

**Student Learning Outcomes Committee 2010  
Department/Program Assessment Results Report**

Department/Program Finance  
Date Submitted: April 9, 2010

Degree/Program BSBA Major in Financial Services

The purpose of this report is to communicate the assessment activities that have taken place during the last academic year, as well as to convey how the results are being used *to improve student learning at the program level*. The report should be kept as succinct as is possible, while answering the following questions clearly and conscientiously:

**I. Working from your assessment report of last year, please discuss some changes made or strategies implemented in response to last year's results.**

Overall, last year's assessment led to no curriculum changes. However, one conclusion of last year's assessment was to implement a new indirect assessment method. This method would evaluate the perceptions and opinions of recent program alumni regarding the efficacy and success of the program overall, and with regard to that year's SLO's, and triangulate the direct measures we use to assess performance. It has taken some time to implement this new measurement and in light of this year's furlough program, we delayed implementation of this method. We hope to accomplish this for the 2011 report.

A second improvement is the development of a rubric for the evaluation of plan-related SLO's. We have been successful in doing that for some, but not all, SLO's.

A final conclusion of last year's report is that the program faculty needs to be cognizant of testing at higher cognitive levels. After all, the purpose of the program is to create individuals who can apply and analyze what they have learned, not just know or comprehend the concepts. It was suggested that a department meeting be held for the purpose of generating interest in this issue. That was not accomplished. Instead, the assessment coordinator met with faculty members individually to attain that goal. We plan to hold such a meeting this spring or next fall.

**II. Drawing upon the goals and objectives contained in the department/program student learning assessment plan, what was the focus of the department's student learning assessment for the past academic year?**

- A. This section should list the student learning goals and objectives that were the focus for the report year (selected from your complete set of goals and objectives).

<b>Goal 4: Evaluate the role of technology and the legal, ethical and economic environment as it relates to financial services</b>
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Learning Outcomes:
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| <ol style="list-style-type: none"><li>2. Identify conflicts of interest between market participants and between principal and agent.</li><li>3. Evaluate the economic environment and the impact of governmental economic policies on consumers and financial services firms.</li><li>4. Explain how laws and regulations governing the operation of financial service firms and of the financial planning profession affect clients.</li><li>5. Describe the impact that financial innovation, advances in technology, and changes in regulations has had on the structure of the financial services industry.</li></ol> |
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<b>GOAL 5: Prepare students who wish to practice personal financial planning</b>
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| <ol style="list-style-type: none"><li>1. Analyze the impact of pension law on various financial decisions including accumulation and transfer of wealth</li><li>4. Design and evaluate employee benefits plans and aid individuals in making choices among current plan elections</li></ol> |
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Note: a shift in assessment schedule was adopted because of mistaken instructions to a lecturer faculty member. As a result, Goal One was postponed for a year. (Goal Four, SLO 1 was assessed last year).

- B. It would also be helpful to note here the student learning goals and objectives that you intend to assess during the next year.

<b>Goal 1: Acquire the skills necessary to participate in managing a financial services company.</b>
Learning Outcomes: <ol style="list-style-type: none"> <li>1. Describe the dimensions of performance and risk relevant to financial services companies.</li> <li>2. Calculate contemporary measures of performance and risk.</li> <li>3. Describe contemporary managerial risk management oversight processes.</li> <li>4. Explain how the financial services component industries (insurance, banking, securities, real estate and financial planning) interact.</li> </ol>
<b>Goal 2: Assess consumer financial needs and the mechanisms available for fulfilling these needs</b>
Learning Outcomes: <ol style="list-style-type: none"> <li>1. Describe the various financial products, services and strategies offered by the variety of financial services institutions.</li> <li>2. Evaluate financial products and strategies offered by the variety of financial services institutions for suitability and appropriateness in meeting consumer needs.</li> </ol>
<b>Goal 3: Describe and apply financial concepts, theories, and tools.</b>
Learning Outcomes: <ol style="list-style-type: none"> <li>1. Describe measures of risk and approaches to managing risk.</li> <li>2. Apply valuation techniques.</li> <li>3. Explain the structure of the financial markets</li> </ol>

### III. What information was collected, how much, and by whom?

- A. and B. This section should briefly describe the methodology used to examine the targeted goals and objectives. Please attach relevant scoring rubrics, surveys, or other materials used to examine student learning to the back of the report, as Appendices. Please note that the expectation here is that programs will make use of *direct* measures of student learning outcomes.

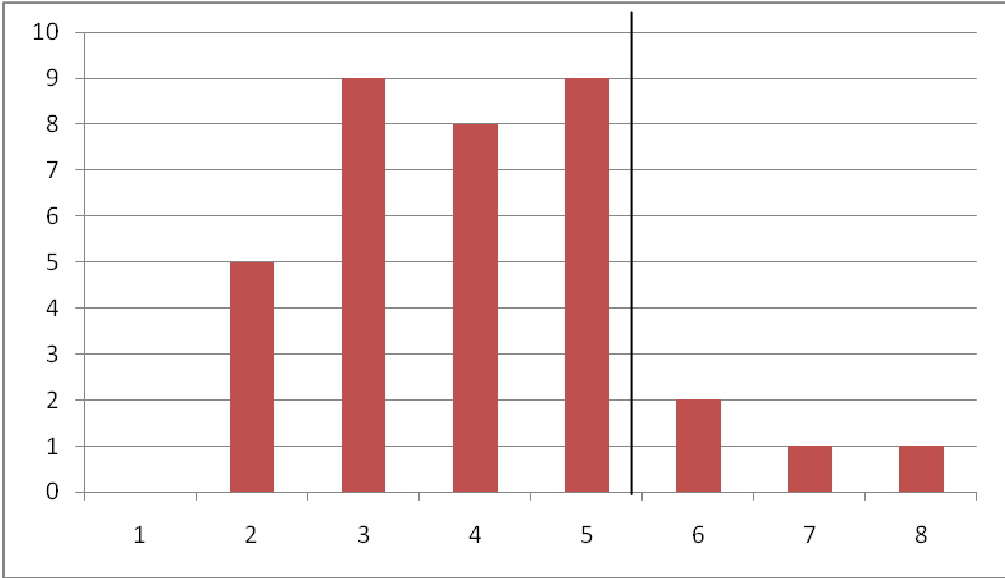
### Goal 4: Evaluate the role of technology and the legal, ethical and economic environment as it relates to financial services

LO 2 Identify conflicts of interest between market participants and between Principal and Agent

This SLO is frankly difficult to measure at higher cognitive levels. In a case situation it is obvious that conflicts are bad and to be avoided, so no meaningful results occur. However you can present students with exam questions and ask if they recognize likely conflicts of interest. In this case ten questions were asked regarding conflicts. The Number wrong out of ten is indicated here for 35 financial services majors enrolled in FIN 589 in Fall 2009.

Number of students

Goal 4, SLO 2 Number Wrong/10



The faculty determined that 50% or more correct of the ten questions indicated understanding of this concept. A benchmark was set that 75% of students should achieve this level. Of the 35 students, 31 (88.6%) demonstrated understanding hence achieving the benchmark. Although this “pass rate” may seem too high, these questions are notoriously tricky. (It is hard to develop straightforward conflict of interest questions without the correct answer being obvious).

- LO 3. Evaluate the economic environment and the impact of governmental economic policies on consumers and financial services firms.
- LO 4. Explain how laws and regulations governing the operation of financial service firms and of the financial planning profession affect clients.
- LO 5. Describe the impact that financial innovation, advances in technology, and changes in regulations has had on the structure of the financial services industry.

For the purposes of this report, 19 students were selected on the basis of their major – Financial Services. Twelve questions, mapped to specified SLOs, were selected from standard exams (four questions for each SLO). Two “cut” scores were selected: 90% and above for HIGH PASS (answered all four correctly), and 75% and above for MIN PASS (answered 3 out of 4 correctly). Any score below 75% (less than 3 out of 4) was considered as FAIL.

Performance			
number correct/4	SLO3	SLO4	SLO5
0	0	0	0
1	0	0	2
2	0	1	6

3	6	5	4
4	13	13	7
	19	19	19

For SLO 3, all students met the standard. For SLO 4 all but one met the standard. For SLO 5, over 40% did *not* meet the standard.

### **GOAL 5: Prepare students who wish to practice personal financial planning**

SLO2 Analyze the impact of pension law on various financial decisions

SLO4. Design and evaluate employee benefits plans and aid individuals in making choices among current plan elections.

The instructor felt that these two Learning Objectives were in fact the general content of his class. He therefore thought the grade distribution of this two unit class represented assessment of these two goals. The grade distribution for the 16 financial services majors in the class was:

10 High Pass (>A-)  
6 Pass (C- to B+)  
0 Fail (<C-)

It is understood that course grades do not provide a clear direct measure of student learning outcome attainment. The instructor involved is a part time instructor teaching for his first time at SDSU. Although he had received explicit instructions for assessment, he misunderstood the requirements. The committee intends to work more closely with the instructor for his assessment cycle next year.

#### **IV. What conclusions were drawn on the basis of the information collected?**

Goal 4, Learning Objective 2

It appears that the standard set by the department was met.

Goal 4, Learning Objective 3, 4, 5

It appears that learning objectives 3 and 4 were met. This was not the case, however, with SLO 5. Students seemed to have significant trouble describing “the impact that financial innovation, advances in technology, and changes in regulations has had on the structure of the financial services industry.” The instructor pointed out that the class spent quite a bit of time discussing proposed financial services regulation. He felt students may have become confused between questions asked about existing regulation and his discussions of proposals for change. He will attempt to explain these concepts more clearly in the future, and possibly add a summary handout comparing current and proposed regulation.

Goal Five.

It is obvious that Goal Five was not adequately assessed and that the results are not meaningful. The Department Committee will discuss this issue in the Fall and possibly add it to the agenda to be assessed next year.

#### **V. How will the information be used to inform decision-making, planning, and improvement?**

A. and B. This section should describe the strategies that will be implemented for program improvement as a result of the conclusions drawn from the assessment activities. The program change may pertain to curricular revision, faculty development, student services, resource management, and/or any other activity that connects to student success.

The following recommendations were made based upon this assessment review:

- 1) We would evaluate the perceptions and opinions of recent program alumni regarding the efficacy and success of the program overall and with regard to that year’s SLO’s. (Indirect)
- 2) Where we were not successful last year we will develop a rubric for the evaluation of plan-related SLO’s and insure faculty feel the need to test at higher cognitive levels.

- 3) Hold an actual assessment meeting with all faculty teaching in the program. Insure all faculty members can distinguish between a class grade and a student learning outcome.
- 4) Insure students can differentiate between financial services proposed and existing regulation.

**Report completed by:** Thomas Warschauer

**Date:** April 9, 2010

## Appendix One

### B.S. Degree in Business Administration: Financial Services Major Mapping of Discipline-Specific Goals and Learning Outcomes to Courses

**Note: Large X's refer to primary instruction for each LO while small x's refer to supplemental coverage.**

		Required Courses						
		FIN 323	FIN 326	FIN 327	FIN 331	FIN 522	FIN 589	ACCT 503
<b>Goal 1: Acquire the skills necessary to participate in managing a financial services company</b>								
LO1	Describe the dimensions of performance and risk relevant to financial services companies		X					
LO2	Calculate contemporary financial measures of performance and risk	x	X	x				
LO3	Describe contemporary managerial risk management oversight processes		X					
LO4	Explain how the financial services component industries (insurance, banking, securities, real estate and financial planning) interact		X		x		x	
<b>Goal 2: Acquire the skills to address consumer financial needs.</b>								
LO1	Describe the various financial products, services and strategies offered by the variety of financial services institutions		X	x	x	X		
LO2	Evaluate financial products and strategies offered by the variety of financial services institutions for suitability and appropriateness in meeting consumer needs			x		x	X	
<b>Goal 3: Apply financial concepts, theories and tools</b>								
LO1	Describe measures of risk and approaches to managing risk	x		X	x	x	x	
LO2	Apply valuation techniques	x		X	x		x	
LO3	Explain the structure of the financial markets	x	X	x	x			

**Goal 4: Appraise the environment as it relates to financial services**

LO1	Analyze the impact of tax law on various financial decisions including accumulation of wealth					x	x	X
LO2	Identify conflicts of interest between market participants and between principal and agent			x	x	x	X	
LO3	Evaluate the economic environment and the impact of governmental economic policies on consumers and financial services firms		X			x	x	x
LO4	Explain how laws and regulations governing the operation of financial service firms and of the financial planning profession affect clients.		X			x	x	
LO5	Describe the impact that financial innovation, advances in technology and changes in regulations has had on the structure of the financial services industry.		X		x			

This color indicates LO's Tested this year

**GOAL 5: Prepare students who wish to practice personal financial planning**

<p><b>Note</b> These are students who have chosen to qualify to sit for the CFP® Certification Exam (and for the SDSU credit Certificate in Personal Financial Planning) by majoring in financial services and taking additional courses required for the certificate):</p>									FIN 590	FIN 421/426	FIN 445	FIN 523	
LO1	Analyze the impact of pension law on various financial decisions including accumulation and transfer of wealth												X
LO2	Design hedging strategies to Manage market risks		x								X		
LO3	Evaluate an individual's assets for efficient distribution to heirs or through charitable gifts.										X		
LO4	Design and evaluate employee benefits plans and aid individuals in making choices among current plan elections												X
LO5	Design and evaluate portfolios of securities and asset classes aimed at achieving personal goals								X	x			
LO6	Prepare a plan for efficient wealth management including planning for cash and debt management, investing, insurance, retirement, educations needs, and incapacity								X				

Appendix Two

<b>Goals and Student Learning Outcomes: BS Financial Services Major</b>		
	<b>Scheduled for assessment For Calendar Year</b>	<b>Assessment method<sup>1</sup></b>
<b>Goal 1: Acquire the skills necessary to participate in managing a financial services company.</b>		
Learning Outcomes: 5. Describe the dimensions of performance and risk relevant to financial services companies. 6. Calculate contemporary measures of performance and risk. 7. Describe contemporary managerial risk management oversight processes. 8. Explain how the financial services component industries (insurance, banking, securities, real estate and financial planning) interact.	<b>initial</b> 2007 - 8 AY <b>Next</b> 2010 CY	LO 1-3 Fin 326 Specified Exam Questions LO4 Fin 589 Specified Exam Questions
<b>Goal 2: Assess consumer financial needs and the mechanisms available for fulfilling these needs</b>		
Learning Outcomes: 1. Describe the various financial products, services and strategies offered by the variety of financial services institutions. 2. Evaluate financial products and strategies offered by the variety of financial services institutions for suitability and appropriateness in meeting consumer needs.	<b>initial</b> 2007 CY <b>next</b> 2010 CY	LO1,2 Fin 589 Specified Exam Questions  Next Cycle (2010) add: FIN 331 and FIN 522 Specified Exam Questions
<b>Goal 3: Describe and apply financial concepts, theories, and tools.</b>		
Learning Outcomes: 4. Describe measures of risk and approaches to managing risk. 5. Apply valuation techniques. 6. Explain the structure of the financial markets	<b>Initial</b> 2007 CY <b>next</b> 2010 CY	LO 1 & 3 Fin 326 Exam Questions LO 2 Fin 327 Exam Questions

<sup>1</sup> Starting 2009 CY we will also start using an indirect assessment of a sample of 2-5 year alumni opinion of all relevant SLO's and overall program satisfaction and success.



**Goal 4: Evaluate the role of technology and the legal, ethical and economic environment as it relates to financial services**

<p>Learning Outcomes:</p> <ol style="list-style-type: none"> <li>1. Analyze the impact of tax law on various financial decisions including accumulation of wealth.</li> <li>2. Identify conflicts of interest between market participants and between principal and agent.</li> <li>3. Evaluate the economic environment and the impact of governmental economic policies on consumers and financial services firms.</li> <li>4. Explain how laws and regulations governing the operation of financial service firms and of the financial planning profession affect clients.</li> <li>5. Describe the impact that financial innovation, advances in technology, and changes in regulations has had on the structure of the financial services industry.</li> </ol>	<p><b>Initial</b> LO1 2008 CY</p> <p><b>2009</b></p>	<p>LO 1 Acct 503 Exam Questions</p> <p><b>LO 2</b> <b>Fin 589 Exam Questions</b></p> <p>LO 3,4,6 Fin 326 Exam Questions</p>
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**GOAL 5: Prepare students who wish to practice personal financial planning (Note These are students who have chosen to qualify to sit for the CFP® Certification Exam (and for the SDSU credit Certificate in Personal Financial Planning) by majoring in financial services and taking additional courses required for the certificate)**

<p>Learning Outcomes:</p> <ol style="list-style-type: none"> <li>1. Analyze the impact of pension law on various financial decisions including accumulation and transfer of wealth.</li> <li>2. Design hedging strategies to manage market risk.</li> <li>3. Evaluate an individual's assets for efficient distribution to heirs or through charitable gifts.</li> <li>4. Design and evaluate employee benefits plans and aid individuals in making choices among current plan elections.</li> <li>5. Design and evaluate portfolios of securities and asset classes aimed at achieving personal goals.</li> <li>6. Prepare a plan for efficient wealth creation and management including planning for cash and debt management, investing, insurance, retirement, educations needs, incapacity, and efficient wealth transfer.</li> </ol>	<p><b>Initial</b> 2008 CY</p> <p><b>Defer LO 1,4 to 2009</b></p> <p><b>Next</b> 2011CY</p>	<p><b>LO1,4 Fin 523 Exam Questions</b></p> <p>LO2 FIN 421 Exam Questions</p> <p>LO3 Fin 445 Exam Questions</p> <p>LO5 Fin 590 Case</p> <p>LO6 Fin 590 Case</p>
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