



Re-accreditation

Department of Economics
University of Zadar

21-22 March 2011



TABLE OF CONTENTS

I. MEMEBERS OF THE PANEL OF EXPERTS	2
II. SHORT DESCRIPTION OF THE EVALUATED INSTITUTION	3
III. REPORT OF THE PANEL OF EXPERTS.....	4
INTRODUCTION.....	4
EVALUATION BASED ON THE CRITERIA PROVIDED BY THE AGENCY	4
a) Management and quality assurance.....	4
b) Study programs	5
c) Students	5
d) Teaching staff.....	5
e) Scientific and Professional Activity	6
f) Mobility and expert collaboration	6
g) Resources: expert services, space, equipment and finances	6
FINAL REPORT AND RECOMMENDATIONS BY THE EXPERT PANEL FOR THE ACCREDITATION COUNCIL	7
a) Advantages (strong points)	7
b) Disadvantages (weak points)	7
c) Recommendations for improvement of quality.....	8
IV. ANNEXES.....	10
1. RE-ACCREDITATON SCHEDULE	ERROR! BOOKMARK NOT DEFINED.

I. Memebbers of the Panel of experts

Prof. Wolfram Schrettl, Ph.D, Freie Universität Berlin

Wolfram Schrettl is a professor of Economics at the Department of Economics of Freie Universität Berlin. He is also Director of Economics at the Institute for East-European Studies of Freie Universität Berlin.

Prof. Dr. Stefan Ruenzi, Universität Mannheim

Stefan Ruenzi is a professor and chairman of the Department of International Finance, Universität Mannheim, Fakultät für Betriebswirtschaftslehre (Faculty of Business Administration of University of Mannheim).

Prof.dr.sc. Branko Novak, Josip Juraj Strossmayer University of Osijek

Branko Novak is professor of social sciences in the Field of Economics, scientific branch Finance and Financial Policy at the Faculty of Economics of Josip Juraj Strossmayer University of Osijek.

Prof.dr.sc. Ines Kersan-Škabić, Juraj Dobrila University of Pula

Ines Kersan-Škabić is an associate professor of social sciences in the Field of Economics, scientific branch International Economics and she is the Head of Department of National and International Economics in the Department of Economics and Tourism "Dr. Mijo Mirković" of Juraj Dobrila University of Pula.

Mirna Kovačević, University of Zagreb

Mirna Kovačević is a student of Faculty of Economics and Business of University of Zagreb.

Prof. dr. sc. Branko Novak was elected, by the members of the panel, as a Chair for reaccreditation of the Department of Economics of the University of Zadar.

II. Short description of the evaluated institution

Department of Economics of the University of Zadar started work at the end of 2005 when a temporary program approval was issued and the first generation of students enrolled in the undergraduate study program in Management.

Till 2008 the Department has fulfilled all requirements of the temporary program approval, in accordance with national legal provisions¹ (hereinafter: Law). The first generation of graduate students in Management enrolled in the academic year 2007/2008, when the Department obtained a permanent program approval.

The Department enrolls 60 students on undergraduate study program in Management (30 full-time students and 30 students who partly cover the costs of their study), 30 students on undergraduate study program on part-time basis, 40 students on graduate study program on full-time basis and 30 students on graduate study program on part-time basis.

The structure of human resources of the Department of Economics, at the beginning of its work was based on collaboration of teachers permanently employed at the University who took part in Department activities, in accordance with the Law. The academic staff involved in the teaching process comprises: four full professors, one associate professor, three assistant professors, two senior lecturers, three lecturers, four assistants. All of them are permanently employed at the University of Zadar, on full-time basis. Besides permanently employed teaching staff of the University, the Department of Economics collaborates with three full professors employed at other Croatian universities, two associate professors employed at foreign universities and one volunteer (visiting teacher with the title of associate professor, employed at foreign university).

With the aim to define all procedures in the work of the Department, in 2008 the Department of Economics introduced ISO quality management system (ISO 9001:2008) and was re-certified twice, without remarks. Department of Economics was able to apply the academic quality assurance system, according to the provisions of the national Law and Regulations, only when the University of Zadar prescribed its Regulations on quality assurance system (11/2009). As early as at the beginning of 2010, the quality assurance system of the Department of Economics was established, Quality Assurance Handbook and Standing orders for the work of Quality Assurance Commission were adopted and initial procedure of quality control started.

¹ Zakon o znanstvenoj djelatnosti i visokom obrazovanju

III. Report of the Panel of experts

1. Introduction

The expert panel was requested to:

- (i) Examine the self-evaluation report submitted by the Department of Economics, University of Zadar, and to conduct an on-site visit at that institution;
- (ii) Prepare this report on the evaluated academic unit, which includes individual performance grades along the dimensions given to the expert panel by the Agency;
- (iii) Identify strong points and weak points found along the way and give recommendations for improvement of the institution's quality.

2. Evaluation based on the criteria provided by the Agency

The expert panel discussed each component contained in the list of criteria; each panel member expressed her/his view. In most cases a perfect consensus could quickly be reached. In a few cases, there emerged some differences which however remained small in terms of the numerical grade given. The overall grade reached by the panel represents the (arithmetic) average of the individual grades given by each of the five panel members.

The panel wishes to alert readers of the grade sheet that grades in the range 1 to 3 are meant to signal that remedial action is needed. The grades by and large speak for themselves. However, on one occasion in particular, some interpretative remarks are in order: The grade 5 ("fully implemented") given for criterion 1.1 ("The institution conducts systematic strategic planning ...") is only meant to signal that we are happy with the extent of strategic planning activities going on and with the amount of strategic documents produced. We are less satisfied, as will become clear below, with the contents and results of the strategic planning.

Beyond that, for more detail and emphasis we refer the reader to the subsequent section.

a) Management and quality assurance

The institution is engaged in what surely amounts to a quite time-consuming process of developing and formulating "vision statements", "mission statements", "and "strategic planning documents." There seems to be nothing wrong with the respective texts. However, it is our impression that the effectiveness of the documents tends to get undermined by their wide coverage. More specifically, the fact that the department is obligated to develop comprehensive and detailed plans appears to contribute to a certain lack of focus. There could just be too many priorities. It is our impression that the department would make faster progress by concentrating on not more than a handful of really important goals. The increased concentration of energies may well imply sacrificing goals of secondary importance. The panel believes that the net effect will be vastly positive. The primary example of setting priorities, if necessary at the expense of other goals, concerns the research activities of the department. Improvements in this area should take precedence over all other goals. Achievements in other areas should not be accepted as an excuse for lacking progress in the research arena. At a practical level, management should aim at progress in its research

activities while being satisfied with maintaining the status quo in all other strategic dimensions.

b) Study programs

The Department carries out only one study programme in Management at the undergraduate and graduate level, but it works on the introduction of new study programmes: Business Informatics (undergraduate and graduate level) and also Management (in English). The programme of Management is well-structured, allowing the representation of various contents (general economics, business and support courses).

The enrolment quotas are in accordance with the needs of society and with the institutional resources. The teacher/student ratio has been changed and it is now better than the quota of 1:30 that provides a good possibility for quality teaching and good communication (interaction) with students. The teaching staff has made a strong effort to adopt learning outcomes in all courses on the first year at the undergraduate and graduate levels and in that way has implemented the Bologna process in the most demanding aspect. Teaching staff have put a lot of supplemental resources on Moodle system (E-learning) and they indicate the electronic databases which aid knowledge acquisition. Students are not satisfied with the opportunities to participate in internships and in applying their knowledge in the context of practical activities.

c) Students

Students seem to be very pleased with conditions at the Department. In the case-based part of the lectures, they are actively involved, willing to learn more, not just theoretically but also practically. They participate in exercises giving their own opinion and their own solutions, solving problems and asking questions. In our opinion, and so do the students think, the problem is lack of practice. Hence, opportunities for one-semester internships should be provided. To that end, the Department should cooperate with suitable institutions and enterprises. Students are content with the Moodle system which helps them to obtain the necessary assignments and other material. Web page and Open day are helpful, so students are well-informed. Learning by outcome is much more difficult for them, but they are satisfied with the knowledge at the end of the course. The relations they have with their teaching staff are very good, so is the staff's approach to students. After completion of undergraduate studies, most students enrol in the graduate program, also in this Department. Student surveys which are conducted once per semester are duly considered and valued.

d) Teaching staff

The Department began operating in 2005 when the staff structure was based around permanently employed teachers of the University of Zadar. The University has supported the work of the Department primarily by creating new positions at the University for the need of the Department. Four teaching staff are involved in the Department teaching activities as full professors, one as associate professor, two as assistant professors, two as senior lecturers, three as junior lecturers, and four as teaching assistants, all permanently employed full-time at the University of Zadar. There are also three teachers who are employees of other Croatian universities, and two associate professors who are employees of foreign universities. The strategic goal of staff development is to ensure the Department has its own teaching staff, all full-time teachers of the University. The teacher/student ratio in 2010/2011 is 1:20,3. A formal procedure for monitoring part-time employment of teachers in other institutions is

established, and permission to work in other institutions of higher education may be granted by the Rector. The size of student groups for lectures in the year 2010/2011 is 60 students in the full-time undergraduate Management course. It was noted that a large number of part-time undergraduate students were also attending lectures together with full-time students. The group size for auditory exercises tends to be about 40 for exercises in IT room it is 30 students.

Student opinions on teacher competence, as expressed in the survey, awarded highest marks - 4,31. The professional training of the teachers is constantly a matter of concern of the Department Council and the Department Quality Commission. The Department provides various expert workshops of which a significant number deals with the issue of improving teaching competences. Teachers who are engaged in undergraduate and graduate study courses in Management are preparing textbooks, methodological exercises, problem tasks, handouts, reading material for student preparation for lectures and protocols for laboratory exercises.

e) Scientific and Professional Activity

The researchers in the department work on a wide variety of research topics. While some of the projects try to contribute to the core business disciplines (e.g. on financial integration), many are more peripheral in nature. According to the leadership of the department, the research focus is on product management. However, we could not recognize a particular focus of the research activities of the department. There is no strong leadership with respect to the development of particular research strengths and no incentive system on the department level that encourages high quality research. While most researchers seem to publish their results in journals and present their findings at conferences that are relevant for promotion according to the central research councils list of A1/A2 publications and conferences, no effort is made to aim higher. There does not seem to be an active research seminar with external speakers. The department is in the process of launching a new journal.

f) Mobility and expert collaboration

Due to the Bologna process and the harmonization of course offerings, students can easily move from other Croatian HEIs to Zadar and get credit for courses taken at other institutions. Similarly, because the study program in Zadar is designed according to the Bologna principles, students should have no problems getting credit for courses taken here at other HEIs in Croatia. There is no significant international mobility of students. The strategic goal of the department is to have a quota of 10% outgoing students per year. Setting up exchange programs will be a demanding task, because the department offers no courses in English language. This makes it essentially impossible for potential incoming international students to take courses in Zadar. Consequently, the Department is not attractive for international students. International mobility of teaching and research staff is also very limited. Furthermore, so far the department does not seem to have international guests.

g) Resources: expert services, space, equipment and finances

The department has very well equipped classrooms, IT labs, and a library with very helpful staff that provides student support. While there are barely any hardcopy journals available for students in the library, the most important scientific business and economics journals are accessible online. There are currently hardly any textbooks in English language, but we were told that an order for some of the most important books was already placed. The head of

department explained that the department creates sufficient cash flows to support its teaching activities, but is not autonomous in deciding about the usage of those funds.

3. Final report and recommendations by the expert panel for the Accreditation council

The panel members thank the University of Zadar and the Department of Economics for their very informative self-evaluation report and for their hospitality during the panel's visit to the institution.

The Department of Economics at the University of Zadar, having been established only in 2005, is a quite young institution. It offers an attractive program of studies to students. The program meets an obvious demand and is readily accepted by young people mostly from the surrounding regions. The department offers both a Bachelor and a Master sequence, but does not provide a Ph.D. nor specialist postgraduate programs.

The main points of our perception, based on the self-evaluation report and impressions gathered during an admittedly brief two-day on-site visit, are the following:

a) Advantages (strong points)

- During its relatively short period of existence, the department has taken an impressively dynamic path of development. It is the impression of the expert panel that the leadership of the department has contributed considerably to this respectable achievement.
- Another factor explaining the achievement is to be found in the young and ambitious faculty (young professors, assistants etc.) which deliver state-of-the-art courses.
- In synergy with the enthusiastic teaching staff and the management, a body of very lively and ambitious students considerably contributes to the overall result.
- The task of teaching is greatly helped by a quite favourable teacher-student ratio.
- Similarly helpful is the impressive infrastructure (equipment, facilities etc.) of the department.

b) Disadvantages (weak points)

- The research activities of the department seem to be in clear need of improvement in more or less all dimensions. This applies to the research agenda, the research leadership, and to the dissemination of the research results. We will return to this point and the subsequent points in our recommendations.
- The national and more so international mobility of the student body, as well as the teaching and research staff, is much too low.
- The department's contacts with the local, national, and international business community are too weak.
- Existing regulations seem to provide the department with insufficient decision-making authority.

c) Recommendations for improvement of quality

Many, although not all, of our recommendations are implicit in the strengths and weaknesses just outlined.

- As mentioned, the leadership of the department is seen by us as a driving force behind the past development of the department. At the same time, we see a flipside which concerns the future of the department. The leadership seems to have developed a somewhat patriarchal attitude towards the department which may unduly constrain the younger teaching and research staff. We also noted that the leadership, due to its core competence being outside the field of management/business administration proper, may not be ideally positioned to provide the research leadership that we deem essential for the continued improvement of the department. This also needs to be remedied. For all these reasons, the process of selecting a future leadership should heed our criticism and rectify those weaknesses so as to maintain the present pace of the department's progress.
- Considering foreign languages, our suggestion is to offer students optional courses in English during the whole undergraduate and graduate program. Also, the Department should begin to cooperate with other institutions and universities to make student exchange easier.
- Towards the same end, the results of research activities need to be more widely exposed both to the general public and, in particular, to scrutiny by academic peers. The young teachers and researchers need to be more strongly encouraged to actively disseminate their work. In particular, the research output should be made readily available on the department's website. Papers written in Croatian should be accompanied by a one-page non-technical summary, plus an abstract, both in English. Moreover, those papers should, more or less as a rule, be submitted to academic journals -- not necessarily to the highest ranked journals, but at least to journals with a respectable refereeing process. As a rule of thumb, young researchers should be required to generate at least one response from a peer-reviewed international journal per year. Even if the response takes only the form of a rejection, this is to be regarded not as a sign of defeat but as a sign of energy and courage, and it needs to be rewarded by the department leadership accordingly. We had the strong impression that the department orients itself too much on the official list of A1/A2 publications which hinders progress on the research front. This list contains too many low quality publications and hinders the development of motivated young researchers that think about starting an international career in academia. While we understand that this list is important for promotion decisions, the department should not destroy the perspective of higher aiming young researchers by exclusively hiding behind those inappropriate criteria. Rather, a more demanding list focusing on English language, internationally oriented, peer-reviewed journals should be defined and the department should think about appropriate incentive mechanisms to encourage submissions and publications in those journals. Rewards should be higher for publishing in higher quality journals. As a suggestion for orientation, the ABDC 2010 list as defined in http://www.harzing.com/download/jql_subject.pdf could be used as a basis.
- Finally, the departments' idea of launching a journal of its own is not considered as a good idea by the panel for 2 reasons. First, publications in in-house journal cannot serve as a substitute for publications in established referee journals. Second, launching a journal inevitably consumes a lot of energy. This would further hamper the improvement of the departments' publications record.

- The international mobility of students and teachers/researchers at present seems to be constrained by both motivational and financial factors. While we cannot provide the finances nor the motivation, it seems to us that the existing opportunities for international mobility are at present insufficiently exploited. We encourage the department to work in both directions, possibly by assigning the task of "breaking the ice" to the internationally most experienced (or least inexperienced) individual(s) of the department. The whole process could be greatly helped by introducing English courses instead of some of optional subjects.
- The department does have some contacts with the business community, but they appear to be much too weak. The students seem to make no effort to speak of towards entering internships with either local or other businesses. Nor does the research staff boast significant joint activities with the business community. One project was mentioned to us, but it seems not to have gone beyond the planning stage, plus it has a time horizon of up to 2020 which strains credulity. We recommend in the minimum that the future leadership of the department encourages students to enter internships.
- Calling the department a "Department of Economics" appears to us as a misnomer. The department in fact is one of Management or Business Administration. In our view, the respective authorities would be well advised to rectify the situation.
- Finally, the departments' idea of launching a PhD programme appears premature to the Panel. If at all, it should be developed jointly with other Croatian universities as envisaged by the leadership.

IV. Annexes

Re-accreditation of the University of Zadar, Department of Economics, Trg kneza Višeslava 9, Zadar

SCHEDULE

Sunday, 20 March 2011, Agency for Science and Higher Education (ASHE), Address: Donje Svetice 38/5, Zagreb

- ⇒ 09.00 – 10.00 Training for the expert panel members – short overview of ASHE, procedure and documents for re-accreditation higher education institutions
- ⇒ 10.00 – 12.00 Meeting of the expert panel (discussion on self-evaluation and planning of site visit)
- ⇒ 12.00 – 13.00 Lunch
- ⇒ Departure for Zadar
- ⇒ (Working) dinner at the hotel

Re-accreditation of the University of Zadar, Department of Economics

Monday, 21 March 2011

- 09.00-10.00 Meeting with the management of the University (Rector) and the Head of Department
- 10.05-11.20 Meeting with the self-evaluation working group and QA Committee
- 11.25-11.45 *Break and internal meeting of expert panel, discussion*
- 11.50-12.30 Meeting with the assistants and junior researchers
- 12.30-13.30 Meeting with students
- 13.30-14.50 Working Lunch: expert committee
- 15.00-16.00 Meeting with the coordinators of permanent activities of the Department (for International Co-operation and mobility, for scientific research and projects, Continuing Education, Technology)
- 16.00-16.40 *Internal meeting of expert panel, discussion and the analysis of the first day*
- 16.45-17.00 Meeting with the management of the University (Rector) and the Head of Department
- (Working) dinner at the hotel

Tuesday, 22 March 2011

- 09.30-10.20 Meeting with the Heads of study programmes (undergraduate / graduate / postgraduate)
- 10.25-11.20 Class attendance (tour)
- 11.25-11.45 *Break and internal meeting of expert panel, discussion*
- 11.50-12.50 Tour of the library, IT labs/classrooms, student register desk - meeting with Secretary of the Department of Economics
- 13.00-14.20 *Working Lunch: expert committee*
- 15.15-16.00 *Internal meeting of expert panel, -analyses of the visit, conclusions*
- 16.10-16.30 The final meeting
- 16.35-17.30 Drafting the final report