

Name: Ernst Coupet, Jr.

Department: Finance

Outcomes

ALL - Assessment plan

Methods of Assessment

Comprehensive exam - Designed by the assessment coordinator, the purpose of this instrument is to measure student performance in four basic finance areas: foundations of finance, investments, derivatives and corporate finance. The instrument was administered to 8 students in the Finance 4700 (Corporate Finance Seminar). In addition to comprehension of basic financial concepts, the instrument is an avenue for students to provide feedback on the program's ability to meet their expectations.

Writing sample - The research paper in Finance 3660 will be assessed by two faculty members to measure student writing ability and verbal communication skills. At the time of this report, the assessment of such papers was unavailable. This report will be revised to reflect this outcome as soon as they become available.

Assessment Findings/Interpretations/Conclusion

This section should record the findings after conducting the actual assessment. Trends or other information should be recorded and an interpretation of the results should be given. Which strengths and weaknesses were identified? What can be done to improve the weaknesses? Any conclusion should be listed at this time.

Finance Majors

While there remain much work to do, students in the finance program feel good about their experiences. This conclusion can be reached from the qualitative results of the comprehensive exam. In the three areas that serve as a proxy for student experiences, students overwhelmingly stated that the finance program served their needs. When asked if the finance courses "provide the necessary skills to compete in the marketplace," 1 of 8 of the respondents agreed somewhat, 2 of 8 agreed while 3 of 8 strongly agreed. This means that 5 of 8 agreed or strongly agreed to this question. When asked if the finance program met their expectations, 2 of 7 strongly disagreed while 5 of 7 at least agreed somewhat. When asked if they would recommend the program to others, one student strongly disagreed, one disagreed somewhat, while the remainder of the respondents agreed (6 of 8) to strongly agreed (1 of 8).

To ascertain if the time of day serves as a barrier to the learning process, students were asked to respond to the statement that, "course offerings in the day would better meet my demand." The results varied. 1 of 8 student that responded stated they strongly disagreed, while only one disagreed somewhat. This was offset with 1 of 8 agreeing somewhat, and 3 of 8 strongly agreeing. Although inconclusive, these results indicate that there may be some evidence to provide both day and evening courses.

When asked to provide feedback on the shortcomings and/or strengths of the program, students responded with the following statements:

- "There needs to be relationships established between courses, where the comprehension of the succeeding course is based on the preceding course,"
- "Offering more upper level courses in the daytime,"
- "...more night finance classes for the working student,"
- "offering more optional finance classes both Spring and Fall,"
- "Having a more diverse faculty. Of particular concern are faculty members that have an expert command of the English language. The material is difficult enough without having to overcome language barriers,"
- "[Many] of the finance [courses] should be offered twice a year or even every other summer for students who would need to take the class; just to avoid waiting a whole year to register ..."

These comments point to one common theme: better course programming.

The instrument was not necessarily intended to assess performance in the subcategories since there is an insufficient number of questions in the relevant areas.

The quantitative part of the Comprehensive exam was devised to assess student comprehension of basic financial management concept taught in the required curriculum; corporate finance, investments and financial institutions. Overall, the average student sampled scored an average of 6.125 out of a possible 15 (40.83 %), with a standard deviation 1.26. This result is statistically different from 70% at the 1% level of significance. Therefore, we are relatively confident that the average finance student from the population of students in the finance program, who are cohorts of the students in the sample, would not score a 70% on the exam. This is cause for concern.

Disaggregating the data allows us to determine the effectiveness of our program relative to basic areas of finance such as investments, derivatives, corporate finance and foundations of financial management. Answering the questions within the areas of financial investments, corporate finance, derivatives, and foundations of financial management students scored an average of 54%, 50%, 38% and 17%, respectively. These results are far below the established criterion of 70%, suggesting that students do not meet the minimum accepted level of mastery in these subjects.

What is of particular interest is the continued abysmal performance in the area of foundations of finance. Since this area attempts to capture the foundations of finance, including the areas typically known as financial institutions, it is essential that students perform proficiently in this category. Poor performance in the foundations category is a recipe for disaster in the advanced or upper level finance courses. This is corroborated by the lackluster performance in financial derivatives, corporate finance, and derivatives.

Plan for Academic Modifications Using Findings

Based on your interpretation of the findings, your conclusions and discussions with faculty, what curricular changes will be made in the future? These changes could be a particular course in the program curriculum. There may also be changes in delivery of instruction, enrichment activities or in the use of technology.

The Instrument used in the assessment process revealed several shortcomings of our finance program. The first is the inconsistency among the sections of the principles of finance course. To address this, the Department will:

- Construct a master course outline for the each finance course. This course outline will specify the breadth and depth of financial theories to be covered in each course. It will provide professors with necessary components to be included in their course syllabi. Additionally, each faculty member will be provided with a copy of the assessment plan to inform them of assessment measures and rubrics.
- Discuss with other constituents the possibility of making the following changes to the program: 1) Make financial derivatives a required course, 2) Incorporate more use of case analysis in the advanced courses, 3) and increase the number of required from four to 5.

The other problem highlighted by the assessment process is number of courses offered in the academic year and the number of faculty teaching finance courses. A solution to the insufficient course offering problem can be found by adding adjunct professors to teach more advanced level courses, providing there is sufficient demand.

Plan for Assessment Modifications

This section should include any changes in the assessment method/outcomes that the faculty deemed necessary.

Assessment coordinator in collaboration with Department Chair will research the possibility of utilizing a standard assessment instrument to its students. This will allow benchmarking to be accomplished with other peer and model institutions.

Resources Needed

If standardized assessment instrument is utilized, this will required additional monetary resources. The assessment coordinator will research the costs and benefits of doing so.

To fully implement a resolution to these findings, additional adjunct professors will be required.

Approved Changes

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- MS Excel has been incorporated into advanced level finance courses where appropriate. This has increased student outcomes related to utilization of professional resources. Currently MS Excel is used in Advanced Corporate Finance, Corporate Finance Seminar and Intro to Financial Derivatives.
- Create a master course outline for each finance course in the program -- their development still pending.

Improved Student Learning

Explain how pass rates on examinations have improved and how retention and graduation rates have increased as a result of changes that have been implemented.

There have not been material differences in the pass rates on the comprehensive exam over the years. The instrument used to measure learning outcomes will be evaluated to determine its effectiveness.

However, there appears to be an increase in the enrollment numbers from 2006 to 2009. Enrollment in 2006 increased from 79 in 2006 to 90 in 2009. While it remains unclear if there is a causal effect of the increased rigor of the program on its enrollment, there is certainly a strong correlation. Retention rates have decreased slightly from 87.50% in 2005 to 80% in 2007. While these numbers show a small decline, it is not cause for concern. There is a thought that the increase in rigor of the program has caused freshmen to reconsider the major. If this is indeed the reason for the slight decrease, it may be viewed as a short-run problem, but a long-run benefit. As the program's reputation becomes more popular, advisors will better prepare incoming freshmen in their career choices.

1. Attach copies of documentation and send one copy to Delores Lipscomb, Assistant Provost for Academic Development, SUB-158.
2. Send one copy each to the department chair and dean.

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