

**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