

The CEU Private University's Department of Economics and Business would like to express its appreciation to the members of the AQ Austria Expert Panel and its colleagues for their dedicated and extensive work, flexibility, and cooperation during the accreditation process of our MS programs.

Please find below the response of the Department to the main recommendations made in the report:

1. **The Expert Panel noted that “despite the low student-professor ratio, permanent faculty members point out a relatively high teaching load”** (see pages 21 and 41) and that the Expert Panel “recommends to CEU and the head of the department to intensify the discussion on the appropriate balance, especially with those faculty members who have a teaching workload of 50%, to better understand what a teaching workload of 24 ECTS credits actually entails”.

CEU is a research-intensive university and thus CEU and the Department try to make sure there is enough time for faculty to do high quality research: ideally half of faculty time should be devoted to research with a bare minimum of 30%. **Unfortunately, the move to Vienna and the curricular changes that came with introducing the new bachelors and EMBA programs have led to an explosion in administrative tasks** and the need to develop many new courses over the last two years. In the previous academic year, **in the annual report the median junior faculty self-reported spending 52% of their working hours on research, while the median senior faculty reported 40%. The department is working hard to get this number closer to 50% and to make sure no faculty member falls below 30%.**

By CEU regulation 1 ECTS is 300 minutes in-classroom teaching. Thus, **24 ECTS is 7200 minutes (=120 hours) in the classroom.** While the teaching load is indeed higher than that at top economics departments in Europe and the US (e.g., Berkeley, Oxford, Warwick, Sciences Po), it is in line with that at many US business schools and state universities in Continental Europe. It is worth noting that class sizes are substantially smaller at CEU and **teaching is blocked into 12-18 weeks in the Department** if the faculty asks for it, leaving the rest of the time for focused research. Also, waivers are given to junior in their first two years (8 ECTS), program heads (4 ECTS), editors of journals (4 ECTS), department head (12 ECTS) and those with large external grants (up to 50%). **The Department has pointed out to CEU’s leadership that our teaching load is higher than that of many of our key competitors** but given the small class sizes, CEU leadership does not currently see a way to reduce the contractual teaching load.

In response to the high administrative load, **the Department has introduced a workload management system last academic year to make sure we closely monitor the administrative tasks** of the faculty members. The goal of the system is to track the hours of faculty and make sure that it is fairly distributed among faculty members and unnecessary tasks are eliminated. Every year the Head of Department asks colleagues about all the activities they engage in and assigns working hours for that based on a departmental

survey. We have attached the table for this academic year for those colleagues teaching in our MS and MA programs (1 CEU credit = 2 ECTS).

Based on a survey, the median number of hours faculty spends on teaching 1 ECTS is about 15 hours for a class the faculty member has taught before. This includes time in class, answering e-mails, preparation, grading. **Thus in our estimate 360 hours of worktime are spent teaching, with an additional 20 hours/ECTS for a course that has not been taught before.**

According to attached workload table, **the estimated workload beyond direct teaching obligations for junior (non-tenured) faculty is estimated at 219 hours, while that for senior (tenured) faculty is 359 hours.** This includes all advising, committees, writing referee reports, preparing for new classes not taught before, but admittedly might not fully incorporate smaller ad-hoc administrative tasks.

The above calculations are for a median faculty member and as the attached workload table shows, **there are several outliers marked with red who have substantially more administrative workload**, this is mostly because of new preps, editorships and being head of department. **The Department is implementing several steps to make sure all faculty has sufficient time for research:**

- Reallocating administrative work from those with too much to those who have spare capacity.
- Minimizing the number of new teaching preps by keeping the teaching allocation stable over years.
- Hiring new resident faculty to replace visitors, so more resident faculty can share in departmental administrative work.
- Identifying and eliminate unnecessary administrative work.
- Hiring teaching assistants for all mandatory courses and courses with more than 20 students to help faculty with grading and administrative issues.

The above strategy has already yielded some preliminary results: the median service hours calculated for seniors already shows a marked improvement falling substantially to 359 hours this academic year from the high of 639 hours last academic year. **The Department will continue engaging with faculty to make sure research time increases especially for those who now have insufficient time for research.**

2. The Expert Panel notes that **“the MSc of Finance Advisory Committee is a working group of senior executives offering professional guidance. Its input is highly valuable. Therefore, the expert group recommends specifying how the Committee is involved in the further development and quality assurance of the program”** (on page 42).

The senior faculty in the Finance program meets with the MSc Finance Advisory Committee at least once a year. The meetings are usually in person unless special circumstances force us to conduct the meeting online. A typical meeting consists of:

- i) The program head (or other senior faculty) gives the committee an update on the recent developments and an outlook for the near future of the program. The current curriculum is discussed.
- ii) The faculty asks the committee about current developments in the industry and about the employers' needs for certain skills. Committee members are also encouraged to tell faculty about the strengths and weaknesses of recently hired graduates. This contributes to the program's quality assurance because it helps to uncover missing knowledge and skills among outgoing students.

The following actionable items are then discussed:

- i) Based on the feedback the set of electives may be adjusted.
- ii) Members and their companies are asked to contribute courses, case studies, simulations, and site visits (Finance@CEU series) to ensure the knowledge transfer of the latest corporate challenges and practices.
- iii) Members and their companies are asked to assist with internships, consulting projects, and career placements. Internships and consulting projects are offered by them from January each year, by which they test the knowledge and skills of students and make a determined choice of employing fresh graduates on the long term. Students profit from the relationship by getting insights into practical business life and finance-related corporate positions.