

# Developments In Business Simulation & Experiential Exercises, Volume 21, 1994

## STRANGE BEDFELLOWS: COMPETENCY MODELS AND ACBSP ACCREDITATION STANDARDS

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### ABSTRACT

The Reeves School of Business (RSB) at Methodist College is seeking accreditation by the Association for Collegiate Business Schools and Programs (ACBSP). One of the accreditation standards focuses on *Outcome Assessment*. As part of the strategic planning process RSB is utilizing two competency models in order to analyze and revise both curricular structure and classroom delivery. A model is developed as a framework for helping accomplish the twin goals of accreditation and continued development of RSB programs.

### REEVES SCHOOL OF BUSINESS

For the academic year of 1993-1994, the number of majors within RSB is 500 (350 day and 150 evening). Of the majors in the day program 50% are enrolled in the Professional Golf Management program. Indeed over 60% of new freshmen declaring interest in RSB majors, have chosen PGM. Methodist College is seeking PGA certification.

As part of the ongoing strategic planning process, RSB has established a goal of ACBSP accreditation by spring or summer of 1995. To reach this goal, the 1993-1994 academic year must be designated as the "melt-study" year. To this end, this writer, as chair of the RSB accreditation committee, is shepherding the preparation of a "Preliminary Visit Questionnaire." The purpose is to have the Executive Director of ACBSP conduct a consultation visit to our campus to determine if it is feasible for AY 1993-1994 to be the year of self-study.

### THE ASSOCIATION OF COLLEGIATE BUSINESS SCHOOLS AND PROGRAMS

The ACBSP was founded in 1989 as an alternative to accreditation by the American Assembly of Collegiate Schools of Business (AACSB). It was thought that AACSB was more appropriate for well-endowed research institutions. Another organization was needed to serve the need of less well-endowed, smaller, liberal arts oriented colleges such as Methodist.

The ACBSP designates 25 standards to be addressed and documented in the self-study. For purposes of the consultation-visitation, only eight standards need to be addressed. Methodist College has no graduate business program. Thus, only seven of the eight need to be addressed. Of these seven two are germane to this paper.

- B1 - Common Professional Components (CPC's)
- H1- Outcomes Assessment

### THE RSB MODEL

The basic model which has resulted from the strategic planning process within the Reeves School of Business has three dimensions.

#### DIMENSION 1 - Common Professional Components

Standard B1 reads, in part:

The Common Professional Component (CPC), as outlined below, must be included in the content of the courses taught in all accredited schools and programs.

1. Business Functions and Operations
  - a. Production and Operations Management
  - b. Marketing
  - c. Business Finance
2. Economic/Social/Legal Environment
  - a. Legal Environment of Business
  - b. Economics
  - c. Business Ethics
3. Quantitative Methods and Information systems
  - a. Accounting
  - b. Management Information Systems
  - c. Quantitative Techniques/Statistics
4. Organization Theory and Interpersonal Behavior
  - a. Management
  - b. Organization Behavior
  - c. Human Resource Management
5. Administrative Processes and Policy
  - a. Business Policies
  - b. A comprehensive or integrating experience that enables a student to demonstrate the capacity to synthesize and apply knowledge (eg: course, thesis, comprehensive examination) from an organizational perspective.
6. Global Dimension of Business

This standard requires the preparation of a "Summary of Common Professional Component (CPC) Compliance". In the case of RSB this matrix would contain 15 columns (The CPC's) and 27 rows (The Required Core Courses).

There is a problem, though. Virtually all of the required core courses and the CPC's pertain, for the most part, to the acquisition of knowledge - knowledge about Accounting, Economics, Finance, etc. A third dimension needs to be added to the model.

#### DIMENSION 2 - The Required Core Courses

Within the Reeves School of Business, three majors are offered: Accounting, Business Administration, and Finance/Economics -Business Administration encompasses several "concentrations": Professional Golf Management (PGM), Professional Tennis Management (PTM), Health Care Administration, and Fashion Merchandising/Retail Management. The former Economics major, not well received, has been "repackaged" in a Finance/Economics program consisting of required courses in both Business (BUS) and Economics (ECO). A listing of the twenty-seven required courses in the RSB is shown below.

ACCOUNTING (ACC)	SEMESTER HOURS
ACC 251 Principles I	3
ACC 252 Principles II	3
ACC 341 Intermediate I	3
ACC 342 Intermediate II	3
ACC 345 Cost I	3
ACC 346 Cost II	3
ACC 385 Federal Income Tax	3
ACC 481 Advanced	3
ACC 490 Auditing	3

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## BUSINESS (BUS) SEMESTER HOURS

BUS 110 Introduction to Business	3
BUS 325 Micro Computer Business Application	3
BUS 332 Managerial Finance	3
BUS 341 Principles of Management	3
BUS 342 Organizational Behavior and Theory	3
BUS 351 Principles of Marketing	3
BUS 352 Business Law I	3
BUS 353 Business Law II	3
BUS 412 Intermediate Managerial Finance	3
BUS 415 Investment and Portfolio Management	3
BUS 470 Business Policy and Strategy	3

## IV. Stability of Performance

## ECONOMICS (ECO)

ECO 216 Statistics For Business and Economics
ECO 261 Principles of Macroeconomics
ECO 262 Principles of Microeconomics
ECO 311 Money and Banking
ECO 313 Managerial Economics
ECO 316 Advances Statistical Analysis
ECO 452 International Trade and Finance

ACBSP standard Bi requires the development of an "Abbreviated Course Syllabus" for each of the required twenty-seven core courses. The content of each course must be analyzed in term of "Contact Hours/Minutes" spent in class on each of the "Common Professional Components" 4 or CPC's).

## DIMENSION 3 - Competency Models

Beginning in 1979, the AACSB, in joint cooperation with the European Foundation for Management Development (EFMD) sponsored research centering on a thirty year period of 1) Global Environmental, Economic and Political Forces for change, 2) how the job of manager might change during the 1980-2010 period, and 3) how the training, education, and development of managers would also need to change. A summary of findings is shown in Exhibit 3. To be especially noted is a major finding of the 1980 AACSB annual meeting, i.e. "The need to broaden, deepen, enlarge, and enhance the business school curriculum to include improvement of noncognitive skills will become critical."

The latter part of this 3-year research project led to a listing of twenty "Non-Cognitive" outputs, which will impact curricular structure and classroom delivery process. The initial listing of these Non-Cognitive outputs, as developed by the AACSB-EFMD research group is shown below.

### I. Administrative Skills

1. Organizing and Planning
2. Decision-Making
3. Creativity

### II. Interpersonal Skills

1. Leadership
2. Oral Communication Skills
3. Behavioral Impact
4. Personal Impact
5. Social Objectivity
6. Perception of Threshold Social Cues

### III. Intellectual Ability

1. Range of Interests
2. General Mental Ability
3. Written Communication Skills

- IV. Stability of Performance
  1. Tolerance of Uncertainty
  2. Resistance to Stress

- V. Work Motivation
  1. Primacy of Work
  2. Inner Work Standards
  3. Energy
  4. Self-Objectivity
  5. Career Orientation

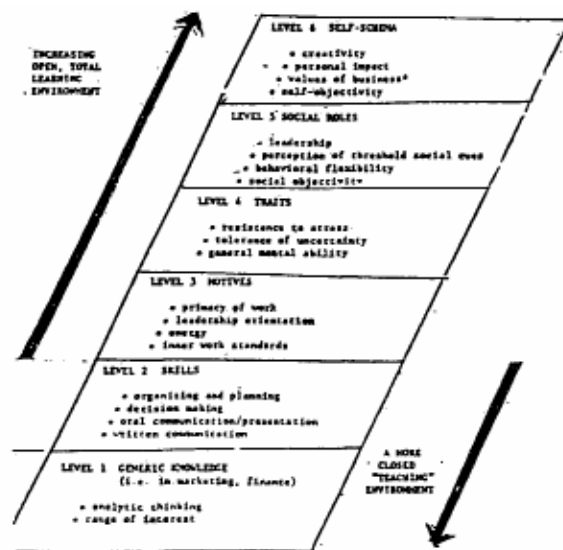
### VI. Values of Business

An appreciation for economic values, private enterprise, the profit nature, and other similar values

The twenty outputs are listed both by general area (Cluster) and by specific output. Cluster VI is a unique stand-alone output dealing with the "Values of Business" (Read Corporate Culture).

Over a fifteen-year period, this writer has researched, delivered papers (ABSEL, Academy of Management), consulted on, constructed and chaired three major symposia (Academy of Management Annual Meetings) on diverse aspects of this competency model. One result of this effort was to, in effect "arrange" these twenty Non-Cognitive outputs in a hierarchical structure, using the ladder analogy, as seen in Exhibit 4. The six "rungs" of the ladder shift from a teaching delivery at lower levels (A "closed" system?) to a learning classroom environment at upper levels. Because the majors and concentrations within RSB are undergraduate the third dimension of the suggested model turns out to be the twenty AACSB competencies.

**EXHIBIT 4**  
**A LADDER OF COMPETENCY LEVELS**  
**(BASED UPON AACSB PHASE I ACCREDITATION RESEARCH)**



To summarize, the three dimensional model, as seen in Exhibit 5, consists of:

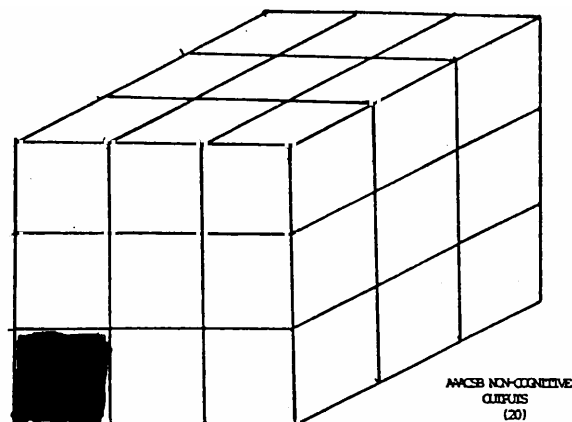
Dimension 1	15 Columns (CPC's)
Dimension 2	27 Rows (Core Courses)
Dimension 3	20 "Depths" (AACSB outputs)

Thus, there are 8,100 cells in the total matrix - A bit of diversity in the cell choices is possible.

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EXHIBIT 5  
A THREE DIMENSIONAL MODEL OF  
ACCREDITATION COMPLIANCE AND PROGRAM DEVELOPMENT

## Utilizing the Model



The cells showing the interfacing of Core Courses and CPC's - the two dimensional matrix - are being completed as part of the RSB compliance with standard Bi (As mentioned above). This stage I matrix has 405 cells. Obviously not every cell will be filled with Contact Hours/Minutes. Not all Core Courses have content relating to "Production and Operations Management" - CPC Ia. Thus, the stage I matrix is a framework within which the total RSB program is evaluated to determine compliance with standard Bi.

Before we move to utilization of the Stage II matrix, it is necessary to examine ACBSP Standard Hi. Standard Hi states:

An institution must have an outcomes assessment program with documentation of the results and evidence that the results are being used for the development and/or improvement of the institution's academic programs.

Both Methodist College and the Reeves School of Business have limited and "preliminary" programs for outcomes assessment. RSB has initiated the use of the Educational Testing Service (ETS) field test in business. In addition, an internal test of Gain of Accounting Knowledge has been sporadically used.

Exhibit 6 shows the basic purpose of the Reeves School together with Goal 2 end relevant objectives. At the forthcoming RSB Strategic Planning meeting of October 13, the faculty will begin the process of determining how and when the AACSB Model can be used to both meet Standard Hi and move toward accomplishment of Goal 2.

## Specific Example

In Exhibit 5, the blackened cell would represent coordinates 1,1,1, which would translate to:

Column 1: Production and Operations Management  
Row 1: ACC 251 Principles of Accounting I  
Array 1: Range of Interest

This combination would not be too applicable - almost an "empty" cell. A more meaningful example would be the cell at coordinates 11,14,13:

Column 11: Organizational Behavior  
Row 14: BUS 342 Organizational Behavior and Theory  
Array 13: Resistance to Stress

This is more of a "full" (meaningful) cell. In fact, this writer presented a paper on this very issue in 1985 (See proceedings 12th Annual ABSEL, pp 141-144). One last example from innumerable possibilities the cell at coordinates 10,13,20 translates as:

Column 10: Management  
Row 13: BUS 341 Principles of Management  
Array 20: Creativity

Within the Management course, an experiential exercise utilizing "Conceptual "Blockbusting", Problem Solving, the Drawing of Mandelas could nicely fit into a discussion of entrepreneurship and group problem finding/problem solving behaviors.

EXHIBIT 6  
REEVES SCHOOL OF BUSINESS  
MISSION, PURPOSE, AND GOAL 2

September 30, 1993

## DIVISION OF BUSINESS AND ECONOMICS/REEVES SCHOOL OF BUSINESS

Mission Statement for the Reeves school of Business.

### PREAMBLE

The mission of the Reeves School of Business is to develop students' understanding and behavior relative to business and economic affairs so that they function with integrity and success in subsequent professional and /or academic endeavors.

### BASIC PURPOSE

Our purpose is to develop within our students a range of competencies, which enable them to obtain either a career position within their business field or to gain admission to graduate school.

GOAL 2 To utilize a competency frame work in order to determine curricular structures and processes

Objective 1 — To review both the AACSB and AMA. (American Management Association) models by December 1993.

Objective 2 — to incorporate test questions/problems used throughout the profession for similar courses/topics

Objective 3 - To reach agreement from business school faculty on which competencies are necessary for students to reach objectives of career or advance study in graduate school.

## CONCLUSION

To comply with ACBSP Standard Bi a stage I matrix must be used. To move into the stage II matrix - 8,100 cells - is to utilize a selective yet powerful innovation in classroom processes. ACBSP Standard Hi does not specifically mention "non-cognitive" outcomes. But as we head toward the outer temporal point of the AACSB-EFMD study (the year 2010) such types of management learning are to be implicitly assumed.

One final note: On October 5, 1993, Mr. John Carlisle, Executive Director of the Cape Fear Valley Medical Center, appeared on campus as part of the RSB Executive Speaker Luncheon Series. In his comments addressed to students, he spoke of career opportunities in Health Care and of the "real" world beyond graduation. He stated that the acquisition of technological skills in any area was not enough (only the necessary condition for success). He surprised the vast majority of students by energetically stating that such traits and skills (Read Competencies) as stamina, coping with stress, positive self-concept, and creativity are worth their weight in gold. These and other not specifically mentioned competencies are to be viewed as the "sufficient" condition for success. It seemed like Mr. Carlisle sensed the critical importance of 'non-cognitive' outputs.