

# **An Analysis of the 2002 U.S. News and World Report's Ratings - America's Best Colleges: Undergraduate Business Specialties**

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## **ABSTRACT**

*This paper provides an analysis of the U.S. News and World Report 2002 ratings of America's best colleges in the area of undergraduate business specialties. The U.S. News ranking procedures are described and then a detailed comparison of actual programs and courses is accomplished for the top-ranked schools. This study looked at the specific area of undergraduate business specialties: supply chain management/logistics. Based on analysis of data collected, it is likely that there are misperceptions in the U.S. News survey in the category of undergraduate business specialties.*

## **INTRODUCTION**

Modern business has focused increasingly on its supply chains to reduce cost and improve service levels. The literature is filled with case studies of enterprises that have significantly improved their market position by applying sound, innovative management techniques to this area that in the past was often just an afterthought to product development and marketing strategies. Intermodal shipping through the coastal ports and international air cargo are especially significant in today's global economy. Examples include the computer industry building and assembling computers with components from around the world, or the automobile production strategies that are effectively built on multi-national alliances. To accomplish logistics functions, some companies are increasingly focusing on their core competencies and utilizing third party firms to help improve their logistics performance. Thus, for many reasons, a need has developed for people trained in the specialty area of supply chain management/logistics.

Logistics and Supply Chain Management as a specialty area in undergraduate business programs have grown significantly during the past decade. Universities such as Michigan State, Pennsylvania State, Ohio State, and Tennessee, among others, have a fairly long history of programs in this area. Other schools, including Georgia Southern and Arkansas, have recognized the need and moved to fill that need by establishing new programs of study. As a result, this area of specialization has become significant enough for U.S. News to include it as a category for their annual ranking of American colleges and universities. For 2002, the U.S. News rankings listed the top sixteen schools in the area of Undergraduate business specialties: supply chain management/logistics. This study describes the ranking procedures and then compares the actual programs for the top-ranked schools.

## METHODOLOGY

Student researchers were directed to document all material they could find about Supply Chain Management and Logistics related undergraduate programs and courses at each of the sixteen top ranked colleges. They used university and school web sites, catalogs, and various search engines to answer the underlying questions: What undergraduate business programs and what specific courses exist in the specialty area of supply chain management and logistics at the sixteen top ranked colleges and universities? A senior faculty member then reviewed the findings to verify that the students did not miss any significant programs or courses. There was no attempt to use personal contacts or questionnaires to validate findings. This approach was adopted to try to replicate what any interested party could find from publicly available sources of information about these schools.

No claim is made that the data search completely and totally exhausted all information sources on programs at these sixteen schools. If we missed available information, then we solicit input from knowledgeable sources. However, we believe that if we did not uncover available information, then most other searchers would have missed the same things. At some schools, individual faculty web pages, course syllabi, etc., are not accessible without some status – student enrolled in the course, access to a school Intranet, etc. Therefore, we know there is additional information that could bear on this study, but it makes sense that some data will be missed if the goal is to know what students can find.

## THE U.S. NEWS RANKINGS

Table 1 provides the overall categories for which U. S. News and World Report provides rankings.

**Table 1: Overall U.S. News and World Report  
“America’s Best Colleges 2002” Ranking Categories**

National Universities – Doctoral Liberal Arts Colleges – Bachelor’s Universities – Master’s (Midwest, North, South, West) Comprehensive Colleges – Bachelor’s (Midwest, North, South, West) Best Values: Great schools at great prices; Student Indebtedness
<b>Best Undergraduate Business Programs</b>
Best Undergraduate Engineering Programs Unranked Specialty Schools

(Source: <http://www.usnews.com/usnews/edu/college/rankings/rankindex.htm>)

The U.S. News overall rankings of colleges and universities are based on indicators in seven categories: **academic reputation, retention of students, faculty resources, student selectivity, financial resources, alumni giving, and graduation rate performance** (the

difference between the proportion of students expected to graduate and those who actually do). Morse and Flanigan thoroughly describe these seven categories as they pertain to school ranking criteria (How we rank schools, USNEWS.com).

Looking deeper into the Best Undergraduate Business Programs category, the U.S. News breakout listed not only the top undergraduate business programs, but also listed specialties in the areas shown by Table 2.

**Table 2: U.S. News and World Report “America’s Best Colleges 2002”  
Specialties in Undergraduate Business Programs**

Top undergraduate business programs
Specialties:
Accounting
E-Commerce
Entrepreneurship
Finance
Insurance/Risk Management
International Business
Management
Management Information Systems
Marketing
Production/Operations management
Quantitative Analysis/Methods
<b>Supply Chain Management/Logistics</b>

(Source: <http://www.usnews.com/usnews/edu/college/rankings/rankbusiness.htm>)

In a short non-highlighted paragraph following the category breakouts, Morse and Flanigan point out that rankings of undergraduate business and engineering programs differ from all the others in one crucial respect – **they are based exclusively on reputational data** gathered from the programs’ deans and senior faculty members. In the case of business schools, there were 350 accredited undergraduate programs that were assessed, with a response rate of 48 percent for business schools. Therefore, the rankings for Undergraduate Business Specialties are based solely on the perceptions of deans and senior faculty members from 48 percent of the accredited business schools across the United States.

The U.S. News rankings for the top sixteen schools in the category Undergraduate business specialties: Supply Chain Management/Logistics are shown in Table 3. As might be expected, a large proportion of the schools with overall highly ranked undergraduate programs also received high rankings in the specialty area Supply Chain Management/Logistics. Of these sixteen schools listed in Table 3, fourteen were in the top sixteen in the overall rankings. The table shows each school’s overall ranking with an asterisk. Since the rankings are based on average scores, there are ties that result in several schools having the same ranking.

**Table 3: U.S. News and World Report top ranked schools in the category Undergraduate Business Specialties: Supply Chain Management/Logistics**

<b>Ranking</b>	<b>School</b>
1	Massachusetts Institute of Technology (Sloan) *2
2	Michigan State University (Broad) *16
3	Pennsylvania State University-University Park *16
4	Ohio State University-Columbus (Fisher) *16
	University of Maryland-College Park (Smith) *16
	University of Pennsylvania (Wharton) *1
7	University of Tennessee-Knoxville *49
8	Carnegie Mellon University (PA) *7
9	Arizona State University *26
10	Purdue University-West Lafayette (Krannert) (IN) *9
11	University of Michigan-Ann Arbor *2
12	University of Minnesota-Twin Cities (Carlson) *14
13	Indiana University-Bloomington (Kelley) *9
	University of California-Berkeley (Kelley) *9
15	University of North Carolina-Chapel Hill (Kenan-Flagler) *5
	University of Wisconsin-Madison *12
	* Overall ranking in Undergraduate Business Category

(Source: <http://www.usnews.com/usnews/edu/college/rankings/business/supp.htm>)

### **What the rankings are used for**

U.S. News (USNEWS.com) states that “We believe that it is possible to objectively compare schools on one key attribute: academic excellence.” Their stated purpose is to serve families who are attempting to identify colleges and universities that will best fit their needs as they decide which school to attend. There is no question that each of the sixteen “top-ranked” colleges and universities in this category are excellent schools overall. However, if a prospective student is attempting to determine which undergraduate business school provides the highest level of “academic excellence” in the Supply Chain Management/Logistics specialty area, is that what this ranking actually provides? Similarly, if a recruiter or prospective employer wants to interview candidates with an undergraduate business degree specializing in Supply Chain Management/Logistics, is this the best list to use?

The U.S. News rankings are widely used, obviously by the more highly ranked colleges and universities, in advertising and recruiting efforts. Even though administrative officials at various schools may understand the limitations of such rating procedures, it would be unreasonable to expect them to try to explain such limitations in their literature. As would be expected they simply report the ratings that show their school in a favorable light.

## An Analysis of the Actual Logistics and Supply Chain Management Programs at each Ranked School

Table 4 lists the actual programs at each of the schools ranked in the U.S. News top sixteen undergraduate business majors in Supply Chain Management/Logistics.

**Table 4. Undergraduate business programs and related majors at the U.S. News top ranked programs in the undergraduate business specialty: supply chain management/logistics**

School	Supply Chain Management and Logistics Programs	Related Undergraduate Majors
Massachusetts Inst. Of Technology (M.I.T)	Masters and Doctoral Information Technologies Operations Research Marketing Science Finance	<b>No Undergraduate Business Major Listed in the area of Logistics and Supply Chain Management</b>
Michigan State University	Marketing and Supply Chain Management	<b>Supply Chain Management</b>
Pennsylvania State University	Business Logistics	<b>Business Logistics</b>
Ohio State University	Transportation and Logistics	<b>Transportation and Logistics</b>
University of Maryland	Logistics and Transportation	<b>Logistics and Transportation</b>
University of Pennsylvania	Logistics and Transportation System	Marketing Operations and Information Management Technological Innovation <b>No Undergraduate Business Major Listed in the area of Logistics and Supply Chain Management</b>
University of Tennessee	Logistics and Transportation	<b>Marketing, Logistics and Transportation</b>
Carnegie Mellon University (PA)	Masters of Industrial Administration	Industrial Administration Manufacturing and Operation Systems Marketing <b>No Undergraduate Business Major Listed in the area of Logistics and Supply Chain Management</b>

Arizona State University	Supply Chain Management	<b>Supply Chain Management</b>
Purdue University	Operation Supply Chain Management	Management <b>No Undergraduate Business Major Listed in the area of Logistics and Supply Chain Management</b>
University of Michigan	Purchasing and Supply Management and Operations Management	<b>Purchasing and Supply Management</b>
Univ. of Minnesota	Department of Marketing and Logistics Management	General Management Marketing <b>No Undergraduate Business Major Listed in the area of Logistics and Supply Chain Management</b>
Indiana University		<b>No Undergraduate Business Major Listed in the area of Logistics and Supply Chain Management</b>
University of California		<b>No Undergraduate Business Major Listed in the area of Logistics and Supply Chain Management</b>
University of North Carolina	Bachelor of Science in Business Administration	<b>No Undergraduate Business Major Listed in the area of Logistics and Supply Chain Management</b>
University of Wisconsin	Supply Chain Management Specialization	<b>Supply Chain Management Specialization</b>

Under the assumption that this table, developed from each school's web pages and catalogs accurately reflects undergraduate business specialties, several points can be made. First, looking at these programs, it is easy to see that seven of the top sixteen do not have undergraduate majors in Supply Chain Management/Logistics. The top ranked program, MIT, has graduate programs with related course work, but as far as can be determined from catalogs and MIT web pages, there is no undergraduate business degree in Supply Chain Management/Logistics. Similarly, six other schools ranked in the top sixteen do not have Supply Chain Management/Logistics related majors. Thus, a prospective student interested in the field of logistics or supply chain management cannot find a major in this area at seven of the top sixteen ranked schools.

The U.S. News rankings specified that these were the top sixteen ranked programs in the category Undergraduate Business Specialties: Supply Chain Management/Logistics. Since it is entirely reasonable that a "specialty" can exist without a dedicated major in a specific area, the next logical question for a prospective student or employer is: what undergraduate course work is available at the top ranked schools in this specialty area?

### **Logistics and Supply Chain Management Courses at each Ranked School**

Table 5 shows all the Logistics and Supply Chain Management courses that could be identified for each of the U.S. News top ranked Supply Chain Management/Logistics Undergraduate programs. This table does not list core business, economics, marketing, or other courses where Logistics/Supply Chain Management or related topics might be touched on; the table only shows courses that are identifiable to a prospective student as being directly involved with the specialty area of Supply Chain Management/Logistics.

**Table 5: Undergraduate logistics and supply chain management courses at the U.S. News top ranked programs in the undergraduate business specialty: supply chain management/logistics**

School	Supply Chain Management/Logistics Courses
Massachusetts Inst. Of Technology (M.I.T)	<b>No undergraduate courses identified</b> “Sloan undergraduates take most of the management classes at the graduate level, alongside MBA and Doctoral students. This arrangement provides an excellent opportunity for the undergraduates to learn from studies from students with previous experiences.”
Michigan State University	<b>Supply Chain Management Major</b> Procurement and Supply Chain Management Manufacturing Planning and Control Logistics and Transportation Management Supply Chain Application and Policy (Tier II)
Pennsylvania State University	<b>Business Logistics Core</b> Supply Chain Management Transport Systems Logistics Analysis Management of Logistics Supply Chains
Ohio State University	<b>Required Major Courses</b> Introduction to Logistics Principles of Transportation Analysis and Design of Logistics Systems selected topics in geog and econ of trans
University of Maryland	<b>Major Requirements:</b> Introduction to Transportation Management Introduction to Logistics Management Applied Computer Models in Logistics and Transportation Mgt.
University of Pennsylvania	<b>No undergraduate courses identified</b>
University of Tennessee	<b>Major Courses</b> Introduction to Logistics Introduction to Transportation Special topics in Logistics and Transportation Logistics and Transportation Analytical Methods Global Logistics and Transportation Logistics Information Infrastructure Strategy and Design Seminar in Logistics and Transportation Strategy Independent Study Honors: Executive-in-Residence in Transportation and Logistics

Carnegie Mellon University	<b>No undergraduate courses identified</b> Accelerated masters program, where students can earn BA and Masters at the same time
Arizona State University	<b>Major courses</b> Logistics Management Supply Management Materials Management Productivity and Quality Management Research and Negotiation Supply Chain Strategy
Purdue University	<b>No undergraduate courses identified</b>
University of Michigan	<b>Courses</b> Production/Operations Management Logistics Operations Inventory and Materials Management Logistics Strategy Supply Chain Management
Univ. of Minnesota	<b>Courses</b> Advanced Logistics & Supply Chain Management Marketing and Distribution Channels
Indiana University	<b>No undergraduate courses identified</b>
University of California	<b>No undergraduate courses identified</b>
University of North Carolina	<b>No undergraduate courses identified</b>
University of Wisconsin	<b>Courses</b> Economics of Transportation Marketing Channels Service Operation Management Facilities Location Models Transportation and Business Logistics Production Planning and Control Logistics Strategies

As can be seen from Table 5, seven of the sixteen top-ranked programs have no identifiable logistics or supply chain management courses in their undergraduate business programs. Since this study only looked at available web pages and catalog information, it is possible that existing courses of study at these seven schools do in fact address logistics and supply chain management. If the involved institutions have such programs in place, then the information about them is not readily available. This study involved two students searching diligently through web sites and catalogs looking for any and all references to these topical areas. It is also possible that an undergraduate student at a school like MIT or the University of North Carolina, for example, could work out a bachelor's degree in business that involved taking some graduate course work in supply chain management and logistics. Another possibility is for combined honors type programs where students are simultaneously awarded bachelors and masters degrees. In addition, another possible scenario is that Logistics and Supply Chain Management topics are spread across other courses in the curriculum. For example, a Principles of Marketing course might devote significant time to topics such as distribution channels, inventory policy, or transportation methodology.

As stated earlier, the only U.S. News ranking criteria for undergraduate business and engineering schools is reputational data from involved deans and senior faculty members. Thus, it seems conceivable that the overall reputation of an institution could significantly influence perceptions even if a specific specialty area might not be a major focus at the school in question. For example, a school of business dean could have the attitude that if MIT does have a Supply Chain Management/Logistics program, then it has to be a good one, and thereby gives them a high rank. In an area like Supply Chain Management/Logistics, it is also possible that there might be a wide variety of interpretations about the meaning of the area itself and the reputations of various schools in the area. Further research will focus on a survey of participants to better define their rationale in determining the top-ranked schools.

## CONCLUSION

Although U.S. News and World Report indicated high rankings in Logistics/Supply Chain Management for the top sixteen schools, the lack of supporting evidence that such a specialization even exists in several cases casts doubt on the validity of these rankings. Certainly, the U.S. News objective of comparing the key attribute of academic excellence at U.S. Colleges and Universities is a worthy goal. Certainly, the sixteen schools in this specific category exhibit academic excellence in many different ways. Based on our findings, however, it is likely that not all of these sixteen schools may truly excel in the specific area of Undergraduate Business Specialties: Supply Chain Management/Logistics.

## ABOUT THE AUTHOR

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