

The Kaizen Report 2016 (Format-A)

I. Basic Information

1. Name of the Accredited School/Program

Business Administration Research Department, SBI Graduate School
Entrepreneurial Program (Graduate Professional School of Management)

2. Name of the Academic Unit Head

Hideki Ishikawa

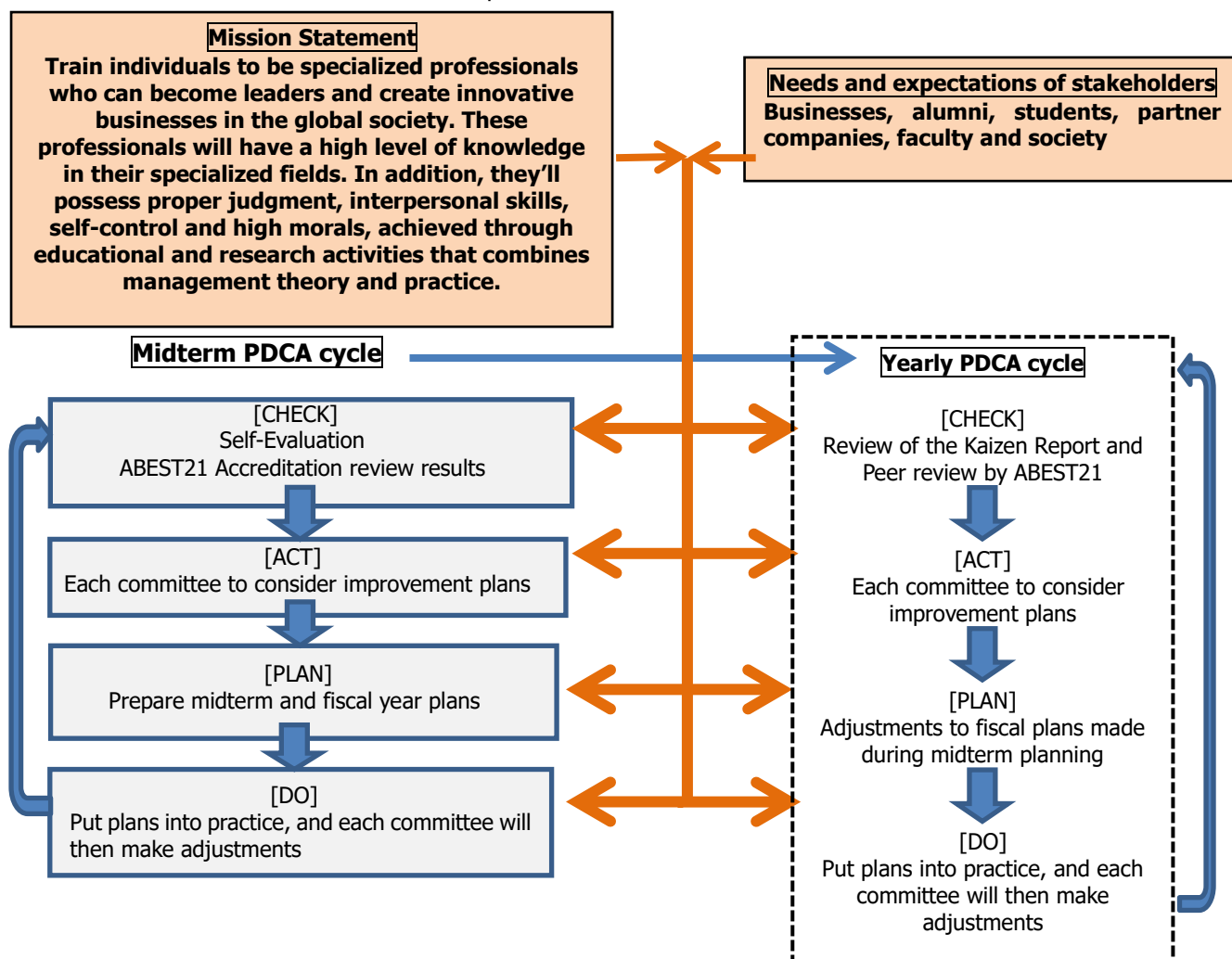
3. Year of Accreditation

2013

II. The School's Quality Improvement System

At SBI Graduate School (the "school" or "we"), we've established a PDCA (Plan-Do-Check-Act) management method that works in conjunction with ABEST21's accreditation review process to fully utilize their evaluation at our school. First, we gather information from our stakeholders, including businesses, alumni and current students, concerning their needs and expectations (details are described later). The school then prepares a "Self-Evaluation Report" that examines our educational and research activities, keeping in mind the achievement of our goals as an educational and research institution. Based on our report and the advice given by ABEST21 in their review process, we prepare a "midterm plan." The progress made on this plan is reviewed every year and is incorporated into the "KAIZEN REPORT," with necessary changes incorporated into the plan. We have placed specific steps into our procedures as we strive to innovate and improve upon our educational and research activities. A flowchart illustrating the steps taken is shown on the following page:

<Flowchart: Improvement Process at SBI Graduate School>



Through the various channels and opportunities mentioned below, we seek to understand and respond to our stakeholders' needs and expectations.

[Businesses]

- Understanding the needs and expectations of businesses based on the job postings received from them.
⇒ Emphasis on the English language, as there are many postings requiring English language skills.
- Understanding the requirements and expectations of the President and the Vice President, who are involved with the management of the school.
⇒ New courses in Big Data, IoT and AI have been created.
- Understanding the needs and expectations of business owners, who attend our business planning meetings as judges.
⇒ Offering a new course in conducting presentations is currently being considered.
- Understanding the needs of businesses through sales of corporate training programs.
⇒ A new corporate training program with a new format, which is a hybrid of prior e-learning and group learning, started in FY2014.
- Exchanging opinions with faculty members at other universities and colleges to understand their needs and expectations.
- We are planning to set up an alumni industrial-academic cooperation committee in FY2016 to understand and record businesses' needs and expectations in a more structured manner.
- Currently, we gain our understanding of needs and expectations by listening to our stakeholders in a variety of settings, but we are also considering setting up an advisory board that can hold

regular meetings.

[Potential students]

- Understanding their needs and expectations during the school's informational meetings.
- ⇒ An opinion was expressed that it's not the ideal situation if students cannot take advantage of the Training and Education Benefits System. We took some measures to respond to that opinion.
- We plan to have a structure that can grasp and record individuals' needs and expectations in a more systematic manner.

[Alumni]

- Invite them to our social gatherings at the beginning and end of the school year to hear their updates, needs and expectations.
 - Have several alumni representatives participate in the administrative committee as council members to share their needs and expectations.
- ⇒ We received a very valuable opinion in response to our strategy concerning building a solid financial base by enhancing our corporate training programs, which was asking the school to maintain a strict selection process in choosing training programs, always keeping our school's mission statement in mind.
- To have faculty members attend reunions to gain an understanding of needs or expectations.
- ⇒ There was feedback that the students wanted to have tutors to help them with their classes. Responding to this feedback, we have asked some alumni with entrepreneurial experience to offer help with classes and seminars. We are considering making this tutoring a regular program.
- Invite alumni to the parties held by particular seminar groups during the school year or at the end of the year to have them share their needs and expectations in a casual manner.
 - We are planning to set up an alumni industrial-academic cooperation committee in FY2016 to understand and record businesses' needs and expectations in a more structured manner.

[Enrolled students]

- We conduct student evaluations on every course we offer, and the results are reviewed by the research committee. The results help the instructors improve their teaching.
- Currently, each instructor is in charge of responding to their course evaluations, but we are considering having the FD and IT committees involved with reviewing the comments noted in the evaluations in order to make more structured improvements to the courses.

[Faculty members]

- Since we are a relatively small school, we can gain an understanding of our faculty's needs and expectations through administrative meetings and morning meetings that are attended by our entire administrative staff. We can also understand their needs and expectations through research meetings of all the faculty members and by holding daily conversations.

[Partner companies]

- We are in regular contact with two of our major business partners that develop and manage the learning systems we use to understand our stakeholders' needs and expectations. One of our partners sends their employees to be enrolled in our MBA program; and these employees, now seeing things from a student's point of view, directly provide us with information about their needs and expectations.

[Society]

- Visit the ABEST21 website, read their publications and attend meetings held by them to understand what society expects of a school like ours.
- Understand society's needs and expectations through websites, publications and notices put out by the Ministry of Education, Culture, Sports, Science and Technology.
- Through media such as newspapers, magazines and television endeavor to understand society's

needs and expectations.

III. Performance on the Action Plans

1. Action Plans

- **Mission Statement**
In order to continue with our educational and research activities, a strengthening of our financial base is required. We will try to increase income by exploring opportunities in corporate training and securing donations, as well as by increasing the MBA program enrollment.
- **Educational Programs**
Continually improving our curriculum to fulfill our mission statement, while reflecting the views and values of our stakeholders.
- **Students**
We've hired a consulting company that specializes in web marketing so that our school will have more exposure on the internet. By re-designing our school's website, we plan to attract and enroll more students who better fit our admission policies. We will also hold several informational meetings to promote the school, and we will provide more personal service to individuals who attend the meetings. For FY2015, we had planned to enroll 44 students who were very suitable to our admission policies (for FY2014, our planned enrollment was 41, and actual enrollment was 19).
- **Faculty**
When hiring a new faculty member based on our curriculum changes, we consider factors like globalization and diversity that are vital to our educational and research goals and purposes.
- **Supporting Staff and Infrastructure**
Our early business plan contemplated a possible move of the school's campus to a less expensive location to decrease our rent expense, but as our finances have improved, we've adjusted our plan to move to a new location, at the current rent, that is more convenient to local transportation. In FY2015, we continued to improve our learning management system that was implemented during FY2014 in response to student and faculty needs. Also, the business games that were introduced as an in-person class during FY2014 in accordance with the Action Plan were transferred to an online course in FY2015.

2. Performance

➤ Mission Statement

FY2015 target enrollment for the MBA program was 49, and this was more than the projection (the projected enrollment: 44) (Chart 1). Both outsourcing from corporations and income increased (Charts 2 and 3). The donation amount was right at the targeted amount of 120 million yen (Chart 4).

<Chart 1> MBA Enrollment by Year

	FY2013		FY2014		FY2015		FY2016	
Target enrollment (for the year)	-		41		44		53	
Actual enrollment (for half of the year)	13	9	14	15	19	30	32	-
Actual enrollment (for the year)	22		29		49		(32)	
Average enrollment (for half of the year)	11		15		25		(32)	

<Chart 2> Outsourced Corporate Training (in thousand yen)

	FY2013	FY2014	FY2015		
Actual amount	22,320	21,840	85,340	+291%	Kaizen (increase)
Half-year average	11,160	10,920	42,670		

<Chart 3> Income by Year (in thousand yen)

	FY2013	FY2014	FY2015		
Actual	1,650	12,640	24,240	+91.8%	Kaizen (increase)
Monthly average	140	1,050	2,020		

<Chart 4> Targeted and Actual Donation Amounts (in million yen)

	FY2013	FY2014	FY2015	FY2016
Targeted	120	120	120	90
Actual	120	120	120	-

➤ Educational Programs

Our annual review of the current curriculum continued. The committee and faculty members had meetings with the alumni, students and corporate executives to discuss our Quality Improvement System.

In FY2015, we offered two new courses and discontinued one.

The new courses offered in FY2015:

- Leadership Advanced Course III
- Data Scientist Advanced Course

The course discontinued in FY2015:

- Business Failure Case Study

In addition, we have renewed the course "Introduction to Legal Affairs," and it will be offered with a new instructor.

We did not offer the course "Islamic Finance" in FY2015. However, we have met with potential instructors and have concluded that we might be able to expand this "Islamic Finance" course so that it covers more than just finance.

The curriculum review for FY2016 has been completed as planned. The following two new courses will be offered in FY2016:

- Technological Advancement (AI, Big Data, etc.)
- Seminar: Leading Successful Change

➤ Students

In order to better promote the school online, we have hired a new marketing consulting company that specializes in web marketing. The number of people accessing the school's homepage has increased and the average viewing period has become longer. The number of school information requests made through the website also increased.

<Chart 5> Effect of Homepage Change

	FY2013	FY2014	FY2015		
Number of information requests through website	39	186	218	+17.2%	Kaizen (increase)
School information meeting attendance	-	16	24	+50.0%	Kaizen (increase)
Real-time distribution of school information	-	87	34	△60.9%	Decrease
Page views	120,621	194,935	247,986	+27.2%	Kaizen (increase)
Bounce rate	68.2%	56.7%	55.6%	△1.9%	Kaizen (decrease)
Average session time	1 min. 27 sec.	2 min. 08 sec.	2 min. 25 sec.	+13.3%	Kaizen (increase)

➤ Faculty

When advertising for a new faculty member, we specified that we were searching for "a person who can conduct lectures in both English and Japanese," and 36 applicants responded. We also included the following comments in our job posting:

- Our school is an equal opportunity institution and does not discriminate based on sex. We encourage female researchers to apply for a position with us.
- Our school promotes globalization and encourages researchers other than Japanese nationals to apply for a position.
- Our school uses an e-learning format, and therefore, anyone who lives outside of Japan or not close to the school, or works from home raising children, can apply.
- Our school's mission is to train professionals who can be leaders in creating new businesses in the global society, and we welcome anyone who embraces new challenges and opportunities.

(Note) In May, 2016, we hired three full-time faculty members who speak both Japanese and English (two Japanese males, one Japanese female), two part-time instructors (one female from Germany, one male from Bangladesh).

➤ Supporting Staff and Infrastructure

We moved our school's campus to a new, more convenient location, which is just a three-minute walk from Tokyo Station, while keeping our rent expense the same. Regular monthly maintenance to the learning management system now takes place, and many improvements to prevent cheating by students have been made. Some of the ways we've attempted to curtail cheating and also make the overall learning experience include: better adding online discussion functions, making tests that have already been submitted available for viewing, making grading reports more concise and useful, shortening the period that tracks playing time and preventing multiple videos from being played at the same time. Also, the business games that were part of a pilot program have been moved from being an in-person class to online.

3. Self-Evaluation

➤ **Mission Statement**

Increase enrollment in the MBA program according to the Action Plan, and strengthen our finances by actively exploring corporate training opportunities.

➤ **Educational Programs**

The Committee and the Quality Improvement System have worked well in reviewing our educational programs.

The number of courses we offer is rather limited, reflecting our school's size. We are now, though, examining the possibility of expanding our curriculum, and are considering offering open online courses in English.

We are seeking to introduce an Advisory Board, composed of business executives, who will give us advice on our educational programs.

➤ **Students**

We were able to reach the enrollment goals that were targeted in the Action Plan. We believe this was largely due to web marketing, which was our focus. However, there are still unknowns in the web marketing area, and therefore, we will continue to monitor its effectiveness and progress. Also, we will attempt to revise and update the entire homepage in the next fiscal year.

➤ **Faculty**

We have been successful in hiring faculty members with educational and research experience and who speak both Japanese and English. Our faculty members come from diverse backgrounds and they all share a global outlook. This is a real advantage for the school's purpose of education and research. Although, as the number of MBA students increases, instructors will be expected to teach longer hours, and this might affect their ability to find enough time for research. In response to the increasing demand for our programs, we plan to consider increasing the number of full-time faculty members.

(Note) In May 2016, we hired three full-time instructors and two part-time instructors, while one instructor resigned.

➤ **Supporting Staff and Infrastructure**

We were able to keep our rent expense the same, even though we moved to a new location that is only a three-minute walk from Tokyo Station. This will help both students and faculty with their commuting. We conducted regular maintenance work to improve the learning management system, making it more convenient and improving its security. It is expected that the system will be even more convenient and secure, providing a better way of processing questionnaires, improving grading functions, sorting discussions more efficiently, and stopping videos from being replayed by multiple devices. Also, the school will be starting a three-year project beginning in the next fiscal year to improve the process of utilizing information relating to IT. This IT information advances every day, and we will put it to good use for our educational and research purposes. We had a trial run of offering business games online, but they are not yet ready to be taught as a class. This will be one of our challenges in the next fiscal year.

4. New issues to be improved

Globis University Graduate School of Management has started their online MBA program, while Business Breakthrough University Graduate School has started offering an entrepreneur course using an e-learning format. As competition increases, the e-learning MBA market is expected to grow. Many businesses are now interested in not just starting a new operation within their company, but also in branching out into the field of corporate venture capital. In this environment, we plan to revisit our curriculum and marketing strategies in order to attract and enroll students who are well suited to our school's admission policies.