) journals	10

CATEGORY	ACTIVITY	POINT VALUE PER ACTIVITY
	Other peer reviewed discipline-based scholarly/ Peer reviewed pedagogical journal/contributions to the practice journals from the department list of (B) journals	7.5
	Other peer reviewed discipline-based scholarly/ Peer reviewed pedagogical journal/contributions to the practice journals from the department list of (C) journals or other outlets (e.g., contributions to practice	5
Book	New Text book- Academic press, related to discipline-based scholarship	10
	New Practitioner Book—related to practice of the discipline.	10
	Textbook revision/new edition Non-academic press, related to discipline-based scholarship	6
	Revised Practitioner Book – related to practice of the discipline	6
	Instructor’s manual for textbook	4
	Published review of book	4
	Chapter in a book related to discipline-based scholarship	4
	Monograph related to discipline-based scholarship	4
Other Publications	Media article (newspaper, magazine, business journal, etc.), Media interview regarding industry	2
	Write and publish on-going blog posts on established blog related to the discipline (must have minimum of 12 posts in the within a year to count)	3
Conferences, Proceedings, Workshops, and Presentations	Full Paper related to discipline-based scholarship/ pedagogical research in conference proceedings	4
	Abstract related to discipline-based scholarship/ pedagogical research in conference proceedings	3
	Presentation of discipline-based scholarship/ pedagogical research at national or international conference or regional conference	3
	Coordinator or co-coordinator/Session Chair/ Moderator/Facilitator/Discussant/Panelist at academic conference	2
	Invited lecture at workshop/colloquium/seminar/ symposium	3
	Presentation at workshop/colloquium/seminar/ symposium	2
	President of national or regional academic organization Ex. Academy of management 8 points, South east Decision science – 4 points	4 - 8
	Officer, conference director, or member of board of directors for national or regional academic organization	3
Grants (PI or co-PI only)	External research grant received	5
Editorial	Editor/co-editor Dean’s list of A/A- rated journal	12
	Associate/area/consulting/geographic/managing editor of Dean’s list of A/A- rated journal	6

CATEGORY	ACTIVITY	POINT VALUE PER ACTIVITY
	Editorial board A/A/A- rated journal	5
	Editor/co-editor of other peer reviewed discipline-based scholarly journal	5
	Editor of academic conference proceedings	3
Dissertation/ Thesis	Dissertation Committee Chair	3
	Dissertation Committee Member	2
Senior Administrative positions	Hold a senior academic management appointment or senior position in a professional practice	10
Others	Other activities approved by the department	

**TABLE 3  
PROFESSIONAL ENGAGEMENT ACTIVITIES**

CATEGORY	ACTIVITY	POINT VALUE PER ACTIVITY
Education and training – Developmental Activities	Obtaining or maintaining professional-level certification	5
	Obtaining or maintaining a professional license from a recognized national/international organization or appropriate government authority	5
	Graduate coursework related to one’s teaching and/or research at least 6 hours	4
	Attending workshops – Industry, teaching, and/or research related	3
	Invited speaker at professionally-oriented conference	3
	Coordinator or co-coordinator/Session Chair/ Moderator/Facilitator/Discussant/Panelist at professionally-oriented conference	4
Practice and Corporate Service	Board member of business (active service on board of directors), Public/government board or non-profit organization	4
	Consulting (20-40 hours constitutes one “4-point project”) (paid or pro-bono)	4
	Faculty Internship/Externship	4
	Officer in regional, national, or international professional organization	4
Engagement with the real world	Immersive projects such as, BBC, Provost immersive grants, etc.	4
	Write and publish/edit on-going blog posts on established discipline based blog (minimum 12 posts in a 12 month period or have 12 months of editorial duties for credit – this category can only be earned once in 12 month period)	4
	Write and publish an invited “guest” blog post (minimum 600 words) on a notable industry blog	1

CATEGORY	ACTIVITY	POINT VALUE PER ACTIVITY
Professional Service	Organizing/teaching continuing professional education experiences	4
	Presentation to community, government, or university organization related to discipline	2
	Officer in a national or state association related to discipline (other than chair/president/director)	5
Executive Education	Development of a new executive education course	5
	Teaching an executive education course with CE credit (1-3 days)	4
	Record discipline specific online webinar for national distribution	
Others	Other activities approved by the department	1-5

**Objective 2: Classification of Faculty According to their Computed Aggregate Values**

Table 4 is the distribution of faculty members into the AACSB matrix for the college (aggregate), and for individual departments with their corresponding percentages based on the values in Tables 2 and 3 as well as the stated definitions for each category.

**TABLE 4  
DISTRIBUTION OF COLLEGE FACULTY IN AACSB MATRIX**

**College (Aggregate)**

SP 0 0%	IP 21 23.8%	O 3 3.4%
SA 61 69.3%	PA 4 4.5%	

**Accounting**

SP 0 0%	IP 5 29.4%	O 1 5.8%
SA 11 64.7%	PA 0 0%	

**Economics**

SP 0 0%	IP 0 0%	O 1 7.2%
SA 13 92.8	PA 0 0%	

**Finance**

SP 0 0%	IP 4 23.5%	O 0 0%
SA 10 58.8%	PA 3 17.6	

**ISOM**

SP 0 0%	IP 2 12.5%	O 0 0%
SA 14 87.5%	PA 0 0%	

**Management**

SP 0 0%	IP 5 38.5%	O 0 0%
SA 7 53.8%	PA 1 7.7%	

**Marketing**

SP 0 0%	IP 5 41.7%	O 1 8.3%
SA 6 50%	PA 0 0%	

It is evident from Table 4 that the college (aggregate) percentages of SA (69.3%), SA+PA+SP (73.8%) and SA+PA+SP+IP (97.6%) are well above the minimum percentages specified by AACSB. The same is true for most of the individual departments with one exception. The classification of faculty members in the AACSB matrix and their corresponding percentages is dependent on the definitions for each category and the numerical values used in Tables 2 and 3.

There are 3 faculty members in the college classified as “Others.” These faculty members’ qualifications, for variety of reasons such as health, family related issues or impending retirement, do not meet the criteria established by the college for SA, PA, SP, or IP status.

### **Objective 3: A Normative Approach and its Policy Implications**

Business schools, in addition to meeting the standards of AACSB, also aim at achieving missions of their colleges and universities. Therefore, the starting point for a normative analysis of the AACSB portfolio model for any college is a clear understanding of the mission of its university and the college. If the mission of the college, for example, in addition to remaining accredited, is to be a leading research institution (i.e., Research 1 institution), the ideal distributions of faculty within the four AACSB categories may differ from the idea allocation for a college with a mission of “premier teaching institution. Further, as faculty progress through their careers, their focus may move from research toward more teaching or administrative duties. Thus, the ideal allocation of faculty in Table 4 may depend on both the college mission and the faculty makeup.

Traditionally, the BCG matrix has been used to manage a portfolio of products through the product lifecycle. Depending on where a product is in its lifecycle and where it falls on the BCG matrix, a company may choose to invest in the product (e.g., to move it from a question mark to a Star); use the products resources to improve other products in the portfolio (e.g., cash cows); or divest the product from the portfolio (e.g., dogs). Similarly, we would argue that the AACSB categories can be combined with the faculty lifecycle and college mission to generate the best outcome from the portfolio of faculty.

Specifically, junior faculty who are hired directly after receiving their Ph.D. are automatically classified into the SA category, however, this group can be considered the question marks because they are untested in their research productivity and teaching effectiveness. These faculty are at the early stages of their career and require investment to attempt to move them into the “Star” category. Sometime during the first six years of their employment (i.e., the pre-tenure years), their progress is evaluated and it is determined that they have made it to “Star” status (i.e., granted tenure and promoted to Associate Professor) or they are “divested” (i.e., non-renewed). As these newly minted “Stars” progress in their careers, they still require investments of resources to continue their research, improve their teaching, and generate contribution toward the college mission. Eventually, these faculty progress in their career and either become a full professor (if they continue a steady stream of research) or specialize in teaching or administration. These “cash cows” may remain research active (SA status) and provide mentorship (research resources) to the junior faculty or they may lessen their research load and move to PA status and provide contribution to the department through additional teaching, outreach, or service. Thus freeing the Stars for more focus on research. Finally, faculty who have reached the end of their career may check-out or “retire in place” thus becoming a “dog” (i.e., moving into the “O” category of the AACSB classifications). In this case, the college must try to encourage the “dog” to re-focus on research or professional engagement in order to re-join the cash-cows or begin a process for an orderly divestiture (e.g., early retirement program, or chronic unsatisfactory procedure, etc.).

Similarly, contract faculty (or instructors) can be classified based on their contributions to teaching and research within the department. Those classified as SP (Scholarly Practitioner) can be considered stars because they contribute to the research mission of the college and require resources in order to pursue their scholarly activities. Those classified as IP (Instructional Practitioners) can be considered cash cows because they take on a high load of teaching and outreach for the department.

Therefore, it can be argued that the ideal makeup of a department would contain some junior faculty (question marks moving toward stars), middle level faculty (stars), senior faculty (cash cows), and contract faculty (stars and cash cows). These would then translate into an ideal allocation into the four

AACSB categories (SA, PA, SP, IP) such that the department would have the cash cows (PAs and IPs) to fulfill the heavy teaching, service, and outreach responsibilities and Stars (SAs and SPs) to mentor junior faculty and provide the heavy research contributions for the department.

Thus, once the mission of the college is defined, the relevant terms such as “leading research” or “premier teaching institution” are operationalized, a new matrix based on the ideal or desired distribution of faculty in AACSB matrix can be constructed and superimposed on the college existing portfolio matrix, in our case Table 4 (aggregate). The resulting Table 5 identifies AACSB, current college, and ideal faculty distributions for the college under study.

### Operationalization of the “Desired” Faculty for the Departments

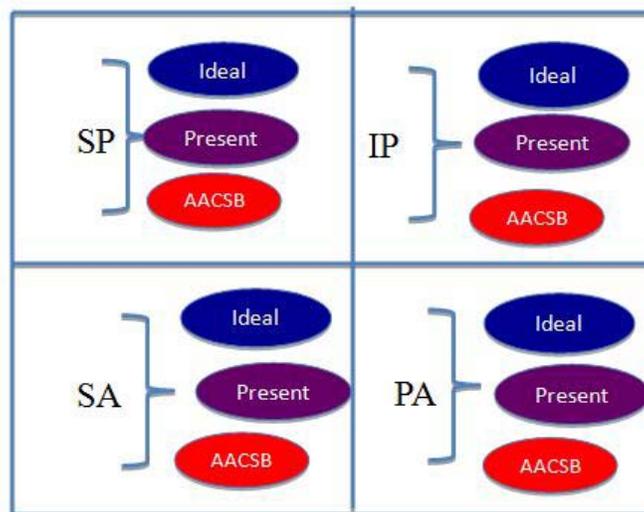
Each department chair was asked to provide data related to the *desired or ideal* distribution of faculty in their department with regard to AACSB matrix and a rationale or justification for their choices.

Department chairs, with the exception of accounting and economics, had difficulty in articulating the ideal distribution of their faculty in the AACSB. Accounting department chairperson prefers to have 100% of his faculty who are teaching in the MSA program to be in SA category. In the chair’s view, PA faculty can play an important role if the position is appropriately designed and incentives are in place to motivate faculty members to engage in the profession. In such settings, up to 20% may be in the PA category.

Department of economics, reported 90% SA and 10% PA as its desired faculty distribution. The rationale for having 90% of SA was that due to a favorable supply of economic faculty, the department has a high degree of freedom in hiring faculty who meet their criteria of SA. It was also noted that the department, if need arises, can hire contract faculty with Ph.Ds. Another factor for high percentage of SA group was attributed to the fact that economic faculty do not engage in professional activities. The rationale for 10% PA was that some faculty members may not qualify as SA, as they near the end of their retirement.

The justification for PA group was that PA faculty members play an important role in a business school. The 2013 AACSB standards have re-emphasize the importance of engagement when noting, “Business schools are professional schools in that they exist at the intersection of theory and practice. In this context, it is important for a school to be firmly grounded in both the academic study and the professional practice of business and management.” Therefore, a faculty member designated as Practice Academic can help both the department and college to achieve this objective of AACSB.

**FIGURE 1**  
**A NORMATIVE APPROACH TO AACSB MATRIX**



Four scenarios can be identified for each quadrant of Figure 1:

1. Current distribution of the faculty is below both AACSB and desired levels; Build strategy)
2. Current distribution of faculty is above AACSB level but below desired level; Build strategy)
3. Current distribution of faculty is more than the desired level. Undesirable for PA and “O” categories (Reduction Strategy).
4. Current distributions of faculty are on a par with both AACSB and desired levels. (Maintenance strategy).

Each of the above scenarios will be discussed below.

#### *How to Increase SA Category?*

Build Strategies. Here the main objective of the college is to increase the number of faculty members in SA quadrant. Building strategy can be accomplished by increasing the publication productivity of the low performing faculty members, by hiring new faculty members, or both. The following courses of action may prove useful in improving targeted faculty, i.e., PA, research output.

1. Reducing faculty members’ teaching load  
Teaching load can be reduced by: class sizes, different course preparation, and the number of classes taught. Course load reduction for a substantial number of faculty members may create a scheduling problem for the department. Increasing the teaching load of the faculty members unwilling to do research (i.e., the Cash Cows focused on Teaching and Service) to a maximum allowable level can ameliorate this problem.
2. Assigning more student assistant time  
In order to reduce the time targeted faculty members devote to the administrative activities such as web maintenance, recording students grades, literature search and so on, more student assistant, graduate and undergraduate, time should be made available to the targeted faculty. If for budgetary reasons, hiring extra student assistants is not possible, the available student time should be allocated to the faculty under consideration. This may require excluding unproductive faculty from having student assistants.
3. Teaming targeted faculty with more productive faculty  
Success of this strategy depends on productive faculty members’ willingness to share their research ideas and expertise with targeted faculty. Dean and the chairs of the college should have an explicit policy for joint research activities. The policy should provide financial incentives such as travel funds or grant money for the productive faculty.
4. Research Grants  
Usually it is the more productive faculty who receive a lion share of the research grants available for the college. Somehow, a portion of the available research grant should be set aside for the targeted faculty.

#### *How to Manage SP and IP Categories?*

Managing IP and SP categories are relatively easy. Faculty members in this group are mainly contract or adjunct faculty either with master or Ph.D. degrees. College deans have considerable latitude in hiring and not renewing the contract of the said faculty. There are, however, situations in which a given college either unable to find the qualified tenure-track faculty or for budgetary reasons may have more than desired contract or adjunct faculty. Colleges usually, maintain a “do nothing policy,” till desired faculty have been hired or budgetary situation has been improved.

#### *How to Reduce PA Category?*

Managing PA category can be a daunting task if the performance of a substantial number of faculty members is not satisfactory. If policies described above for increasing the productivity of faculty members in PA category were not satisfactory, college administrators should take initiatives to increase the attrition rate of PA faculty. Among these initiatives are: giving bonuses for early retirement,

increasing the cost of being unproductive by freezing salary (at least merit raise, if across the board raises cannot be changed), eliminating summer teaching assignment, cutting student assistant time, increasing teaching load to an allowable level, and assigning unattractive teaching hours.

Recently the college under study implemented its “Chronic Unsatisfactory Performance” policy. Under this policy, service contract of a tenured faculty member who does not meet the minimum criteria for satisfactory as determined by the unit Salary and Merit committee or by the department chair for two consecutive years or three unsatisfactory evaluations in five years can be terminated.

### *Maintenance Strategy*

Obviously every effort should be made to maintain the desired levels of four quadrants of the normative model. However, special attention should be paid to SA and PA quadrants. If a college has a policy similar to “Chronic Unsatisfactory Performance” described above, maintaining desired level of PA faculty is relatively easy. Otherwise, the only course of action available for the administration is to pursue the policies of increasing the cost of being unproductive.

Maintaining SA faculty, especially the ones who are prolific in their research is crucial for every business college. Since promotion and tenure are superfluous for these faculty members, other incentives such as reduced teaching loads, summer research grants, favorable teaching schedules, and prevailing market salaries should be made available for them.

## **DISCUSSION**

The composition of current faculty portfolio of a given college rests solely on the activities and their corresponding values in Table 2.

The AACSB matrix does not establish standards of quality for research, effective teaching nor service activities. This is understandable because of a broad variation in the missions of the business colleges. Therefore, it is incumbent upon the administration of the college to establish a formal process for defining and determining the activities and values of Table 2. To establish standards of research quality, departments within the college should have a list of journals with corresponding values such as: acceptable (C/5), desirable (B/10), outstanding (A/15) journals. The criteria used for the classification of journals in the aforementioned categories may include, editorial review board, h-index, SSIS index, Cabell’s and the ABS rankings.

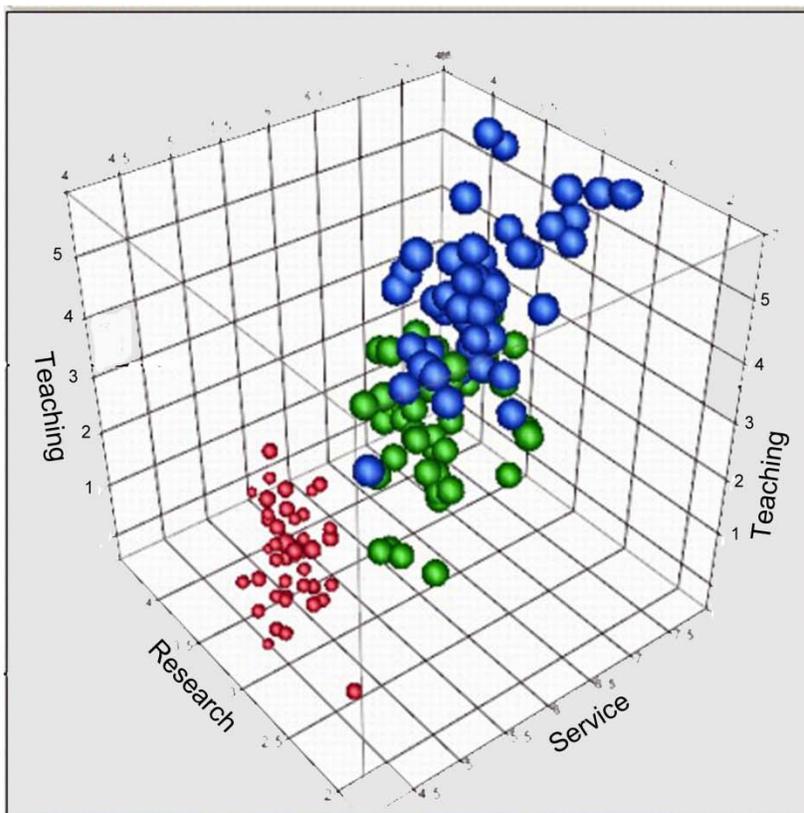
In order to avoid disparity among departments, every effort should be made to establish equity with regard to research quality for journal listings and values attached to them. As pointed out before, in addition to the departments’ journal lists, dean of the college may have a list of top tier journals as well. The main reason for having a dean’s journal list is to provide incentives for faculty to publish in their top tier journals. For example, marketing faculty publishing in the journals such as Marketing, Marketing Research, and Consumer Research may receive a cash incentive from the Dean’s office.

Table 2 should also establish criteria for effective teaching. Students’ evaluation scores are commonly used for determining teaching effectiveness. Since many scholars have questioned the validity and reliability of students’ evaluation scores, other methods such as “teaching portfolio,” and/or “peer evaluation” should also be included in the activities related to teaching effectiveness. Faculty members are also expected to engage in service activities such as serving in committees or engagement professional services. Service activities can be quantified by assigning a number for each activity, such as chair of a committee 5, committee member 3, and so on.

AACSB portfolio matrix assumes homogeneity within each quadrant. The matrix does not distinguish, for example, whether SA group of faculty publications are in high or medium tier journals. For gauging the “academic health” of the faculty, it would be a useful practice for college administrators to compute running averages of their individual faculty members for *research*, *teaching*, and *services*. These averages can be plotted in a 3 dimensional graph by using a computer software such as SCATTERPLOT3D. Figure 2 discriminates faculty in terms of their research, teaching and service activities. Red dots in Figure 2 represent faculty members with low research, teaching and service

activities. Obviously higher percentage of red dots is an indication of a difficult road ahead for the college in maintaining its accreditation. Higher number of blue dots not only indicates a good sign for “academic health” of the college but it also shows that faculty members are “effective” teachers in the class, publishing in top tier journals, and satisfactory service performance.

**FIGURE 2**  
**FACULTY PERFORMANCE BY TEACHING, RESEARCH, AND SERVICE**



The AACSB standards, namely  $SA \geq 40\%$ ,  $SA+SP+SP \geq 60\%$ , and  $SA+SP+SP+IP \geq 90\%$  will affect the composition of faculty. It is likely that more full-time contract and adjunct faculty will be hired. The interesting question is whether it is feasible to have a two-tier system of faculty in the college. In the two-tier system tenured and tenure track faculty are expected to publish in top tier journal with higher salaries. The second group will include those instructors and the tenured faculty without research expectation and low salaries.

In collecting data related to the desired distribution of faculty in the AACSB matrix, it was noted that neither college administration nor department chairs have a clear target for the ideal distribution of the faculty. This difficulty in articulating desired distribution of faculty has to be addressed in the college. Admittedly, there are difficulties in such articulation; nevertheless, having a clear target for faculty composition is more advantageous than just trying to maintain the minimum AACSB standards.

Finally, a major limitation of AACSB matrix is that it offers no logic, rational, or justification for required percentages such as  $\geq 40\%$ , or  $SA+SP+SP \geq 60\%$ . These percentages are important because different percentages will result in different composition of the faculty members of a given college.

## SUMMARY

The AACSB accreditation requires the schools to follow minimum quality standards for students' success, faculty qualifications, funds and infrastructure support that is needed to provide an assurance for delivering an excellent education as per the mission and vision of the college. Over the time standards have been evolving and helping the business schools to measure their quality of student learning and the schools' preparedness to deliver quality education. In this paper we revisited the faculty portfolio model purposed by Borna and Arndt in 1993. The new AACSB portfolio matrix was applied to a Midwest college of business and as a result a descript portfolio of the said college was constructed. In order to suggest policy alternatives, a desired faculty portfolio was super-imposed on the descriptive portfolio model. From this normative model, policy alternatives were identifies and suggestions were made for interested business college administrators. The study also considered the limitations of the AACSB matrix and recommendations were made for establishing criteria for research quality and teaching effectiveness.

## ENDNOTE

1. The college of business in Borna/Arndt study was accredited in 1978 for 10 years. It was accredited in years 1989, 1999, 2009, and 2015.

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