Date: February 2, 2017

To: Sarah Mangelsdorf, Provost and Vice Chancellor for Academic Affairs

From: François Ortalo-Magné, Dean, Wisconsin School of Business

Re: Final Summary of Review for: Master of Science-Business: Global Real Estate (GREM)

The Master of Science-Business: Global Real Estate program review was completed by a review committee chaired by: Kurt Paulson, Associate Professor, Department of Urban and Regional Planning, with members: Andra Ghent, Associate Professor, Department of Real Estate; Jose Pincheira, Associate Professor, Department of Civil and Environmental Engineer (GFEC representative). The review committee’s charge was to assess the strengths and weaknesses of the program, recommend future direction, and advise on improvement of the program. The Wisconsin School of Business APC discussed and approved the review committee report on January 13, 2017. Based on my review of their report and the APC’s response, I am providing the following executive summary of the program review.

Overview

The review committee believes that the goals and objectives of the program have been met and it should be continued. Utilizing existing resources, faculty connections and the global reputation of the Wisconsin School of Business and the Department of Real Estate and Urban Land Economics, the program has attracted students from around the world. The program has established partnerships with top rated business schools internationally and is involved in developing additional MOU’s with similar schools.

The GREM program and the MBA in Real Estate program are closely connected yielding positive outcomes and improving the scales of both programs. Students from both programs take classes together giving the domestic and international students the opportunity to share their knowledge of global business and real estate issues. There is no discernible negative impact as some GREM courses are taught separately. GREM students do not cause real estate courses to exceed course enrollments and/or displace other students from these courses.

Recommendations

The GREM program review committee recommended the following for program improvement.

Recommendation #1: Improve internal assessment of student outcomes. Currently, the program does not systematically assess student outcomes, other than a final lunch for the students with the program academic coordinator. In order to develop data for continuous improvement, the GREM program should consider a more formal and systematic effort at evaluating student outcomes. For example, students could fill out anonymous surveys about their program experience. Alumni of the program could be surveyed 3-5 years post-graduation to determine how the program was useful for them in their careers.
Recommendation #2: Consider improving and standardizing student recruitment processes. Currently, the program has a steady stream of students based solely on the personal recruiting of the current program coordinator and the partnerships with international universities. As befits a small program, this has worked but enrollments fluctuate from year to year. If growth in program enrollment is an objective of the department, the Wisconsin School of Business needs a more systematic plan to recruit students and market the program. Real estate faculty already enjoy an international reputation at a top school and this reputation could be used to leverage those relationships further to recruit students. In addition, former students are the best recruiters for the program, and creating partnerships that are more formal with alumni could develop additional recruiting options.

Follow Up

The APC discussion of the GREM program review report focused primarily on the financial cost and benefits of the program, noting the difficulty to evaluate cost in the absence of relevant internal prices for many of the resources deployed in support of the program, the benefits of cross-selling GREM classes to other students and the long-term objective to increase enrollment, acknowledging this would require more investment. The discussion added to the imperative in the near future to developing internal prices for the Wisconsin School of Business.

Attachments

Review Committee Report

Copies

Abdullah Yavas, Chair, Master of Science, Global Real Estate
Kurt Paulsen, Chair, program review committee
Jocelyn Milner, APIR
Sarah Kuba, APIR
Bill Karpus, Graduate School [graduate programs only]
Marty Gustafson, Graduate School [graduate programs only]
Narrative

Dean François Ortalo-Magné charged the committee to review the Global Real Estate Master (GREM) program, to assess if the program was on track, serving students well, and to recommend whether or not it should be continued. The analysis and report were prepared by Andra Ghent (School of Business), Jose Pincheira (College of Engineering), and Kurt Paulsen (College of Agriculture and Life Sciences). Kurt Paulsen served as the chair and Jose Pincheira represented the Graduate Faculty Executive Committee (GFEC) on the committee. Ruth Lillie served in an administrative role for the committee, and she was instrumental in collecting data about the program. Abdullah Yavas, the chair of the Real Estate department in the Wisconsin School of Business served in an advisory role.

The committee was originally given the following documents:

• Charge from Dean François Ortalo-Magné;
• Original proposal for the GREM program;
• Five-Year Review Self Study Document, completed in April 2016.

The committee met on August 25 and 31 for roughly an hour and a half to discuss and analyze the GREM program. We obtained the following data to aid our analysis:

1. Course enrollments for the two courses offered solely to GREM students.
2. Clarification on the processing of and decision making regarding admission applications.
3. Confirmation that the GREM faculty coordinator does receive release time for one course.

Response to Charge

In this section, we answer the specific questions put forth in Dean Ortalo-Magné’s charge.

*Question #1: Determine whether the goals and objectives as stated in the original program proposal were met and evaluate if the program is meeting the standards of quality based on the original proposal.*

The benefits of the GREM program as stated in the original proposal were the following:

1. Grow the Wisconsin Real Estate Alumni Association from best in the U.S. to best in the world.
2. Improve access to highly qualified students outside of the U.S.
3. Leverage the training provided by partner schools.
4. Add financial resources in support of our existing BBA, MBA, Ph.D programs.
5. Expand the peer network and cross-cultural business exposure of all our students, including current BBA and MBA students.
6. Expand our geographic reach and brand recognition as a center of expertise in real estate.
7. Provide new opportunities for a deeper partnership with high-level real estate professionals and leading international real estate organizations.

By most measures, the review committee believes that the goals and objectives of the program have been met. Utilizing existing resources and faculty connections and the global reputation of UW-Madison School of Business and the Department of Real Estate and Urban Land Economics, the program has attracted students from around the world. The program established partnerships with top rated business schools, including HEC Paris and HKUST in Hong Kong, and is involved in developing MOUs with other top business schools around the world. The program leverages the partnerships of these business schools, because students in the GREM program take their required
coursework (accounting, financial management, economics, etc.) at their home universities before enrolling in the real estate program at UW Madison. While still a small program overall, the GREM program has met the objectives of leveraging existing relationships and reputation to continue to develop Wisconsin as a global leader in real estate.

**Question #2: Confirm that the program is important to be delivered at UW-Madison and understand the program’s relationship to other programs at UW-Madison. Are other programs positively or negatively impacted? Are connections with other programs as planned in the original proposal developing as envisioned?**

The committee finds that the program is important to be delivered at UW Madison, particularly because as a small program, it does leverage existing resources to build a global brand for the School of Business and the Real Estate and Urban Land Economics Department as a global leader in real estate.

The closest connection between the GREM program is with the MBA in Real Estate program. We believe that the MBA in Real Estate program is positively impacted by the GREM program because MBA students share some courses with these international GREM students and thereby their knowledge of business and real estate issues around the world is improved. There is no discernible negative impact, because some of the GREM courses are separate and the program is too small to negatively impact enrollment in Real Estate courses. That is, we could not find any evidence that GREM students cause real estate courses to exceed enrollment limits and/or displace other students from real estate courses.

**Question #3: Determine if the resource implications of continuing the program are appropriate.**

Because the GREM program is a named option of a parent degree program, and because it is designed to bring international business students into UW Madison for a special 1-year master’s degree (in addition to their home institutions’ MBA or equivalent degree), the GREM program utilizes a limited number of resources. As we determined and as was reported in the self-study, the real estate department coordinator, Mary Prost, undertakes admissions work for the GREM program and provides administrative and student services support to the GREM students. This constitutes 60% of her 60% appointment. Additionally, the Program Coordinator, Dr. Abdullah Yavas, is granted a course reduction in exchange for his coordination of the program (which includes recruitment of students and negotiations with partner universities during his extensive worldwide travel, and advising of students in the program). The only other resources we could determine were specific to the GREM program were that two courses (RE740 Real Estate Capital Markets and RE765 Topics in Global Real Estate Markets) were courses taught specifically in the GREM program (but which have occasionally enrolled “tradition” MBA students). Thus, the program utilizes only limited resources. The governance of the program is folded into the department meetings of the Real Estate department, and so utilizes little additional time of the faculty for meetings.

As presently structured, the program utilizes limited resources and has enrolled between 8 and 14 students per year. Our conclusions is that the program’s financial resources are appropriate.
However, as the program is aware, the GREM program is currently financially sustainable because it is small and utilizes existing faculty resources. As the program continues to develop, expanded enrollment could make the program more profitable for the department, and could grow to perhaps 20-25 students per year without commitment of additional faculty or staff resources.

On the other hand, it would seem appropriate to encourage the participation of at least one additional faculty member so that the program does not hinge upon the experience and commitment of a single faculty member.

Recommendations:

**Question #4: Offer the program faculty and/or the dean(s) any advice for program improvement and summarize any actions for follow-up or attention**

Based on our analysis, we make the following recommendations for program improvement.

**Recommendation #1:** Improve internal assessment of student outcomes. Currently, the program does not systematically assess student outcomes, other than a final lunch for the students with the program academic coordinator. In order to develop data for continuous improvement, the GREM program should consider a more formal and systematic effort at evaluating student outcomes. For example, students could be asked to fill out anonymous surveys about their program experience. Alumni of the program could be surveyed 3-5 years post-graduation to determine how the program was useful for them in their careers.

**Recommendation #2:** Consider improving and standardizing student recruitment processes. Currently, the program has a steady stream of students based solely on the personal recruiting of the current program coordinator and the partnerships with international universities. As befits a small program, this has worked but enrollments fluctuate from year to year. If growth in program enrollment is an objective of the department, a more systematic plan to recruit students and market the program would be needed. Real estate faculty already enjoy an international reputation as a top school and could be used to leverage those relationships further to recruit students. Also, former students are the best recruiters into the program, and more formal partnerships with alumni could develop additional recruiting options.

**Question #5: Provide an explicit recommendation as to whether the program should be continued.**

Our analysis indicates that the GREM program has been successful and continues to serve a valuable role on campus. We recommend that the program continue. The program, while small, builds an important global brand for Wisconsin real estate and utilizes only limited resources. The program works well utilizing existing faculty and staff without a formal structure. However, if it is the goal of the GREM program to grow to 25 students, more systematic and strategic plans for recruitment and assessment would be necessary.