

November 2, 2020

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Dear Director General Marquina:

It is my pleasure to inform you that the peer review team recommendation to extend accreditation for the degree programs in business offered by CENTRUM PUCP Business School is concurred with by the Continuous Improvement Review Committee (CIRC) and ratified by the Board of Directors. Congratulations to you, the faculty, the students, the staff, and all supporters of IAE Business School.

CENTRUM PUCP Business School has achieved accreditation for five additional years. The next on-site continuous improvement review occurs in the fifth year, 2025-2026. A timeline specific to the school's visit year is available [here](#).

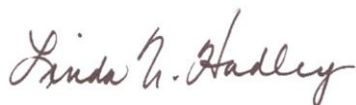
One purpose of peer review is to recognize initiatives that support an environment of continuous improvement of quality programs. As noted in the team report CENTRUM PUCP Business School is to be commended on the best practices found on **Attachment A**.

The school should begin to address the concern(s) identified by the peer review team and CIRC. As part of the next Continuous Improvement Review Application, due July 1, 2023, the school is asked to update the CIRC on the progress made in addressing the concerns listed on **Attachment B**.

Please refer to the [Continuous Improvement Review Handbook](#) for more information regarding the processes for continuous improvement reviews. The handbook is evolving and will be updated frequently to provide the latest revisions to the CIR process. Continue to monitor the website for the most current version of the handbook.

Again, congratulations from the Accreditation Council and AACSB International - The Association to Advance Collegiate Schools of Business. Thank you for participating in the continuous improvement review process and for providing valuable feedback that is essential to a meaningful and beneficial review.

Sincerely,



Linda Hadley, Chair  
Board of Directors

c. peer review team

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Centrum PUCP Business School

Attachment A

1. Humanistic mission. As noted in the team report, the humanistic approach and the “Growing is Living” hallmark is a fundamental part of CENTRUM. It has allowed the school to achieve a balance between professional growth and personal development. This humanistic approach is well understood and enthusiastically embraced by all stakeholders. For example, the school’s faculty is proud of this focus, and they are delighted to work for an organization that has this mission. CENTRUM students recognize and value this focus, and they are proud to be at a school with this mission. The alumni too are fully supportive of this approach. We encourage the school’s leadership to continue aligning research and teaching activities with this mission. In other words, continue rewarding research that emphasizes the mission and rewarding faculty for integrating this into their courses.
2. Jesuit alliance. We applaud the school’s efforts to establish and deepen its relationship in an alliance with Jesuit schools. This seems a readymade group to align with given the school’s Catholic underpinnings and humanistic focus.
3. Highly recognized and valued brand. Another strength is the brand of the school. This school is a leader not only in Peru but in the Latin American regions. Everyone – faculty, students, staff, and alumni are proud of the brand, and the school is working diligently to maintain it.
4. Strong leadership and culture of collegiality. A key strength is CENTRUM’s administrative team. We commend the team for its effective leadership over the last five years, but especially during the challenges of the COVID-19 pandemic. A culture of collaboration and collegiality is evident, and there is genuine respect, trust, and support for the school’s leadership on the part of all constituents. The faculty show tremendous commitment to students, research, school values, and service. The leadership of Dean Marquina should be particularly commended for building such a strong sense of belonging and camaraderie among faculty and staff.
5. Research mission. Another strength is that the school is making good progress on the research mission. There is a clear understanding of the value of research and especially the aim of the school to improve the quality (and not just focus on quantity). We believe the faculty are hearing this message.
6. Teaching quality. Based on the documentation in the CIR and our interviews with students, the quality of teaching appears to be at a high, sustained level. This is also demonstrated indirectly by the sustained level of enrollment over time in CENTRUM’s programs despite a highly and increasingly competitive market (in Lima and Peru) and the school’s high relative tuition. Nevertheless, the team encourages CENTRUM to increase its use of peer observations as a supplement to the use of student evaluations.
7. Faculty and staff accessibility/availability. One aspect of teaching quality that was often cited by students and alumni was the accessibility/availability of faculty members not only during their program but also after their program ended. This same comment was made about the support received from staff in career services (“employability services”), who often assisted students with job searches and preparation even after they graduated.
8. Certificates/diplomas. Another strength is the opportunity for students in various CENTRUM degree programs to receive “certificates” (what CENTRUM terms “diplomas”). A few examples include the following: Center for Creative Leadership (CCL) certificate, IBM Diploma for advanced technology for executives, LHH DBM consulting firm accountable manager certificate, and the EADA specialized diploma on innovation and sustainability. These appear to offer real advantages in terms of advancing student training and development by having these as a required part of the school’s programs.
9. Alumni relations. CENTRUM offers valuable benefits to alumni, including a certificate in Big Data for Business, which is offered free. These and other post-degree programs (e.g., workshops in leadership, coaching in English, finance, digital marketing, entrepreneurship etc.) promote continuous education and an ongoing connection to the school.

10. Research centers and CENTRUM Think. CENTRUM has six research centers that conduct useful research across a variety of areas. Also, "CENTRUM Think" is a generator of knowledge and proposals for the development of the country and the region through independent research that impacts the quality of life of people. This research has a strong positive social impact by increasing the productivity of companies and improving public policy decisions.
11. Industry connections. CENTRUM has a direct and continuously growing involvement of industry participants who work with faculty members to bring their valuable experiences to students both inside and outside the classroom. Students and alumni gave many examples of the relevant and current learning experiences they gained during their academic program. This reinforces the value of having many professors with business and field experience and knowledge.
12. Partnership relationships. CENTRUM PUCP has long-term relationships with many recognized business schools in Europe, the United States, and Latin America. During the meeting with the International Advisory Board, we had extensive conversations with several deans [(1) the Freeman School of Business at Tulane University in New Orleans (USA); (2) EADA in Barcelona (Spain); (3) the School of Business and Economics at Maastricht University (The Netherlands)]. They showed the importance of having long-term relationships with CENTRUM and the value of the school's humanistic and competence-based approach. The chairman from the Harvard David Rockefeller Center for Latin American Studies was also part of the International Advisory Board, and he committed his efforts to strengthen the relationship between its office and CENTRUM. Students also validated the importance of these international alliances (adding the Politecnico de Milano in Italy and other schools in Canada and Latin America), and they expressed a desire for more opportunities to travel while studying.

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Attachment B

This section identifies areas that the school should address during the coming review cycle. Please be prepared to discuss progress made in addressing the concern(s) in the continuous improvement review application.

1. CENTRUM should review and strengthen its process used to classify faculty intellectual contributions as basic, applied, and pedagogical research. In Table 2.1, only 17 papers are classified as basic research and 553 as applied research. A conceptual operationalization is needed to classify papers in these categories adequately. (Standard 2: Intellectual Contributions, Impact, and Alignment with Mission; 2020 Standard 8: Impact of Scholarship)
2. The pandemic has changed a lot, and the financial modeling many schools relied on, may not work in the future. The PRT believes it is prudent for CENTRUM's leadership to include a review of the top 5 risks the school might face and prepare sensitivity analyses (within the school's financial models) showing how the school would handle these risks and the potential drops in enrollments. This is especially important, given that more than 95% of CENTRUM's revenues are based on tuition and fees. Thus, it is recommended that CENTRUM have a clear articulation of top risks it faces, a sensitivity analysis of how this could impact the school's financial position and a list of possible actions to mitigate the risks and negative financial impact. (2013 Standard 3: Financial Strategies and Allocation of Resources; 2020 Standard 2: Physical, Virtual and Financial Resources)
3. The PRT has several recommendations related to Assurance of Learning (AoL). (2013 Standard 8: Curricula Management and Assurance of Learning; 2020 Standard 5: Assurance of Learning)
  - a. Often the program or courses set out many learning objectives [or learning competencies]. In instances where a program or course has a very large number, it is recommended working with faculty to narrow the program and course learning objectives. Reducing the number will allow faculty members to link more consistently to the individual program's learning objectives, but it will also improve the likelihood that the learning objectives can be met successfully. Programs and courses don't need 10 or 20 learning objectives or competencies. It is appropriate to have fewer (perhaps 5 or 6) but do them well.
  - b. Second, there is still much work that needs to be done to respond to instances of learning outcome deficiencies. In the new CENTRUM MBA, for example, there are quite a few criteria where students do not meet the learning objectives stated. Furthermore, there are other program examples as well. For each program, it is important to determine why this has occurred (i.e., the "root causes"). Is this a problem with the course? Is the issue one of the sequencing or timing of the content? Is this a problem with how the content is delivered? Is this a reflection of a faculty member's teaching ability? Is this a case where students need more instruction in a particular area (i.e., insufficient time to learn something or need for pre-work to bring all students to a common starting place)? It is recommended that the school develop more systematic processes for analyzing the root causes when learning objectives are not met.
  - c. Another point regarding learning objectives or competencies is that these should be measured at an individual level and not at a group level. Evaluating the performance of groups does not ensure that all students are acquiring the competencies set out for the programs and courses. It is recommended that CENTRUM do a thorough scan of programs and courses, replacing any instances of group evaluations with individual evaluations.
4. One aspect of Standard 11 is "degree equivalency." This means the same degrees should require approximately the same level of work/credit hours. There are instances where CENTRUM has some significant differences in credit hours, even within the same degree (e.g., MBA degree or MS degrees). For instance, CENTRUM MBA requires 57 credits, while the Global MBA requires 53. Or some MS degrees require 48 credits while others require 57. Certainly, some differences are understandable. For instance, some schools' full-time programs may require students to take career service/career preparation courses that are not needed for part-time or executive programs where students are already working in jobs. For CENTRUM, perhaps the credit hour differences reflect the use of certificates/diplomas that were mentioned during the review. This is understandable given that the students are getting the added value of additional "diplomas." Nevertheless, it is recommended that in the future

CIR report, CENTRUM makes clear the reasons for these differences in credit hours when the degree awarded is the same. (2013 Standard 11: Degree Program Educational Level, Structure, and Equivalence; 2020 Standard 5: Assurance of Learning)

5. To ascertain teaching effectiveness, we know the school uses course evaluations for every course and every instructor, which is appropriate. However, this should be complemented with other tools as well. The school seems to have reduced its use of classroom visits (presumably by faculty peer evaluators) and increased its use of follow-up phone calls with students (with a low minimum set at three calls). The school is encouraged to return to using more of the classroom visits and relying less on student phone calls afterward, especially since the school already has a heavy emphasis on Net Promoter Score (NPS). (2013 Standard 12: Teaching Effectiveness; 2020 Standard 7: Teaching Effectiveness and Impact)
6. The following is guidance should be considered as the school adapts to the 2020 standards related to faculty qualifications. (2013 Standard 15: Faculty Qualifications and Engagement; 2020 Standard 3: Faculty and Professional Staff Resources)
  - a. Currently, SA faculty members (who received their doctoral degree more than five years earlier or are ABD) can achieve qualification by publishing two peer-review journal papers (CIR p. 36). Fortunately, most of CENTRUM's SA faculty have achieved much more than this minimum level. Nevertheless, we encourage the school to define qualification as doing more than just two peer-review published papers. One consideration should be to focus the SA faculty on a higher quality level for their publications (e.g., publishing in Q1/Tier 1 or Q2/Tier 2 journals). Another consideration is to add additional activities important for ensuring that faculty members are continuing to update their skills and knowledge needed to be effective.
  - b. For other categories (i.e., SP, IP, and PA), the school describes a list of activities faculty members can engage in to achieve qualification (CIR page 37). However, it is not clear whether one activity or a series of activities are needed/expected to demonstrate sustained faculty currency and relevance. In your next report, provide greater clarity both for the faculty members and the PRT. One possibility would be to develop unique worksheets or activity lists for each category/classification. These might include the current activities plus others. Each activity on each worksheet could be associated with point values indicating how faculty members can earn qualification by the level and number of activities. These worksheets can then be backed up by the faculty member's CV, where he/she documents the activities they are engaged in, thereby creating a useful way to ensure the faculty member has engaged in qualifying behaviors.
  - c. CENTRUM should evaluate the use of SA and other types of faculty in its various programs. It is important to make sure the school is cognizant of the appropriate balance for each program. Doctoral programs should continue to be taught by nearly 100% SA faculty. Likewise, given the school's research emphasis and the requirement that each master's student complete a thesis, it is recommended that SA-qualified faculty members represent a meaningful percentage in CENTRUM's MBA and MS programs.
  - d. CENTRUM has a "catch-all department" called "integration." Faculty members who teach capstone and methodology courses are included in this area. While this may be helpful to demonstrate to students that there are cross-disciplinary, integrative courses, this should not be considered a "department" when calculating AACSB guideline formulas (e.g., SA>40%; SA+PA+SP >60%). Members of this "integration" department or unit need to be classified in their home base functional departments (e.g., marketing, operations, management, etc.).