

The Fermanian School of Business

Program Review

Spring 2013

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Fermanian School of Business Program Review

The following program review covers the undergraduate and graduate programs of the Fermanian School of Business (FSB) together with that of its two centers: the Fermanian Business & Economic Institute (FBEI) and the Center for International Development (CID). The FBEI and CID will be reviewed only in so far as their work supports the FSB's undergraduate and graduate programs.

Program Overview

At the time of the review the FSB offers undergraduate majors in Accounting, Business Administration, Industrial- Organizational Psychology and International Development Studies. At the graduate level the FSB offers a two-year evening MBA program targeted at working professionals. However, as the review will show, the FSB is proposing major curricula change at the undergraduate level that will create new majors in economics, finance, management and marketing; introduce a common core to all FSB majors – including Accounting and International Development Studies; and eliminate the Industrial- Organizational Psychology major.

History, development, and expectations of the program

As one of the four professional schools at PLNU, the FSB offers a high-quality educational experience in a high-touch environment, at both the graduate and undergraduate levels. The mission is "to provide the world, business leaders who demonstrate Christ-like character" and is summed up in the motto that is used, "More than the Bottom Line: Business Education to Change the World." The FSB operates using three core values: academic excellence, integrated values, and active engagement.

There are four majors at the undergraduate level: business administration, accounting, industrial/organizational psychology, and international development studies. These majors provide foundational academic knowledge, skills, and values enabling students to begin a wide variety of careers in San Diego, the United States and around the world.

At the undergraduate level, the vast majority of our students are business administration majors who seek opportunities following graduation in a number of fields, profit and nonprofit, locally and internationally. Stakeholder groups follow a similar pattern and provide the FSB with up-to-date Information about what is expected and required by business people working in the field. The FSB is enriched by an advisory group of stakeholders that offers constructive feedback about curricula, events and future strategies (see Appendix A). In addition, the FSB offers a wide range of internship opportunities and the feedback on student internship performance constitutes an important part of FSB assurance of learning as well as valuable information on the professional relevancy of FSB curricula.¹

The FSB is enriched by two centers: The Fermanian Business & Economic Institute (FBEI) and the Center for International Development (CID). The FBEI is one of the most externally prominent centers within the university. Lynn Reaser, the Chief Economist was appointed as Chief Economist to California's State Controller John Chiang in 2012. In addition, the FBEI Economic Forecasts, and the consultancy work of the Institute for clients such as San Diego Military Advisory Council, the San Diego Zoo, Big Bay Boom

¹ See <http://www.pointloma.edu/experience/academics/centers-institutes/fermanian-business-economic-institute/internship-opportunities/search-internship-opportunity>.

and various studies in bio inspiration provides an impressive annual media valuation to PLNU (discussed later in the report). The FBEI continues to support undergraduates in offices adjacent to the FSB but has moved its consultancy, business development and MBA support services to a suite of offices in Liberty Station Conference Center. Several programs that run through the FBEI include: the Entrepreneur Enrichment Program (EEP), the Professional Development Event (PDE) program, the Executive Development Event (EDE) program, and the Dealmaker of the Year Breakfast and the FBEI annual Economic Forecast, which was attended by California's State Controller John Chiang in 2012. These programs and events are specifically designed to provide opportunities for students to engage with working professionals in order to gain experience. These also provide the faculty and staff with the informal opportunities to engage and collect the testimony of employers about the conduct, reputation, qualifications, and quality of our students.² Further Information on the activities of the FBEI is found in Appendix B.

The Center for International Development (CID) is an important part of the FSB as the FSB seeks to fulfill its official tag line - *More than the Bottom Line: Business Education to Change the World*. The CID serves as the primary support network for the following FSB degrees; International Development Studies (IDS) major, IDS minor, and nonprofit minor. In addition, the CID provides an intersection between the issues of poverty and business, between the FSB and the local nonprofit community and between the FSB and the international development and relief sector. Perhaps most important of all, the CID provides students with an opportunity to engage the developing world on a personal level, and to put business principles into practice to alleviate the needs and concerns of poor people.³ The 2012 CID Annual Report is attached as Appendix C.

Summary of Recommendations from Previous Program Review

2005-6 Program Review

The FSB's last Program Review took place in 2005-6; David McKinney, Ph.D. (PLNU Professor of Literature & German) was the lead reviewer and crafted the final reports for both undergraduate (see Appendix D) and graduate (see Appendix E) programs. David McKinney identified both strengths and areas for reflection/improvement in the FSB programs and a brief summary is provided below:

2005-6 Program Review Strengths (Quotes taken directly from report)

Mission

- It is apparent that the FSB is committed to merging the mission of the institution (FSB) with the mission of the University, that being to prepare its students in the first instance for excellence in their profession, but also to shape spiritual men and women who are guided by Christ-like principles.

² See <http://www.pointloma.edu/experience/academics/centers-institutes/fermanian-business-economic-institute> for more information.

³ See <http://www.pointloma.edu/experience/academics/centers-institutes/center-international-development> for more information.

Faculty

- On paper the FSB appear to be well qualified, as well as appropriately diversified. It is apparent the faculty is deeply involved in the business community at large and that they are not only committed to maintaining a relevant and current curriculum, but also to staying current themselves.
- It should be noted that the FSB has additionally undertaken an impressive number of other proactive initiatives, the sole purpose of which is to improve the program and support the student in his or her maturation. What goes unnoticed and unheralded, unfortunately, is the enormous amount of time committed to such programs by the FSB faculty – individuals who are spread so woefully thin to begin with.

Assessment

- What immediately strikes this reviewer, even upon a cursory reading of the FSB report, is the degree to which the FSB faculty is committed to in-depth and thorough assessment of its academic program.
- The assessment program is sufficiently broad and fundamentally grounded such that it presents a most reliable picture as to the strengths and weaknesses of the various programs.
- The FSB is also to be commended for holding its program up to rigorous standards reflected in the ETS examinations it requires of its graduating majors. The reviewer believes requiring its students to take national competence examinations such as the ETS exam is critical for establishing the credibility of the program... It is axiomatic, I believe, that there is invariably a degree of negative stigma attached to matriculating the programs of a small Christian University/ College such as ours, however unwarranted. National examinations, however, are the great equalizers, for they graphically demonstrate just how our students and our programs stack up against those of other, perhaps more prestigious programs.
- The FSB is to be commended for the efforts that it has taken to receive accreditation from the ACBSP. Without doubt, this association guarantees that the FSB's programs will maintain a high level of excellence.

Adaptability to Changing Markets

- The FSB is committed to staying current with the ever-changing world of business – locally, nationally and globally – and is committed to revising and adapting its curriculum to reflect these changes.

Interaction with the Local Business Community

- One of the most striking principles expressed by the FSB is its commitment to integrating its programs and in becoming symbiotically associated, with the local business community.
- The FSB is also to be commended for creating a Business Advisory Council. Again this is just one more verification of how committed the FSB is to developing and maintaining a program that is responsive to the business community into which it sends its students.
- The Alumni in Business group presents a marvelous opportunity for networking and for mentoring current students throughout their tenure in the FSB program.

Facilities

- It goes without saying that the FSB facilities, as they have been designed and constructed over the past few years, have given the FSB opportunities that would have been inconceivable in earlier years.

MBA

- Academically speaking, the FSB MBA offerings are not only in line with the offerings of other similarly situated institutions, it offers a larger number of courses than any of the six other institutions – and in some cases significantly more. Such a broad array of offerings, I would think, would have considerable appeal to MBA students.
- It is my impression that the FSB has created an excellent program, which explains, no doubt, why such a large number of students are remaining in the program.
- I also commend the FSB for its stated (proven) commitment to quality client service. To this end, the FSB has carefully thought out what assessment tools it will employ to ensure it is, in fact, meeting student needs.
- The PLNU faculty at large will be grateful to hear that the FSB has no intent of creating what might be considered a “diploma mill.” And I, for one, commend the FSB faculty for not pursuing this as a strategic option... For marketing purposes among PLNU’s own faculty, I believe the FSB needs to be overly prudent in stressing the academic rigor and expectations of the MBA program, for the skepticism towards such programs, even on this campus, is considerable.

2005-6 Program Review Areas for reflection and improvement (Quotes taken directly from report)

The Fermanian Community Versus the PLNU Community

- I certainly believe it would strike most of the PLNU academic and faculty community as somewhat alienating to hear references made to the “Fermanian community” and to “the Fermanian faculty” ... In short, I am not sure that it serves the University well that we have on one side of the campus a PLNU community and a PLNU faculty, while on the other side of the campus we have a Fermanian community and a Fermanian faculty.

Departure from an Undergraduate Centralized Campus

- Does the FSB really intend to deemphasize its role as an undergraduate centralized campus Department? However laudable and appropriate the goals of the FSB may be in becoming a professional School of Business, does this render mutually exclusive its commitment to being part of the centralized campus community. (...The FSB) should be extremely careful how it presents itself, for here again, a review of the Report gives the impression that the FSB is setting out on its own as an entity separate from the greater PLNU campus community.

Teaching Business with Christian Worldview

- While the FSB’s recent emphasis on ethics is truly praiseworthy, the impression arises that the department is so committed to developing spiritual values that the commitment to academic excellence might be taking a secondary position... And, in the same regard, the reviewer is left with wondering to what degree the FSB indulges in general platitudes, and to what degree true substance. ... There is also a danger, I would submit, that in emphasizing the “unique” role the FSB has in teaching ethics and values – i.e., in teaching business from a “Christian World View” – we might actually alienate ourselves from the other institutions, as well as from the local business

community. Do we mean to imply that our students leave our program with higher ethical standards than students of other schools...?

Staffing

- Because of the immense size of the FSB it would seem that the FSB is seriously understaffed, at least as far as full-time professors are concerned... It is apparent that the faculty face incredibly heavy work assignments and are spread woefully thin. Most importantly, perhaps, are the number of advisees each professor in the FSB has.
- Staffing is obviously a significant problem within the FSB. Unfortunately, the document presents a rather weak argument for expanding the faculty, as warranted as it otherwise is, primarily because the document, as written, does not effectively communicate, with supportive data, just how serious the problem is – and it would appear to be serious.

MBA

- While it is no doubt a matter for concern that the MBA enrollment numbers have not increased since its inception in 2001, the large number of students who stay with, and complete, the MBA program is most impressive
- It is apparent from the Report that the FSB intends (and proposes) to expand its offerings within the MBA program. More specifically, the Report indicates it is the desire of the MBA program to move quickly to multiple offerings. Putting aside for the moment the financial feasibility of expanding into such specializations...The more immediate and pressing question that arises, however, is as follows: is it appropriate to be concerned with developing expanded options within the MBA program if the demand is not demonstrably there?
- I comment again on a religious matter...a casual perusal of the entire document leaves one (me, at least) wondering to some degree, at least, just how significant the academic aspect of the MBA program is. While it is important to integrate one's faith in the classroom, some portions of this Report ...give the impression that class sessions are frequently quasi Sunday School classes. I am confident that this is not the case, but the emphasis given these particular aspects of the FSB's program give me some degree of concern that academics, and the training of competent business men and women, are of secondary interest. My most candid impression is that were a Jewish business leader to read the Report, she may well feel alienated; she might also feel somewhat uncomfortable.
- I note that while brief mention is given to scholarships, I would think this would be a major emphasis of the FSB...does the FSB not have relationships with "other" donors who might contribute (invest in) the development of individual students as well.

FSB response to 2005-6 Program Review

Obviously the 2005-6 Program Review findings are now dated but they highlight several key aspects of the FSB. The reports highlight the fact that the FSB is committed to offering quality programs, cares deeply for its students, is serious about assessment, has a dedicated but very stretched staff, is committed to building strong relationships with the local business community and has outstanding facilities.

The Program review also reveals some perceived tensions between the FSB and the wider PLNU community at large in three important areas. First, the FSB efforts to extend its reach beyond PLNU's centralized campus offerings is cautioned within the report. Thankfully, PLNU has now moved off the "Point" to other locations (Bakersfield, Liberty Station) but the 'fort PLNU' mentality does still appear to exist among some faculty. It is vital for any professional school to extend its reach beyond its undergraduate and graduate courses and it will quickly become out of touch if it does not. This does not mean that the FSB does not value its commitment to undergraduate education; our outcomes assessment data show that this is not the case, but that a professional school – whether business, nursing, education or theology - must reach out beyond the centralized campus to engage its professional community in a way that is not so necessary for some traditional liberal arts departments.

Secondly, the graduate report appears to caution the MBA for being too overtly Christian in our approach to business. I am troubled by this comment and wonder if it is still largely held at PLNU. Certainly, the MBA classes are unapologetically taught through Christian perspectives, but that does not seem to have deterred applicants from other non Wesleyan Christian traditions, those from other faiths and those with no faith.⁴ The current MBA profile is 22% Catholic, 18% no preference and 15% non-religious with only 3% Nazarene. An Islamic student recently applied to the program because of the importance the program places on high ethical standards.

Third, the report expresses the concern that a very distinctive Fermanian community was being developed on one side of the campus that differed from PLNU campus community at large. It is hard to know exactly what the reviewer was referring too, but it does appear that the PLNU campus community is far more siloed than at some other universities. FSB faculty have tried to break down this siloed feel by attending lunch-for-a-buck, various campus committee assignments, Chapel and so forth, but the fact that the FSB is one of the larger departments, with 20 faculty and staff, and is now spread across three locations (main campus, Mission Valley and Liberty Station Conference Center), means that it has to intentionally focus on sustaining its own professional culture, perhaps to the neglect of the wider PLNU community.

Finally, the report expresses surprise that the FSB has done little to secure student scholarships. I think this was a valid comment. However, since the last review the FBEI, under the leadership of Randy Ataide and Cathy Gallagher, has developed a scholarship fund, and have given out over \$34,500 in scholarships over the last five years. In addition, Dan Bothe chairs the FSB scholarship committee that oversees the annual distribution of over \$70,000 in scholarship money each year to FSB undergraduates. The 2005-6 Program Report was very helpful in spurring the FSB into action and the FSB continues to look for new scholarship opportunities. Already in 2013 it has secured 3 additional scholarships of \$1000 each for MBA students and is optimistic that more will come. Of course, the FSB would be remiss if they did not, in turn, recognize the important role that the Office of University Advancement has played in securing many of the undergraduate student scholarships.

2009-10 ACBSP Self- Self Study, Site Visitation and Reaccreditation

The most recent review of FSB programs took place during the 2009-10 Accreditation Council for Business Schools & Programs (ACBSP) accreditation self study (See Appendix F) and visitation team site visit. The visitation team identified multiple strengths as well as some areas for improvement (Appendix

⁴ Data prepared by Graduate Admissions Office, March 9 2012.

G). Many of the strengths identified reflect the quality of the entire PLNU community, not just the FSB. Quoting from the ACBSP Feedback Report they are:

- The Fermanian School of Business has a very strong internship program. There are more internship requests from local businesses than there are students to fill them.
- Ethics is strongly embedded in the culture of the FSB. The team had lunch with graduate and undergraduate students. Repeatedly, without prompting, the students commented that one of the strengths or highlights of the degree programs was the strong emphasis on ethics and ethical behavior.
- The PLNU Assessment Plan 2009-14 is a strategic plan for the development, assessment, collection, analysis and improvement of student learning outcomes.
- The school has adopted measures to determine student satisfaction including internship reports, the EBI survey, faculty evaluations, feedback gathered during business school events and faculty interactions in the community. The school has developed a culture of open communication, trust and comfort amongst faculty, staff and students. Students expressed a high level of satisfaction with the approachability of faculty and staff, small classes and the close connection to the business community and the prospects of a good start in a business career.
- The school has the established practice of deploying the MFAT, the EBI, internship portfolio reports, internship employer evaluations, CPA results, and feedback from MBA students in the BUS 698 course which provide insight(s) into possible program and curricular enhancements.
- The school has an established practice of obtaining useful performance data and is now adopting a learning outcomes approach including LiveText, E-portfolios, specifically defined learning outcomes (knowledge, skills and values), and established rubrics for three courses.
- By having the Center for Teaching and Learning, the forums and book discussion, lunch with the Provost and requiring new faculty to attend a new faculty seminar may help the school meet its core value of active engagement between faculty, staff, and students.
- Having faculty from diverse backgrounds and interests and educational preparation may help provide for depth and breadth of knowledge, as well as provide avenues for students to have multiple experiences in the business world.
- Course evaluations and monitoring are the same for all courses whether taught by adjunct or full-time faculty. This may help to provide continuous quality improvement in teaching in the school.
- The school has at least one full-time doctoral/professional qualified faculty member for each academic major or concentration.
- The MBA is located at an off-campus location (Mission Valley). Having the MBA director located at that site may help ensure that leadership for this program is being provided.
- The school has several student clubs where students have the opportunity to experience interaction with faculty outside the classroom. The school also used electronic news bulletins, website updates, social media, a school paper, and magazine to communicate with students and faculty.
- All faculty are provided with funds for professional development. These funds may be used for conference participation, and or presentations. The funds may also be used for furthering faculty education. This practice may help in providing opportunity for faculty development.
- The process for developing, approving and implementing new programs is clear, inclusive and effective.
- The recent decision by the university to employ the use of LiveText for assessment tracking, including the use of the e-portfolio function is noteworthy. It was evident through review of

syllabi that interactive and experiential project work and exercises are an integral part of the learning environment.

- The General Education curriculum provides extensive breadth and depth in establishing a strong liberal arts foundation for business students.
- The FSB adheres to admission requirements. Undergraduate GPA and SAT scores have consistently risen.
- The policies for academic probation, suspension and readmission are clear and thorough.

Opportunities for Improvement

In spite of the many genuine complimentary words from the visitation team, there were also many opportunities for improvement identified by them. Quoting from their report:

- A copy of the 2010 FSB strategic Plan was provided to the site visit team. Upon review, it is not deployable in its current form. It does not list specific actions to be taken, assignment of persons responsible for the actions and no timelines with milestone dates.
- There was no evidence of a human resource plan for the FSB.
- Performance measures for tracking progress relative to action plans have not been established.
- There is no formal process in place to evaluate the dean of FSB as an administrator. The dean is evaluated as a faculty member, but not as an administrator. Faculty do not have a formal method for providing input on the dean's performance.
- It is not clear how the measures listed in Figure 1.1 measure societal impact. No actual data that was or may have been collected was presented as evidence of the societal impact. No data was provided to show evidence of the societal impacts of the stated measures.
- Although some data gathering and review processes are in place many information methods are informal, unscheduled, unplanned and infrequent. Data are not regularly reviewed and records of meetings and decisions are not captured for later analysis.
- The school's Assessment Committee is in place but it is not fully engaged in the gathering, analysis and review of learning outcomes data to ensure continuous improvement.
- Although adoption of a learning outcomes approach is in place, it is in its initial phase. There is, as yet, no trend data on learning outcomes.
- There is no evidence of systematic review of student performance whether it be utilization of existing data or review of learning outcomes data.
- Although the school has a diverse faculty with business and consulting experience as well as educational qualifications, there are numerous faculty on file without evidence of their qualifications. Without such verification it makes it unclear as to whether faculty are qualified to be teaching in the undergraduate and graduate programs at the school. Verifying and filing such credentials helps to provide evidence of such credentials.
- The percentage of undergraduate and graduate courses being taught by doctoral qualified faculty does not meet the guidelines of 40% for undergraduate and 70% for graduate the percentages listed in the self-study are 34% and 27% respectively. No justification was provided for this deviation from best practices.
- Although the school lists two CPA's in their full-time doctoral or professionally qualified faculty, there is no evidence (documentation) that the CPAs do indeed have their CPA licensure and the license is current.

- Thirteen of the twenty-seven adjunct faculty listed in Figure 5.2 have documentation (transcripts, vitae, CPA license, student evals, etc. missing).
- With the increase in students the business school has encountered over the past several years, as well as the enrollment cap placed on the university, developing a human resource plan to address these issues may ensure sufficient number of faculty to effectively fulfill its mission “To Provide the World Business Leaders who demonstrate Christ-like Character.”
- Although faculty are encouraged to use their faculty development funds there is no process to measure trends and comparisons of faculty development. Without such measures it may be difficult to determine progress made through the use of such funds.
- There is no evidence of a formal process for faculty to participate to improve procedures, policies, and practices.
- There is no evidence of a formal process or procedure for capturing improvements/changes to academic program offerings.
- No data was provided indicating usage rates, success rates and student and stakeholder feedback.
- There are no measures of effectiveness defined for academic support services.
- Section 6.2.2e indicates that business operation processes are evaluated and improvements identified at the university level. No evidence was provided on how, if at all, this impacts the overall operation of the FSB.

ACBSP Accreditation Conditions and Notes

Following a very thorough and effective response from Dr. Schooling to the ACBSP Board of Commissioners, the FSB was granted conditional accreditation with the following conditions and notes:

Conditions

1. The Board requests documentation of the deployable action plans for the Strategic Plan including the Human Resources Plan component and performance measures for tracking progress relative to action plans.
2. Provide required documentation of the deployment of the FSB Assessment Plan in your next quality assurance report as indicated by the school’s response to the Feedback Report. Deployment includes how the lessons learned from analysis of the data will be incorporated in improvement strategies and how these strategies will be measured.
3. Implement an ongoing process of quality assurance to proactively identify potential lapses of professional qualifications and to assure continued qualifications of all faculty members. The envisioned FSB human resources procedure document could represent an opportunity to formalize and evaluate this process.
4. Provide documentation of how FSB can assure its students, faculty members, and other stakeholders are adequately supported in dealings with the university in the areas of Business Process Management and Enrollment Management. The developing Assessment Plan may provide a vehicle for accomplishing this action.

Notes

1. The Board encourages the FSB to provide documentation of its regular review of student and stakeholder data as well as improvements that have been implemented based on review of feedback from students and other stakeholders.

2. The FSB should provide documentation of faculty professional and/or doctoral qualifications in one-year, and if the mix of faculty does not meet the ACBSP historic proven criteria, provide detailed records of performance evaluation as it related to program objectives including items a,b,c, and d in Criterion 5.2.3.
3. Provide evidence of the deployment of strategies to reduce teaching overloads given the economic and regulatory challenges faced by the FSB and its Human Resources Plan.

FSB response to the ACBSP Report

Condition 1: *The Board requests documentation of the deployable action plans for the Strategic Plan including the Human Resources Plan component and performance measures for tracking progress relative to action plans.*

In May 2011 the FSB started a major strategic planning initiative in the School of Business. Doyle Young was hired to lead a campus-wide task force in developing a new strategic plan for the FSB. There was a full day of meetings in May and a two-day retreat in August given over to initial discussions and ideas concerning the plan. After the August meeting, further work on the plan was turned over to the School of Business. In addition to the work of the strategic planning task force, information from outcomes assessment, benchmarking studies, the ACBSP review process and the “outside” experience of the interim dean were all fed into the strategic planning process. There has been much progress and a deployable plan has been developed and submitted to the ACBSP (see Appendix H). The plan is now deployable, and many actions have been completed or are in process. In addition, the FSB has put in place a very specific human resource plan and has made considerable progress towards meeting ACBSP doctoral coverage standards, faculty coverage and eliminating faculty overload (See Appendix I).

The strategic plan was sent to the ACBSP as part of the FSB’s 2012 ACBSP Quality Assurance (QA) Report (See Appendix J) and the Condition was reduced to an Opportunity for Improvement (OFI). Specifically, the ACBSP’s response to the 2012 QA report reads:

“Reduce Condition to an OFI on Standard 2, Criterion 2.1: The School has developed action plans including an HR plan and there is evidence of completion of many of the actions identified. However, the school does not provide milestones as to how it checks on the progress of actions contemplated nor are there comparisons against goals set incrementally to determine if changes are needed. This would seem particularly important given the recent leadership changes that appear to have delayed the implementation of important strategies.”

Condition 2: *Provide required documentation of the deployment of the FSB Assessment Plan in your next quality assurance report as indicated by the school’s response to the Feedback Report.*

Interim Dean Ken Armstrong established 5 committees in 2011-12 to help address the ACBSP concerns: an assessment committee, an MBA committee, an undergraduate education committee, and committees supporting the work of the Center for International Development and the Fermanian Business & Economic Institute. The FSB Assessment Committee has worked diligently to develop a realistic assessment plan for the FSB. Data has been added to all parts of the assessment wheel⁵ and a

⁵ <https://portal.pointloma.edu/web/institutional-effectiveness/assessment/business>

three-year plan for full outcomes assessment implementation has been adopted. The assessment program is based on measuring three outcomes, knowledge, skills and values. During the 2011-2012 year, the focus by the committee was on “Skills” (specifically problem solving, communication, and professionalism). In the 2012-2013 academic year the FSB will add to its assessment the area of “Knowledge” and in 2013-2014 the FSB will assess “Values” (see Figure 1).

Figure 1. Assessment Plan: Undergraduate Programs

FSB Program Learning Outcome	Determine Measures, Rubrics, Criteria for Success	Collect Data	Assess	Measures	Recommend Improvements
1a. Knowledge-- Terminology	Spring 2012	Fall 2012	Spring 2013	MFAT (BUS 488/ BUS698)	Fall 2013
1b. Knowledge-- Application	Spring 2012	Fall 2012	Spring 2013	Capsim (BUS 488/BUS 675)	Fall 2013
2a. Skills --Problem Solving	Fall 2011	Fall 2011	Spring 2012	Livertext (BUS 313) Internship Survey EBI	Fall 2012
2b. Skills—Communication -Written -Oral -Interpersonal	Fall 2011	Fall 2011	Spring 2012	Livertext (BUS 313) Internship Survey EBI	Fall 2012
2c. Skills -- Professionalism	Fall 2011	Fall 2011	Spring 2012	Internship Survey	Fall 2012
3a. Values -- Faith Integration	Spring 2013	Fall 2013	Spring 2014		Fall 2014
3b. Values – Ethical Behavior	Spring 2013	Fall 2013	Spring 2014		Fall 2014
3c. Values -- Citizenship	Spring 2013	Fall 2013	Spring 2014		Fall 2014
		Fall 2013	Spring 2014		Fall 2014

The ACBSP were pleased to see the way that assessment data was used in the 2012 Quality Assurance Report and removed this condition on standard 4.

Condition 3: *Implement an ongoing process of quality assurance to proactively identify potential lapses of professional qualifications and to assure continued qualifications of all faculty members. The envisioned FSB human resources procedure document could represent an opportunity to formalize and evaluate this process.*

There are two parts of this concern expressed by the visitation team and the Commissioners.

- a. *Ongoing documentation of all full time and part time FSB faculty.* There was some required documentation that was not in faculty files. This has now been corrected.

- b. *Up-to-date documentation is required to show that persons teaching classes have the proper degrees and experience to teach the particular class to which they are assigned.* In other words, someone who may be professionally qualified to teach a marketing course is not automatically professionally qualified to teach a management or a finance class. Over time, the FSB had become loose on this part of quality control. We have not adhered as closely to that standard as we need to. However, we can report that the new dean is carefully monitoring this and the FSB is now in 100% compliance with this ACBSP standard.

These issues were addressed in the 2012 ACBSP Quality Assurance Report HR plan and the ACBSP response has been to reduce the Condition to a Note on Standard 5:

Reduce Condition to a Note on Standard 5 - Faculty and Staff Focus: Provide a description of the process that was implemented to assure there are no lapses in documentation of the qualifications of all faculty members – including adjuncts.

Condition 4: *Provide documentation of how FSB can assure its students, faculty members, and other stakeholders are adequately supported in dealings with the university in the areas of Business Process Management and Enrollment Management. The developing Assessment Plan may provide a vehicle for accomplishing this action.*

This particular condition must be put in context. The ACBSP team felt that there needed to be a more open and responsive system in place that would be able to respond more effectively to the needs of the FSB. Specifically they were concerned that there was little input or control of funds by the FSB, and that there was no system in place to respond to the needs of a growing program like the MBA program. These are issues that are strategically important to the University and the FSB. The FSB has the mandate and the ability to be one of the program areas on campus that should be able to respond to the call for agility in the strategic plan. It is also one of the primary programs on campus that has a market that allows for growth. However, the system in place, as viewed by the accreditation team, did nothing to effectively promote either agility or growth. On the FSB side, there has not been a cohesive plan to promote MBA growth. On the University side, there is no reason for the FSB to expect that such a plan would be resourced adequately.

However, at least partly because of the stated ACBSP concerns, the 2011-12 academic year was marked by a new openness to discuss more agile and growth oriented systems and the interim FSB Dean, the Provost and the VP of Finance made a good start at developing a funding model to support growth. The results have been very positive and have paved the way for a campus wide exploration of new approaches to generate resources. In addition, the change in structure has allowed the FSB Dean to report directly to the Provost and this will improve communication and responsiveness. Finally, there is a new campus-wide initiative to become more transparent with both strategic and financial information. Part of this initiative is to adopt a system that will help in providing effectiveness and efficiency measures by department and program. This information will then be shared broadly rather than narrowly throughout the University community. For example, the University has begun to use the Delaware Study data to evaluate departmental efficiency.

The ACBSP was very happy to see the way in which the FSB and the University are working closer together and the condition on Standard 6 was replaced by an Opportunity for Improvement (OFI):

“Place an OFI on Standard 6: The Board looks forward to reports of further progress in FSB’s efforts along

with those of the University to continue with the new openness described in the QA Report.”

Note 1: *The Board encourages the FSB to provide documentation of its regular review of student and stakeholder data as well as improvements that have been implemented based on review of feedback from students and other stakeholders.*

The visitation team was complimentary of the sources of information used by the FSB to gather information concerning student and stakeholder satisfaction. The FSB collects plenty of Quality information through EBI surveys, surveys of employers, IDEA evaluations, retention rates and supervisor feedback on interns. However, what the FSB has not done well (until the 2012 QA report) is show how this feedback has been used to improve the quality of programs.

However, in the 2012 ACBSP QA report the FSB was able to demonstrate that it is now using this feedback. In particular, this feedback is used to help shape the major curricula changes that were brought to the Academic Policies Committee (APC) and approved by the faculty.

The ACBSP were very happy with this progress and removed the note on Standard 3.

Note 2: *The FSB should provide documentation of faculty professional and/or doctoral qualifications in one-year, and if the mix of faculty does not meet the ACBSP historic proven criteria, provide detailed records of performance evaluation as it related to program objectives including items a,b,c, and d in Criterion 5.2.3.*

The FSB has made considerable progress in addressing the concerns underlying this note. Doctoral coverage during the self-study year was 34% (standard 40%) at the undergraduate level and 27% (standard 70%) at the graduate level. During the 2011-12 academic year the results showed 58% doctoral coverage at the undergraduate level (well above the 40% standard), and 51% doctoral coverage at the MBA level (still below the 70% standard, but showing marked improvement). The percentage of doctoral coverage should continue to improve. Prof Munoz should finish his DBA before 2014 and Prof Bothe is due to complete in 2015. In addition, all new faculty hires must be doctorally qualified. Finally, the new 5th year MBA will be taught primarily by full-time doctorally qualified FSB faculty which will further raise the percentage of MBA courses taught by doctorally qualified faculty.

However, the ACBSP quite rightly decided to maintain the note on Standard 5 until the FSB can demonstrate that it is in compliance with ACBSP doctoral coverage standards:

“Maintain Note on Standard 5 - Faculty and Staff Focus: The Board looks forward to continued progress in meeting the ACBSP faculty member professional and academic qualification expectations in the next QA Report.”

Note 3: *Provide evidence of the deployment of strategies to reduce teaching overloads given the economic and regulatory challenges faced by the FSB and its Human Resource Plan.*

The FSB fully supports the principle that full-time faculty should not be teaching overloads. The rationale that overloads reduce the time that faculty have available for professional development, counseling & advising students and engaging in other activities critical to the success and quality of the business school is one that we take seriously. That said, the FSB has faced some challenges in eliminating

overload at the MBA level. What often happens is that last minute work issues come up for external adjuncts scheduled to teach one of the classes and these often have to be covered by FSB faculty on an overload basis.

The ACBSP quite rightly has maintained this Note on Standard 5 and it will only be removed when FSB faculty have zero overload:

“Maintain Note on Standard 5, Criterion 5.2.3: The QA Report provides a framework for eliminating faculty member teaching overloads by Spring 2013. However, the HR Plan provided no strategies by which this will be accomplished and was also absent any discussion as to processes to be developed to prevent overloads in the future.”

What all of the above shows is that the FSB takes the feedback provided by the ACBSP very seriously and has put strategies in place to address each of the Conditions and Notes identified in the 2010 Reaccreditation Report.

PART I – Institutional and Program Alignment of Vision, Mission, Core Values, and Learning Outcomes

Alignment of the Program with the University’s Missions, Core Values and Goals

The PLNU mission statement reads as follows:

Point Loma Nazarene University exists to provide higher education in a vital Christian community where minds are engaged and challenged, character is modeled and formed, and service becomes an expression of faith. Being of Wesleyan heritage, we aspire to be a learning community where grace is foundational, truth is pursued, and holiness is a way of life.

The mission of the Fermanian School of Business is:

To provide the world, business leaders who demonstrate Christ-like character.

The FSB mission and tag line “More than the bottom line: business education to change the world” has received strong support from the FSB advisory board, the business community, students, parents and potential faculty hires. The mission and tag line are short and written in a manner typical in the business world rather than the academy.

The FSB sees its mission as vitally connected to the mission of PLNU (See Figure 2). Moreover, the FSB core values link tightly with PLNU Core Values. The FSB has high academic standards and its students are performing well both within the classroom, in their internships and in their careers. The FSB is intentionally Christian; many classes are started with devotions and academic disciplines are discussed through the lens of faith. The CID brings a strong international flavor to the FSB and International Development Study majors and Business Administration majors pursuing an International Business concentration must spend a semester abroad. The faculty is committed to developing students as whole people and teaches students principles of Biblical stewardship that encourage students to serve both at home and internationally. The FSB seeks to attract applicants from minority backgrounds for open positions through actions such as posting open positions on various diversity web boards.

Figure 2: Alignment of FSB and PLNU Core Values

FSB Core Values	PLNU Core Values
Academic Excellence	Excellence in teaching and learning
Integrated Values	An intentionally Christian community A global perspective and experience Ethnic and cultural diversity
Active Engagement	The development of students as whole persons Stewardship of resources Service as an expression of faith

The University vision statement includes a list of qualities that the University wants to be recognized for. Among this list is the desire to be known for “exceptional undergraduate programs preparing students for success in graduate school and the professions.” However, as presently constructed, the Business Administration major lags behind competitors and is an outlier in many ways. It does not have a robust Common Professional Component; it has concentrations rather than majors; it offers 4 credit classes instead of 3 credit classes restricting the number of subjects that can be taught and has a slightly offbeat mix of courses. In order to realign the FSB with the University vision for “exceptional undergraduate programs” the FSB has presented a major undergraduate curricula revision to APC for their review. A fuller rationale for this proposal will be set out later in this review.

Alignment of the Program Learning Outcomes to the Institutional Learning Outcomes

The FSB’s Program Learning Outcomes are closely intertwined with the PLNU Institutional Learning Outcomes (See Figure 3). The FSB wants students to develop excellent knowledge of the essential areas of business, use their professional skills to serve and grow in the personal Christ-centered values expected of FSB and PLNU graduates.

Figure 3: Alignment of FSB PLOs with PLNU ILOs

FSB Program Learning Outcomes (PLO)	PLNU Institutional Learning Outcomes (ILO)
Students will develop excellent knowledge of the essential areas of business.	Learning, informed by our faith in Christ
Students will demonstrate the professional skills essential to success in business.	Serving, in a context of Christian faith
Students will develop the personal values expected of PLNU graduates	Growing, in a Christ-centered faith community

Each Major has its own program learning outcomes, examples of which are set out below:

Major in Accounting -Program Learning Outcomes

Students who complete the program in Accounting will be able to:

1. Identify and understand definitions and terms in accounting.
2. Demonstrate an understanding of the framework of concepts within accounting.
3. Compare multiple perspectives in accounting.

4. Evaluate and appropriately apply the concepts of accounting.
5. Solve problems in accounting by using the knowledge they have.
6. Communicate, in various mediums, the essentials of accounting.
7. Develop a professional presentation in their work in accounting.
8. Articulate the integration of their faith into accounting.
9. Demonstrate ethical behavior in work and life interactions.
10. Demonstrate citizenship by consistently meeting obligations in accounting.

Business Administration -Program Learning Outcomes

Students who complete the program in Business Administration will be able to:

1. Identify and understand definitions and terms in business administration.
2. Demonstrate an understanding of the framework of concepts within business administration.
3. Compare multiple perspectives in business administration.
4. Evaluate and appropriately apply the concepts of business administration.
5. Solve problems in business administration by using the knowledge they have.
6. Communicate, in various mediums, the essentials of business administration.
7. Develop a professional presentation in their work in business administration.
8. Articulate the integration of their faith into business administration.
9. Demonstrate ethical behavior in work and life interactions.
10. Demonstrate citizenship by consistently meeting obligations in business administration

Major in Economics -Program Learning Outcomes

Students who complete the program in Economics will be able to:

1. Identify and understand definitions and terms in economics.
2. Demonstrate an understanding of the framework of concepts within economics.
3. Compare multiple perspectives in economics.
4. Evaluate and appropriately apply the concepts of economics.
5. Solve problems in economics by using the knowledge they have.
6. Communicate, in various mediums, the essentials of economics.
7. Develop a professional presentation in their work in economics.
8. Articulate the integration of their faith into economics.
9. Demonstrate ethical behavior in work and life interactions.
10. Demonstrate citizenship by consistently meeting obligations in economics

Major in Finance - Program Learning Outcomes

Students who complete the program in Finance will be able to:

1. Identify and understand definitions and terms in finance.
2. Demonstrate an understanding of the framework of concepts within finance.
3. Compare multiple perspectives in finance.
4. Evaluate and appropriately apply the concepts of finance.
5. Solve problems in finance by using the knowledge they have.
6. Communicate, in various mediums, the essentials of finance.
7. Develop a professional presentation in their work in finance.
8. Articulate the integration of their faith into finance.
9. Demonstrate ethical behavior in work and life interactions.
10. Demonstrate citizenship by consistently meeting obligations in finance

Major in International Development -Program Learning Outcomes

Students who complete the program in International Development will be able to:

1. Identify and understand definitions and terms in international development.
2. Demonstrate an understanding of the framework of concepts within international development.
3. Compare multiple perspectives in international development.
4. Evaluate and appropriately apply the concepts of international development.
5. Solve problems in international development by using the knowledge they have.
6. Communicate, in various mediums, the essentials of international development.
7. Develop a professional presentation in their work in international development.
8. Articulate the integration of their faith into international development.
9. Demonstrate ethical behavior in work and life interactions.
10. Demonstrate citizenship by consistently meeting obligations in international development.

Major in Management - Program Learning Outcomes

Students who complete the program in Management will be able to:

1. Identify and understand definitions and terms in management.
2. Demonstrate an understanding of the framework of concepts within management.
3. Compare multiple perspectives in management.
4. Evaluate and appropriately apply the concepts of management.
5. Solve problems in management by using the knowledge they have.
6. Communicate, in various mediums, the essentials of management.
7. Develop a professional presentation in their work in management.
8. Articulate the integration of their faith into management.
9. Demonstrate ethical behavior in work and life interactions.
10. Demonstrate citizenship by consistently meeting obligations in management.

Major in Marketing - Program Learning Outcomes

Students who complete the program in Management will be able to:

1. Identify and understand definitions and terms in marketing.
2. Demonstrate an understanding of the framework of concepts within marketing.
3. Compare multiple perspectives in marketing.
4. Evaluate and appropriately apply the concepts of marketing.
5. Solve problems in marketing by using the knowledge they have.
6. Communicate, in various mediums, the essentials of marketing.
7. Develop a professional presentation in their work in marketing.
8. Articulate the integration of their faith into marketing.
9. Demonstrate ethical behavior in work and life interactions.
10. Demonstrate citizenship by consistently meeting obligations in marketing.

Master of Business Administration - Program Learning Outcomes

Students who complete the Master of Business Administration will be able to:

1. Reason analytically and apply theory across interdisciplinary boundaries to solve problems and create innovative solutions.
2. Analyze the interrelatedness of market, economic, social and political trends, and their impact on a global environment.
3. Design effective business strategies.
4. Create effective management procedures based on best practices, personal development, and professional development.

5. Demonstrate the effective communication skills required of executive-level employees.
6. Exercise leadership ability and team-building skills through class projects and involvement in student, community and/or professional organizations.
7. Model behavior that reflects an understanding and appreciation of the legal and ethical responsibilities of executive-level employees.
8. Articulate the integration of faith into professional business careers.
9. Demonstrate citizenship by meeting or exceeding obligations as a business professional.

Appendix K shows how these Program Learning Outcomes fit into the Institutional Learning Outcomes. Within each degree program Learning Outcomes are introduced, advanced and mastered. Appendix L gives an example of how this is accomplished within the MBA program.

Appendix M links the academic FSB's Student Learning Outcomes (Knowledge, Skills and Values) with the academic PLOs of each major. Appendix N shows how and where Knowledge, Skills and Values will be assessed in FSB academic programs. Appendix O shows the progress that has been made on determining measures of success, creating rubrics and data collection.

PLNU uses an assessment wheel to map each school or department's progress. The FSB's assessment wheel, where additional information about the FSB's Mission, Student Learning Outcomes, Curriculum Maps, Assessment Plan, Evidence of Student Learning and Uses of Evidence of Student Learning can be found at <https://portal.pointloma.edu/web/institutional-effectiveness/assessment/business>.

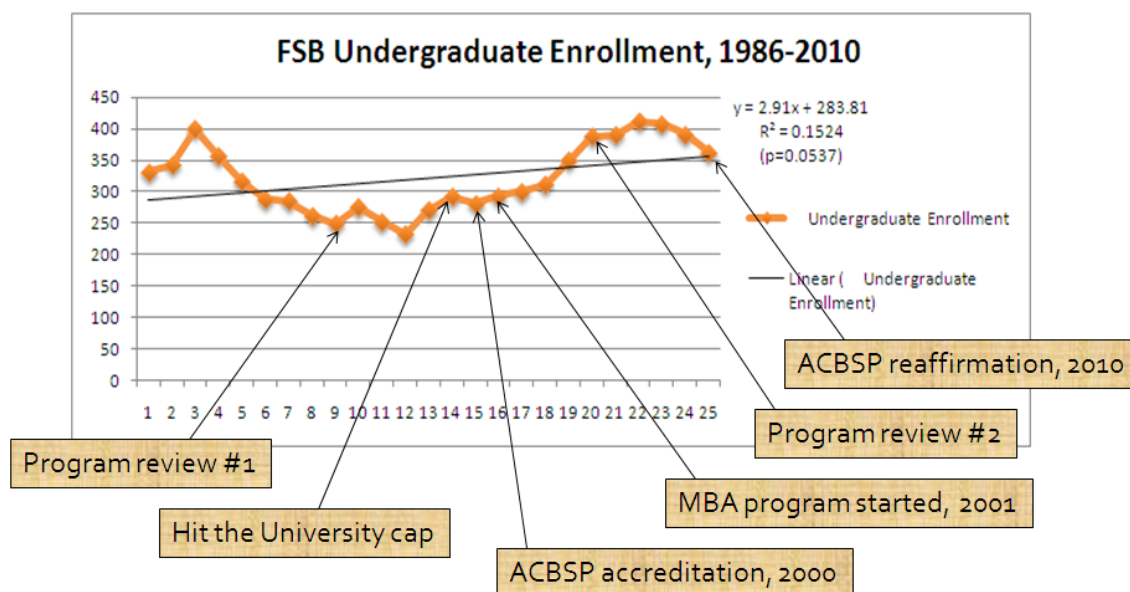
Institutional and Program Alignment of Vision, Mission, Core Values, and Learning Outcomes	
Key Findings	Recommendations
<ul style="list-style-type: none"> • PLNU and FSB missions are aligned 	<ul style="list-style-type: none"> • No Change
<ul style="list-style-type: none"> • FSB PLOs links well with PLNU ILOs 	<ul style="list-style-type: none"> • No Change
<ul style="list-style-type: none"> • FSB's assessment plan is beginning to take shape. In 2011-2 Skills were assessed across all programs, in 2012-3 Knowledge was assessed and in 2013-4 Values will be assessed. 	<ul style="list-style-type: none"> • Continue to roll out assessment plan making sure that evidence of student learning is used to continually update curriculum.

PART II – Capacity and Resource for Academic Quality

External Demand for the Program(s): Analysis of enrollment trends and retention data

Figure 4 presents an analysis of FSB undergraduate student enrollment between 1986-2010 revealing fluctuations, with peaks of 400+ students in 1988, and again in 2007 & 2008. Figure 4 shows that these fluctuations can be linked to key events in the University and business school: 1994 - *first program review*; 1999 - *hit the University cap at the Point Loma campus*; 2000 - *initial accreditation from ACBSP (Association of Collegiate Business Schools and Programs)*; 2001 - *MBA program started*; 2005 - *second program review*; 2010 - *accreditation reaffirmation from ACBSP (Accreditation Council of Business Schools and Programs)*

Figure 4: FSB Undergraduate Enrollment, 1986-2010



The first program review, initiated in 1994, exposed long-overdue curricular problems, including obsolescence (ex. secretarial science); it proposed significant changes in the types of programs that should be offered in the department; and it proposed changes to upgrade the academic quality and rigor of the curriculum. It also assessed the readiness of the academic programs for specialized accreditation by ACBSP (Association of Collegiate Business Schools and programs), which resulted in significant curricular revision in how those programs should be offered, and a decision was made to pursue professional accreditation.

As a result of these efforts toward improvement in quality, faculty and students became significantly stronger. A period of declining enrollment, followed by “settling” occurred, where lower-achieving students left the department and higher-achieving students selected the business programs. The volatility of enrollments during 1994-1998 illustrates this paradigm shift.

After the University hit its capacity limit on the Point Loma campus, the business department continued to grow significantly in undergraduate student enrollments and 120 additional students were added in the period 2000-2008. In 2001, shortly after reaching undergraduate capacity, the business department started an MBA program, and graduate student enrollments were added to the mix. Graduate student enrollments remained steady at approximately two cohorts or 30 students, until 2007 when graduate enrollments grew significantly until they reached 119 students in 2011 (Figure 5). The confluence of growing numbers in both undergraduate and graduate programs certainly stretched FSB resources during that period of time.

Figure 5: MBA 2006-11

Summary Data	2006	2007	2008	2009	2010	2011
MBA Enrollment	27	29	53	80	110	119

Figure 6 (below) shows that there has been an overall decline in undergrad enrollment in FSB over the last seven years. FSB UG enrollment increased from 403 students in Fall 2006 to a high point of 443 students in Fall 2008. FSB Enrollment has generally decreased since that high point. In 2012, the FSB’s share of PLNU UG enrollment was 14.7%. The proportion of female FSB majors has remained fairly constant over the last seven years at around 33-34% with a slight jump to 36 % in Fall 2009 and a slight dip to 30% in Fall 2011. The 2012 gender (male-to-female) ratio for FSB is 67:33 which was the opposite of the PLNU ratio of 38:62.

The FSB is at a seven-year high point in non-white UG enrollment with a Fall 2012 proportion of 30.8%. This is in contrast to a low point of 12.2% in Fall 2006. Overall FSB non-white headcount has increased 122% since Fall 2006 (from 49 to 109 students) The current FSB UG non-white proportion of 30.8% is slightly below the PLNU proportion of 32.7%. The current average Fall term unit load for FSB majors is 15.59 compared to 15.27 for PLNU as a whole

Figure 6:FERMANIAN SCHOOL OF BUSINESS - PROGRAM REVIEW DATA
Undergraduate Enrollment

Unduplicated FSB Majors		Fall 2006	Fall 2007	Fall 2008	Fall 2009	Fall 2010	Fall 2011	Fall 2012
Total Students	Headcount	403	426	443	398	364	350	354
Single Majors	Headcount	379	390	404	359	335	320	311
	Percent	94.00%	91.50%	91.20%	90.20%	92.00%	91.40%	87.90%
Double Majors	Headcount	24	36	39	39	29	30	43
	Percent	6.00%	8.50%	8.80%	9.80%	8.00%	8.60%	12.10%
Student Class Level:								
Freshmen	Headcount	77	95	108	69	76	61	73
	Percent	19.10%	22.30%	24.40%	17.30%	20.90%	17.40%	20.60%
Sophomores	Headcount	120	112	95	107	83	96	82
	Percent	29.80%	26.30%	21.40%	26.90%	22.80%	27.40%	23.20%
Juniors	Headcount	103	112	116	109	94	90	104
	Percent	25.60%	26.30%	26.20%	27.40%	25.80%	25.70%	29.40%
Seniors	Headcount	103	107	124	113	111	103	95
	Percent	25.60%	25.10%	28.00%	28.40%	30.50%	29.40%	26.80%
Gender:								
Men	Headcount	271	281	289	254	246	246	237
	Percent	67.20%	66.00%	65.20%	63.80%	67.60%	70.30%	66.90%
Women	Headcount	132	145	154	144	118	104	117
	Percent	32.80%	34.00%	34.80%	36.20%	32.40%	29.70%	33.10%
Ethnic Origin:								
Non-White	Headcount	49	69	82	85	74	92	109
	Percent	12.20%	16.20%	18.50%	21.40%	20.30%	26.30%	30.80%
White/Unknown	Headcount	354	357	361	313	290	258	245
	Percent	87.80%	83.80%	81.50%	78.60%	79.70%	73.70%	69.20%
Ethnic Detail:								
Hispanic/Latino	Headcount	26	46	50	53	48	58	69
	Percent	6.50%	10.80%	11.30%	13.30%	13.20%	16.60%	19.50%
African American	Headcount	5	5	8	5	3	5	4
	Percent	1.20%	1.20%	1.80%	1.30%	0.80%	1.40%	1.10%
Native American	Headcount	5	1	2	3	3	7	4
	Percent	1.20%	0.20%	0.50%	0.80%	0.80%	2.00%	1.10%
Hawaiian/Pacific Islander	Headcount	.	.	.	.	2	3	4
	Percent	--	--	--	--	0.50%	0.90%	1.10%
Asian American	Headcount	13	17	22	24	16	17	17
	Percent	3.20%	4.00%	5.00%	6.00%	4.40%	4.90%	4.80%
Multi-Racial	Headcount	.	.	.	.	2	2	11
	Percent	--	--	--	--	0.50%	0.60%	3.10%
White	Headcount	346	349	353	301	278	252	242
	Percent	85.90%	81.90%	79.70%	75.60%	76.40%	72.00%	68.40%
Non-Resident Alien	Headcount	7	4	2	5	5	3	2
	Percent	1.70%	0.90%	0.50%	1.30%	1.40%	0.90%	0.60%
Other/Unknown Ethnicity	Headcount	1	4	6	7	7	3	1
	Percent	0.20%	0.90%	1.40%	1.80%	1.90%	0.90%	0.30%
Enrollment Status:								
Continuing	Headcount	306	303	304	300	266	257	260
	Percent	75.90%	71.10%	68.60%	75.40%	73.10%	73.40%	73.40%
First-Time Freshmen	Headcount	71	88	101	65	72	60	72
	Percent	17.60%	20.70%	22.80%	16.30%	19.80%	17.10%	20.30%
New Transfers	Headcount	26	35	38	33	26	33	22
	Percent	6.50%	8.20%	8.60%	8.30%	7.10%	9.40%	6.20%
Average Load		15.34	15.54	15.55	15.19	15.52	15.46	15.59

Figure 7 shows that the 2011 one-year persistence rate of FSB undergraduates is 87% (PLNU average is 82.9%). Women persisted at a higher rate than men; 96.6% of the women who matriculated to the FSB in Fall 2011 were still enrolled the following year (PLNU average 84.6%). Only 84.6% of men were still enrolled one year later, but this was higher than the PLNU average of 79.7%. The one year persistence of both White and Non-White students was higher in the FSB than for PLNU: The FSB retained 80% Non-White (PLNU average 79.7%) and 90.4% White students (PLNU average 84.6%).

Table 8 presents the one-year persistence rate for PLNU and we note that FSB students persist at a higher rate than the university as a whole.

Figure 7: FERMANIAN SCHOOL OF BUSINESS - PROGRAM REVIEW DATA
First-Time Freshmen - One-Year Persistence

Majors		Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009	Fall 2010	Fall 2011
Original Cohort		92	71	88	101	65	72	60
No major change		81	62	69	83	48	62	53
Changed major within FSB		3	0	5	2	1	4	0
Changed major out of FSB (exports)		8	9	14	16	16	6	7
Changed major into FSB (imports)		36	30	15	18	14	15	24
Exclusions (death/military service)		0	0	0	0	0	0	0
Adjusted (Net) Cohort		120	92	89	103	63	81	77
Graduated within one year		0	0	0	0	0	0	0
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Still enrolled after one year		100	79	71	87	54	67	67
		83.30%	85.90%	79.80%	84.50%	85.70%	82.70%	87.00%
Disqualified		0	0	0	0	0	0	2
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.60%
Discontinued		20	13	18	16	9	14	8
		16.70%	14.10%	20.20%	15.50%	14.30%	17.30%	10.40%
Men	Adjusted Cohort	72	50	54	66	38	61	48
	Graduated within one year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Still enrolled after one year	84.70%	86.00%	79.60%	84.80%	86.80%	82.00%	81.30%
	Disqualified	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	4.20%
	Discontinued	15.30%	14.00%	20.40%	15.20%	13.20%	18.00%	14.60%
Women	Adjusted Cohort	48	42	35	37	25	20	29
	Graduated within one year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Still enrolled after one year	81.30%	85.70%	80.00%	83.80%	84.00%	85.00%	96.60%
	Disqualified	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Discontinued	18.80%	14.30%	20.00%	16.20%	16.00%	15.00%	3.40%
Non-White	Adjusted Cohort	18	20	8	23	15	20	25
	Graduated within one year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Still enrolled after one year	77.80%	95.00%	87.50%	87.00%	73.30%	90.00%	80.00%
	Disqualified	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	4.00%
	Discontinued	22.20%	5.00%	12.50%	13.00%	26.70%	10.00%	16.00%
White/Unknown	Adjusted Cohort	102	72	81	80	48	61	52
	Graduated within one year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Still enrolled after one year	84.30%	83.30%	79.00%	83.80%	89.60%	80.30%	90.40%
	Disqualified	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.90%
	Discontinued	15.70%	16.70%	21.00%	16.30%	10.40%	19.70%	7.70%

Figure 8: POINT LOMA NAZARENE UNIVERSITY - PROGRAM REVIEW COMPARISON DATA
First-Time Freshmen - One-Year Persistence

		Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009	Fall 2010	Fall 2011
Original Cohort		563	537	529	538	534	588	532
No major change		380	364	375	383	381	435	388
Changed major within their original dept		27	17	23	24	11	28	8
Changed major out of their original dept		156	156	131	131	142	125	136
Exclusions (death/military service)		0	0	0	0	1	0	0
Adjusted (Net) Cohort		563	537	529	538	533	588	532
Graduated within one year		0	0	0	0	0	0	0
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Still enrolled after one year		484	468	439	453	449	477	441
		86.00%	87.20%	83.00%	84.20%	84.20%	81.10%	82.90%
Disqualified		5	6	5	3	3	4	9
		0.90%	1.10%	0.90%	0.60%	0.60%	0.70%	1.70%
Discontinued		74	63	85	82	81	107	82
		13.10%	11.70%	16.10%	15.20%	15.20%	18.20%	15.40%
Men	Adjusted Cohort	224	195	193	211	188	228	197
	Graduated within one year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Still enrolled after one year	83.00%	84.60%	82.90%	86.30%	83.00%	77.60%	77.70%
	Disqualified	1.30%	2.10%	2.10%	0.50%	1.10%	0.90%	2.50%
	Discontinued	15.60%	13.30%	15.00%	13.30%	16.00%	21.50%	19.80%
Women	Adjusted Cohort	339	342	336	327	345	360	335
	Graduated within one year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Still enrolled after one year	87.90%	88.60%	83.00%	82.90%	84.90%	83.30%	86.00%
	Disqualified	0.60%	0.60%	0.30%	0.60%	0.30%	0.60%	1.20%
	Discontinued	11.50%	10.80%	16.70%	16.50%	14.80%	16.10%	12.80%
Non-White	Adjusted Cohort	109	119	95	108	128	175	187
	Graduated within one year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Still enrolled after one year	82.60%	88.20%	85.30%	85.20%	82.00%	84.00%	79.70%
	Disqualified	0.90%	2.50%	1.10%	0.00%	1.60%	0.60%	3.20%
	Discontinued	16.50%	9.20%	13.70%	14.80%	16.40%	15.40%	17.10%
White/Unknown	Adjusted Cohort	454	418	434	430	405	413	345
	Graduated within one year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Still enrolled after one year	86.80%	86.80%	82.50%	84.00%	84.90%	79.90%	84.60%
	Disqualified	0.90%	0.70%	0.90%	0.70%	0.20%	0.70%	0.90%
	Discontinued	12.30%	12.40%	16.60%	15.30%	14.80%	19.40%	14.50%

Results from the Educational Benchmarking Assessment (EBI) (See Figure 9) show that as the number of FSB majors rose, the overall satisfaction with the program fell. For example, in 2008, when the FSB had almost 450 majors overall satisfaction was at its lowest on EBI (Educational Benchmarking Inc.). As the number of majors has begun to fall to 350, overall satisfaction has increased. While the EBI measures the perceptions of students who remained with the program, it is likely that this drop in satisfaction led to students transferring to other majors where they could get more individual attention.

Figure 9: Educational Benchmarking Assessment - Questions 79-81

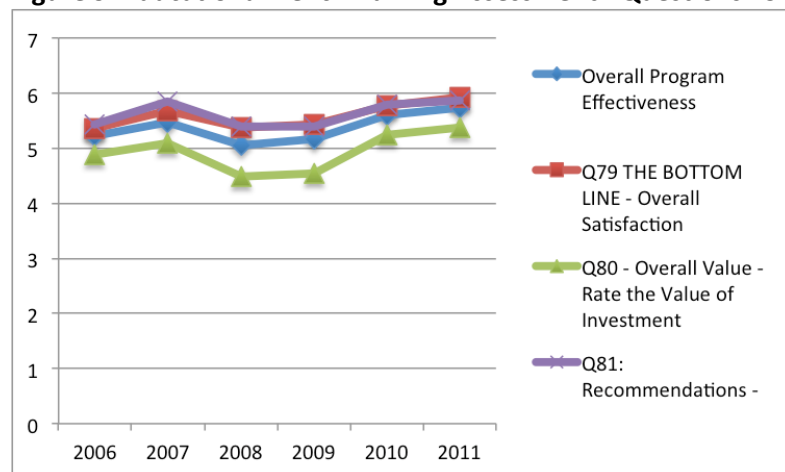


Figure 10 shows the Admissions funnel for FSB first time students. The admissions yield rate is slightly lower than the PLNU average. For example, PLNU's average yield was 30.3% in 2012 compared to the FSB's yield of 29%.

Figure 10: FERMANIAN SCHOOL OF BUSINESS - PROGRAM REVIEW DATA
First-Time Freshmen - Admissions Funnel

Unduplicated FSB Majors			Fall 2008	Fall 2009	Fall 2010	Fall 2011	Fall 2012
Total Students	Inquiries	N	1114	971	1419	1454	1510
	Applicants	N	285	299	452	473	444
		App Convert Rate	25.60%	30.80%	31.90%	32.50%	29.40%
	Selected	N	229	225	263	257	248
		Selection Rate	80.40%	75.30%	58.20%	54.30%	55.90%
	Enrolled	N	101	65	72	60	72
		Yield	44.10%	28.90%	27.40%	23.30%	29.00%
Men	Inquiries	N	516	459	703	730	707
	Applicants	N	158	157	258	266	212
		App Convert Rate	30.60%	34.20%	36.70%	36.40%	30.00%
	Selected	N	134	119	165	167	143
		Selection Rate	84.80%	75.80%	64.00%	62.80%	67.50%
	Enrolled	N	64	39	54	42	46
		Yield	47.80%	32.80%	32.70%	25.10%	32.20%
Women	Inquiries	N	598	512	716	724	803
	Applicants	N	127	142	194	207	232
		App Convert Rate	21.20%	27.70%	27.10%	28.60%	28.90%
	Selected	N	95	106	98	90	105
		Selection Rate	74.80%	74.60%	50.50%	43.50%	45.30%
	Enrolled	N	37	26	18	18	26
		Yield	38.90%	24.50%	18.40%	20.00%	24.80%
Non-White	Inquiries	N	305	280	451	574	616
	Applicants	N	55	70	144	189	180
		App Convert Rate	18.00%	25.00%	31.90%	32.90%	29.20%
	Selected	N	43	38	57	85	75
		Selection Rate	78.20%	54.30%	39.60%	45.00%	41.70%
	Enrolled	N	21	15	18	20	29
		Yield	48.80%	39.50%	31.60%	23.50%	38.70%
White/Unknown	Inquiries	N	809	691	968	880	894
	Applicants	N	230	229	308	284	264
		App Convert Rate	28.40%	33.10%	31.80%	32.30%	29.50%
	Selected	N	186	187	206	172	173
		Selection Rate	80.90%	81.70%	66.90%	60.60%	65.50%
	Enrolled	N	80	50	54	40	43
		Yield	43.00%	26.70%	26.20%	23.30%	24.90%

Figure 11: Admissions Funnel by FSB Major

Accounting			Fall 2008	Fall 2009	Fall 2010	Fall 2011	Fall 2012
Total Students	Inquiries	N	54	59	127	143	138
	Applicants	N	4	19	38	40	39
		App Convert Rate	7.40%	32.20%	29.90%	28.00%	28.30%
	Selected	N	4	14	24	25	28
		Selection Rate	100.00%	73.70%	63.20%	62.50%	71.80%
	Enrolled	N	3	3	5	5	9
		Yield	75.00%	21.40%	20.80%	20.00%	32.10%

Business Administration			Fall 2008	Fall 2009	Fall 2010	Fall 2011	Fall 2012
Total Students	Inquiries	N	1048	900	1254	1283	1347
	Applicants	N	277	271	398	426	389
		App Convert Rate	26.40%	30.10%	31.70%	33.20%	28.90%
	Selected	N	221	205	227	228	209
		Selection Rate	79.80%	75.60%	57.00%	53.50%	53.70%
	Enrolled	N	94	61	67	54	61
		Yield	42.50%	29.80%	29.50%	23.70%	29.20%

Industrial-Organizational Psychology			Fall 2008	Fall 2009	Fall 2010	Fall 2011	Fall 2012
Total Students	Inquiries	N	1	2	2	4	3
	Applicants	N	1	2	1	2	3
		App Convert Rate	100.00%	100.00%	50.00%	50.00%	100.00%
	Selected	N	1	1	1	0	3
		Selection Rate	100.00%	50.00%	100.00%	0.00%	100.00%
	Enrolled	N	1	0	0	0	2
		Yield	100.00%	0.00%	0.00%	--	66.70%

International Development Studies			Fall 2008	Fall 2009	Fall 2010	Fall 2011	Fall 2012
Total Students	Inquiries	N	11	12	36	25	24
	Applicants	N	3	9	15	6	15
		App Convert Rate	27.30%	75.00%	41.70%	24.00%	62.50%
	Selected	N	3	7	11	5	10
		Selection Rate	100.00%	77.80%	73.30%	83.30%	66.70%
	Enrolled	N	3	3	0	2	2
		Yield	100.00%	42.90%	0.00%	40.00%	20.00%

Figure 11 shows the admissions funnel by major. The Business Administration Major is by far the most popular, followed by Accounting. Industrial Organizational Psychology has very little appeal, never having more than 4 enquiries!

Figure 12 shows the academic quality of first time freshman in the FSB. FSB first time freshman score slightly lower than the PLNU average on High School GPA, SAT and ACT scores. In 2008 and 2009 male first time freshman were admitted with higher academic quality than women. From 2010 onwards, female students have been admitted to the FSB with higher scores than men. White students are admitted with slightly higher scores than non-white first time freshman.

Figure 13 shows that first time freshman Accounting students have the highest academic quality among FSB programs. It is also interesting to note that the academic quality of Business Administration first time freshman is increasing year-to-year.

Figure 12: FERMANIAN SCHOOL OF BUSINESS - PROGRAM REVIEW DATA
First-Time Freshmen - Admissions Quality

Unduplicated FSB Majors			Fall 2008	Fall 2009	Fall 2010	Fall 2011	Fall 2012
Total Matriculants	HSGPA	N	100	64	72	60	72
		Average	3.57	3.61	3.62	3.64	3.68
	SATREAD	N	89	58	64	55	60
		Average	543	540	558	549	568
	SATMATH	N	89	58	64	55	60
		Average	572	559	570	570	580
	ACTCOMP	N	41	36	35	36	37
		Average	24	23.6	24.4	24.6	25.5
Men	HSGPA	N	64	39	54	42	46
		Average	3.48	3.55	3.56	3.55	3.64
	SATREAD	N	57	34	48	38	38
		Average	540	542	551	542	570
	SATMATH	N	57	34	48	38	38
		Average	574	572	578	574	593
	ACTCOMP	N	26	21	26	24	23
		Average	24	23.7	23.8	24.3	25.4
Women	HSGPA	N	36	25	18	18	26
		Average	3.73	3.69	3.8	3.87	3.74
	SATREAD	N	32	24	16	17	22
		Average	548	536	578	565	563
	SATMATH	N	32	24	16	17	22
		Average	568	541	546	561	556
	ACTCOMP	N	15	15	9	12	14
		Average	23.9	23.5	26	25.3	25.8
Non-White	HSGPA	N	21	15	18	20	29
		Average	3.55	3.75	3.61	3.57	3.66
	SATREAD	N	21	15	15	20	24
		Average	540	537	539	535	553
	SATMATH	N	21	15	15	20	24
		Average	568	551	546	547	580
	ACTCOMP	N	5	8	10	10	13
		Average	23.2	22.4	23.3	23.4	26.7
White/Unknown	HSGPA	N	79	49	54	40	43
		Average	3.58	3.57	3.63	3.68	3.69
	SATREAD	N	68	43	49	35	36
		Average	544	540	564	557	578
	SATMATH	N	68	43	49	35	36
		Average	573	562	578	584	579
	ACTCOMP	N	36	28	25	26	24
		Average	24.1	24	24.8	25	24.9

Figure 13: Academic Quality by Major

Accounting			Fall 2008	Fall 2009	Fall 2010	Fall 2011	Fall 2012
Total Matriculants	HSGPA	N	3	3	5	5	9
		Average	3.95	3.92	3.91	3.51	3.75
	SATREAD	N	2	3	4	4	8
		Average	500	540	548	518	571
	SATMATH	N	2	3	4	4	8
		Average	600	600	605	580	631
	ACTCOMP	N	1	1	2	3	4
		Average	28	21	25	24	27

Business Administration			Fall 2008	Fall 2009	Fall 2010	Fall 2011	Fall 2012
Total Matriculants	HSGPA	N	94	60	67	54	61
		Average	3.56	3.62	3.6	3.65	3.67
	SATREAD	N	84	55	60	50	50
		Average	543	538	559	550	568
	SATMATH	N	84	55	60	50	50
		Average	571	556	568	569	577
	ACTCOMP	N	40	33	33	33	33
		Average	23.9	23.6	24.3	24.6	25.4

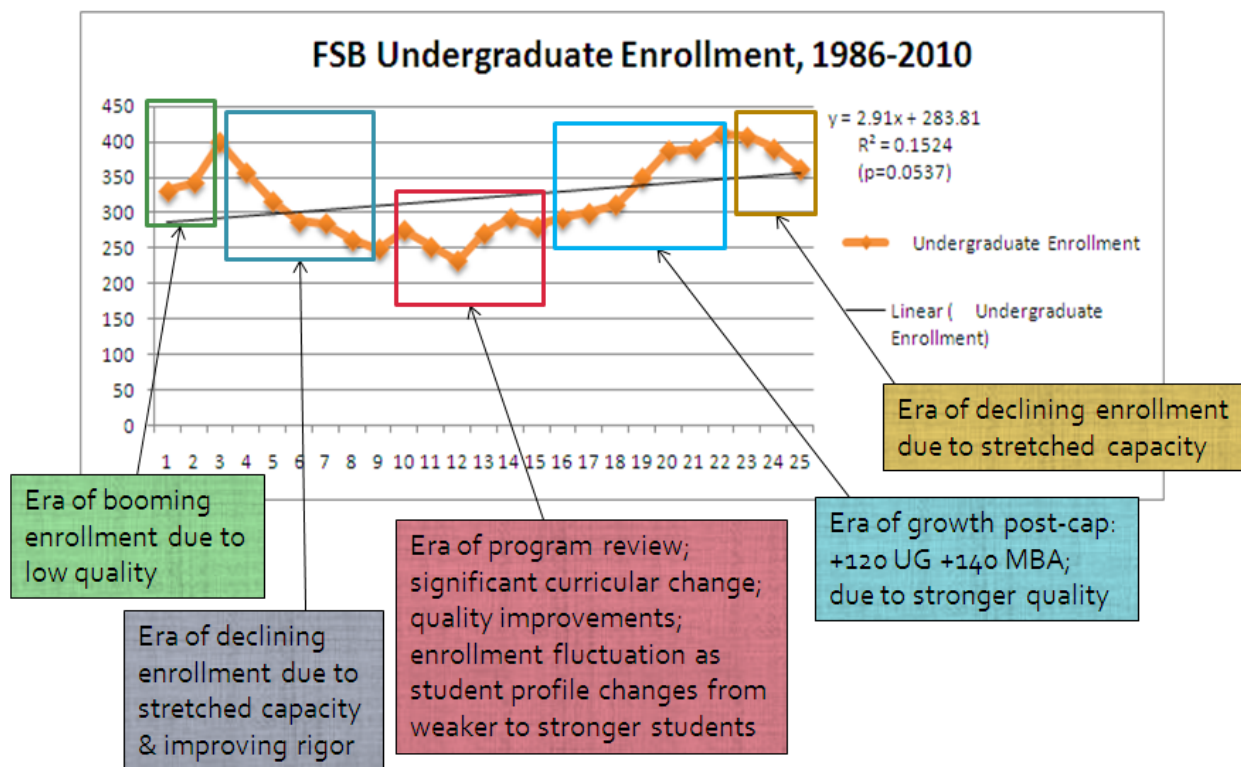
Industrial-Organizational Psychology			Fall 2008	Fall 2009	Fall 2010	Fall 2011	Fall 2012
Total Matriculants	HSGPA	N	1				2
		Average	3.16				3.8
	SATREAD	N	1				2
		Average	450				610
	SATMATH	N	1				2
		Average	490				580
	ACTCOMP	N	0				0
		Average	.	.	.	.	.

International Development Studies			Fall 2008	Fall 2009	Fall 2010	Fall 2011	Fall 2012
Total Matriculants	HSGPA	N	2	3		2	2
		Average	3.75	3.02		4.05	3.77
	SATREAD	N	2	2		2	2
		Average	615	565		610	545
	SATMATH	N	2	2		2	2
		Average	630	570		620	520
	ACTCOMP	N	0	2		0	1
		Average	.	26	.	.	25

Internal Demand for the Program(s)

Figure 14 shows a 25-year historic look at enrollment trends and reveals some interesting insights.

Figure 14: Eras of FSB Undergraduate Enrollment, 1986-2010



Era 1 (green): In the 1980s the business department was viewed by students as the “easiest” program on campus. Booming enrollments ensued, and in the late 1980s capacity was stretched, with only 4.5 full-time instructional faculty members for 400 students.

Era 2 (purple): Good faculty members were hired, and slowly faculty expectations and rigor improved. The combination of increasing rigor and stretched capacity generated declining enrollments in the late 1980s-early 1990s.

Era 3 (red): In the mid-1990s a program review resulted in significant program changes, including efforts to revise curriculum and improve academic quality. A decision to pursue professional accreditation by ACBSP came out of the program review. Continued hires of PhD-prepared faculty in the 1990s brought down student-faculty ratios and continued the efforts toward academic rigor; the Fermanian Business Center (which was added in 1990) enriched the academic program by connecting students to the business community; and volatility of growth ensued as lower-quality students left and higher-quality students selected programs in the business department.

Era 4 (blue): A confluence of three factors came together that led to increasing enrollment growth and resources being stretched beyond capacity at the end of this era. First, the University hit its city-imposed

cap of 2400 FTE undergraduate students. Second, continued improvements in quality following the achievement of accreditation, and the continued hiring of high quality faculty, led to student interest in high quality business programs. Additional niche areas, such as international development, entrepreneurship, experiential learning through internships, not-for-profit business, and sustainable business practices, generated student interest in business programs. The FBEI continued to improve its service to students, and the Armenian Center for International Development (later: Center for International Development) was added, and became a significant enrichment to the academic program. And third, the business department started an MBA program. The exciting developments and continued improvement in quality programs and relevance led to explosive enrollment growth.

Era 5 (brown): Enrollments started to decline again as student enrollment stretched beyond the FSB's capacity. Though there was some effort to add full-time faculty positions (adjunct conversions) during the growth period, the magnitude of the growth in the MBA, along with significant growth in the undergraduate program was too great. Thus, student enrollment was once again stretched beyond capacity, and it was impossible to give proper attention to the volume of students in the FSB, and enrollments began to decline.

Figure 15 shows the enrollment trends for individual majors. It shows that the Accounting major has shown substantial growth since 2006. However, despite the introduction of concentrations in International Business, Finance/ Entrepreneurship, Marketing and Management, the Business Administration major has continued to decline and is long overdue a curricula overhaul. Neither the Industrial-Organizational Psychology major nor the International Development Study major was able to achieve ACBSP accreditation because they do not have a strong enough business core.

Figure 15: FSB Enrollment by Major

Declared Major	2006	2007	2008	2009	2010	2011
Declared Majors by Major						
Accounting	29	36	43	42	42	51
Business Administration	340	365	325	246	204	129
BusAdmin - International Business			13	15	19	27
BusAdmin - Enterp/Finance			13	21	37	53
BusAdmin - Management			11	29	32	38
BusAdmin - Marketing			12	15	22	35
Industrial Organizational Psychology	25	18	21	19	12	15
International Development Studies	19	23	24	19	12	17
Total	413	442	462	406	380	365

The International Development Studies major has remained constant at around 19 majors but the Industrial Organizational Psychology major has been in decline, largely due to the lack of a faculty champion and a robust curriculum. In 2012 the FSB decided to include the redesigned Common Professional Component into the IDS major and then seek ACBSP accreditation in due course. In contrast, the FSB decided to eliminate the IO Psychology major (following an approved teach out for existing students). The IO Psychology major was originally a joint program between the business and psychology departments. Some years ago the Psychology department felt that it did not have the specialist faculty to support this major and the FSB carried it alone for several years. However, the reality is that the FSB has not included the hiring of an IO Psychology specialist in its HR strategy, together with the fact that IO Psychology is more often taught at the graduate rather than undergraduate level, led to the vote to remove the major from the FSB's catalog offerings.

The ethnic mix of the FSB is interesting. While the number of Asians and Hispanic students has been increasing, the number of White students has decreased by almost 100 since 2006. The FSB and the University attracts far fewer blacks than one might expect and this is a concern that no doubt the central administration is addressing.

The number of transfer students has remained constant at around 90.

The FSB student body is almost two-thirds male at undergraduate level, but is much more evenly balanced at the MBA level with only slightly more women than men. Like many Christian liberal arts schools, the PLNU undergraduate student body is comprised of 60% females and 40% males. As the FSB programs are among the very few PLNU programs that attract more men than women to the campus, the programs are vitally important in helping to keep the University's gender disparity manageable.

Size, Scope, and Productivity of the Program(s)

Figure 16 presents the credit hour data and shows a decrease in undergraduate major course credit hours being taught, an increase in graduate credit hours and a constant in general education credit hours. The MBA director has done much to increase the average class size of MBA courses. GE and major average class sizes have remained constant over the years.

In a university with 2400 undergraduate students the FSB is responsible for teaching 15.5% (around 370 UG FTE students per year) with around 10% of the faculty.

Figure 16: Enrollment Trends- FSB Majors 2006-11

FSB Summary Data	2006	2007	2008	2009	2010	2011
Credit hours generated	6750	6990	7026	7017	7351	7176
<i>Undergraduate</i>	<i>6342</i>	<i>6602</i>	<i>6446</i>	<i>6147</i>	<i>6148</i>	<i>6038</i>
<i>General Education</i>	969	828	906	792	906	936
<i>Major courses</i>	5373	5774	5540	5355	5242	5102
<i>Graduate</i>	<i>408</i>	<i>388</i>	<i>580</i>	<i>870</i>	<i>1203</i>	<i>1138</i>
Student FTE	430.4	445.0	451.2	456.7	484.5	472.2
<i>Undergraduate</i>	<i>396.4</i>	<i>412.6</i>	<i>402.9</i>	<i>384.2</i>	<i>384.3</i>	<i>377.4</i>
<i>General Education</i>	60.6	51.8	56.6	49.5	56.6	58.5
<i>Major courses</i>	335.8	360.9	346.3	334.7	327.6	318.9
<i>Graduate</i>	<i>34.0</i>	<i>32.3</i>	<i>48.3</i>	<i>72.5</i>	<i>100.3</i>	<i>94.8</i>
Faculty FTE	13.2	9.5	11.8	13.6	15.6	14.4
<i>Undergraduate</i>	11.4	8.2	10.3	10.8	11.5	11.1
<i>Graduate</i>	1.8	1.3	1.5	2.8	4.1	3.3
<u>Student-Faculty Ratio</u>						
<i>Undergraduate</i>	34.8	50.3	39.1	35.6	33.4	34.0
<i>Graduate</i>	18.9	24.9	32.2	25.9	24.5	28.7
<u>Average Class Size</u>						
<i>Undergraduate</i>	23.71	24.19	24.09	22.97	22.58	22.29
<i>General Education</i>	35.89	30.67	30.20	29.33	33.56	34.67
<i>Major courses</i>	21.63	22.56	21.40	21.51	20.51	20.70
<i>Graduate</i>	8.11	9.73	11.80	8.14	9.47	13.25

In 2012 the FSB received approval to begin a 5th year MBA at Liberty Station in August 2013 and this should enable the FSB to increase graduate enrollment.

Revenue and Other Resources Generated by the Program

In a capped undergraduate environment it makes little sense to talk about revenue generation unless the university has the ability to quickly reallocate resources as demand shifts, which, in a tenured environment, it does not. However, revenue data for graduate programs is more easily identifiable. Figure 17 shows that the MBA contributed gross profits of \$210,200, \$632,156 and \$621,793 in the last three years, which makes this program among PLNU's most profitable graduate programs.

Figure 17: MBA Financials Academic Year 2010-2102 (Fall/Spring/Summer)⁶

	2009-10	2010-11	2011-12
Revenue	\$856,749	\$1,230,934	\$1,349,902

⁶ Source: PLNU Finance Office - Fall 2012

Total direct expenses	\$646,549	75%	\$598,778	49%	\$728,109	54%
Gross margin **	\$210,200	25%	\$632,156	51%	\$621,793	46%
** Excludes facilities costs, general grad program support costs, and G&A costs						

Costs and Other Expenses Associated with the Program(s)

In 2012 the University participated in the National Study on Instructional Costs and Productivity (more often known as the “Delaware Study”) and Figures 18 and 19 present the 2010-11 data for the FSB Accounting and Business Management programs. The data reveals that the direct instructional expenditure for every student credit hour taught in accounting was \$246 (Figure 18), while business administration (undergraduate and MBA) had direct instructional costs of \$219.2 per student credit hour. In accounting, personnel costs represented 94% of the direct instructional costs. In business administration personnel costs accounted for 95%.

Figure 18: Accounting Student Credit Hours & Fiscal Data 2010-11 (Delaware Data)

1. Total FTE faculty (Fall 2010)	3.08
2. Total Instructional faculty (Fall 2010)	3.08
3. Tenured/tenure eligible faculty as % of total instructional faculty (Fall 2010)	89%
4. FTE students taught (Fall 2010)	46.7
5. Direct instructional expenditure per SCH	\$246
6. Direct instructional expenditure per FTE student	\$7,387
7. Personnel cost as percent of direct instructional expenditure	94%
8. Research expenditure per FTE tenured/tenure-track faculty	\$0
9. Public service expenditure per FTE tenured/tenure-track faculty	\$0
10. Research & public service expenditure per FTE tenured/tenure-track faculty	

Figure 19: Business Administration - Student Credit Hours & Fiscal Data 2010-11 (Delaware Data)

1. Total FTE faculty (Fall 2010)	14.83
2. Total Instructional faculty (Fall 2010)	14.55
3. Tenured/tenure eligible faculty as % of total instructional faculty (Fall 2010)	75%
4. FTE students taught (Fall 2010)	219.2
5. Direct instructional expenditure per SCH	\$288
6. Direct instructional expenditure per FTE student	\$7,631
7. Personnel cost as percent of direct instructional expenditure	95%
8. Research expenditure per FTE tenured/tenure-track faculty	\$0
9. Public service expenditure per FTE tenured/tenure-track faculty	\$0
10. Research & public service expenditure per FTE tenured/tenure-track faculty	\$0

While it is always dangerous to draw policy conclusions from only one year's data, some tentative observations can at least be made. First, compared to other majors in the University, FSB programs costs fall mid range. As the University develops its enrolment strategy, it might make sense to specifically target majors, such as business with a strong external demand and relatively inexpensive per unit delivery, as this helps maximize University revenue. Simply recruiting more students into areas with high costs will be a less efficient mechanism for strengthening the University's financial position. Second, when compared to other business schools in PLNU's Carnegie classification, the Delaware data shows that the FSB's Business Administration Student Credit Hour costs are more expensive than 90% of other schools while Accounting falls into the 63-75 percentile range. There are several reasons for this: First, the particular formula used by the Delaware data included the full salary of a university administrator (Becky Havens) who was on sabbatical during the data gathering period and only due to return to the FSB the following Spring. Second, the FSB's faculty is aging; there are few faculty under 50. Third, the FSB has two unique mission critical centers: The FBEI and CID that bring enormous benefits to FSB students, and as we suggested earlier, the FBEI has done much to increase the brand value of the PLNU degree. These benefits, of course, come at a cost to the FSB but bring a far greater benefit to the entire PLNU community.

Quality of Program Inputs and Processes

Figure 20 shows that the FSB has a quality faculty. Ten of the 14 full time faculty are doctorally qualified and the remaining 4 are all professionally qualified. It should be noted that the four professionally qualified CPAs are producing outstanding results with their students. For example, in the FSB most recent ETS results graduating seniors placed in the 99th percentile in the nation for accountancy. Two of the professionally qualified faculty are enrolled and making good progress in DBA programs. The mix of academically and professionally qualified faculty is quite common within Christian business schools of our size where several of our faculty enter the academy later in life after successful business careers.

Figure 20: Faculty Qualifications (2011-2012)

Faculty Member	Initial Appoint-ment	Highest Degree		Assigned Teaching Discipline(s)	Prof. Cert.	Level of Qualification	Tenure
		Type	Discipline				
Full Time							
Adjibolosoo, S	2000	PhD	Economics	Economics		Doctoral	yes
Ataide, R	2007	J.D.	Law	Entrepreneurship/		Doctorally	no
Bothe, D	2009	MBA	Accounting	ACC/Finance	CPA	Prof.	no
Cosentino, S	2004	MBA	Accounting	Accounting	CPA	Prof.	no
Croy, D	2002	Ed. D.	Management	Management		Doctoral	no
Filby	2102	Ph.D.	Management	Management		Doctoral	no
Gailey, R	2005	PhD	Intl. Dev./Leadership	Intl. Develop.		Doctoral	no
Hammond, C	2003	MBA	Accounting	Accounting	CPA	Prof.	no
Havens, B	1990	PhD	Economics	Economics		Doctoral	yes
Hogelucht, K	2006	PhD	Bus. Comm.	Bus. Comm.		Doctoral	no
Huntley, J	2009	PhD	Marketing	Marketing		Doctoral	no
Munoz, J	2007	MBA	Finance	Intl. Bus/ACC	CPA	Prof.	no
Schooling, B	1998	PhD	Management	Management		Doctoral	yes
Watkins, H	2001	PhD	Marketing	Marketing/		Doctoral	yes
Adjuncts							
Ayer, H	1973	J.D.	Law	Law		Doctoral	
Boyne, M	2009	MBA	Leadership	Ops Manage.		Prof	
Brownlee, S	2011	MBA	Accounting	Accounting		Prof	
Coil, C	2008	MBA	General	Sales		Prof	
Corbett, M	2012	MA	Comm	Advertising		Prof	
Crane, P	2005	MS	Economics	Economics		MS	
Fermanian, G	2001	MBA	Fin/Real Estate	Real Estate		Prof	
Goff, B Simms, R	1999	J.D.	Law	Law		Doctoral	
Hartman, J	2008	MBA	Accounting	Accounting		Prof	
Johnson, A	2012	MBA	Marketing	Marketing		Prof	
McCleskey, F	2009	MBA	General	Management		Prof	
McEliece, J	1994	PhD	Economics	Economics		Doctoral	
Oslovar, M	2005	MS	Systems Man.	Management		Prof	
Reaser, L	2010	PhD	Economics	Economics		Doctoral	
Sbarbaro, D	2000	MBA	General	Economics		Prof	
Simms, R	2001	MSFS	Financial Svcs	Investments	CFP	Prof	
Smith, S	2008	J.D.	Law	Law		Doctoral	
Young, D	2006	MBA	Management	Strategy/Sm Bus		Prof	

Figure 21 shows that the FSB is a midsize among the Christian business schools.

Figure 21: Business School Faculty at Selected CCCU Schools

1. Seattle Pacific University	22
2. Anderson University	22
3. Calvin College	21
4. Dallas Baptist	21
5. Lipscomb University	20
6. George Fox University	20
7. Mary Hardin Baylor	20
8. Malone	19
9. Azusa Pacific U	19
10. MVNU (without degree completion)	19
11. Hardin Simmons University	15
12. Whitworth	15
13. Point Loma Nazarene University	14
14. Trinity Western University	13
15. Northwestern (MN)	11
16. Palm Beach Atlantic	11
17. NNU	11
18. Oklahoma Christian	11
19. Oklahoma Baptist	11
20. TNU	11
21. Messiah	10
22. Biola	9
23. Fresno Pacific	9

Figure 22 shows that both PLNU and the FSB does a remarkable job in getting most students to complete a four year degree on time. This speaks to the quality of incoming students, well-designed internal systems and outstanding advising.

Figure 22: Average Time To Degree.

Average Time-to-Degree	2007	2008	2009	2010	2011
First-time Freshman Cohort Year	2001	2002	2003	2004	2005
First-time Freshman	4.15	3.93	4.03	4.05	3.988
<i>Time-to-degree by Gender</i>					
Women	4.00	3.83	3.83	4.13	3.81
Men	4.25	4.00	4.07	4.00	4.09
<i>Time-to-degree by Ethnicity</i>					
American Indian/Alaskan Native			3.50		
Asian/Pacific Islander		4.00	4.00	6.00	3.83
Black					
Hispanic	4.00	4.00	4.00	4.00	4.13
White	4.18	3.92	4.05	4.00	3.94
Non-Resident Alien					4.00
Unknown/Other	4.00				
<i>Time-to-degree by Major</i>					
Accounting	4.00	3.70	4.00	3.83	3.95
Business Administration	4.16	3.98	4.05	4.09	3.95
Industrial-Organizational Psychology	4.33	4.00	4.00	4.00	4.00
International Development Studies	4.00		3.75		3.83

Capacity and Resource for Academic Quality	
Key Findings	Recommendations
<ul style="list-style-type: none"> FSB enrolment has been cyclical 	<ul style="list-style-type: none"> Redesign majors to better meet students' needs
<ul style="list-style-type: none"> MBA on an upward trend 	<ul style="list-style-type: none"> Introduce 5th Year MBA
<ul style="list-style-type: none"> Delaware data shows FSB to be among most expensive departments in Carnegie classification 	<ul style="list-style-type: none"> Analyze more years of data and hire younger faculty when possible.

PART III – Educational Effectiveness: Analysis of Evidence about Academic Program Quality and Viability

Quality of Program Outcomes

A variety of instruments are used to measure FSB program outcomes including ETS major fields tests, EBI student satisfaction questionnaires, Capstone's Comp XM assessment tool in strategic management, evaluation of internships by internship supervisors, alumni and employer surveys and the use of assessment rubrics in our DQP pilot. Our 2012 ACBSP Quality Assurance Report (Appendix J) provides a good summary of the types of program outcomes we measure student outcomes and how this information is used to improve curricula design. While program outcomes for the undergraduate accounting major remain strong, outcomes for the BA in Business Administration have been weaker for reasons discussed elsewhere (see Part IV of the document) and assessment data has been used to shape a new curricula currently with the university's Academic Policies Committee (APC) that is responsible for reviewing new curricula innovation.

Curriculum

FSB Curricula has been benchmarked against other schools in Southern California as well as against other CCCU schools. Benchmarking and outcomes assessment has revealed both strengths and weaknesses in our programs. The strong points include our accounting program that has produced such exceptional graduates; graduates that are highly sought after by the Big Four accounting firms, who test well in ETS tests and who average among the best scores in the Californian CPA examinations. Weaknesses have also been revealed. For example, our lack of majors in economics, marketing, management and finance at the undergraduate level has been an outlier among business schools (see Part IV below). Similarly, an analysis of the MBA curricula of 34 other schools revealed that the FSB was the only one of 34 schools that required a research paper. The FSB introduced a proposal to rectify these curricula anomalies to help it more effectively compete in the increasingly sophisticated markets for business education.

Credit Hour Policy and Monitoring

All FSB courses (both existing and proposed) meet the standards set by the United States Department of Education with regard to the credit hour definition. One semester unit represents an hour (minimum fifty minutes) of class time per week for at least 15 weeks (Carnegie definition). Two hours of preparation are normal for each hour of class. Each of the new and revised courses in the new curriculum will be scheduled according to these guidelines.

Direct instructional hours will be scheduled according to the following guidelines:
1 credit hour = 750 minutes instructional time

2 credit hours = 1,500 minutes instructional time

3 credit hours = 2,250 minutes instructional time

4 credit hours = 3,000 minutes instructional time

Class scheduling is drafted by the FSB dean and approved by the Dean of the College of Social Science and Professional Studies. Monitoring is done through the dean's office.

Disciplinary, Professional, and Community Interactions

FSB faculty are involved in disciplinary scholarship, professional activities and community interactions. The following is a list of disciplinary and professional associations to which FSB faculty belong:

International Institute for Human Factor Development (USA—IHFD)
African Rhetoric Society
Christian Business Faculty Association (CBFA)
AM Toast (Toastmasters International)
Association of Christian Economists
Friends of Portugal
Junior Achievement of San Diego
California Bar Association
California Society of Certified Public Accountants
Lazarian World Homes
Restore International
Nazarene Compassionate Ministries, Inc.
Accord Network (association of Christian Relief and Development organizations)
San Diego Microfinance Alliance
American Economic Association (AEA)
Committee on the Status of Women in the Economics Profession (CSWEP)
Association of Christian Economists (ACE)
Accreditation Council of Business Schools and Programs (ACBSP)
American Marketing Association (AMA)
Academy of Marketing Science (AMS)
San Diego International Sports Council
National Association of Business Economics
Academy of International Business
Academy of Management

The work of the FBFI must be mentioned at this point. The FBFI is arguable PLNU's most publicized center and, to our knowledge, the only area within PLNU that has sought independent analysis of the public relations value of its work. The December 2011 FBFI PR valuation report prepared independently by Stitch Marketing concluded that the FBFI news coverage had a Public Relations value of \$400,000 to PLNU (See Appendix P). However, In 2012 PLNU PR Consultant John Cook commented in a letter to the FBFI Executive Director that the Stitch Marketing Report undervalued the ad equivalency of FBFI press coverage by a factor of 3 to 8, increasing the real value of FBFI news coverage to somewhere between

\$1.2 million and \$3.2 million per year (See Appendix Q). Granted, PLNU would not choose to pay for this coverage, nonetheless, the positive coverage of the University serves to increase the brand value of a PLNU degree for all graduates.

The Center for International Development has been actively engaged internationally. For example, in spring/summer 2011, 10 students and two leaders went to South Africa, Swaziland and Mozambique for the ECO 490 Microfinance course. In addition, the CID partially supported the work of Dr. Adijbolosoo's human factor research in Ghana; facilitated undergraduate students, MBA alums to meet with Muhammad Yunus and the Queen of Spain; attended and presented at the Global Microcredit summit in Valladolid, Spain; coordinated PLNU fundraising for and the Spring Break project build with Lazarian World Homes; worked closely with the San Diego Microfinance Alliance to organize their 4th Annual conference, and so on.

Students network with the business community through professional development events (undergraduate networking events), Executive Development Events (for MBAs) and several student clubs including the Entrepreneur Club, Finance & Investment Club, Microfinance Club, Student Accounting Society, ROTC, and Toastmasters (Toast at the Point).

In short, the FSB, the FBEI and the CID are all deeply involved in disciplinary, professional and community outreach.

Post Graduation Outcomes and Alumni Satisfaction

The FBEI assisted the FSB in preparing a 2011 survey of alumni and employers (see Appendix R). The survey produced some interesting results. First, employers regarded writing as more important to career success than most MBA students perhaps realized; MBA program outcomes have been changed to include the following outcome to underline this factor: *Demonstrate the effective communication skills required of executive-level employees*. At the undergraduate level, employers ranked leadership skills as far more important to career success than students realize. The FSB is redesigning the undergraduate business management major and 5th year MBA to make leadership a compulsory course.

The survey of alumni also showed that 79% of graduates with bachelors and 100% of graduates with a MBA regarded the quality/ cost ratio of their degree as either very good or good. The remaining 21% of those surveyed holding a bachelors degree rated the quality/ cost ratio as fair.

Educational Effectiveness: Analysis of Evidence about Academic Program Quality and Viability	
Key Findings	Recommendations
<ul style="list-style-type: none"> FBEI doing extraordinary work in promoting the PLNU brand 	<ul style="list-style-type: none"> Continue supporting FBEI
<ul style="list-style-type: none"> FSB graduates satisfied with quality/ price ratio of program 	<ul style="list-style-type: none"> Continue to examine pricing strategies for long term revenue yield
<ul style="list-style-type: none"> Employers stress the importance of leadership in career success 	<ul style="list-style-type: none"> Make leadership a compulsory course in business administration major and 5th year MBA

PART IV – Comparative Position and National Standards

Comparison with comparable programs at comparator and aspirant programs at other universities

The ACBSP reaffirmation review of the FSB, along with an analysis of assessment data and a review of comparator schools, revealed weaknesses in the undergraduate curriculum. In particular, the BA in Business Administration with four concentrations that each requires only two courses is a weak representation of typical (comparator) business programs in the specialized areas of Management, Marketing, Finance, and International Business. A review of comparator schools revealed that all have majors in most of the specialized areas mentioned, with common cores between 30-48 units, and majors containing between 15-30 additional units beyond the core.

In the FSB's first program review (1994) and its initial accreditation review by ACBSP (2000), the FSB was advised to organize around majors and not concentrations, but the department felt it did not have the faculty resources to do this effectively. Again in the 2010-2011 reaffirmation review, the ACBSP site evaluators noted that the FSB continues to be an outlier in business education by offering concentrations instead of majors, and by not offering a business core for all majors. In addition, the reviewers noted that the FSB was not effectively using the results of its own assessment data by not changing to a common core and majors.

Figure 23 shows that all of these comparator business schools now organize around a Common Professional Component (CPC), which is the standard core curriculum required by ACBSP accreditation. ACBSP Standards require all undergraduate programs to have a Common Professional Component (CPC) that includes (a) functional areas in marketing, business finance, accounting and management; (b) business environment areas in the legal environment, economics, business ethics and the global dimensions of business; (c) technical skills in information systems and quantitative techniques/statistics; and (d) integrative areas in business policies (strategy) or a comprehensive or integrating experience that enables a student to demonstrate the capacity to synthesize and apply knowledge and skills from an organizational perspective.

In addition, our comparator schools have majors with significant depth beyond the CPC (common core). Following the faculty's adoption of the FSB's new curriculum, the PLNU business program is no longer an outlier (in the negative sense of the word).

Figure 23: Comparison of Certain Business Curriculum Characteristics (units)

Institution	3-4 hr Classes	CPC	Majors	Total
Azusa	3	45	21	66
Biola	3	42	18	60
Cal Baptist	3	39	21	60
George Fox	3	42	18	60
PLNU	3*	43**	18**	61
Whitworth	3	33	22	55
Anderson	3	37	18	55
USD	3	46	15	61
Westmont	4	30	20	50
Harding University	3	38	30	68
Lipscomb	3	48	21	69
Oklahoma Christian	3	46	21	65

* Credits hours changed from 4 to 3 during FSB's 2013 curricula changes

** CPC and 18 hour majors introduced during FSB's 2013 curricula changes

FSB assessment data also revealed some weaknesses in the Business Administration major compared to Accounting. The Business Administration students lag behind Accounting students on first-year retention rates, graduation rates, satisfaction, enrollment trends, and academic performance. Exit data from Educational Benchmarking (EBI) shows that while FSB Accounting graduates are the second most satisfied graduates among six EBI comparators, Business Administration majors are far less satisfied, ranking 5th out of six. Enrollment trends in Accounting have remained strong, getting stronger, while enrollments in Business Administration have been declining since a peak of nearly 400 majors in 2008. Academic performance trends in the Educational Testing Service (ETS) Major Field Test (MFT) in business disciplines reveal improvements need to be made and the curriculum for the Business Administration major needs more depth.

ETS assessment results for FSB majors in Accounting and Business Administration reveal that Accounting majors score well above average, but Business Administration students perform more poorly than they should given the quality of each incoming class. For example, the score in international awareness is low (30th percentile), which speaks to the lack of an international business course in the core curriculum, rather than student quality. Similar results occur in the discipline of management and other business disciplines. This speaks to the need for more depth in the Business Administration major.

The ACBSP re-affirmation process requires that the FSB seriously consider assessment data on students and stakeholders, and use the indicators to improve the programs. The curriculum changes that the FSB have proposed speak to the data and respond to the findings of the accreditation reaffirmation review.

An analysis of comparator data on schools of business and the kinds of majors they offer reveals that the majority of Point Loma's comparator schools have major programs in Accounting, Marketing, Management, Finance and Economics, and that PLNU FSB is currently an outlier. Figure 24 shows the business majors offered among schools that are considered to be comparators to Point Loma Nazarene University. Nearly all 20 have majors in Accounting and Marketing. The majority have majors in Management, International

Business, Finance and Economics, although for two schools this includes combined Economics/Finance programs. Just over half have a general Business Administration program, one with emphases. Three of the 20 schools have an Entrepreneurship program. In 2013 the FSB introduced major curricula changes to bring FSB curricula in line with accreditation standards and business school curricula norms.

Figure 24: Sample of 21 Universities Business Majors Offered

University	Acct	Econ	Mgt	Mktg	Fin	Entre	Bus Ad	IB	Other
Azusa	X	X		X	X		X	X	
Biola	X		X	X				X	IS
Cal Baptist	X			X					
George Fox	X	X	X	X	X	X		X	
NNU	X	X	X	X			X	X	
Northwest	X		X	X	X		X		
PLNU	X	*	*	*	*		X		Int. Dev't
SPU	X	X					X ⁽¹⁾		
SNU	X		X	X	X		X		
SW Baptist	X	X ⁽²⁾	X	X	X ⁽²⁾			X	Econ/Fin
OK Christian	X		X	X	X		X	X	
Hardin/Simm	X	X	X	X	X				Pub Ad, C/S, NP
ONU	X	X ⁽²⁾		X	X ⁽²⁾				Econ/Fin
MVNU	X		X	X	X		X	X	
TNU							X		
Anderson	X	X	X	X	X	X	X	X	
Messiah	X	X		X				X	
Lipscomb	X		X	X	X	X	X	X	
OK Baptist	X		X	X	X			X	
Harding	X	X	X	X	X			X	Econ Dev, Health Care
Mary Hardin Baylor	X	X	X	X	X		X	X	
Totals	19	9-11	14	18	12-14	3	11	13	
Notes: ⁽¹⁾ This school has a general Business Administration program with emphases (SPU) ⁽²⁾ These schools have combined Economics/Finance programs (SW Baptist, ONU) * New majors introduced as part of FSB 2013 curricula changes									

Source: Research by Kenneth D. Armstrong, 2/12/12

Figure 25 provides information about our primary comparator universities in the county of San Diego, and the majors in their schools of business. As the chart reveals, our local comparators have majors in marketing, finance, accounting, and economics, although economics is housed in its own separate department (not business) in two of the three universities.

Figure 25: San Diego County Universities Undergraduate Business Schools Majors

	SDSU	USD	CSU SM	PLNU	Total
Business Administration		X		X	2
Marketing	X	X	X	*	4
Management	X ⁽¹⁾		X ⁽²⁾	*	3
Finance	X	X	X	*	4
Accounting	X	X	X	X	3
Real Estate	X	X			2
Financial Services	X				1
Management Information Systems	X		X		2
International Business/Global Business Management		X	X ⁽³⁾		2
Supply Chain Management			X		1
Business Economics		X			1
Economics	X ⁽⁴⁾	X	X ⁽⁵⁾	*	4
International Development				*	1
Notes: ⁽¹⁾ Includes a specialization in both Entrepreneurship and Human Resource Management (SDSU) ⁽²⁾ Includes tracks in both Entrepreneurship and Management & Organization (CSU SM) ⁽³⁾ Includes tracks in both Entrepreneurship and Marketing (CSU SM) ⁽⁴⁾ Economics resides in the Department of Economics, in the College of Arts and Letters (SDSU) ⁽⁵⁾ Economics resides in the Department of Economics, in the College of Humanities, Arts, Behavioral and Social Sciences (CSU SM) * Majors introduced during FSB's 2013 curricula reform. FSB also has major in International Development Studies					

Source: Research by Kenneth D. Armstrong, 2/12/12 and Rebecca A. Havens, 10/24/12

The 2013 FSB proposal to APC (See Appendix S) brought all major programs into compliance with ACBSP standards, so all degree programs can apply for accreditation. The proposal includes the inclusion of a Common Professional Component in all FSB majors. This will strengthen FSB programs, provide standardization across the curriculum and meet nationally accepted quality standards for business programs.

One of the key changes in the core is the addition of International Business, which is one of the CPCs and has been noted by educators and stakeholders as particularly important based on current business trends. The FSB has worked through the years to internationalize the entire curriculum, but requiring a dedicated course in the common core in International Business strengthens all our programs.

The extensive curricular revision to standardize a common core curriculum and strengthen major programs involved an extensive discussion of which majors should be included. The FSB faculty decided on traditional majors—Management, Marketing, Finance, Economics, and Accounting, which are common among our comparators and one niche major—International Development, since this major has had consistent enrollments and serves the particular mission of the FSB, to serve the least of these with business practices that alleviate global poverty, and this major is supported by our Center for International Development.

In addition, three other areas that are of particular interest to our students are Global Business, Entrepreneurship, and Non-profit Management. These are proposed as new concentrations within the Management major. The traditional majors and these special interest areas align very well with the mission of the FSB and the support of the Fermanian Business and Economic Institute (FBEI).

The degree in Industrial-Organizational Psychology is not among the proposed major programs. Interest (student enrollments) in the Industrial-Organizational Psychology major has diminished; it is not a common major among our comparators; it is not accredited by ACBSP; and we believe that students who currently major in this area will be better served by the new management degree program.

This set of programs—a general BA in Business, plus specialized BS degrees in Business Administration with traditional majors in Management, Marketing, Finance, Accounting, Economics and International Development—is a reasonable number of majors for the FSB in terms of faculty resources, staff support, and the support of our two centers.

Existing minor programs have been revised to reflect the changes in courses and major programs. A minor in Finance is added because it is anticipated that some students will elect to do a minor in Finance with another primary major field. In particular, students who major in Accounting and need 150 hours to become certified would be well-served to also pursue a minor in Finance. In addition, other business disciplines that are less quantitative would be well-served to add a minor in Finance.

Comparative Position and National Standards	
Key Findings	Recommendations
<ul style="list-style-type: none"> FSB adrift from comparators with regards to Majors 	<ul style="list-style-type: none"> FSB proposal to APC includes shift from concentrations to majors
<ul style="list-style-type: none"> FSB out of step with ACBSP in terms of Common Professional Component 	<ul style="list-style-type: none"> FSB proposal to APC includes inclusion of CPC in all majors
<ul style="list-style-type: none"> FSB out of step in regards to 3 credit classes 	<ul style="list-style-type: none"> FSB proposes shift to 3 credit hour classes

PART V - Strengths-Weaknesses-Opportunities-Threats Analysis

SWOT Analysis

The FSB's strengths and weaknesses have been covered adequately in Part I of this report, particularly the strengths and weaknesses identified by the ACBSP in their last site visit, and there is no need to repeat the same information here. Opportunities and threats, on the other hand are more difficult to identify. Despite the rapidity of change in the external educational environment and the comparative slowness in PLNU's response systems, the FSB is hopeful for its future. In addition to the new opportunities that the proposed undergraduate majors in economics, finance, management and marketing and the 5th year should bring in terms of additional high quality students and, we hope, access to external sources of funding, the FSB is investigating other areas in which to extend our reach. There are opportunities to develop a business incubator in Mission Valley, new programs in music business and the entertainment industry, degree completion programs, an MBA/JD program in partnership with a law school, international double degree programs and so on. All of these will depend on institutional approval and, to some extent, the ability to generate external funds to seed their growth.

We perceive the threats more at the institutional level than at the level of the FSB. These threats include the offering of MOOC's for University credit; the rapidly developing higher education sector in other countries that are able to offer high quality education at more affordable prices; the gradual cutting of federal and state financial aid; the increasing costs of assessment and regulation; the possibility that federal or state financial aid may only be distributed to equal opportunity employers, and so forth. Individually these represent big challenges but together they might eventually threaten institutional survival.

Strengths-Weaknesses-Opportunities-Threats analysis	
Key Findings	Recommendations
<ul style="list-style-type: none">Numerous strengths and some weaknesses identified by ACBSP	<ul style="list-style-type: none">Look for ways to use strengths in new program development
<ul style="list-style-type: none">Considerable external threats to the institution that, by their very nature, may threaten the existence or functionality of the FSB.	<ul style="list-style-type: none">Encourage the institution to develop more nimble systems of governance

PART VII - Program Review Themes for Future Inquiry

THEMES FOR FUTURE INQUIRY:

Based on the current program review and analysis, discuss any future lines of inquiry the Academic Unit wants to pursue for continuous improvement of the program. Such future lines of inquiry might include revision to mission, learning outcomes, goals, grant opportunities, revised assessment plan, specialized accreditation, etc.

The 2013-4 academic year will be a year of considerable change. The new undergraduate majors will be introduced, the 5th year MBA is launched, a new FSB dean search will begin and FBEI will undergo considerable change due to the retirement of the long- standing director. A new associate dean for graduate education will assume office and the FSB will undergo external review. The most effective change is best managed in waves. 2013-4 will bring a strong wave of change. 2014-5 will need to be a year to assess progress and develop new self-funding initiatives that can be launched in 2015-6. The areas for future development that have been discussed include:

- An entrepreneurship incubator at Mission Valley
- Degree completion programs
- Executive education

The new dean will bring fuller proposals in due course.

NOTE: Please provide an electronic copy of the Self Study to the Program Review Chair and a hard copy for each member of the Committee.

**Fermanian School of Business
Point Loma Nazarene University
Program Review and Strategic Plan
May, 2012**

Introduction

This report is submitted to comply with the PLNU program review requirements. As requested, the Fermanian School of Business is submitting a wrap-around report using the accreditation documents of self-study, visitation team report, FSB response to the report and the final ACBSP list of notes and conditions as the primary documents.

The fact that this is a “wrap-around” report makes this report different both in content and in appearance than a normal program review report. The first four years of the Program Review Cycle are covered in the accreditation self-study report. The current report basically covers the period of time since the site visitation team was on our campus. It directly relates to the continuous improvement efforts of the Fermanian School of Business and is focused on the conditions and notes given to us by ACBSP.

There are several points of clarification that should be made at the beginning of this report.

- This is not the ideal time for such a report. An interim dean has been in place for this year and his primary responsibilities did not include conducting a program review.
- This report will focus primarily on FSB actions and plans relating to the FSB response to the conditions and notes from our recent accreditation from ACBSP. There is a specific time period within which the School of Business needs to remove conditions and respond to notes in the report. Getting a good start on that process has been the focus of much of this year’s work.
- While two programs (I/O Psych and IDS) within the FSB were not *technically* covered in the ACBSP visit, the comments of the ACBSP team are equally applicable to these programs as well. There has not been an additional emphasis on these programs for this report.

Strengths Identified by the ACBSP Site Visit Team

Multiple strengths were identified by the site visitation team sent by ACBSP. Many of these reflect the quality of the entire PLNU community, not just the FSB. Quoting from the ACBSP Feedback Report they are:

- The Fermanian School of Business has a very strong internship program. There are more internship requests from local businesses than there are students to fill them.
- Ethics is strongly embedded in the culture of the FSB. The team had lunch with graduate and undergraduate students. Repeatedly, without prompting, the students commented that one of the strengths or highlights of the degree programs was the strong emphasis on ethics and ethical behavior.
- The PLNU Assessment Plan 2009-14 is a strategic plan for the development, assessment, collection, analysis and improvement of student learning outcomes.
- The school has adopted measures to determine student satisfaction including internship reports, the EBI survey, faculty evaluations, feedback gathered during business school events and faculty interactions in the community. The school has developed a culture of open communication, trust and comfort amongst faculty, staff and students. Students expressed a high level of satisfaction with the approachability of faculty and staff, small classes and the close connection to the business community and the prospects of a good start in a business career.
- The school has the established practice of deploying the MFAT, the EBI, internship portfolio reports, internship employer evaluations, CPA results, and feedback from MBA students in the BUS 698 course which provide insight(s) into possible program and curricular enhancements.
- The school has an established practice of obtaining useful performance data and is now adopting a learning outcomes approach including LiveText, E-portfolios, specifically defined learning outcomes (knowledge, skills and values), and established rubrics for three courses.
- By having the Center for Teaching and Learning, the forums and book discussion, lunch with the Provost and requiring new faculty to attend a new faculty seminar may help the school meet its core value of active engagement between faculty, staff, and students.
- Having faculty from diverse backgrounds and interests and educational preparation may help provide for depth and breadth of knowledge, as well as provide avenues for students to have multiple experiences in the business world.
- Course evaluations and monitoring are the same for all courses whether taught by adjunct or full-time faculty. This may help to provide continuous quality improvement in teaching in the school.
- The school has at least one full-time doctoral/professional qualified faculty member for each academic major or concentration.

- The MBA is located at an off-campus location (Mission Valley). Having the MBA director located at that site may help ensure that leadership for this program is being provided.
- The school has several student clubs where students have the opportunity to experience interaction with faculty outside the classroom. The school also used electronic news bulletins, website updates, social media, a school paper, and magazine to communicate with students and faculty.
- All faculty are provided with funds for professional development. These funds may be used for conference participation, and or presentations. The funds may also be used for furthering faculty education. This practice may help in providing opportunity for faculty development.
- The process for developing, approving and implementing new programs is clear, inclusive and effective.
- The recent decision by the university to employ the use of LiveText for assessment tracking, including the use of the e-portfolio function is noteworthy. It was evident through review of syllabi that interactive and experiential project work and exercises are an integral part of the learning environment.
- The General Education curriculum provides extensive breadth and depth in establishing a strong liberal arts foundation for business students.
- The FSB adheres to admission requirements. Undergraduate GPA and SAT scores have consistently risen.
- The policies for academic probation, suspension and readmission are clear and thorough.

Opportunities for Improvement

In spite of the many genuine complimentary words from the visitation team, there were also many opportunities for improvement identified by them. Quoting from their report:

- A copy of the 2010 FSB strategic Plan was provided to the site visit team. Upon review, it is not deployable in its current form. It does not list specific actions to be taken, assignment of persons responsible for the actions and no timelines with milestone dates.
- There was no evidence of a human resource plan for the FSB.
- Performance measures for tracking progress relative to action plans have not been established.
- There is no formal process in place to evaluate the dean of FSB as an administrator. The dean is evaluated as a faculty member, but not as an administrator. Faculty do not have a formal method for providing input on the dean's performance.
- It is not clear how the measures listed in Figure 1.1 measure societal impact. No actual data that was or may have been collected was presented as evidence of the societal

impact. No data was provided to show evidence of the societal impacts of the stated measures.

- Although some data gathering and review processes are in place many information methods are informal, unscheduled, unplanned and infrequent. Data are not regularly reviewed and records of meetings and decisions are not captured for later analysis.
- The school's Assessment Committee is in place but it is not fully engaged in the gathering, analysis and review of learning outcomes data to ensure continuous improvement.
- Although adoption of a learning outcomes approach is in place, it is in its initial phase. There is, as yet, no trend data on learning outcomes.
- There is no evidence of systematic review of student performance whether it be utilization of existing data or review of learning outcomes data.
- Although the school has a diverse faculty with business and consulting experience as well as educational qualifications, there are numerous faculty on file without evidence of their qualifications. Without such verification it makes it unclear as to whether faculty are qualified to be teaching in the undergraduate and graduate programs at the school. Verifying and filing such credentials helps to provide evidence of such credentials.
- The percentage of undergraduate and graduate courses being taught by doctoral qualified faculty does not meet the guidelines of 40% for undergraduate and 70% for graduate the percentages listed in the self-study are 34% and 27% respectively. No justification was provided for this deviation from best practices.
- Although the school lists two CPA's in their full-time doctoral or professionally qualified faculty, there is no evidence (documentation) that the CPAs do indeed have their CPA licensure and the license is current.
- Thirteen of the twenty-seven adjunct faculty listed in Figure 5.2 have documentation (transcripts, vitae, CPA license, student evals, etc. missing.
- With the increase in students the business school has encountered over the past several years, as well as the enrollment cap placed on the university, developing a human resource plan to address these issues may ensure sufficient number of faculty to effectively fulfill its mission "To Provide the World Business Leaders who demonstrate Christ-like Character."
- Although faculty are encouraged to use their faculty development funds there is no process to measure trends and comparisons of faculty development. Without such measures it may be difficult to determine progress made through the use of such funds.
- There is no evidence of a formal process for faculty to participate to improve procedures, policies, and practices.
- There is no evidence of a formal process or procedure for capturing improvements/changes to academic program offerings.
- No data was provided indicating usage rates, success rates and student and stakeholder feedback.

- There are no measures of effectiveness defined for academic support services.
- Section 6.2.2e indicates that business operation processes are evaluated and improvements identified at the university level. No evidence was provided on how, if at all, this impacts the overall operation of the FSB.

ACBSP Accreditation and Notes

Following a very thorough and effective response from Dr. Schooling to the ACBSP Board of Commissioners, the FSB was granted conditional accreditation with the following conditions and notes:

Conditions

1. The Board requests documentation of the deployable action plans for the Strategic Plan including the Human Resources Plan component and performance measures for tracking progress relative to action plans.
2. Provide required documentation of the deployment of the FSB Assessment Plan in your next quality assurance report as indicated by the school's response to the Feedback Report. Deployment includes how the lessons learned from analysis of the data will be incorporated in improvement strategies and how these strategies will be measured.
3. Implement an ongoing process of quality assurance to proactively identify potential lapses of professional qualifications and to assure continued qualifications of all faculty members. The envisioned FSB human resources procedure document could represent an opportunity to formalize and evaluate this process.
4. Provide documentation of how FSB can assure its students, faculty members, and other stakeholders are adequately supported in dealings with the university in the areas of Business Process Management and Enrollment Management. The developing Assessment Plan may provide a vehicle for accomplishing this action.

Notes

1. The Board encourages the FSB to provide documentation of its regular review of student and stakeholder data as well as improvements that have been implemented based on review of feedback from students and other stakeholders.
2. The FSB should provide documentation of faculty professional and/or doctoral qualifications in one-year, and if the mix of faculty does not meet the ACBSP historic proven criteria, provide detailed records of performance evaluation as it related to program objectives including items a,b,c, and d in Criterion 5.2.3.
3. Provide evidence of the deployment of strategies to reduce teaching overloads given the economic and regulatory challenges faced by the FSB and its Human Resources Plan.

FSB Opportunity and Challenge

The final report to Dr. Brower spelling out the conditions and notes states that the conditions must be removed by 9/30/2014. This is quite an agenda for the FSB, and all of our efforts during the past year have been directly or tangentially related to the ACBSP report.

The rest of the report will spell out the activities taken during the last year and the status of various actions of the School of Business.

FSB Response: Plans and Actions

Condition #1:

The Board requests documentation of the deployable action plans for the Strategic Plan including the Human Resources Plan component and performance measures for tracking progress relative to action plans.

The FSB response to ACBSP from November of 2010 stated that a deployable strategic plan would be approved by the FSB faculty and deployed by August of 2011. That was delayed, in part because Dr. Schooling announced his decision to step down as dean at the end of the 2010-2011 school year.

However, May of 2011 did see the start of a major strategic planning initiative in the School of Business. Doyle Young was hired to lead a campus-wide task force in developing a new strategic plan for the FSB. There was a full day of meetings in May and a two-day retreat in August given over to initial discussions and ideas concerning the plan. After the August meeting, further work on the plan was turned over to the School of Business. In addition to the work of the strategic planning task force, information from outcomes assessment, benchmarking studies, the ACBSP review process and the “outside” experience of the interim dean were all fed into the strategic planning process. There has been much progress to date on the plan that is shown in Appendix 1. The plan is now deployable, and many actions have been completed or are in process. Some very specific human resource plans and goals are in place. See Appendix 2 & 3.

Note: From the beginning of this process, the interim dean has been hesitant to finalize a strategic plan, preferring to leave the plan tentative and flexible until the new dean arrives and has a chance to review it and translate his vision into the strategic plans of the FSB.

Condition 2:

Provide required documentation of the deployment of the FSB Assessment Plan in your next quality assurance report as indicated by the school's response to the Feedback Report. Deployment includes how the lessons learned from analysis of the data will be incorporated in improvement strategies and how these strategies will be measured.

The FSB response to ACBSP indicated that the FSB Assessment Plan would be deployed by August, 2011. For a variety of reasons, that did not happen. This year has been a busy one on the assessment front for the FSB. The FSB Assessment Committee has worked diligently to develop a realistic assessment plan for the FSB. Data has been added to all parts of the assessment wheel. As you can see from the strategic plan, a three year plan for full outcomes assessment implementation has been adopted. The assessment program is based on measuring three outcomes, knowledge, skills and values. During the 2011-2012 year, the focus by the committee has been on "knowledge."

The following are the tools currently in use by the FSB to measure students' "understanding of and ability to apply" the knowledge of the discipline.

MBA Program:

ETS MBA Exam

CAPSIM Simulation (used globally by a large number of institutions)

Undergraduate Majors

ETS Undergraduate business exam

CAPSIM Simulation (used globally by a large number of institutions)

CPA exam results (statewide results)

Questionnaire required of employers of business intern students

At this time, specific criteria for success have been established for the ETS exam, for LiveText entries and for internship questionnaires. The School of Business is currently developing specific objectives for each of the other tools, and the committee will present its report and recommendations on this "Knowledge" Outcome in the fall.

One very major intervention was taken this year based on the following:

- a. ETS scores for Business Administration did not appear to reach our expectations
- b. A desire to have all of the FSB programs meet accreditation standards of ACBSP (currently the MBA, undergraduate business administration and accounting majors are accredited)
- c. Considerable benchmarking of outstanding local and CCCU business programs

The conclusion reached from these analyses was that our business administration students do not have enough depth in their curriculum and that our other majors do not have enough uniform coverage of CORE business content.

The result is a major curriculum revision that enhances all of our programs. This will be presented to APC in the fall of 2012.

The 3-year assessment cycle is presented in the strategic plan. To emphasize the importance of Assessment in the FSB, the Chair of the Assessment Committee is a member of the FSB Leadership Team, and the MBA Director and the Chair of the Undergraduate Committee are members of the Assessment Committee.

While we do not believe that the entire assessment will be implemented by the 2014 ACBSP report, we believe that we will be substantially implemented with specific goals, measurements and interventions and results documented.

Condition 3:

Implement an ongoing process of quality assurance to proactively identify potential lapses of professional qualifications and to assure continued qualifications of all faculty members. The envisioned FSB human resources procedure document could represent an opportunity to formalize and evaluate this process.

There are two parts of this concern expressed by the visitation team and the Commissioners.

- a. *Ongoing documentation of all full time and part time FSB faculty.* There was some required documentation that was not in faculty files. This has been corrected and will not happen again.
- b. *Up-to-date documentation is required to show that persons teaching classes have the proper degrees and experience to teach the particular class to which they are assigned..* In other words, someone who may be professionally qualified to teach a marketing course is not automatically professionally qualified to teach a management or a finance class. Over time, the FSB had become loose on this part of quality control. We have not adhered as closely to that standard as we need to. We will implement a form internally beginning in 2012-13 that will assure that this does not happen going forward.

Condition 4:

Provide documentation of how FSB can assure its students, faculty members, and other stakeholders are adequately supported in dealings with the university in the areas of Business Process Management and Enrollment Management. The developing Assessment Plan may provide a vehicle for accomplishing this action.

This particular condition must be put in context. The ACBSP team felt that there needed to be a more open and responsive system in place that would be able to respond more effectively to the needs of the FSB. Specifically they were concerned that there was little input or control of funds by the FSB, and that there was no system in place to respond to the needs of a growing program like the MBA program. These are issues that are strategically important to the University and the FSB. The FSB has the mandate and the ability to be one of the program areas on campus that should be able to respond to the call for agility in the strategic plan. It is also one of the primary programs on campus that has a market that allows for growth. However, the system currently in place, as viewed by the accreditation team does nothing to effectively promote either agility or growth. On the FSB side, there has not been a cohesive plan to promote MBA growth. On the University side, there is no reason for the FSB to expect that such a plan would be resourced adequately.

However, at least partly because of the stated ACBSP concerns, there has been a new openness during the 2011-12 year between, the Provost, the VP of Finance and the FSB Dean. The results have been very positive and have paved the way for exploration of new approaches of generating resources. I am sure that the new dean will pursue these conversations aggressively. I am confident that next year a new and better working solution to these issues will be in place... one that will address both institutional realities and help meet the needs of the FSB as it accepts the challenges of increasing programming and revenues.

In addition, the change in structure that will allow the FSB Dean to report directly to the Provost will improve communication and responsiveness.

Finally, there is a new campus-wide initiative to become more transparent with both strategic and financial information. Part of this initiative is to adopt a system that will help in providing effectiveness and efficiency measures by department and program. This information will then be shared broadly rather than narrowly throughout the University community.

In combination, the three paragraphs above provide a very positive and hopeful response to the concern of the visiting team.

Note 1:

The Board encourages the FSB to provide documentation of its regular review of student and stakeholder data as well as improvements that have been implemented based on review of feedback from students and other stakeholders.

The visitation team was complimentary of the sources of information used by the FSB to gather information concerning student and stakeholder satisfaction. There is plenty of quality information available to the School of Business.

The emphasis of the FSB during 2012-13 and 2013-14 will be on formal documentation of the analysis of these sources of information, and on a formal approach to program improvements based on this information. These areas are often the quality non-academic program pieces that can make the difference in the perception of quality by all of our stakeholders. The Assessment Committee is tasked with the responsibility of leading this stakeholder satisfaction analysis.

Note 2:

The FSB should provide documentation of faculty professional and/or doctoral qualifications in one-year, and if the mix of faculty does not meet the ACBSP historic proven criteria, provide detailed records of performance evaluation as it related to program objectives including items a,b,c, and d in Criterion 5.2.3.

Doctoral coverage during the self-study year was 34% (standard 40%) at the undergraduate level and 27% (standard 70%) at the graduate level. During the 2011-12 academic year the results showed 54.6% doctoral coverage at the undergraduate level (well above the 40% standard), and 53.3% doctoral coverage at the MBA level (still below the 70% standard, but showing marked improvement). The FSB is fully committed to meeting the ACBSP standards by the 2014 deadline. This will be accomplished in five ways:

Two persons are currently in doctoral programs:

Prof. Jose Munoz is currently ABD and will finish in the next 12 months

Professor Dan Bothe will probably not finish until 2015, but will be a part of the longer term solution

The hiring of doctorally qualified persons into the three potential faculty slots

Reclassifying some persons who teach part time and were not properly classified as doctorally qualified in our initial report

Obtaining broader involvement in the MBA program by those who are doctorally qualified

Note 3:

Provide evidence of the deployment of strategies to reduce teaching overloads given the economic and regulatory challenges faced by the FSB and its Human Resources Plan.

The FSB fully supports the principal that full-time faculty should not be teaching overloads. The rationale that overloads reduce the time that faculty have available for professional development, counseling & advising students and engaging in other activities critical to the success and quality of the business school is one that we take seriously.

The primary reason for overloads has been the need for better planning when scheduling courses. This has played out most dramatically at the MBA level, but the responsibility is school wide. MBA schedules have generally been done for only one semester rather than for the year. Whenever class sizes reached a certain size, an additional section was automatically needed. As this was not known for the spring semester until very late in the fall semester, faculty who already had a full load were often asked to teach an additional section. The second cause was that we offered too many elective courses, increasing the total number of courses needing to be taught. Many of the elective courses were ones that full-time faculty had developed and really liked, so they were usually given the first opportunity to teach them...and they usually accepted. In other words, there has been little control over this area inside the FSB. **THAT HAS CHANGED!!**

Beginning in the fall of 2012:

- MBA schedules are scheduled out at least one year
- Number of classes, especially electives, has been substantially reduced
- At the current time there is only one class overload scheduled during the 2012-13 year, and we are working to eliminate that one

International Development Studies and Industrial-Organizational Psychology Majors

These two majors are not currently accredited by ACBSP, and are thus not covered in the self-study. The implication one can draw is that they should be addressed separately in this report. A full program review of these programs has not been conducted. Rather, as a major curriculum proposal was being developed by the School of Business, the decision was made to propose that these two majors be eliminated, and that these areas be covered as part of a more comprehensive School of Business curriculum. There were several reasons why this approach was recommended and has received FSB approval.

- IO/Psych enrollment is small and declining
- There is no IO/Psych champion in the Psychology Department, and the Psychology curriculum does not match with a typical IO/Psych major
- The proposal is to reinstitute an Economics major with two tracks: business economics and International Development
- The FSB goal of having all majors accredited by ACBSP

As a result of this departmental action, a separate program review for these two programs has not been completed. Rather, it is part of the overall approach of the FSB to maximize the resources we have to provide the best possible education and options for our students.

Conclusions

- ACBSP recognized the excellent work of the Fermanian School of Business by reaffirming our status as having accredited programs in accounting, business administration as well as our MBA program
- ACBSP identified several areas where continuous improvement must be documented in order not to put that accreditation in jeopardy
- The single most important work for the FSB during the 2011-12 year was to select a successor to Dr. Bruce Schooling as the next Dean of the Fermanian School of Business. Dr. Ivan Filby will join the PLNU community as the Dean of the Fermanian School of Business in August, 2012.
- Most of the FSB efforts beyond this selection have been directly or indirectly tied to the ACBSP report and the institutional emphases on assessment
- The ACBSP self-study and related documents, the Strategic Planning task force, benchmarking, institutional priorities, the current faculty and the input of the interim dean, who basically served as a year-long consultant, have provided a diversified knowledge base resulting in impetus for major change rather than a slower, implemental approach
- Major new program initiatives in the undergraduate and MBA program have been approved by the FSB faculty. After these changes go through the University approval process they will result in higher quality and more competitive programs for our students, and in growth opportunities for both the graduate and undergraduate programs
- We believe that Conditions 1 and 3 and Note 3 have been met, and that substantial progress has been made on Conditions 2 and 4, and Notes 1 & 2

December 11, 2013

From: Program Review Committee

To: Dr. Ken Armstrong, Interim Dean of the Fermanian School of Business

Context

The Program Review Committee met on October 4 and October 18 to assess the program review document submitted by the Fermanian School of Business (FSB) for both FSB undergraduate and graduate programs. The committee calibrated and then assessed the document using the Program Review Self Study Evaluation and Program Review Institutional Effectiveness Rubrics available in the assessment location of the public portal.

The Committee appreciates the significant work and recognizes the transitions experienced in the FSB in recent years. Program Review Guidelines have also evolved during this period. For example, the Committee now has a “wrapper” too for those academic units with professional accreditation that was not available during the time the FSB program review was written. Therefore, the Program Review Committee evaluated the submission of the FSB Self Study with all of these changes in context.

Findings

The Program Review Committee recognizes the significant work the FSB has undertaken in recent years including: ACBSP self-study and external review; year-long strategic planning process with external consultant; and a major revision of all undergraduate curriculum that was introduced fall 2013. The Program Review Committee finds that the FSB current self-study and the external reviews already completed fulfill all requirements leading up to the final stage, the Memorandum of Understanding (MOU). Included as an Appendix to this document are the instructions for the MOU.

Recommendations

The following recommendations from the Program Review Committee are specific topics that the School should consider as part of the School’s continuous examination and improvement and, where appropriate, should be incorporated into the development of this cycle’s MOU.

1. While the previous Program Review recommendations and Action Plan were satisfied, the document was written with a single rather than a corporate voice. Future documents should be written with input and participation of all stakeholders.
2. Student evaluation feedback was developed, but the format was difficult to follow, and the information in Appendix J was not included in the narrative. Re-organize reporting of student evaluation feedback in the report and include information from Appendix J in the narrative.
3. When composing the faculty profile, consider going into greater depth regarding similar institutions and how faculty overload is addressed within the FSB.

4. While academic support services and information literacy/library resources were addressed in some sections of the document, they were difficult to locate and were not analyzed. Include all aspects of academic support services and information literacy/library resources in the document and analyze their effectiveness in supporting students.
5. Financial resources and capacity were addressed, but the information was not clearly organized and did not include detailed revenues and expenditures in the undergraduate program. Consider analyzing and reflecting on this data.
6. While the physical resources and facilities in the FSB are considered to be excellent, they were not clearly addressed in the narrative. Analyze and emphasize how these resources affect instruction in the FSB.
7. Further analyze and examine the weaknesses of and the threats to the program.
8. The action plan for improvement would benefit from a planned and sequenced timeline and forward-facing outlook.
9. When examining themes for future inquiry, consider digging deeper into how these themes intersect with the work of the FSB.

The Committee requests the next Program Review cycle for the FSB coincide with the next ACBSP self-study. Please work with the FSB's Program Review liaison, Dr. Jill Hamilton Bunch, to schedule the next review cycle.

Sincerely,

Program Review Committee

APPENDIX: Memorandum of Understanding (MOU) with Quality Improvement Action Plan

Following the Provost's receipt of the Program Review Committee's *Findings and Recommendations* report, the Provost, College Dean and Program Review Committee liaison will meet with the faculty of the Academic Unit to discuss the results of the Program Review and the action steps to be taken as a result of the review. During this meeting the College Dean and Provost work with the Academic Unit to draft an initial outline of a MOU including a time line for follow-up action steps required for improvement of the program, and an outline of any additional resources including faculty, facilities, budget, technology or other resource implications requiring approval by the President's Administrative Cabinet (see Appendix/Template J-5). In most cases the Academic Unit faculty will be tasked in the MOU to provide an annual update of their progress in achieving the improvements agreed to in the MOU.

Appendix G - Memorandum of Understanding (including an action plan)

Many universities use a Memorandum of Understanding (MOUs) to formalize an agreement between the Academic Unit and the Institution. The Memorandum of Understanding is not required by WASC but is considered among "best practices" and an effective way to build mechanisms for accountability for the desired outcomes and a timeline. The MOU is linked to future budgeting, planning and resource allocation as well as a program improvement time line. The MOU contains two parts: (1) the action plan for the Academic Unit to improve the program with specific targets, and (2) a commitment from the University to provide resources, support, and faculty to achieve the agreed upon student learning outcomes.

The MOU (3 to 5 pages) is an implementation plan based on the program review findings, and it identifies concrete ways the Academic Unit and University have agreed to improve the program as well as clarifying expectations and assigning responsibility. The Academic Unit will provide annual updates on the progress they are making in achieving desired program improvements.

The MOU should include an analysis of "gaps" between the desired student learning outcomes and assessment of current performance, then shifts to planning for needed program improvements. The MOU is not required to include specific curricular proposals but should provide the rationale for any proposed changes and layout a development and implementation plan as the foundation for future proposals.

Be specific in the MOU action plan:

- 1) Identify specific actions to close the gaps in current and desired performance
- 2) Identify measureable goals or outcomes for specific actions
- 3) Identify measures to provide data on progress toward achieving the goal or outcomes

- 4) Describe data to be collected
- 5) Describe resources needed to achieve goals

The MOU should include the following parts:

Vision statement: Describe what the Academic Unit wants to achieve during the next five to years. Address any changes to the Academic Unit vision, mission and core values that occur as a result of the program review process and Self-Study. This vision should guide the Academic Unit in its program improvements and enhancements.

Immediate improvements using current resources: Describe the gaps between current and desired performance and specific actions the Academic Unit can take immediately to improve the program. This should include a specific implementation plan with target dates. Discuss how current resources will be reallocated to implement these action steps. Summarize the Academic Unit's assessment plan to evaluate the changes.

Longer term improvements requiring new resources: Describe the gaps between current and desired performance and specific options the Academic Unit will take to close performance gaps that will require new resources. Explain what additional resources are required for each specific action and how the Academic Unit envisions these new resources are generated. Explain what specific new resources the Academic Unit is requesting from the University. The MOU should include a proposed budget and evidence of student demand for the program.

Quality Improvement Action Plan Degree Name Department Name <i>(Adapted from California State University–Fresno resources)</i>
Vision, Purpose Statement, Core Values: Enter any recommended changes and alignment with Institution.
<p>Specific actions to be taken to achieve desired change (in order of priority):</p> <ul style="list-style-type: none"> ➤ Gap: describe the gap in current performance and desired performance followed by action to be taken to improve performance (a single gap may involve more than one action). ➤ Action 1 _____ <ul style="list-style-type: none"> a. Enter expected outcome and its alignment with the organizational goals and vision b. Enter cost and resource implications c. Enter source of funds/resources d. Enter benchmark and time line for action e. Enter communication path/approval route for action # 1 to be implemented f. Enter requirements and responsibility for implementation

Specific actions to be taken to achieve desired change (in order of priority):

- **Gap:** describe the gap in current performance and desired performance followed by action to be taken to improve performance (a single gap may involve more than one action).
- **Action 2** _____
 - a. Enter expected outcome and its alignment with the organizational goals and vision
 - b. Enter cost and resource implications
 - c. Enter source of funds/resources
 - d. Enter benchmark and time line for action
 - e. Enter communication path/approval route for action # 1 to be implemented
 - f. Enter requirements and responsibility for implementation

October 17, 2013

From: Institutional Effectiveness Committee

To: Program Review Committee and the Dean, Fermanian School of Business

Findings

The Institutional Effectiveness Committee met on September 27th and October 11th, to review the assessment activities and plans of the Fermanian School of Business as the School prepares for Program Review. The Committee evaluated the FSB Assessment Wheel with the approved assessment planning and activities rubrics available in the portal. It is the Committee's decision that in the future academic units with graduate programs will provide two Assessment Wheels, graduate and undergraduate. For more information on the new Assessment Wheel please contact the Office of Institutional Effectiveness.

The Committee wants to encourage the School to continue its work on assessment of its new undergraduate programs and to give attention to building out the assessment scaffolding for the MBA. The Committee also looks forward to supporting the School in its assessment of the core competencies for the undergraduate majors including; information literacy, quantitative reasoning, critical thinking, written communication and oral communication.

The following commendations and recommendation were agreed to by the Committee to assist the School in the development of assessment for ongoing curricular improvement.

Commendations

1. The Committee recognizes and commends the FSB for the years of work in building the undergraduate student learning outcomes assessment structure and body of evidence for continuous improvement of the curricular programs, and work completed for program review, ACBSP accreditation and strategic planning.
2. The Committee commends the FSB for their intentional commitment to the University mission and alignment of the School's mission, vision and outcomes.
3. The Committee commends the School for the manageable and measureable undergraduate Program Learning Outcomes.

Recommendations

1. FSB Mission statement page is strong. It is recommended that the single artifact be removed since it does not add more information. The MBA has a vision statement in the catalog that is not on the Mission page of the Assessment Wheel. It is recommended that the MBA Vision be added when the graduate assessment wheel is completed.

2. Outcomes for the undergraduate program are available in the wheel but the MBA Outcomes are only available in the catalog and are not in the Assessment Wheel. While the repetitive approach to undergraduate student learning outcomes is expedient, there is a lack of nuance or specifics for each individual program. This may lead to a lack of clarity about the distinctive nature of each program learning experience. It is also recommended that the School consider higher order (Bloom's Taxonomy) outcomes especially for the MBA.
3. It is recommended that a Curriculum Map be developed for each of the programs (degree offerings). Every course, required for the major, should include at least one learning outcome that represents the courses unique learning contributions to the program.
4. It appears the School relies on the ETS MFAT and Capsim for the direct measurement of learning outcomes which is good for external benchmarking, but should be balanced with FSB signature assignments that directly align with the curriculum. It is recommended that the School develop the direct and indirect measures for the core competencies and where these will be assessed and include these in the curriculum map. It is suggested that the School expand the narrative for the Curriculum Maps page providing an overview of the FSB maps for the undergraduate majors and the MBA.
5. There should be an Assessment Plan for each of the majors that include all required courses for the major, identifying the PLO(s) that will be assessed in each course. The Assessment Plan for the MBA is not in the assessment wheel. The School is to be commended for having an Advisory Board and it would be helpful to have a narrative with the list to provide additional information about the role of the Board. May want to review the documents held in the archives to determine if they should be included under Current, Archive or removed. All assessment artifacts still in use should be moved to Current, or placed in Archive or removed altogether. Please work with the Office of Institutional Effectiveness to move the documents where appropriate.
6. The Evidence of Student Learning has many artifacts but it is unclear with each artifact the role in assessment, link to program learning outcomes, direct or indirect measure and how and what is being measured. It is asked that the School consider adding narratives to the documents with explanations. The School may want to consider reviewing the documents in the wheel to ensure that they have adequate information for interpretation by an outside/non-PLNU audience.
7. In the Use of Evidence of Student Learning it is requested that there be narrative added as an overview of the way assessment has been used to improve the curriculum. This can be extracted from the APC documents and then the School can remove the documents that do not specifically contribute to the assessment narrative for continuous improvement.

8. It is unclear the role and engagement of students with the assessment process and development for the continuous improvement of the program. Assessment can also assist the School in the development of a student success support structure including remediation, tutorial support, and early warning.

The FSB has made excellent progress in recent years to strengthen its programs and make improvement based on evidence through assessment. Please contact the Institutional Effectiveness Committee for any additional clarification or support.

Program Review Memorandum of Understanding
Fermanian School of Business
August 2012

The program review process for the Fermanian School of Business (FSB) came during a time of transition both in the university program review procedures as well as in the leadership of the FSB. Rather than the prescribed university process, the FSB program review consisted of a strategic planning process led by outside consultant, Doyle Young as well as the ACBSP Self-study. The combination of these, along with the FSB "wrap around" report were credited to the FSB as their program review for this cycle. This MOU reflects the agreements made during the transition with the interim deans but is signed by the current FSB Dean, confirming these were the items agreed to during the transition.

Plan for Improvement: Recommendations from the Program Review:

1. Develop and implement a 5th year MBA program
2. Revamp the evening MBA curriculum to address low class size and inefficient offerings of courses
3. Add two new faculty positions over the next couple of years in the area of Marketing and Management
4. Revamp the undergraduate curriculum to obtain a better balance of courses in the major areas of business in alignment with best practices, and increase the number of Friday classes offered by FSB faculty
5. Develop a sustainability plan for the CID and the FBEI

Action Steps for Implementing Improvements:

1. 5th year MBA
 - a. Market research to determine feasibility
 - b. Develop business/financial plan model to demonstrate financial viability and identify resource needs
 - c. Develop curriculum
 - d. Move curriculum through the faculty and administrative approval processes
 - e. Market the program
 - f. Launch the program
2. Evening MBA curricular revamp
 - a. Analyze course offering and enrollment patterns and identify opportunities for improved efficiency
 - b. Develop curriculum changes to improve efficiency with regard to the appropriate ratio of core to elective offerings and frequency of core offerings
 - c. Move curriculum changes through the faculty and administrative approval processes
 - d. Implement changes to curriculum
3. Faculty Positions
 - a. Hire one in 13-14 (best candidates in the 2 areas)
 - b. Hire one in 14-15 (fill remaining area after 13-14 hire)
4. Undergraduate curricular revamp

- a. Identify areas of weakness to determine what new courses might be needed and what appropriate majors should be offered
- b. Develop curriculum changes
- c. Move curriculum changes through the faculty and administrative approval processes
- d. Implement changes to curriculum
- e. Increase number of Friday courses offered by FSB faculty
- 5. Sustainability of school center and institute
 - a. Develop a business plan for the CID and FBEL with appropriate revenue generating ideas to cover expenses beyond what the university has committed to
 - b. Gain approval of the plan for the CID and FBEL from the department and administration
 - c. Implement the plans for each over the timeline established in the business plan

Assessment Measures:

- 1. 5th year MBA
 - a. Launch Program by Fall 2013 with a minimum of 12 students
- 2. Evening MBA curricular revamp
 - a. Implement by Fall 2014
 - b. Monitor class size impact
- 3. Faculty positions
 - a. Hire two faculty by target dates
- 4. Undergraduate curricular revamp
 - a. Ensure new majors offered and new courses appropriate by Fall 2013
 - b. Increased number of Friday offerings by Spring 2013
- 5. Sustainability of school center and institute
 - a. Develop CID business plan (prior to Fall 2015) that is consistent with meeting Prioritization goal of a \$35,000 net cost per year by AY 16-17
 - b. Develop FBEL business plan (prior to Fall 2015) that is consistent with meeting Prioritization goal of a \$180,000 net cost per year by AY 17-18
 - c. Monitor annual net operating losses annually for CID and FBEL to ensure goals are met

Financial Implications of the Action Steps:

- 1. 5th year MBA
 - a. Hire one faculty in AY 13-14
 - b. Hire one faculty in AY 14-15
- 2. Evening MBA curricular revamp
 - a. More efficient offerings of classes to reduce need to hire additional faculty member to cover existing recurring course overloads
- 3. Faculty positions – see #1 above
- 4. Undergraduate curricular revamp – no financial implications
- 5. Sustainability of school center and institute
 - a. Reduce CID net cost per year to \$35,000 by AY 16-17
 - b. Reduce FBEL net cost per year to \$180,000 by AY 17-18

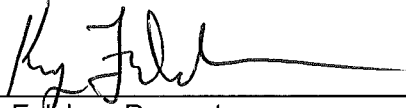
Areas of Accountability:

None other than identified above.

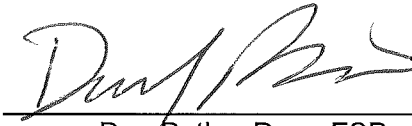
Agreement:

The Provost and the Fermanian School of Business mutually agree to pursue these recommendations for the Fermanian School of Business. The Provost will provide material and administrative support for the actions taken as the result of the recommendations provided that the Fermanian School of Business makes satisfactory annual progress on the initiatives. The Fermanian School of Business will carry out these actions and submit annual report of progress.

Signed:

A handwritten signature in black ink, appearing to read 'Kerry Fulcher', written over a horizontal line.

Kerry Fulcher, Provost

A handwritten signature in black ink, appearing to read 'Dan Bothe', written over a horizontal line.

Dan Bothe, Dean FSB