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der schweizerischen hochschulen

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swiss center of accreditation and
quality assurance in higher education

Quality Audit 2013/14 University of St.Gallen

Final report | 22 July 2014

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Preliminary remarks

Completing a Quality Audit is a formal requirement for cantonal universities if they are to continue to be entitled to financial support, i.e. to receive state funding under the Federal Law on Financial Aid to Universities (Universitätsförderungsgesetz, UFG).
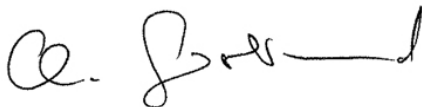
The "2013/14 Quality Audit" cycle was the third time that the Swiss Center of Accreditation and Quality Assurance in Higher Education (Organ für Qualitätssicherung und Akkreditierung, OAQ) had conducted Quality Audits at Swiss universities on behalf of the respective department.

These Quality Audits are based on the Quality Assurance Guidelines of the Swiss University Conference (SUC) which define the minimum requirements for quality assurance systems in terms of seven quality standards. To accommodate the different directions and structures of higher education institutions that have developed over time, these standards have been deliberately formulated as open standards. They are designed to answer the question of whether a higher education institution has set up and operates a QA system. Due to their generic nature, they are less suited to assessing the QA system in fine detail.

For the 2013/14 Quality Audit, OAQ and the Q-network of the Rectors' Conference of Swiss Universities have developed a total of 17 quality criteria which differentiate the seven quality standards of the SUC. In the 2013/14 Quality Audit, the expert groups were asked for the first time to assess the quality criteria as having been "fulfilled", "partially fulfilled" or "not fulfilled". A system of assessment which is rated at three levels cannot necessarily remain clear-cut; however, it serves as guidance for the higher education institutions in respect of their institutional accreditation under the Funding and Coordination of the Higher Education Sector Act (Hochschulförderungs- und koordinationsgesetz, HFKG).

Since the quality standards have been broken down into the different quality criteria for the purposes of the 2013/14 Quality Audit, a direct comparison with the 2007/08 Quality Audit is not possible.

The expert group reports provide a snapshot of quality assurance at the cantonal universities, as well as at the EPFL (Swiss Federal Institute of Technology Lausanne) and the ETH Zürich (Swiss Federal Institute of Technology Zurich) which are also subject to the Quality Audits, in that they give an overview of the quality assurance systems at the higher education institutions and a summary evaluation of the QA systems in respect of the standards defined in the Quality Assurance Guidelines. The reports do not provide a basis for a qualitative or quantitative comparison between the quality assurance systems of the higher education institutions.

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Content

1 Result of the Quality Audit at the University of St.Gallen

The State Secretariat for Education, Research and Innovation (SERI) evaluates periodically the Swiss Universities as a prerequisite for the entitlement to financial support according to the Federal Law on Financial Aid to Universities (Universitätsförderungsgesetz, UFG)[1].

This report covers the Quality Audit 2013/14 and presents the result of the assessment of the quality standards by the expert group as well as recommendations for the development of the quality assurance system of the University of St.Gallen.

The expert group mandated by OAQ concludes after the Quality Audit on-site visit that the University of St.Gallen fulfills 16 out of 17 quality criteria; meanwhile one quality criteria being assessed as partially fulfilled. It concerns equal opportunities and gender equality (Area 2: Governance).

Related to the standards of the Swiss University Conference (SUC) Quality Assurance Guidelines[2] this means, that Standard 4 (Equality part) and Standard 5 (Part 3) are partially fulfilled.

The University of St.Gallen fulfills the requirements according to Article 3 of the Swiss University Conference (SUC) Quality Assurance Guidelines.

The OAQ expert group further concludes that the quality assurance system of the University of St. Gallen includes the study programmes. The University of St. Gallen fulfills therefore the demands according to Article 4 of the SUC quality assurance guidelines.

The result of this Quality Audit in no case prejudges the result of the future institutional accreditation that will replace the Quality Audits after 2015.

2 The Quality Audit

In December 2011 the SERI mandated OAQ to plan and to conduct the Quality Audit cycle 2013/2014.

The University of St.Gallen started the self-evaluation phase in June 2013. The OAQ put together the group of experts.

The external review took place on 21 February 2014 (preparation of the on-site visit) and on 24-26 March 2014 (on-site visit).

2.1 The group of experts

The selection of the group of experts was based on a longlist of 18 peers. They matched to a profile that had been discussed with the University of St.Gallen. The scientific advisory board of OAQ confirmed the list of experts on 22 August 2013.

The expert group consisted of (in alphabetic order):

- o.Univ.Prof. Dr. Christoph **Badelt**, Rector of the WU Wien, Austria (Chair)

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[1] SR 414.20 Federal Law on Financial Aid to Universities and Cooperation in Matters Relating to Universities (Universitätsförderungsgesetz, UFG). Art. 6 of the guidelines for the qualifying procedure stipulated by the UFG requires quality audits at all cantonal universities to be carried out every four years by the OAQ.

[2] SR 414.205.2 Quality Assurance Guidelines of the Swiss University Conference (SUC).

– Prof. Dr. Frank **Bostyn**, Dirécteur Général of the NEOMA Business School, France

– Philipp Marc **Mazenauer**, Bachelor-Student of Law, University of Lucerne, Switzerland

– Prof. Dr. Örjan **Sölvell**, Director of the Center for Strategy and Competitiveness, Stockholm School of Economics, Sweden

– Prof. Dr. Eric **Waarts,** Professor and Dean of Education, Rotterdam School of Management, Erasmus University, The Netherlands

Professor Badelt was assigned to chair the group.

2.2 The schedule

10.06.2013	Kick-off
08.01.2014	Delivery self-evaluation report
21.02.2014	Preparation for the on-site visit by the expert group (morning)
21.02.2014	Preparation for the on-site visit with the university (afternoon)
24.-26.03.2014	On-site visit
02.05.2014	Preliminary experts' report
26.05.2014	Response by the University of St.Gallen
16.06.2014	Definitive experts' report
27.08.2014	Approval by Scientific Advisory Board OAQ

2.3 The self-evaluation report

The University of St.Gallen established a steering group and defined responsibilities for drafting the self-evaluation report. As the university stated in the report, it was written on the basis of existing quality development structures and processes. The steering group consisted of the University President, the President's Delegate for Quality Development, the Head of Academic Affairs and Student Services, the Head of Quality Development Services, as well as a representative from the Student Union Board. Once there was a draft of the self-evaluation report, it was circulated to selected stakeholders. The university pointed out that the students – being a central pillar of quality development – were fully integrated into the preparation and the processes of accreditation and quality audits.

The expert group acknowledged that the self-evaluation report gives general information about the University of St.Gallen and its quality assurance (development) system. This information was sufficient as a basis for further evaluation. The expert group nevertheless would have wished to have more detailed information in the self-evaluation referring to the criteria of the quality audit.

2.4 The preparation of the on-site visit and the on-site visit

The preparation of the on-site visit took place on 21 February 2014 in the premises of the University of St.Gallen. In a first part OAQ presented the Higher Education Landscape of Switzerland. This was followed by a presentation of the University of St.Gallen and its specifics

by the university's Rector, Professor Bieger. The experts used the opportunity to clarify some of the open questions concerning the university and its organisation.

After a short presentation of the OAQ concerning the purpose and instruments of the Quality Audit 2013/14, the experts discussed the self-evaluation report of the University of St.Gallen.

In the afternoon Prof. Badelt, Prof. Bostyn and Mr. Mazenauer took the opportunity to speak to the Rector Prof. Bieger and the Delegate for Quality Assurance, Prof. Euler, as well as to the Head of the Quality Development Office, Dr. Lindstrom. The chair presented the first impressions of the group of experts. In return the University of St.Gallen was invited to present its expectations from the Quality Audit.

The afternoon ended with the discussion of some organisational issues and the changes required to the schedule of the on-site visit.

The atmosphere of respect between the group of experts and the representatives of the University of St.Gallen guided the preparation of the on-site visit. The group of experts appreciated the willingness of the University of St.Gallen to prepare all additional documentation and information for the on-site visit.

2.5 The expert report

The report of the expert group is presented as chapter 4 of this report. It covers the assessment of the implementation of the recommendations of the Quality Audit 2007/08, of the quality assurance system of the University of St.Gallen, its implementation in the study programmes and most important the assessment of the Quality Audit criteria 2013/14. The report ends with a conclusion showing the strengths and challenges and giving some recommendations for further development of the quality assurance system of the University of St.Gallen.

The group of experts has elaborated for each quality criterion an analysis and has drawn a conclusion if the criterion is fulfilled, partially fulfilled or not fulfilled. Sometimes a recommendation or suggestion for further development of the quality development system is made.

The expert report will be published only if the University of St.Gallen approves.

2.6 The Statement of the University of St.Gallen

The University of St.Gallen responded to the expert report with a letter dated May 26th, 2014. In its statement, the University acknowledges that the expert group has conducted the Quality Audit in a constructive, valuable and motivating way. The expert report is described to represent a good balance between the University's strengths and its current challenges and development potential: the University states that it can well relate to the experts' conclusions and accepts them. Even more, the recommendations of the expert group shall be integrated into the further quality development of the University.

3 The University of St.Gallen

The University of St.Gallen (founded in 1898) is a highly specialised university in the areas of Management, Economics, Law, and International Affairs. It represents the third type of university in Switzerland (besides full universities and technical universities): universities of Economics. Currently 7,666 students are enrolled across all pre-experience degree programmes.

The University's primary mandate is the education of professionals and leaders. Consequently the "executive education" is an important part of the Universities offerings. Approximately 4,000

participants were involved in the executive education programmes (degree, diploma, certificate, custom and in-house programmes) in 2012, while 410 participants were enrolled in the management degree programmes (MBA, EMBAs) in the fall semester of 2013[3].

In the fields of management and economics, the University leads the Swiss market with regard to its student numbers, student output and placement capacity. With a national market share of some 30% of undergraduates and graduates, who go on to earn the highest starting salaries, it is the national market leader in business and economics.

The University is not only a major cantonal flagship and economic pillar, but also an important value creator for the region as a whole. It attracts highly skilled students and professionals to the region, inducing a net brain gain. It is estimated that the University's annual contribution to the region exceeds CHF 200 million.

In 2011 the new University Statutes entered into force, and the official designation of the University of St.Gallen was updated to "University of St.Gallen - School of Management, Economics, Law, Social Sciences and International Affairs (HSG)".

4 The external review

4.1 Recommendations from the Quality Audits 2007/08

In the 2009 report the OAQ stated that the University of St.Gallen fulfills all quality standards. However, it was recommended strengthening the then existing system of quality assurance by making various measures, initiatives and approaches more explicit, thus moving toward a stronger "formalization" of the quality assurance system.

The university has taken this recommendation seriously. It has linked quality development to the university´s overall processes, which was of particular importance, since the university has undergone a broad strategy process during the last few years. In particular, the organization of quality assurance and quality development has been put on new grounds: There is now a clear responsibility for teaching and research overseen by the Vice Presidents, while the methodological perspective is taken care of by an explicit "delegate for quality development", to whom the Office for Quality Development Services reports.

Furthermore, a number of concrete new instruments (measures) have been established leading to more transparent key processes of quality assurance. Examples are the performance contracts with the government, the establishment of target agreements with the schools, the further development of a formal course evaluation system, the provision of an encompassing handbook on programme development, and the use of a "Management Cockpit System", in which comprehensive quantitative and qualitative data are made available to the Rector, but also to Deans and Programme Directors - thus supporting their quality assurance work through a regular and reliable flow of information.

Overall, the expert group is convinced that the former quality audit has had significant and sustainable positive effects on the school´s quality assurance scheme.

4.2 The system of quality assurance of the University of St.Gallen

Quality assurance and quality development are closely aligned to the university´s strategic development. There are two elements of the university´s strategic ambitions and plans which have a particular influence on quality assurance: First, the strive for excellence (HSG wants to become "one of Europe´s leading Business Universities") asking for top quality in all fields of the

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[3] Acc. to the self-evaluation report of the University of St.Gallen, p. 1f.

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university´s activities. Second, strong reference is given to the role of entrepreneurship in the school´s behaviour. This implies - among other things - a large degree of responsibility for the individual faculty member in defining his or her ambitions, which automatically leads to a strong element of decentralization in the quality assurance scheme. In fact, it is the tension between top down defined principles of quality and decentralized forms of interpretation of these principles which account for the special approach of St.Gallen University to quality assurance.

The university´s quality development system rests on a number of key assumptions, which characterize the special approach of the school: quality is seen to depend primarily on the university´s members´ motivation to strive for excellence in *all* fields they are active. Thus, peer feedback and recognition within the academic community (both inside the school and beyond) are seen as more effective than material incentives or organisational rules. Quality development, therefore, is seen to be only successful if it is perceived as useful by the individual faculty member. On the other side, the system also has to provide all necessary quality related information to all levels of executives (for example, deans and programme directors) including the President´s board, so that interventions can be made, if a problem with quality comes up somewhere in the school.

St.Gallen´s quality development system is implemented in three areas: teaching and learning, research, and faculty management, which encompasses recruitment, development and evaluation of faculty members. In each of these areas a "Quality Development Cycle" has been established consisting of a cycle starting with a plan, going on with implementation ("do"), checking the effects ("check") and reacting in case of necessary interventions ("act"). The university calls this the "Plan-Do-Check-Action Cycle".

In the self-evaluation report this cycle is described extensively for all the areas mentioned, illustrating the particular objectives, the established processes, the means of assurance and the instruments of quality development. Details will be given later when the single quality criteria are discussed.

4.3 Implementation of the quality assurance system in the study programmes

In the area of teaching and learning quality assurance and quality development takes place both on the level of single courses and on the programme level.

On the programme level a key for quality assurance is the Assurance of Learning Concept which is employed in all degree programmes. For each programmes a proof has to be provided illustrating how the concept is integrated and what implications this has for the content and the organization of courses and the learning processes in general. Therefore, programmes are subject to periodic reviews; programme managers are supported by the "Programme Development Initiative", in which the Institute for Business Education has developed a detailed manual to describe the various steps of programme development. This manual serves as a reference document and implicitly defines comparable standards for quality development for each programme. This is a good example of how centrally defined standards guide decentralized units to improve quality development.

On the individual course level, student evaluations of teaching are conducted regularly (though not every semester) and systematically. If evaluations indicate problems with a course or a particular faculty member, the issues will be taken up in a discrete manner, first by the responsible programme director, and - when necessary - by the dean or even by the president. This is done in a development oriented setting. During the on-site visit the HSG has provided an overview of practical measures which are taken in cause of quality related problems.

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It should be mentioned that the student union has set up a complimentary approach of course evaluations, in which both the quality of courses is discussed in group settings between students and instructors, and - in addition - an internet based evaluation form can be used by every student at any time of the semester. The student union is convinced that this procedure leads to more "unfiltered" and spontaneous reactions than the official scheme of the school, which is why the student evaluation system is seen as a valuable source of also for the representatives of the university.

Given the concrete instruments and the clear formal responsibilities for the various elements of quality assurance in teaching the expert group has no doubts that the system meets modern standards as required by the SUC quality assurance guidelines.

4.4 Analysis of the quality criteria of the Quality Audits 2013/14

Area 1: Quality assurance strategy

Criterion 1.1
„The university defines its quality assurance strategy and communicates it publicly. This strategy includes the guidelines to a quality assurance system whose objective is to ensure and continually improve the quality of university activities, as well as to promote the development of a quality culture."

Over the last years the university has gradually moved toward a more structured and formal system of quality assurance and quality development. Overall, the quality culture of the university is very strong, which follows from the widely shared strive for excellence. The university is proud of its particular "HSG-DNA", which emphasizes entrepreneurship and autonomy of faculty members. This "DNA" balances potential disadvantages which may follow from elements of decentralization in the quality assurance system.

The establishment of schools has made it easier to set up formalized quality assurance elements, since the schools are chaired by a dean who is also responsible for quality matters. Thus, an "intermediate" level of responsibility between the single faculty member and the central management has been created. Target agreements between the president and the school help to define and monitor quality goals.

Key elements of the quality assurance strategy have been published by the university. This refers to the overall strategy, the course evaluations on the programme level, and the documentation of the research output.

On the other side, the "bottom line" of some elements of quality assurance was not always clear to the members of the expert group. (For example, the minimum level of research output which is seen as acceptable) Bottom lines of this kind are mostly defined by the programmes or the schools themselves. The expert team has been told that in a few cases these bottom lines were not accepted by the university management, which lead to top down interventions to improve quality.

Overall, there is no doubt that the university completely fulfills the criteria. Yet, it may be necessary to further develop the formal structures of quality assurance in the future, in particular, if the university would grow and if the university becomes more international. Then, the elements of the "HSG-DNA", the particular "family life" in the school, may become less relevant.

Criterion 1.1 is fulfilled.

Criterion 1.2

"The quality assurance system includes the following areas: Management, teaching and research as well as the related services and resources."

It is obvious that the quality assurance system includes teaching and research.

As to the management level a difference has to be made between the academic positions and the administrative positions. The leading managers of administrative units are given clear targets every year and their performance is appraised on this basis. On the other side, more informal feedback exists between the university board and the members of the rectorate, but also between the president and the deans of the school. Moreover, the target agreements with the school implicitly include some performance appraisal of the deans.

In both areas the "Quality Development Service Center" (directed by Dr Peter Lindstrom) and the President´s Delegate for Quality Development (Prof Dieter Euler) play a significant role.

The quality assurance system also covers the service units in the university administration. The expert group was particularly impressed by the numerous feedback systems employed by administrative units. (For example, in the library, in IT- services, in student services, etc.) The administration obviously has a strong service orientation - which is an immediate result of the quality assurance philosophy of the university.

Criterion 1.2 is fulfilled.

Criterion 1.3

"The quality assurance processes are defined and provide for the participation of all members of the university and especially the students. The responsibilities for quality and quality assurance are assigned clearly and transparently."

The quality assurance processes are clearly defined, although they contain a strong element of decentralization. This is particularly relevant for the faculty members (especially the full professors), who are not "informed" about quality assurance strategies through traditional communication channels, but rather "live" quality assurance within their own academic life.

Apart from the general responsibilities of faculty members two groups of university managers are assigned a special role in the quality assurance system: The programme directors are responsible for all categories of teaching evaluations, the deans monitor the research performance of their faculty and are engaged in faculty management for the junior faculty.

Students are involved in the teaching and learning aspects of quality assurance. They are invited to evaluate courses within the official university course evaluation scheme, but they also have set up their own course evaluations. Moreover, they participate in programme evaluation, for example by organizing exit evaluations of programmes.

Criterion 1.3. is fulfilled.

Area 2: Governance

Criterion 2.1

"The quality assurance system is an integral part of the overall strategy of the university and supports its development."

The quality assurance system is part of the university´s strategy, since the university strives for excellence and strongly believes in the decentralized responsibility of faculty members. Special emphasis is given to the role of quality development.

Criterion 2.1 is fulfilled.

Criterion 2.2

"The quality assurance system contributes in a systematic manner to the provision of relevant and current quantitative and qualitative information on which the university can base its strategic decisions (especially with respect to research, study programmes, the appointment and promotion of academic staff). "

The university management has established a "Dashboard Management Cockpit System", in which key data (for example key performance indicators) are documented on a regular basis. This system looks very interesting. Relevant parts are also accessible to programme managers, deans and other members of the university holding administrative responsibilities.

During the on-site visit a number of examples have been shown illustrating how university administrators react on empirical evidence provided by the cockpit system. Also the target agreements between the president and the schools can serve as cases in point for the use of the data set. It should, however, be mentioned that the system serves more to influence daily operational decisions than strategic decisions.

Nevertheless, improvements of the system are still conceivable. For example, it might be worth investigating as to which degree the course evaluations of the student union could be used as an additional data source for quality assurance in teaching.

Criterion 2.2 is fulfilled.

Criterion 2.3

"The university shall promote and evaluate equal opportunities and gender equality."

The university is not on the forefront of gender policy in Switzerland. The proportion of female students is comparatively low, as is the case for the composition of the faculty. Consequently, there is room for improvement in this area, also compared to other Swiss universities.

As a reaction to the specific situation of the university in Equal Opportunity matters, the university has adopted an action plan, implementing the nation-wide SUC programme. The document has been given to the expert group during the visit, but it has not been mentioned in the self-evaluation report. Neither are gender issues explicitly mentioned in the university´s strategic plan outlined in the report (pp 4-5), which specifies the top eleven priorities of the university.

The plan defines measures in the areas of student enrolment, PhD and Postdoc positions, gender aspects in the senior faculty and decision making bodies, the life-domain-balance, and organisational development.

In a literal sense criterion 2.3. is fulfilled, since the university promotes equal opportunity. In a substantive sense, the criterion can only be seen as partially fulfilled.

Criterion 2.3 is partially fulfilled.

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Area 3: Teaching

Criterion 3.1

"The quality assurance system provides for the periodic evaluation of teaching and its related services. The quality assurance processes include the periodic review of courses, study levels and degree courses, as well as to the results of teaching."

Courses and programmes are periodically evaluated. The university has decided not to evaluate each course every semester, since this may lead to a certain reluctance on the side of the students. Usually, a course is evaluated every second year. For new courses and new faculty, courses are evaluated every semester. The expert group sees this as a sound pragmatic approach to the topic.

On the programme level formal full scope evaluations are not organized on a regular basis. But there is a constant process of interaction between the programme directors and the Delegate for Quality Development. The idea behind this system is that problems in the programmes will be identified in these discussions, so that actions can be taken whenever necessary. The results of teaching of a programme are empirically investigated in the course of AACSB re-accreditations.

Overall, the criterion can be seen as fulfilled, but the expert group recommends intensifying the formal quality assurance procedures on the programme level as described in the quality development manual.

Criterion 3.1 is fulfilled.

Criterion 3.2

"The methods used for assessing the performance of students are to be reviewed periodically."

An ex-ante evaluation of exams by the Unit for Academic Affairs and Student Services is organized only on a voluntary basis. It is only used by a minority of instructors. However, the university management systematically monitors exam results, especially in the assessment phase, which enables the management to adapt the exam system when necessary.

There is also university wide clear policy on general criteria exams have to follow.

Overall, the criterion is seen as fulfilled; but the expert group strongly recommends that the university extends the ex-post assessment of the exam systems.

Criterion 3.2 is fulfilled.

Criterion 3.3

"The university has sufficient and suitable resources and infrastructures to support the learning process of students. It re-evaluates such resources and infrastructures periodically."

There is no doubt that resources and infrastructure sufficiently support the learning process of students. Students give a very positive feedback regarding the working situation at the university. In some areas (for example, in the library) this diagnosis is also supported by systematic surveys.

The university administration regularly monitors the infrastructural needs of the students. They are currently working to develop a "student satisfaction index", which would also include infrastructural aspects.

Criterion 3.3 is fulfilled.

Area 4: Research

Criteria 4.1

"The university has quality assurance processes for its research activities and related services."

The university provides an excellent information system in all relevant aspects of research output. These data are part of the "Management Cockpit System" mentioned above. But they are also used for "tactical" purposes, like monitoring and improving the university´s chances in international rankings and documentations.

Research output is also included in the yearly appraisal of the young faculty; furthermore it is a key element of the activity report senior faculty members provide as a basis for the decision on their "re-election" after a period of eight years.

Last, but not least a documentation of research output is an integrated part of the HSG´s information policy vis a vis outside stakeholders. These data are used to demonstrate the excellent reputation of the university and its international competitiveness.

Criterion 4.1. is fulfilled.

Criterion 4.2

"The quality assurance processes include the periodic evaluation of results in the field of research."

The same evidence as for criterion 4.1. applies.

It should also be mentioned that the periodic evaluation of results play a key role in the target agreements with the schools. It is also used to define research profile areas and to evaluate their performance - which is then the basis of resource allocations in the future.

Criterion 4.2. is fulfilled.

Area 5: Recruitment and development of staff

Criteria 5.1

"The university has mechanisms which ensure the qualification of all employees in the areas of teaching and research (recruitment, promotion, training)."

Since the university assigns a key role to the responsibility of individual faculty members, issues of recruitment of faculty have particular importance.

For senior faculty the university has a well-defined and professionalized recruitment procedure, consisting of various steps and including contacts with all relevant potential colleagues.

On the assistant professor level different paths of recruitment exist, depending on the exact categorization and job description of the position and giving the single schools a certain degree of autonomy. As a consequence, it is not easy to gain a complete overview of existing procedures. Examples for excellent processes have been presented, but it was not obvious to the expert team as to whether these processes can be generalized to other schools as well.

Separate patterns exist concerning the recruitment processes in the institutes. Some of the institutes may follow a more pragmatic approach, which may lead to less strict "filters" on the way into the university. Since there is no automatic promotion from these positions into regular positions of the university this may not have too critical implications.

Training of academic personnel is very well developed, both in the form of offers for groups of young faculty and through individual mentorships.

Promotion is not a big issue in the university, because there are only few tenure track positions available in the university. Yet, junior faculty is strongly supported in their preparations for the job market outside their own university.

Criterion 5.1 is fulfilled.

Criterion 5.2

"The quality assurance processes include the periodic evaluation of the teaching staff."

Since there is a regular evaluation of courses, teaching staff is also periodically evaluated. New instructors and external lecturers are assessed very often. It is the primary responsibility of the programme director to intervene if evaluations show critical results. But overall, there is a climate of support and development and not of sanctions.

Criterion 5.2. is fulfilled.

Criteria 5.3

"The university promotes the career planning of young academics."

As mentioned above there are currently not many career opportunities inside the university, since there are only few tenure track positions available. Several paths do exist, but they are not always clear to potential candidates at the beginning of their career. Therefore, there is some room for improvement in transparency matters.

Junior faculty have excellent chances for career promotion to positions outside the University of St.Gallen, including top institutions outside Switzerland. Senior faculty members are very engaged in supporting the junior faculty in their efforts.

Overall, the criterion can be seen as fulfilled, but it is recommended to increase the transparency of possible career paths in the university, even if there are only few of them available. This would be an effective way to secure equal opportunities.

Criterion 5.3 is fulfilled.

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Area 6: Internal and external communication

Criterion 6.1

"The university ensures that the regulations of the quality assurance processes are known to the staff and the students."

The formal procedures of quality assurance are widely known to the faculty members, but also to the administration. The procedures are part of the "every day life" of university members.

Quality assurance processes are also known to the students, to the degree which is relevant for them. This refers in particular to course evaluations, both by the university and by the student union. Students also make much use of these systems and are convinced that there feedback has practical effects.

Criterion 6.1. is fulfilled.

Criterion 6.2

"The university shall ensure transparent reporting on the processes and results of quality assurance measures to the groups concerned within the university."

The university has adopted a clear and transparent policy concerning the dissemination of information on the results of quality assurance.

There are elements which are actively published both inside the university and to external stakeholders. Examples are information on the university´s quality development strategy and governance, the research output and also the results of course evaluations on the programme level.

There are other elements where dissemination of information is restricted to certain groups which need the information to take necessary action - but which are otherwise confidential. Important examples are course evaluations on the level of individual courses or instructors - they only are made known to the instructor and the program director. Programme evaluations are open to the programme directors. Junior faculty evaluations are known to the respective deans, while information collected to prepare the "re-election decision" of full professors are only available to the rector.

Criterion 6.2. is fulfilled.

Criterion 6.3

"Periodically, the university publishes objective information about its study programmes and conferred academic degrees."

The university publishes encompassing information on their study programmes, both in printed versions and in the internet. Moreover, the university disseminates the results of international rankings, in which programmes or faculty members of the university are included.

Criterion 6.3. is fulfilled.

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4.5 Conclusion: strengths/weaknesses profile of the University of St.Gallen

The University of St.Gallen is a European Business University of very high quality in its programmes, students, faculty and staff. The university can be praised for its special social climate, sometimes called the specific "HSG-DNA". University members strive for excellence in all fields of their activities; they are motivated by a strong degree of autonomy which means that they are also primarily responsible for quality assurance.

Traditionally, St.Gallen, comparable to other leading business schools in Europe, has been characterized by limited size and informal management systems. Thus, quality in the end could always be measured in terms of the success of its faculty members in their respective academic communities and by the success of alumni in the labor market; but not through elaborate quality control systems. During the last years, St.Gallen has embarked on a journey to become not just a Swiss university with international outlook, but a business university with global ambitions. Looking at the evidence of international rankings there is no doubt that St.Gallen is successful also in this respect. Yet, the question may be raised whether the further internationalization of the university (including the internationalization of faculty) can rely just on the "family climate" of the university. Eventually the "HSG-DNA" may need to change or become less relevant and this will have an impact on the quality assurance system.

As a result of the recent changes in strategy and growth, combined with accreditation and ranking pressures, St.Gallen has become a more professional organization also in administrative terms - with formal structures and quality monitoring systems covering teaching (courses, programmes), research (rigor and relevance to business community and regional society) and administrative support systems (IT, student services, etc.). The number of "smoke detectors" now in place is so large and varied that the self-evaluation report had difficulties capturing all of them and presenting them into a unified whole. In order to build a good and stable system of early warning signals regarding quality issues, there now seems to be a bit of experimentation going on (for example, with different processes of collecting and disseminating data, types of data, degree of transparency, new modes of programme evaluation, etc.). The university refers to these developments as the "Quality Development System" of the university.

In spite of more formalization and top-down quality control, faculty independence (with a strong reliance on intrinsic motivation) and entrepreneurship is kept, especially through the large number of semi-independent institutes, in which senior faculty members enjoy a far reaching autonomy. These institutes play an important role, both in research and in executive education, but at the same time they pose challenges to a unified quality assessment system.

To a lesser degree this is also the case for the "schools", which have replaced the former departments in the university. The schools also have a certain degree of autonomy, which is positive for their motivation, but also reduces the transparency of quality assurance. To give an example, management for junior faculty (including Post-Doc, non-tenure track, plans for tenure track, part-time hire from different organizational units, etc.) is very complex and may differ between the schools, since faculty development follows many different paths. As a consequence, there is a certain lack of transparency, where junior faculty with different gender and nationality backgrounds might face different treatments. The different schools follow different trajectories in this respect.

While the on-site visit once more showed the top overall quality of the university, the expert group still would like to provide a few recommendations for further developments:

- The university should carefully consider the long term implications of internationalization both regarding the student body and the faculty. With an increasing portion of university

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members not speaking or reading German the still strong emphasis on informal structures of quality assurance may turn out to be inappropriate.

- The university could make more use of the existing (and well documented) knowledge in programme evaluation. The current informal change of ideas and experiences on structural problems of the programmes (and the programme portfolio) could eventually be substituted by regular full scope programme evaluations. In this way, more of the knowledge and ideas formulated in the existing manual on programme evaluations could be implemented. This would have a positive effect on the quality of the programmes and could also show incentives to adopt the programme portfolio.
- The university could stronger emphasize the relevance of gender and diversity issues in their every day work. In a situation, in which the performance in equal opportunity matters gives room for improvement, a stronger engagement of the management of the university would have an important symbolic value.
- Although it is not easy to develop broad and transparent schemes for faculty promotion when the number of available tenured positions is strictly limited, the university still may try to increase the transparency in this important field. Such a move would not only improve equal opportunities for all young faculty members; it may also broaden the university´s resource basis for their research ambitions.

Overall, the expert group congratulates the university on its excellent performance. Switzerland may really be proud to "own" one of the best business schools worldwide.

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5 Appendices

Equivalence table: Quality criteria of the Q-network – SUC quality standards

Quality criteria of the Q-network	Quality standard of the SUC
I. Quality assurance strategy	
1.1 : fulfilled	Standard 1
1.2 : fulfilled	Standard 2 (Part 1)
1.3 : fulfilled	Standard 3 (Part 1+3)
II. Governance	
2.1 : fulfilled	Standard 2 (Part 2)
2.2 : fulfilled	Standard 6
2.3 : partially fulfilled	Standard 4 (Equality part) Standard 5 (Part 3)
III. Teaching	
3.1 : fulfilled	Standard 4
3.2 : fulfilled	Standard 4
3.3 : fulfilled	Standard 4
IV. Research	
4.1 : fulfilled	Standard 4
4.2 : fulfilled	Standard 4
V. Recruitment and development of staff	
5.1 : fulfilled	Standard 5 (Part 1)
5.2 : fulfilled	Standard 4
5.3 : fulfilled	Standard 5 (Part 2)
VI. Internal and external communication	
6.1 : fulfilled	Standard 3 (Part 2)
6.2 : fulfilled	Standard 7 (Part 1)
6.3 : fulfilled	Standard 7 (Part 2)

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Quality standard of the SUC	Quality criteria of the Q-network
Standard 1	1.1
Standard 2	1.2, 2.1
Standard 3	1.3, 6.1
Standard 4	2.3, 3.1, 3.2, 3.3, 4.1, 4.2, 5.2
Standard 5	2.3, 5.1, 5.3
Standard 6	2.2
Standard 7	6.2, 6.3

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Statement of the University of St.Gallen concerning the expert report

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Response to the OAQ Audit Report 2013/14
(To be integrated under chap 2.5)

The University of St.Gallen would like to thank the group of experts as well as the OAQ staff for the professional preparation and execution of the audit process. The University representatives involved found the discussions during the onsite visit to be fair, constructive, valuable, and motivating.

The University can relate well to the experts' conclusions and accepts them. They represent a good balance between the University's strengths and its current challenges and development potential. In this respect, the report offers valuable stimuli and useful suggestions for further optimization of the quality development. The University willingly accepts the recommendations and will promptly integrate them into its further quality development:

- We agree with the suggestion that the long-term implications of the strategically desired internationalization will have consequences for the University's structures and cultures, which are influenced by a high level of informality. We further view this suggestion as well founded and in line with our own assessment. It will be particularly important for the University to structure the faculty induction and faculty development processes to facilitate enculturation and minimize fragmentation of the faculty. We believe that the pool of instruments available to us to achieve this objective has not been exhausted and that we can utilize numerous innovative approaches in this area.
- Mirroring the current program development methods and instruments with program evaluation concepts seems logical and sensible. We will integrate this recommendation into the current quality development initiatives for study programs and will further substantiate it in actual implementation strategies.
- As noted in the report, the University has a comprehensive action plan for Equal Opportunity and Gender Equality. Nevertheless, the specific operational implementation components are only implicitly embedded in the University's key strategic statements. At an appropriate opportunity we will close the gaps between the strategic and operative levels in the University's normative context.
- We view the recommendation in respect of extending the ex-post assessment of the exams systems (p. 9) as a useful suggestion of an appropriate strategic lever to develop quality in teaching and learning. This recommendation addresses the area of teaching quality, which, in the past, was only selectively included, but will receive more attention in the future.
- Finally, the suggestion to create greater transparency in the area of faculty promotion, to coherently analyze the career paths in this area, and to again optimize the transparency of the diverse paths, has also been informative and illuminating to us. We will certainly take action in this area in the coming years.

The University of St.Gallen views the report as recognition of the high quality work achieved over the past few years. In the spirit of continuous improvement processes, we will pursue this work with the same intensity and conviction. The advice received through the Quality Audit provides us with valuable stimuli.

Prof. Dr. Thomas Bieger
President

Universität St.Gallen
Hochschule für Wirtschafts-, Rechts-
und Sozialwissenschaften sowie
Internationale Beziehungen (HSG)

May 26, 2014

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