

CALIFORNIA STATE UNIVERSITY, EAST BAY

Designation Code: **2008-09 CAPR 19**

Date Submitted: April 23, 2009

TO: The Academic Senate

FROM: Committee on Academic Planning & Review (CAPR)

SUBJECT: Five-Year Program Review for the outside accredited programs within the College of Business and Economics

PURPOSE: For Action by the Academic Senate

ACTION REQUESTED: Acceptance of the Five-Year Program Review of the outside accredited programs within the College of Business and Economics (noted below) and approval of continuation of programs without modification

Executive Summary

The College of Business and Economics (CBE) offers six degree programs, including the B.S. in Business Administration, B.A. in Economics, M.B.A., M.S. in Business Administration, M.S. in Taxation, and M.A. in Economics. The College's programs are highly regarded and are accredited by the Association to Advance Collegiate Schools of Business (AACSB). The programs have been cited in the *U.S. News and World Report* as among the "Best Universities-Masters in the Western Region" and in three consecutive years by the *Princeton Review* as one of the Best Business Schools in the United States.

Having experienced unreliable partnerships and limited faculty availability to maintain high quality programs at home and abroad, the College cut back on its international degree programs beginning in 2005, except that in Moscow. The College notes that such contraction in overseas offerings has enabled it to focus on improving the quality of its home programs, including updating the MBA.

In an effort to meet the requirements for continued accreditation, the College hired 24 new professors since fall 2006: 7 in fall 2006, 6 in fall 2007, and 11 in fall 2008, many of them fresh Ph.Ds. This in spite of CSU salary scales being about 25% below market at all levels. Three recent hires have resigned since fall 2008. Also noteworthy is the fact that several of the new hires well fit the diverse cultural background of the College's students.

Beginning in fall 2007, the College has adopted a strategic planning procedure to address its priorities on an annual basis, focusing on (a) scholarship, (b) educational programs, (c) people, and (c) external relations.

The College also has adequately addressed concerns raised in the AACSB Team Report following its visit to the campus in February 2008—the *Sixth Year Maintenance of Accreditation Report* (October 2008).

CAPR Recommendation for Continuation of Program

CAPR recommends continuation of the programs offered by CBE without modification. The date for the next Five-Year Review is 2013-14.

1.1 Overview description of programs

The College of Business and Economics (CBE) runs six degree-granting programs, two at the undergraduate level and four at the graduate level. The College is accredited by the Association to Advance Collegiate Schools of Business (AACSB), the most recent review having been conducted in 2007-08. All issues raised by the review team were satisfactorily addressed, resulting in the reaffirmation of the College's accreditation for another five years.

Beginning in 2005, the College undertook closing all of its international programs, except that of Moscow, owing mainly to the drain these had on the quality of faculty to handle domestic programs. The closures have enabled the College to devote attention to improving the quality of its offerings, particularly revamping the MBA.

Compared with 2003, the number of tenure track (TT) faculty declined from 115 to 98 in 2007 while the student faculty ratio (SFR) remained at 27.6, although having risen to 33.3 in 2004. The percentage of Lecturers to full time equivalent faculty (FTEF) also declined from 32.8% in 2003 to 26.3% in 2007, reflecting the College's efforts to increase the quality of its teaching faculty.

The College employs strategic planning as a means of identifying areas of operation it needs to focus on in order to improve upon its effectiveness in the pursuit of its mission, namely, preparing students to make ethical choices and to succeed in a dynamic global business environment.

1.2 Documents submitted to CAPR

The Report to CAPR included:

AACSB Sixth Year Maintenance of Accreditation Report

CSUEB Fifth Year Maintenance of Accreditation Report

CSUEB Fifth Year Maintenance of Accreditation Report Addendum

Appendix A: Summary of Faculty Qualifications, Intellectual Contributions and Professional Responsibilities

Appendix B: Assurance of Learning Plans

Appendix C: Proficiency of Knowledge in CBE Undergraduate Degree Programs

Appendix D: 5-Year Program and Course Review

Appendix E: 5-Year Review Statistics

Appendix F: CBE Mission, Values and Vision Statements

2.1 Summary of specific areas of Self-Study

The College moved into its new premises, the Valley Business and Technology Center, in December 2006. The building has state-of-the-art facilities for class and study rooms and a presentation center. Over the review period, the College was ranked by the *Princeton Review* among the Best Business Schools in the United States in three consecutive years. An exit survey of graduate and undergraduate students in 2006-07 also indicated a high degree of satisfaction with the College's faculty, curriculum and learning environment.

The College was able to recruit 24 new TT faculty since fall 2006. This in spite of the fact that CSU salary scales are about 25% below the market at all levels, and the high cost of living in the Bay Area.

The College closed down all of its overseas graduate programs, except that of Moscow. This was necessitated partly by the unreliability of some foreign program partners and partly because of the drain of faculty resources for handling the College's home programs. As the visiting AACSB team has observed, the "overseas MBA programs ... benefited only a few faculty and negatively impacted the quality of the on-campus degree programs." The positive outcome of such closures since 2005 was having the College devote more attention to improving the quality of its programs at Hayward, in particular raising the quality of instructional faculty.

Since introducing the designation of faculty as being Academically Qualified (AQ) or Professionally Qualified (PQ) on the basis of their currency in research publications or high-level professional activities from 2005, many professors have upgraded their rankings mostly by picking up on their research activities. Thus the designation of overall faculty AQ status rose from 57% in fall 2007 to 71% in fall 2008, mostly due to improvements in research activity by faculty in Accounting and Finance as well as new Ph.D. hires, from 45% to 54% and from 39% to 80%, respectively, in these departments (new Ph.D.s carry AQ designation for the first 5 years following graduation).

2.2 Curriculum and Student Learning

The College spent several years developing ways of measuring student learning outcomes (SLOs) and program objectives (POs), all as a means of constructing an assurance of learning (AoL) system. The College now has an Outcome Assessment Team (OAT), consisting of one faculty from each department, an Outcome Assessment Project Analyst, and an Outcome Assessment Director who serves as the team's chair. The team's primary focus is to disseminate information to department and program heads from data it collects on SLOs to facilitate the assurance of learning on an on-going basis. Most of the data are collected through yearly exit surveys, applying rubrics and tests.

The College also conducts surveys of alumni of domestic programs and employees of its graduates every five years as a further means of gauging the quality of its instruction.

The results of the above surveys and their analyses are shared with the College's administrators, program heads, faculty and other stakeholders on a continuous basis, both online and in print form. The College's Administrative Council and Curriculum Committee utilize these results in their deliberations on improving instructional quality.

A significant outcome of program quality assessment during the review period was the complete revamping of the College's MBA. From its previous emphasis on areas of specialization, the current MBA since fall 2008 emphasizes a common body of management knowledge with greatly reduced options from 14 to 7. The changed structure of the MBA, for example, has led to the Accounting Department substituting an M.S. in accounting for its previous MBA in accounting. This to assure that students have the requisite amount of courses in accounting for their degree.

Over the review period, the College's Economics Department also conducted an overhaul of its course offerings. This entailed revising some course descriptions, learning objectives and remapping courses to student learning objectives. In the process, partly in response to AACSB observations, previously combined graduate and undergraduate courses were separated.

2.3 Students, Advising, and Retention

The College continued to run its Student Service Center as a one-stop shop where students can get information about all of its undergraduate programs as well as to see an Academic Advisor. The College also has a Graduate Programs Office that provides similar support to current and prospective graduate students.

Compared with 2003, the number of undergraduate majors in CBE programs declined from 3,633 to 3,243 by 2007, and from 859 to 600 for graduates. However, indications are that the economic downturn has led to increased enrollment in the College's programs, just as in some other programs at CSUEB. The number of degrees granted also declined over the review period, from 1,410 to 1,124 between 2003 and 2007, with the ratio of graduates declining from 41% to 32% of these numbers.

2.4 Faculty

The headcount of TT faculty in the College declined from 115 in 2003 to 98 in fall 2007. Total full-time equivalent faculty (FTEF) also declined from 73.3 to 70.8 over the same period while that of tenure track (TT) increased from 49.0 to 52.2. However, FTEF lecturers declined from 24.0 to 18.6, reflecting the College's determination to increase the quality of its teaching faculty. The College hired 11 new TT faculty for fall 2008. But the resignations of three TT faculty since fall 2008 and the suspension of previously planned new recruitments because of the current budget situation clearly have undermined the College's efforts at raising the quality of its teaching faculty.

2.5 Resources

The College lately has experienced reduced resource support from the university library, owing to the current financial crisis. The College anticipates that cancellations of some subscriptions at the library upon which its students and faculty rely will have negative consequences for its programs.

The College continues to allocate funds to upgrade computers for faculty and staff on a regular basis, in spite of the squeeze on its finances.

The College also continues with the use of "Oracle ERP" software in several of its course offerings because of the software's popularity in Financial/Accounting, Supply Chain Management, and Customer Relations Management applications.

3.1 Five-Year Plan

From a fall 2007 retreat, contributions from three standing committees, namely, Faculty Affairs, Promotion and Tenure, and Curriculum, and a subsequent retreat in Spring 2008, the College has identified several areas upon which to focus in 2008-09 and beyond. They include, under

- (a) Scholarship, to provide support for non-AQ faculty to upgrade their status,
- (b) Educational Programs, to explore opportunities for expanding international programs, executive education, continuing education and certificate programs, and online courses; to build an understanding of diversity and ethics into the curriculum of all programs; and to expand enrollments,
- (c) People, to develop a diversity plan in line with the university diversity plan, and
- (d) External relations, to improve relations with alumni and develop business partnerships.

The College has laid out clearly “Drivers,” a timetable, and funding sources to implement these goals over the plan period of 2007–2012.

The College anticipates the need for hiring additional TT faculty to replace retirees and any future resignations over the next five years in order to continue to meet AACSB standards for the maintenance of its accreditation, but is unable to determine the precise number to be hired.

4.1 Outside Reviewers’ Report

The visiting AACSB accreditation team identified three major areas of concern that must be addressed in order for reaccreditation to be recommended. Meanwhile, the committee recommended a sixth year review of the College’s programs. The areas of concern included:

- (a) Faculty Qualifications: the College’s ratio of teaching faculty that could be identified as academically qualified (AQ) on the basis of their research and publication records was rather low, given the number of graduate programs the College offers,
- (b) The limited role of other stakeholders (advisory board, alumni, employers, students, and central administration), besides faculty, in developing the College’s mission statement, and
- (c) Using data collected through rubrics to measure assurance of learning to improve upon programs, particularly that of the MBA.

The Team also noted that the large number of options in both the undergraduate and graduate programs may be cited as strength for the College in providing students with much flexibility in their choice of concentration or specialization. At the same time, such diversity in options imposes a burden on faculty in having to “teach an abnormally high number of different courses and thus have an inordinately high number of preparations.”

The Team’s report praises the College for its “excellent new facility,” an outstanding diversity among both students and faculty, commendable revisions in its undergraduate programs and an on-going review of the MBA program, the satisfaction expressed by students about its program in surveys, and the significant recent faculty hiring.

5. Program Response to Outside Reviewers’ Report

CBE successfully addressed the outside reviewers’ concerns and had its accreditation renewed in winter 2009. The remedies included hiring 11 new TT faculty beginning fall 2008, two in Accounting, two in Finance, two in Economics (one jointly with Management), five in Management (one jointly with Economics), and one in Marketing. These new hires have helped

the College to increase its AQ faculty ratio between fall 2007 and fall 2008, from 57.4% to 71.2%. The combined AQ and PQ faculty ratio also increased from 75.7% in fall 2007 to 86.5% in fall 2008. The College expects that the current focus on faculty's upgrading their research and publications productivity and the closure of most international programs will result in continued increases in these ratios in the future.

In order to assure continuous improvement in its programs, the College has adopted a 5-year review cycle, with reviews beginning in departments, undergoing analysis by the College's Outcome Assessment Team (OAT), and assessment and approval by the College's Curriculum Committee.

The College also has undertaken a most significant restructuring of its MBA program, including establishing a common body of knowledge to be obtained in 13 core courses, a reduced number of options from 14 to 7, and has replaced the Accounting option in the MBA with an MS in Accounting.

The College now has a Dean's Advisory Board, comprised of East Bay business leaders, employers, and alumni.

6. CAPR ANALYSIS OF CBE PROGRAM'S FIVE-YEAR REVIEW

CBE has submitted a detailed record of its accomplishments over a turbulent five-year period, during which the likelihood of maintaining its AACSB accreditation was very much in doubt. The record reveals a College that changed from having an enviable reputation for having developed several international graduate programs to one that focuses on providing high quality instruction in its home programs, with a large proportion of faculty that are current in their research and publications productivity or with fresh Ph.Ds. These changes occurred mainly under the direction of two Deans, beginning in 2005.

The College also has adopted strategic planning as its principal tool for assuring learning outcomes in its programs. The process has led to significant revisions in both the undergraduate and graduate programs, especially in the MBA.

With a decline in the headcount of TT faculty over the review period and the normal attrition that can be expected from retirements, the College clearly has the burden of trying to augment its faculty strength at a time of state budgetary cutbacks. This is not an enviable situation for a Dean when the demand for business courses tends to increase significantly during economic downturns, as is currently being experienced.

7. CAPR RECOMMENDATION FOR CONTINUATION OF CBE PROGRAMS

CAPR recommends the continuation of the B.S. in Business Administration, B.A. in Economics, M.B.A., M.S. in Business Administration, M.S. in Taxation, and M.A. in Economics without modification, given the significant improvements revealed in CBE's report.

8. DATE FOR THE PROGRAM'S NEXT ACADEMIC REVIEW

The date of the next Five-Year Review of CBE programs is 2013–14.