

# AUDIT OF HANKEN SCHOOL OF ECONOMICS

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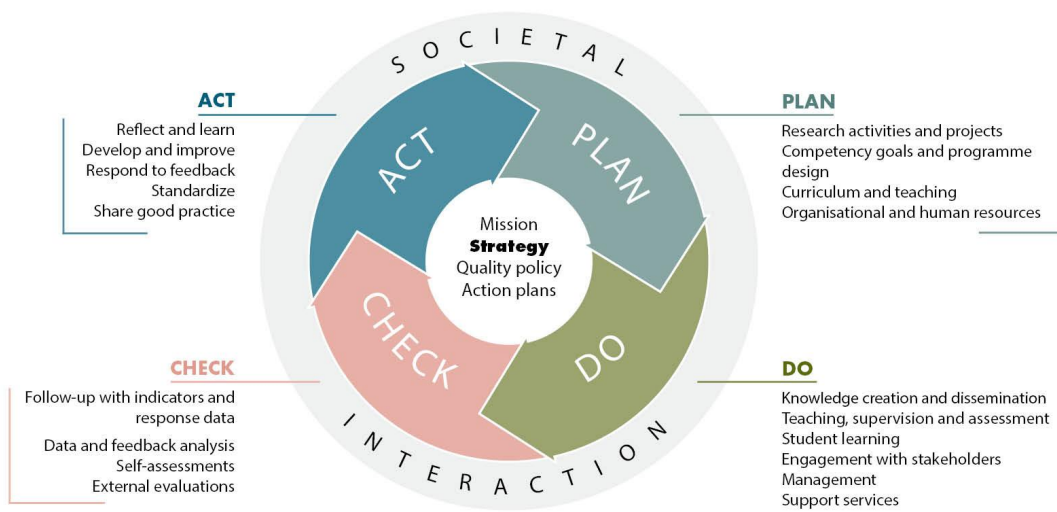
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## 3.1 Using the quality system in strategic management

### - Korkeakoulun itsearviointi

Hanken's quality system is a way of describing the idea of continuous development, visualised as a PDCA-loop. The quality system consists of all Hanken's plans, procedures, responsibilities, follow-up, incentives and resources that create an overall system to assure quality and support continuous improvement.

#### HANKEN QUALITY SYSTEM



The Assurance of Learning process, presented in chapter 1, follows the PDCA-logic with following up on learning outcomes that are based on competency goals, making adjustments where the targets are not met, and measuring again to check whether the improvement had the desired effect. Feedback analyses, both on course level and programme level, are also part of the planning of education. The annual dialogues between the Rector and academic departments and administrative units reflect the Check-Act parts of the quality system: highlights, challenges and development actions in education, research and societal impact are discussed, and a set of indicators (education and research) are followed up on. The funding to the academic departments is mainly based on the salaries, but the departments also receive performance-related funding, the volume of which is based on, among other things, academic activities, students' completed credits, and external research funding. Operational plans on the unit level are derived from the dialogues. Internal discussions within the departments and units around the same topics as in the dialogues with the rector are encouraged.

Since the coordination of quality assurance in education and research was assigned to the Academic Council in 2019, systematising the feedback management has been an area of development. The feedback received in graduates' surveys and alumni surveys is discussed in the Council, giving a summary and recommendations for improvement on a general level. The results are broken down by subject/programme to the heads of subject and programme coordinators, whose responsibility it is to see to it that they are analysed and paid regard to in the curriculum planning. Summaries are published on the webpages. Feedback discussions with students and external stakeholders will be organised every two years before the revision of the study plans. Students receive feedback-on-feedback via their membership in the councils and in the feedback discussions.

All department and unit heads are, together with the rector, the deans and the chair of the student union, members of the management team that focuses on strategic issues and are expected to inform their co-workers. The rector invites all faculty and staff to update meetings, usually right after the management team meeting. The management team annually has a strategy day to analyse and reflect on results on Hanken-level and discuss future goals and actions. All employees have annual development discussions with their manager, following the same idea: How did the year go? Did they achieve what was planned? What should be maintained and what should be improved? The faculty's discussions include planning their time allocation for research, teaching and other tasks within the context of the nationally regulated annual work plan system.

The Management Team systematically follows up the issues that have been discussed and agreed on at previous meetings. Follow-up timetables are set for the evaluation of development projects or pilots. For example, in 2020 a separate BSc admission to Economics was introduced with a decision to evaluate it after two years, after which it was terminated since it did not reach the goals set for it. Nevertheless, some projects or experiments have had vague goals or timetables, leading to unclear situations regarding their status. This is the case for example with the teacher tutor ("egenlärare") system that was introduced as a pilot and implemented in some

subjects. Its continuation must now be evaluated in relation to the role of programme coordinators.

Hanken holds three comprehensive international accreditations that are to be renewed every five (or three) years, in addition to the national audit every six years. Every re-accreditation includes a self-assessment report, a peer review visit with interviews with faculty, staff, students and stakeholders and an evaluation report. Both the self-assessments and the evaluations serve as analyses and documentation of how Hanken has fulfilled its mission and achieved its goals. The accreditations focus on the realisation of the strategy and/or mission and the processes involve a significant part of Hanken's faculty. Thus, the accreditations not only support continuous improvement and offer valuable peer advice, but also steer the organisation to focus on its strategy.

### **Strengths**

The annual dialogues with departments and units  
Feedback from the accreditation bodies used in strategic development

### **Enhancement areas**

Further improving the clarity of goals and follow-up of decisions made

## 3.1 Using the quality system in strategic management

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### International accreditation schemes have a clear impact on Hanken's quality system

Hanken's quality system is safeguarded by various roles and functions: The management level of the university, i.e., the rector, deans, heads of departments, the language centre director, directors of the administrative offices, are responsible for implementing the necessary procedures in their respective areas of responsibility. The dean for programmes and quality assurance supervises the system and chairs the Committee for Assurance and Learning and Quality. This dean is supported by a quality assurance team, also supporting her in handling external quality assessments. The audit team was informed during the audit visit that the roles of deans had been reconsidered and recruitment for the new positions was ongoing. Other bodies involved include the Academic Council which coordinates quality work across research and education, approves the quality policy and holds responsibility for the Assurance of Learning Process; the Education Council for quality which coordinates aspects related to teaching and learning; and the various department councils which coordinate other aspects. The quality assurance of research and societal impact are less prominently featured in the official role

descriptions. For an organisation of a rather modest size, Hanken's responsibility structures regarding quality (management) appear to be quite complex, at least on paper, with some overlaps and a certain meeting-heaviness. The structures seem to be well accepted, though, and to a large degree effective.

Hanken's principles and efforts regarding quality are outlined in a quality policy and quality handbook, which is publicly accessible on Hanken's website. The audit team also found a clear-cut and transparent narrative on the quality system, which is dominated by the Assurance of Learning process. The various international accreditations (EQUIS, AACSB, AMBA), which provide Hanken with a certain elite status in the sector of global business schools, are a big part of this narrative too. Both the documentation and the interviews show the impact of the accreditation schemes on the quality system and the need to comply with the standards of the international accreditations. This is visible, e.g., in the strong focus on the AACSB-derived Assurance of Learning and how the international accreditation seals are invoked to demonstrate Hanken's quality. This is not to say that the quality system is entirely compliance-oriented and only driven by the ambition to maintain the national and international quality seals: The audit team found a strong and clearly visible quality culture at the university, with actors on all levels demonstrating their willingness and ability to identify problems and act upon them; in other words, a palpable degree of improvement-orientation.

### The alignment between the quality and management systems could be further strengthened

The culture of improvement-orientation and the quality processes in place allow Hanken to deal with short-comings, albeit in a rather reactive way. The evidence available for the audit team made it difficult to assess how what Hanken describes as its quality system supports evidence-based strategy development and strategy implementation. For the latter part, there appears to be robust structures and procedures in place for cascading the overall strategic objectives, e.g., action plans, annual meetings between the rector and the departments, even if during the audit visit these remained partly outside of the quality system narrative. In addition, quality management cycles for research, innovation and development as well as for societal engagement and impact appear to be less developed than for the area of education. There are effective elements to build upon, yet also a certain need to systematise. The audit team suggests for Hanken to work on a stronger alignment of its quality and management systems. This entails the way the systems are presented on the website, in reports, in the quality manual as well as in practice, e.g., having quality management instruments visibly feed into annual planning and strategy development.

Most interviewees during the audit visit were able to cite the strategy and showed a keen awareness of institutional strengths and priorities. According to the interviews, making sense of the strategic objectives and how they are tackled varied considerably across the university—which has clear advantages (e.g., acknowledging disciplinary differences, ensuring

buy-in). However, as mentioned in other places in this report, the university needs to ensure that minimum standards are safeguarded and regularly reflected on. It did not become clear to the audit team to what degree the current strategic objectives challenge Hanken and move it forward – and to what degree it might be enough to link existing activities to them. Evidence from the interviews and documents suggest both approaches can and do exist in parallel. The need for stronger system level reflectiveness will be taken up in section 3.3 of this report.