

**Finance, Economics and Decision Sciences (FEDS)  
Department Review**

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Attached Appendices:

Appendix A – Matrix for General Education Requirements for all courses

Appendix B – 4-point outline and syllabus for Economics and Decision Sciences courses

Appendix C –4-point outline and syllabus for Finance courses

Appendix D Audit sheet samples for Finance and Economic majors

## **II. PROPOSED ACTIONS BY THE EDUCATIONAL POLICIES COMMITTEE**

For the Finance, Economics and Decision Sciences (FEDS) Department as a whole:

### **We have a new Department name.**

Rationale: Effective August, 2003, the Information and Decision Sciences Department was dissolved and incorporated into the Economics and Finance Department. Thus, the name change better reflects who we are as a department.

### **We have a new mission and vision statement.**

Rationale: With the reorganization of the departments in the College of Business in 1999, it became necessary to change our mission and vision statements to be more reflective of the Finance and Economic students and other constituents that we serve.

### **We have a new departmental assessment plan.**

Rationale: With the reorganization of the departments in the College of Business in 1999, it became necessary to change our assessment plan to be more reflective of the Finance and Economic students and other constituents that we serve.

### **We are asking for approval to change the requirements for an Economics teaching major to include an additional 12 credit hours in Economics beyond Econ 313, rather than the 9 credit hours that are listed in the catalog.**

Rationale: The State Education Board requires 30 credit hours in a teaching major. Because we combined the two statistics courses (BUS 205 and BUS 305) into one course (STBE 337), this major now requires 27 credits. This change is necessary to comply with the State requirements.

### **We are asking for approval to replace the requirement of STBE 305 for a Finance/Economics major to a requirement of MATH 192.**

Rationale: STBE 305 is not an existing course and Math 192 will fulfill the math requirement for this double major.

### **We are asking for approval to replace the requirement of ECON 399 for an Interdisciplinary Minor in Pre-Law Studies to a requirement of ECON 375 (catalog, page 145).**

Rationale: ECON 399 is a special topics course. ECON 375, Law and Economics, was approved as a course in April, 2004.

### **We are asking for approval to make FNCE 200 – Personal Finance, qualify as a general education course.**

Rationale: This course qualifies in the area of social sciences in our general education requirements. Further detail can be found in Section C. General Education Assessment of Teaching on page 25.

**III. OVERALL DESCRIPTION OF THE DEPARTMENT AND ITS PROGRAMS**

In 1999, the Finance and Economics Department was one of three departments formed when EcBa (Department of Economics and Business Administration) was dissolved. The other two departments were Managerial Studies and Information and Decision Sciences. On February 11, 2003, the Educational Policies Committee approved the elimination of the Information and Decision Sciences Department effective August 1, 2003 and combined it with the Finance/Economics Department. Thus, we are now the Finance, Economics and Decision Sciences (FEDS) Department with ten full time faculty members. The members of the Department include:

Dr. Linda Brown	Chair
Dr. Greg Bereskin	Economics
Dr. Ray Chohan	Finance
Dr. Ralph Harris	Decision Sciences
Dr. Chris Lee	Economics
Dr. Bill Lynn	Economics
Dr. Arthur Moreau	Finance
Dr. Wayne Oberle	Economics
Dr. Jim VanSpeybroeck	Decision Sciences
Dr. Ted Woodruff	Economics

The FEDS Department is dedicated to preparing students to be valuable contributors to society in general and business in particular. Through a combination of a broad liberal arts education and a solid foundation of business courses followed by a concentration in a specialized area of finance with three areas of concentration, or economics, graduates will be fully prepared to compete in a fast-paced global environment. According to the Registrars’ Office, our most current figures on majors are as follows:

TIME PERIOD	FINANCE MAJORS	ECONOMICS MAJORS
Current declared majors	42	10
12/00 to 8/03 graduates	50	11

**A. Catalog Description:**

The description written for the 2003-2005 catalog is the first that acknowledges our department as a separate entity. However, it did not get published in the new catalog, but it would have said:

The Finance, Economics, and Decision Sciences Department prepares students for careers in Finance and Economics through coursework, projects and internship

experiences. The Finance major can elect a concentration from three areas of study: Corporate, Financial Institutions, and Finance and Economics. Both majors will provide the student a solid foundation and analytic skills needed to be fully prepared to compete in a fast-paced global environment.

## **B. Significant Changes:**

The restructuring of the College of Business, the arrival of a new Dean in 2001 and a new department chairperson in 2003 have been significant changes. As a result, we see this review as being especially important to our development, and to the strengthening of the Finance and Economic programs.

### **1. Changes approved by Educational Policies Committee on April 29, 2003**

a. The prefix for all Finance courses will be FNCE, and all Decision Support courses will be STBE (previously both were BUS). The prefix for all Economics courses will remain ECON.

Rationale: The new prefixes make the course numbers more intelligible in the catalog, and indicate “ownership” so the student knows which courses belong in each program.

b. Approved a new course ECON 375 Law and Economics

Rationale: Law and economics is a rapidly growing and developing field of specialization in both the legal and economic disciplines. Many law schools now offer joint law and economics degrees. This course introduces the student to the role of economic theory in the analysis of property, contract and tort law. The course provides a conceptual and practical understanding of the legal system and regulatory framework as a set of legal rules affecting the behavior of individuals, organizations, and markets. This course will provide the student with the tools necessary to make an assessment of the desirability of these legal rules in promoting social welfare.

c. Approved a new course: Statistics course STBE 337 Statistics for Business and Economics

Rationale: This course is a replacement for the two course statistics sequence (BUS 205, BUS 305). This course is a core course required of all business majors. The purpose of the course is to provide a conceptual and practical understanding of statistics since in today’s global business and economic environment, vast amounts of statistical information is available. The most successful managers and decision makers need to understand this information and use it effectively.

d. Approved the revised Finance major along with the nine new Finance courses:

1. FNCE 200 Personal Finance
2. FNCE 300 Principles of Finance
3. FNCE 301 Financial Valuation in the Corporation

4. FNCE 302 Investments – Security Analysis in a Global Environment
5. FNCE 401 Financial Planning and Decision-Making
6. FNCE 402 Investments – Bond, Fund & Risk Management
7. FNCE 403/Econ 403 Management of Financial Institutions
8. FNCE 491 Topics in Corporate Finance
9. FNCE 492/Econ 492 Topics in Valuation

Rationale: Substantial changes have been made to the Finance major to make the major more competitive in a modern corporate setting and to give the student greater flexibility of emphasis. The single Finance major has been revised to give the student a choice of three concentrations: Corporate, Financial Institutions, and Finance and Economics.. A detailed explanation of the changes to the Finance major is included in Appendix C which includes rationale for the changes along with the proper documentation for new courses.

- e. Approved deletion of the following eight courses:
1. ECON 335 Environmental Economics
  2. BUS 205 Elementary Business and Statistics
  3. BUS 303 Corporate Finance .
  4. BUS 304 Analysis of Financial Statements .
  5. BUS 305 Intermediate Business and Statistics
  6. BUS 306 Investments
  7. BUS 340 Financial Policies and Decision-Making
  8. BUS 335 Financial Institutions

Rationale: Due to the changes in the finance major, the combination of the statistics courses and the deletion of the environmental management major years ago, these courses are no longer needed.

Even though the statistics course (BUS 305) has been deleted, it is being taught during the Fall 2003 and will be taught in the Spring of 2004 to close out the requirement for those students operating under the previous catalog curriculum.

## **2. Changes approved by Educational Policies Committee on February 11, 2003**

Changes in the core requirements:

For several years the College of Business (COB) faculty has contemplated the problem of over-ambitious core and foundation course requirements for all students majoring in Business. In the Fall of 2002, the decision was made to carefully examine these requirements. A committee was formed which presented recommendations to the COB faculty that resulted in significant change to both the core and foundation requirements as follows:

<b><u>Original Core/Foundation Courses</u></b>		<b><u>Current</u></b>
Acct 201	Accounting Principles I	ACCT 201
Acct 202	Accounting Principles II	ACCT 202
BUS 205	Elementary Statistics	-----
Econ 201	Principles of Macro-Economics	ECON 201
Econ 202	Principles of Micro-Economics	ECON 202
Eng 217	Written Business Communication	-----
Math 151	College Algebra	MATH 151
Phil 305	Business Ethics	PHIL 305
Psys 105	Introductory Psychology	-----
Bus 201 or (301,302)	Business Law	BLAW 201
Bus 303	Corporation Finance	FNCE 300
Bus 305	Intermediate Statistics	STBE 337
Bus 309	Principles of Marketing	MKGT 309
Bus 310	Principles of Management	WI-MGMT 310
Bus 321 or 370	International Business	-----
Bus 350	Capstone Seminar	WI-MGMT 349
Econ 312	Intermediate Macro-Economic	-----
Econ 313	Intermediate Micro-Economic	-----

The change in Core and Foundation courses drops the required semester hours from 48 to 33. It is still recommended that students do take an international course in their elective studies. This reduction in required hours allows more in-depth investigation in the students major.

**Changes approved by Educational Policies Committee prior to 2000:**

Approved four new courses for the Economics major. They include:

1. ECON 323 Public Finance
2. ECON 325 Urban and Regional Economics
3. ECON 327 Industrial Organization
4. ECON 329 Economic Development and Growth

**3. Faculty Changes since the Last Review:**

Retired/Left SAU/On Leave:

Dr. Kabis, (Economics)  
 Mr. Mullins (Economics)  
 Mr. Deluhery (Economics) – On Leave  
 Mr. Hammermeister (Finance)  
 Mr. Christopherson (Finance and Marketing)

Added:

Dr. Art Moreau (Finance)

### **C. Outside consultants and subsequent program effects:**

The most important input to our process has been the recently formed College of Business Advisory Group. They have provided us with helpful information about our students' competencies that is discussed in the Assessment plan section.

As reported in our 1997 review, Dr. Green, Director of ACBSP visited our campus to offer his advice regarding all aspects of the operations, curriculum, documentation, and credentials in preparation for our self-study and subsequent visit by the ACBSP representatives. Generally, both Dr. Green, and later, the ACBSP visiting members were very well satisfied with our programs but found minor deficiencies that were subsequently corrected. Yearly, the COB provides the accrediting agency with pertinent data and information about our programs, faculty and outcomes to maintain our accreditation. The accrediting agencies evaluations have been complimentary resulting in a continuation of our accreditation. Another on-site visit by the accrediting association is due in 2004/2005.

### **D. Long-Range Plans:**

Some items we are considering include:

1. More systematic orientation and involvement with our adjunct faculty
2. Adding writing intensive courses for the Economics major, and offering training sessions for faculty in WI courses. Also, limiting enrollment in these courses.
3. Assisting with recruiting and tracking students after graduation.
4. Establishing an application process to formally admit students into the College of Business. This will be further discussed in the Documentation of Student Learning in the Major section of the assessment plan.
5. Establishing a FEDS student panel. This will be further discussed in the Documentation of Student Learning in the Major section of the assessment plan.
6. Establishing a departmental course resources file for those classes with many sections, and a speakers' file for outside guest speakers.
7. Investigating additional multi-media assisted course offerings.

## **IV. ASSESSMENT OF THE DEPARTMENT AND ITS PROGRAMS**

### **A. Departmental Major Assessment Plan:**

#### **1a. Vision Statement:**

The Finance, Economics and Decision Sciences (FEDS) Department will be the regional leader in providing a cutting-edge, high quality, values-based education grounded in business practice and theory. This is consistent with an education grounded in the liberal arts.

**1b. Mission Statement:**

The Finance, Economics and Decision Sciences (FEDS) Department strongly supports the missions of the University and the College of Business. The Department considers its constituencies to include diverse students at the undergraduate level and the professional business community. As an integral part of a teaching university, the FEDS Department prepares students for life-long professional and personal responsibility and growth.

The Department is responsive and flexible in meeting the needs of our students and responds to a competitive global environment with a learning-centered focus that is rigorous, intense, dynamic, and engaging.

The Department is committed to attracting, selecting, retaining, and preparing its faculty to achieve its stated goals with excellence, integrity, and professionalism.

The faculty in the FEDS Department refines its cutting-edge curriculum and its educational processes so that its programs are vital and valid for all of its constituencies.

**2. and 3. Learning Objectives for Majors and methods for Assessment in the Major:**

The faculty of the FEDS Department worked with the College of Business Advisory Council to develop a list of competencies for Business students. Many of these competencies correspond to those General Education competencies addressed by the St. Ambrose educational experience. Multiple methods for assessing student learning of objectives will be used and are documented below. Undergraduate Finance and Economic Students meet the objectives by completing the requirements of each major.

**OBJECTIVE 1 -- The student should understand the fundamentals of their major field of study in either Economics or Finance.**

Assessment Methods:

1. Examinations. At least two examinations will be given. These exams evaluate the student's knowledge of the topical material covered in the course.

Courses: ALL ECON,  
FNCE300, FNCE301,  
STBE 333, STBE 337

2. Written/Oral Assignments. At least one assignment is given that requires students to apply the current concepts being covered in the course to real-world issues and/or businesses. Students are given feedback on the appropriateness and quality of their concept applications.

Courses: ALL ECON,  
ALL FNCE,

STBE 333, STBE 337

3. Class Discussions. Formal and/or informal discussions occur in class that reinforce the topics presented and allow for clarification and expansion in the depth of understanding of these topics.

Courses: ALL ECON,  
ALL FNCE,  
STBE 333, STBE 337

4. Projects/Case Studies. Students find and use current information to create an appropriate project for the course and/or are given cases involving real situations. They are required to identify the issues and problems and to apply course concepts to make recommendations on how to solve these problems and issues. Feedback is given by the instructor on the appropriateness of the concept applications.

Courses: ALL ECON,  
FNCE: 200, 301, 302, 401, 402, 403, 491, 492,  
STBE 333

**OBJECTIVE 2 -- The student should develop strong written communication skills.**

Assessment Methods:

1. Written Assignments. At least one assignment is required in which the student must submit a written communication. Written communications are not only graded on content, but they are also graded on the clear, concise presentation of ideas and on the ability to develop and support these ideas. The communications may be graded by the instructor, by fellow classmates, and/or by the student submitting the report.

Courses: ALL ECON,  
FNCE: 200, 301, 302, 401, 402, 403, 491, 492  
STBE 337

2. Projects/Case Studies. Students find and use current information to create an appropriate project for the course and/or are given cases involving real situations. They are required to identify the issues and problems and to apply course concepts to make recommendations on how to solve these problems and issues. Feedback is given by the instructor on the appropriateness of the concept applications.

Courses: ALL ECON,  
FNCE: 200, 301, 302, 401, 402, 403, 491, 492

**OBJECTIVE 3 -- The student should develop strong oral communication skills.**

Assessment Methods:

1. Oral Assignments. At least one assignment is required in which the student must make an oral presentation. Using appropriate multimedia for oral presentations is strongly encouraged. Oral presentations are not only graded on content, but they are also graded on the clear, concise presentation of ideas and on the ability to address and involve the audience. The presentations may be graded by the instructor, by fellow classmates, and/or by the student submitting the report.

Courses ECON: 201,202,312,313,321,331  
FNCE: 401, 403, 491, 492  
STBE 337

2. Class Discussions. Formal and/or informal discussions occur in class that allow the student opportunity to express and support his/her ideas and views. Both the instructor and other students can give feedback on the clarity of ideas expressed and the strength of how they were supported.

Courses: ALL ECON,  
All FNCE  
STBE 333

3. Projects/Case Studies. Students find and use current information to create an appropriate project for the course and/or are given cases involving real situations. They are required to identify the issues and problems and to apply course concepts to make recommendations on how to solve these problems and issues. Feedback is given by the instructor on the appropriateness of the concept applications.

Courses: ALL ECON,  
FNCE: 200, 301, 302, 401, 402, 403, 491, 492

**OBJECTIVE 4 -- The student should develop effective reading, listening, and critiquing skills.**

Assessment Methods:

1. Oral Assignments. At least one assignment is required in which the student must make an oral presentation. Other students are frequently asked, anonymously or not, to critique at least one of the oral presentations given by classmates.

Courses: ECON: 201, 202, 312, 313, 321, 331

FNCE: 401, 403, 491, 492

2. Written Assignments. At least one assignment is required in which the student must state and defend their agreement and disagreement with current business practices of an organization and to identify problem issues. They are also to make recommendations to further investigate and solve the identified problems.

Courses: ALL ECON,  
ALL FNCE

3. Class Discussions. Formal and/or informal discussions occur in class that allow the student opportunity to express and support his/her ideas and views. Feedback from other students on the clarity of ideas expressed, and the strength of how they were supported, is encouraged.

Courses: ALL ECON,  
ALL FNCE,  
STBE 333, STBE 337

5. Projects/Case Studies. Students find and use current information to create an appropriate project for the course and/or are given cases involving real situations. They are required to identify the issues and problems and to apply course concepts to make recommendations on how to solve these problems and issues. Feedback is given by the instructor on the appropriateness of the concept applications.

Courses: ALL ECON,  
FNCE: 200, 301, 302, 401, 402, 403, 491, 492  
STBE 337

**OBJECTIVE 5 -- The student should develop effective, creative problem-solving skills, both in defining and resolving the problem.**

Assessment Methods:

1. Written/Oral Assignments. At least one assignment is required in which the student must state and defend their agreement or disagreement with current business practices of an organization and to identify problem issues. They are also to make recommendations to further investigate and solve the identified problems.

Courses: ECON: 201, 202, 307, 312, 313, 321, 331  
ALL FNCE,  
STBE 337

2. Class Discussions. Formal and/or informal discussions can occur in class regarding the business situations that are less than optimal. Discussion can involve both the clear definition of what the problem is as well as how one might go about improving the situation.

Courses: ALL ECON,  
ALL FNCE  
STBE 333

3. Projects/Case Studies. Students find and use current information to create an appropriate project for the course and/or are given cases involving real situations. They are required to identify the issues and problems and to apply course concepts to make recommendations on how to solve these problems and issues. Feedback is given by the instructor on the appropriateness of the concept applications.

Courses: ALL ECON,  
ALL FNCE,  
STBE 337

**OBJECTIVE 6 -- The student should develop efficiency in technology common to Business.**

Assessment Methods:

1. Written/Oral Assignments. At least one assignment is given that requires students to use appropriate software for the presentation of the work. The student is also strongly encouraged to use presentation software for the oral presentation of the work.

Courses: . ALL ECON,  
FNCE: 200, 302, 401, 402, 491, 492  
STBE 337

2. Written/Oral Assignments. At least one assignment is required in which the student is strongly encouraged to use information gathered from the internet and various business websites. The purpose of this internet search for information is to gain data regarding various businesses and industries. This information is then incorporated in the student's written and/or oral report.

Courses: ALL ECON,  
FNCE: 200, 302, 401, 402, 491, 492  
STBE 333

3. Projects/Case Studies. Students find and use current information to create an

appropriate project for the course and/or are given cases involving real situations. They are required to identify the issues and problems and to apply course concepts to make recommendations on how to solve these problems and issues. Feedback is given by the instructor on the appropriateness of the concept applications.

Courses: ECON: 201, 202, 312, 313, 321, 331.  
FNCE: 200, 302, 401, 402, 491, 492

**OBJECTIVE 7 – The student should develop the ability to think strategically and plan effectively.**

Assessment Methods:

1. Examinations. At least two examinations will be given. These exams evaluate the student's knowledge of the topical material covered in the course.

Courses: ALL ECON,  
FNCE: 300, 301  
STBE 333, STBE 337

2. Written/Oral Assignments. At least one assignment is given that requires students to apply the current concepts being covered in the course to real-world issues and/or businesses. Students are given feedback on the appropriateness and quality of their concept applications.

Courses: ALL ECON,  
ALL FNCE  
STBE 337

3. Class Discussions. Formal and/or informal discussions occur in class that reinforce the topics presented and allow for clarification and expansion in the depth of understanding of these topics.

Courses: ALL ECON,  
ALL FNCE  
STBE 333

4. Projects/Case Studies. Students find and use current information to create an appropriate project for the course and/or are given cases involving real situations. They are required to identify the issues and problems and to apply course concepts to make recommendations on how to solve these problems and issues. Feedback is given by the instructor on the appropriateness of the concept applications.

Courses: ALL ECON,

FNCE: 200, 301, 302, 401, 402, 403, 491, 492  
STBE 337

**OBJECTIVE 8: The student should develop the ability to independently seek out and evaluate information from a variety of sources.**

Assessment Methods:

1. Examinations. At least two examinations will be given. These exams evaluate the student's knowledge of the topical material covered in the course.

Courses: ALL ECON,  
FNCE: 300, 301  
STBE 333

2. Written/Oral Assignments. At least one assignment is given that requires students to apply the current concepts being covered in the course to real-world issues and/or businesses. Students are given feedback on the appropriateness and quality of their concept applications.

Courses: ALL ECON,  
ALL FNCE

3. Class Discussions. Formal and/or informal discussions occur in class that reinforce the topics presented and allow for clarification and expansion in the depth of understanding of these topics.

Courses: ALL ECON,  
ALL FNCE  
STBE 333, STBE 337

4. Projects/Case Studies. Students find and use current information to create an appropriate project for the course and/or are given cases involving real situations. They are required to identify the issues and problems and to apply course concepts to make recommendations on how to solve these problems and issues. Feedback is given by the instructor on the appropriateness of the concept applications.

Courses: ALL ECON,  
FNCE: 200, 301, 302, 401, 402, 403, 491, 492

**OBJECTIVE 9 – The Department will endeavor to maintain and/or implement various pedagogical methods as suited to the materials in the courses and the students' needs.**

#### Assessment Methods:

Given there is a wide range of potential pedagogies that might be employed, assessment must be tailored to each approach. The general principle of assessment will rely on the following:

1. Consistency. The course consistently implements the pedagogy.
2. Best Practices. The course employs the best techniques for implementing the pedagogy
3. Success. The pedagogy is successful in improving student learning as measured by a variety of standard methods.

Courses: ALL ECON,  
ALL FNCE  
STBE 337  
Varied Pedagogy for all courses

#### **OBJECTIVE 10 -- The student should develop solid awareness of ethical issues in the business world.**

#### Assessment Methods:

Each student with a major in Finance or Economics is required to take Business Ethics (PHIL 305). Other finance and economics courses will include ethical issues as dictated by the course material.

#### **4. Documentation of Student Learning in the Major**

The faculty of the FEDS Department will be responsible for seeing that the appropriate assessments are employed in each course and for monitoring results. This will be accomplished at four levels of evaluation using Kirkpatrick's model: **learning, reaction, performance, and organizational outcomes**.

A. Evaluation of **learning** will occur and will be documented by scoring one assignment in representative courses within the major each year for achievement of each learning objective, and keeping on file an example of:

- a. successful objective achievement
- b. unsuccessful objective achievement

Faculty for each major will decide which course and which assignment best measures each learning outcome. Faculty will confer once each year to evaluate results. Example assignments, projects or critiques will be filed with the Department Chair.

Rationale: Evaluation of course learning will be ongoing and directed to desired outcomes. Students will receive feedback specifically relating to each learning objective at least once a year. Faculty can distribute the task of evaluating learning among the group as they see fit.

**B . Reaction and performance** levels of evaluation will occur using a survey and direct dialogue to obtain feedback from our current Finance and Economic majors. Each year, faculty will select a course section in each major and spend one class period surveying and discussing the strengths and weaknesses of the Finance and Economic programs.

A second level of evaluation may require additional personnel and money, so pending approval of both, this method may or may not be feasible. The second method is to create a consumer panel, a standard marketing research method. Each year, faculty for each of the two majors in the department will invite three to five students entering the major to participate in the FEDS Advisory Panel. Students will be selected to represent a cross-section of the student population. They will be asked to commit to being interviewed once a year throughout their two years of Business coursework, and for three years after graduation. In exchange, the Department will publicize their service to the department.

- During their school years, focus groups will be used to assess their reactions to the programs, using a moderator's guide developed by faculty.
- After graduation, a yearly telephone survey will be conducted. The alumni will be interviewed about reactions to their education, as well as current job, etc. (performance level evaluation).
- Faculty will consider the responses and will share the information with stakeholders.

Rationale: Using the survey, direct dialogue and the consumer panel will allow us to receive current information from the students. Adding students each year will allow us to assess attitudes and performance by cohort as well as over time. We will be regularly receiving feedback about our programs from students and will be accountable for conducting evaluations.

C. Evaluation of **organizational outcomes** will be done by tracking the departmental programs through better statistics. At present, we do not know exactly how many majors we have, where our majors are getting jobs, or how many are going on to graduate school. We have not done a good job of regularly communicating to or inviting input from our majors.

To resolve these problems, we are proposing to create and enforce an application process to be accepted into the College of Business. The student could apply for admission after completing four of the core courses (Acct 201, Acct 202, Econ 201 and Econ 202). At this time, there will be no grade point average requirement. At the time of acceptance, the student will be required to declare a business major, however, the major may be business undecided at this point. The student will also be transferred to an advisor in the College of Business. This proposal may require additional personnel and money, so pending approval of both, this method may or may not be feasible.

Rationale: This will assist us and the College of Business in tracking our students and improve our database. It will also allow us to track the impact of our curricular change

and new initiatives on individual student performance, departmental and College growth and improvement, and the well-being of SAU.

## **5. Use of Assessment Information to Improve Education**

A. The Chair of the Department will work with faculty in each program to see that:

1. Course sections are selected to assess each objective in the major annually.
2. An appropriate assessment is done and representative evidence is collected annually.
3. Course syllabi will be monitored annually to assure consistency of content and learning objectives.
4. To enhance free communication between faculty and students, the faculty will continue to be involved with students for advising and counseling purposes.
5. Internships are available, with the help of CDC, which will assist and benchmark our classroom performance against applied business processes.
6. Survey and discussion of the strengths and weaknesses of the Finance and Economic majors will be discussed annually with the student in a major course section.
7. Depending on funding, students will be selected and invited to join the FEDS Advisory Panel annually.
  - a. Questions for panel members are developed or revised annually.
  - b. Interviewers of panel members are selected annually.
  - c. Results of both the learning assessment and the panel interviews are reviewed annually.
8. Depending on funding and approval of the entire COB, students will be required to apply for admission into the COB
  - a. A Student Entrance Interview will be conducted: Upon identifying students interested in a major in Finance or Economics, the faculty in the Department will interview the potential student for the purpose of evaluating their known academic work to date, to roadmap a plan of study, to discuss with them their goals and objectives at SAU, and to assist them in determining the best possible plan of action toward realizing their career choice.
  - b. A Student Exit Interview will be conducted: At the end of the Junior year or during the Senior year the Department faculty will conduct individual interviews with majors in Finance or Economics to assess how

they progressed throughout their studies and to discuss the future plans of the student.

- B. The Chair of the Department will be responsible for:
  - (a) Storing the learning assessments and interview data
  - (b) Scheduling the assessments, surveys, panel interviews, and faculty review of assessment data annually.
  - (c) Summarizing each year's results in a report and sharing it with all the majors in the Finance and Economic programs, and the FEDS faculty.
  
- C. The information gathered from our department assessment has led to several changes that have significantly improved our program. These changes were approved by Educational Policies during the 2002-2003 academic year and include:
  - (a) Making significant changes as documented in our core and foundation course requirements.
  - (b) Development of five new courses to enhance the overall Economics curriculum.
  - (c) Development of the three finance concentrations with significant changes in the finance curriculum.
  - (d) Development of an applied statistics course to offset two courses that had been offered.
  - (e) Development of a Business School Advisory Committee to bring more "real life" experience to our curriculum.

## **6. Evaluation of the Departmental Assessment Plan**

### **A. When and how is the plan reviewed?**

The faculty will meet as a department every year to review the plan and consider modifications.

### **B. Assessment of teaching and learning in the major**

Most of the information that led to course changes in our majors was received through informal interactions with students, with advisors outside the department, and with local business contacts who employ our graduates and with our College of Business Advisory Council, composed of business leaders from a variety of for-profit and not-for-profit organizations.

The following are particular concerns that grew out of this self-study:

1. **Since the dissolution of EcBa we have done little assessment.** Two years ago, members of the College of Business voted to discontinue the senior surveys that were conducted in Capstone seminar each year. The surveys for the previous two years had not been analyzed at that time, and the department felt that the students did not take the assessment seriously,

thus not yielding meaningful results. The assessment plan included here is the result of discussions in departmental meetings.

2. **We have done a poor job of tracking or contacting our majors** except in the classroom. The lengthy Core and Foundation requirements of the 2001-2003 catalog encouraged many Business majors to not declare majors until right before graduation. As a result, we had/have a huge group (124 of 208) listed as General Business, who do not have any departmental affiliation at present. Few graduate in General Business, but they are being prevented from good career planning by not declaring or being active participants in a department.
3. **We had a curriculum that sealed us off from students outside the College.** Many of the recommended curricular changes come from conversations with students and colleagues who see opportunities for collaboration. We are currently considering developing a learning community for general education purposes..
4. **We are not being consistent across courses or in relating courses to each other.** The review process has allowed us to discuss common outcomes and to agree to use our four point forms after the review process to attain consistency.

On a positive note, the review process has resulted in:

1. **A mission that revitalizes.** Our mission focuses on a learning-centered environment that is rigorous, intense, dynamic, and engaging. This concept is freeing faculty to consider new ways of presenting material, and it may eventually make us less “stuffy”.
2. **A proposal to create and enforce an application process to be accepted into the College of Business.** This will not only give the College of Business prestige in the eyes of the students, but will provide us with complete data on who our students are and what happens to them after graduation.
3. **A proposal to create a FEDS student advisory council.** This will provide us with up-to date information on the strengths and weaknesses of our majors as perceived by our students.

**A commitment to continue this process after the review.** I was asked early in the process if we were really going to use what we developed or if this was going to be another file cabinet review. We committed as a group to using this material to continue our progress and to track our results. In particular, we want to use our 4 point forms to improve our consistency across courses, and to help our adjuncts.

## C. General Education Assessment of Teaching

### **General Education Program Mission**

The General Education Program works to fulfill the St. Ambrose University mission of enabling all students to "develop intellectually, spiritually, ethically, socially, artistically, and physically" in order to enrich the own lives and the lives of others," by providing a program of study which strives to develop student skills, understandings and values related to the mission goals. In addition, it is the intent of this program to build student recognition of the relationships among and between the General Education Goal Areas as well as the connection and application of this learning to the present and future contexts of their own lives.

1. **All Courses:** Attached is an Excel spreadsheet chart showing how each of the Finance and Economic courses teach to the General Education goals (Attachment A).

2. **Designated General Education Courses:** There are three economic courses that currently qualify as General Education courses. They are:

- ECON 101 Economics Survey
- ECON 201 Principles of Macro-Economics
- ECON 202 Principles of Micro-Economics

**A. Existing Courses:** Following is a description and an explanation of how these three courses meet the general education requirements. A four point plan and syllabus for each course can be found in Appendix B.

**ECON 101: Economics Survey** develops the student's ability to:

1. Recognize that the basis for knowledge in the social sciences is grounded in the application of the scientific method to behavior.

This course outlines the benefits and uses of models. Models and theories are used to generate predictions. As one might expect, principles courses, such as this, concentrate on those models for which there is close approximation to consensus. Uses of the supply and demand model provide examples.

2. Apply moral and ethical standards to human relationships and develop personal standards of behavior.

As a positive social science, economics is largely amoral. It's primary goal is to predict consequences of actions. While agreement on consequences is often inadequate to resolve moral questions, it often narrows the range and scope of moral debate. For example, the following question comes from Problem Set #4.

The Institute for Justice is a free-market group of lawyers that seeks to promote a more competitive economy consistent with economic liberty. See <http://www.ij.org/index.shtml> One of their cases involves the ability

for firms to compete for the casket business in Oklahoma. State law required one to be a licensed funeral director in order to sell caskets and other funeral merchandise. This kept firms like Memorial Concepts online ([www.memorialconceptsonline.com](http://www.memorialconceptsonline.com)) from providing caskets in Oklahoma. (They do sell caskets in other states however).

- (a) What is the effect of this law on the price of caskets in Oklahoma?
- (b) Is this monopoly power based on superior service or is it based on force?

ANSWER:

- (a) The effect of this law is to increase the price of caskets and, as a result, of funeral services.
- (b) This monopoly power was backed up by the police power of government.

This question does not resolve the moral issue of whether government should assist businesses or under what circumstances. It does make the prediction that restrictions on supply increase price. This might lead one to oppose such supply restrictions based on moral principles.

- 3. Apply and compare various theories of human behavior and the application of these theories to society.

Economics works on the assumption that human behavior is most often self interested behavior. This is not necessarily the same as selfish behavior. Even when one is talking about altruistic behavior, my altruistic goals may differ from yours. The prediction is that given such conflicts, we favor our own goals.

In this context, the need for exchange in a competitive setting is seen as a way to channel self-interested behavior into socially useful outcomes. Competition is seen as being necessary to mitigate against excessive greed. The need to obtain goods within a context of voluntary exchange is seen as a way to ensure that one serves others in their effort to benefit themselves. Voluntary exchange is seen as win-win.

- 4. Analyze problems of human behavior and offer potential solutions

Economics deals with problems of human behavior in a number of aspects. Two examples are illustrative. First, it is shown why individuals engage in actions to reduce output in order to increase price and profits. Further, it is shown that the harm to consumers resulting from such actions are generally larger than the gains to those initiating such actions. The result is a net social loss. Potential solutions would include actions to reduce such monopolistic power (antitrust) or changes in government policy which also reduce output.

Secondly, it is shown how poor market structures could lead to environmental damage. This destructive action can be mitigated by a number of actions including direct government mandates, pollution taxes or the creation of pollution markets. Advantages and disadvantages of these policy alternatives are discussed.

5. Identify current and past ways in which humans deal with social problems and discover and evaluate strengths and weaknesses.

The survey of economics course considers the strengths and weaknesses of centrally planned economies to those of more decentralized economies which rely relatively more heavily on markets. Some consideration is given to areas where governments are superior to markets and vice-versa.

**ECON 201: Principles of Macro-Economics** develops a student's ability to:

1. Recognize that the basis for knowledge in the social sciences is grounded in the application of the scientific method to behavior

Course readings encourage students to learn differing economic theories. Students in class use facts and empirical evidence to affirm or refute past and present economic theories and relationships. Historical events are used as models to explain behavior and expose relationships among facts. Through group exercises or using historical examples students formulate theories, collect data to test theories and revise theories.

2. Apply moral and ethical standards to human relationships and develop personal standards of behavior

As part of class discussion, students are encouraged to examine, critique and contrast the consequences of free and command economies. Students examine disparities in free market economies while drawing their own moral conclusions. Students learn that the markets are efficient but amoral. After building analytical skills, students later examine the inefficiencies of command economies and contrast them with free market economies. When discussing current public policy, students examine the opportunity cost to society when deciding among policy alternatives. Class discussion focuses on conflicts such as military versus education spending, tax cuts versus social programs.

3. Identify and compare various theories of human behavior and the application of these theories to society

As part of the discussion of differing economic philosophies various theories of human behavior are discussed. Through discussion and analysis students learn how society is influenced by these philosophies. Through readings and discussion, students learn the different ways people respond to scarcity. Students also learn the different ways society allocates finite resources in a world where individuals have unlimited wants.

4. Analyze problems of human behavior and offer potential solutions

Students explore the unlimited wants of individuals and society and how it strains finite resources. Students discover that even the most affluent are forced to make choices between alternatives. Through discussion and readings students explore alternative allocation methods that have historically been used to decide what to produce, how to produce and for whom to produce.

5. Identify current and past ways in which humans deal with social problems and discover and evaluate strengths and weaknesses.

As part of a term project, students research a noted economist or economic philosophy. Through this research, students are charged with identifying and critiquing how well social problems were addressed. Through class discussion, students learn about differing economic philosophies from the Physiocrats and Mercantilists through the Monetarists. The class examines what prompted each of the theories while exposing their shortcomings.

**ECON 202: Principles of Micro-Economics**

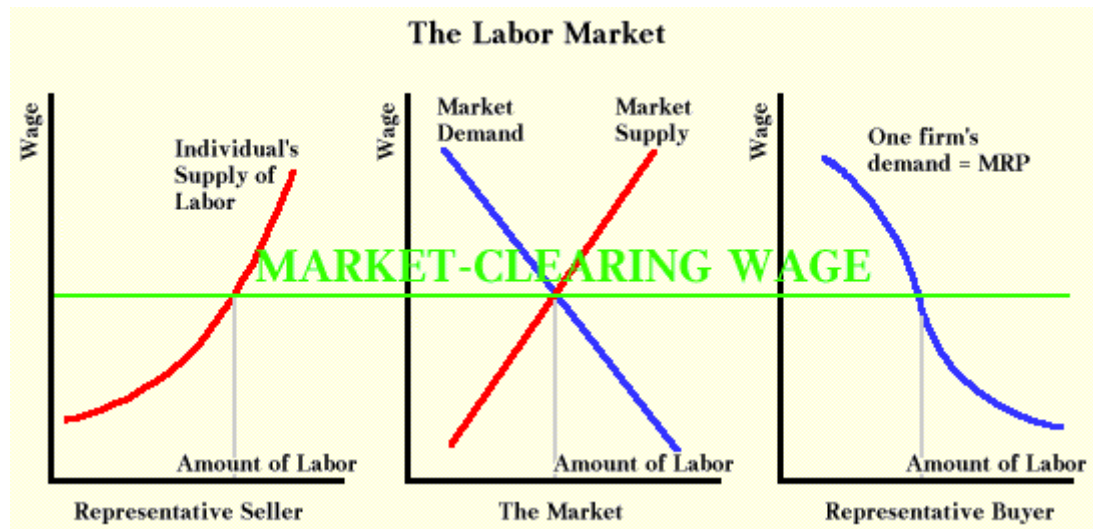
Note that there is a large overlap between Econ 202 and Econ 101. The course content is similar. Econ 202 differs from Econ 101 in that Econ 101 is designed as a “terminal” course for students who do not seek to pursue more advanced studies in economics while Econ 202 is designed to prepare students to handle more advanced material that they will encounter in higher level economics courses. As a result, there is more rigor in Econ 202. Otherwise, the goals are identical.

ECON 202: Principles of Microeconomics develops the student’s ability to:

1. Recognize that the basis for knowledge in the social sciences is grounded in the application of the scientific method to behavior.

This course outlines the benefits and uses of models. Models and theories are used to generate predictions. As one might expect, principles courses, such as this, concentrate on those models for which there is close approximation to consensus. Uses of the supply and demand model provide examples. The following problem provides an example..

Marginal productivity theory is useful, in part, because it is useful in explaining income determination. Consider the following graph which shows the equilibrium wage rate.



- (a) What happens to wages when the workers become more productive? (i.e, their marginal productivity increases.
  - (b) Illustrate your answer by appropriately modifying the graph shown above. You may assume, for purposes of this assignment, that the supply curve does not shift.
2. Apply moral and ethical standards to human relationships and develop personal standards of behavior.

As a positive social science, economics is largely amoral. It's primary goal is to predict consequences of actions. While agreement on consequences is often inadequate to resolve moral questions, it often narrows the range and scope of moral debate. For example, it is standard economic theory that a tax on cigarettes will reduce cigarette consumption. While this "fact" does not eliminate debate regarding the morality of taxing other's consumption choices, the prediction that such a tax will reduce consumption and its resulting adverse health consequences does inform that debate.

3. Apply and compare various theories of human behavior and the application of these theories to society.

Economics works on the assumption that human behavior is most often self interested behavior. This is not necessarily the same as selfish behavior. Even when one is talking about altruistic behavior, my altruistic goals may differ from yours. The prediction is that given such conflicts, we favor our own goals.

In this context, the need for exchange in a competitive setting is seen as a way to channel self-interested behavior into socially useful outcomes. Competition is seen as being necessary to mitigate against excessive greed. The need to obtain goods within a context of voluntary exchange is seen as a way to ensure

that one serves others in their effort to benefit themselves. Voluntary exchange is seen as win-win.

4. Analyze problems of human behavior and offer potential solutions

Economics deals with problems of human behavior in a number of aspects. Two examples are illustrative. First, it is shown why individuals engage in actions to reduce output in order to increase price and profits. Further, it is shown that the harm to consumers resulting from such actions are generally larger than the gains to those initiating such actions. The result is a net social loss. Potential solutions would include actions to reduce such monopolistic power (antitrust) or changes in government policy which also reduce output.

Secondly, it is shown how poor market structures could lead to environmental damage. This destructive action can be mitigated by a number of actions including direct government mandates, pollution taxes or the creation of pollution markets. Advantages and disadvantages of these policy alternatives are discussed.

5. Identify current and past ways in which humans deal with social problems and discover and evaluate strengths and weaknesses.

The Principles of Microeconomics course considers the strengths and weaknesses of centrally planned economies to those of more decentralized economies which rely relatively more heavily on markets. Some consideration is given to areas where governments are superior to markets and vice-versa.

**B. New Courses for General Education in the Social Science Area:**

The St. Ambrose Assessment Plan defines Group III – Social Sciences as academic disciplines and courses concerned with the use of quantitative and qualitative methods in studying social and cultural aspects of human experience. Courses addressing Social Sciences General Education goals and objectives are affiliated with this group.

By reviewing three written experts, this definition can be expanded in the following manner:

From Encyclopedia Britannica, 2002, Vol. 10 -- Any discipline or branch of science that deals with the social and cultural aspects of human behaviour. The social sciences generally include **economics**, political science, sociology, anthropology, comparative law, and social psychology.....Economics is concerned chiefly with the description and analysis of the production, distribution, and consumption of good and services. One major branch of the field is microeconomics, which deals with the behaviour of individual areas or units of activity, such as individual farmers, business firms, and traders. Macroeconomics, on the other hand, studies whole systems.....

From World Book Encyclopedia, 2003, Vol. 18 -- Scholars generally identify three categories of knowledge: 1) the natural sciences and mathematics; 2) the humanities; and 3) the social sciences. The social sciences focus on our life with other people in groups. They include anthropology, **economics**, history, political science, sociology, social psychology, criminology, and the science of law.....

From The Philosophy of Education: An Encyclopedia, 1996, pp. 603 --

The philosophy of the social sciences is usually understood as the philosophical study of the theories, methods, and aims of the social sciences. Exactly what constitutes a social science is unclear, although **economics**, political science, psychology, sociology, and anthropology are included. Oftentimes history, linguistics, law and education are included.....

Finance is an applied discipline of Economics as shown by multiple finance researchers winning the Nobel Prize in Economics.<sup>1</sup> Since spending and investing behavior is a societal aspect of human behavior and personal finance involves the financial markets that allocate financial resources that support the investment producing the production and distribution of good and services and provide resources for the individual consumption of goods and services, there is no doubt that Personal Finance satisfies this definition perfectly.<sup>2</sup>

**FNCE 200, Personal Finance** is being proposed as a General Education course meeting the social science requirements. This course is designed specifically with non-business majors in mind. Even students with no business interest as such (artists or biologists), still have to operate in a modern exchange economy. The inability to manage one's finances can lead to personal, marital or social problems. SAU seeks to develop the talents of all individuals. It would be tragic if, having successfully accomplishing this goal, the individual were to be unable to enjoy the fruits of their labor because they could not manage their finances.

FNCE 200: Personal Finance develops the student's ability to:

1. Recognize that the basis for knowledge in the social sciences is grounded in the application of the scientific method to behavior.

Personal Finance will employ the scientific method to make financial decisions. Consider the problem of how to find the best mortgage contract. Students will be asked to state their objective, rank alternatives, and then make a decision. That is, any investment decision requires that

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<sup>1</sup> Since 1990, there have been twenty-four individual or joint winners of the Nobel Prize in Economics. Of these, five winners are finance professors (one, Fisher Black, could not receive the prize since he had passed away the year before the award) and three individuals whose work is employed extensively in finance rather than economics, despite being economics professors. Thus, Finance professors have taken no less than one-fifth of all awards in this period and it is generally agreed that one-third of the awards have been in research related to Finance.

<sup>2</sup> The NSF application includes both Finance and Economics under the social sciences for the awarding of research grants.

students apply the standard paradigm of the scientific method to screen among investment alternatives, rejecting those that do not satisfy stated objectives. How is this different from scientifically testing multiple drugs for medical effectiveness? The answer is that there is no difference.

A good financial plan requires that an individual be able to critically examine their own behavior to come up with a feasible plan and apply analytical methods to the selections of debt, investments and budgeting of spending to satisfy this plan. This is not a mechanical issue – as the environment changes (e.g., throw money at the stock market in the 1990's and make money, lose it all in 2001 to 2003 unless one can adjust to the changed investment environment) and the ranges of instruments change, the individual must be able to evaluate, absorb and use this information to modify their planning. Without critical reasoning, the individual cannot successfully evaluate how and when to change their plans. As we have seen with the decline in the retirement accounts of most individuals over the last three years, the fault is not necessarily lack of knowledge – it is a lack of critical reasoning skills in recognizing a changing environment and converting this recognition into a change in behavior.

Given that critical reasoning is the basis of the scientific method, any evaluation of investment behavior requires that an individual continually employ the scientific method to the selection of financial plans – test such plans against actual performance and apply the results of such testing to adapt plans. This scientific aspect of both economics and finance is why the Nobel price committee originally decided to start awarding the a Nobel Price to Economics in 1969 and expanded the category to include contributions of Finance in 1990.

2. Apply moral and ethical standards to human relationships and develop personal standards of behavior.

Saint Ambrose has a history of concern for others for which it should be proud. Each of us has a duty to serve. But we also have a responsibility to conduct our affairs in a responsible manner so that we don't become a burden to others when we have the capacity to care for ourselves.

#### PROVERBS 24

<sup>30</sup> I went past the field of the sluggard,  
past the vineyard of the man who lacks judgment;

<sup>31</sup> thorns had come up everywhere,  
the ground was covered with weeds,  
and the stone wall was in ruins.

<sup>32</sup> I applied my heart to what I observed  
and learned a lesson from what I saw:

<sup>33</sup> A little sleep, a little slumber,

a little folding of the hands to rest-  
<sup>34</sup> and poverty will come on you like a bandit  
and scarcity like an armed man. <sup>[1]</sup>

Personal Finance will teach students how to conduct their affairs in a responsible manner. It will also explain how to recognize unethical business behavior so that they don't fall prey to such practices. These are necessary conditions for personal stewardship so that we can interact responsibly as individuals, parents and as a part of the larger community. To wit:

The ability to manage one's personal finances well requires that the individual understand his or her own strengths and weaknesses. Such an understanding always engenders greater tolerance of others.

Knowing how lenders operate will give students an insight into how financial institutions can lead unwary individuals into debt traps that seriously damage their life. This is especially true for the student, the elderly and the poor.

The ability to manage one's personal finances well requires that individual take ownership of their spending and savings habits, unlikely (financially-related) disasters, and their own death. Without such an ownership of these aspects of life, the individual cannot develop a good financial planning process.

3. Apply and compare various theories of human behavior and the application of these theories to society.

Personal Finance will alert the student to the possibility of human greed and how that can result in efforts to exploit them in their financial life. Students will be provided with ways to assess individuals and businesses with which they interact so that they are not exploited.

It is a fact that in a modern complex society we must interact with individuals with whom we have no close personal relationship; as a result, we often can't rely on love to ensure fair behavior. Students will be made aware of ethical standards within a broader commercial context.

4. Analyze problems of human behavior and offer potential solutions

Personal finance will outline some of the consequences that can result from the failure to manage one's finances responsibly. This includes budgeting to avoid burdensome accumulation of debt and how to engage in systematic savings to provide for "big ticket" spending (house, college) or for

retirement. It also informs the student how to avoid falling prey to schemers who seek to take their money.

5. Identify current and past ways in which humans deal with social problems and discover and evaluate strengths and weaknesses.

Personal Finance will cover past financial practices and its consequences. It will also cover laws that have been enacted to afford citizens protection against unscrupulous behavior. The class will explain how to obtain access to available financial information. It will also explain how to utilize legal remedies in case they have been exploited.

## **V. REVIEW OF COURSES OFFERED**

Economics and Decision Science Courses:

The 4-point outline for each individual course offered, along with the most recent syllabus can be found in Appendix B.

Finance Courses:

The 4-point outline for each individual course offered, along with the most recent syllabus can be found in Appendix C.