

**STRATEGIC PLAN
SCHOOL OF BUSINESS
HUMBOLDT STATE UNIVERSITY**

Response to Prioritization Report

September 9, 2009

Table of Contents

Introduction.....	3
Vision.....	4
SWOT Analysis.....	6
Strategic Initiatives.....	10
Implementation Plans.....	11
Rationale for keeping the MBA program.....	11
Alternative action plans for the MBA program.....	11
Rationale for expanding the undergraduate program.....	13
Remaining Issues.....	18

Appendices

Appendix A	Stakeholder Group
Appendix B	Steering Group
Appendix C	Entrepreneurship MBA Program Courses
Appendix D	Self Support MBA
Appendix E	Two Year MBA Program
Appendix F	Projected Enrollment and Faculty Sufficiency
Appendix G	SFR and Headcount
Appendix H	Cal Poly San Luis Obispo's Business Contract
Appendix I	Current Undergraduate Business Program
Appendix J	New Business Courses
Appendix K	MBA Fees Executive Order 1042
Appendix L	AACSB Accreditation Annual Costs
Appendix M	External Reviewer's Report
Appendix N	Full Time MPP for the School of Business

Introduction

The School of Business (SoB) is embarking on the development of a strategic plan as a part of post-prioritization process. The School of Business stakeholders (faculty, students, administrators, the Business Advisory Council members, and the community at large) intend to use this plan as a blueprint for program augmentation and reinventing the future. The School of Business intends to transform itself to remain relevant to its stakeholders. This transformation is beginning from a current position of strength in student subject matter and professional skill competencies, along with business community support that we want to preserve as we develop new capabilities. As a result, a large number of individuals are engaged in the development of this plan (appendix A).

Process

The strategic planning process started on March 30, 2009 when the Saeed Mortazavi, School of Business Chair, and Gina Pierce, ASC for the School of Business, met with Kristin Johnson, Director of the Office of Economic and Community Business Development (OECBD), and Roger James, Strategic Plan Facilitator. During that meeting and in consultation with Dean Nancy Hurlbut and Associate Dean Sue MacConnie, we agreed on desired outcomes and the strategic planning process as listed below. This group comprises the steering group (appendix B).

Desired Outcomes

- Agreement on a strategic planning process
- Agreement on a vision for the School of Business
- Agreement on areas of alignment and key gaps between the current state and desired future state of the School of Business
- Agreement on strategic initiatives to move toward the vision
- Agreement on implementation plans for all initiatives

Start-Up	Vision	Gap Analysis	Initiatives	Implementation Planning
March-April, 2009	April-May, 2009	May, 2009	May-June, 2009	June, 2009
Desired outcomes <ul style="list-style-type: none"> • Agreement on Strategic Planning process including: <ul style="list-style-type: none"> • Desired outcomes • Focus and scope of effort • Phases, activities and timeline • Structure/roles • Level of stakeholder involvement • Decision-making process 	Desired outcomes <ul style="list-style-type: none"> • Agreement on a vision for the School of Business, including: <ul style="list-style-type: none"> • Core goals and values • Strategy • Curriculum • Core competencies • Structure • Culture 	Desired outcomes <ul style="list-style-type: none"> • Understanding of current state of the School of Business and its business environment, as well as assumptions about the future • Agreement on areas of alignment and critical gaps between the current state desired future state 	Desired outcomes <ul style="list-style-type: none"> • Agreement on change initiatives required to achieve the vision • Detailed descriptions of initiatives including <ul style="list-style-type: none"> • How it will help achieve the vision • Resources required • Cost/benefit analysis 	Desired outcomes: <ul style="list-style-type: none"> • Implementation plan for all initiatives • Evaluation plan for all initiatives

During the same meeting, the group decided to have a retreat on May 9, 2009 to develop the School of Business Vision document.

The vision of the School of Business (SoB) is to have

A set of *Core Values* that

- Integrates business ethics, the triple bottom line (social, environmental, and economic responsibilities), and globalization
- Maintains and enhance a strong student-centered learning community. fulfills the continuous quality improvement standard set by the AACSB and potential accreditation;
- Cultivates strong community ties and collaboration;

A set of *Strategic Goals* that

- Builds undergraduate major enrollment to meet and surpass the previous historical peak of 800 students;
 - Objective to be defined
- Increases the number of students in the minor and master's programs;
 - Objective to be defined
 - Maintain and improve a strong, high quality master's program; Objective to be defined
- Secures sufficient resources (internal and external) to sustain and grow the program;
 - Objective to be defined
- Develops benchmarks to ensure a high quality program (standard set by the AACSB and potential accreditation)
 - Objective to be defined

A *Strategy* that

- Strives for continuous improvement of curriculum that elevates the level of student performance in and out of the classroom.
- Maintains the strong core subject material.
- Builds relationships with other departments to enhance business education to HSU students.
- Engages in periodic strategic planning review with stakeholders and invites an external consultant to participate whenever possible.
- Increase effective engagement with alumni, particularly in Los Angeles, San Diego, Humboldt, and the Bay Area.
- Develops an infrastructure to effectively secure external funding.
- Works with the Business Advisory Council to enhance our mutual understanding of SoB's performance.
- Develops a strategic partnership with local business community.
- Attracts more students, promotes the business minor and master's degree connectivity, and educates the campus and community about School of Business' successes & accomplishments.
- Embraces faculty with industry experience

A *Curriculum* that

- Builds sustainability option
- Builds entrepreneurship option
- Utilizes cross-disciplinary, collaborative teaching efforts to build relationships with:
 - other departments,
 - the Office of Economic and Community Business Development (OECBD), California Center for Rural Policy, and
 - the business community through internships and service learning opportunities.
- Contains elements unique to our region

- Expands our role in university wide education, such as a general education course in financial literacy
- Replaces the current general MBA program with a MBA program that has a unique concentration

A set of Core Competencies that

- Aligns with the School of Business' vision with the University's vision on sustainability.
- Aligns with entrepreneurship and is supported by the Institute for Entrepreneurial Education (IEE)
- Embraces a student-focus learning environment through faculty engagement with students facilitating student success at HSU and beyond.
- Preserves its triple bottom line (social, environmental, and economic responsibilities) focus.
- Supports continuous improvement of its curriculum, instruction, and faculty development.
- Supports faculty development and engagement in scholarship and professional activities.

A Structure that

- Optimizes a strong, vital, and efficient business program at HSU
 - Possibly an autonomous Business program such as a free-standing school, or free-standing college
 - Possibility of an Associate Dean or MPP Director or own Dean
 - Is a result of deep inquiry into the best structure
- Supports sufficient number and quality of staff & faculty to be competitive in CSU system and meet AACSB accreditation guidelines
- Works collaboratively with the OECBD.
- Allows for organizational flexibility and/or growth so that additional programs could be included in the School of Business.

A Culture that

- Is open and transparent; has integrity and honesty.
- Builds trust.
- Respects diversity and divergent viewpoints.
- Has leaders who are committed to collaborative decision making and welcomes participation by all faculty and staff.
- Remains student-centered.
- Adopts a culture of change and continuous improvement.
- Values harmony among faculty and administrators.
- Attracts faculty who are engaged and inspired. Embraces opportunities work with local area businesses.
- Values collaboration and open communication.
- Values entrepreneurship and innovation

Strengths

Faculty:

- Strong faculty commitment and dedication
- Faculty & community desire to work together
- Accessible faculty
- Int'l faculty and programs
- New faculty

Curriculum:

- Solid curriculum & pedagogy as illustrated by Business student performance on the nationally recognized Educational Testing Service major field test (this is a commonly used by [# business schools nation wide]).
- Competitive options that are consistent with typical business programs
- One year MBA
- Focus on triple bottom line that is consistent with HSU's focus on environmental sustainability
- Department commitment is to have students leave with a strong sense of values, ethics, making a difference – not just making money
- Small classes

Revenue:

- Business department is cost effective
- CSU's fees are competitive
- Recently approved MBA fees of \$210 per unit bring extra revenue to department
- Prioritization recommendations support investment in the program (especially the undergraduate program)

Community Partnership:

- Collaborative relationship with the Office of Economic Community Business Development
- The School's focus on triple bottom line is consistent with the community's interest and the current national thinking on environmental issues
- Students in undergrad program partnering with community businesses
- Local business community that has a strong interest in partnering with the School
- Access to successful business graduates

Students and Alumni

- Distinguished and accomplished Business alumni
- Have alumni who have created wonderful sustainable, entrepreneurial businesses
- Diversity of students reflects the real world

Weaknesses

Faculty/Infrastructure:

- Insufficient permanent faculty
- Too few academically qualified faculty to move to accreditation (need to publish)
- Lack of support and funding for: faculty development (i.e. improving teaching), research (i.e. conferences)
- Too many options for size
- Our undergraduate curriculum has fewer required or elective major courses compared to other CSU business programs.
- Infrastructure inadequate (computer systems, classrooms)
- Limited training and assistance for faculty to develop online courses
- Perceived lack of independence subsidizing other departments
- Lack of AACSB accreditation

Culture:

- Perceived unilateral decision making
- A perceived lack of collegiality and cooperation by some faculty
- A perceived lack of clarity and focus on department priorities
- A perceived lack of integration of part-time faculty in department strategy
- Historic lack of trust from administration

MBA:

- No night classes for MBA
- Lack of on line courses
- Weak mathematical component for MBA
- Absence of business elective courses
- Lack of option in sustainable businesses
- Lack of option in entrepreneurship
- Reputation of the MBA: prioritization process mentioned quality issues within the MBA

Rural and Isolated (geographical limitations) behind Redwood curtain:

- Rural and isolated
- Lack of internship or work study program opportunities

Opportunities

Community:

- Community Partnership Potential
- Entrepreneurial spirit of Humboldt County
- Working with community to build a signature business program
- Further collaboration with OECBD (Office of Economic and Community Business Development)
- Work more closely with local community regarding internships

Sustainability:

- Capitalize upon legacy of HSU as a leader in environmental responsibility
- Exploit local commitment to environmental sustainability movement
- Ability to contribute to and take advantage of rural area and environment
- Market the triple bottom line
- New option in Sustainability

Growth Potential:

- Draw from southern California to bring students to “the Land of Sustainability and Entrepreneurship” to live and learn and bring back home to southern California
- Recruitment of CR students
- New option in Entrepreneurship
- Continue marketing to non business undergrads about MBA
- Establish alumni chapters for fundraising and recruitment

Others:

- Reevaluate School’s vision and mission statement
- Building signature business program
- Student Managed Investment Fund program
- Quality of life style – rural
- Beautiful area and campus

Threats

Budget:

- Current national and state economy (California state budget crisis)
- Lack of resources in economy
- Inadequate funding due to limited resources
- Inability to recruit and retain qualified/quality faculty
- Budget restraints will negatively impact our ability to make strategic changes in a timely manner
- The ability to continue offering Summer school classes

MBA:

- MBA ranking in prioritization and the demand for MBAs in the economy

Internal University:

- Perception of inadequate administrative support for the School
- HSU strive to reduce FTES and keep SFR high
- Frustration of faculty on “how it should be” instead of focusing on strengths
- Anti-business local and university wide culture and its negative impact on the School’s reputation
- Word-of-mouth verses evidence regarding the administrators’ perception of the School’s reputation in local community

Community:

- Lack of local employment for students and graduates
- No clear community business partnerships
- Old reputation in local business community is hard to shake
- No community partners included in actual decision making
- Rural and isolated geographic location

Developing Relevant Data:

- Clarify market WASC accreditation on all materials
- Lack of good help from advancement on fundraising and fundraising strategies
- Ability to effectively engage students who have diverse interests
- Too many people/stakeholders to please

Strategic Initiatives (a)

- 1) Provide rationale and plan for keeping MBA program. Move MBA to evening, weekend or in addition to daytime program, improve quality, connect to community, and focus on entrepreneurship.
- 2) Pursue AACSB – develop program worthy of accreditation ongoing evaluation of stand-alone business college
- 3) Curriculum – focus: Triple bottom line
 - Extra, sustainability, international in all that we do, not just in one or two courses (matrix in)
 - Certification in (entrepreneurship?) work with other departments to develop curriculum
- 4) Work with Advancement to develop funds to support developing programs in future.
- 5) Outreach – marketing/branding

Strategic Initiatives (b)

- 1) Articulate a Vision Statement that positions the SOB as a dynamic pillar supporting HSU's vision
- 2) SOB (both at undergrad and grad levels) will leverage interdisciplinary relationships to focus growth and enhance SOB's branding as a leader in renewable and sustainable environmental business as a profession.
- 3) Grow MBA program and develop small business entrepreneurial focus that will become the program of choice/signature program for individuals who seek to improve the human condition and environment.

Implementation Plans

Rationale for keeping the MBA program

The stakeholder group has expressed its desire to preserve the MBA program. Here is the rationale for this decision:

1. Demand

Demand for the MBA program is strong and the program is very cost effective.

MBA	02/03	03/04	04/05	05/06	06/07	07/08/	08/09
Headcount	32	37	32	24	26	35	34
SFR	12.98	14.48	19.24	15.12	25.83	20.41	26.13
Degrees Awarded	14	13	14	16	17	19	20

Demand for the MBA program has been steady and growing in recent years. In addition to HSU students, there appears to be community demand for the MBA program as expressed at the stakeholders meetings on May 9, 2009. Finally, the MBA program is a target program form the Pre-MBA students at Xian International Studies University and 1+2+1 programs in China.

2. Revenue

Effective fall 2009, MBA students will pay additional \$210.00 "Graduate Professional Fee" per unit in addition to tuition of \$3,050 per student per semester. Based on the current number of students in the MBA program in 2008/09, the MBA program will generate additional \$228,480 ($\$210 * 32 \text{ units} * 34 \text{ students}$) of revenue. Setting aside one-third for financial aid, the program could generate net \$152,320 of new money for the School of Business. The new money can be used to improve the quality of the MBA program and plan for the school's accreditation by the AACSB.

3. Quality

According to the Prioritization report, the main issue with the MBA program was its quality. The School of Business has not had sufficient permanent faculty (tenured and tenure-track) for its programs. The Prioritization report recognized this deficiency and recommended 4-6 new faculty to support the current business programs. The School of Business has recently hired two tenure-track faculty. The stakeholder group believes that the new faculty could partially improve the quality of the program. Additionally, the new MBA fee can also be used towards faculty development programs that could directly contribute to the quality of the MBA program.

Alternative action plans for the MBA program:

1. Entrepreneurship focus:

The group recommends entrepreneurship as a new focus area for the MBA program. The current business faculty members have a significant background in entrepreneurship. As a result, the program curriculum can be easily revised to move in that direction. The number of required MBA courses will remain the same. However, the new focus can improve the quality of the program within a short period of time. Refer to appendix C for a suggested Entrepreneurship MBA program.

2. The stakeholder group recommends exploring various options:

A. Evening MBA: keep the MBA program as a one-year program and move it to the evenings. This alternative will cost the same as the current MBA program. However, it will generate more revenue for the university due to the increased demand from the community members.

Semester	# of students 08/09	Tuition	Total MBA Units	Graduate Prof. Fee Net**	Total Revenue	Salary cost	Net Revenue*
Fall	34	3050	12	140	160820	23,905.07	136,914.93
Spring	34	3050	12	140	160820	24,736.00	136,084.00
Summer	34	3050	8	140	141780	14,263.18	127,516.82
Total					\$463,420	\$62,904	\$400,516

* No general fund revenue is included

** 1/3 of \$210 per unit graduate professional fee charge is set aside for financial aid

B. Self support MBA: offer the MBA program through the Office of Extended Education. This program could charge tuition similar to the state-supported programs, including the new MBA Graduate Professional Fee. The faculty will teach the MBA courses in addition to their teaching responsibility and receive additional income. The program will be self-supported and will produce salary savings of \$62,904 per year for the Academic Affairs division. However, the Extended Education program would receive the \$400,000 net revenue. Refer to appendix D for details.

C. Two year MBA: Offer a four semester MBA cohort program that integrates current business pre-requisite and MBA courses in two academic years. This alternative will eliminate the need to offer capstone courses during summers and hence create an annual salary savings of \$14,263 for the Academic Affairs division by eliminating summer courses. Refer to appendix E for details.

Two year MBA Cost/Benefit Analysis

Semester	# of students 08/09	Tuition	Total MBA Units	Graduate Prof. Fee Net**	Total Revenue	Average Salary per unit***	Salary cost	Net Revenue*
Fall Y1	34	3050	13	140	165580	2026	26,338.00	139,242.00
Spring Y1	34	3050	11	140	156060	2026	22,286.00	133,774.00
Fall Y2	34	3050	12	140	160820	2026	24,312.00	136,508.00
Spring Y2	34	3050	12	140	160820	2026	24,312.00	136,508.00
Total					\$643,280		\$97,248	\$546,032

* No general fund revenue is included

** 1/3 of \$210 per unit graduate professional fee charge is set aside for financial aid

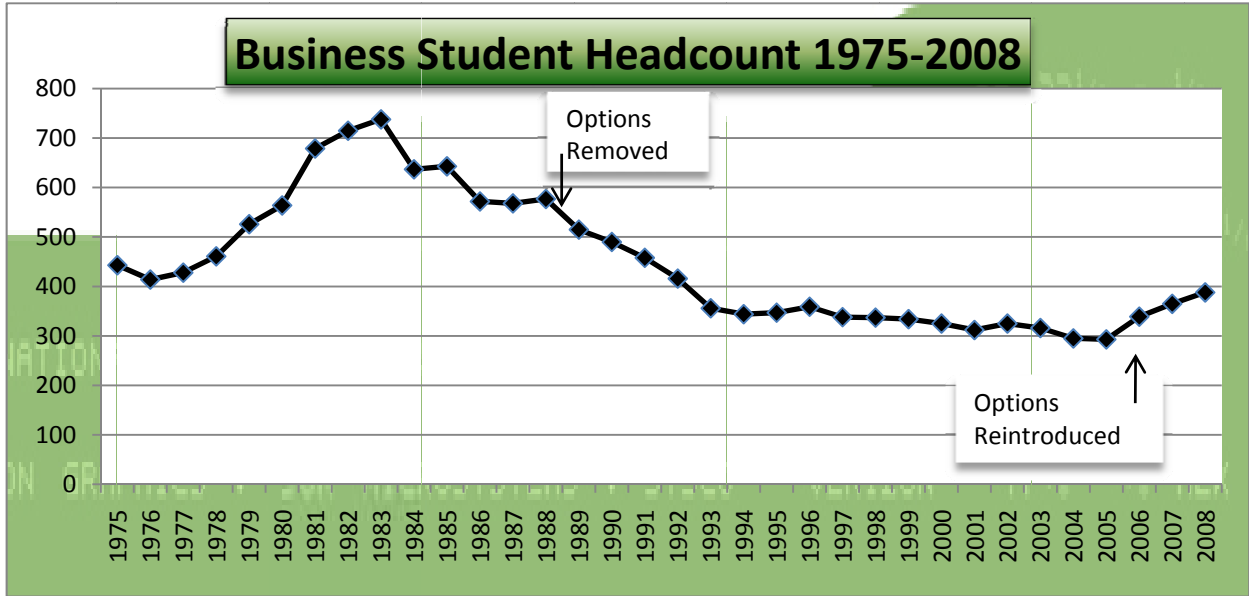
***Calculated based on actual costs from table in section 2A.

Total revenue generation over two years is \$546,000. Refer to appendix E for additional details. The two year program must become a cohort program to avoid multiple sections of MBA courses and keep costs low.

Rationale for expanding the undergraduate program

1. Enrollment Trend

The graph below shows that the School of Business has experienced steady growth since 2005. Appendix F shows that if this trend continues, the School will have about 600 students in 2013/2014.



2. Comparative Data

The following tables provide useful data to compare our performance against similar CSU business programs. This data is provided by the Dean’s office and reflects HSU SFR from 07/08 and number of majors from 08/09. Reference appendix G for current headcount and SFR data.

Department/program: Business Administration (BA)

Campus	Student Faculty Ratio 2007			Numbers 2008/2009			Average Class Size 2007		
	Overall	Upper Division	Graduate	Credential	of Majors (BA/MBA)	of Graduates (BA/MBA)	Overall	Upper Division	Graduate
Bakersfield	19	19.4	16.9	N/A	968/68	262/25	24.8	25.7	15.6
Chico	27.5	26.4	24.8	N/A	2551/60	483/32	36.8	35.7	30.3
East Bay	30.2	33.3	20.9	N/A	2769/382	743/330	34.7	40.8	19.4
HSU	26.9	21.8	20.7	N/A	388/34	67/19	27.5	24	15.3
San Bern.	26.7	24.7	18.2	N/A	2781/518	695/150	33	31.4	21.1
SLO	30.5	26	30.8	N/A	1999/51	534/95	30.5	39	38.1
Sonoma	24.6	22.8	9.8	N/A	1375/40	235/21	24.6	29.1	11.5

Campus	Staff Support 2008/2009			Bachelor's Required Units 2008/2009			Required Units Master's 2008/2009		
	ASC/ASA/AAS	Directors	SSP	In Major Hegis Code	Other Required Courses	Total Units	In Major Hegis Code	Other Required	Total Units
Bakersfield	1.0, 12 mo	3@.27*		49	N/A	57	32-40	0-10	40
Chico	2.0, 12 mo	1.8 AY		57	6-21	72-75	30	0	30
East Bay	2.5, 12 mo			47-62	14	70-76	32	0	32
HSU	1.5, 12 mo	N/A	N/A	54-60	4-20	64	32	0	32
San Bern¹				69	5	74	29-34	0	29-34
San Bern²				40-53	3-18	61/62			
SLO				38-50	0-11	48-50	24-40	0-28	40-42
Sonoma	3@1.0 12-mo	1.0 12-mo chair	1, 12-mo	47-55	0-8	55	30	0	30

Breakdown of courses required for Bachelor's:

Campus	Units			Options	Qtr/Sem	Comments	Location
	LD	UD	Option				
Bakersfield	21	45	20	9	Q		
Chico	21	27	24-27	6	S		
East Bay	29-33	56-60	16-28	15	Q	Total units = 105-115 according to website, 101-115 when I	
HSU	20	20	22-24		S	B.S	
San Bern¹	32	36	44	9	Q	B.S.	
San Bern²	32	36	24-26		Q	B.A.	
SLO	12	36	24-28		Q	Also 25 units of "support" courses	
Sonoma	16	24	15	7	S	14-15 units of "preparatory" courses	Business & Econ

Notes:

Bold= quarter units converted to semester units (QU x .66). To convert semester units to quarter units, multiply the semester units by 1.5...for example, 12 semester units X 1.5 = 18 quarter units

1= San Bernardino's B.S. degree requirements

2= San Bernardino's B.A. degree requirements

As it can be seen, HSU's business program is run very efficiently. Our 08/09 SFR of 32.82 (appendix G) is the largest among the group. The undergraduate and the MBA programs also require fewer units than four other schools in this group. In terms of headcount, HSU's undergraduate business program is the smallest in the group; however, our graduate program size could easily grow to the size of SLO and Sonoma with current resources.

3. Curriculum strengthening

The undergraduate program is designed to give certain degree of flexibility to business majors.

Business major requirement	64 units
GE (Areas A, B, C, D)	36 units
GE (Area E)	3 units
Upper-Division GE	9 units
Institutions (with double counting)	3 units
<u>Free electives</u>	<u>5 units</u>
Total	120 units

Through careful advising, HSU business students could take a couple of free electives to reach to 120 units of graduation requirement. We intend to keep the overall requirements at the same level. However, we feel that our business students need to take additional business courses to remain competitive in the market place. Therefore, we need to drop some courses that are currently required and replace them with new business courses, refer to appendix I for the current program.

The stakeholder group recommends the following guidelines for curricular revision:

- Integrate triple bottom line (environmental, social, and economic responsibility) in every course
- Develop competitive options that are consistent with typical business programs
- Strengthen the business program by providing additional business courses (required or elective)
- Develop entrepreneurship (small business administration) track for business students

The curricular revisions we are proposing reflect curricula in business programs across the country and within CSU. SLO is an example of such a mix of courses that we use as a reference (appendix H). SLO and other business programs require micro- and macro-economics as a part of their programs, for a total of 6 semester units. HSU currently requires 4 semester units of economics (Econ 210: Principles of Economics) at lower-division core level and 4 semester units of economics at the options' levels for a total of 8 units. Four semester units of Econ 210, which is the equivalent of micro- and macro-economics is sufficient; therefore a second course in economics, while important for some options, is not necessary for all. Therefore, this proposal reflects the elimination of the second course in economics from Accounting and Management options. A second course in economics would remain in Finance, International Business, and Marketing options. This change would make the School of Business programs more comparable to other CSU business programs.

The eliminated economics course would be replaced by a course that strengthens our accounting and management options according to the guidelines provided by the stakeholders group and comparable CSU business programs. The replacement courses would include:

- Government and non-profit accounting (for accounting option in place of Econ 310; this class has been offered as BA 480 in past three years)
- Organizational behavior (for corporate management track in place of Econ 309)
- Human Resource management (for small business administration track in place of Econ 309)

Additionally, we would like to create two tracks under our Management option: Corporate Management and Small Business Administration. Estimate salary cost for these two courses is 13,542 (reference appendix J).

Corporate Management Track (24 units)

BA XXX	Organizational Behavior (4 units)
BA 310	Business Law (4 units)
BA 470	Management Theory (4 units)
BA 472	Change Management (4 units)
BA 475	International Management (4 units)
BA 401	Advanced Sustainable Management Application (4 units)

Small Business Management Track (25 units)

BA XXX	Human Resource Management (4 units)
BA 310	Business Law (4 units)
BA 378	Small Business Management (3 units)
BA 380	Business Plan Development (3 units)
BA 415	Small Business Consulting (3 units)
BA 472	Change Management (4 units)
BA 446	Marketing Research (4 units)

4. AACSB accreditation

The stakeholder group recommends building the curriculum that would satisfy AACSB accreditation standards. The school must follow the AACSB standards to assure continuous improvement of its programs. The MBA professional fees can be used towards quality improvement in the business program, both at the graduate and undergraduate levels, as identified in addendum K, MBA Executive order #1042 & FAQ.

Faculty Sufficiency is by far the most important standard of accreditation by the AACSB. The AACSB divides the faculty into three different groups:

- Academically Qualified (AQ) faculty are tenured and tenured-track faculty with terminal degree and continuous scholarly activities.
- Professionally Qualified (PQ) faculty are non-tenured track faculty (lecturers) who must have a master's degree and engage in matters of the school beyond direct teaching responsibilities.
- Other faculty is defined as traditional lecturers who are only engaged in teaching.

According to AACSB standard 10, at least 90% of the faculty resources must be either AQ or PQ faculty. Over the next five years we need to have 18 AQ/PQ faculty. Currently we have two lecturers who can be identified as PQ faculty, four tenured and tenured-track faculty, and two FERP faculty that might be identified as AQ faculty. Therefore, we need to have a minimum of 10 new AQ faculty over the next five years at a total salary cost of \$2,975,000.

In the event budgetary constraints will not allow accreditation in five years, the School can move towards strengthening its program by implementing the prioritization task force recommendations on page 14 of the PTF Final Report:

“This is a high-enrolled program but with inadequate staffing to maintain high quality. An immediate investment in new faculty (4-6 positions at market rate) is required to support current enrollment levels. Further expansion of the program could be considered if quality indicators improve and faculty can be retained.”

The student headcount for 2008/2009 was 416. As the school grows and quality of the program improves, additional faculty resources will be needed. See appendix F for details of enrollment projections and faculty sufficiency costs.

Preparing for accreditation requires costs in addition to faculty resources. The School must remain a member of the AACSB. Furthermore, faculty participation in AACSB workshops and conferences is a required component of accreditation. Accredited schools also provide incentives to their faculty to remain productive and remain academically qualified. These costs are shown in appendix L.

5. Organizational structure of the School of Business

In 2008, President Richmond and Provost Snyder engaged two external deans to review the School of Business programs and other related issues. Their report is attached as appendix M. They recommend the School of Business become an independent unit with its own budget and administrator. We do recognize that the school is not large enough to become an independent college. Currently, the School of Business is the home for two departments. This structure will allow the School of Business to become home for other programs as well. In that case, we recommend an MPP Director for the School of Business. Although the school remains within the College of Professional Studies, we believe it is important to establish budgetary independence for the school. The budgetary independence will allow the school to pursue accreditation, improve its programs, and motivate its faculty more efficiently. Refer to appendix N for a MPP Director cost estimate.

6. Business Education

Although the stakeholder group did not consider this program, the School of Business faculty recommends suspension of this program. The demand for this program has been very weak. The following table shows the number of students graduating with this degree:

BASS Business Admin (Education) BS from Analytic Studies website:

	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09
Graduates	1	0	0	0	1	0	1	0

HSU is one of the two CSU campuses that still has a Business Education option. This has created a burden on the School of Business to certify Business graduates from other CSU campuses who would like to teach at the High School level. Additionally, this program must be recertified next year. The standards of recertification are changed significantly. As a result, the cost of recertification will not justify the meager demand for the program.

Remaining Issues

The stakeholder group has identified several additional areas of importance to address, listed below.

- a. Articulate a vision and mission statement that positions the School of Business as a dynamic pillar supporting HSU's vision
- b. Relationship between the Institute for Entrepreneurial Education (IEE) and the community
- c. International relationships
- d. Work with Advancement to develop funds to support developing programs in future.
- e. Outreach – marketing/branding

These issues are beyond the scope of this document; we will discuss these with the faculty of the School of Business during the 09-10 academic year.