

APPENDIX B

Department of Business

Growth Plan

Executive Summary

Action Plan

In order for the Business Administration Department to grow to its full potential, the following steps need to take place:

1. The Business Administration Department needs to become the School of Business.
2. Promote more marketable degree programs and options.
 - a. Offer all of the required MBA courses and transition courses and a selection of electives online over the next three years (included in the draft master schedule for business courses). Requires course development.
 - b. An undergraduate degree in Accounting and undergraduate and graduate concentrations in Accounting need to be developed.
 - c. Undergraduate and graduate concentrations in Finance need to be developed
 - d. Develop a program that allows our students to experience another country and international business as part of their degree requirements.
 - e. Increase management electives to include leadership.
 - f. Work with IET to develop undergraduate options in quality (Green Belt) and logistics.
 - g. Develop articulation agreements with accredited DTAE schools to increase enrollment in the BAS in Management.
 - h. Develop online courses to enable prospective BAS students throughout Georgia to take business courses.
3. Hire additional faculty to the fulltime faculty positions to fill existing and projected needs (expanded curriculum, online delivery of courses, scholarship, and student focus)
 - a. The new Business Administration position (recently approved) needs to be filled.
 - b. The open Management position needs to be filled with a full-time tenure-track professor.

- c. The temporary Marketing position needs to be filled with a full-time tenure-track professor .
 - d. A full-time Accounting position (Ph.D.) needs to be created and filled. The target for this is 2008.
 - e. A full-time Finance position (Ph.D.) needs to be created and filled. The target for this is 2009..
4. Strengthen accreditation status
 5. Secure full ACBSP accreditation, with no notes or conditions. Work needs to begin on acquiring AACSB accreditation.
 6. Enhance marketing of the degree programs.

Timeframe for New Hires for Positions to Begin Teaching

1. Spring 2006: New tenure-track position teaching primarily undergraduate courses for.
2. Fall 2007: Marketing position Tenure-track .
3. Fall 2007: Management position Tenure-track .
4. Fall 2008: Accountant Ph.D. tenure-track position .
5. Fall 2009: Finance Ph.D. tenure-track position .

Immediate Needs

Staffing

The Business Administration Department is undergoing a significant amount of growth. This semester, we had overall enrollment growth of 12 percent, the highest in the School of ETM. We had to support this growth using a ratio of adjunct cost to full time faculty cost of 11.4 percent, the highest in the School of ETM. This resulted in us having the lowest instructor cost-per-credit hour in the School of ETM. Our cost was only \$115 per scheduled credit hour.

The tables below shows the total number of courses taught each semester (excluding summer) since Spring 2003-2004, the number taught by adjuncts, and the percentage taught by adjuncts.

	Graduate		
	Adjuncts	Total	Percent Adjuncts
Spring 2003-2004	3	12	25.0%
Fall 2004-2005	4	14	28.6%
Spring 2004-2005	3	13	23.1%
Fall 2005-2006	2	12	16.7%
Spring 2005-2006	3	14	21.4%
Fall 2006-2007	2	12	16.7%

	Undergraduate		
	Adjuncts	Total	Percent Adjuncts
Spring 2003-2004	9	22	40.9%
Fall 2004-2005	13	23	56.5%
Spring 2004-2005	13	22	59.1%
Fall 2005-2006	6	25	24.0%
Spring 2005-2006	9	27	33.3%
Fall 2006-2007	14	29	48.3%

	Overall		
	Adjuncts	Total	Percent Adjuncts
Spring 2003-2004	12	34	35.3%
Fall 2004-2005	17	37	45.9%
Spring 2004-2005	16	35	45.7%
Fall 2005-2006	8	37	21.6%
Spring 2005-2006	12	41	29.3%
Fall 2006-2007	16	41	39.0%

Note that four of the courses for Fall 2006-2007 are being taught by a temporary instructor. I have not included these in the adjunct count. Had I done so, the overall percentage would be 48.8 percent.

As you can see, except for 2005-2006, the number of undergraduate courses taught by adjuncts has been between 40 and 60 percent. The overall number of courses being taught by adjuncts, excluding 2005-2006, has been between 35 and 45 percent.

One of the reasons our adjunct percentage is so high this semester is that we have not filled the position from when Dr. Yancy retired. You may recall that when he was chair, Dr. Obeidat made a job offer to someone to fill this position but he turned us down. That happened too late to fill the position for fall. I made the decision not to fill this position in spring due to the (lack of) quality of the applications we were receiving and wait to do a fall 2007 search. In addition, our marketing position is currently staffed by Dr. Joyce McGriff as a one-year appointment. As of yet, the search to fill these positions has not been initiated.

This combination of one unfilled position, one position filled by a temporary appointment, and a high percentage of courses taught by adjuncts means that the remaining tenured and tenure-track faculty must carry a high burden of administrative duties. For example, each member of the department is assigned about fifty advisees with Dr. Vasa-Sideris assigned substantially more. In addition to the high administrative burdens, having Dr. Yancy's position unfilled means that our more important courses, our undergraduate and graduate capstone courses, are currently being taught by adjuncts.

In order to get the Department back to full strength, we need:

1. The Marketing position currently filled by Dr. Joyce McGriff converted to a tenure-track position for an early fall search.
2. The Management position currently unfilled approved for an early fall search.

Filling these two positions will get us back to our staffing strength of a couple of years ago. It will still leave us with a high percentage of courses being taught by adjuncts. Assuming each of these faculty taught a three-and-three load, our adjunct percentage would still be 34.1 percent.

To correct this and to give the department another person to help with advising and other administrative duties, I proposed creating a new position. The person filling this position would be MBA-qualified and would mostly teach undergraduate courses with an occasional graduate course. Filling this position and having this person teach four courses per semester will lower our overall adjunct percentages to 24.4 percent assuming the two positions above are filled with faculty teaching a three-and-three load. This position has been approved and we are currently performing a job search.

School

The Business Administration Department needs to be reorganized into the *School of Business*. All of the MBA programs in the Atlanta-area except for SPSU, the University of Phoenix, and Shorter College are housed in a stand-alone college or university. These include the J. Mack Robinson College of Business at GSU (1,420 students) down to the Richards College of Business at the University of West Georgia (66 MBA students). Renaming the Department a School makes it easier to attract both students and excellent faculty. It also makes it easier to get publicity for the School, starting with press releases for the name change.

Since 1986, business-related programs have been offered under the umbrella of the School of Management, Management Program, Management Department and Business Administration Department. The name and brand of our school make a difference in our ability to be visible, from an organizational standpoint, and to better attract customers—in our case, the parents of prospective undergraduate students, potential graduate students, employers, businesses who may partner with us, and faculty. With most competing business programs under schools or colleges, potential students expect to see business programs housed in at least a school. And, a school is immediately more visible than a department on the organizational chart as well as on the SPSU website under Academic Affairs.

Alumni of the various management degrees, now business administration, would regain the status of their degree and their pride. A renaming of the department as a School of Business creates the opportunity for SPSU to reestablish ties with alumni and to secure their commitment to promote the degree programs as well as provide support for the curriculum and other events.

Reorganizing the Business Administration Department into the *School of Business* has an additional benefit, a naming opportunity as illustrated above by the J. Mack Robinson College of Business at GSU and the Richards College of Business at the University of West Georgia.

Accreditation

The Business Administration program is accredited by the Association of Collegiate Business Schools and Programs (ACBSP). We are aggressively working on a plan to remove the following five notes or conditions on our accreditation:

1. Need for an assessment plan.
2. Need for an HR plan for full-time and part-time faculty.
3. Thirty hours of graduate courses reserved exclusively for graduate students (never violated)
4. Proper financial support for the program
5. How our faculty accomplish the nine essential functions of faculty

Except for a few small programs, SPSU included, the traditional, not-for-profit MBA programs in the Atlanta metro area are accredited by the Association to Advance Collegiate Schools of Business (AACSB). As shown in the table below, 73 percent of the MBA students in the Atlanta area attend an AACSB-accredited school or college.

Rank	Name of School	AACSB
1	Georgia State University	Yes
2	Kennesaw State University	Yes
3	Emory University	Yes
4	DeVry University	No
5	University of Phoenix	No
6	Mercer University	Yes
7	The University of Georgia	Yes
8	Georgia Tech	Yes
9	Clark Atlanta	Yes
10	Shorter College	No
11	Southern Polytechnic State University	No
12	Brenau University	No
13	University of West Georgia	Yes

Accreditation is a factor that prospective students consider, and that is certainly true for students entering our business programs. To compete effectively with these other schools, it is important that we maintain our ACBSP accreditation, remove the notes and conditions, and, once that is accomplished, begin our efforts to obtain AACSB accreditation.

Growing Business Administration

Background

The MBA Program is the largest graduate program on campus, and, consistent with the resurgence of MBA students in the US (*Business Week*, October 23, 2006), enrollment in the MBA program is growing... SPSU and the Business Administration Department have a number of competitors in the Atlanta area. According to the *Atlanta Business Chronicle*, there are

thirteen MBA programs in the Atlanta area and additional competitors have entered the market since the *Atlanta Business Chronicle* published these numbers. Ranked according to total 2005 enrollment, they are:

Rank	Name of School	Enrollment	Percentage
1	Georgia State University	1,420	25.2%
2	Kennesaw State University	899	15.9%
3	Emory University	677	12.0%
4	DeVry University	676	12.0%
5	University of Phoenix (Atlanta campus)	632	11.2%
6	Mercer University	383	6.8%
7	The University of Georgia	350	6.2%
8	Georgia Tech	167	3.0%
9	Clark Atlanta	115	2.0%
10	Shorter College	102	1.8%
11	Southern Polytechnic State University	84	1.5%
12	Brenau University	69	1.2%
13	University of West Georgia	66	1.2%

The SPSU MBA program is accessible to students who might not meet the higher entrance requirements of such institutions as Georgia Tech (35 percent of applicants accepted), The University of Georgia (36 percent of applicants accepted), or Emory University (37 percent of applicants accepted). Currently SPSU accepts 78 percent of applicants. In addition, the current SPSU tuition is one of the more affordable rates in the area. Emory University costs \$17,000 per year, The University of Phoenix costs \$8,000 per year, and Clark Atlanta University costs \$582 per hour (about \$14,000 per year (eight 3-hour courses)).

In spite of these strengths, enrollment growth in the MBA program at SPSU has lagged behind that of other universities. The major reason for this appears to be poor marketing and visibility.. While the Business Administration course hours taught grew 13.5 percent this fall over last fall, MBA hours only grew at 6.3 percent. Growth this past spring over last spring was 11.4 percent. The MBA Marketing course is currently putting together a marketing plan for the MBA program that will be incorporated into this plan once it is completed.

Enrollment trends look even bleaker at the undergraduate level. Normally, only one or two incoming freshmen at each orientation express an interest in Business Administration. One would expect the numbers to be lower than for Engineering given the focus at SPSU but those numbers are too low for what is normally a very popular program. In fact, Business Administration would have almost no undergraduate students were it not for students transferring in from other programs.

Information on hours taught in all Business Administration courses over the past couple of years is shown in the table below.

	2003-2004		2004-2005		2005-2006		2006-2007
	Spring	Fall	Spring	Fall	Spring	Fall	Fall
Accounting							

	2003-2004		2004-2005		2005-2006		2006-2007
	Spring	Fall	Spring	Fall	Spring	Fall	
2000	141	99	71	66	163	136	
6000		20	20				
Economics							
1000	71	73	70	72	83	101	
2000	41	37	34	32	39	35	
Finance	32	32	21				
Management							
2000	32	36	31	34		35	
3000	286	267	308	366	287	320	
4000	219	215	174	161	282	234	
5000	68	35	40	46	33	34	
6000	116	70	151	172	205	185	
7000	3		10	4	18	2	
MIS	41	37	7				
Marketing							
3000		20	21				
4000	21						
6000		31	24				
OPSM		22	14				
Total	1,071	994	996	953	1,110	1,082	
MBA Enrollment	119	112	195	176	223	187	
Total <i>Annual</i> Growth			-7.0%	-4.1%	11.4%	13.5%	
MBA <i>Annual</i> Growth			63.9%	57.1%	14.4%	6.3%	

Note that categories like Finance, MIS, Marketing, and OPSM do not continue into the current semester course numbers were changed to a common MGNT prefix. The totals are correct but, for this reason, it is not possible to compare specific subsets of courses other than undergraduate/graduate.

Enhancing the Curriculum

We need to have a robust program that offers the variety of courses that can entice students. Currently, we only offer a basic set of courses in accounting, finance, and economics. Students and potential students realize this. They know they can get more variety and depth at other schools. Our main thrust in dealing for dealing with this is to expand our offerings in accounting and finance, and, at the undergraduate level, a concentration in sports management, expansions of international studies including an honors program We also will expand our delivery of online courses both for the BAS as well as the MBA program. We believe that depth and breath in these areas is essential for attracting students and growing the program.

Accounting

Our students tell us that accounting and finance are the two areas in which they have the most interest. In regards to accounting, of the 67 students who responded to a survey on the subject, two thirds of the undergraduate students expressed an interest in a concentration in accounting and 85 percent of the MBA students expressed an interest in an accounting concentration.

SPSU students have used cross-registration at Kennesaw State University and Georgia State University to enroll in courses in accounting and finance for credit hours at SPSU. Additionally, we have lost applicants, as well as students, who wish to study accounting and finance.

In looking at accounting, we see some interesting developments:

- A number of business scandals, such as Enron, Tyco International, and WorldCom (now MCI), related to accounting. One article stated:

“The 47th Index of Investor Optimism, which was conducted from March 1 to March 14, 2002, polled investors on the fallout from the Enron bankruptcy and the questionable accounting practices that led to the company's demise. Eighty-nine percent of investors polled say the accounting practices issue is a serious problem for U.S. businesses, and 75 percent favor new, stricter accounting regulations by the government.”

- The Sarbanes-Oxley Act of 2002, also known as the Public Company Accounting Reform and Investor Protection Act of 2002 is a United States federal law passed in response to a number of major corporate and accounting scandals. This law significantly increases the number of accountants needed by industry. According to *Wikipedia*:

“Costs associated with SOX 404 compliance have proven to be significant. According to the Financial Executives International (FEI), in a survey of 217 companies with average revenue above \$5 billion, the cost of compliance was an average of \$4.36 million. The high cost of compliance throughout the first year can be attributed to the sharp increase in hours charged per audit engagement. This has been a boon for the auditing profession, more than offsetting the reduced revenues arising from the Act's restriction against those firms conducting various non-audit services for audit clients.”

- Demand for more accountants is not coming from just publicly traded companies, to which Sarbanes-Oxley applies, but also at private companies, which are coming under pressure from lenders, investors and others to meet Sarbanes-Oxley standards even though they are not legally required to do so.
- The growth of “lean accounting” as firms try to meet Government regulations as economically as possible.

Accounting is a well-paying field. According to a 2005 salary survey conducted by Robert Half International, a staffing services firm specializing in accounting and finance, accountants and auditors with one year of experience earned between \$28,250 and \$45,000 a year. Those with

one to three years of experience earned between \$33,000 and \$52,000. Senior accountants and auditors earned between \$40,750 and \$69,750, managers between \$48,000 and \$90,000, and directors of accounting and auditing between \$64,750 and \$200,750.

Our plan to address this is four-fold:

1. Offer an undergraduate degree in accounting for students who wish to take the CPA exam.
2. Offer an undergraduate concentration in accounting for students who simply wish a deeper exposure to accounting.
3. Offer an MBA concentration in accounting.
4. Secure industry support in terms of funding, advice, and technology.

The undergraduate concentration would require cycling between four or more specialized undergraduate accounting courses while the undergraduate degree in accounting would require five additional accounting courses beyond the two we currently teach, some of which would overlap with the concentration. Some of these courses could be taught by adjuncts. The MBA concentration in accounting would require four graduate courses and most of these, as well as some of the undergraduate courses, would need to be taught by a Ph.D. in Accounting.

Offering the undergraduate degree in accounting and the undergraduate and graduate concentration in accounting would require initially hiring one Ph.D. in Accounting at a cost of approximately \$100,000, according to AACSB figures. This person would teach nine courses a year, including summer with the rest of the courses being taught by adjuncts. As enrollment in the program and concentrations grows, additional staffing would be required. We will be developing the degree proposal this year with the position being required in Fall, 2008.

Since the main thrust of this position is supporting an undergraduate degree, a “chicken-and-egg” caveat is in order. We cannot offer this degree with our current staff and we cannot attract students to this program until we have the program in place. Additionally, as discussed above, the track record of SPSU in attracting undergraduate Business Administration students is poor.

Finance

As with accounting, our students are very interested in having more in-depth finance courses. In a survey of our students, of the 67 students who responded, 80 percent of the undergraduates and 92.6 percent of the MBA students expressed a finance concentration. Additionally, as with accounting, students commonly take finance courses elsewhere through cross-registration and we sometimes lose students or applications due to our weak offerings in finance.

Our plan to address this is three-fold:

1. Offer an undergraduate concentration in finance for students who simply wish a deeper exposure to finance.

2. Offer an MBA concentration in finance.
3. Secure industry support in terms of funding, advice, and technology.

The undergraduate concentration would require cycling between four specialized undergraduate finance courses. Some of these courses could be taught by adjuncts; however, in the past we have had trouble hiring well-qualified finance adjuncts. The MBA concentration in finance would require four graduate courses and most of these, as well as some of the undergraduate courses, would need to be taught by a Ph.D. in Finance.

Offering the undergraduate and graduate concentration in finance would require initially hiring one Ph.D. in Finance at a cost of approximately \$100,000, according to AACSB figures. This person would teach nine courses a year, including summer. As enrollment in the program and concentrations grows, additional staffing would be required. We are somewhat flexible in the timing of this position. Naturally, the concentrations cannot be started until the position is staffed but it may be desirable to delay this position until 2009 to allow our full attention to the accounting degree and concentrations in 2008.

Sports Management Concentration

We are currently developing a Sports Management concentration to be offered in conjunction with an Arts and Sciences proposal for a Sports Medicine concentration. Karl Staber, Director of Athletics, is designing this concentration for us. He has also expressed an interest in teaching one or two of the courses. We expect to have the concentration ready for approval at the same time the Sports Medicine concentration goes up for approval. Additionally, we expect that the only cost associated with offering this concentration will be adjunct fees for those courses not taught by Karl Staber.

International

Our international efforts are going to fall into two broad categories, an international honors program and a summer study-abroad program.

International Honors Program

Since it is possible for a student to become a Departmental Honors Scholar upon completion of six hours enriched upper division coursework or directed study, we can make the appropriate adjustments in two courses so that we could offer this honors opportunity to students. We are already making one available next semester so all we need is one more honors opportunity.

As an inducement for recruitment, we could offer a free pass or reduced-cost pass to honors students so they could attend the departmental sponsored and managed summer study-abroad program that is to be developed.

Summer Study-Abroad Program

We currently have a variety of arrangements for in-bound international students. These include either free or discounted cost tuition; joint degree programs, and so on. In recent years, the

Business Administration Department has not offered many opportunities for study for the out-bound SPSU student. Also there are, as you know, additional issues for the in-bound student, especially those we have been receiving from China, such as their language skills. Here is how we propose to solve some of these issues:

The Department will establish a summer study-abroad program (SPSU Campus-Abroad) in China and Germany. This program will be designed especially for out-bound Business Administration SPSU students. This program probably should earn students the equivalent of semester course credits. Students would accompany one or more Business Administration professors to the destination of choice that year. Once there, they would receive instruction both from the Business Administration professors and locally-recruited professors in topics such as international trade or international economics that are related to their destination.

The program would be open to all students. The fees charged would need to cover travel, room-and-board, as well as course fees and books. To keep the fees lower, the travel would take place in the summer when the semester is shorter and might not be for the entire summer. Business Administration honors students would receive either free or much reduced cost tuition. However, the program would be open to any Business Administration or SPSU student (subject to availability) at a higher price. Some universities, such as Brenau University, subsidize these types of programs to keep the cost reasonable for all students. This aspect could be resolved at a later date.

Once we had some experience in operating these summer study programs, we could open them up to BA/Management students from China or Germany who want to attend SPSU either as 2+2 students or others seeking an SPSU degree. A program that accommodates the prospective in-bound student makes it possible for us to address in-bound student language issues or issues related to academic preparation before they get to Marietta. It would also be possible to have a less stressful/more efficient stay on our campus since they would be taking SPSU courses taught by SPSU faculty. In addition, we could potentially recruit Chinese or German faculty as part-time SPSU instructors to help facilitate this aspect.

In a couple of years, we would have an established physical base in both those countries, it would be an incrementally easier step to offer a shorter, more intensive program, for students that could only stay a couple of weeks. We could include honors students in this category, making the program free to them and fee-paid to others.

It would also be possible to design a special set of online courses for the in-bound international BA/Management student. Again, this would make it easier for the degree-seeking in-bound student to complete certified SPSU credits. Assuming that we would have already established a working relationship with BA/Management faculty in China and Germany (or elsewhere in the world), they could serve as our proxies to help students and to control the examination process.

Developing these programs would require a significant amount of resources both in faculty time and in travel money. I would expect that it would take a full release for one semester to set everything up and the professor or professors traveling with the class would need to be released from all other classes for that semester. Additionally, all of their traveling expenses, both for development and for implementation would need to be paid for by the University.

Distance Learning Options for Business Students

Over the past several years, the Business Administration Department has graduated a number of BAS-degree students who came from Chattahoochee Tech. Because the Chattahoochee Tech graduates are local residents, the students entering the BAS program take classes on the SPSU campus. With the proposed expansion of the BAS program to graduates of accredited DTAE schools throughout the state, course delivery will need to become more flexible. The Business Administration Department has identified two courses to be developed for distance learning delivery during the upcoming year and expects to eventually expand those offerings to include all required business courses.

Many of our current and prospective MBA students work and travel, making regular attendance in on-campus classes a challenge. The Business Administration Department has offered six different MBA courses via distance learning in the past. Over the next three years, we intend to offer two distance learning courses per semester and will expand the offerings to include all eight required courses and a selection of electives.

To effectively offer courses through distance learning, the Department will seek funding for course development. In addition, as new faculty hires are made, we will seek faculty who will participate in distance learning.

Enhance Marketing of the Business Administration Programs

Beyond enhancements to the curriculum, the Business Administration Department is taking the following steps to enhancing the marketing of the MBA and bachelor's degree programs:

- The MBA Marketing Management course is currently putting together a marketing plan for both the undergraduate Business Administration program and the MBA program that will be incorporated into this plan once they are completed
- MBA Managerial Communication class is evaluating and will make recommendations on ways to make admissions materials (including the website, brochures, and correspondence) more user-friendly and appealing.
- The Department will develop relationships with all of the DTAE schools offering accredited AAS and AAT degrees in business-related areas to create awareness of our successful BAS program.
- With the help of alumni and current students, the Department will initiate relationship marketing to expand recruitment efforts.
- The Department will work directly with the Recruitment office to target prospective undergraduate Business Administration students as well as initiate outreach activities with area high schools.
- The Department will work with the Director of Graduate Studies to recruit prospective MBA students at education fairs and other events.

- The Department will identify and participate in organizations that will increase our visibility such as the Marietta Business Association, the National Black MBA Association, National Hispanic MBA Association, and others.