

OUTCOMES ASSESSMENT: IMPLICATIONS FOR AACSB ACCREDITED BUSINESS SCHOOLS AND MARKETING DEPARTMENTS

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ABSTRACT

This work develops insights into the distinction between outcomes and value added, as well as the relationship between mission and outcomes at the California State University, Chico, College of Business. The paper reviews a number of outcome assessment approaches for business schools and marketing departments. Its focus is to develop clearer perspectives into the outcome assessments that will confront business schools and marketing departments during the 1990s.

INTRODUCTION

There are a number of incentives for the assessment of student outcomes in higher education today. Some of them are quite general while others are unique to accrediting agencies. The general incentives are rooted in a demand for evidence that the public and private funds being allocated to higher education are, in fact, producing educated adults. Helping to fuel this fire among state legislators, private donors, private industry, and educators are reports which have decried the quality of undergraduate education (National Commission on Excellence in Education 1983) and which have questioned the integrity of the college curriculum (Association of American Colleges 1985).

The National Governors' Association (1986) has documented the need to measure educational quality, and at least 40 states are requiring public institutions to assess educational outcomes (Blumenstyk 1988). According to Halpern (1988) the most recent addition to the outcomes assessment charge is the U.S. Department of Education, which is urging that all colleges and universities document student achievement.

Idiosyncratic to business schools has been the recent efforts of the American Assembly of Collegiate Schools of Business (AACSB). In this regard, a AACSB Accreditation Task Force will soon be concluding a two-year study of AACSB accreditation standards. As it now stands, the AACSB appears to be moving away from inputs as a measure of educational quality to outputs and a school's need to develop processes for continual

quality improvement. Of course, one output measure that has been utilized by the AACSB will remain -- research. Obviously, the dissemination of new knowledge through research is more prone to outcome analysis than most accreditation standards.

Further, the quality of a business school is typically judged by the research productivity of its faculty, the number of prestigious grants received, and the number of endowed chairs held, as well as admission selectivity. According to these criteria, the richest, most elite research institution is the "best". Still, none of these traditional indicators of quality evidence a concern over the outcome of the educational experience provided (Halpern 1988).

While the AACSB recognizes the significance of research, the AACSB Accreditation Task Force is currently posturing a set of accreditation standards that will be endemic to an institution's central mission area (AACSB 1990a). In this regard, each school will establish the profile of its individual mission as an initial step in the accreditation process (AACSB 1990c). This mission profile will impact expectations for faculty research (AACSB 1990c) and the mission would serve as the starting point for the formulation of a school's external and internal goals (AACSB 1990b). The latter includes such considerations as curriculum design and faculty size, as well as faculty makeup.

Those schools who select mission orientations with a research deemphasis, even though all faculty will be required to show enhancements in their intellectual capital, will probably be faced with outcome assessments with respect to how effective their educational efforts are. Zoffer (1987) has also indicated that output measures need to assess how much students learn and retain, no matter how it was taught or by whom, and how well did they perform as managers. Regardless of what is to be measured, assessment programs need to be adapted to a school's mission and goals. Further, the outcome assessment requirement will prompt a school and departments to establish clearer, more comprehensible goals and objectives in fulfilling its mission and purposes (Krueger and Heisserer 1987).

Basically, outcomes assessment requires faculty to look at the connection between outcomes and objectives.

With the above background in view, this paper will develop insights into the distinction between outcomes and value added, as well as the relationship between mission and outcomes at the California State University, Chico, College of Business. Finally, the paper will review a number of outcome assessment approaches for business schools and marketing departments. By so doing, clearer insights will be generated into the outcome assessments that will confront business schools and marketing departments during the 1990s.

OUTCOMES VERSUS VALUE ADDED

Although the terms outcomes and value added are sometimes used interchangeably, each has a distinctive meaning. Basically, outcomes measure what students know, while value additions indicate how far students have traveled as a result of their educational experience (Hanson 1988). According to Halpern (1988), value added or "net effects" is the difference between a student's knowledge and skill levels when the student starts a program compared to when the student completes a degree. Halpern indicates that such pretest-posttest differences best reflect the effect of an educational experience. Hayden (1986) also indicates that when educational quality is defined in this manner, excellence can be sought in all institutions, not just those with the greatest amount of resources. Given the nature of currently available outcomes assessment testing for business (e.g., the ETS Major Field Achievement Test and the ASI Core Curriculum Assessment Program), it is clear that the focus is on outcomes assessment per se, or what amounts to a more flexible assessment approach when contrasted to rigid pre- and post-measurements. Hanson (1988) also notes that statisticians and psychometricians have warned against using simple pretest-to posttest scores for years, but their warnings seem to have had slight impact. Still, Hanson advocates the usage of residual gain scores and causal analysis; however, the time and cost associated with such applications seem to indicate that static measures will be the method of choice in the 1990s. Further, such measures can be compared with national norms, if available, and they can be used for longitudinal comparisons. It is significant to note that many academicians are adamantly against the usage of national norm comparisons, as they can be used to derogate a competitor.

Clearly, the options that are available to measure outcomes are multi-faceted and they need to be discussed. Still, what is selected must relate to a school's mission, goals and objectives.

THE CALIFORNIA STATE UNIVERSITY, CHICO COLLEGE OF BUSINESS EXPERIENCE

The CSU, Chico College of Business has been working under the following mission premise: produce the most highly-respected and widely recruited baccalaureate graduate on the West Coast. Also, the College has made a commitment to produce a nationally competitive masters graduate. The rationale for such mission orientations primarily evolved from Chico's unique infrastructure (i.e., a "captive" student body of upper-middle class business students coupled with campus visitations from a plethora of corporate recruiters). Basically, the undergraduate student body (98% of all enrollees) has not only developed coping skills due to their migration to Chico, they have also developed inter-personally. The fact that they possess these skills and are mobile has made them quite attractive to corporate recruiters.

To further develop the College's undergraduates, human resource executives were contacted and they revealed that they sought well-grounded business students with strong inter-personal skills. They also indicated that graduates must possess strong written and oral communication skills, and a few executives indicated the need to inculcate the value of life-long learning.

Given the College's mission and employer inputs, subsequent outcomes evaluations concentrated on corporate recruiter trend analyses and an alumni assessment. The latter measured the extent that the college had been successful in developing key skills (e.g., conceptual, analytical, interpersonal and written skills), as well as key values (e.g., life-long learning). The survey also revealed strengths and weaknesses in programs, as well as the educational appropriateness of the curriculum.

Although these outcome measurements were static, they permit longitudinal comparisons and they focus faculty attention on key issues. Other measures were planned for employers and graduating seniors.

OUTCOME MEASUREMENTS FOR BUSINESS SCHOOLS

Student Learning

While there are a number of outcome assessment procedures, the ones that are commercially available concentrate on student learning. In essence, these generally static tests measure what the student knows. These tests are expensive. For example, the Core Curriculum Assessment Program (CCAP) costs \$27 per test, if over 100 are administered, and Major Field Achievement tests (Business) cost \$12 per test if over 301 are given. CCAP tests may be given to entering students and the results may be compared with graduating students, hence there is a value-added component; however, if they are used, their costs point to usage by graduating students. Moreover, Major Field Achievement tests are viewed as end-of-program tests.

The primary advantages of standard commercial tests relate to their ease of administration and the fact that they do not entail large investments of faculty time. The Major Field Achievement tests in Business are also referenced to national data. Such tests could also be made mandatory for student graduation and test fees could be shifted to students. Additionally, a sample of students could be randomly drawn for the purpose of test administration. Such sampling could serve to hold testing costs down. However, the sampling would have to be representative of the student class under measurement and samples close to 400 in size would probably be common.

Despite the benefits of standardized commercial tests, they are open to criticism. Zoffer (1987) indicates that they might encourage "teaching to the instrument." They might also standardize skill expectations or subject matter modules and thus inhibit the creativity of the faculty. There is also the potential to embarrass not only schools but also faculty whose students show little grasp of course material.

Business schools could also combine with other benchmark schools to develop their own tests; however, the limitations of standardized commercial tests would still be evident, as well as incurring the costs of administering the tests, not to mention the time and preparation burden placed on faculty. Issues of test reliability and validity would also remain. All in all, the controversy surrounding measures of student learning could impact the AACSB's Accreditation Task Force

recommendations. In essence, such measures may be optional.

External Measures

Depending upon a College's objectives, employer and alumni surveys may prove popular. Basically, the business degree is professional in nature, not research; hence the viewpoints of external constituents are significant. Since, these surveys have been previously discussed, they will not be reiterated here.

Other Outcomes

Other outcome measurements may encompass faculty research productivity, attrition rates, the extent of library usage, placements in graduate programs and the pass-fail rate for the CPA exam. Perceptions of graduating seniors may also be fruitful.

OUTCOME ASSESSMENTS AND THE MARKETING DEPARTMENT

Overall, outcome assessment approaches that are applicable to business schools are available for marketing departments, and may be used for departmental improvement and planning. Although certain commonalities might be expected of all marketing graduates, the specific outcomes that a department emphasizes will depend upon school/departmental mission, specific departmental strengths (e.g., research) and student characteristics (e.g., background heterogeneity) [Halpern 1988]. Still, the alumni survey evidences unique potential as it can reveal perceptions and impact. While alumni perceptions are typically measured, the impact of one's marketing education is often ignored. Basically, key background variables (e.g., marketing g.p.a, marketing emphases, club memberships and internships) can be related to income and job satisfaction. For an interesting discussion of this, see Hunt, Chonko, and Wood (1987).

According to Halpern (1988), there is no single indicator of departmental quality. The best assessments will consider a variety of information including corporate placements; employer, student and alumni perceptions; faculty evaluations of

scholarship and teaching and other data, such as retention and attrition rates. The usage of standardized exams in turn will probably generate considerable faculty debate. It is also highly likely that such tests will be subordinated to a college/school effort. Further, the capstone course in marketing offers considerable potential in assessing student outcomes, as well as providing students with direct feedback on their conceptual, diagnostic, analytical, written and oral communication skills.

CONCLUSIONS

This work has presented the rationale for and the issues associated with outcomes assessment for business schools and marketing departments. The topic is sure to be a bell-weather condition for the 1990s as it reflects a business school's commitment to be accountable to students. Overall, a business programs/department's response to outcomes assessment will generate a focus on mission, goals and objectives that has often been lacking in the current quest for scholarship and academic legitimacy; and it may lessen the magnitude of criticism that has been directed toward collegiate business education.

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