

## PROGRAM REVIEW

February 7, 2011

UNIT Economics DEPARTMENT Economics & Finance COLLEGE Harrison College of Business

GRADUATE \_\_\_\_\_ UNDERGRADUATE X

UNIT CONTACT PERSON \_\_\_\_\_

CHAIRPERSON SIGNATURE \_\_\_\_\_

DEAN SIGNATURE \_\_\_\_\_

### EXECUTIVE SUMMARY UNDERGRADUATE

Instruction in economics is essential for basic economic literacy needed by all citizens. The language and concepts of economics are universal throughout the world and, given the importance of globalization, necessary to the curriculum of all universities. Instruction in economics is a requirement for AACSB accreditation. Given these facts, elimination of all instruction in economics is not feasible.

It has been suggested that the major in economics be eliminated, and that retiring tenure track, Ph.D. faculty be replaced by RNTT, master's level instructors. This suggestion ignores a number of programmatic and service needs. Master's level instructors are not qualified to teach upper level economics courses or MBA courses. Two upper level economics courses are required on other undergraduate majors, and five others are electives on other majors. Five economics faculty teach MBA courses. Four upper level University Studies courses are also regularly taught by economics faculty. In addition, Ph.D. faculty are necessary to assist with research for the Center for Economic and Business Research (CEBR). One of the core missions of the University is to serve the economic development needs of Southeast Missouri. The Center for Economic & Business Research is one of the major ways in which this core mission is promoted. Without the research assistance of the Economics & Finance faculty, it would not be possible to sustain the current high level of service to the region that the Center currently provides. Costs can be reduced through merging and eliminating upper level economics courses. In addition, merging the two options in the BSBA degree will reduce costs; this single option will incorporate finance courses.

Attracting new majors is an obvious goal, and the creation of a new program in Law and Economics in the BS degree will accomplish this. This program will include courses from political science, business law and economics. Economics is excellent preparation for law school, and economics majors score significantly higher on the LSAT than most other majors.

While it may be feasible to replace some retiring tenure track faculty with RNTT, it is necessary to retain a core number of Ph.D. faculty for programmatic needs and service to the region. Given this, elimination of the economics majors will result in little cost saving, but significant loss to the university community.

Program Review Final University Committee Chair Comments

## I. SIZE, SCOPE, AND PRODUCTIVITY OF THE PROGRAM

### Briefly describe the depth and breadth of your unit's offerings (Undergraduate).

The number of majors declined in AY2009, but a one year decline is not a trend. The average number of minors has doubled since the last program review, from an average of 12 to a current average of 24. Current average number of completers is 9, which is higher than the aspiration goal of 8. Student credit hour ratio has increased; the AY 2009 figure is in line with Delaware numbers. Average ratio of 295 is equal to college and higher than university. 11% of classes had low enrollment and this includes sections of our one senior capstone course that we teach as an unpaid overload. The percentage is lower than the college and university. The retention rate from freshman to sophomore is difficult to interpret since few students declare an economics major in the freshman year. The junior/ senior retention rate of 83% is more indicative of our success in retaining students.

SIZE and SCOPE DATA UNDERGRADUATE							
Measure	Minimum	Aspirational Target	Year				
			AY07	AY08	AY09	4	5
Majors UNIT Total	20	40	36	35	28		
Economics (BS) [BS/BS/ECON]			14	18	7		
Economics: Busn Economics [BSBA PREBUS/BSBA/ECBE]			4	6	6		
Economics: Busn Economics [BSBA/BSBA/ECBE]			12	8	5		
Economics: Financial Economics [BSBA PREBUS/BSBA/ECFN]			1	1	6		
Economics: Financial Economics [BSBA/BSBA/ECFN]			5	2	4		
Minors UNIT Total			23	26	23		
Economics Minor			23	26	23		
Completers UNIT Total	5	8	9	12	6		
Economics (BS) [BS/BS/ECON]			3	9	3		
Economics: Busn Economics [BSBA/BSBA/ECBE]			3	3	2		
Economics: Financial Economics [BSBA/BSBA/ECFN]			3	0	1		
% Completion Rate 6 YR	31	52	0	56	50		
Unit - % Retention FS YR 1 -- F YR 2	53	53	0	100	25		
Unit - % Retention FS YR 3 -- F YR 4	48	79	73	100	75		
UNIV - % Retention FS YR 1 -- F YR 2			100	100	50		
UNIV - % Retention FS YR 3 -- F YR 4			80	100	100		
SCH On Campus FS			4,064	3,933	3,818		
SCH Off Campus FS			312	273	291		
SCH Total FS			4,376	4,206	4,109		
SCH Summer On and Off Campus			666	540	603		
SCHR (SCH ratios) On Campus Fall/Spring	240	300	299	290	306		
SCHR (SCH ratios) Off Campus Fall/Spring	210	300	240	232	322		
SCHR (SCH ratios) Total	210	300	294	285	307		

Delaware SCHR			342	320			
% of Sections with Enrollment < 10 (GR < 8)	10	5	13	10	11		

### Area of Concern for Size and Scope Data (Undergraduate)

The major concern is the relatively low number of majors, although the AY2009 figures do not necessarily indicate a downward trend. Other indicators show productivity equal to or higher than the college and university.

The University Catalog says that the grading scale at Southeast Missouri State University is: A=Outstanding, B=Superior, C=Average, D=inferior, and F=Fail. The department has tried to maintain academic integrity by adhering to this scale. To adhere to the scale the department has the obligation to make courses challenging. Valen Johnson (2003) finds that grading differences across disciplines divert students and resources away from hard grading disciplines toward easy grading ones. Based on 17,000 matched comparisons of the same student in two different courses at Duke University, Johnson finds that chemistry, physics, mathematics, biology, and economics were the departments most penalized as students were twice as likely to take a course from a professor who assigned a mean grade of A- versus B. Using data obtained from Institutional Research at Southeast Missouri State University, the average GPA increased from 2.62 in 1985-86 to 3.07 in 2004-05. In Economics the average GPA increased from 2.41 to 2.6 during the same period. In the last program review, the departments of Philosophy, Geosciences, and Economics were identified as having low number of majors. These departments were also among the five departments (Chemistry and Mathematics were the other two) that had the lowest GPAs. By eliminating the economics major the university will be sending a signal to departments that maintaining academic quality and integrity in line with the university catalog will be detrimental to the health of the department and will encourage grade inflation.

TEACHING PERSONNEL DATA UNDERGRADUATE							
	Minimum	Aspirational Target	AY07	AY08	AY09	Year 4	Year 5
Unit Full Time Faculty Number	8.00	8.00	8.00	8.00	8.00		
Unit Full Time Faculty Adjusted for Release	7.00	7.00	7.17	7.17	7.17		
Unit Full Time Faculty UG FTE			13.69	12.94	12.47		
Unit Regional Campus Faculty Number					0.00		
Other Teaching Personnel UG Number	3.00	4.00	3.00	4.00	5.00		
Other Teaching Personnel UG PTFTE	0.50	1.00	1.20	1.80	0.90		

### Area of Concern for Teaching Personnel Data (Undergraduate)

The department currently has 7 tenured faculty and one RNTT. It has been suggested that current tenured faculty be replaced by RNTT as they retire, with the instructors teaching only freshman and sophomore level economics courses. Given the teaching responsibilities of the tenured faculty, replacement of all tenured faculty would be detrimental to other programs within and outside of the college of business. RNTT faculty would not be qualified to teach upper level economics courses and MBA courses. EC561, Managerial Economics, is a required course for the Organizational Administration major. (This is not reflected in university data.) There are several other upper level courses that are electives on other majors - finance, international business, and environmental science. The CEBR relies on Ph.D. faculty to conduct research that serves the economic development needs of the University's service region. Replacement of all Ph.D., tenured/tenure track faculty would result in a serious decline or demise in the effectiveness of the CEBR. It has been noted that the large number of full professors in the department is a concern. In fact, the large number of full professor reflects the high quality of the faculty and their dedication to the university. Five of six full professors in the department have earned post-professorial merit; four of six have earned it twice. Research productivity is very high; in 2007, 2008 and 2009, economics faculty published 27 national/international refereed journal articles.

COMPARISONS UNDERGRADUATE										
	AY07		AY08		AY09		Year 4		Year 5	
	COLL	UNIV	COLL	UNIV	COLL	UNIV	COLL	UNIV	COLL	UNIV
% Completion Rate 6 YR	54.41	50.77	53.20	50.82	48.36	47.04				
Unit - % Retention FS YR 1 -- F YR 2	56.19	62.68	50.22	63.69	51.63	66.03				
Unit - % Retention FS YR 3 -- F YR 4	81.37	82.78	81.49	83.34	74.66	82.34				
UNIV - % Retention FS YR 1 -- F YR 2	70.95	62.81	67.55	63.69	69.26	66.13				
UNIV - % Retention FS YR 3 -- F YR 4	85.51	83.02	87.01	83.73	82.77	82.40				
SCHR (SCH ratios) On Campus Fall/Spring	306.00	262.00	304.00	261.00	279.00	248.00				
SCHR (SCH ratios) Off Campus Fall/Spring	178.00	227.00	233.00	290.00	144.00	213.00				
SCHR (SCH ratios) Total	299.00	242.00	301.00	265.00	275.00	242.00				
% of Sections with Enrollment < 10 (GR < 8)	13.27	17.54	10.10	17.42	11.51	22.70				

SIZE and SCOPE DATA SUMMARY UNDERGRADUATE					
Measure	Mean	5 year Outcome	% of Aspiration Target	Trend	
Majors UNIT Total	33.0	Needs Improvement	82.5	Declining	
Economics (BS) [BS/BS/ECON]	13.0			Irregular	
Economics: Busn Economics [BSBA PREBUS/BSBA/ECBE]	5.3			Irregular	
Economics: Busn Economics [BSBA/BSBA/ECBE]	8.3			Declining	
Economics: Financial Economics [BSBA PREBUS/BSBA/ECFN]	2.7			Improving	
Economics: Financial Economics [BSBA/BSBA/ECFN]	3.7			Irregular	
Minors UNIT Total	24.0			Irregular	
Economics Minor	24.0			Irregular	
Completers UNIT Total	9.0	Aspiration	112.5	Irregular	
Economics (BS) [BS/BS/ECON]	5.0			Irregular	
Economics: Busn Economics [BSBA/BSBA/ECBE]	2.7			Declining	
Economics: Financial Economics [BSBA/BSBA/ECFN]	1.3			Irregular	
% Completion Rate 6 YR	35.3	Needs Improvement	67.94	Irregular	
Unit - % Retention FS YR 1 -- F YR 2	41.7	Red Flag	78.6	Irregular	
Unit - % Retention FS YR 3 -- F YR 4	82.7	Aspiration	104.63	Irregular	
UNIV - % Retention FS YR 1 -- F YR 2	83.3			Declining	
UNIV - % Retention FS YR 3 -- F YR 4	93.3			Irregular	
SCH On Campus FS	3,938.3			Declining	
SCH Off Campus FS	292.0			Irregular	
SCH Total FS	4,230.3			Declining	
SCH Summer On and Off Campus	603.0			Irregular	
SCHR (SCH ratios) On Campus Fall/Spring	298.3	Needs Improvement	99.44	Irregular	

SCHR (SCH ratios) Off Campus Fall/Spring	264.7	Needs Improvement	88.22	Irregular
SCHR (SCH ratios) Total	295.3	Needs Improvement	98.44	Irregular
% of Sections with Enrollment < 10 (GR < 8)	11.3	Aspiration	226.6	Irregular

## UNDERGRADUATE

### Brief Conclusion from Data

The data indicate the need for some changes in the major and an intense marketing effort to convince students of the desirability of an economics major. Other data show high productivity; the current average student credit hour ratio of 295 is higher than the ratio of 270 in the last program review. The current ratio of 295 is higher than the university's ratio of 250. The junior/senior retention rate is equal to that of the college and university. While the average 6 year completion rate of 35% is lower than that of the college and university, the 0% figure for AY07 is difficult to interpret, given that this rate in AY08 and AY09 exceed 50%. The percentage of low enrollment courses of 11% is below that of the university; once again, this percentage includes sections of EC498, the senior capstone course that is offered every semester. The course is rotated through the faculty and taught as an unpaid overload.

### Additional Data or Comments

Economics course required in Organizational Administration major: EC561, Managerial Economics  
Economics elective course in International Business major: EC580, International Economics. This course is offered on the web, and always enrolls 25 students.  
Economics elective courses in Finance major: EC351, Applied Economic Models; EC410, Macroeconomic Theory; EC335, Monetary Economics  
Economics required course in Environmental Science major: EC344, Environmental Economics  
Economics elective course in the Human Resource Management option (Management major): EC380, Labor Economics  
EC580 and EC561 also service the MBA on-line program, which has recently been ranked number 1 for quality and affordability.

### Plan to Address

In order to attract more pre-law majors, we propose a program in Law and Economics in B.S. degree. This would either be an option in the B.S. in Economics or a change in the name of the major to Law and Economics. The department has not completely developed the proposal at this time. To our knowledge, there are no undergraduate Law and Economics programs at any Missouri universities, or in universities in Illinois, Kentucky, Arkansas, Kansas or Iowa. Studies have shown that economics majors regularly score higher than most other majors on the LSAT exam. This major would incorporate courses from business law, political science and economics. We anticipate that most of the courses in the major will be those that are required or electives in other majors. We also anticipate that two upper level UI courses (UI366 - Law and Economics and UI371-Government and Business) will be included. Both of these courses are web-based and regularly enroll 22 to 25 students. Another curriculum change would involve combining the two options in the BSBA degree into one, financial economics. This major would include two or three finance courses. We also plan to eliminate several economics courses that have low enrollments and combine EC350, Applied Economic Models and EC490, Business and Economic Forecasting, into one course. These actions will result in only three upper level economics courses that enroll only economics majors: EC420, Microeconomic Theory; EC425, Industrial Organization; EC3xx: Economic Models and Forecasting (combined EC351 and EC490). While replacement of some retired tenured faculty with RNTT would be possible, the programmatic needs and service mission of the university necessitates a core number of Ph.D. faculty. Given this need, the marginal (additional) cost of the economics major is already low. This cost will be reduced significantly with the curriculum changes outlined above.

### Brief Follow Up on Outcomes of Plans to Address from Last Review

The department continues its own recruiting efforts in addition to participating in recruitment activities in the college of business. High performing students in introductory economics courses are recruited by faculty and chairperson through personal contact and written communication. Letters are sent each semester to pre-

law majors and undeclared majors. Visits with prospective students on-campus are coordinated with the admissions office. We participate in all events organized by the Admissions Office, such as Show Me and participation in the HCB fall and spring Open Houses, and we participate in an annual lunch with SE Admissions Counselors. This lunch meeting is an opportunity to bring the admissions staff up to date on college/department matters.

**Program Review Final University Committee Chair Comments**

## II. REVENUE AND OTHER RESOURCES GENERATED BY THE PROGRAM

REVENUE DATA UNDERGRADUATE					
Measure	AY07	AY08	AY09	Year 4	Year 5
All Courses - SCH Revenue					
On Campus FS	813,452.46	863,169.03	899,137.42		
Off Campus FS	38,306.64	35,832.78	38,887.50		
Summer On and Off Campus	130,971.81	117,099.36	138,649.08		
Subtotal Revenue SCH	982,730.91	1,016,101.17	1,076,674.00		
All Courses - Fees Revenue					
On Campus FS	0.00	0.00	0.00		
Off Campus FS	0.00	0.00	0.00		
Summer On and Off Campus	0.00	0.00	0.00		
Subtotal Revenue FeeS	0.00	0.00	0.00		
All Courses - Total SCH and Fees	982,730.91	1,016,101.17	1,076,674.00		
Univ Studies Crses - SCH Revenue					
On Campus FS	561,716.19	578,957.82	621,347.82		
Off Campus FS	35,599.32	33,961.02	37,231.50		
Summer On and Off Campus	97,739.55	85,192.14	110,812.56		
Subtotal Revenue SCH	695,055.06	698,110.98	769,391.88		
Univ Studies Crses - Fees Revenue					
On Campus FS	0.00	0.00	0.00		
Off Campus FS	0.00	0.00	0.00		
Summer On and Off Campus	0.00	0.00	0.00		
Subtotal Revenue FeeS	0.00	0.00	0.00		
Univ Studies - Total SCH and Fees	695,055.06	698,110.98	769,391.88		
SER/BC/ROM Crses - SCH Revenue					
On Campus FS	204,905.25	217,094.88	218,579.16		
Off Campus FS	2,707.32	1,871.76	1,656.00		
Summer On and Off Campus	33,232.26	31,907.22	27,836.52		
Subtotal Revenue SCH	240,844.83	250,873.86	248,071.68		
SER/BC/ROM Crses - Fees Revenue					
On Campus FS	0.00	0.00	0.00		
Off Campus FS	0.00	0.00	0.00		
Summer On and Off Campus	0.00	0.00	0.00		
Subtotal Revenue Fees	0.00	0.00	0.00		
SER/BC/ROM - Total SCH and Fees	240,844.83	250,873.86	248,071.68		
Major Courses - SCH Revenue					

On Campus FS	46,831.02	67,116.33	59,210.44		
Off Campus FS	0.00	0.00	0.00		
Summer On and Off Campus	0.00	0.00	0.00		
Subtotal Revenue SCH	46,831.02	67,116.33	59,210.44		
Major Courses - Fees Revenue					
On Campus FS	0.00	0.00	0.00		
Off Campus FS	0.00	0.00	0.00		
Summer On and Off Campus	0.00	0.00	0.00		
Subtotal Revenue FeeS	0.00	0.00	0.00		
Major Courses - Total SCH and Fees	46,831.02	67,116.33	59,210.44		
Unit Revenue External Grants	0.00	0.00	0.00		

#### SUMMARY UNDERGRADUATE

Measure	Mean	Trend
All Courses - SCH Revenue		
On Campus FS	858,586.30	Improving
Off Campus FS	37,675.64	Irregular
Summer On and Off Campus	128,906.75	Irregular
Subtotal Revenue SCH	1,025,168.69	Improving
All Courses - Fees Revenue		
On Campus FS	0.00	Static
Off Campus FS	0.00	Static
Summer On and Off Campus	0.00	Static
Subtotal Revenue FeeS	0.00	Static
All Courses - Total SCH and Fees	1,025,168.69	Improving
Univ Studies Crses - SCH Revenue		
On Campus FS	587,340.61	Improving
Off Campus FS	35,597.28	Irregular
Summer On and Off Campus	97,914.75	Irregular
Subtotal Revenue SCH	720,852.64	Improving
Univ Studies Crses - Fees Revenue		
On Campus FS	0.00	Static
Off Campus FS	0.00	Static
Summer On and Off Campus	0.00	Static
Subtotal Revenue FeeS	0.00	Static
Univ Studies - Total SCH and Fees	720,852.64	Improving
SER/BC/ROM Crses - SCH Revenue		
On Campus FS	213,526.43	Improving



Off Campus FS	2,078.36	Declining
Summer On and Off Campus	30,992.00	Declining
Subtotal Revenue SCH	246,596.79	Irregular
SER/BC/ROM Crses - Fees Revenue		
On Campus FS	0.00	Static
Off Campus FS	0.00	Static
Summer On and Off Campus	0.00	Static
Subtotal Revenue Fees	0.00	Static
SER/BC/ROM - Total SCH and Fees	246,596.79	Irregular
Major Courses - SCH Revenue		
On Campus FS	57,719.26	Irregular
Off Campus FS	0.00	Static
Summer On and Off Campus	0.00	Static
Subtotal Revenue SCH	57,719.26	Irregular
Major Courses - Fees Revenue		
On Campus FS	0.00	Static
Off Campus FS	0.00	Static
Summer On and Off Campus	0.00	Static
Subtotal Revenue FeeS	0.00	Static
Major Courses - Total SCH and Fees	57,719.26	Irregular
Unit Revenue External Grants	0.00	Static

## UNDERGRADUATE

### Brief Conclusion from Data

Revenue from economics courses increased 9.5% between AY07 and AY09. Revenues increased in all categories - University Studies, SER/BC/ROM and major courses.

### Additional Data or Comments

Center for Economic and Business Research (CEBR) received federal grants during the period of review.

2007-8 - \$85,000

2008-9 - \$100,000

2009-10 - \$100,000.

The CEBR is a University Center as designated by the United States Economic Development Administration, one of only 56 in the entire country.

The Center also did some contract work: \$1,000 from Ameren UE in 2008 for an economic impact study of the construction of the new Taum Sauk Reservoir and \$750 from Holcim in 2010 for an economic impact study.

All tenured economics faculty conducted research for the CEBR and made presentations to economic development officials from throughout the service region in April 2010. This is an annual conference in which most, if not all, tenured faculty participate in each year.

**Plan to Address**

Revenue can only be increased by attracting new students to the university. The major in Law and Economics has the potential to appeal to high school students, transfer students and currently enrolled pre-law students who want to pursue a law degree. This is especially true since it will be the only undergraduate program in the state/region. It would be necessary to market the program by sending emails to current and potential students, holding receptions, and utilizing social networking sites such as Facebook. In addition, we will market the program to counselors at community colleges and to our admissions counselors at Southeast so that they can inform high school counselors.

**Brief Follow Up on Outcomes of Plans to Address from Last Review**

There were no plans to address this issue in Phase I or Phase III of program review.

**Program Review Final University Committee Chair Comments**

### III. COSTS AND OTHER EXPENSES ASSOCIATED WITH THE PROGRAM

COSTS DATA UNDERGRADUATE					
	AY07	AY08	AY09	Year 4	Year 5
Cost Per Major	5,841.00	6,109.00	7,433.00		
Unit Costs per Major SCH - On campus FS	237.00	243.00	279.00		
Unit Costs per Major SCH - Off campus FS	632.00	553.00	500.00		
Unit Costs per Major SCH - Summer	143.00	186.00	121.00		
Unit Costs per Major SCH - Overall	232.00	240.00	269.00		
Unit Costs for Major Crses - On campus FS	193,060.00	197,367.00	198,221.00		
Unit Costs for Major Crses - Off campus FS	5,684.00	3,317.00	2,998.00		
Unit Costs for Major Crses - Summer	11,543.00	13,115.00	6,901.00		
Unit Costs for Major Crses - Overall	210,287.00	213,799.00	208,120.00		
Unit Costs per Univ Studies SCH - On campus FS	127.00	144.00	131.00		
Unit Costs per Univ Studies SCH - Off campus FS	87.00	139.00	95.00		
Unit Costs per Univ Studies SCH - Summer	110.00	141.00	108.00		
Unit Costs per Univ Studies SCH - Overall	122.00	143.00	125.00		
Unit Costs for Univ Studies Crses - On campus FS	349,672.00	380,154.00	346,574.00		
Unit Costs for Univ Studies Crses - Off campus FS	25,529.00	36,368.00	26,517.00		
Unit Costs for Univ Studies Crses - Summer	55,460.00	56,220.00	52,892.00		
Unit Costs for Univ Studies Crses - Overall	430,660.00	472,741.00	425,982.00		
Unit Costs per SER/BC/ROM SCH - On campus FS	141.00	135.00	179.00		
Unit Costs per SER/BC/ROM SCH - Off campus FS	632.00	553.00	500.00		
Unit Costs per SER/BC/ROM SCH - Summer	143.00	186.00	121.00		
Unit Costs per SER/BC/ROM SCH - Overall	149.00	146.00	177.00		
Unit Costs for SER/BC/ROM Crses - On campus FS	70,447.00	63,270.00	82,373.00		
Unit Costs for SER/BC/ROM Crses - Off campus FS	5,684.00	3,317.00	2,998.00		
Unit Costs for SER/BC/ROM Crses - Summer	11,543.00	13,115.00	6,901.00		
Unit Costs for SER/BC/ROM Crses - Overall	87,674.00	79,702.00	92,272.00		
Unit Costs per All SCH - On campus FS	151.00	163.00	164.00		
Unit Costs per All SCH - Off campus FS	118.00	158.00	112.00		
Unit Costs per All SCH - Summer	118.00	153.00	111.00		
Unit Costs per All SCH - Overall	145.00	162.00	154.00		
Unit Costs for All Crses - On campus FS	613,178.00	640,791.00	627,168.00		
Unit Costs for All Crses - Off campus FS	36,898.00	43,002.00	32,513.00		
Unit Costs for All Crses - Summer	78,546.00	82,450.00	66,693.00		
Unit Costs for All Crses - Overall	728,622.00	766,243.00	726,374.00		

COSTS COMPARISONS UNDERGRADUATE					
	AY07	AY08	AY09	Year 4	Year 5
College Cost per Major	3,981.00	4,018.00	2,321.00		
University Cost per Major	3,297.00	3,345.00	2,083.00		
Delaware Study Cost/SCH Unit	149.00	159.00	0.00		
College Cost per Major SCHR	241.00	211.00	245.00		
University Cost per Major SCHR	204.00	214.00	231.00		
College Cost per Univ Studies SCHR	181.00	162.00	140.00		
University Cost per Univ Studies SCHR	153.00	108.00	106.00		
College Cost per SER/BC/ROM SCHR	112.00	156.00	125.00		
University Cost per SER/BC/ROM SCHR	121.00	130.00	117.00		
College Cost per all SCHR	181.00	186.00	197.00		
University Cost per all SCHR	153.00	155.00	161.00		

SUMMARY UNDERGRADUATE		
	Mean	Trend
Cost Per Major	6,461.00	Improving
Unit Costs per Major SCH - On campus FS	253.00	Improving
Unit Costs per Major SCH - Off campus FS	561.66	Declining
Unit Costs per Major SCH - Summer	150.00	Irregular
Unit Costs per Major SCH - Overall	247.00	Improving
Unit Costs for Major Crses - On campus FS	196,216.00	Improving
Unit Costs for Major Crses - Off campus FS	3,999.66	Declining
Unit Costs for Major Crses - Summer	10,519.66	Irregular
Unit Costs for Major Crses - Overall	210,735.33	Irregular
Unit Costs per Univ Studies SCH - On campus FS	134.00	Irregular
Unit Costs per Univ Studies SCH - Off campus FS	107.00	Irregular
Unit Costs per Univ Studies SCH - Summer	119.66	Irregular
Unit Costs per Univ Studies SCH - Overall	130.00	Irregular
Unit Costs for Univ Studies Crses - On campus FS	358,800.00	Irregular
Unit Costs for Univ Studies Crses - Off campus FS	29,471.33	Irregular
Unit Costs for Univ Studies Crses - Summer	54,857.33	Irregular
Unit Costs for Univ Studies Crses - Overall	443,127.66	Irregular
Unit Costs per SER/BC/ROM SCH - On campus FS	151.66	Irregular
Unit Costs per SER/BC/ROM SCH - Off campus FS	561.66	Declining
Unit Costs per SER/BC/ROM SCH - Summer	150.00	Irregular
Unit Costs per SER/BC/ROM SCH - Overall	157.33	Irregular
Unit Costs for SER/BC/ROM Crses - On campus FS	72,030.00	Irregular

Unit Costs for SER/BC/ROM Crses - Off campus FS	3,999.66	Declining
Unit Costs for SER/BC/ROM Crses - Summer	10,519.66	Irregular
Unit Costs for SER/BC/ROM Crses - Overall	86,549.33	Irregular
Unit Costs per All SCH - On campus FS	159.33	Improving
Unit Costs per All SCH - Off campus FS	129.33	Irregular
Unit Costs per All SCH - Summer	127.33	Irregular
Unit Costs per All SCH - Overall	153.66	Irregular
Unit Costs for All Crses - On campus FS	627,045.66	Irregular
Unit Costs for All Crses - Off campus FS	37,471.00	Irregular
Unit Costs for All Crses - Summer	75,896.33	Irregular
Unit Costs for All Crses - Overall	740,413.00	Irregular

## UNDERGRADUATE

### Brief Conclusion from Data

The three-year average annual revenue generated by the program is \$1,025,169; the three-year average annual cost of the program is \$740,413. The average annual net (revenue minus costs) is \$284,756. When the aggregate program numbers are allocated to three categories (1) major courses, (2) university studies courses and (3) service, business core and required by other major courses (SER/BC/ROM), two of the categories (university studies and SER/BC/ROM courses) indicate revenues exceed costs and one category (major courses) the costs exceed revenues. Costs must be “matched” with revenues for the category revenue and cost data to be meaningful.

For example, is EC225 classified as a major course or a service course? EC225 is required for all economic majors and is required for all other business majors as well, but it is not part of the business core. In a typical semester, four sections of EC225 are offered. Key to the analysis is the matching of EC225 costs with EC225 revenues. If EC225 revenues are classified as service course revenues and costs are classified as a major course costs, category analysis is weakened. EC225 is a course with a large number of sections and enrollment, but a correct “matching” of costs with revenues is important for all courses.

Combining the major course and SER/BC/ROM categories yields a three-year average annual revenue of \$304,316 compared to a three-year annual cost of \$297,288. The net is \$7,028.

### Additional Data or Comments

We had hoped to enter a table of revenue and cost data here but it cannot be pasted into this form.

Data on upper level economics course enrollments:

This data is designed to show that the marginal cost of the economics major is low.

Fall 2007: EC420 (15) EC351 (9) EC580 (21) EC561 (25)  
Spring 2008: EC335 (13) EC410 (14) EC490 (10) EC580 (22)  
Fall 2008: EC420 (10) EC351 (5) EC580 (22) EC561 (28)  
Spring 2009: EC335 (11) EC410 (10) EC344 (10) EC350\* (5) EC580 (23)  
Fall 2009: EC435\* (2) EC420 (11) EC235\* (5) EC351 (3) EC580 (24) EC561 (22)  
Spring 2010: EC335 (7) EC410 (15) EC490 (1)

EC498 (senior capstone course) is offered every semester. It is a one hour course, usually has low enrollments, but is taught as an unpaid overload, rotated among all tenured faculty.

\*EC235, EC350, EC435 will no longer be offered.

EC351 and EC490 will be combined into one class.

EC561 is a required course for Organizational Administration majors. EC344 is a required course for Environmental Science majors. EC410, EC351, EC335 are electives on the finance major. EC580 generally enrolls several International Business majors taking the class as one of their electives.

The only class usually taken exclusively by economics majors is EC420. Enrollment in this class for Fall 2010 is 17. An examination of the roster shows that accounting majors, criminal justice majors and economics minors are enrolled in the class.

All economics courses are offered on a rotation basis. The only upper level economics courses offered more than once a year is EC580. All other upper level economics courses are offered once a year or once every two years.

### **Plan to Address**

In planning for the future, we understand that reducing costs and increasing revenue is a necessity for the university. Since a single department can do little to increase revenue, cost cutting is the only option. Courses that have had low enrollment in the past will no longer be offered. Two courses will be combined into one. As tenured faculty retire, some of them will be replaced with RNTT faculty. Programmatic needs and the economic development service role of the CEBR necessitate a core number of Ph.D. tenured/tenure track faculty. The exact number of tenured faculty that will be needed is uncertain at this time. It is important to note that the marginal cost of the economic major is low, and will decrease as low enrollment courses are no longer offered.

### **Brief Follow Up on Outcomes of Plans to Address from Last Review**

This issue was addressed in Phase I via the course rotation system still in effect (see above).

### **Program Review Final University Committee Chair Comments**

#### IV. CONTRIBUTION TO UNIVERSITY STUDIES AND COURSES SERVING OTHER PROGRAMS

UNIT SCH FROM UNIVERSITY STUDIES AND COURSES SERVING OTHER PROGRAMS					
	AY07	AY08	AY09	Year 4	Year 5
University Studies: On Campus FS	2,811	2,646	2,649		
University Studies: Off Campus FS	294	261	279		
University Studies: Summer	504	399	489		
University Studies: Total	3,609	3,306	3,417		
Services: On Campus FS	0	0	0		
Services: Off Campus FS	0	0	0		
Services: Summer	0	0	0		
Services: Total	0	0	0		
ROM: On Campus FS	888	816	756		
ROM: Off Campus FS	18	12	12		
ROM: Summer	108	84	66		
ROM: Total	1,014	912	834		
Business Core: On Campus FS	126	159	162		
Business Core: Off Campus FS	0	0	0		
Business Core: Summer	54	57	48		
Business Core: Total	180	216	210		

UNIT SCH SUMMARY		
Measure	Mean	Trend
University Studies: On Campus FS	2,702.0	Irregular
University Studies: Off Campus FS	278.0	Irregular
University Studies: Summer	464.0	Irregular
University Studies: Total	3,444.0	Irregular
Services: On Campus FS	0.0	Static
Services: Off Campus FS	0.0	Static
Services: Summer	0.0	Static
Services: Total	0.0	Static
ROM: On Campus FS	820.0	Declining
ROM: Off Campus FS	14.0	Irregular
ROM: Summer	86.0	Declining
ROM: Total	920.0	Declining
Business Core: On Campus FS	149.0	Improving
Business Core: Off Campus FS	0.0	Static

Business Core: Summer	53.0	Irregular
Business Core: Total	202.0	Irregular

## UNDERGRADUATE

### Brief Conclusion from Data

SCH from University Studies declined from AY07 to AY08, but increased in AY09. SCH from the business core increased during the review period. All business students must complete EC215, Principles of Microeconomics (University Studies) and EC225, Principles of Macroeconomics. EC101/EC215 is required on majors in Hospitality Management, Fashion Merchandising, Elementary Education, Exceptional Child and Social Studies Education. All Sports Management majors must have a business minor, which requires EC215 and EC225. The major in Organizational Administration requires EC561, Managerial Economics. EC344, Environmental Economics, is a required course in the Environmental Science major. EC351, Applied Economic Models, EC410, Macroeconomic Theory, and EC335, Monetary Economics, are electives on a major in Finance. EC580, International Economics, is an elective on the International Business major. Economics faculty regularly teach online sections of upper level University Studies courses: UI371, Government and Business; UI366, Law and Economics; UI349, Comparative Economic Systems; UI400, Business Ethics. These courses generally always have full enrollment at 25 students. EC580, International Economics, and EC561, Managerial Economics, are electives in the MBA program. Economics faculty also teach five graduate level courses in the MBA program.

### Additional Data or Comments

#### Plan to Address

The economics faculty are strong supporters of University Studies. Most students only take one economics course. Economic literacy is important for all people, and we take our responsibility seriously. While we are not the only department that offers courses in the Economic Systems category, the fact that several majors require EC101 or EC215 speaks to the importance of economics in the curriculum at Southeast.

Our plan includes continued support for University Studies courses and other economics courses taken by non-economics majors. Current discussions underway at the University suggest a targeting enrollment growth of 1000 students over the next five years to address revenue shortfalls. There will be an increasing demand for undergraduate courses, and our department stands ready to meet the demand for University Studies and service courses.

#### Brief Follow Up on Outcomes of Plans to Address from Last Review

This area was not addressed in the Phase I review of Fall 2003 or the Phase III review of Spring 2006.

#### Program Review Final University Committee Chair Comments



## V. EXTERNAL DEMAND

EXTERNAL DEMAND DATA UNDERGRADUATE										
	AY07		AY08		AY09		Year 4		Year 5	
<b>ACT DATA</b>										
	N	ACT	N	ACT	N	ACT	N	ACT	N	ACT
No. Identifying Planned Major										
UNIT Totals			141	22.38						
BANKING & FINANCE [452]			95	21.90						
BUSINESS ECONOMICS [454]			40	22.80						
ECONOMICS [852]			6	27.20						
No. of ACT Scores to Southeast										
UNIT Totals			13	19.77						
BANKING & FINANCE [452]			5	18.00						
BUSINESS ECONOMICS [454]			7	20.00						
ECONOMICS [852]			1	27.00						
Yield: No. Enrolled at Southeast										
UNIT Totals			4	18.23						
BANKING & FINANCE [452]			1	18.00						
BUSINESS ECONOMICS [454]			3	18.30						
ECONOMICS [852]			0	0.00						

SUMMARY UNDERGRADUATE		
	Mean	Trend
Yield: No. Enrolled at Southeast		
UNIT Totals	18.2	
BANKING & FINANCE [452]	18.0	
BUSINESS ECONOMICS [454]	18.3	
ECONOMICS [852]	0.0	

Additional Data Available at [http://www.missourieconomy.org/occupations/occ\\_proj.stm](http://www.missourieconomy.org/occupations/occ_proj.stm)

### UNDERGRADUATE

#### **Brief Conclusion from Data**

The relatively low level of interest in economics expressed by students taking the ACT is not surprising. Since very few high school students take economics courses, they are not aware of the discipline and do not know about the career opportunities available. Information from

[http://www.missourieconomy.org/occupations/occ\\_proj.stm](http://www.missourieconomy.org/occupations/occ_proj.stm) shows that Credit Analysts, Financial Analysts, Personal Financial Advisors, Financial Examiners and Loan Officers have a grade of A to A- in terms of job growth. These are careers typically pursued by economics majors.

### **Additional Data or Comments**

According to [www.payscale.com](http://www.payscale.com), economics is one of the best undergraduate degrees by starting salary; only engineering and construction management majors had higher starting salaries. Economics is also an excellent major for students attending law school since it teaches the logical thinking skills necessary for a successful career in law. Undergraduate students with an economics degree scored at an average percentile rank of 72 on the Law School Admission Test. This is higher than all other majors. <http://www.wsbe.unh.edu/node/13830>

A study based on data from over 85,000 college-educated respondents found that, “among college graduates with no advanced degrees, economics majors generally fare well, earning significantly more than graduates (in) businesses administration, and more than other social science majors, humanities majors, and arts majors.” (Black, Dan A., Seth Sanders and Lowell Taylor, “The Economic Reward for Studying Economics,” *Economic Inquiry*, Volume 41, Number 3, July 2003, pages 365-377.) These authors conclude that, “In a good undergraduate economics program, students develop an ability to think critically: They gain broadly applicable analytic and quantitative skills that improve decision making in a wide range of tasks. In short, it may be that economics majors are better trained than many other majors in skills that have high returns in the marketplace.”

A study based on a telephone survey of 1001 employees of seven large corporations found that greater economic literacy was associated with high incomes and greater college economics course work. (Wood, William C. and Joanne M. Doyle, “Economic Literacy Among Corporate Employees,” *Journal of Economic Education*, Volume 33, Number 3, Summer 2002, pages 195-206.)

### **Plan to Address**

It is difficult for university faculty to address external demand for any major. That is the result of societal and economic forces. Having said that, the proposed program in Law and Economics will be attractive to our pre-law students since it will help them to prepare for the LSAT exam.

As a measure of external demand for a program in Law and Economics:

Based on Student Recruiting for Fall 2010 (As of May 13, 2010)

1. 439 students expressing an interest in pre-law were recruited for Fall 2010
2. To date, 119 of these have applied.
3. Of those applying, 79 have been admitted (66%)
4. Admissions office believes that 47% to 48% of admits actually enroll (37 to 38)

As such, to increase the number of majors by 20 it will be necessary to increase applications by 60 to generate 40 admits which generates 20 enrollments. This means we would have to increase the application rate ( $119/439 = 27\%$ ) by 13% to 40%. This is not unreasonable with a unique program.

### **Brief Follow Up on Outcomes of Plans to Address from Last Review**

Phase I and Phase III did not include plans to address this issue.

### **Program Review Final University Committee Chair Comments**

## VI. QUALITY OF PROGRAM INPUTS

UNDERGRADUATE					
Measure	AY07	AY08	AY09	Year 4	Year 5
ACT	22.00	22.00	25.00		
Selected Merit Scholarships	0.00	2.00	2.00		
High School GPA	3.49	3.80	3.65		
CBASE Composite	0.00	0.00	0.00		
CBASE English	0.00	0.00	0.00		
CBASE Math	0.00	0.00	0.00		
CBASE Science	0.00	0.00	0.00		
CBASE Social Studies	0.00	0.00	0.00		
CBASE Writing	0.00	0.00	0.00		

COMPARISONS UNDERGRADUATE															
	AY07			AY08			AY09			Year 4			Year 5		
	COLL	UNIV	NAT	COLL	UNIV	NAT	COLL	UNIV	NAT	COLL	UNIV	NAT	COLL	UNIV	NAT
ACT	22.16	22.24	21.10	21.80	22.38	21.20	21.96	22.59	21.10						
High School GPA	3.23	3.31		3.20	3.29		3.31	3.40							
CBASE Composite	0.00	0.00		0.00	0.00		0.00	0.00							
CBASE English	0.00	0.00		0.00	0.00		0.00	0.00							
CBASE Math	0.00	0.00		0.00	0.00		0.00	0.00							
CBASE Science	0.00	0.00		0.00	0.00		0.00	0.00							
CBASE Social Studies	0.00	0.00		0.00	0.00		0.00	0.00							
CBASE Writing	0.00	0.00		0.00	0.00		0.00	0.00							

SUMMARY UNDERGRADUATE		
Measure	Mean	Trend
ACT	22.90	Improving
High School GPA	3.64	Irregular
CBASE Composite	0.00	Static

### UNDERGRADUATE

**Brief Conclusion from Data**

The quality of economics majors is at least as high as that of the college and university, and the average ACT score of 25 for economics majors in AY2009 is significantly higher than the average student at Southeast. The department had two merit scholarship recipients in AY2008 and AY2009

### **Additional Data or Comments**

University data from Spring 2010 show that most economics majors were in at least the 80th – 89th percentile of their high school graduating class. Spring 2010 data show that ACT math scores for five economics majors in the BS degree ranged from a 26 to a 34.

62% of the faculty have taught on-line courses. 100% of the faculty have used one or more components of OIS to support instruction. 100% of the faculty have completed CSTL instructional technology workshops. 100% of the faculty use instructional technology to support teaching and student learning. Four of eight faculty have received Copper Dome Fellowships for teaching and/or research.

Economics faculty are have high research productivity. In 2007, 2008 and 2009 7 tenured faculty published 27 refereed national/international journal articles and made 29 professional presentations. They all provide professional service, such as manuscript review, chairs and discussants at professional conferences, and consulting.

The department's Technology Plan is updated annually, and ensures that faculty have appropriate software and equipment to effectively utilize instructional technology. A variety of software for statistical/econometric analysis is taught to students, including Excel, EViews, and SPSS.

Data from IDEA student evaluation of instruction indicate effective teaching. During the period of analysis, 72% of classes were evaluated as similar, higher or much higher with respect to progress on relevant objectives. 72% of classes were evaluated as similar, higher or much higher with respect to excellence of teacher. 69% were evaluated as similar, higher or much higher with respect to excellence of course.

### **Plan to Address**

Faculty recruitment efforts concentrate on students who perform well in principles of economics classes. Faculty have, and will continue to be, productive teacher/scholars.

### **Brief Follow Up on Outcomes of Plans to Address from Last Review**

There were no plans to address this issue in the Phase I or Phase II reports.

### **Program Review Final University Committee Chair Comments**

## VII. QUALITY OF PROGRAM OUTPUTS

WP003 UNDERGRADUATE										
	AY07		AY08		AY09		Year 4		Year 5	
	N	%	N	%	N	%	N	%	N	%
>= 9.5 (superior)	0	0.00	1	10.00	2	18.18				
8.0 - 9.0 (proficiency)	6	85.71	8	80.00	7	63.63				
7.0 - 7.5 (marginal pass)	1	14.28	1	10.00	2	18.18				
< 7.0 (fail)	0	0.00	0	0.00	0	0.00				
Unit First Time Pass Rate	7	100.00	10	100.00	11	100.00				
Unit Mean	7	8.35	10	8.50	11	8.40				

WP003 COMPARISONS UNDERGRADUATE					
	AY07	AY08	AY09	Year 4	Year 5
College Mean	8.21	8.31	8.30		
College Pass Rate	96.98	98.93	98.52		
University Mean	8.25	8.34	8.35		
University Pass Rate	97.99	98.74	98.23		

DISCIPLINE SPECIFIC UNDERGRADUATE						
		AY07	AY08	AY09	Year 4	Year 5
MFAT (Majors Only)						
MF10: MFAT Business-Tot	Southeast	175.40	156.67	158.50		
	Comparison					
MF13: MFAT Econ-Micro	Southeast	61.00	46.00	0.00		
	Comparison					
MF14: MFAT Econ-Macro	Southeast	56.56	48.78	0.00		
	Comparison					
MF15: MFAT Econ-Total	Southeast	158.22	148.11	0.00		
	Comparison					
MFAT (All Majors)						
MF10: MFAT Business-Tot	Southeast	154.28	154.28	153.12		
	Comparison					

MF13: MFAT Econ-Micro	Southeast	60.50	45.21	0.00		
	Comparison					
MF14: MFAT Econ-Macro	Southeast	56.58	49.21	0.00		
	Comparison					
MF15: MFAT Econ-Total	Southeast	158.25	148.29	0.00		
	Comparison					

WP003 SUMMARY UNDERGRADUATE		
Method	Mean	Trend
WP003 Mean	8.39	Irregular

DISCIPLINE SPECIFIC SUMMARY UNDERGRADUATE		
Method	Mean	Trend
MFAT (Majors Only)		
MF10: MFAT Business-Tot	166.40	Irregular
MF13: MFAT Econ-Micro	53.50	Declining
MF14: MFAT Econ-Macro	52.67	Declining
MF15: MFAT Econ-Total	153.17	Declining
MFAT (All Majors)		
MF10: MFAT Business-Tot	153.92	Declining
MF13: MFAT Econ-Micro	52.27	Declining
MF14: MFAT Econ-Macro	52.62	Declining
MF15: MFAT Econ-Total	152.88	Declining

## UNDERGRADUATE

### Brief Conclusion from Data

Economics majors had a 100% pass rate for WP003 in all years under review; their average score exceeded that of the college and university. Economics majors have excellent writing skills. The average score of 163.5 for Southeast BSBA economics majors on the MFAT in business is at the 75th percentile compared to the national norm. This score is above the mean score of 153.9 for all business majors at Southeast. Economics majors comprehension of basic business concepts is above that of business students nationwide and other business majors at Southeast.

The average score of 153.2 for Southeast economics majors on the MFAT in economics is at the 50th percentile compared to the national norm (2008/2009). This result is acceptable given that economics majors at Southeast do not have classes in all sub-disciplines in economics, and the MFAT does include questions from all sub-disciplines in economics.

### Additional Data or Comments

The overall average rating by supervisors on internships completed by economics majors was 6.5/7.0.

Each year four or five selected economics majors have papers published in Applied Economic and Financial Models, a journal of student research published by the department. During the period under review, 18 economics students were inducted into Omicron Delta Epsilon, the national honorary society in economics. During the period of review, 10 economics majors were accepted into graduate school or law school.

Data from the California Critical Thinking Test show that economics majors are above all college and university students at Southeast. Results from Fall 2007 through Fall 2009 show a mean score for economics majors of 21.4 compared to a mean of 16.3 for all business majors and a mean of 16 for all Southeast students. Results from college of business assurance of learning indicate that economics majors are at or above all students in the college on most assessment measures. For example, economics majors scored at the 77th percentile (national norm) on the ICT (effective use of technology) exam between Fall 2007 and Fall 2009. Scores of economics majors on the SAM test (Effective use of technology) were higher than all Southeast business majors. Scores of economics majors on the Brown Carlsen Listening test were at the 60th percentile (national norm). Economics majors had an average score of 2.4 on oral presentation skills; this reflects superior/good performance.

### **Plan to Address**

The outputs with respect to economics majors are at or above university, college and national performance. Our plan is to continue to recruit excellent students and help them develop into productive life long learners.

### **Brief Follow Up on Outcomes of Plans to Address from Last Review**

No plan to address this outcome was included in Phase I or Phase III.

### **Program Review Final University Committee Chair Comments**

## **VIII. CURRENCY OF CURRICULUM**

### **UNDERGRADUATE**

#### **What steps have you taken to ensure that your programs and courses are up-to-date and effective?**

During AY 2008/2009 the department conducted an in-depth review of all course syllabi to ensure currency and sufficient rigor. We continually review economics programs at other universities to ensure that our students are receiving an education equal or superior to other economics majors. Faculty attend professional conferences where they discuss program and curriculum issues with faculty from other universities.

Effectiveness is measured by student outcomes, which are discussed in Section VII of this report. Given the performance of economics majors on a variety of assessment instruments, it appears that our program and courses are up to date and effective.

#### **Program Review Final University Committee Chair Comments**



## **IX. IMPACT, JUSTIFICATION, AND OVERALL ESSENTIALITY TO THE SOUTHEAST MISSION**

### **UNDERGRADUATE**

Given the current world environment, it is difficult to imagine a university without an economics major. The study of economics promotes critical thinking and enables students to analyze complex problems in a logical manner. Economics majors are held in high regard by employers, and our majors at Southeast have enjoyed high placement rates in business, graduate schools and law schools. Our department offers most University Studies classes in the economic systems category (EC101 and EC215). AACSB recognizes the important of economics in the curriculum. All business majors must take EC215 (Principles of Microeconomics) and EC225 (Principles of Macroeconomics).

Southeast also has a mission of service to the region.

The Center for Economic and Business Research provides assistance to economic development specialists in the region. It also sponsors two conferences per year. One conference focuses on economic forecasts, and is attractive to bankers, financial advisors, insurance executives, real estate specialists and other business people. The other conference is geared toward the economic development specialists. Given the research focus of the CEBR, Ph.D. economists are necessary to its success. While we understand the gravity of the budget situation, the marginal cost of the economics major is low. The cost will be reduced as we eliminate and merge courses. We also expect to attract students to the university by offering the program in Law and Economics, which will provide some additional revenue. There will also be some changes in the composition of the faculty, as some tenure track positions are converted to RNTT.

#### **Program Review Final University Committee Chair Comments**

## **X. PLANNING FOR THE FUTURE**

**Given impending personnel and environmental changes, how do you envision the configuration of your unit in five years? What components would be phased out? What components would be reduced in size? What components will have grown? What new components will have been developed? What other units might be involved in the new components?**

### **UNDERGRADUATE**

In five years we envision a leaner, more innovative economics program. The most exciting new component will be the program in Law and Economics, which will be very attractive to pre-law students. This program will incorporate courses from political science and business law. The department will market this new program to high school students, community college students, and currently enrolled students at Southeast. To our knowledge, no other university in Missouri or in surrounding states has a program in Law and Economics and we expect to draw several students to the university. We will be phasing out the BSBA major in business economics, and restructure the major in financial economics. There will be fewer tenured/tenure track Ph.D. faculty, some retiring faculty will have been replaced by RNTT. There will continue to be programmatic needs for Ph.D.s in economics, and the continued success of the Center for Economic and Business Research depends upon the research of these faculty members. Tenured/tenure track economics faculty will also be necessary to support the growing MBA program.

### **Program Review Final University Committee Chair Comments**

### **DEANS' COMMENTS**

I believe the faculty of the Department of Economics and Finance did a commendable job responding to the program review letter of April 30, 2010. I am particularly intrigued by the proposal to establish a program in law and economics. Based on the data available in regard to student interest and the possibility of creating a unique program in our multi-state region, there is reason to believe that the number of majors in the BS program can be increased significantly over the five-year planning period established to meet budget challenges. This can be accomplished by (a) increasing the number of students interested in pre-law studies who consider Southeast and increasing the eventual "capture rate" by creating a unique program in a category that already has name recognition (Law and Economics). The department has clearly identified avenues for marketing such a program and the college is able to provide resources to publish print materials that can be used in connecting with high school and community college students, and high school and community college advisors. Processes can also be established, in collaboration with the Admissions Office, to communicate with students expressing an interest in "pre-law" as they inquire about Southeast and put Southeast in their choice set. Of course, other ways of communicating and connecting with potential students may be identified as additional thought is given to this creative proposal.

I am also impressed with the seriousness given to curriculum revisions addressing suggestions to (1) merge programs (the two current options under the BSBA degree program and the inclusion of finance courses in the revised program), (2) delete duplicative courses (Merging EC351 and EC490), and (3) deleting courses (EC235, EC, 350, and EC435).

The department recognizes the opportunity to convert some tenure track positions to RNTT positions as retirements occur. I agree that it is necessary to retain, albeit smaller, a contingent of tenure track (PhD qualified) faculty to carry instructional responsibilities at the upper-division and graduate levels, and to sustain the work of the Center for Economic and Business Research. The CEBR is one of our most widely recognized outreach arms and is expanding on this by contributing to initiatives from the Center for Innovation and Entrepreneurship (CIE). The partnership that is developing between the CEBR and CIE is unique in the state. For example, over the past three years The CEBR garnered substantial grant support and a proposal requesting renewal of the grant has been submitted. Given the

demonstrated success of the CEBR in meeting the objectives of the initial grant and the collaboration the proposed renewal describes involving the CEBR and CIE, there is reason to believe the grant will be renewed at a higher level.

In conclusion I believe the BSBA and BS degree programs in economics present an opportunity to increase revenues by developing a program in law and economics that will be unique in our multi-state region, and presents the opportunity to reduce costs by increasing class size, converting some tenure track positions to RNTT positions, and by consider adopting course redesigns to reduce costs and increase student learning.

### **Final University Committee Chair Comments on Entire Document**

### **Provost's Decision**