A MISLEADING MARCH TO THE TOP

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By MIKE HENDRICKS and MARK ROSE WILLIAMS | The Kansas City Star

A 2017 study of innovation management research in leading business schools by the University of Minnesota’s Michigan Business School found that UMKC was ranked No. 6 in the country. But the study was heavily criticized for its methodology, and UMKC was later dropped from the rankings.

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For years, UMKC’s Bloch School struggled for dollars and recognition as it sought to join the nation’s elite business schools. That all changed in 2011 when UMKC vaulted above Harvard, MIT and Stanford in rankings for innovation management research, on the heels of Henry Bloch’s $32 million gift to the school for a state-of-the-art facility. But behind UMKC’s rise to No. 1, a trail of exaggerations, misstatements, selective science and nondisclosures raises questions about the validity of the rankings.

After decades of struggling to boost its profile beyond that of a commuter college, the University of Missouri-Kansas City finally could call itself a global leader.

“UMKC ranked No. 1 in the World,” a 2011 university news release said.

An academic study had ranked UMKC’s business school ahead of Harvard, Stanford and other top colleges in innovation management research - the study of how entrepreneurs turn good ideas into big bucks and jobs.

“Oh my, have we made a big score,” Chancellor Leo
Morton told a crowd at the formal announcement.

But a Kansas City Star investigation raises questions about that score and other rankings achieved by UMKC’s Henry W. Bloch School of Management. The Star found a pattern of exaggerations and misstatements that polished the school’s reputation as it sought to boost enrollment and open donors’ checkbooks.

At the newspaper’s request, independent experts analyzed the No. 1-in-the-world study, which was published in the Journal of Product Innovation Management. One concern the experts cited: a previously undisclosed relationship between the university and the study’s Chinese authors.

In addition, the experts said, it appears the study may have been structured in such a way to ensure that the Bloch School received the top ranking.

At the time the paper was written, the two authors were working on the UMKC campus as visiting scholars at the Bloch School. Their yearlong visit was at the invitation of then-dean Teng-Kee Tan and professor Michael Song.

The two women had come from the same Chinese university where Song had been a part-time professor the previous four years. At UMKC, the three shared the same office number. And, The Star has learned, the authors consulted with Song about the paper before its publication.

Both UMKC and officials at the Journal of Product Innovation Management, or JPIM, say those relationships do not negate the study’s findings.

But the undisclosed relationship and the study’s unorthodox methodology raised red flags for several experts. At a school named for Henry W. Bloch, an entrepreneur whose motto is “no shortcuts,” the revelations sting, some students and faculty members say.

“They named themselves the No. 1 in innovation technology,” said former Ph.D. candidate Xian Cao, “but I don’t really believe it.”

A professor who feared that speaking out would harm his career said he and his colleagues were skeptical even as the study’s results were announced.

“We all knew that this was bullshit,” he said. “We knew that UMKC was not better than MIT and Stanford.”

Another professor, Richard Arend, demanded an investigation. Despite assurances to the contrary from UMKC and the journal’s editors, he remains convinced that the study was contrived, with help from people within the university, to deliver UMKC its top standing.

“Science is about investigating strange outcomes,” Arend told The Star. “For example, when UMKC is ranked above more-established, better-funded, private institutions like Stanford, MIT and Harvard in an area of knowledge that they are world renowned for, there are questions.”

In a written statement, UMKC called Arend’s suspicions groundless and dismissed him as “a disgruntled Bloch School faculty member whom Michael Song declined to recommend for promotion.”

But he was not alone. Former Bloch School assistant professor H. Dennis Park, now at Drexel University in Philadelphia, said he left UMKC in part because of what he thought were inflated rankings.

“I was a little concerned. ‘What if these things got out?’ “ he said. “It is sort of like these people who were working for Enron before the disaster happened.”

At The Star’s request, the editors of two academic journals analyzed the JPIM study, as did
the co-founder of a website that highlights flaws in academic research. Like Arend, all either questioned the JPIM study’s validity or cited potential shortcomings in the methodology and data collection.

“I just think this paper is fatally flawed,” said Ivan Oransky, co-founder of RetractionWatch.com. Oransky was among dozens of people inside and outside UMKC interviewed for this story. The Star also reviewed thousands of pages of internal UMKC documents obtained through an open-records request, as well as information from other sources.

From those interviews and records, reporters found a number of other embellishments that boosted the Bloch School’s reputation in recent years. Among them were inaccuracies and mischaracterizations of fact in the data the university supplied to the Princeton Review, which has awarded UMKC’s entrepreneurship program high rankings in four of the past five years.

UMKC denies it “engaged in ‘a pattern of exaggerations’ or took ‘short cuts’ on a path to achieving national and global recognition and rankings.”

Tan stepped down as dean last year for health reasons and sent word that he was unable to re-
spond to requests for comment.

Song denied that he inflated the accomplishments of the entrepreneurship program he founded at UMKC. He dismissed as “nonsense” allegations that the JPIM paper was rigged to deliver UMKC the top world ranking, and he said he couldn’t recall what if any role he had in its publication.

“Did I see a version of their paper? I don’t really remember,” he said.

Perhaps the only person to whom the Bloch School rankings were more important than Tan and Song was Henry Bloch himself. The co-founder of the H&R Block tax preparation firm had long pushed for recognition for a school he considered one of his legacies to Kansas City.

In 2011, he finally made a donation that UMKC had long sought to add a building at the growing Bloch School.

The $32 million gift, which came a few months before the No. 1 ranking, was the largest in UMKC history. And it was one, Bloch told The Star, that he doubts he would have made absent the other rankings that were coming the school’s way.

‘A VIRTUOUS CYCLE’

The Bloch School had few rankings to brag about before Tan left Nanyang Technological University in Singapore for UMKC in 2009.


UMKC wanted Tan to change that.

On top of his base salary of $410,000 - more than Morton was being paid to run the entire university - Tan was promised an annual bonus of up to $50,000 if he could boost the school’s profile, enlist community support and raise money.

Tan understood rankings’ role in reaching all three goals.

“Top ranking results,” Tan wrote a friend several months ago, “is the trigger of a virtuous cycle for building brand equity and excellence and sustainable resources for today’s business schools.”

Without top rankings, the Bloch School had struggled for years to raise money to hire new faculty and add degree programs.

One example: the failure to match a $12.5 million challenge grant that the Kauffman Foundation pledged in the mid-2000s toward development of the Bloch School’s then-fledgling entrepreneurship education program.

“If it is matched, it will give the Bloch School a tremendous lift,” a report by the Greater Kansas City Community Foundation said before the September 2007 deadline.

“On the other hand, failure to match will be seen as a significant failure of leadership by the university, the Bloch School and the philanthropic community.”

Failure came, and UMKC left roughly half of the Kauffman money on the table.

The next year, when the university sought replacements for both the chancellor and the dean of the business school, fundraising ability was high on the lists of job requirements.

The Bloch School needed someone who could get the business and philanthropic community excited, and Tan promised to do just that.

“I faced the search committee,” Tan told a reporter soon after moving into the wood-paneled dean’s suite at Oxford Hall. “I said, ‘My job is to make your dreams come true.’ “

Tan began to make that happen by expanding the executive education certificate program,
which provides training for employees of area companies. He established ties with overseas universities, especially in China, as a way to attract foreign students.

And he set an ambitious goal to double Bloch School enrollment within five years.

It wouldn’t be easy, but that’s where top rankings can be helpful, said John Byrne, who in 1988 developed the first regular business school rankings system while at BusinessWeek.

“It’s the No. 1 criteria an applicant uses to choose a business school,” said Byrne, who runs the graduate business education website Poets & Quants.

But not all rankings carry the same weight. Those handed out by U.S. News and Bloomberg/Businessweek, for example, are held in higher regard than those awarded by the Princeton Review, known for its “Top 20 Party Schools.”

Criticism of the Princeton Review, which has no association with Princeton University, stems from the company’s refusal to disclose its methodology.

“We don’t know the weight of any of the 40 data points,” Byrne said. That’s why he thinks the rankings are “dramatically flawed.”

Still, Tan was thrilled in 2009 when the Bloch School entered the list at No. 25 for its entrepreneurship program.

“It will lift the entire standard of the business school as a whole,” he said, “and attract nationally the top student candidates. They will come here, start ventures and take root here in Kansas City.”

‘WE WANTED A BUILDER’

Song came to UMKC in 2004 with the understanding that he would build a “nationally pre-eminent” entrepreneurship program for the Bloch School, based in part on his reputation as a top academic.

“Michael had the most impressive research portfolio,” said Lee Bolman, the interim dean at the time. “He had been a very productive scholar and, second, he exudes energy and enthusiasm. Michael is an entrepreneur himself. He’s a builder, and we wanted a builder.”

By the time Tan arrived, Song was well on his way to shaping the program that he and his employers had envisioned, the Institute for Entrepreneurship and Innovation.

His sales pitch to potential donors emphasized how Kansas City’s economy would benefit from an institute that did cutting-edge research and provided hands-on training to budding entrepreneurs.

“We cannot make UMKC into Stanford,” Song said. But by focusing on a single niche, training entrepreneurs how to succeed, the Bloch School could distinguish itself, he said.

Tan embraced that vision, and together the two would go on to aggressively promote the institute, known as IEL.

That initial top 25 Princeton Review ranking wasn’t treated merely as welcome recognition for the Bloch School. Tan called it a signature event for UMKC as a whole.

“My goal is to put Bloch on the map by making us known for what we do best,” he said. “Rising waters lift all boats, and along that journey, we bring up the standards of everything we do at Bloch.”

It was slow going at first. In 2010, the Bloch School fell off the Princeton Review list.
On occasion, embellishment was a stand-in for accomplishment. In a 2010 video uploaded to YouTube, Song claimed the Bloch School had won accolades from The New York Times.

“We have been featured in The New York Times as one of the two national best models for entrepreneurial education,” Song said in that video greeting to guests at a university event.

In fact, that 2005 article in The Times made no such endorsement. Rather, the one-sentence mention said the Bloch School had “a strong emphasis on entrepreneurship” and was “adding a program in January in which student teams create and run their own companies for six months.”

Questioned about it recently, Song acknowledged the “error,” attributing it to “a poor choice of words.”

In its formal response, UMKC said the IEI “as an entity has never made a claim of endorsement by The New York Times.”

But Song was not alone. Morton repeated the claim, documents show, as did the IEI in its suc-
cessful 2012 application for an award from the U.S. Association for Small Business and Entrepreneurship.

Even today, The New York Times logo appears at the bottom of the institute’s home page, alongside logos for awards and rankings the IEI has received.

THE JPIM PAPER

Although rankings were hard to come by in 2010, the next year saw two major announcements.

The first was September’s pairing of Henry Bloch’s $32 million gift for a new building with news that not only was the graduate entrepreneurship program back on Princeton Review’s top 25 list, but that the undergraduate program had made it too.

Then in December came the announcement of the school’s top global ranking.

With an advance copy of the journal study in hand, UMKC administrators had spent weeks that fall planning what they called the “Big Bang Event.”

“The ranking,” said an internal university memo, “will have a significant impact on the reputation of UMKC as a global research university ... as well as Kansas City as it positions itself as the ‘entrepreneurial capital of the world.’ “

It was Tan who alerted UMKC officials to the ranking months before its publication and pushed for the splashy announcement to a crowd of 300 business leaders and other potential donors.

Yet when Tan recited the biographies of the study’s authors at the event, he gave no clue that they had spent the previous year at UMKC as visiting scholars.

Nor did the journal article mention those ties. But The Star has learned that the women, PianPian Yang and Lei Tao, arrived at Song’s invitation and that Tan had signed off on visa request forms for them, according to the university system’s assistant custodian of records.

Yang was a Ph.D. candidate and Tao an assistant professor at the Management School of Xi’an Jiaotong University. Song had been a specially appointed professor there from 2006 to 2010 while working full time at UMKC.

Yang’s resume says she was at UMKC from August 2010 to August 2011. At UMKC, she and Tao shared the same office number as Song, and he described himself as “their professor.”

Because the authors did not respond to requests for comment, it’s unclear why they chose to write the academic paper that ranked UMKC No. 1 on a list of the “world’s top innovation management universities” and Song as the globe’s most prolific researcher.

But the paper’s aim, its introduction stated, was to “extend” a 2007 JPIM rankings article by Jeffrey Thieme.

Thieme’s work ranked the top scholars in innovation management. Yang and Tao did that, but they also ranked the top universities where those scholars worked.

Unbeknown to readers of JPIM, there was a common thread between the two studies beyond the fact that both found Song to be the No. 1
researcher.

Song also played a role in each.

It was Song, Thieme said, who suggested he write that first paper for Anthony DiBenedetto, then JPIM's editor. DiBenedetto also was a friend of Song and collaborator on two dozen papers.

“Michael did say something about it and said that Tony (DiBenedetto) would probably be interested in it,” said Thieme, one of Song’s former doctoral students and now a professor at the University of Memphis. “So I started looking into it and thought, ‘Yeah, there might be something there.’

Thieme counted the number of articles Song and other scholars published in 14 academic journals over a 15-year period. He chose those 14, he said, because they had been identified in previous studies as the top-ranked journals in the fields of marketing, management and technology innovation management.

The 15-year period he surveyed mirrored the years Song had been publishing papers at the time.

Thieme acknowledged that “counting articles” like his are subjective by nature because the author chooses the journals to survey and the time frame to measure.

“But I didn’t put any subjectivity in mine,” Thieme said, adding that Song clearly deserved the top ranking.

“All I did was lay it out. How the chips fell, that’s how they fell.”

Like Thieme, the two Chinese scholars also ranked innovation management scholars based on how many articles they had published in certain journals.

Except when they did it, five years later, the journal mix was different. They counted articles in 10 journals rather than Thieme’s 14. And instead of 15 years, the time period was 20 years - again mirroring Song’s years of writing journal articles.

The result was clearly beneficial to UMKC and its faculty.

In addition to Song retaining his No. 1 status with 53 articles in those 10 journals, his UMKC colleague and mentor, Mark Parry, rose from 13th place to fourth with 18 papers. Song’s ex-wife and UMKC colleague, Lisa Zhao, who hadn’t made the earlier list, was now ranked 50th.

Meanwhile, some of their peers at other universities saw their rankings drop. Fewer of their articles were counted because of the change in journals selected.

One ex-
ample: Elko Kleinschmidt, professor emeritus at McMaster University in Ontario, dropped from fifth place to 19th. Thieme's study credited him with 17 articles during a 15-year period; Yang and Tao's study credited him with only nine in 20 years.

“I can only think that the inclusion of these (other) journals would have given a somewhat changed top listing,” said Kleinschmidt, who claimed it was “misleading” for Yang and Tao to say the journals they selected were similar to the ones used in the 2007 article.

But for those who would later raise questions about the study, the university rankings were oddest of all.

Traditionally, universities are ranked using a method created by the University of Texas-Dallas to rank the research output at top U.S. business schools. Yang and Tao acknowledged that in their paper.

That method credits scholars' papers to the universities where they worked at the time the papers were published. The thinking is that approach better reflects the school's research climate over the long term.

But Yang and Tao chose instead to award credit for all of an author's papers, no matter where they were written, to the university where the researcher was working at the time the Tao-Yang study was submitted for publication.

They wrote that it was “more appropriate” to rank universities that way and cited a single journal article to support that argument.

In fact, the article they referenced said the method they had chosen tends to distort rankings.

“Some institutions,” wrote Michael Jay Polonsky, a marketing professor at Deakin University in Australia, “have ‘bought’ high profile academics (sometimes even for short periods) through paying high salaries to work for the institution and raise its ranking.”

Between the journal selection and the counting method Yang and Tao used, UMKC came out on top, followed by MIT and Michigan State University.

How would UMKC have done if the study had used the traditional counting method - assigning credit for researchers' work to the institution where they were employed at the time their papers were published?

Readers were left to guess. But in an email sent to Arend and obtained by The Star, Yang acknowledged that UMKC wouldn't have made the top 10.

“However, as space is limited,” Yang wrote, “we cut these pages from this research.”

THE BENEFACCTOR

Henry Bloch didn’t know how the Bloch School's rankings were achieved, who had written the JPIM paper or the other details behind it.

But he was happy that his business school was finally No. 1 in at least one niche.

Bloch had once hired a New York public relations man to get top rankings for the school, but he got nothing for the $50,000 fee.

“The end of the year he said, 'We are resigning the account. We can’t do it,' “ Bloch told The Star. “It is more difficult to get rankings than he thought it was.

“You just can’t buy ’em, you have to earn them.”

That rang true with Bloch, who with his brother Richard turned H&R Block into a global phenomenon in the last half of the 20th century.

They took no shortcuts, but as Henry Bloch neared his 90th birthday, he was growing impa-
tient at how long it was taking the school that bore his name to gain national prominence.

Since the initial endowment in the mid-1980s, he'd given the Bloch School millions. He was willing to keep writing checks, but he wanted progress in the rankings as proof that he was making a wise investment.

“He wanted accountability, which any donor would want,” said Guy Bailey, former UMKC chancellor.


To the school’s students, Tan held up Bloch as someone to model themselves after, producing a one-hour documentary film tribute titled “No Shortcuts: The Entrepreneurial Life of Henry Bloch.”

“I am forever grateful to your dad, your self and your family's generosity and support for the Bloch School,” Tan wrote to Tom Bloch the week before the $32 million gift was announced. “I know we are attracting higher quality students to come study at the Bloch School each year as our ranking continues to excel.”

Henry Bloch told The Star that he had repeatedly turned down university officials' pleas to pay for a new building at the business school. He said no even after officials talked about how enrollment was growing and UMKC needed
more space.

Eventually it was that argument that convinced him. But without rankings, he told The Star, he doubts he would have given UMKC the millions for the new Bloch School building that opened last fall.

“No, I don’t think I would have,” Bloch said.

THE SKEPTICS

Soon after the Big Bang celebration in December 2011, Arend began acting on his hunch that the No. 1 ranking was fabricated.

Arend, a professor of strategy and entrepreneurship, had grown suspicious of Song’s approach to rankings. He’d sat in meetings where Song suggested ways to boost the school’s Princeton Review rankings that Arend thought stretched the truth.

After dissecting the JPIM paper and finding what he thought were irregularities with the journal selections and counting methods, Arend began sending a torrent of emails to the paper’s authors, the journal’s editors, its publisher and outside experts. He peppered them with questions and turned up what he thought was some damning information.

From DiBenedetto, who edited both ranking papers, he learned that the Chinese scholars didn’t disclose their affiliation with UMKC when they submitted their paper for publication.

According to emails obtained by The Star, DiBenedetto didn’t see that as a problem, as long as the methodology used was objective, and he said he assumed it was.

As it turned out, DiBenedetto also came out well in the study. He ranked No. 6 worldwide and his university, Temple, was 11th.

The skepticism continued. From Yang, Arend learned in an email dated May 6, 2012, that DiBenedetto wasn’t the only one who reviewed the paper before its publication. Song had too.

But the bigger revelation from his correspondence with Yang, Arend thought, was her admission that UMKC wouldn’t have made the top 10 had the standard counting method been used.

As Arend pressed for answers, Yang pleaded with Song to intervene.

In a June 27, 2012, email to Morton, Tan and others, Song quoted Yang:

“I have received some very strange communications from your faculty, Richard Arend. At the beginning, I thought that he was interested in learning from our article. ... However, he has escalated recently in harassing me with a lot of accusation which caused me significant stress in my life.”
Song told them that he, too, was concerned about Arend’s persistence.

“As you will see from the email exchanges,” Song wrote, “Dr. Arend’s actions have important ramifications, and could result in potential damage to the Bloch School, UMKC, and Kansas City communities.”

Specifically, Song said, Arend was out to damage “my reputation and that of UMKC as the world’s top innovation management university.”

That more or less is UMKC’s official stance when it comes to Arend, who has tenure and, therefore, a good deal of job protection.

“This person has been ‘shopping’ his complaints broadly for years within the academic realm,” according to a statement from the university, “and has been rebuffed at every turn.”

Contrary to UMKC’s assertions that his campaign grew out of a grudge against Song for fighting his promotion, Arend said he started complaining about the ranking before he was up for a full professorship.

**NOT EMBARRASSED**

To evaluate his concerns, The Star sought out independent experts, made them aware of the key circumstances behind the paper’s publication and asked for their analysis.

Two editors of academic business journals and Oransky, the co-founder and curator of RetractionWatch.com, reviewed the paper.

All agreed that the choice of journals used to count articles and the ranking method were curious. All commented critically on the co-authors’ undisclosed affiliation with Song and UMKC.

“If it indeed produces different results,” said Ray Bagby, editor of the journal Entrepreneurship Theory and Practice, then that “is suspicious.”

Oransky, Bagby and Ben Martin, the editor of the journal Research Policy, said the appearance of a potential conflict of interest should have at least been disclosed so that readers could judge for themselves whether the paper was biased.

“A good test in such cases,” Martin said, “is, would the authors now feel embarrassed if the previously undeclared interest were made public?”

UMKC says it is not embarrassed. Disclosure policies vary widely from one journal to the next, said university spokesman John Martellaro. What’s most important, he said, is that the data can stand on its own when scrutinized by fellow scholars.

“The universal standard is still blind review,” Martellaro said. “The editors and peer reviewers do not know the identity of the authors when they review the work, in order to keep personalities, relationships, etc., from influencing their conclusions.”

The paper ranking UMKC No. 1 was not peer reviewed ahead of publication.

However, JPIM’s publisher did assemble what it called an “independent peer review board” after questions about the article arose.

That board was untroubled by the authors’ undisclosed affiliation with the university. All three of its unnamed members said the paper could have been improved, but they would have published it.

Further, all agreed that the data collected involved a certain amount of subjectivity. But as one reviewer said, that’s always the case with rankings articles “and therefore they will always be subject to criticism.”

The potential for manipulating results is why several journal editors contacted by The Star said they refuse to publish rankings papers.

“Our journal is not involved in that and will
not get involved in that,” said Richard Bettis, a co-editor at Strategic Management Journal.

Others say the culture of self promotion within academia has colleges always on the lookout for rankings and studies that put them in the best light. Sometimes they stretch the limits.

“People come up with new and different ways to ‘count’ publications and their own schools often come out quite well,” said Angelo DeNisi, former editor of the Academy of Management Journal.

The methods and relationships that allowed UMKC to come out well in the JPIM article do not trouble Dave Donnelly, who succeeded Tan as dean.

“That is what everybody does,” he said.

These days he is talking less about entrepreneurship and innovation and more about the Bloch School’s other business disciplines.

“The JPIM ranking has put us as the top program in innovation, but after a few years you’ve got to move on,” Donnelly said. “That is why we talk now about finance, executive education, and we continue to talk about the new things we are doing.”

After hearing The Star’s findings last week, Henry Bloch said in a written statement that the school’s leadership “continues to have my full confidence and support.”

He also wrote that he had invested in the school because of its growing enrollment and “across-the-board great performance.”

As for the two men who came to UMKC with a mission to raise the entrepreneurial profile of the Bloch School, neither holds an administrative post today.

As soon as Donnelly’s status changed from acting to permanent dean in March, he said, he told Song that he would need to step away from his position as director of IEI.

Between some family health issues and his consulting work, Song no longer had the time Donnelly thought was needed to run the institute.

Now, after Song pulls into his reserved space outside the new Bloch Executive Hall for Entrepreneurship and Innovation, where he once commanded a spacious office, he treks to a small one next door in Oxford Hall. This fall, he’s scheduled to teach two classes.

As for Tan, he remains a member of the faculty. But because of his health concerns, it’s unclear whether he will teach at the Bloch School again.

Under Tan, Bloch School enrollment did not double, but it did go up 25 percent to 1,925 undergraduate and graduate students. Since his arrival, the school has amassed $48 million in gifts, pledges and planned donations.

For his achievements, a plaque in the atrium of the Bloch School’s new building bears his name.

On his watch, it reads, the school accomplished many things. Among them, “international recognition.”

To reach Mike Hendricks, call 816-234-4738 or send email to mhendricks@kcstar.com.

To reach Mará Rose Williams, call 816-234-4419 or send email to mdwilliams@kcstar.com.
A deceptive jobs claim keeps cropping up at Bloch School

By MIKE HENDRICKS and MARÁ ROSE WILLIAMS

Despite acknowledging an error, UMKC has presented the number in a grant application and speeches.

One of the hammers in the Bloch School’s promotional toolbox is a three-digit number: 512.

That is supposedly the number of jobs each entrepreneur “was expected to create” on average “in his or her lifetime.” University of Missouri-Kansas City officials have repeatedly used that figure to emphasize the importance of the Bloch School’s entrepreneurship program while seeking recognition and support from donors.

For every 100 budding entrepreneurs trained at Bloch, then-dean Teng-Kee Tan once told a national audience, the result is a “lifetime output of 51,200 jobs created by each graduating class.”

Problem is, the number is somewhere between misleading and bogus.

It first appeared in a 2009 journal article that Michael Song co-authored with fellow faculty members Mark Parry and Lisa Zhao, who was married to Song at the time, and based on a survey of 11,259 U.S. entrepreneurs.

However, Song recently acknowledged in an interview that his study did not conclude 512 was the

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The average number of jobs each entrepreneur was expected to create in his or her lifetime.

It was the average number that the entrepreneurs surveyed said they expected to create in their lifetimes.

At the time of the survey, respondents had actually created 75 jobs, on average, according to figures that Song supplied at The Star’s request. The median number of jobs created was just nine.

In Song’s defense, UMKC pointed out that English is his second language and that he might not have grasped the distinction. Parry, however, is a native speaker but, through an attorney, declined comment. Zhao did not respond to a request for comment.

In fact, there is no credible number for how many jobs the average entrepreneur will create in a lifetime, said Robert Litan, an economist formerly of the Kauffman Foundation and Brookings Institution.

“Because (there’s) such a huge dispersion of successful entrepreneurs - from Gates, Jobs, with tens of thousands, to locally successful entrepreneurs with 20-30,” he said.

Even so, the 512 jobs claim continues to turn up. It recently appeared in an application for a $2.5 million grant from the Kauffman Foundation and the appendix of the Bloch School’s application that won UMKC the 2014 model undergraduate program award from the U.S. Association for Small Business and Entrepreneurship.
**BLOCH SCHOOL TIMELINE**

**2004:** Michael Song hired as professor.  
**2005:** Institute for Entrepreneurship and Innovation (IEI) opens.  
**2007:** Study in the Journal of Product Innovation Management (JPIM) ranks Song as the world’s No. 1 innovation management scholar.  
**2009:** Teng-Kee Tan becomes dean.  
Princeton Review ranks Bloch’s graduate program in entrepreneurship 25th in nation.  
**2010:** School’s name changed to Henry W. Bloch School of Management.  
**2011:** Princeton Review ranks undergraduate and graduate entrepreneurship programs 14th and 21st, respectively.  
Henry Bloch donates $32 million for new building.  
JPIM article tags Bloch School as No. 1 in innovation management research.  
**2012:** Princeton Review ranks undergraduate and graduate entrepreneurship programs 12th and 19th.  
MBA entrepreneurship program honored by U.S. Association for Small Business and Entrepreneurship (USASBE).  
**2013:** IEI is renamed the Regnier Institute for Entrepreneurship and Innovation.  
**2013:** Bloch Executive Hall dedicated.  
Princeton Review ranks undergraduate and graduate entrepreneurship programs 11th and 20th.  
Tan steps aside as dean because of health concerns.  
**2014:** USASBE says Bloch’s entrepreneur program is national model.  
David Donnelly named as dean, replacing Tan.  
Song resigns as head of IEI, remains professor.
UMKC used statistics from participants in one program instead of from all grads to answer certain queries.

The Princeton Review provided the first prized rankings for the Bloch School program that Michael Song built.

But a Kansas City Star examination of applications to the Princeton Review submitted by the Regnier Institute for Entrepreneurship and Innovation revealed several exaggerations.

Worksheets used to prepare those applications show how the rationale for answering some questions shifted between 2009, when only the graduate program was ranked, and 2011-2013, when both the graduate and undergraduate programs rose in the rankings.

When asked in the 2009 survey what portion of the most recent class of “formally enrolled graduate entrepreneurship students” had gone on to launch a business after graduation, the University of Missouri-Kansas City’s answer was 27.8 percent.

That was based on a survey of all MBA graduates, the worksheet said.

Fast forward to the 2012 survey, and UMKC said 100 percent of its graduate entrepreneurship students had launched a business after graduation.
But unlike in the 2009 survey, MBA grads weren't a factor in UMKC's 2012 answer. Instead, the worksheet obtained by The Star through an open-records request shows the answer was based entirely on participants in a one-year certificate program called Entrepreneurship Scholars, or E-Scholars. To complete the program and receive a certificate, a participant had to start a business.

Hence, 100 percent.

E-Scholars don't have to be registered at UMKC to participate, yet they were counted as “formally enrolled graduate entrepreneurship students.”

Similarly, information pertaining to E-Scholars classes was used to answer at least two other questions regarding MBA students.

Also, the number of clubs and mentors appears to have been inflated. In 2009, UMKC told the Princeton Review it had four clubs open specifically to entrepreneurship students.

By 2011, the number reported had grown to 28. UMKC officials said that was based on Song's evolving definition of what constituted a club. But others at the university say some of the clubs existed in name only on the IEI website.

“That was a huge problem, misrepresenting,” said a Ph.D. student who said he was asked to help create the clubs. He asked not to be identified for fear of retribution. “We were told to post the clubs online - just post clubs and descriptions. So the website had a large number of clubs that we never really had.”

Similarly, a single mentorship program was listed on the Bloch School's 2009 Princeton Review application. That grew to 78 in 2013, based on Song's updated definition of what constituted a mentorship program.

Again, E-Scholars information was used. The 100-plus businessmen and businesswomen mentoring E-Scholars participants offered “consultative support in any of 38 industries and 40 business function specialties,” according to the worksheet. Hence, 78 mentorship programs.

UMKC didn't hide its methodology, said Dave Donnelly, who replaced Teng-Kee Tan as the school's dean and was Tan's deputy at the time. Donnelly said he checked with the Princeton Review's editors at one point to see whether they had any objection to UMKC's definitions and was told no.

David Soto, the director of content development at the Princeton Review, said he was not troubled by The Star's findings concerning UMKC's rankings applications.

Some faculty members, however, were uncomfortable with the numbers being reported. Donnelly acknowledged hearing criticism from the faculty.

Song contends there was a factual basis for the information submitted to the Princeton Review. “I think we have been very conservative,” he said.
Nixon calls for inquiry into UMKC rankings

By MARÁ ROSE WILLIAMS

Gov. Jay Nixon has asked the University of Missouri Board of Curators to review rankings attained by the business school at the University of Missouri-Kansas City.

During a meeting with the Kansas City Star Editorial Board on Thursday, the governor said he had written a letter requesting that an independent review of the rankings “be undertaken promptly and that the results of this study be made public along with any recommendations for policies.”

The letter to Don Downing, chairman of the board of curators, followed an investigation by The Kansas City Star showing a trail of exaggerations and misstatements by the Henry W. Bloch School of Management that raised questions among university faculty and students about the validity of the rankings.

UMKC responded Thursday with a statement that it welcomed a review, and that it was confident of the validity of the rankings.

The board of curators has scheduled a closed session for Friday, and a source with knowledge of the meeting said it would address the UMKC rankings issue.
Nixon’s letter was referring to two rankings: One from a 2011 Journal of Product Innovation Management (JPIM) study that placed UMKC’s business school first in the world in innovation management research, and the top-25 rankings that year and others in Princeton Review for the business school’s Regnier Institute for Entrepreneurship and Innovation.

The Star’s findings were published Sunday.

“When I picked up the paper Sunday morning it was the first time I knew that anybody was even looking at that stuff,” Nixon said Thursday morning. “So that’s the first time I had any knowledge of it. So we kind of looked at it ourselves.”

In his letter, also sent to University of Missouri System President Tim Wolfe and UMKC Chancellor Leo Morton, Nixon said the newspaper article raised “serious questions about the integrity of the scholarship and strategies that have been employed to raise the profile of the institution.”

The letter went on:

“The issues raised by the Star’s investigations are troubling because they go to the fundamental matter of the university’s integrity...

“It is essential that UMKC, and the entire University of Missouri System, establish that the claims and reputation of its academic programs are founded on trustworthy, accurate information in which we all can have confidence.”

In Sunday’s story, UMKC denied that it had engaged in a pattern of exaggerations or took any short cuts in order to win national and global rankings.

A spokesman for the University of Missouri system said Wolfe would have no comment Thursday.

A statement from Downing said, “Whenever there are claims made against any of our university campuses or our people, it is our responsibility to evaluate all the facts and look at the entire situation before determining our course of action. That is what we are in the process of doing.”

In UMKC’s statement Thursday, a spokesman said that the public deserves to know that claims about academic programs are founded on accurate information, and that the situation now calls for a thorough review.

The statement took issue with The Star’s report.

“We have not violated the public trust; we say this with confidence, based on multiple reviews of these issues conducted in academic circles long before the Kansas City Star became involved - reviews that found these criticisms to be without merit,” according to the statement.

“The newspaper chose to ignore the extensive evidence we have provided to them of both the previous investigations into these charges, and of the many highly regarded world-class programs at the Bloch School.”

The Star’s article, however, did summarize an investigation by the publisher of the JPIM material. The Star noted that the journal had conducted a peer review of the study after questions arose about its methodology and a potential conflict of interest between its authors and the university.

The three unnamed members of that review board said they were untroubled by the relationships between the study’s authors and officials at UMKC. Members of that panel agreed they would have published the paper themselves, although they said it could have been improved and that all rankings papers include some subjectivity.

It was that subjectivity, however, and the undisclosed relationship between the authors and UMKC that raised red flags for three independent
experts who analyzed the study at The Star's request. The Star's investigation also found exaggerations and distorted data in the university's application for Princeton Review rankings.

The Star's story followed months of reporting that included interviews with dozens of people inside and outside UMKC and reviews of thousands of pages of internal UMKC documents obtained through an open-records request.

It addresses the Bloch School's struggle to be included among the top-ranked business schools in the nation and how that changed in 2011 after it received top rankings and a long-sought-after $32 million gift from Henry Bloch to build a state-of-the-art facility for the school.

The Star found professor Michael Song, who was hired to lead UMKC's Regnier Institute for Entrepreneurship and Innovation, and then-dean Teng-Kee Tan as key in the university's efforts to gain national recognition.

At the time the JPIM paper was written, the two authors were working on the UMKC campus as visiting scholars at the Bloch School and shared an office number with Song, whom they named No. 1 researcher in the world in their paper. The scholars' year long visit from China was at the invitation of Song and Tan.

The Star's experts who analyzed the JPIM study said it appeared the study's methodology may have been structured in such a way to ensure that the Bloch School and Song received the top rankings.

UMKC and JPIM officials said, however, that the relationships with the authors do not negate the study's findings.

Song dismissed as “nonsense” any allegations that the JPIM paper was rigged to deliver the number-one rankings. The study's authors did not respond for comment.

In the Princeton Review rankings, The Star found several questions about the university's use of data it submitted. For example, UMKC claimed 100 percent of graduate entrepreneurship students had launched businesses, but the school only counted students in a one-year certificate program, and starting a business was a requirement for them to complete the program.

UMKC denied that it exaggerated or took shortcuts to win the Princeton Review rankings.
Firm doing UMKC audit has ties to UM System

By MIKE HENDRICKS and MARÁ ROSE WILLIAMS

Some say picking an outside group would have avoided bias claims in review of business school rankings.

At least eight U.S. universities mounted internal investigations in the past three years after discovering that their employees had submitted false data that helped boost the institutions’ rankings.

In all but two of those cases, outside law firms were hired to review the evidence, interview witnesses and write the final reports. That kind of arms-length relationship, experts say, is key to avoiding the appearance of bias when a university investigates itself.

That is not how the University of Missouri System responded this month when Gov. Jay Nixon called for “an independent review” after articles in The Kansas City Star called into question several rankings achieved by the business school at the University of Missouri-Kansas City.

While the allegations about UMKC’s pursuit of rankings do not rise to the level faced by the eight universities, Nixon called The Star’s findings “troubling.” But rather than hire an outside firm with no ties to the UM System, its board of curators turned to the accounting firm that has served as the system’s internal auditor for many years.
PricewaterhouseCoopers, or PwC, will review the issues raised in The Star stories, “and those facts will be reviewed by an appropriate academic expert not affiliated with the University of Missouri System or any of its campuses,” curators Chairman Don Downing said in a statement Aug. 1.

Beyond that, UM System officials declined to discuss the scope of the investigation, nor would PwC comment. UMKC officials have said they welcome the investigation.

PwC has been the system’s internal auditor since 1999 and is under contract to receive up to $1.2 million from the system next year. The firm, which in fiscal year 2013 provided services to 421 of the Fortune Global 500 companies, has received more than $3.9 million from the system in the past four years. PwC does financial, operational, compliance and investigative audits for the UM System.

While there is no reason to think the firm cannot perform an unbiased review, experts say, some contend the university would have been wiser to have hired someone without a continuing business relationship such as PwC.

“They could do it,” said Dan Hurley, associate vice president for government relations and state policy with the American Association of State Colleges and Universities. “But I would say an institution should conduct an internal audit with the understanding that the use of an outside firm ... brings an added measure of credence.”

Michael Poliakoff, vice president of policy for the American Council of Trustees and Alumni, said it’s better to get “far away from any parties that have any interest” in the subject of an investigation.

“If they go with a firm they have on retainer,” he said, “they have to evaluate whether it is independent enough to pass a public smell test as being unbiased.”

Nixon, through spokesman Scott Holste, expressed confidence in the curators’ decision: “Gov. Nixon appreciates the board’s quick and decisive action in response and awaits the outcome of this robust, comprehensive review by a highly respected, international accounting firm.”

A UM System spokesman would not say whether any other outside firms or agencies were considered for the job. But curator Wayne Goode said one reason PwC was chosen is that it was already working on an audit at UMKC, “not on this thing but in the area.”

In a March 31 letter to the UM System’s interim vice president for finance, PwC agreed to conduct a special audit for UMKC but did not specify what it was for.

However, it was well known at UMKC’s Henry W. Bloch School of Management that a special audit began this spring shortly after David Donnelly replaced Teng-Kee Tan as dean. In a recent interview, Donnelly said it was standard procedure after a leadership change.

OTHER SCHOOLS

High rankings in publications like U.S. News & World Report, Forbes and the Financial Times are key marketing tools schools use to grow enrollment, attract top faculty and open donors’ wallets.

But the pursuit of those rankings can, at times, lead schools to inflate test scores or make themselves look more exclusive by misrepresenting their admission rates. In 2013, Forbes removed schools for such abuses.

Most often, it is the schools themselves that report the misrepresentations and suffer the con-
sequences. Tulane and Emory universities were among six colleges and universities that hired outside law firms to conduct investigations after discovering that test scores and other admissions data had been falsified and submitted to outside agencies.

The others in that group were Iona College, Claremont McKenna College and the law schools at the University of Illinois and Villanova University.

All six chose to hire outside law firms instead of the accounting firms they regularly used as independent auditors.

One of these six told The Star it used an outside firm to demonstrate the independent nature of the review, as well as to get a different perspective.

In two other cases, administrators at Bucknell University conducted their own in-house review, and George Washington University, like Missouri’s curators, hired one of its regular accounting firms to perform the review.

In all eight cases, the investigations turned up willful manipulation of admissions or test data by university employees.

A key difference between those cases and the investigation underway at UMKC is that those eight schools instigated the probes themselves without any suggestion from outside the institution.

At Tulane, for instance, a new business school dean ordered a review after noticing a discrepancy between test scores of its incoming students and the higher scores the school had been reporting to U.S. News & World Report.

Missouri’s curators ordered a review only after Nixon requested one be done in a letter dated two days after The Star’s articles were published.

**SEEKING RANKINGS**

The Star stories focused on the desire among UMKC officials to see the Bloch School ranked among the nation's top business schools.

The articles raised questions about two rankings. One was a 2011 study published in the Journal of Product Innovation Management (JPIM) that ranked the Bloch School No. 1 in the world in innovation management research, above such notable business schools as Harvard and Stanford. That study was done by visiting Chinese scholars who worked on the UMKC campus at the invitation of Michael Song, the UMKC business school professor whom the JPIM study named the No. 1 researcher.

Song also reviewed the JPIM study before its publication, although those ties were not publicly revealed until The Star's story appeared.

Also in question were the top 25 rankings that year and subsequent ones in The Princeton Review for the business school’s Regnier Institute for Entrepreneurship and Innovation. The Star’s investigation found several questions about the university’s use of data it submitted.

UMKC and Song maintain that the relationships with the authors of the JPIM study do not negate its findings and that school officials did not exaggerate or take shortcuts to gain the Princeton Review rankings.

UMKC also has noted that JPIM’s publisher reviewed the study and then commissioned an independent review, neither of which found any problems.

Likewise, the authors of the JPIM study deny that it was biased toward UMKC.

Before publication of The Star's articles on UMKC, authors PianPian Yang and Lei Tao did not respond to reporters’ repeated requests for comment.
More than a week after the stories appeared, they sent an email responding to suggestions by some that the study was designed to deliver UMKC the No. 1 ranking.

“Contrary to the speculation,” they wrote, “we initiated the research idea, developed the research design, selected the research methods, collected the data, performed the analysis, and completed the research independently, without any influences from anyone at UMKC.”

While acknowledging that they completed their research while at UMKC, Yang and Tao said that “the majority of the research and draft of the ranking study was completed by the end of 2009, more than eight months before we became visiting scholars at UMKC.”

Should the PwC investigative report find any problems, Poliakoff said, the next steps will be for the curators and top university officials to fix them and restore public confidence.

“Right now the cow is out of the barn,” he said. “They have to deal with the problem and shut the barn door by establishing real clear policies.”