

# Finance BBA

## Corporate Financial Decisions

**Goal Description:**

Finance BBA students will demonstrate knowledge of corporate financial decisions.

RELATED ITEMS/ELEMENTS-----

RELATED ITEM LEVEL 1

**Demonstrating knowledge of basic accounting recording processes for assets, revenues, and expenses.**

**Learning Objective Description:**

Finance BBA students will demonstrate a basic understanding of the accounting recording process for assets, revenues , and expenses on financial statements.

RELATED ITEM LEVEL 2

**Demonstrating knowledge of basic accounting recording processes for assets, revenues, and expenses.**

**Indicator Description:**

A survey was administered in two managerial finance classes, one class was at the main Huntsville campus and one class was at the Woodlands campus.

The survey consisted of 22 multiple choice questions. 6 were demographic questions. The other questions related to ACCT 2301,2302, 3313,and 3314.

There were 4 questions related to this learning objective which is knowledge the students should have after completing ACCT 3313.

**Criterion Description:**

At least 50% of the students will achieve correct solutions on at least 70% of the survey questions related to this learning objective.

**Findings Description:**

19 out of 55 Finance and/or Finance and Banking dual majors achieved 70% or better on the questions supporting this learning objective. This is 34.55%.

RELATED ITEM LEVEL 1

**Demonstrating knowledge of basic managerial concepts in accounting.**

RELATED ITEM LEVEL 2

**Demonstrating knowledge of basic managerial accounting concepts.**

**Indicator Description:**

A survey was administered in two managerial finance classes, one class was at the main Huntsville campus and one class was at the Woodlands campus.

The survey consisted of 22 multiple choice questions. 6 were demographic questions. The other questions related to ACCT 2301,2302, 3313,and 3314.

There were 3 questions related to this learning objective which is knowledge the students should have after completing ACCT 2302.

Many transfer students take this class at a university other than SHSU so the results will be shown for all finance majors and for only the students taking ACCT 2301 at SHSU.

**Criterion Description:**

At least 50% of the students will achieve correct solutions on at least 67% of the survey questions related to this learning objective.

There were only 3 questions, so we are measuring the percentage that answered 2 out of 3 correctly.

**Findings Description:**

49 out of 59 Finance and/or Finance and Banking dual majors achieved 67% or better on the questions supporting this learning objective. This is 83.05%.

34 out of 41 Finance and/or Finance and Banking dual majors that took ACCT 2302 at SHSU achieved 67% or better on the questions supporting this learning objective. This is 82.93%.

**RELATED ITEM LEVEL 1**

**Students will demonstrate knowledge of basic accounting reporting concepts.**

**Learning Objective Description:**

Finance BBA students will demonstrate knowledge of basic accounting concepts and procedures underlying the organization and reporting of financial information.

**RELATED ITEM LEVEL 2**

**Demonstrating knowledge of basic financial reporting concepts.**

**Indicator Description:**

A survey was administered in two managerial finance classes, one class was at the main Huntsville campus and one class was at the Woodlands campus.

The survey consisted of 22 multiple choice questions. 6 were demographic questions. The other questions related to ACCT 2301,2302, 3313,and 3314.

There were 6 questions related to this learning objective which is knowledge the students should have after completing ACCT 2301.

Many transfer students take this class at a university other than SHSU so the results will be shown for all finance majors and for only the students taking ACCT 2301 at SHSU.

**Criterion Description:**

At least 50% of the students will achieve correct solutions on at least 70% of the survey questions related to this learning objective.

**Findings Description:**

29 out of 60 Finance and/or Finance and Banking dual majors achieved 70% or better on the questions supporting this learning objective. This is 48.33%.

14out of 31 Finance and/or Finance and Banking dual majors that took ACCT 2301 at SHSU achieved 70% or better on the questions supporting this learning objective. This is 48.33%.

**RELATED ITEM LEVEL 1**

**Students will demonstrate proficiency in working with financial statements**

**Learning Objective Description:**

Students will show proficiency in calculating historical and prospective financial ratios used in analyzing financial statement data, in manipulating financial accounting data as needed to gain a broader understanding of financial accounting relationships and in interpreting financial ratios and similar metrics used in making investment and financing decisions.

**RELATED ITEM LEVEL 2**

**Proficiency in calculating historical and prospective financial ratios used in analyzing financial statement data**

**Indicator Description:**

Embedded test problems from several FINC 4335: Financial Statement and Credit Analysis classes are used to measure student student proficiency in calculating historical and prospective financial ratios used in analyzing financial statement data.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

**RELATED ITEM LEVEL 2**

**Proficiency in interpreting financial ratios and similar metrics used in making investment and financing decisions.**

**Indicator Description:**

Embedded test problems from several FINC 4335: Financial Statement and Credit Analysis classes are used to measure student student proficiency in interpreting financial ratios and similar metrics used in making investment and financing decisions.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

**RELATED ITEM LEVEL 2**

**Proficiency in manipulating financial accounting data as needed to gain a broader understanding of financial accounting relationships**

**Indicator Description:**

Embedded test problems from several FINC 4335: Financial Statement and Credit Analysis classes are used to measure student student proficiency in manipulating financial accounting data as needed to gain a broader understanding of financial accounting relationships.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

**RELATED ITEM LEVEL 2**

**Understanding accrual-based accounting and how it relates to balance sheets, income statements, and cash flow statements**

**Indicator Description:**

Embedded test problems from several FINC 4335: Financial Statement and Credit Analysis classes are used to measure student understanding of accrual-based accounting and how it relates to balance sheets, income statements, and cash flow statements.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

**RELATED ITEM LEVEL 1**

**Students will show proficiency in analyzing business investment projects and opportunities.**

**Learning Objective Description:**

Students will show proficiency in calculating, understanding, and using financial ratios, analysis, and financial indicators to provide information useful to the managers of a firm including understanding and explaining the nature of cost of capital raised by a business firm, analyzing the cash flows as they form the basis for valuation of real and financial assets, and demonstrating the ability to summarize and analyze potential investment projects using analytical tools such as Excel .

**RELATED ITEM LEVEL 2**

**Calculating, understanding, and using financial ratios, analysis, and financial indicators.**

**Indicator Description:**

Embedded test problems from FINC 4390: Managerial Finance are used to measure student proficiency in calculating, understanding, and using financial ratios, analysis, and financial indicators to provide information useful to the managers of a firm.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

**RELATED ITEM LEVEL 2**

**Demonstrating an understanding of analysis of cash flows**

**Indicator Description:**

Embedded test problems from FINC 4390: Managerial Finance are used to measure student proficiency

in understanding and analyzing cash flows as they form the basis for valuation of real and financial assets.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

**RELATED ITEM LEVEL 2**

**Understanding and explaining the nature and cost of capital raised by a business firm.**

**Indicator Description:**

Embedded test problems from FINC 4390: Managerial Finance are used to measure student understanding of the nature and cost of capital raised by a business firm.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

RELATED ITEM LEVEL 2

**Using analytical tools such as Excel to analyze business opportunities.**

**Indicator Description:**

Embedded test problems from FINC 4390: Managerial Finance are used to measure student proficiency in summarizing and analyzing potential investment projects using analytical tools such as Excel.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

**Investment Analysis**

**Goal Description:**

Finance BBA students will demonstrate knowledge of investment analysis.

RELATED ITEMS/ELEMENTS -----

RELATED ITEM LEVEL 1

**Students will demonstrate a knowledge of fixed-income , equity securities, and options.**

**Learning Objective Description:**

Students will show an understanding of investments including; the ability to quantify price and yield metrics and measure performance for both fixed-income and equity securities singularly and in portfolios; understanding risk, return, and diversification; and understand options both for hedging and speculation.

RELATED ITEM LEVEL 2

**Demonstrate an understanding of options and futures.**

**Indicator Description:**

Embedded test problems from FINC 4345: Investments class are used to measure students' understanding of how options/futures can be used for both speculation and hedging purposes.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

RELATED ITEM LEVEL 2

**Demonstrating the ability to quantify risk and return**

**Indicator Description:**

Embedded test problems from FINC 4345: Investments class are used to measure students' ability to quantify risk and return metrics for individual assets as well as a portfolio of assets.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

RELATED ITEM LEVEL 2

**Demonstrating the ability to assess the performance of a multi-asset portfolio.**

**Indicator Description:**

Embedded test problems from FINC 4345: Investments class are used to measure students' ability to assess the performance of a multi-asset portfolio .

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

RELATED ITEM LEVEL 2

**Demonstrating the ability to price options.**

**Indicator Description:**

Embedded test problems from FINC 4345: Investments class are used to measure students' ability to quantify the benefits of diversification.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

RELATED ITEM LEVEL 2

**Demonstrating the ability to quantify price and yield metrics for both fixed-income and equity securities.**

**Indicator Description:**

Embedded test problems from FINC 4345: Ivestments class are used to measure students' ability to quantify price and yield metrics for both fixed-income and equity securities.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

RELATED ITEM LEVEL 2

**Demonstrating the ability to quantify the benefits of diversification.**

**Indicator Description:**

Embedded test problems from FINC 4345: Investments class are used to measure students' ability to quantify the benefits of diversification.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

RELATED ITEM LEVEL 1

**Students will demonstrate proficiency in working with financial statements**

**Learning Objective Description:**

Students will show proficiency in calculating historical and prospective financial ratios used in analyzing financial statement data, in manipulating financial accounting data as needed to gain a broader understanding of financial accounting relationships and in interpreting financial ratios and similar metrics used in making investment and financing decisions.

RELATED ITEM LEVEL 2

**Proficiency in calculating historical and prospective financial ratios used in analyzing financial statement data**

**Indicator Description:**

Embedded test problems from several FINC 4335: Financial Statement and Credit Analysis classes are used to measure student student proficiency in calculating historical and prospective financial ratios used in analyzing financial statement data.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

RELATED ITEM LEVEL 2

**Proficiency in interpreting financial ratios and similar metrics used in making investment and financing decisions.**

**Indicator Description:**

Embedded test problems from several FINC 4335: Financial Statement and Credit Analysis classes are used to measure student student proficiency in interpreting financial ratios and similar metrics used in making investment and financing decisions.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

RELATED ITEM LEVEL 2

**Proficiency in manipulating financial accounting data as needed to gain a broader understanding of financial accounting relationships**

**Indicator Description:**

Embedded test problems from several FINC 4335: Financial Statement and Credit Analysis classes are used to measure student student proficiency in manipulating financial accounting data as needed to gain a broader understanding of financial accounting relationships.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

RELATED ITEM LEVEL 2

**Understanding accrual-based accounting and how it relates to balance sheets, income statements, and cash flow statements**

**Indicator Description:**

Embedded test problems from several FINC 4335: Financial Statement and Credit Analysis classes are used to measure student understanding of accrual-based accounting and how it relates to balance sheets, income statements, and cash flow statements.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

RELATED ITEM LEVEL 1

**Students will show proficiency in analyzing business investment projects and opportunities.**

**Learning Objective Description:**

Students will show proficiency in calculating, understanding, and using financial ratios, analysis, and financial indicators to provide information useful to the managers of a firm including understanding and explaining the nature of cost of capital raised by a business firm,

analyzing the cash flows as they form the basis for valuation of real and financial assets, and demonstrating the ability to summarize and analyze potential investment projects using analytical tools such as Excel .

RELATED ITEM LEVEL 2

**Calculating, understanding, and using financial ratios, analysis, and financial indicators.**

**Indicator Description:**

Embedded test problems from FINC 4390: Managerial Finance are used to measure student proficiency in calculating, understanding, and using financial ratios, analysis, and financial indicators to provide information useful to the managers of a firm.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

RELATED ITEM LEVEL 2

**Demonstrating an understanding of analysis of cash flows**

**Indicator Description:**

Embedded test problems from FINC 4390: Managerial Finance are used to measure student proficiency

in understanding and analyzing cash flows as they form the basis for valuation of real and financial assets.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

RELATED ITEM LEVEL 2

**Understanding and explaining the nature and cost of capital raised by a business firm.**

**Indicator Description:**

Embedded test problems from FINC 4390: Managerial Finance are used to measure student understanding of the nature and cost of capital raised by a business firm.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

RELATED ITEM LEVEL 2

**Using analytical tools such as Excel to analyze business opportunities.**

**Indicator Description:**

Embedded test problems from FINC 4390: Managerial Finance are used to measure student proficiency in summarizing and analyzing potential investment projects using analytical tools such as Excel.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

Markets and Institutions

**Goal Description:**

Finance BBA students will demonstrate knowledge of financial markets and institutions.

RELATED ITEMS/ELEMENTS -----

RELATED ITEM LEVEL 1

**Students will demonstrate an understanding the Financial system**

**Learning Objective Description:**

Finance BBA students will display an understanding the function of the financial system, including understanding the operations and structure of Federal Reserve System, understanding the basics of banking, understanding the basics of the bond market, understanding the basics of the stock market, and understanding the basics of the money markets.

RELATED ITEM LEVEL 2

**Understanding how the Financial system works.**

**Indicator Description:**

Embedded test questions from several FINC 3310: Markets and Institutions classes are used to measure student understandng of the financial system.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

**RELATED ITEM LEVEL 2**

**Understanding the basics of the bond market**

**Indicator Description:**

Embedded test questions from several FINC 3310: Markets and Institutions classes are used to measure student understanding of the basics of the bond market.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

**RELATED ITEM LEVEL 2**

**Understanding the basics of the stock market**

**Indicator Description:**

Embedded test questions from several FINC 3310: Markets and Institutions classes are used to measure student understanding of the basics of the stock market.

**Criterion Description:**

At least 50% of students will achieve correct solutions on at least 70% of embedded questions.

**RELATED ITEM LEVEL 2**

**Understanding the key components of commercial banking.**

**Indicator Description:**

A comprehensive exam score from class FINC 4320: Commercial Banking was used to determine students' level of understanding of the key components of commercial banking. This exam was an essay format.

**Criterion Description:**

At least 50% of the students will achieve a score of 70% or better.

## **Update to Previous Cycle's Plan for Continuous Improvement**

### **Previous Cycle's Plan For Continuous Improvement (Do Not Modify):**

#### **FINANCE: 2015-2016**

1. Our overarching goals are too broad. - We need to be more specific and ensure alignment with the college vision and mission statement.
  1. Need to redefine goals
  2. Need to obtain approval from Finance faculty for the new goals

1. Assessing Intermediate Accounting I and II – Based on the results from the FALL 2015 assessment, there is concern that students are not adequately prepared for higher level classes that assume knowledge of financial statements.

The Finance faculty will create a list of learning objectives for ACCT 3313 and ACCT 3314 that are deemed relevant to the FINANCE major.

A survey will be created that asks:

- If ACCT 3313 has been taken
- If so where
- If ACCT 3314 has been taken
- If so where
- Questions assessing the students' knowledge with respect to the stated learning objectives.

This survey will be delivered in the FALL 2016 semester in several of the upper level Finance classes so that students that are Finance majors and have taken the two accounting classes can be assessed.

1. Preferred Class Sequence – Based on the results from the FALL 2015 assessment it was determined that some students may not be taking classes in an optimal order. If the required classes are taken in the following order, the students are likely to obtain more from the classes,

Early: FINC 3320, FINC 3310, FINC 4325 (elective), FINC 4340 (elective), BUAD 3355

Middle: FINC 4315 (elective), FINC 4320, FINC 4330 (elective), FINC 4345, ACCT

3313

Later: FINC 4335, FINC 4390, ACCT 3314, FINC 4355 (elective), FINC 4365 (elective)

FINC 3330(elective) was asked to be added to the middle tier.

1. This list should be made public, posted on the web, sent to the advising team, and potentially e-mailed to all finance majors.
2. this needs to be put in a more visual (flow chart) diagram that helps students understand the preferred sequence of classes.

1. Using embedded test questions is not the best method of assessing as using few questions can make the results less reliable and using too many questions is not feasible. Need to investigate other ways of assessing the Finance major.

#### **Update of Progress to the Previous Cycle's PCI:**

##### **FINANCE: 2016-2017**

1. **Overarching goals too broad -ADDRESSED:** New goals in place and all learning objectives linked to the new goals.

The entire Finance faculty reviewed all Master syllabi for finance classes. New learning goals for the program were created and all course syllabi were aligned to the new goals.

These new goals were then used in this assessment database and have replaced the older, too broad goals.

##### **2. Assessing Intermediate Accounting I and II -ADDRESSED:**

A survey was created and administered to upper level finance students in the Fall semester of 2016 to assess the accounting classes that are required for the Finance major.

The results were tabulated and added to this assessment database.

The survey will be administered every other year to ensure that we continue to assess the required accounting classes.

## **Plan for Continuous Improvement**

#### **Closing Summary:**

This is the plan for continuous improvement.

1. Need to help students take Finance major courses in the optimal order.

- Work with advisors to ensure that they provide students the best order.
- Work with internet team to list optimal order on a public site that students can access.

2. Need to ensure that all required classes are assessed.

- Work with the Business Law faculty to ensure that required B- Law courses are added to the assessment cycle.



3. Investigate using the Qualtrics survey tool as an assessment tool/method and move away from specific test questions. Focus more on assessing if the students are meeting the learning objectives of the entire major, not individual course by course.