



ABEST21 e-News

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ABEST21

THE ALLIANCE ON BUSINESS EDUCATION AND SCHOLARSHIP FOR TOMORROW,
a 21st century organization

URL: <http://www.abest21.org> TEL. 03-3498-6220 E-Mail: ABEST21@abest21.org
Editor: Fumio Itoh

ABEST21 Office Report

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December 2014

- 06th -PRT On-site Interview at Graduate School of Innovation and Technology Management, Yamaguchi University (Professional Graduate School)
- 11th -Visit to FEB-Universitas Hasanuddin (Makassar, Indonesia)
- 12th -Visit to FE-Universitas Haluoleo (Kendari, Indonesia)
- 13th -Attendance to APMMI National Seminar (Surabaya, Indonesia)
- 15th -PRT On-site Interview at FEB-Universitas Diponegoro (Semarang, Indonesia)
- 17th -PRT On-site Interview at Universiti Utara Malaysia (Sintok, Malaysia)
- 22nd -PRT On-site Interview at Naresuan University (Phitsanulok, Thailand)

1. Quality Assurance and Accreditation System -19

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Extending “Unique Educational Characteristics” of Applicant Schools

As higher education develops globally beyond borders, the higher education market structure is shifting from a seller’s market to a buyer’s market. International competition among universities providing higher education services is becoming fierce. Schools set up overseas campuses to seek students around the world, or set up liaison offices in a struggle to secure more students. Particularly in Japan, the decreasing number of 18 year-old population and the globalization of educational research environment are pressing the universities outside metropolitan areas to conduct an urgent reform in order to survive. The fact that the government is supporting such reforms by promoting “Top Global University Project” indicates that the university reform is an urgent issue.

Higher education market is truly a Bargaining Transaction of educational services between students (buyer) and universities (seller). Students as a buyer will pay monetary cost for tuition, energy cost for commuting, time cost for study, and psychic cost for receiving good education. On the other hand, universities as a seller will provide students with educational services including knowledge, skills, and discovery. In the buyer’s market for educational services, the students will seek value added services exceeding the cost paid. This means that the students will compare and examine which university will provide the best added-value exceeding the cost, over the same cost. Therefore, unless the universities utilize the comparative advantage of educational research, it will be difficult to secure students in the buyer’s market, where the students select the school, and not vice versa.

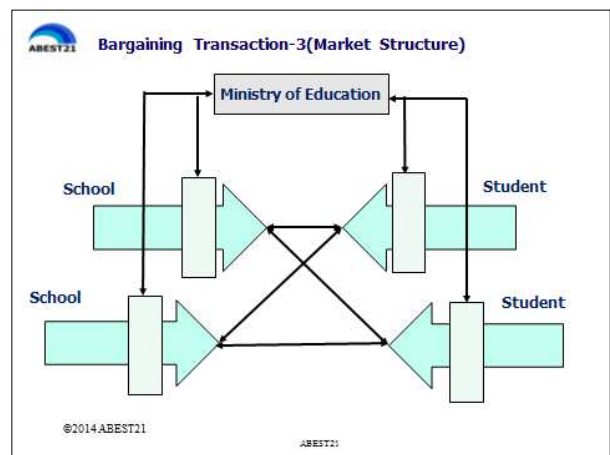
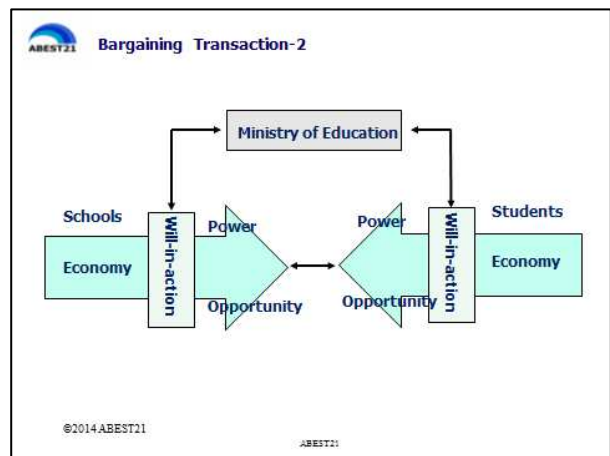
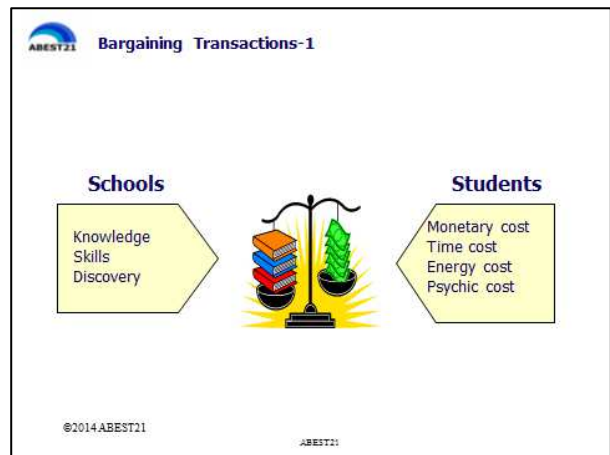
In a Bargaining Transaction, both the seller and the buyer have the "Power" and "Opportunity". "Power" here means the "Power to withhold" the counterparty from using one's resource. In the case of a university, it is the power to withhold a student from using the school's unique learning opportunity. As for the student's side, it is the power to withhold a school from using the monetary cost. Universities and students both have the power to withhold the other from using their resources.

"Opportunity" is to choose the counterparty, so it is a "Choice". Students will choose the university on which to spend their cost, and universities will choose the students who can make use of the educational research resources. The positions of the seller and the buyer will vary depending on the competitive market mechanism. Since the educational service market today is a buyer's market, the students have the advantage to choose the university. It is said that nearly 40% of the universities in Japan fail to enroll the number of students that meets their capacities.

The transaction subjects, i.e. universities and students, have the will-in-action. They will decide on the "power direction" (the will to choose do/don't) and "power level" (the will to decide the extent of action) under the society of scarcity. The decision is made to realize an economy which maximizes the demand of the transaction subject, using "Power" and "Opportunity".

Under the competitive market structure, universities need to secure adequate students (in terms of quality) to fulfill their educational mission. The only way to realize this is to strengthen the "Power". The "Power" means to develop individuality and create the scarcity of education offered. By developing unique educational product based on the characteristics of the school's educational resources, it is possible to provide students with distinguished services. Universities should use the "power to withhold" these "distinguished educational services" to secure adequate students who enable them to realize their mission.

In reality, the business operations of the universities are the top issue for the schools, and priority is given to the "number" of students to fill the capacity. Under such conditions the school's mission cannot be accomplished; the mission merely becomes a pie in the sky. Many universities today advertise themselves with flattering compliments. It seems that most of them lack the evidence to support such ads, and they have no sufficient environment to realize the students' dream.



This is the background for why the “quality assurance” for higher education is needed today. Every university has its educational research “mission” on which it stands. The educational environment to realize such mission is the unique “power to withhold” for the university. To realize this mission, the university must develop its characteristics. Universities must clearly analyze their “Strengths” in education and research, and create attractive learning opportunities to extend the uniqueness of their educational product. Otherwise it is impossible to realize the mission of the school. If the mission is not realized, the school cannot secure students it needs.

Based on our mission, ABEST21 supports the creation of unique educational research opportunities of the applicant schools. We will continue to take part in “educational quality assurance” of member institutions. (President, Fumio Itoh)

2. General Information

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March 2015 Conference

On March 5 and 6, 2015, we will hold the Peer Review Committee, Accreditation Committee, Board Meeting, General Assembly, and International Symposium at the Head Office of Fuji Xerox Co., Ltd. and Waseda Business School. On March 5th, Peer Review Committee, Accreditation Committee, and Board Meeting will take place at Fuji Xerox. The main topic for the meetings is the final review of 2014 accreditation. On March 6th, the venue for General Assembly and International Symposium is Waseda University. The agenda for the General Assembly includes final report on ABEST21’s change of status from non-profit organization to general incorporated association. At the symposium, panel discussion on “The future activities of ABEST21” is planned based on the keynote speech.

3. Membership Information

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New school members

We are pleased to announce that two schools have joined ABEST21 following the decision of the Membership Committee:

- 1) Faculty of Economics, Universitas Sriwijaya, Palembang, Indonesia
- 2) Faculty of Business and Economics, Universitas Surabaya, Surabaya, Indonesia

These schools will be introduced in detail in our next eNews.

4. Global Knowledge Network Information

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1) Faculty of Economics and Business, Universitas Hasanuddin, Makassar, Indonesia

On December 11, 2014, we visited the Business School at the national Universitas Hasanuddin located in Makassar City, Sulawesi (Celebes), Indonesia. Universitas Hasanuddin is planning to apply for ABEST21 accreditation in 2015. We met with Vice President Prof. Dr. Budu. Ph.D., Sp.(K), M. MedEd. (center in the picture) and Dean Gagaring Pagalung (second from the left) and exchanged opinions. President Itoh delivered a lecture to the faculty members and staff on quality assurance of management education. For details of Universitas



Hasanuddin, please see our previous eNews no. 71 or visit www.unhas.ac.id.

2) Faculty of Economics, Universitas Haluoleo, Kendari, Indonesia

On December 12, 2014, we visited the Business School at the national Universitas Haluoleo in Kendari City, Sulawesi. We were introduced to Universitas Haluoleo by Dr. Gugus Irianto (in the right of the picture), the former dean of Business School at Universitas Brawijaya. Chaired by Dean Prof. Dr. H. Muhammad Syarif (left) of the Universitas Haluoleo Business School, President Itoh delivered a lecture to the faculty members and staff including deans of all departments on ABEST21 quality assurance of higher education, followed by Q&A session.



3) APMMI (ASOSIAS PROGRAM MAGISTER MANAJEMEN INDONESIA) National Seminar

On December 13, 2014, APMMI National Seminar "Sustainable Transition: Medium to Large" was held at Hotel Bumi Surabaya in Surabaya, Java, Indonesia. Upon the request from APMMI Chairman Professor Arief Daryanto (picture), President Itoh gave a lecture on "Professional Graduate School System in Japan", followed by Q&A session. At Indonesia, it is essential to enhance the intellectual productivity of the people who support the economic growth. The lecture focused on the educational system in Japan and how it aims to nurture management professionals, including the background for foundation of professional graduate school system and criteria for establishment, and the present situation.



5. Quality Assurance Information

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On-site Interview for Self-Evaluation Report

Based on the desk review of "Self-Evaluation Report" reviewed in 2014, on-site interview was conducted at the following schools.

(1) Graduate School of Innovation and Technology Management, Yamaguchi University (Professional Graduate School)

On December 6, 2014, on-site interview was conducted at Graduate School of Innovation and Technology Management, Yamaguchi University (Professional graduate school) based in Ube City, Yamaguchi Prefecture. Interview was conducted with President Masaaki Oka (second from left in the picture) on management policy and strategies of the University on the Graduate School, and Q&A session on unclear issues was conducted with the administration of the Graduate School. Student interviews were conducted with foreign students at



Ube Campus and working students at Hiroshima Campus. Through the interview with the foreign students, it became clear that the University's Malaysia-Japan International Institute of Technology set at UTM of Malaysia is playing an important role.

(2) Faculty of Economics and Business, Universitas Diponegoro, Semarang, Indonesia

On December 15, 2014, on-site interview was conducted at the Business School of Universitas Diponegoro, Semarang, Indonesia. During the interview with the Rector, Prof. Sudharto P. Hadi, Mes., Ph.D. (left in the picture) Q&A were exchanged on various issues regarding the positioning of the Business School at the University, financial support, and globalization policy. We shared the view that it is important for Indonesia to nurture management professionals. Explanations were given by the University administration on their efforts to enhance the quality of business school education and how to promote its globalization.



(3) Othman Yeop Abdullah (OHYA) Graduate School of Business, Universiti Utara Malaysia

On December 17, 2014, on-site interview was conducted at the Business School of Universiti Utara Malaysia based in Sintok, Malaysia. President Prof. Dato' Wira Dr. Mohamed Mustafa Ishak (center in the picture) explained about the mission, positioning, and financial support for OHYA Business School as an organization at Universiti Utara. In the business school interview, questions raised by the Peer Review Team in the desk review were answered in details by Dean Azizi (right in the picture). It was confirmed that the educational research system of OHYA Business School was strengthened, and educational research environment was further enhanced by renovation of the school building.



(4) Faculty of Business, Economics and Communications, Naresuan University, Phitsanulok, Thailand

On December 22, 2014, on-site interview was conducted at the Naresuan University at Phitsanulok, Thailand, by the Peer Review Team chaired by Dr. Pichayalak Pichayakul (third from the left) of Chiang Mai University. Through the interview to the President, the unclear issues of business school mission and financial support were clarified. Dean Sujinda Chemisripong (fourth from right) gave detailed explanation on the issue of securing faculty members, etc.



6. 2014 Retrospect (January to December 2014)

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"Time flies", and another year is about to pass. The speed of the time seems to prove the speed of ABEST21 growth. Our quality assurance of management education has disseminated in Asia and our activities have achieved recognition. As of April 2014, organizational status of ABEST21 was changed from non-profit organization to general incorporated association. We hope to be further involved in the management education quality assurance in order to contribute to peace and prosperity in Asia. Looking back at the activities in the year which is about to end, we look forward to the year 2015.

1) New members who joined ABEST21 in 2014

In 2014, we were happy to welcome more schools to ABEST21, and we are proud to have more new members from the ASEAN region.

Full School Membership:

- 1) PPM School of Management, Indonesia
- 2) School of Economics and Business, Telkom University, Indonesia
- 3) Faculty of Economics and Business, Universitas Airlangga, Indonesia
- 4) Faculty of Economics, Universitas Sriwijaya, Indonesia
- 5) Faculty of Business and Economics, Universitas Surabaya, Indonesia
- 6) Faculty of Industrial Management, Universiti Malaysia Pahang, Malaysia.

Associate School Membership:

- 1) Kansai University of International Studies, Japan.

2) Accredited schools in 2014

A total of 8 schools were accredited in 2014. Initial Accreditation was given to 4 schools (1 from China, 1 from Indonesia, 2 from Malaysia), and Maintenance Accreditation to extend the validity for 5 years was given to 4 schools from Japan.

Initial Accreditation:

- 1) School of Business Administration, Northeastern University, China
- 2) Faculty of Economics and Business, Universitas Padjadjaran, Indonesia
- 3) Graduate School of Business, Universiti Sains Malaysia, Malaysia
- 4) Graduate School of Management, International Islamic University Malaysia, Malaysia.

Maintenance Accreditation:

- 5) Graduate School of International Management, Aoyama Gakuin University, Japan
- 6) Graduate School of International Corporate Strategy, Hitotsubashi University, Japan
- 7) Graduate School of Business Administration, Kobe University, Japan
- 8) Graduate School of Business Sciences, University of Tsukuba, Japan.

3) Activity report for 2014

Main activities from January 1 to December 31, 2014 are as follows.

January 2014

- 08th: Holding of Joint Accreditation Seminar at APMMI meeting, Bandung, Indonesia
- 09th: Conducting the On-site interview for FEB-UNPAD, Bandung, Indonesia
- 10th: Visit to FEB-UNDIP, Semarang, Indonesia
- 16th: Conducting the On-site interview for GSBS-University of Tsukuba, Tokyo, Japan

- 22nd: Holding of the Coordinating Committee for Accreditation, Tokyo, Japan
- 24th: Conducting the On-site interview for GSIM-Aoyama Gakuin University, Tokyo Japan
- 27th: Conducting the On-site interview for GSM-IIUM, Kuala Lumpur, Malaysia
- 29th: Conducting the On-site interview for GSB-USM, Penang, Malaysia

February 2014

- 04th: Visit to Sony Corporation Head Office, Tokyo, Japan
- 07th: Holding of Accreditation Division Executive Meeting, Tokyo, Japan
- 20th: Holding of the Accreditation Seminar at MSU-City Campus, Kuala Lumpur, Malaysia

March 2014

- 05th: Signing the MOU between AQAN and ABEST21 at Hanoi, Vietnam
- 06th: Holding of the Peer Review Committee at Sony University, Tokyo, Japan
- 07th: Holding the Accreditation Committee at Sony University, Tokyo, Japan
- 08th: Reorganizing ABEST21 from NPO to General Incorporated Association in the ABEST21 Board Meeting, General Assembly, and International Symposium held at University of Tsukuba, Tokyo, Japan
- 17th: Informing the MEXT of Japan of the Results of Accreditation Review 2013
- 17th: Holding of the 26th meeting of Council for Human Resources Development, Tokyo, Japan
- 28th: Reporting the reorganization and revision of ABEST21 Accreditation to the MEXT of Japan

April 2014

- 02nd: Announcing the Results of Accreditation 2013 to the MEXT Press Club, Tokyo, Japan
- 04th: Visit to Sony Corporation, Tokyo, Japan
- 10th: Visit to Toshiba Corporation, Tokyo, Japan
- 11th: Holding of the 2nd meeting of Professional Graduate School Quality Assurance Network, Tokyo, Japan
- 16th: Holding of the Maintenance Quality Assurance Seminar, Tokyo, Japan
- 18th: Holding of the 2nd ABEST21-QMC Seminar, Tokyo, Japan
- 24th: Holding of the Accreditation Division Chair Meeting, Tokyo, Japan
- 24th and 25th: Holding of the Quality Assurance Seminar for Lomonosov Moscow State University (Russia), Tokyo, Japan

May 2014

- 16th: Visit to Toshiba Corporation, Tokyo, Japan
- 21st: Holding of the 27th meeting of Council for Human Resources Development, Tokyo, Japan
- 25th: Participation in the IMT-GT Forum, Pekanbaru, Indonesia
- 28th: Visit to Universitas Lampung, Bandare Lampung, Indonesia
- 30th: Visit to Universitas Gadjah Mada, Yogyakarta, Indonesia
- 31st: Visit to Universitas Sebelas Maret, Solo, Indonesia

June 2014

- 2nd: Visit to Satya Wacana Christian University, Salatiga, Indonesia
- 3rd: Holding of ABEST21 Accreditation Workshop 2014, Semarang, Indonesia
- 4th: Attendance to APPMI National Seminar 2014, Semarang, Indonesia
- 5th: Visit to Universitas Diponegoro, Semarang, Indonesia
- 16th: Meeting with Toshiba Corporation on Case Writing, Tokyo, Japan

- 19th to 21st: Holding of ABEST21 Shenyang Conference at Northeastern University, Shenyang, China

July 2014

- 15th: Meeting with Toshiba Corporation on the Case Writing Project, Tokyo, Japan
- 17th: Holding of the 28th meeting of Council for Human Resources Development, Tokyo, Japan
- 29th: Meeting with Peer Review Committee Chair Professor Tsubaki, Tokyo, Japan
- 30th: Visit to Toshiba Human Resources Development Corporation, Yokohama, Japan

August 2014

- 04th: Visit to the MEXT, Tokyo, Japan
- 05th: Visit to Sony Corporation, Tokyo, Japan
- 05th: Visit to Nissan Motor Co., Ltd., Yokohama, Japan
- 8th: Visit to Waseda University, Tokyo, Japan
- 13th: Holding of "Accreditation Plan Seminar" at Bogor Agricultural University
- 29th: Visit to Toshiba Human Resources Development Corporation, Yokohama, Japan

September 2014

- 09th: Holding of the 3rd Meeting of Field-specific Accrediting Agency Network Organization, Tokyo, Japan
- 10th: Conducting the On-site Interview for Nanzan University, Nagoya, Japan
- 12th: Conducting the On-site Interview for Kyoto University, Kyoto, Japan
- 17th: Visit to Fuji Xerox Co., Ltd., Tokyo, Japan
- 18th: Conducting the On-site Interview for Waseda University, Tokyo, Japan

October 2014

- 01st: Conducting the On-site Interview for SBM-ITB, Bandung, Indonesia
- 02nd: Conducting the On-site Interview for FEB-Universitas Indonesia, Jakarta, Indonesia
- 04th: Conducting the On-site Interview for FEB-Universitas Brawijaya, Malang, Indonesia
- 05th: Holding of the Accreditation Seminar at FEB-Universitas Airlangga, Surabaya, Indonesia
- 06th: Holding of the Accreditation Seminar at FEB-Universitas Surabaya, Surabaya, Indonesia
- 07th: Conducting the On-site Interview for MSU, Kuala Lumpur, Malaysia
- 07th: Visit to Malaysian Qualifications Agency (MQA), Kuala Lumpur, Malaysia
- 09th: Holding of the 29th meeting of Council for Human Resources Development, Tokyo, Japan
- 17th: Attendance to ASEAN Quality Assurance Network 2014 AQAN Roundtable Meeting
- 25th: Attendance to the 9th ICBMR International Conference at Kyoto University, Kyoto, Japan

November 2014

- 05th to 07th: Holding of the Peer Review Committee at Sony University, Tokyo, Japan
- 16th: Holding of the Accreditation Seminar at Universiti Malaysia Pahang, Kuantan, Malaysia
- 18th: Visit to Sony Corporation, Tokyo, Japan
- 20th: Visit to Toshiba Corporation, Tokyo, Japan
- 24th: Conducting the On-site Interview for UiTM, Kuala Lumpur, Malaysia
- 25th: Conducting the On-site Interview for UKM, Kuala Lumpur, Malaysia
- 26th: Visit to Universiti Teknologi Malaysia, Kuala Lumpur, Malaysia
- 26th: Visit to University of Malaya (UM), Kuala Lumpur, Malaysia
- 27th: Conducting the On-site Interview for UPM, Kuala Lumpur, Malaysia

- 29th: Conducting the On-site Interview for SP Jain School of Global Management, Singapore
- December 2014*
- 06th: Conducting the On-site Interview for Yamaguchi University, Yamaguchi, Japan
 - 11th: Visit to FEB-Universitas Hasanuddin, Makassar, Indonesia
 - 12th: Visit to FE-Universitas Haluoleo, Kendari, Indonesia
 - 13th: Attendance to APMMI National Seminar, Surabaya, Indonesia
 - 15th: Conducting the On-site Interview for FEB-Universitas Diponegoro, Semarang, Indonesia
 - 17th: Conducting the On-site Interview for Universiti Utara Malaysia, Sintok, Malaysia
 - 22nd: Conducting the On-site Interview at Naresuan University, Phitsanulok, Thailand