

**Accounting Department
Assessment Report
Reporting Period 2000-2002**

Business Core Assessment

ETS Exam

During Spring semester 2001, the ETS Major Field Test was administered to Business Policy classes, Business 498. A total of 86 students took the exam. These students included those with majors in Accounting, Business Administration, Finance, International Business, Management, and Marketing.

The Major Field Test in Business contains 120 questions in eight different areas (assessment indicators). These indicators include: Accounting, Economics, Management, Quantitative Business Analysis, Finance, Marketing, Legal and Social Environment, and International Issues.

The reports the departments of Accounting and Business Administration received from ETS indicate department average score and average scores for each of the assessment indicators. Students were asked to indicate their major so we have data for five different subgroups: Accounting, Finance, Marketing, Business Administration, and Management/International Business. A Comparative Data Guide was included with the results for purposes of comparison of scores to those of other institutions.

The mean score of MSU students taking the test was 159.4 of a possible 200 points. ETS data on 388 institutions administering the exam in 1998-2000 indicate a mean for these institutions of 152.7. Our mean score is in the 85th percentile.

The following table summarizes the results for each assessment indicator. **Our goal of exceeding the national average for each indicator has been met.**

<u>Indicator</u>	<u>MSUM Mean/Percentile*</u>	<u>Comparison Mean*</u>
Accounting	54.3%/80 th percentile	48.1%
Economics	44.3%/75 th percentile	40.1%
Quantitative Analysis	53.1%/74 th percentile	48.8%
Management	57.2%/78 th percentile	52.2%
Finance	50.6%/96 th percentile	37.8%
Marketing	50.0%/63 rd percentile	46.9%
Legal and Social Environment	44.4%/70 th percentile	41.1%
International Issues	51.4%/82 nd percentile	44.3%

*The means are average percent correct answers for each indicator. The comparison mean is the mean of the 388 institutions administering the Major Field Test in Business.

Trend analysis indicates the pattern of scores over the time period in which the exam has been administered. (Three administrations: 1996, 1998, and 2001) The following table presents a trend analysis for each of the indicators.

<u>Indicator</u>	<u>1996 percentile</u>	<u>1998 percentile</u>	<u>2001 percentile</u>
Accounting	76 th	92 nd	80 th
Economics	70 th	86 th	75 th
Quantitative Analysis	55 th	71 st	74 th
Management	70 th	86 th	75 th
Finance	85 th	83 rd	96 th
Marketing	82 nd	68 th	63 rd
Legal and Social Environment	84 th	71 st	70 th
International Issues	93 rd	91 st	82 nd

Though MSUM students' scores are generally well above the averages provided by ETS, we see a downward trend in scores in Marketing and Legal and Social Environment, with a slight downward trend in International Issues. A general upward trend exists in Finance and Quantitative Analysis, with the other indicators fluctuating up and down.

Results are also reported by the subgroups mentioned above. The following table summarizes mean total scores by subgroup.

<u>Major</u>	<u>Mean Total Score/Percentile</u>
Accounting	162.7/92 nd percentile
Finance	162.6/92 nd percentile
Marketing	154.1/50 th percentile
Business Administration	157.5/70 th percentile
Management/ International Business	159.5/83 rd percentile

Graduating Senior Survey

A senior survey is administered to all students in Business 498—Business Policy each term. Some of the questions on the survey relate to Business core requirements, some to related area requirements, and some to major requirements. Results relating to the Business Core are reported here.

Seniors in the College of Business gave themselves fairly high ratings with respect to each core skill included in the survey. The highest rating (4.27) was for exhibiting basic knowledge of the principles of business. The lowest rating (3.94) was for understanding the global nature of business.

Scale: 1(low)-5(high) for all survey results

	2001-2002
Skills	Average
1. Exhibit basic knowledge of the principles of business	4.27
2. Exhibit basic knowledge of the processes of business	4.19
5. Integrate basic concepts between courses in your major and across disciplines	4.05
9. Understand the global nature of business	3.94
10. Understand the culturally diverse nature of business	4.07

Major:	Bus Adm.	Acct.	Mkt.	Finance	Intl.	Mgmt.
Skills	Average	Average	Average	Average	Average	Average
1. Exhibit basic knowledge of the principles of business	4.38	4.10	4.15	4.23	4.38	4.63
2. Exhibit basic knowledge of the processes of business	4.24	4.10	4.15	4.23	4.00	4.50
5. Integrate basic concepts between courses in your major and across disciplines	4.00	4.10	3.92	4.18	4.25	4.00
9. Understand the global nature of business	3.90	3.81	3.69	4.00	4.50	3.88
10. Understand the culturally diverse nature of business	4.07	3.85	4.08	4.05	4.38	4.00

Alumni Survey

A telephone survey of alumni was conducted during Fall Semester 2000 for 1998-1999 Accounting and Business Administration graduates. Former students were asked about their satisfaction levels with their major, how well their classes and skills gained at MSUM prepared them for their current job position, and how prepared they felt in identified desired student outcomes. We were able to contact and get responses from 95 business and accounting alumni. Responses relating to Business Core goals are summarized below.

Assign a grade from A to F on how well your classes help in your current job:

80% said A or B

How much have the skills gained at MSUM contributed to your career goals?

96% said Somewhat or Greatly

Specific skills/knowledge areas: (how prepared do they feel they are in each area):

Understand the business fundamentals related to your job—86% prepared or very prepared

Understand the global and culturally diverse nature of business—66% prepared or very prepared

How satisfied are you with your degree? 91% said satisfied or very satisfied.

How likely would you be to recommend MSUM for someone studying in your chosen major? 80% said definitely would.

Summary

MSUM Senior Business Administration/Accounting Majors scores on the ETS exam meet the School of Business goal of exceeding the national average for each indicator. Percentiles ranged from 63 in Marketing to 96 in Finance. Our overall score was in the 85th percentile.

Alumni survey and senior survey results were very positive. Although both groups showed less agreement that they understand the global nature of business, we do not see a direction for improvement at this time.

Budget Considerations

As part of our Fall 2001 Revised Assessment Plan, we plan to administer the ETS exam every other Spring Semester. The cost for this is approximately \$2300 each time it is administered. We will need to include that as part of our departmental budget.

Using Assessment Results for Improvements

The Business Administration Department meets annually to discuss the results of our assessment activities. Dean Dobitz has also formed an Assessment Team for the School of Business (Accounting and Business Administration Departments). This Team is responsible for assessing the Business Core and for coordinating assessment efforts of the two departments.

As a result of previous surveys given to MSUM graduating seniors, who indicated the need for our curriculum to be more closely related to the business world, faculty from the School of Business are in the beginning stages of developing a new, integrated business curriculum that

would provide students with an alternative to the traditional business curriculum. This has been put on hold as grant money for the curriculum is no longer available.

The Business Administration Department, along with the Accounting Department, are in a very active stage of curriculum development and change. Many of these changes result from past and present assessment results.

Revision of Assessment Plan

The School of Business assessment plans were revised during Fall Semester 2001. Departmental assessment plan will be revised during Spring Semester 2003 to include institutional effectiveness goals.

Accounting Major Assessment

Indirect Measures

Senior Assessment Survey

Students' self-assessments of their knowledge of accounting (survey items A through F) have remained very high for the past three years. Earlier surveys were administered at the same time students took the Accounting Major Comprehensive Exam. The difficulty of that exam (average score below 50%) may have reduced some students' agreement that they understand the fundamentals of accounting. Beginning in Spring 2000, the survey was mailed to graduating seniors before they took the exam.

Based on Spring 1998 assessment feedback from the Senior Survey and from Internship Supervisor Questionnaires, the Accounting Systems course was revised to increase usage of Microsoft Office software. The course was given a lower number (from Acct 370 to Acct 315) and made prerequisite to Intermediate I. Students affected by the revision began to graduate in Spring 2000, and Senior Survey results for technology-related items (J, K and L) are collectively higher. The most notable improvement was in students' agreement that they can effectively organize and present financial information.

Alumni Survey

The alumni survey is described in the Business Core assessment report. The results below describe the responses from the 25 accounting alumni included in the survey.

Specific skills/knowledge areas: (how prepared do they feel they are in each area):

Effectively present information/views in writing--88% prepared or very prepared

Work effectively in diverse groups—92% prepared or very prepared

Effectively use technologies appropriate to job—72% prepared or very prepared

Effectively present information and views orally—72% prepared or very prepared

Think critically in professional/job related situations—80% prepared or very prepared

As to the use of technologies appropriate to their jobs, Alumni graduating in 1998 and 1999 provided information confirming observations from the 1998 senior survey. This was addressed in the 1999 curriculum change described above.

Accounting Department Senior Assessment Survey - Summary of Results

1: strongly agree 2: agree
 3: disagree 4: strongly disagree

Item	Percentage in Agreement							
	Spr 98 n = 26	Fall 98 n = 14	Spr 99 n = 21	Spr 00 n = 26	Fall 00 n = 10	Spr 01 n = 20	Fall 01 n = 10	Spr 02 n = 14
A. I understand the fundamentals of financial accounting.	92	86	86	100	100	95	100	100
B. I understand the fundamentals of managerial and cost accounting.	81	100	76	92	90	95	100	86
C. I understand the fundamentals of accounting systems and auditing.	89	93	91	96	100	90	100	100
D. I understand the fundamentals of tax accounting.	89	86	71	85	90	90	70	86
E. I have an overall understanding of the fundamentals of accounting.	96	100	91	100	100	90	100	100
F. I understand the economic, financial, social, legal, and cultural forces affecting the business environment.	85	93	95	100	100	90	90	100
G. I understand how business organizations operate and how they are managed.	89	100	95	100	100	90	90	86
H. I can effectively present information and views in writing.	92	93	100	96	80	90	100	100
I. I can effectively present information and views orally in a group setting.	88	86	95	96	100	90	100	93
J. I can effectively use communications technology (e-mail, PowerPoint, etc.).	92	100	95	100	100	80	100	100
K. I can effectively organize and present financial information (working papers, graphs, etc.).	85	79	71	96	90	85	90	86
L. I can effectively use technology to solve problems (spreadsheets, information search, etc.).	96	93	100	100	90	85	100	93
M. I can identify ethical issues in a professional context.	96	100	100	96	100	85	100	100
N. I am motivated and prepared to continue life-long learning.	92	93	95	96	100	80	100	93
O. I can work effectively in diverse groups.	96	100	100	96	100	90	100	100
P. I can think critically and deal with uncertainty and ambiguity in professional tasks.	92	93	95	89	100	90	100	93
Mean:	90.6	93.4	91.0	96.1	96.3	88.4	96.3	94.8

Direct Measures

Internship Supervisor Evaluation

The most important conclusion is that employers gave interns high ratings. This may be the only valid result because differences between scores are generally smaller than the standard deviations. We have noted that interns receive their lowest ratings for written communication skills.

**Accounting Department Internship Evaluations
Summary of Results by Year**

1: Outstanding 2: Above average 3: Satisfactory 4: Needs improvement 5: Unsatisfactory

	Mean Responses				
	1997-98 n = 17	1998-99 n = 23	1999-00 n = 24	2000-01 n = 19	2001-02 n = 14
Accounting Knowledge					
Knowledge	2.12	1.96	1.79	1.95	2.00
Communication					
Written	2.00	2.12	2.10	2.19	2.22
Oral	2.06	2.00	1.91	2.00	1.86
Technology					
Communication	1.95	1.67	1.96	1.85	1.71
Spreadsheets	1.63	1.77	1.81	1.66	1.83
Accounting software	1.88	1.93	1.90	1.84	2.00
Work Ethic, Cooperation & General Performance					
Work ethic	1.71	1.65	1.50	1.58	1.43
Presence	1.76	1.83	1.84	1.95	1.65
Attendance	1.88	1.65	1.83	1.84	1.43
Instructions	1.77	1.70	1.62	1.68	1.43
Quality	1.94	1.83	1.92	1.68	1.86
Quantity	1.94	1.78	1.83	1.74	1.71
Teamwork	1.59	1.55	1.71	1.53	1.50
Planning	2.06	2.03	1.91	1.89	2.00
Resourcefulness	2.00	1.83	1.83	1.95	1.93
Motivation	2.06	1.69	1.71	1.84	1.71
Overall:	1.90	1.81	1.84	1.87	1.76

Accounting Major Comprehensive Exam

The exam is administered to graduating seniors and is intended to measure student achievement in required upper-level accounting courses. Advanced Accounting and Not-for-Profit Accounting became required courses for students entering the major in the Fall of 2000. The exam was revised for Spring 2001 to include new content and some test items were replaced. To keep the exam reasonably short, coverage was reduced from 6 items to five items for most courses. As a result, scores on the original version cannot be reliably compared to those on the revised version.

Scores are quite volatile making it difficult to perceive trends. In addition, rule changes in financial accounting, auditing, and not-for-profit required revising some items on each version of the exam.

Efforts were made to also use the exam as a pretest administered at the beginning of the junior year. Exam revision and item changes have made pre-test/ post-test comparisons impossible. The accounting faculty determined that the exam has not provided useful information, and its use has been suspended. It will be replaced by results from the Uniform Certified Public Accountant Exam.

Accounting Major Comprehensive Examination -- Original Version

Administered to graduating seniors

		<u>Percentage Correct</u>			
		Spring 98	Fall 98	Spring 99	Spring 00
		n = 26	n = 15	n = 19	n = 28
Cost & Managerial	6 items	46.8	55.6	42.1	52.2
Tax	6 items	50.0	56.7	45.6	48.2
Financial	10 items	38.5	44.7	34.7	41.7
Business Law	6 items	42.3	36.7	43.0	32.0
Auditing	6 items	52.6	55.6	38.6	43.5
Systems	6 items	71.1	66.7	51.8	54.0
Overall	40 items	49.0	51.9	41.8	44.0

Accounting Major Comprehensive Examination - Revised Version

Administered to graduating seniors

		Percentage Correct		
		Spring 01 n = 21	Fall 01 n = 7	Spring 02 n = 14
Cost & Managerial	5 items	45.6	45.8	48.6
Tax	5 items	46.8	51.4	45.8
Intermediate	8 items	44.3	37.7	37.6
Advanced	5 items	28.6	34.2	37.0
Not-for-Profit	5 items	40.8	45.6	64.4
Business Law	5 items	48.6	34.4	52.4
Auditing	5 items	54.4	42.8	52.8
Systems	5 items	58.2	60.2	48.4
Overall	43 items	45.9	43.6	47.6

Conclusions

The Senior Assessment Survey and the Internship Supervisor Evaluation show high levels of success with respect to each goal and objective. No areas of weakness are evident. The Accounting Major Comprehensive Examination provides low percentage scores due to the difficulty of the exam. No reliable trends in scores are apparent, and the exam will be removed from the assessment plan.

Several improvements in the department's assessment process will be made for implementation in Fall 2003.

1. The Internship Supervisor Evaluation form will be revised to include an item for each accounting knowledge area instead of only one item. A response for No Observation will be included. An item for problem-solving skills will also be added.
2. The Accounting Major Exam will be replaced with CPA exam results.