

Assessment of BSBA students' conversancy in current business issues: A case study

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ABSTRACT

In 2008, the faculty of the College of Business at Kutztown University developed a set of five learning goals for its BSBA program. In fall, 2011, the college's Assurance of Learning Committee began to pursue the assessment of the last of these goals: "BSBA graduates will be conversant in current business issues, including ethics, social responsibility, and diversity..." A review of published literature revealed no reports of previous attempts to assess a similar goal. In fall 2011 and spring 2012 faculty developed an instrument to assess student knowledge of recent events by means of a 10-item quiz. The College of Business faculty conducted a pilot study, administering the quiz to a convenience sample of students in 12 courses of all majors and all years of the program (n = 392). The present paper discusses findings and makes suggestions for future assessment of goals like this, as well as assessment practices in general.

Keywords: assessment, assurance of learning, current events, current business conditions, business issues

INTRODUCTION

In 2008, as part of its pursuit of the Association to Advance Collegiate Schools of Business (AACSB) accreditation, the faculty of the College of Business at Kutztown University developed a set of five learning goals for its Bachelor's of Science Business Administration (BSBA) program. In addition to typical goals of effective communication and critical thinking, the faculty felt that students should be up to date on current events that impact business, particularly in the areas of ethics, social responsibility, and diversity. After much discussion and debate, the faculty stated BSBA Learning Goal 5, "Kutztown University undergraduate business graduates will be...conversant in current business issues including ethics, social responsibility, globalization and diversity – able to explain the importance and impact of ethical behavior, impact the global environment has on business, differences among individuals as they impact business, and current issues impacting business."

Several themes prompted the inclusion of this current issues learning goal. Arguably, one goal of college education is to build students' habits of and desire for lifelong learning. No one program can provide all the knowledge necessary for tomorrow's business professional. However, schools can emphasize that learning is never ending and that students are responsible for ensuring their own continued development (Fernandez, 2011). BSBA programs should prepare students for careers with expectations of continuing both formal and informal learning.

Awareness of current issues appears to be a common theme among various avenues within the business community. Employers recruiting new hires want college graduates and even interns to have a working familiarity with the current business environment. A recent study comparing corporate job skills and business students' resumes "...found little overlap between the skills employers valued and skills the students possessed..." The study's authors "...present a series of recommendations, most of them focused on bringing real-world issues into the classrooms (Ghannadian, 2013, p. 43). This goes beyond single discipline-specific knowledge (e.g., accounting, marketing) as it pertains to a particular company and/or industry. It also encompasses a more holistic understanding of the economy, financial markets, social and ethical responsibilities, from both a national and global perspective.

Once college students graduate, they are expected to stay abreast of current issues in their profession, organization, and industry. For example, the American Institute of Certified Public Accountants (AICPA) is the world's largest association representing the accounting profession with nearly 386,000 members in 128 countries. The AICPA publishes what they call "e-briefs". There are seven different e-briefs, the most popular of which is the "CPA Letter Daily." This daily e-mail is a collection of articles selectively chosen and summarized by expert editors from thousands of news sources and provides links to the original source (AICPA, 2013). Individual firms also recognize the importance of awareness of current events in their professions. For example, PriceWaterhouseCoopers created its CFOdirect Network that includes electronic alerts and a weekly newsletter summarizing, "... (t)he latest developments in accounting and reporting matters" (PriceWaterhouseCoopers, 2013).

Not only this, but business schools have also begun to recognize the importance of connecting students to recent business events and conditions. Anjani Jain, Vice Dean of MBA Programs at The University of Pennsylvania Wharton School of Business was quoted, "There is growing demand among our students for first hand exposure to emerging business issues in different parts of the globe" (Copeland, 2011). Some schools – for example, Columbia Business School – recognize the need to connect scholarly research with industry practice and accomplish

such, “through discussions on timely business issues, interviews with global leaders” (Columbia Business School, 2013).

The recognition that students should be aware of current events is also evidenced by the proliferation of changes that have occurred in college course materials. Almost all textbooks include relevant real-world companies to provide examples and demonstrate a given chapter’s content. Many texts include an international section or an ethical issues component in every chapter. Assignment materials often include integrating content from other courses, both within and outside the discipline. Such assignments may address the global impact of a firm’s decisions or the ethical dilemmas faced by a corporate manager. Years ago, most college textbooks produced new editions every four or five years. Today, there is usually a new edition every two years. Such quick turn-around reflects the need to provide current examples and applications of course content.

Business periodicals have also recognized the need of both employers and college faculty. For example, the Wall Street Journal (WSJ) has developed a Journal in Education program, connecting “real world coverage of current events to textbook theory” (Wall Street Journal, 2013). The program provides ideas on integrating WSJ content to eight specific disciplines. The publication also provides “Weekly Review” e-mails in 17 discipline areas, five of which include weekly review quiz questions. Similar programs are available through other publications such as Business Week (BusinessWeek, 2013).

The popularity of supplements such as the WSJ materials and the frequency of textbook revision provide anecdotal evidence of the business programs’ interest in student-friendly current events news. However, the authors were unable to find any published works that discuss setting such awareness as a program learning goal and/or assessing such awareness. Business schools may be addressing the need for currency in business issues, yet inclusion of such as a separate and distinct learning goal for their programs appears to be lacking.

ASSESSING THE LEARNING GOAL

Given the importance of lifelong learning and continuing development to business professionals, it makes sense for business programs to attempt to inculcate good habits of awareness of recent business events and conditions among students. Thus, the faculty at Kutztown University adopted the goal stated above. Having set such awareness as a learning goal, both sound educational practices and AACSB accreditation standards require that students’ learning in that area be assessed (AACSB, 2012). Therefore, in fall 2011, the College’s Assurance of Learning (AoL) Committee addressed assessment of this goal. Because, as noted above, a review of published literature revealed no reports of previous attempts to assess a similar goal, there was no prior work upon which to build. Initially the AoL Committee experienced difficulty stating specific objectives that would lead to a good assessment. The committee decided that, among other issues, further understanding and articulation of the meaning of that goal were needed.

Previous assessments that the AoL Committee had conducted established that one of the best ways to clarify meaning and to establish benchmarks was to obtain broad faculty input and generate assessment data to react to. For example, the AoL Committee had previously used the ETS Major Field Test in Business to assess the goal of functional knowledge. Extensive discussion of the first rounds of data on student performance on this goal increased faculty awareness and understanding of AoL as well as led to constructive debate among faculty about

what knowledge is key and what levels of performance should be expected of students. A similar course was planned for this goal. The AoL Committee decided to conduct a pilot study which would be used to generate discussion. For this pilot study, the learning goal was operationalized as awareness of recent events in business or current business conditions. The committee developed an instrument to assess student knowledge of recent events and conditions and analyzed the resulting data. The present paper discusses findings and makes suggestions for future assessment of goals, as well as assessment practices in general.

METHOD

The AoL Committee began by soliciting questions about recent issues or events in business from all faculty members for possible use in the quiz. Faculty members in the college were asked that they produce questions that represented knowledge that they expect from a graduate of the BSBA program in any major. Many faculty members contributed possible questions. Some items were not appropriate because they had been taken from test banks or from prior tests the faculty member had developed and did not contain references to current events or issues. Other questions were very specific to a particular major. The Committee selected ten items that it felt represented recent business issues or events of which students of all majors should be aware.

The instrument intentionally included easy, medium, and difficult questions, and attempted to have questions that represented each of the disciplinary areas. It also asked participants to indicate the source from which they usually get their news, as well as how frequently they normally check the news. Finally, it included demographic questions (e.g., sex, major, class, transfer status) to be able to analyze differences between groups. The entire 10-item quiz is included as Appendix A.

Faculty members were also asked to volunteer to administer the quiz in their classes. Eight instructors participated, often with multiple sections per course, with the final group including five marketing, four management, one finance, one economics, and one business computer systems course. The quiz was administered in a total of fifteen sections of these courses during the week of April 16, 2012. Since it was possible that students in one class may have taken the test in a prior class, students were instructed not to take the test a second time. Students in the sample included all majors and all years of the program.

Data from this convenience sample was entered into an EXCEL worksheet and analyzed using SPSS. Upon review, it was determined that one question (Item 3) contained an error, and that item was not included in analyses. For each student, the total number of correct responses (out of 9 possible) was computed.

RESULTS

Demographics of the Sample

The sample for this assessment totaled 392 students. The sample included 23 first-year students (6%), 59 sophomores (15%), 145 juniors (37%), and 165 seniors (42%). 219 of the respondents were male (56%). 117 students (30%) reported that they had transferred in from another college. Students' self-reported majors appear in Table 1 (Appendix B). "Core" majors are students early in the program who did not indicate their intended distinct major.

Comparisons of Total Correct by Students' Year, Sex, Transfer, and Major

Differences in total number of correct items by various demographic factors were analyzed; first, differences were analyzed by the year of the program in which the student was enrolled. The results are shown in Table 2 (Appendix C). As expected and hoped for, students' conversancy with current issues increased significantly with their year in the program ($p \leq .000$).

Students' scores varied by other demographic factors. For example, males outperformed females (4.36 vs. 3.68, $p \leq .000$). Transfer students (self-defined) outperformed non-transfer students (4.40 vs. 3.92, $p \leq .05$). However, since few "core" students are transfers, this is confounded with the year of the program in which students are enrolled. When only juniors and seniors were included, a reanalysis of this data found no significant difference in performance between transfer and non-transfer students.

Table 3 (Appendix D) reports the differences in total scores among students by major. The results suggest that finance majors scored significantly higher than non-finance majors and marketing majors scored significantly higher than non-marketing majors, except for core majors. The study results also suggest that management majors scored the lowest.

Performance on Individual Questions

Table 4 (Appendix E) reports data on students' performance on individual questions, broken down by distinct majors. From this analysis, it appears that there is a significant difference not only in the performance of different majors on specific questions but also in the overall difficulty of questions. In particular, students performed particularly poorly, defined as less than 1/3 of students with correct answer, on questions 4 (European debt crisis), 6 (Federal funds rate), 7 (Dow-Jones Industrial Average), and 9 (labor relations in major sports leagues).

The questions on which students performed poorly may not reflect issues upon which the college wishes students to be current. For example, some may take exception to question 9, which questions students about labor relations in major sports leagues. This might not be considered either important or relevant to what BSBA graduates should know.

For both reasons of the varying difficulty of questions and the issue of the importance or relevance of particular questions, the issue of how to interpret these results is critical. This will be discussed in more depth later in this report.

Where Do Students View the News, and How Frequently?

The data shown in Tables 5 and 6 (Appendices F and G) report on where students learn about news as well as the frequency with which they check news.

The frequency data was also analyzed by year, sex, transfer and major. Because the frequency variable is ordinal, Spearman's rho was used to assess the relationships. Frequency was significantly related to finance majors ($p \leq .05$), being more advanced in the program ($p \leq .001$), and being male ($p \leq .001$).

Predicting Total Items Correct

Finally, a regression predicting total number of items correct by the demographic variables (sex, major, year, and transfer status) and frequency of checking the news was run. The

resulting regression was highly significant ($F(10, 380) = 9.87, p \leq .001$). As shown in Table 7 (Appendix H) significant Betas were observed for 5 variables.

The results indicate that the most powerful predictor of students' knowledge of current issues is the frequency with which they check the news; this is hardly surprising. However, it does suggest that students' knowledge can increase simply by introducing motivation to check sources through class requirements or assignments.

The second strongest predictor was the year of the program in which the student is enrolled. The authors suspect that this is because instructors of upper-division courses in this institution are generally smaller and hence more "friendly" for instructors to include assignments involving classroom discussion of current events and conditions. The next strongest predictor was being a marketing major. The instructors in marketing classes who participated in this study make explicit assignments to students in their courses to read the news and participate in discussions in classes, so this also was not surprising. Similarly, the finance instructors require reading the WSJ for assignments.

Another significant predictor was students' sex, with males outperforming females, independent of frequency and major. There is no easy explanation for this result.

DISCUSSION AND CONCLUSIONS

How Well Did Students Perform?

In essence, the AoL Committee felt that the program could and should improve. While the quiz did include four items of the nine that were apparently more difficult than others, the Committee felt that students, particularly seniors, should average more than about 4.39 correct items. Finance majors' mean of 4.87 was certainly more desirable, but perhaps still lacking.

On the one hand, it is possible that the questions were too difficult to expect a high percent of correct answers. On the other hand, business graduates, regardless of their major, should be aware of business basics such as the general level or trend for unemployment, the stock market, and interest rates, as well as big issues in the global economy. As for difficulty, only 18% of the students knew the recent Dow Jones Industrial Average, when their choices were 130, 500, 1300, 5000, or 13000. The committee considered whether it was reasonable that they should have known this kind of information, given such an extreme range of choices.

The AoL Committee has made several recommendations to the departmental curriculum committee. First, faculty should be encouraged to raise the level of discussion of current issues in their classes. Second, the curriculum committee should consider either tasking one or more core or common courses, or a required course in each major, with adding a goal of currency in business issues. Third, the AoL Committee should reassess this goal in 2012 – 2013, designing and pre-testing a new instrument and pre-establishing benchmarks for performance.

Performance by Majors

Breaking the performance down, it is certainly clear that management majors are the least aware of current issues, at least as operationalized by this quiz. It is noted that three questions covered financial issues, and in fact these three questions not only were the more difficult items on the test, but when the data was factor-analyzed, these questions formed one distinct factor. Finance majors performed significantly better than non-finance majors on these items. Similarly,

marketing majors performed better on the marketing items than non-marketing majors. Thus, it is possible that the test was biased toward finance and marketing recent events, which could explain the low scores by management majors. On the other hand, it could be argued that future managers should be more interested in a broad range of events and conditions that affect business. Inspection of the BSBA curriculum map revealed that exposure to current issues was an explicit learning goal of the sophomore-level Principles of Management Course. The Committee recommended that the management discipline should consider increasing the amount of course coverage of current issues across business in upper-division courses required in the management major, as well as review coverage of current issues in the Principles course.

Performance by Year

On the other hand, it appeared that students in the program did progress in their awareness of current issues as they move through their degree programs. The authors believe that this is a function of faculty members who bring an interest in current events into the classroom, as well as assignments that increase students' intrinsic interest in keeping up on business news.

Should Currency in Business Issues Be a Learning Goal?

There is not much question that BSBA graduates should be relatively conversant with current business issues. However, a valid question is whether or not this goal reaches the level of importance or priority to be included among the short list of learning goals associated with the BSBA program. In defense of this goal, it has been suggested that this goal is important because awareness of current issues gives students an advantage in the job search, builds their self-confidence, and perhaps even builds the habits of lifelong learning. As discussed earlier in this paper, such benefits are likely to exist.

If this goal is to be retained as an important outcome for us to pursue, the college should consider carefully what level of performance students should attain; in other words, is 4.39 out of 9 items correct "good enough"? Further, were the questions on the quiz reasonable; that is, do they reflect what the faculty means by "conversancy in current business issues"? Given the ambiguity of the goal and the unknown difficulty of the instrument, the performance of students in this assessment is somewhat open to interpretation. The judgment of the AoL Committee was that while it appears that the curriculum does increase students' awareness throughout the BSBA program, that overall the mean performance by seniors, 4.39 out of 9, was not satisfactory.

Implications for Future Study

The report of this pilot study is being discussed by the department curriculum committee to determine whether this study captured the meaning of the learning goal adequately and to evaluate how well the students performed. Faculty members in the various disciplines (marketing, management, finance and accounting) are in the process of reviewing their master syllabi with the intent of considering increases in their emphasis on current business issues.

Perhaps the largest benefit of this pilot study was involvement of a wide range of faculty in the design and analysis of an assurance of learning effort. Faculty members have become familiar with the entire AoL cycle from goal-setting through data collection to evaluation of

results. They understand that the meaning of AoL is continuous programmatic improvement toward the achievement of the goals that they themselves have set as targets for their students.

Future research in the area of assessing students' conversancy in business issues is under way. One of the AOL committee members engaged sixty of her marketing students in identifying their views of the most important current business issues, providing support and citations for their choices. This resulted in a list of 150 possible issues, which will be used to generate another assessment of this goal. Besides providing valuable input for the next iteration of this survey, the pedagogical implications of involving students in developing an assessment instrument is interesting, and reinforces AACSB's attention to stakeholder involvement. Possibly, a focus group of recently-graduated alumni will be used to learn their views about the validity of this learning goal, and a similar discussion is planned with the College's Board of Advisors. Thus, this pilot study may evolve into a project that provides an educational and involving experience for multiple stakeholders of the department's continuous improvement processes.

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APPENDIX A. SURVEY INSTRUMENT

Department of Business Administration
Current Business Issues Instrument

Current Major:

- Accounting
- Finance
- International Business
- Management
- Marketing
- Business Core

What year are you in?

- First year (less than 30 credits)
- Sophomore (30.5 – 60 credits)
- Junior (60.5 – 90 credits)
- Senior (more than 90 credits)

Sex:

- Female Male

Did you transfer to KU from another college?

- No
- Yes If so, about how many credits did you transfer in? _____

From what source do you normally get the news?

- Newspaper
- TV
- Internet
- Radio
- Other

How frequently do you normally check the news?

- More than once a day
- About once a day
- 3 – 4 times a week
- Once a week
- Once a month
- Almost never

If you would like to know your score on this instrument, please provide your name and Email address here.

For the following questions, please indicate your answer by circling the appropriate letter. Only one letter per question, please.

1. Which of the following is NOT a current trend in marketing?
 - a. Newspapers are growing at a faster rate than television
 - b. E-tail is growing at a faster rate than brick and mortar retail
 - c. Disintermediation (that is, the middleman is disappearing in the supply chain)
 - d. The customer is becoming better and better informed
 - e. More and more retailers are moving toward self-service

2. The Chinese government and Google entered into an agreement whereby the results from Google searches are to be reviewed by the Chinese government for results they find objectionable. This is an example of:
 - a. Intellectual property
 - b. Fair use
 - c. Personal privacy
 - d. Censorship
 - e. An intellectual tariff

3. Apple filed a lawsuit against Samsung to prevent it from selling its Galaxy 10.1N tablet and Galaxy Nexus smartphone based on a claim of:
 - a. Copyright infringement
 - b. Identity theft
 - c. Plagiarism
 - d. Privacy protection
 - e. Fair use

4. Some European Union leaders hope that _____ will ease their intensifying debt crisis through buying a large sum of Euro-denominated bonds.
 - a. The U.S.
 - b. The U.K.
 - c. China
 - d. Greece
 - e. Italy

5. Interest rates in the economy reflect many factors, including monetary policy. Specifically the Fed sets the target federal funds rate. Currently, that rate target is:
 - a. 25%
 - b. 10%
 - c. 0% to 0.25%
 - d. 5% to 6.5%
 - e. The Fed keeps the target rate secret

6. Many investors and stock market observers monitor well-known stock indices such as the Dow Jones Industrial Average. On February 26, 2012, the level of the Dow was closest to:

- a. 130
- b. 500
- c. 1300
- d. 5000
- e. 13000

7. As of January, 2012, the unemployment rate in the U.S. was about ____ and _____.

- a. 4% and rising
- b. 4% and falling
- c. 8% and rising
- d. 8% and falling
- e. 12% and rising

8. The Marcellus Shale, a large natural gas resource, has been discovered underlying several states including Pennsylvania. Environmentalists are concerned about the effects of the process of extracting the natural gas. The process of getting the gas out of the ground is called:

- a. Fracking
- b. Mining
- c. Dumping
- d. Pumping
- e. Distention

9. Which of the following major sports has not had a major labor relations dispute in the last ten years?

- a. The National Basketball Association
- b. The National Football League
- c. The National Hockey League
- d. Major League Baseball
- e. All of the above have had major labor relations disputes in the last ten years

10. Recently, Congress passed a bill to continue a 2% reduction in the payroll tax. The payroll tax funds:

- a. Unemployment insurance
- b. Worker's compensation programs
- c. Social Security
- d. The Environmental Protection Agency
- e. The new national health insurance policy

APPENDIX B.

Table 1.

Students' Majors (n = 392)

Major	N (%)
Accounting	46 (12%)
Finance	30 (8%)
International Business	1 (0%)
Management	160 (41%)
Marketing	151 (38%)
Core	33 (8%)

Note. Double majors appear twice.

APPENDIX C.

Table 2.

Total Correct by Year (Possible = 9)

Year	Total Correct (%)
First-year	2.65 (29%)
Sophomore	3.56 (40%)
Junior	4.10 (46%)
Senior	4.39 (49%)
Total	4.06 (45%)

APPENDIX D.

Table 3.

Total Score by Major (Possible = 9)

Major	Total Correct
Accounting	4.33
Finance	4.87**
Management	3.86
Marketing	4.28*
Core	3.36*
Total	4.05

Note. Double majors count in both majors. International Business is not listed due to its small sample size. ** $p \leq .01$; * $p \leq .05$, for differences between students of that major and those not of that major.

APPENDIX E.

Table 4.

Performance on Individual Questions (% of Majors with Correct Answer)

Question	ACC (n=46)	FIN (n=30)	MGM (n=160)	MKT (n=151)	All (n=387*)
1. Current trend in marketing	33 (72%)	24 (80%)	116 (73%)	128 (85%)	324 (78%)
2. The Chinese government and Google	38 (83%)	20 (67%)	114 (71%)	119 (79%)	291 (75%)
3. Not analyzed	---	---	---	---	---
4. European debt crisis	17 (37%)	20 (67%)	50 (31%)	41 (27%)	128 (33%)
5. Target federal funds rate	11 (24%)	15 (50%)	25 (16%)	24 (16%)	75 (19%)
6. Dow Jones Industrial Average level	13 (28%)	12 (40%)	23 (14%)	23 (15%)	71 (18%)
7. Unemployment rate in the U.S.	23 (50%)	22 (73%)	81 (51%)	92 (61%)	218 (56%)
8. "Fracking"	23 (50%)	10 (33%)	85 (53%)	97 (64%)	215 (56%)
9. Labor relations disputes in major sports	15 (33%)	9 (30%)	50 (31%)	47 (31%)	121 (31%)
10. Payroll tax	26 (57%)	14 (47%)	74 (46%)	75 (50%)	189 (49%)

Note. Double majors are counted twice, once in each major.

APPENDIX F.

Table 5.

Students' Sources for News (n = 392)

Source	Number of Students Citing As Source
Newspaper	71
TV	200
Internet	294
Radio	30
Other	23
Total	618

Note: Multiple answers were allowed.

APPENDIX G.

Table 6.

Frequency of Checking News (n = 392)

Frequency	N (%)
More than once a day	47 (12%)
About once a day	130 (33%)
3 – 4 times a week	85 (22%)
Once a week	91 (23%)
Once a month	9 (2%)
Almost never	30 (8%)

APPENDIX H.

Table 7.

Regression Results

Variable	Beta
Frequency	-.21**
Gender (Male = 1, Female = 0)	.13**
Transfer	.07
Accounting major	.09
Finance major	.13*
Management major	.01
Marketing major	.15*
Year in program	.17**

Note. The frequency variable is reverse scored, in that higher scores equal less frequency of checking news. Thus, checking the news more frequently is related to better total scores.

** $p \leq .01$ * $p \leq .05$.