



College of Administration and Business

Louisiana Tech University

**AACSB Accreditation Maintenance
Annual Report for 2005-2006**

Dr. Shirley P. Reagan, Dean

Progress Over the 2005-2006 Academic Year in Strategic Goal Areas

The College of Administration and Business has a Strategic Plan for the period of 2002-2007. Four Strategic Action Goals were established through a process that involved internal and external stakeholders. In the 2004-2005 Annual Report, we indicated that we would continue to pursue the four goals in our Strategic Plan with emphasis upon the related areas noted below:

- (1) The Investing in the Future Capital Campaign including achieving campaign funding goals and planning renovations possible with funding secured
- (2) Finalizing the approval process and development of HRM policies and procedures
- (3) Refinement of outcomes assessment policies and procedures

Progress made in each of the Strategic Goal Areas including these emphases is reported below.

CAB Strategic Goals:

1. Employ appropriate human resource management strategies and systems that support our Strategic Charter-driven instruction, research, and service aims.

A. CAB Human Resource Management System Revisions

During the past year, the Human Resource Management Committee was charged with the review of the journal lists for the College. The HRM Committee collected information from other institutions, used published data, and used information provided by the previous HRM Committee to develop draft journal lists. A metric was used in the development of these lists. A faculty hearing was held in May 2006. The CAB Administrative Council considered all information provided by the HRM Committee and the comments made during the faculty hearing. The CAB Administrative Council asked the HRM Committee to consider information from additional colleges and revise lists upon that basis.

A draft of the Faculty Credentials and Staffing document, which includes definitions for Academically Qualified and Professionally Qualified Faculty, was developed and will be refined during the coming year.

B. Selection of Peer Institutions

The faculty committee formed at the end of 2004-2005 and charged with the selection of peer institutions for the College provided a list of nine universities. These institutions are: Southern Illinois-Carbondale, Mississippi State, University of North Texas, University of Memphis, University of Texas-Arlington, University of Mississippi, University of South Florida, University of Central Florida, and Virginia Commonwealth University. The documentation of their selection process is provided in an appendix to this document. During the Fall of 2006, selected CAB administrators will visit these nine universities. A list of questions that need to be addressed during each visit has been developed for use by those involved in the visits.

The Peer Institution Committee is currently charged with the selection of potential aspirant peer institutions.

2. Develop partnerships that are directed toward obtaining financial resources to complement institutional funds so as to accelerate strategic charter-driven continuous improvement.

- A. Alumni and Development Activities

Eighteen alumni receptions were held this year to increase alumni involvement/connection, and 78 alumni/business professionals served as guest lecturers for a variety of courses. In addition to our CAB Advisory Board and the Information Systems (IS) Council, an Accounting Advisory Board was formed. The CAB Advisory Board met two times and is developing a strategic plan to chart actions to enhance the CAB. The IS Council met and provided assistance in course and curriculum refinement. The Executive Committee of the Accounting Advisory Board has met two times, 19 members have been secured, and a full meeting is planned for October 20, 2006.

- B. New Funding Results

Two professorships (\$200,000) and an endowed chair (\$1,000,000) were established this year. The Investing in the Future Campaign has generated \$226,000 to be used to improve facilities. A gift of \$300,000 has been dedicated to faculty and student enhancement.

The new CAB Laboratory Fee was collected this year and has been used to enhance computer laboratories and to provide doctoral students updated technology equipment. Having these funds to dedicate to the Laboratory expenses enabled us to develop the Wall Street Journal Partnership and provide online journal access to CAB students as well as hard copy access through kiosks in the College. Representatives of the Wall Street Journal were in our College to facilitate faculty use of the WSJ for enhancing student learning and to promote student registration for the online edition.

3. Expand partnerships that enhance our Strategic Charter-driven instruction, research, and service aims.

- A. Collaborative Efforts

Our Center for Entrepreneurship and Information Technology (CEnIT), jointly administered by our College and the College of Engineering and Science, is fostering a climate that promotes entrepreneurship across the campus. Grant support has facilitated the development of courses and was used to fund a low elements rope course which was completed on our campus this year and facilitates team-building exercises for students involved in CEnIT courses. 137 students completed the new courses offered through CEnIT and the Top Dawg Business Plan provided \$15,000 in prizes (an increase of \$5,000 from 2004-2005).

The Mobile Computer Laboratory was implemented through a Board of Regents Support Fund Grant this year. The computers were used in twelve different classes, nine undergraduate and three graduate. Evaluations were positive.

Collaborative research efforts are encouraged. Faculty will be participating in an University-sponsored NSF social, behavioral and economical sciences grant writing workshop in Fall 2006. Three grant applications for federal grants were jointly developed with others on campus in 2005-2006.

B. Entrepreneurial Efforts

The Louisiana Tech University Enterprise Center was opened in October 2005. The Center houses the Small Business Development Center and serves as a technology business incubator. Three high technology businesses are located in the Center. These businesses are actively involved in CEnIT activities and the learning of our students is being enhanced through interactions with these businesses. In fact, one of the tenants is a business student who graduated in May 2006 and is continuing in the MBA program.

4. Develop effective program management strategies and systems that fully embody our Strategic Charter-driven Instructional Aims.

A. Undergraduate Program Assessment

The procedures used in the College's assessment of fundamental business knowledge through course-embedded questions in the core business courses were revised this year. Results from the knowledge assessment indicated that the majority of students (around 70%) understand and are knowledgeable of the basic business concepts, although the results were not available for both quarters in a couple of courses (see attached Assessment Results). In Accounting, where the processes have been effectively integrated in the core courses, a decided improvement in student understanding of managerial accounting concepts was noted.

Regarding how well the College prepared the graduates in acquiring the expected management-specific knowledge or skills, again, less than 10% of the alumni, either one year out or six years out, expressed that they were poorly prepared in any of the eight dimensions. The 2005-06 seniors responded similarly.

To enhance the faculty's appreciation of student assessment of learning, Dr. Kathryn Martell was invited to campus in December to present a day-long program on the needs and benefits of assessment, especially as it relates to AACSB accreditation. Dr. Martell's presentation helped many faculty members better understand how assessment of learning differs from individual evaluation of students within a course, and how the two can work together. Based on her advice, instead of asking the faculty to define two intended learning outcomes (which are results oriented and measurable) for the graduates in each degree program, it was decided that one would suffice. Each program has determined an intended outcome (see attached). Over the 2006-07 academic year, assessment

measures/activities and assessment criteria will be developed for implementation in Fall 2007.

Also based on Dr. Martell's input, the College revised its Instructional Aims and associated Learning Standards for undergraduate students. The 24 learning standards were deemed to be unwieldy; hence, the CAB Council approved reducing the number to nine (see attached). All survey instruments will be revised to reflect the approved changes in the 2006-07 academic year.

Results from the surveys of graduating seniors were similar to the previous year—with a slight increase in the percent of our graduates expressing satisfaction (from 84% to 87%) with their experiences in the College of Administration and Business. Students' self-reported assessment on the Exiting Senior Survey regarding how well the College prepared the students in acquiring the skills and knowledge as enumerated in the 24 learning standards are comparable to the previous year's results. However, there was a significant increase in the number rating their "understanding the global environment" as good or excellent; while there was a decrease in their rating of "understanding the trends shaping business and society."

Response to the Employer/Interviewer Survey indicated that the recruiters who interview business students through the University Career Center are generally pleased with our graduates. This past year, none was dissatisfied with the academic standards in the College; and 83%, rated our students' preparation for employment as "good" or "excellent." However, in response to students' self-reported perceived deficiencies, preparation for employment is an area that the CAB will address in the upcoming year with a course to be developed on career planning.

B. Graduate Program Revisions and Assessment

The Graduate Division and the Graduate Policies and Assessment Committee continue to monitor the progress of DBA students and their performance in the revised doctoral program. In addition, the Graduate Division has worked with dissertation committee chairs and the Graduate School to assist those students attempting to complete their dissertations. Several students who have been ABD for two or more years completed their degrees as a result of this collaboration between the faculty and the administrative offices. As expected, the reduction in time available to complete a dissertation following doctoral students' oral exams appears to have focused students efforts with the result that the average time to complete a dissertation is decreasing.

While the Graduate Policies and Assessment Committee made some progress toward revising the MBA program, the committee had been reluctant to impose significant changes in the curriculum on those faculty teaching in the program. Therefore, Dean Reagan appointed those most directly involved in delivering the program to the MBA Review Committee. The committee was charged with defining the focus of the program and working to specify the revised program's content.

The committee concurred with the GPAC and the College's Advisory Board and adopted Innovation Management as the focus of the revised MBA program. Further, the committee recommended establishing a cohort program with student cohorts beginning the program during the spring quarter. Students entering the proposed cohort program are expected to complete the degree in four or five quarters, depending upon when they choose to complete their elective courses. Having defined the general guidelines for a revised MBA program, the MBA Review Committee is expected to benchmark the content of the courses with other programs around the country and coordinate preparation of course outlines and syllabi to reduce duplication of content across the curriculum and identify opportunities to incorporate concepts from innovation management in the core MBA courses.

In addition, discussions have been held with the College of Engineering and Science to identify opportunities for students from that college to prepare for admission to the MBA program while completing their undergraduate degree. Opportunities for students to complete many of the business foundation courses prior to graduation with their undergraduate degree have been identified. In cases in which students are eligible to participate in the University's concurrent enrollment program they may begin the graduate phase of the MBA program prior to completing their undergraduate degree, depending upon their undergraduate GPA and other criteria.

The University of Louisiana at Lafayette (ULL) and Louisiana Tech are continuing to discuss the potential development of a joint MBA degree program at the Learning Center of Rapides Parish (LCRP). ULL taught an MBA course during the spring semester. The MBA Review Committee recommended that the MBA program at Barksdale Air Force Base (BAFB) and at LCRP be served by courses delivered via compressed video from the Ruston campus. These courses would also be available to those seeking to pursue an MBA in the evenings or part-time in Ruston. By combining these programs we expect to better utilize faculty resources, while continuing to provide an opportunity for those not able to participate in the cohort program to complete an MBA through Louisiana Tech.

Priorities for 2006-2007

In the 2006-2007 school year, we will continue to pursue the above priorities with emphasis upon:

- 1) Developing remaining policies and procedures to complete our HRM package for the College. This includes policies and procedures related to Academically Qualified Faculty and Professionally Qualified Faculty.
- 2) The Investing in the Future Campaign including selected renovation projects being funded through the Campaign.
- 3) Refinement of outcomes assessment policies and procedures.
- 4) Review of College vision and mission statements in preparation for development of the next strategic plan.

APPENDIX I

Peer Selection Process

August 27, 2005

To: Faculty of the College of Administration & Business

From: Peer School Selection Committee

Re.: Method Used to Define Initial Set of Peer Schools

As you may recall, the Dean formed a committee earlier this summer to undertake the identification of a set of 6 to 8 business schools that will serve as our peers for the next few years. We decided to first identify a set of schools that are similar to Tech in terms of a set of dimensions for which data are widely available. Following this initial step we intend to contact the 15 schools most similar to us in order to determine if they have such documents as journal lists, written tenure and promotion guidelines, and written annual evaluation guidelines, and whether they will share them with us. Based on the availability of these materials, and whether they are accessible to our school, we will shorten the list further.

Attached please find an Excel spreadsheet which lists the schools we have thus far considered, along with a number of variables we used in our screening process, and (to the far right) an index score, or what perhaps might be labeled a similarity score. We began our study by first identifying all of the business schools in the US that had at least two doctoral programs in the various business fields, but produced less than 15 doctoral grads in 2004. We also eliminated schools with relatively low doctoral production for that year, but clearly represented aspirant rather than peer schools (e.g., University of Illinois, Urbana). We also checked mission statements to insure that the various schools' mission statements are not materially different from our own.

We then collected data from the AACSB database as well as the latest (2006) edition of *US News & World Report America's Best Colleges* in order to develop a "similarity index." As you can see from the spreadsheet, we collected data for several variables related to the size of the schools in order to examine the issue of size from various perspectives (please see column headings 3 to 12). We also collected operating budget figures and estimated operating budget per full-time faculty member ratios. In addition, as a quality indicator, we collected "peer assessment scores" from the *US News* annual survey. This variable represents ratings for universities as a whole, as there are unfortunately no comparable, comprehensive business school ratings.*

In order to create our similarity/index score we employed the following procedure. We subtracted Tech's variable values from the various variable values for each school and calculated the absolute values of the differences. We then calculated the standard deviation for each variable. We then standardized each school's difference scores using the standard deviations. In order to allow perceived quality, financial resources (ratio of operating budget-to-faculty), and size to equally influence the final index score, we averaged the nine "size" related variables and then summed the absolute values of the standardized peer score differences, the operating budget-to-FTE differences, and average size variable differences. These values, labeled "Index Scores," are found in the column on the far right-hand side of the spreadsheet. The schools are sorted by their index or similarity scores—the lower the score, the more "like" us they appear to be. As mentioned earlier, our next step will be to more closely study the 15 schools with the lowest index or similarity scores.

*Annual rankings of MBA programs such as the one by *Business Week* do not cover nearly as many universities as the *US News* rankings.

Appendix II

Course-Embedded Assessment Results

COURSE-EMBEDDED ASSESSMENT RESULTS

Accounting 201 Objectives	Percent Correct			Percent Correct		
	Fall 04	Winter 05	Yr 04-05	Fall 05	Winter 06	Yr 05-06
Understand the elements of the Accounting Equation, the Accounting Principles involved in recording economic transactions and the preparation of financial statements, including Income Statement, Equity Statement, Balance Sheet and Statement of Cash Flow with a focus on the corporate form of business.	73.70	78.30	75.89	80.40	83.80	81.71
Understand the Accrual basis of Accounting and why Adjusting Entries (both accruals and deferrals) are necessary.	64.7	73.7	68.98	59.5	67.1	62.43
Understand how Accounting for a Merchandising Entity differs from a Service Entity.	81.2	67.6	74.73	82.4	87.3	84.29
Understand types and purposes of Internal Controls with an emphasis on cash controls and the preparation of a bank reconciliation.	82.1	91.5	86.57	86.2	75	81.88
Understand the valuation of both long-term (fixed assets) and short-term assets (inventory and accounts receivable).	64.9	84.7	74.32	78.5	79.8	79.00

Accounting 202 Objectives

Understand the differences between financial and managerial accounting. Understand the differences in the financial statements for a merchandising and a manufacturing entity specifically as they relate to product and period costs.	63.1	60.7	61.81	61.2	65.6	62.17
Understand how costs are accumulated for both the Job Order Cost Accounting System and the Process Cost Accounting System.	75.2	58.5	66.24	79.2	87.1	80.95
Understand how fixed costs and variable costs behave and be able to calculate the break-even point.	43.5	45.2	44.41	77.4	86	79.30
Understand the basics of the budgeting process and be able to prepare a basic income statement budget and a basic balance sheet budget. Understand the concepts of capital budgeting.	73.9	74.6	74.28	64.8	62.4	64.27
Gain a better understanding of the Statement of Cash Flows and be able to calculate and analyze financial information from the Income Statement and the Balance Sheet by using ratios, trends, etc. to determine a company's liquidity, solvency and profitability.	58.2	68.4	63.67	68.2	72	69.04

Economics 201 Objectives

Methodological Issues	61.1	90.7	68.60	64	91	77.81
Use of Diagnostic Tools	75.7	94.4	80.44	47	98	73.09
Monetary Policy and Central Banking	39.1	92.6	52.66	8	47	27.95
Understanding of Fiscal Policy	18.2	16.7	17.82	56	17	36.05
Awareness of International Finance issues	60.5	74.1	63.95	68	68	68.00

Economics 202 Objectives

Understand the forces affecting Market Equilibrium	76.2	26		43	75.6	57.38
Elasticity	80.2	24		79	64	72.38
Government Policy/Market Efficiency	78.6	23		46	60.5	52.39
Costs	77.5	NA		66	87.2	75.35
Industrial Organization	74.2	42		24	39.5	30.84

Computer Information Systems 310 Objectives

IS Systems: Terminology, concepts, issues, and components of information Systems for business	74	71.5	72.81	59.2	71.6	65.06
IS Components: Terminology, concepts, issues, and trends for select major components of IS	61.7	75.6	68.29	74.9	65.7	70.55
IS Industry: Terminology, issues, and trends in the IS industry.	53.9	75.2	64.01	72.8	54	63.92
Social issues: Terminology, issues, and trends related to the social issues associated with IS.	70.1	83.6	76.51	60.6	85.4	72.31
Information Systems Topics: Terminology, concepts, issues and trends for selected IS topics.	54.8	69.5	61.77	74	78.4	76.08

Management 310 Objectives

Understand the Stages of Team Development	90			88	76	80.74
Understand Organizational Culture	95			85	90	88.03
Aware of strategic objectives	92			87	68	75.50
Understand Maslow's Hierarchy	87			92	94	93.21
Knowledgeable of the Four Managerial Functions	89			85	80	81.97

Marketing 300 Objectives

Knowledgeable of the Marketing Concept	65.2	80.7	72.95	61.3	67	63.11
Understand the Product Life Cycle	60.8	70.4	65.6	90.3	22	68.55
Knowledgeable of the Marketing Mix	96.7	93.6	95.15	92.7	75	87.06
Understand Marketing Segmentation and its Role in Marketing	88	80	84	74.5	95	81.03
Understand Positioning and its Role in Marketing	26.1	72.7	49.4	62.8	91	71.78

Finance 318 Objectives

Knowledgeable of the Time Value of Money	77	42		92		92
Understand Discounted Cash Flow Valuation	92	76		92		92
Knowledgeable of the Cost of Capital	54	53		50		50
Understand Risk and Return	94	62		41		41
Understand Capital Budgeting and its Role in Finance	88	91		80		80

Economics 312 Objectives

Nature and Measures of Money				71		71
Structure and Role of Commercial Banks				2		2
Money Supply Control in an Open Economy				12		12
Money Demand and the Dynamics of the Money Market				53		53
Goals and Structure of the Federal Reserve System				35		35

Management 333 Objectives

Understand the Concept of Distinctive Competencies and their Strategic Implications	77	42		64.4	55	60.00
Be able to Apply Pareto Analysis to Inventory Management	92	68		88.2	83	85.99
Understand the Long-term vs. Short-term Uses of Operations Management	54	68		72.5	79.4	75.58
Understand the Relationships among Inventory Costs	94	61		74.8	55	66.01
Be able to Classify Firms According to Process and Understand the Strategic Implications of Each	88	90		88.6	90.6	89.54

Appendix III
Curricula Outcomes

UNDERGRADUATE CURRICULA

Intended Outcomes

Business Management and Entrepreneurship

Graduates will be able to create a business plan suitable for obtaining financing.

Assessment: Plans will be evaluated by the instructor in MGMT 400??, a small business lender, and the Director of the Small Business Development Center.

Human Resources Management

Graduates will be able to identify practices and policies related to employee and labor relations and evaluate these practices and policies in terms of their utility and legality.

Marketing

Graduates will be able to develop a survey instrument.

Assessment: Marketing students will complete an individual survey skills assessment test to be administered in Marketing 482 (Marketing Research).

Business Economics

Graduates will be able to apply the principle of marginal analysis to the economic decision-making process.

Assessment: In Economics 408, students will discuss and solve problems in prose and arithmetic forms.

Computer Information Systems

Graduates will be able to identify and utilize the phases in the systems development life cycle and apply them to a business information system.

Assessment: CIS 450 students will prepare a quarterly project. Members of the CIS Assessment Committee or a person/committee designated by the CIS Assessment Committee will examine these projects using selected criteria related to the systems development life cycle.

Finance

Graduates will be able to explain the relation between financial markets, the firm, and the investor.

Assessment Criteria: Students will know how firms raise money, what forms of financial securities and derivatives exist, and how firms and investors actually transact in these markets.

Accounting

Accounting graduates will be able to analyze the annual report of a publicly traded company.

Assessment: Students in ACCT 305 in the spring quarter will complete the workbook, "Understanding Corporate Annual Reports—A Financial Analysis Project." Each student will make a 5 to 10 minute presentation about the company based on the annual report information. Members of the Accounting Assessment Committee will evaluate the projects and presentations.

Appendix IV
Revised Instructional Aims

INSTRUCTIONAL AIMS

Undergraduate Learning Standards

In order to achieve our vision, uphold our mission, and act according to our core values, we must provide educational opportunities that enhance our undergraduate students' continued development in:

1. *Understanding Leading-Edge Theory and Practice in their Discipline* or, more specifically, ensuring our graduates are prepared for entry-level professional positions in the area of their academic majors.

2. *Utilizing Cognitive Skills and Social Knowledge*, including
 - the communication skills to build effective workplace relationships.
 - (1) Communication Skills
 - (2) Leadership Skills
 - the ability to critically and creatively evaluate problems and to think strategically.
 - (1) Critical Thinking
 - (2) Creative Thinking
 - (3) Technological Skills
 - (4) Research Skills
 - the capacity to exercise judgment that includes ethical considerations in the solutions offered.
 - (1) Ethics
 - (2) Professional Skills
 - (3) Global Awareness

3. *and Utilizing Management-Specific Skills and Knowledge* in the following areas:
 - Financial theories, analysis, and markets
 - Accounting concepts
 - Production and distribution of goods and services
 - Information technologies and systems
 - Economic environments of organizations
 - Marketing functions and strategies
 - Managerial concepts and practices
 - Strategic management

LEARNING STANDARDS FOR CAB GRADUATES

Communication Skills

Uses standard English grammar in oral & written forms. Applies listening skills appropriate to situation. Reads with comprehension. Communicates effectively in oral and written forms, including presentations.

Leadership Skills

Applies effective interpersonal skills. Demonstrates ability to work effectively in individual and team situations. Has a willingness to assume leadership positions.

Critical Thinking

Analyzes, synthesizes, and evaluates from a wide variety of information sources. Utilizes logic. Recognizes patterns & forms conclusions based on those patterns. Adapts textbook information to real world. Differentiates fact from opinion. Recognizes and evaluates assumptions, theses, and support of arguments. Transfers concepts within and among disciplines.

Creative Thinking

Is open-minded, flexible and adapts to new ideas. Devises new ideas, work, or solutions. Recognizes and evaluates alternatives.

Technological Skills

Demonstrates knowledge and use of current technology for problem solving including: appropriate software tools, Internet, and discipline-specific applications. Demonstrates knowledge of state-of-the-art and emerging technologies related to the discipline.

Research Skills

Applies scientific methods to problem solving. Utilizes basic statistical analysis. Synthesizes information into coherent whole. Clarifies ill-defined problems.

Ethics

Demonstrates professional conduct & ethical responsibility. Demonstrates knowledge and application of moral & philosophical concepts. Recognizes ethical dilemmas and is aware of diverse answers to ethical problems.

Professional Skills

Demonstrates ability to adapt to diverse organizational environments. Demonstrates awareness of workplace cultures and expectations. Self-evaluates learning and performance. Utilizes planning and organization skills. Demonstrates ability to deal with ambiguity and uncertainty.

Global Awareness

Has awareness and acceptance of cultural differences. Understands the global environment in which organizations operate.