

UTQAP Cyclical Review: Final Assessment Report and Implementation Plan

1. Review Summary

Programs Reviewed:	Economics, B.A. (Hons.): Specialist, Major, Minor Environmental Economics, Minor (Arts) Economics and Mathematics, B.Sc. (Hons.): Specialist Financial Economics, B.Sc. (Hons.): Specialist Economics, M.A., Ph.D. Financial Economics, M.F.E.
Unit Reviewed:	Department of Economics
Commissioning Officer:	Dean, Faculty of Arts and Science
Reviewers (Name, Affiliation):	<ol style="list-style-type: none">1. Professor Angela Redish, Director, Bachelor of International Economics program, Vancouver School of Economics, University of British Columbia2. Professor Francine Lafontaine, William Davidson Professor of Business Economics and Public Policy, Ross School of Business, University of Michigan3. Professor Huw Lloyd-Ellis, Department Head, Department of Economics, Queen's University
Date of Review Visit:	June 7-8, 2018

Previous Review

Date: October 2004 University review of undergraduate programs and Department

Summary of Findings and Recommendations

1. Undergraduate Programs

The reviewers observed the following strengths:

- Overall good quality of programs and curriculum, including wide participation in joint degrees

The reviewers identified the following areas of concern:

- High student to instructor ratio in class

The reviewers made the following recommendations:

- Take steps to reduce student to instructor ratios and consider ways to improve interactions between faculty and students outside the classroom
- Utilize a graduating students survey to help assess the quality of the programs

Faculty/Research

The reviewers observed the following strengths:

- Impressive quality of research and teaching
- Several well-known international researchers
- Excellent recruitment of strong junior faculty

The reviewers identified the following areas of concern:

- Retirements have weakened overall research portfolio
- Low participation in research grant competitions, especially among more senior faculty

The reviewers made the following recommendations:

- Consider the issue of developing strengths in certain research areas versus maintaining a broad base of expertise
- In the interest of recruitment and retention, consider reducing teaching workload, and provide greater transparency regarding workloads and promotion processes
- Increase faculty participation in grant competitions

Administration

The reviewers observed the following strengths:

- Department is the top (or one of the top) departments in Canada, and is highly ranked world wide

- Impressive integration with UTM Department of Economics and good ties to Rotman
- Excellent program support staff

The reviewers identified the following areas of concern:

- Severe space shortage, impacting communication

The reviewers made the following recommendations:

- Consider the department vision given new faculty and changing demographics

Date: May 2009 OCGS review of graduate programs

Summary of Findings and Recommendations

Graduate Programs

The reviewers observed the following strengths:

- Department has very high standards for the graduate programs
- Access to excellent library resources
- Space renovations have greatly improved class and meeting space for students

The reviewers identified the following areas of concern:

- Graduate programs seem understaffed
- Funding for international students can be a challenge
- Heavy teaching burden on PhD students, which may slow progression towards degree
- After year three, there are no opportunities for PhD students to present their work
- Shared MA and PhD courses are not challenging enough for doctoral level
- Unclear whether PhD students have access to university programs that would support their research and English skills for teaching

The reviewers made the following recommendations:

- Provide additional staff or faculty to assist with administration of the graduate programs
- Despite funding challenges for international students, consider ways to attract more international students and expand doctoral program size
- Provide funding for PhD students to allow for some teaching relief
- Create a student-friendly lunch seminar where PhD students are able to present their emerging research
- Increase the efforts to monitor student degree progress
- Split shared MA/PhD courses into two separate offerings, one for each level
- Promote or improve programs available that support student research and English skill development

Current Review: Documentation and Consultation

Documentation Provided to Reviewers

Terms of Reference; Self-Study and Appendices; Faculty CVs.

Consultation Process

The reviewers met with the Dean of Arts and Science; the Vice-Dean, Academic Planning and Strategic Initiatives; the Department Chair/Associate Chair, Graduate; the Associate Chair, Undergraduate; past Department Chairs; the Master in Financial Economics (MFE) Co-Directors; MFE faculty; junior and senior faculty members in the Department of Economics STG; graduate faculty in the Department of Economics at UTM; representatives of cognate units: Rotman School of Management, School of Public Policy and Governance (now Munk School of Global Affairs and Public Policy); graduate and undergraduate students; and administrative staff.

Current Review: Findings and Recommendations

1. Undergraduate Program

The reviewers observed the following **strengths**:

- Overall quality
 - Strength and quality of programs has been retained even as enrolment numbers have grown, and careful program design has ensured that students don't get "lost in the cracks"
- Objectives
 - Clear and sound program objectives that are consistent with the University's mission and the department's academic plans
 - Major students are provided program flexibility to allow for double majors, which provides a greater breadth and depth of knowledge
- Admissions requirements
 - Competitive with other leading economics programs
- Assessment of learning
 - Utilization of Writing Instruction for TAs program has improved the writing assignments for students, faculty and TAs
- Student engagement, experience and program support services
 - Impressive professional development and workshop series opportunities for undergraduate students
- Quality indicators – undergraduate students
 - Overall enrolment numbers have grown over the past decade, especially in terms of international student enrolments

- Department is commended for being able to retain program quality even when faced with these enrolment increases
- Balanced enrolment in the specialist programs has positive impact as it has improved the student experience
- Teaching evaluation surveys have steadily increased

The reviewers identified the following **areas of concern**:

- Curriculum and program delivery
 - Students who do not intend to pursue graduate studies would like more hands-on, case work, or presentation opportunities earlier in the program
- Assessment of learning
 - Students seem to be able to avoid presentations as an assessment method

The reviewers made the following **recommendations**:

- Curriculum and program delivery
 - Create additional hands-on and case work opportunities earlier in the programs
- Assessment of learning
 - Establish a presentation requirement for all students early in the program

2. Graduate Program

The reviewers observed the following strengths:

- Overall quality
 - Efforts and resources invested in the PhD program have paid off in terms of quality and student graduate placements
 - MFE program has excellent reputation
 - MA program is well respected nationally and internationally and PhD program is arguably the strongest in Canada
- Objectives
 - MFE program is an excellent fit for the department and the University, which capitalizes on the urban location
- Curriculum and program delivery
 - MFE curriculum has been responsive to changing market and field needs
 - MA and PhD program requirements and learning outcomes are clear and align well with the Degree Level Expectations
- Innovation
 - Wide variety of field course electives available to MA and PhD students
- Student engagement, experience and program support services
 - Many professional development opportunities available to MFE students
- Quality indicators – graduate students
 - Good placement record for program graduates, especially among MFE graduates and financial sector placements

- High admissions GPA for students entering the MFE program, due to the strong demand for the program
- Good time to degree for MFE students
- MA students admitted well exceed minimum admission standards due to high competition for the program
- Exit surveys indicate that MA and PhD students rate the quality of teaching and programs as higher than average when compared to peers
- PhD enrolment has grown and is very robust
- PhD graduates have been very productive in terms of publications
- Student funding
 - Shift to five-year funding model for PhD will likely allow department to be more competitive in recruitment

The reviewers identified the following areas of concern:

- Curriculum and program delivery
 - Year three of the PhD program is challenging, given that students move from structured course work to conducting their own research in an unstructured manner with little opportunity to present and receive feedback on their research
 - The level or pace of fields courses that are available to both MA and PhD students is not appropriate for the PhD students
- Quality indicators – graduate students
 - Despite high number of international student applicants to the PhD program, and interest from faculty, the department is only able to admit a small number each year
 - While teaching and research assistantships are beneficial and there is high demand for them, these positions also detract from time devoted to thesis completion
 - PhD time to completion is identified by the reviews and in the self-study as a challenge
- Student funding
 - Small number of MA and PhD students receive provincial or national awards

The reviewers made the following recommendations:

- Curriculum and program delivery
 - Consider introducing a more structured framework for year three of the PhD and onwards; an ongoing student workshop might assist with providing structure for students
 - Identify options to make the shared fields courses appropriately challenging for both levels of students
- Quality indicators – graduate students
 - Continue to grow enrolment of international PhD students
- Student funding

- Increases in quotas for financial awards will hopefully improve the success rate for MA and PhD students

3. Faculty/Research

The reviewers observed the following **strengths**:

- Overall quality
 - Recently hired junior faculty are high quality
 - High quality of undergraduate and graduate programs reflects the size and quality of the faculty
 - Many faculty members also serve as economic policy-advisors
- Research
 - Excellent work ethic among faculty, with high quality and quantity of research output
 - Good research grant success rates
 - Wide scope of research profiles
- Faculty
 - Teaching-stream faculty are forward-thinking and innovative about teaching pedagogy

The reviewers identified the following **areas of concern**:

- Faculty
 - Seminar speakers are often selected by faculty who are able to pay for the speaker out of their grant money – this disadvantages junior faculty who have less funds
 - Difficulty attracting and retaining associate level faculty, perhaps due to lack of mentoring opportunities and communication gaps surrounding tenure and promotion
 - Low proportion of female faculty
 - Increasing the number of teaching-stream faculty relative to tenure-stream could create governance problems and impact the department's reputation for research
 - New faculty are not guaranteed opportunities to teaching graduate courses – this is in contrast to the practice of most other Economics departments

The reviewers made the following **recommendations**:

- Research
 - Given the small number of PhD students, it was suggested to hire “pre-docs” to support faculty research projects
- Faculty
 - Create more opportunities for junior faculty to be involved in selecting speakers

- Increase communication to junior faculty regarding tenure and promotion
- Continue efforts to grow the female faculty complement, including by exploring the current PhD student pipeline

4. Administration

The reviewers observed the following **strengths**:

- Relationships
 - Collegial and productive atmosphere, which has improved significantly over the past two decades
 - Good integration of UTM faculty in activities at St. George
 - Positive relationships with cognate units such as the Rotman School and the School of Public Policy and Governance
 - “Community of Practice” workshop series is an innovative way to share pedagogical best-practices amongst faculty and graduate students
 - Students with special needs and from diverse backgrounds indicate that they feel welcome at the department
 - Department is well connected with research associations from around the world and with local and national organizations
 - Strong department leadership and management
- Organizational and financial structure
 - Building renovations completed in 2008 are seen as a major improvement
 - Recently hired communications staff is a welcome addition
- International comparators
 - One of the top ranked economics departments in the world, and regularly ranked number one in Canada

The reviewers identified the following **areas of concern**:

- Relationships
 - Merger of Munk School and School of Public Policy and Governance has led to some uncertainty in the future relationship with the department given that the relationship with the Munk School was weaker pre-merger
- Organizational and financial structure
 - Budget model and space issues seem to place limitations on expansion of the MFE program; additional support staff could be used for the program
 - Intranet sustainability, support, and function of IT services are of concern
 - Space improvements have been made but constraints still persist, and new experimental lab has reduced the space for PhD students
 - Lack of transparency in revenue allocation for joint programs
 - Long-term department sustainability should not rely on a currently productive relationship and OTO funding

The reviewers made the following **recommendations**:

- Relationships
 - Support the development of a positive relationship with the newly formed Munk School of Global Affairs and Public Policy
- Organizational and financial structure
 - Remedy budget (consider revenue sharing model), administrative support, and space issues facing the MFE in order to consider program expansion and to help address competition from emulators
 - Program expansion would allow the MFE to be ranked in the Financial Times would could be an excellent recruitment and employability tool
 - Address IT support services as a high priority
 - Continue to explore ways to secure sufficient space
 - Consider ways to secure institutional funding to create long-term sustainability and planning in the department
- Long-range planning and overall assessment
 - Consider opportunities to grow alumni relationships with graduates from all programs – this may foster more support for department events, and provide students with opportunities to learn about career paths



2. Administrative Response & Implementation Plan

UNIVERSITY OF TORONTO
FACULTY OF ARTS & SCIENCE

March 12, 2019

Professor Susan McCahan
Vice-Provost, Academic Programs
University of Toronto

Re: UTQAP cyclical review of the Department of Economics

Dear Professor McCahan,

Along with the faculty, staff and students of the Department of Economics, I am pleased with the external reviewers' assessment of the Department and its programs: Economics, B.A., Hons, Specialist, Major, Minor; Environmental Economics, Minor (Arts); Economics and Mathematics, B.Sc., Hons., Specialist; Financial Economics, B.Sc., Hons., Specialist; Economics, M.A., Ph.D., and, Financial Economics, M.F.E.. The reviewers complimented the Department, noting that *“both undergraduate and graduate Economics programs at the University of Toronto have excellent reputations in Canada and internationally.”*

The quality of this program notwithstanding, as per your letter dated January 22, 2019, the review report raises a number of issues and challenges. I am writing to address the areas of the review report that you identify as key. The response to these items and implementation plan are separated into immediate (six months), medium (one to two years), and longer (three to five years) terms, where appropriate, along with who (Department, Dean) will take the lead in each area. The Dean's office has discussed the reviewers' comments through consultation with the Chair of the Department of Economics to develop the following implementation plan incorporating the reviewers' recommendations.

The reviewers made a number of recommendations regarding the PhD program, including finding ways to make the shared MA/PhD courses more challenging for PhD students; exploring models to promote a more structured approach in year three of the PhD and beyond to support students' transition from coursework to conducting their research; and supporting graduate students' focus on thesis and program completion balanced alongside beneficial RA and TA opportunities.

Implementation Plan

Immediate term response: The Chair and Associate Chair will lead a comprehensive review of graduate course offerings to identify core PhD curriculum classes to be aimed at PhD students. Depending on the results of the review, some classes may in the future be restricted to PhD students (and possibly very select MA students) with an alternate MA level offering for the course. For others courses, the Associate Chair, Graduate, will work with course instructors to find mechanisms to guarantee that PhD students' needs are met.

Medium term response: The Department will explore the possibility of creating a new upper year graduate research seminar as an avenue for graduate students to present and discuss their work beyond year three of the program. This seminar would provide additional structure for students making the transition to a greater focus on their own research.

The reviewers encouraged continued growth in international doctoral student enrolment to ensure continued quality and diversity of the class consistent with other globally-ranked programs.

Implementation Plan

Immediate term response: An increase in international students is currently being implemented; the Department's quota for Arts and Science funded PhD students was raised from 10 students for 2018-19 to 14 for 2019-20. In addition, the reduction in international tuition for PhD students has significantly decreased the cost of internally supporting international students, making it possible for the Department to consider a graduate increase in international enrolments.

Medium term response: Provided the international applicants pool remains strong (international PhD applications are at a record high, with close to 250 applicants for Fall 2019 admission), the Department plans to admit more international graduate students in the next 2 years.

Longer term response: The Department will annually re-assess the financial sustainability of graduate expansion and, as appropriate, continue to grow the international PhD enrollment. Given the current resources, a long-term goal (three to five years) of 25 (total) funded international students is realistic.

The reviewers encouraged the undergraduate program to integrate more hands-on experience for students, early in the program.

Implementation Plan

Immediate to medium term response: In order to expand our hands-on experience for students at the earliest stages in the program, the Department is planning to expand course offerings in first-year, through the First-Year Foundations program. New courses in this small enrolment, seminar-style program will emphasize practical, hands-on experience. For example, these courses will draw on a new repository of datasets and projects designed for first-year students: <https://www.core-econ.org/doing-economics/>. The Department will develop these courses with an eye to leveraging experiential learning into large-enrolment first-year required courses (ECO101H1 and ECO102H1).

Currently, the Department's programs integrate writing assignments into the required second-year theory courses (intermediate microeconomics and macroeconomics) and a substantial practicum in data analysis in our required second-year statistics course (ECO220Y1 "Quantitative Methods in Economics"). These writing assignments require students to put their

knowledge into practice – to apply theoretic models to analyze a policy, for example – and to explain the concepts clearly and succinctly. The Department has also recently added a data practicum at the second-year level (“Data Analysis Course Module”); this practicum requires students to work with major databases, such as the Penn World Tables, and offers them extensive experience in using software (Excel) to analyze data. These modules actively engage students with current research as students engage in replication exercises and extensions.

Longer term response: The Department offered a community-engaged learning course at the 400-level for the first time, last year. Over time, the Chair expects that the community connections and knowledge required to implement such an experiential course will spill over into other, lower-level, courses.

While the caliber of the faculty is excellent, the reviewers drew attention to some challenges attracting and retaining associate level faculty, the low proportion of female faculty, and the need for mentoring and opportunities for junior faculty to engage in graduate teaching and selection of seminar speakers.

Implementation Plan

Medium term response:

Selection of seminar speakers: The Department has recently doubled funding available to mount seminar speaker series in order to reduce the junior faculty disadvantage in the selection of speakers. The Chair will review seminar opportunities to ensure that junior faculty are able to select seminar speakers.

Engagement in graduate teaching: Most junior faculty are already actively involved in graduate teaching and supervision. In combination with the graduate course offering review, the Chair and Associate Chair will work on a mechanism for the assignment of graduate teaching responsibilities that ensures adequate opportunities for graduate teaching to **all** junior faculty.

Junior faculty mentorship: The Chair will review the existing mentorship program for junior faculty, to identify possible enhancements that might make the program more effective.

Diversity in the faculty complement: The Chair will work to ensure that faculty are aware of the literature on “unconscious bias” and its implications on recruiting. The Chair will also seek opportunities and more resources from the Faculty when appropriate to attract established senior female economists, who can provide effective mentorship for more junior female faculty and serve as role models for our graduate students. The Chair notes that there are challenges associated with recruiting a diverse complement. For example, every economics department and business school is trying to increase gender diversity within their faculty complement, which leads to a very competitive process in attracting top female candidates. The Chair will ensure that the Department is adopting creative recruitment strategies, such as broadening the search to take advantage of recruiting opportunities in whatever area they might arise (e.g. any-field open rank search, targeting women and members of other underrepresented groups).

Diversity in faculty complement is also a priority for the Faculty of Arts and Science more generally. In 2017-2018, the A&S identified a set of six Faculty Priorities, including “Enhancing

Equity, Diversity and Inclusion.” As part of the Faculty’s current Academic Planning exercise, the Dean has formed a new Equity, Diversity and Inclusion Working Group, with representation from faculty, staff, and students. This group has a mandate to explore ways to increase representation from underrepresented groups and enhance opportunities to build diversity and create a more inclusive Faculty environment. The Working Group will develop a series of recommendations in a report to be submitted in May 2019.

Longer term response:

Recruitment and Retention: The Dean will continue to work with the Chair of Economics to take advantage of recruitment opportunities and to address retention cases as they arise.

The reviewers expressed concerns about the sustainability of the intranet and the general level of support for IT.

Implementation Plan

Medium to longer term response: The Chair is aware of the need to build stronger and more responsive IT capacity to support in a timely fashion the research mission of the department, which is increasingly relying on access to confidential data. Over the next 2-3 years, the Chair will work with the Director, Information and Instructional Technology to assess and implement Economics Department-dedicated IT resources. This will strengthen IT support and sustain both the administrative and research needs of the unit by achieving the following goals:

Day to day support and Infrastructure: IIT will continue to work with the unit to provide ongoing service reports and responsive support modelling suitable to the needs of this larger academic unit. Systems and networking services will continue to have IIT stewardship.

Administrative support (web services and application programming): 1) maintaining the broad functionality of the Department’s Intranet system, which has been proven to be an effective tool to support administrative functions; 2) improving the Department’s communication ability by modernizing and adding functionality to its public website; 3) planning for feasible long term upgrade or replacement solutions for some key Intranet functions.

Research support: 1) providing effective and timely solutions for hosting confidential data; 2) managing secure access and access restrictions to confidential data; 3) improving general IT support and maintenance.

The reviewers encouraged building on the MFE’s success through modest expansion if revenue sharing and space issues could be worked out.

Implementation Plan

Immediate term response: In collaboration with the Faculty, the Department is now in the process of changing the budget structure in support of the MFE program; specifically, the Department is moving away from the dated “in base” funding to a revenue sharing model. Once in place in the new fiscal year, the new MFE budget model is expected to provide both the

resources needed for the program to continue to be competitive, and the right incentives for growth. The next step will be to discuss with key stakeholders the feasibility of enrollment growth for the program, and secure the necessary resources, including identifying physical space for expansion.

Longer term response: Identifying additional space for academic units is a Faculty priority, and will be part of the Faculty's academic planning process. The Vice-Dean, Space and Infrastructure, will work with the Chair of Economics to address space needs and opportunities.

The reviewers encouraged the department to find ways to convene and connect with its alumni base.

Implementation Plan

Medium term response: The Chair will continue to improve the Department's communication capacity, and to that end has hired a temporary communication officer. This addition has so far proven successful in boosting the Department's image and promoting the success of its faculty and students. The Chair will continue to monitor this change and explore the possibility of a more permanent staffing option. The Department is also in the process of planning a series of events to reconnect with alumni, including a reunion involving former MA students and MFE students. The Department will seek new ways to make better use of existing alumni networks, such as the MFE alumni association, to connect to the alumni base.

The Dean's office will monitor the implementation of recommendations, with, at minimum, a brief report to the Office of the Vice-Provost, Academic Programs, midway between the year of the site visit and the year of the next site visit. The year of the next review will be the 2025-2026 academic year.

To conclude, we appreciate that the external reviewers identified the Department of Economics' strengths and noted a few areas for development. The Department has already begun to move forward with plans to address the recommendations as presented by the reviewers.

Sincerely,



David Cameron
Dean and Professor of Political Science

cc.

Ettore Damiano, Chair, Department of Economics

Poppy Lockwood, Vice-Dean, Academic Planning and Strategic Initiatives, Faculty of Arts & Science

Daniella Mallinick, Director, Academic Programs, Planning and Quality Assurance, Office of the Vice-Provost, Academic Programs

Andrea Benoit, Academic Review Officer, Office of the Dean, Faculty of Arts & Science

3. Committee on Academic Policy & Programs (AP&P) Findings

The Committee on Academic Policy and Programs (AP&P) concluded that the Decanal response adequately addressed the review recommendations.

4. Institutional Executive Summary

The reviewers praised the clear and sound undergraduate program objectives and the careful program design. The reviewers noted the impressive reputation of the graduate programs, particularly the excellent reputation of the MFE. Overall, the reviewers were very complimentary of the Department, its programs, faculty and staff, indicating it was a welcoming and productive unit deserving of its top ranking. The reviewers recommended that the following issues be addressed: finding ways to make the shared MA/PhD courses more challenging for PhD students; exploring models to promote a more structured approach in year three of the PhD and beyond to support students' transition from coursework to conducting their research; supporting graduate students' focus on thesis and program completion balanced alongside beneficial RA and TA opportunities; encouraging continued growth in international doctoral student enrolment to ensure continued quality and diversity of the class consistent with other globally-ranked programs; integrating more hands-on experience for undergraduate students early in the program; addressing challenges related to attracting and retaining associate level faculty, the low proportion of female faculty, and the need for mentoring and opportunities for junior faculty to engage in graduate teaching and selection of seminar speakers; increasing the sustainability of the intranet and the general level of support for IT; building on the MFE's success through modest expansion if revenue sharing and space issues could be worked out; and finding ways to convene and connect with its alumni base. The Dean's Administrative Response describes the Faculty, unit and programs' responses to the reviewers' recommendations, including an implementation plan for any changes necessary as a result.

5. Monitoring and Date of Next Review

The Dean's office will monitor the implementation of recommendations, with, at minimum, a brief report to the Office of the Vice-Provost, Academic Programs, midway between the year of the site visit and the year of the next site visit. The year of the next review will be the 2025-26 academic year.

6. Distribution

On May 17, 2019, the Final Assessment Report and Implementation Plan was posted to the Vice-Provost, Academic Programs website and the link provided by email to the Dean of the Faculty of Arts and Science, the Secretaries of AP&P, Academic Board and Governing Council, and the Ontario Universities Council on Quality Assurance. The Dean provided the link to the Chair of the Department.