

Institutional Effectiveness Report 2010 - 2011

Assessment Summary

Department or Division: Accounting and Finance

Degree Program: BBA in Finance

Contact Person:

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Assessment Cycle (academic or calendar year): 2010-2011

Mission (Consistent with VSU's mission, and identical to mission statement as published online and in the current VSU catalogs)

The courses in the undergraduate finance program:

(1) provide an understanding of the importance of finance in both corporate and institutional contexts; (2) teach students how to gather and interpret financial information; and (3) provide rigorous preparation for finance careers in corporations whether public or private and in financial intermediaries.

Expected Student Learning Outcomes

The finance program is structured to ensure that upon graduation, finance graduates are able to:

1. Demonstrate a working knowledge of corporate finance, financial institutions, markets and instruments.
2. Demonstrate an ability to gather, interpret, and analyze financial information.
3. Demonstrate knowledge of current issues related to finance.

A summary of the accounting courses in which the learning objectives are assessed follows:

Major Courses	LO#1	LO#2	LO#3
FIN3350/3360	x		
FIN4520	x		
FIN4760	x	x	x
FIN4900		x	x

Assessments (include when and to whom these are administered, and align goals with specific assessments):

Finance faculty made significant modifications to the program during the 2010-2011 assessment cycle based upon prior assessment activities. These assessment results are reviewed below.

Major learning objective #1 (Major LO#1) was assessed in all upper level division courses required for the major during the spring and fall semesters using specific -course related learning outcomes. A learning outcome was satisfied if students were able to achieve a score of 70% or better.

FIN 3350 - Corporate Finance

The course-specific learning outcomes are:

1. Students will understand the concept of shareholder wealth maximization and how it relates to the investment, financing, and dividend decisions made by the firm's management.
2. Students will compute discounted and compounded values using the time value of money.
3. Students will value bonds and stocks given appropriate parameters.
4. Students will estimate project viability using the traditional capital budgeting techniques of net present value.

Results – Course specific learning outcomes #1-4 achieved a satisfactory average assessment score. For the sample overall, 71 percent of the students achieved a passing score. Although this is less than the previous year (79%), students are still above the goal of 70%. These course specific learning outcomes are a subset of the Major LO#1.

FIN 3360 - Advanced Corporate Finance

Results – Major learning outcomes #1-2 were assessed in fall 2010. For the given sample of 31 students that completed the course, 80.65 percent achieved a satisfactory average assessment score. In addition, duration was added to the course content to introduce this essential concept early on in the finance major. Consequently, achievement of Major LO#1 improved drastically in FIN 4760.

FIN 4760 – Financial Institution Management

Results – Major LO#2-3 achieved a satisfactory average assessment score. For the given sample of 38 students that completed the course in spring 2011, 86.84 percent achieved a satisfactory average assessment score. The greatest achievement was to difference the curriculum change in FIN 3360 had in student achievement in FIN4760. As stated earlier, the concept of duration was added to the advance corporate finance course. The assessment outcome of major LO#1 in spring 2010 where students had no prior exposure to duration was dismal: only 50 percent of students achieved a satisfactory assessment score. The assessment outcome of major LO#1 in spring 2011 where students had prior exposure to duration was dramatically improved: 89.47 percent of students achieved a satisfactory assessment score.

FIN 4310 – Problems in Financial Management- Spring 2011

FIN 4310 provides an advanced study of principals of financial management through the use of case analysis on topics covering financial analysis and planning, valuation, capital budgeting, working capital management, and financing. Students are expected to demonstrate a working knowledge of the material covered in FIN 3350 and Fin 3360. The course develops further several of the objectives of the VSU core curriculum and of the finance major. Specifically, objectives of this class include understanding

- (a) the fundamental challenges of financial management
- (b) application of financial management principals to real life cases
- (c) the decision making process with incomplete information and assumptions.

As a result, students are expected to complete written homework assignments, in-class quizzes and discussions, written reports on real cases, prepare a group presentation on one of the cases, and of course midterm and final exams. In addition to the presented case, a comprehensive final exam was used to assess knowledge.

Results * 68.42% of the students scored 70% or higher on the comprehensive final exam.

As indicated from prior assessments, more mini cases (total of 6) were examined before students were assigned their group cases, and the SOI comments reflect that students really enjoyed/benefited from the practical applications from those mini cases before they started their case analyses and presentations. Consequently, an improvement from 63% achievement from the prior assessment to 68.42% achievement this assessment period was made.

Use of Results to Make Improvements (provide a brief explanation for each instance of usage of results to make improvements, clearly connecting each to data/evidence results above):

The finance faculty is discussing the viability of a dramatic change in the FIN 4310 course content. Students have repeatedly asked for EXCEL financial modeling instruction. This change would be a significant undertaking and would take time to investigate. Faculty need to analyze current content of FIN 4310, survey similar AACSB accredited business school offerings, and then implement any suggested changes.

Dept. Head/ Director	Date	Dean	Date	VPAA	Date
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Adapted from: University of Alabama SACS site (<http://sacs.ua.edu/degreeInfo2.cfm?college=2&dept=50>) and

University of Western Kentucky SACS Accreditation Review Process (<http://www.wku.edu/sacs/assessmentmanual.htm>)