

# Florida Memorial University Assessment Report

## Assessment Cycle 2016-2017

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### Degree Program: BS Finance

Completed by: Dr. Cheulho Lee, Associate Professor of Finance, May 2017

#### I. Degree Program Mission Statement

The mission of the Finance program is to provide students with knowledge of the major concepts and practices of finance, while at the same time helping to develop their analytical and decision-making abilities. The Finance program will prepare students for careers in finance and other business areas, and provide them with the opportunity to pursue graduate studies.

#### II. Use of Results from Last Assessment Cycle

Changes to Assessment Plan: N/A

Changes to Academic Processes: N/A

Changes to Curriculum:

	Changed Implemented
Other changes planned	See below for Details

##### a. Use of Results/Action Plan of the past academic years for SLO 1

<b>2009-2010</b>	Additional emphasis on a review of basic accounting concepts in FIN 323 Corporate Finance class. Continue to offer study sessions.
<b>2010-2011</b>	Use more real world examples in FIN 323 Continue to offer study sessions.
<b>2011-2012</b>	Additional emphasis on applying theories through real world examples in FIN 323. Continue to offer study sessions.
<b>2012-2013</b>	Continue to have tutoring sessions.

	The area of time value of money will be reviewed in the FIN 323
<b>2013-2014</b>	Continue to have tutoring sessions The basic concept of valuation to be emphasized
<b>2014-2015</b>	The area of capital budgeting will be covered early in FIN 323
<b>2015-2016</b>	Continue to utilize student tutors

**b. Use of Results/Action Plan of the past academic years for SLO 2**

<b>2009-2010</b>	More emphasis on intuitive understanding of stochastic in FIN 333 Investments class More discussions with students about their investment portfolios in FIN 333 and FIN 495. Additional emphasis on understanding risks of pursuing speculative strategies IN FIN 495.
<b>2010-2011</b>	More emphasis on understanding the difference between short-term vs. long-term investments in FIN 333 Additional emphasis on understanding the intuition behind break-even prices in FIN 495
<b>2011-2012</b>	Continue to offer special study sessions
<b>2012-2013</b>	In the FIN 333 and FIN 495classes, more emphasis on understanding the difference between short-term vs. long-term investments. More discussions with students about their portfolios. In the FIN 495, the instructor will emphasize the underlying concepts of break-even prices.
<b>2013-2014</b>	Continue to offer special study sessions
<b>2014-2015</b>	Finance faculty will continue to have more discussions with students about their portfolios.
<b>2015-2016</b>	More emphasis on understanding the difference between short-term vs. long-term investments

**c. Use of Results/Action Plan of the past academic years for SLO 3**

<b>2009-2010</b>	Students' future performance in the accounting and marketing areas will be monitored very closely.
<b>2010-2011</b>	The future performance in the areas of accounting, economics and human resources management will be closely monitored.
<b>2011-2012</b>	Continue to advise to motivate students who lack motivation to study.
<b>2012-2013</b>	Advise students to show interest in all the areas in business
<b>2014-2015</b>	Continue to advise students to show interest in all the areas in business
<b>2015-2016</b>	Emphasize the importance of all areas in business

### **III. Assessment Report**

#### **Program Goals**

**GOAL 1:** The Finance program will provide students with knowledge of the major concepts and practices of finance.

**GOAL 2:** The Finance program will help develop students' analytical and decision-making abilities.

**GOAL 3:** The Finance program will prepare students for careers in finance and other business areas, and provide them with the opportunity to pursue graduate studies.

#### **Program Student Learning Outcomes Assessment**

**SLO 1(GOALS 1 &3):** Students will demonstrate knowledge of the major concepts and practices of financial analysis and management and develop analytical decision making skills.

**SLO 2 (GOALS 2 &3):** Students will demonstrate knowledge of investments and derivatives for the practical application of theory.

**SLO 3 (GOAL 3):** Students will demonstrate overall knowledge of finance and other major functional areas in business for careers in finance and business, and /or graduate study.

## **SLO 1**

**Students will demonstrate knowledge of the major concepts and practices of financial analysis and management and develop analytical decision making skills.**

**Ist Means of Assessment and Criteria for Success:** Students will demonstrate proficiency in the Financial Management area of the Business Strategy Game (BSG) simulation. 50% of students will demonstrate better than 50th percentile ranking vs. all simulation players worldwide over the last 12 months in the Financial Management area of the simulation game.

**Course in which SLO is assessed:** BUS 498 Senior Project class

**Results:**

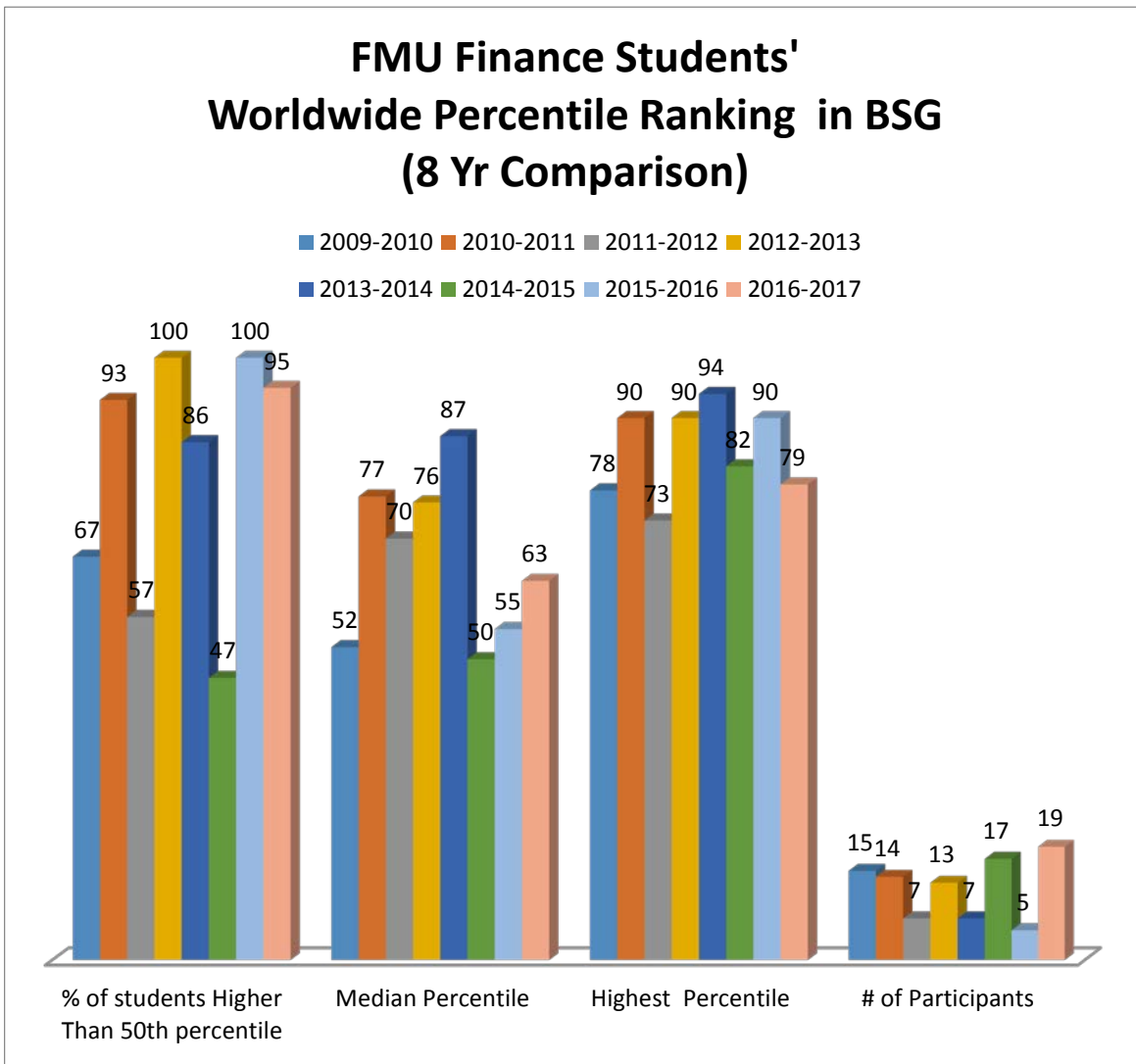
**a. Results of This Academic Year**

**2016-2017 FMU Finance Students' Percentile Ranking vs. ALL Simulation Players  
Worldwide over the Last 12 Months**

*(# of participating students worldwide=46,490, Companies=16,781 Schools=418,  
Countries=36)*

<b>Student</b>	<b>Worldwide Percentile</b>
Student 1	61
Student 2	77
Student 3	63
Student 4	62
Student 5	77
Student 6	62
Student 7	79
Student 8	77
Student 9	79
Student 10	46
Student 11	62
Student 12	79
Student 13	62
Student 14	61
Student 15	63
Student 16	62
Student 17	79
Student 18	79
Student 19	79

**b. Results of Past Academic Years**



(1) In the 2016-2017 academic year,

- (a) 47% of Finance students (9 students out of 19) scored 70<sup>th</sup>-79<sup>th</sup> percentile globally
- (b) 47% of Finance students (9 students out of 19) scored 60<sup>th</sup> -69<sup>th</sup> percentile globally
- (c) 5% of Finance students (1 students out of 19) scored 40<sup>th</sup>-49<sup>th</sup> percentile globally

95% of students (18 students out of 19) scored better than 50th percentile ranking globally. This exceeds the expected criteria for success.

(2) Over the past 8 years, Finance students have exceeded the expected criteria every year except one year (2014-2015 academic year). The performance of our Finance students has been good by the global and national standards.

**2<sup>nd</sup> Means of Assessment and Criteria for Success:** The finance portion of the Senior Exit Examination is used. 70% of students are expected to provide correct answers.

**Course in which SLO is assessed:** BUS 498 Senior Project class

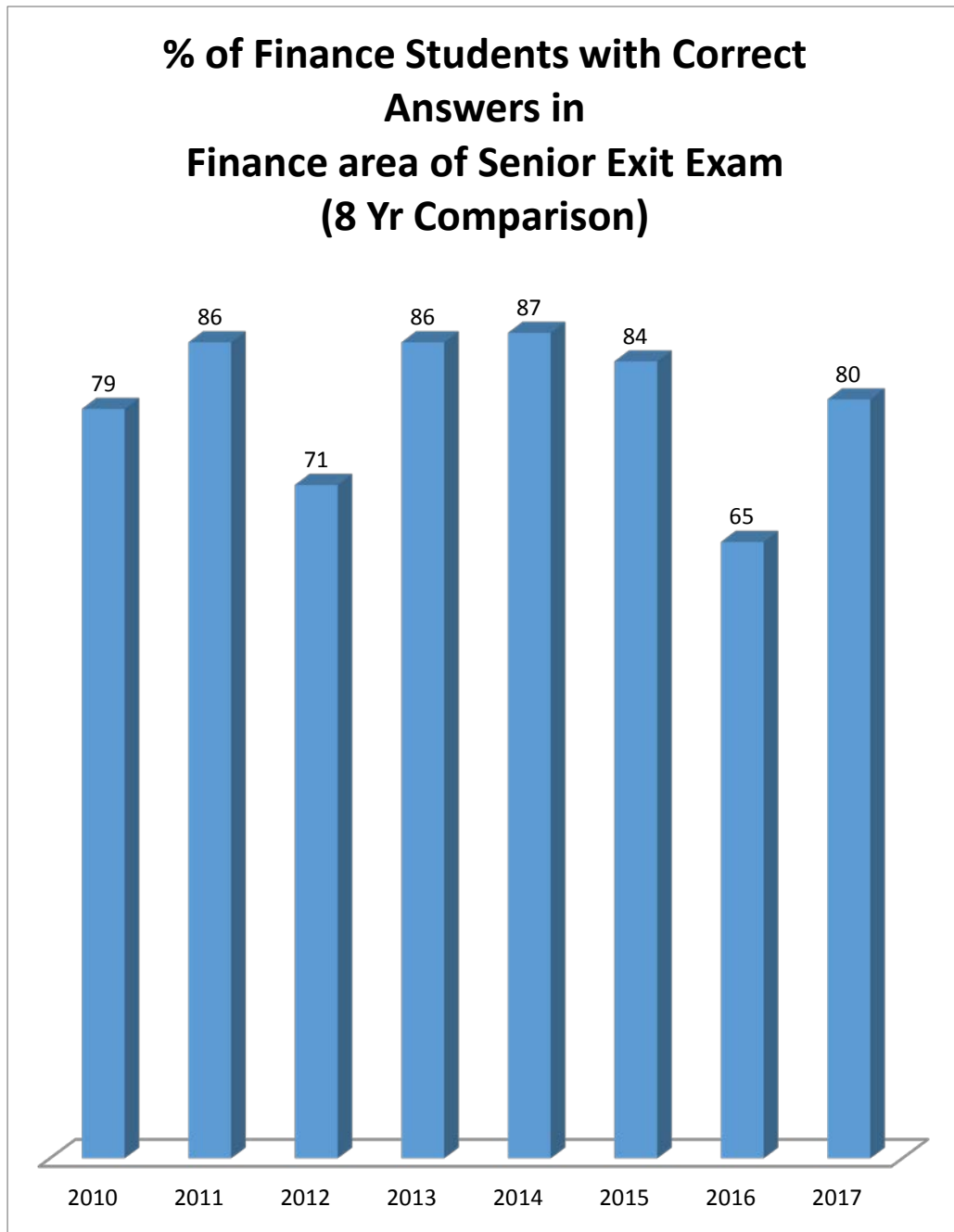
**Results:**

**a. Results of This Academic Year**

**An Analysis of Finance Area for 2016-2017 Academic Year**

<b>Subjects</b>	<b>% of students with correct answers (2016-2017)</b>
<b>Time Value of Money</b>	83
<b>Mortgage Loan</b>	67
<b>Present Value</b>	50
<b>Financial Institutions</b>	100
<b>Valuation</b>	67
<b>Derivatives</b>	94
<b>Capital Budgeting</b>	83
<b>Return &amp; Risk</b>	72
<b>Return &amp; Risk</b>	94
<b>Option</b>	89
<b>Average</b>	<b>80</b>

**b. Results of Past Academic Years**



- (1) The 2016-2017 results show that 80% of Finance seniors provide correct answers on average. This performance exceeds the expected criteria for success. A further analysis of 2016-2017 results shows that students did not perform well in the area of present

value, mortgage loan and valuation. This may be due to the fact that the topics of present value and mortgage loans are covered in FIN 301 principles of Finance class, long before they take Exit Exams.

- (2) For the past 8 years, each year more than 70 % of Finance seniors provide correct answers except one year (2015-2016 academic year). On average, Finance students have exceeded the expected criteria for success.

**Use of results to improve program/Action Plan for SLO 1**

**Changes to Assessment Plan: N/A**

**Changes to Academic Processes: N/A**

**Changes to Curriculum:** other changes planned. See below

- (1) Finance faculty will continue to have tutoring sessions. In doing so, Finance faculty will set the time for tutoring sessions after discussing it with students who work full-time, so that they cannot miss the tutoring sessions.
- (2) The basic concepts of time value of money will be reviewed in FIN 323.
- (3) Student tutors were hired again this year. It seems that these student tutors helped other students a lot. However, tutors need to be hired in a timely fashion. It is recommended that student tutors continue to be utilized in the future.



## SLO 2

Students will demonstrate knowledge of investments and derivatives for the practical application of theory.

***1<sup>st</sup> Means of Assessment and Criteria for Success:*** Stock investment simulation is used. Students use real-time data to invest in stocks using a brokerage account on THINKORSWIM. Students start with \$200,000. 50% of students are expected to make positive return.

**Course in which SLO is assessed:** FIN 333 Investments

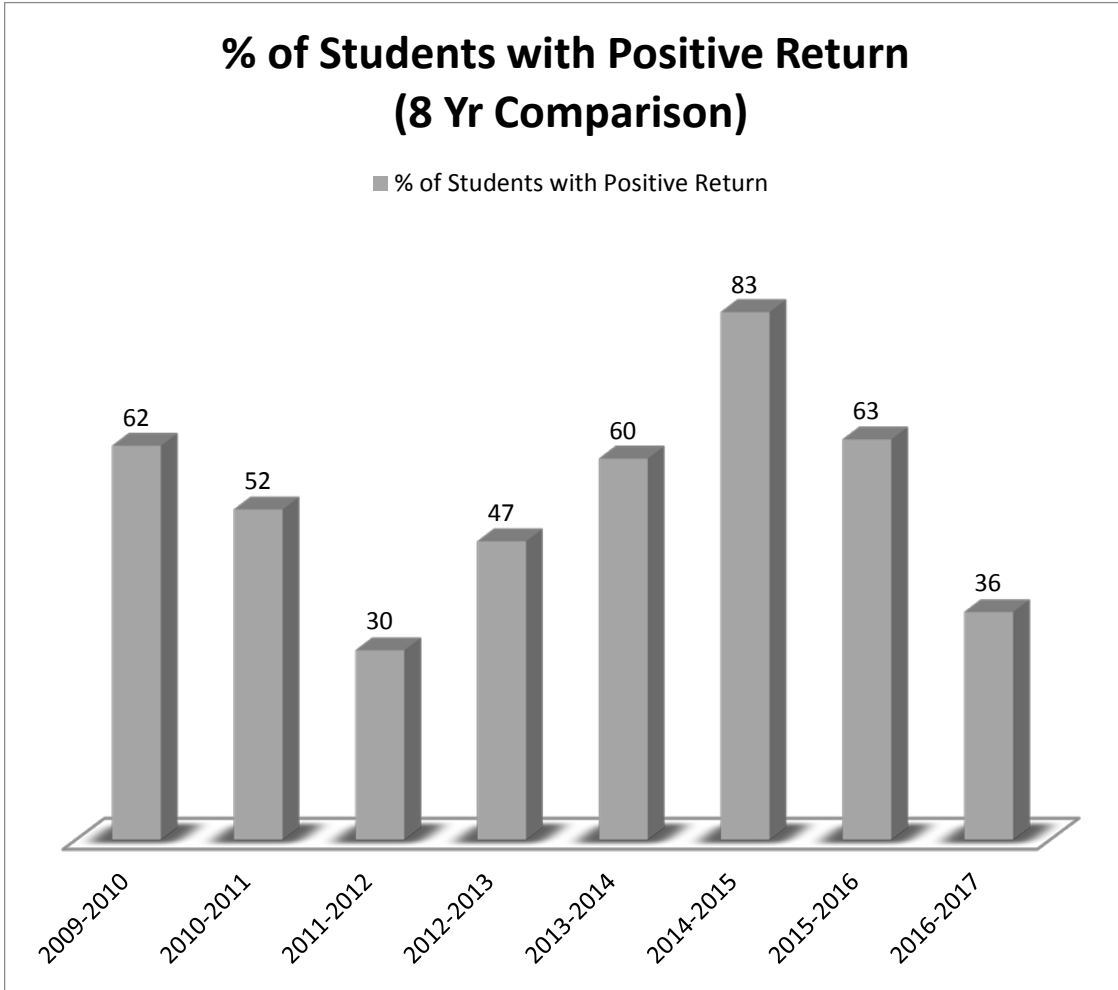
### Results:

#### a. Results of This Academic Year

#### 2016-2017 Academic Year Results

Rank	Return %
Student 1	1.97%
Student 2	1.91%
Student 3	1.04%
Student 4	0.36%
Student 5	0.00%
Student 6	0.00%
Student 7	-0.62%
Student 8	-1.22%
Student 9	-20.81%
Student 10	-35.02%
Student 11	-50%

**b. Results of Past Academic Years**



- (1) In the 2016-2017 academic year, 36% percent of students recorded positive return. This falls short of the expected criteria for success.
- (2) Over the last 8 years, Finance students exceed the expected criteria for success for 5 years.

**2<sup>nd</sup> Means of Assessment and Criteria for Success:** Option simulation will be used. Students use real-time data to invest in options using a brokerage account on THINKORSWIM. Students start with \$200,000. 50% of students are expected to make positive return.

**Course in which SLO is assessed:** FIN 495 Futures & Options Markets

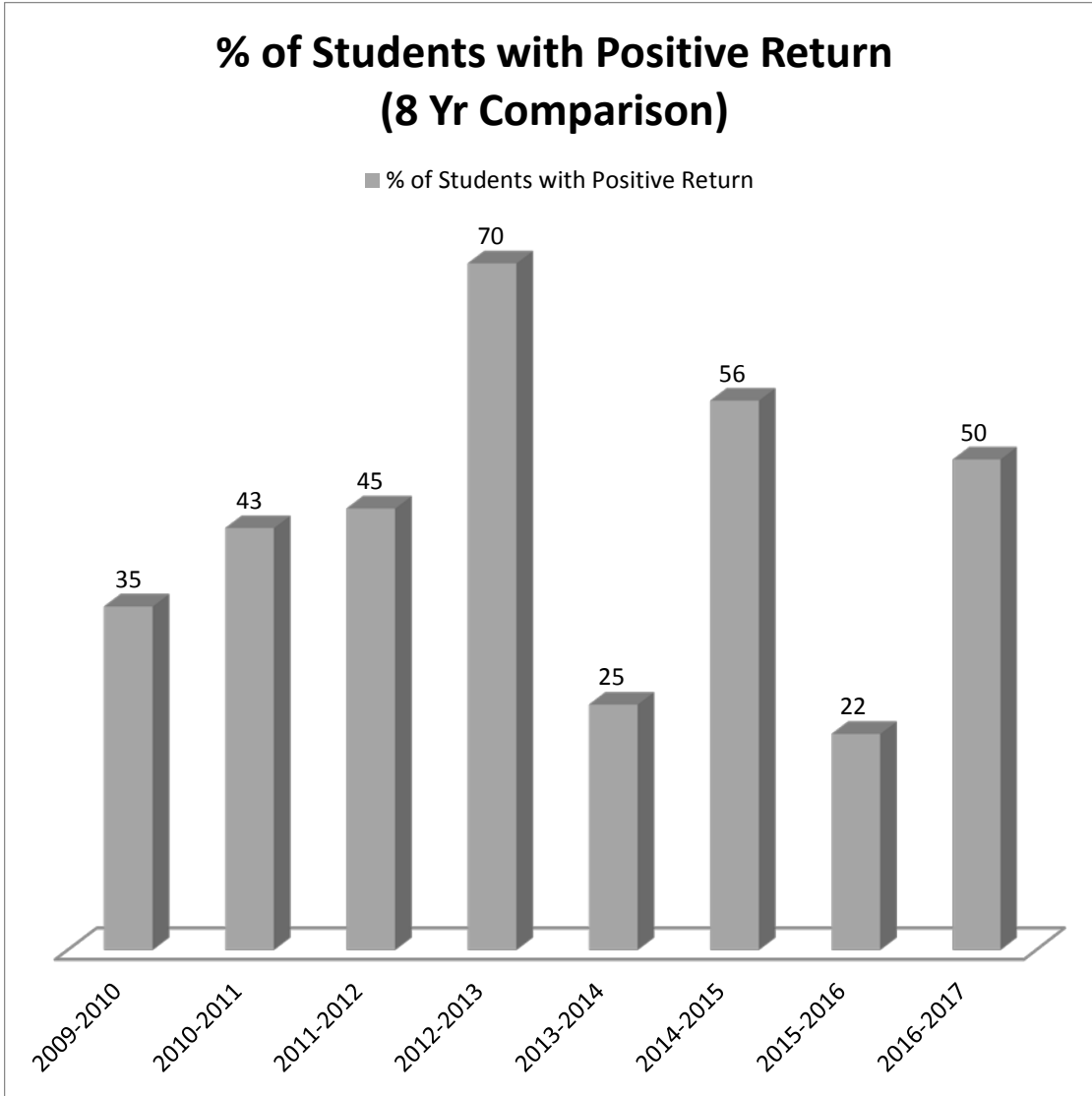
## Results of Assessments

### a. Results of This Academic Year

#### 2016-2017 Academic Year Results

Rank	Return %
Student 1	80%
Student 2	56%
Student 3	54%
Student 4	18%
Student 5	16%
Student 6	13%
Student 7	7%
Student 8	6%
Student 9	3%
Student 10	1%
Student 11	0.8%
Student 12	-18%
Student 13	-25%
Student 14	-28%
Student 15	-31%
Student 16	-40%
Student 17	-41%
Student 18	-47%
Student 19	-50%
Student 20	-54%
Student 21	-80%
Student 22	-91%

**b. Results of Past Academic Years**



- (1) In the 2016-2017 academic year, 50% of students recorded positive return. This meets the expected criteria for success.
- (2) Over the last 8 years, Finance students have exceeded the expected criteria for success for 3 years.

**Use of results to improve program/Action Plan for SLO 2**

**Changes to Assessment Plan: N/A**

**Changes to Academic Processes: N/A**

**Changes to Curriculum:** other changes planned. See below

Considering this is the first time for students to make investment in the real world setting, the overall performance is not bad.

An analysis of students' transactions and discussion reveals the following:

- (1) Students have the basic knowledge for investing real money and are able to apply it in the real market.
- (2) Because of short-term investment period, students rely more on technical analysis than fundamental analysis.
- (3) In the Options project, a few students do not fully understand the underlying concepts behind break-even prices on the expiration date when they use multiple option strategies. Because there are simply too many options to choose from, a few students are too overwhelmed to calculate break-even prices.

Based upon this analysis, Finance faculty will do the following:

- (1) In the classes (FIN 333 and FIN 495), more emphasis will continue to be placed upon understanding the difference between short-term vs. long-term investments.
- (2) During the project period, finance faculty will continue to have more discussions with students about their portfolios.
- (3) Finance faculty will continue to offer special study sessions.

### **SLO 3**

**Students will demonstrate overall knowledge of finance and other major functional areas in business for careers in finance and business, and /or graduate study.**

**Ist Means of Assessment and Criteria for Success:** Senior Exit Examination is used to test overall knowledge of finance and other areas in business. 50% of students are expected to provide correct answers in each area of senior exit examination.

**Course in which SLO is assessed:** BUS 498 Senior Project class

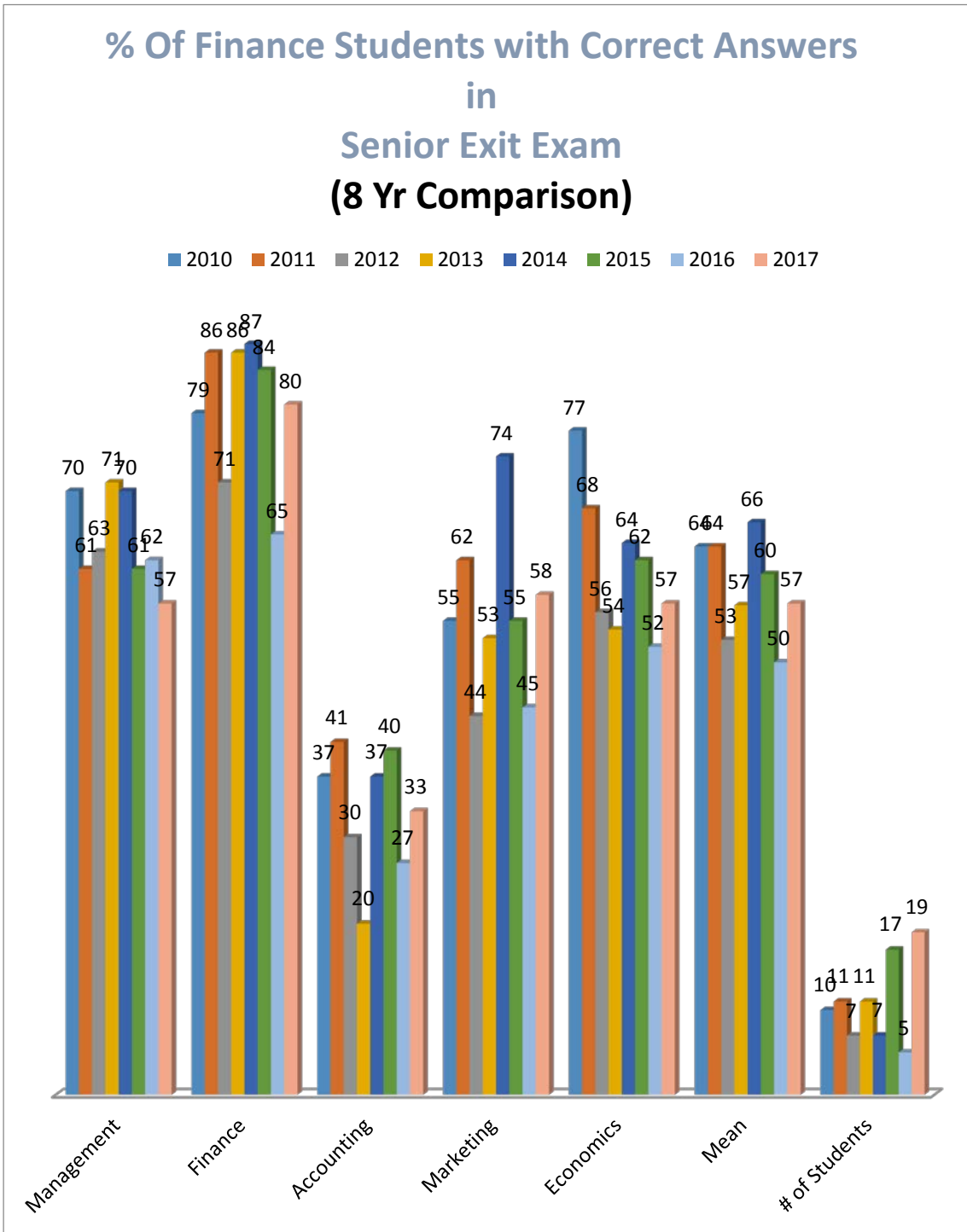
#### **Results:**

##### **a. Results of This Academic Year**

#### **% of Finance Students with Correct Answers in Senior Exit Exam 2016-2017 Academic Year**

Management	57
Finance	80
Accounting	33
Marketing	58
Economics	57
Mean	57
# of Students	19

**b. Results of Past Academic Years**



- (1) In the 2016-2017 academic year, more than 50% of Finance seniors provide correct answers in all the areas except accounting.

- (2) Over the last 8 years, Finance seniors have performed the best in the Finance area. For the same period, the performance of the accounting area has been below the expected criteria.

**2<sup>nd</sup> Means of Assessment and Criteria for Success:** Students will demonstrate proficiency in the Business Strategy Game (BSG) simulation.

On average, 50% of students will demonstrate better than 50<sup>th</sup> percentile ranking vs. all simulation players worldwide over the last 12 months in each business area.

**Course in which SLO is assessed:** BUS 498 Senior Project class

**Results:**

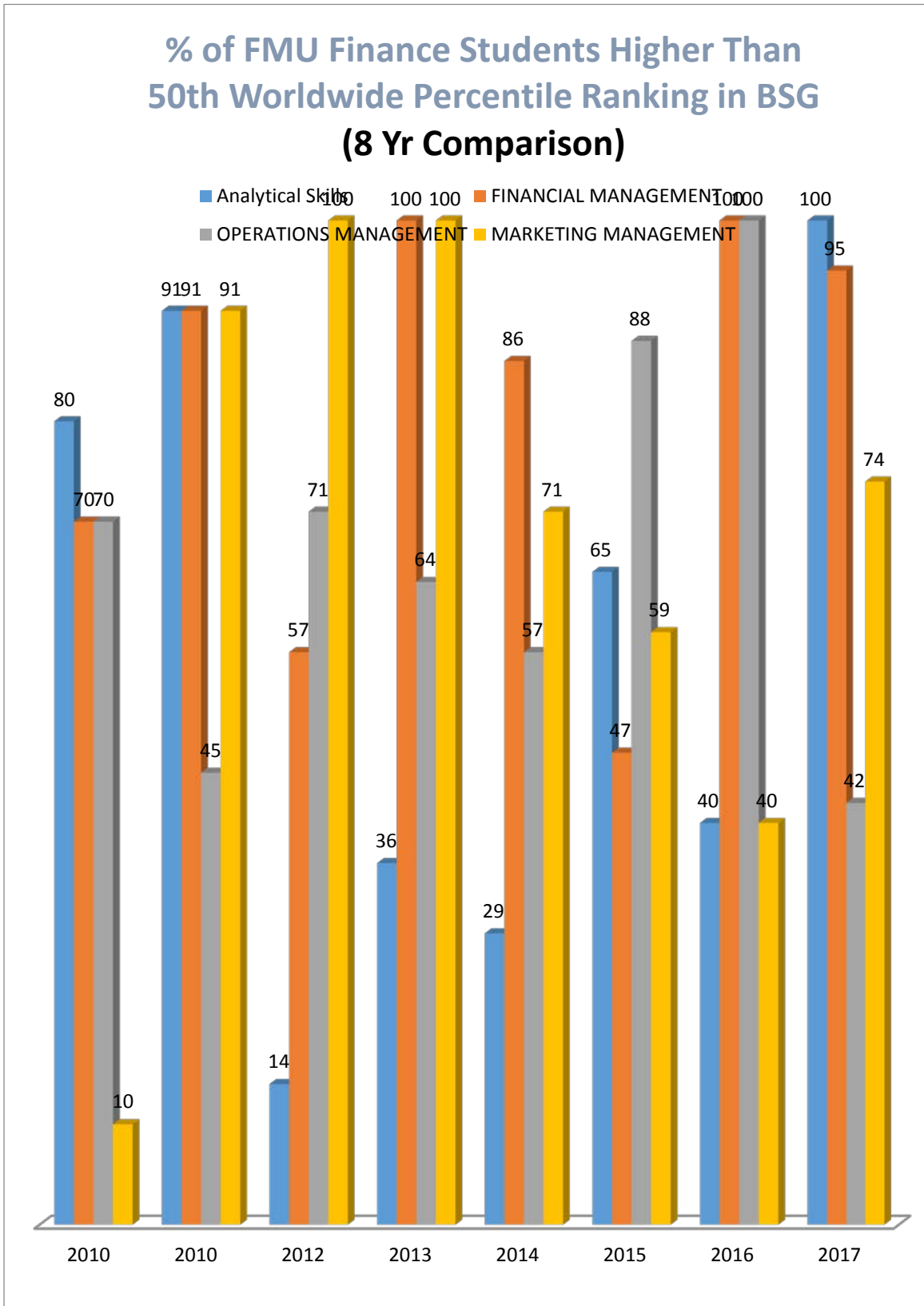
**a. Results of This Academic Year**

*(# of participating students worldwide=46,490, Companies=16,781 Schools=418, Countries=36)*

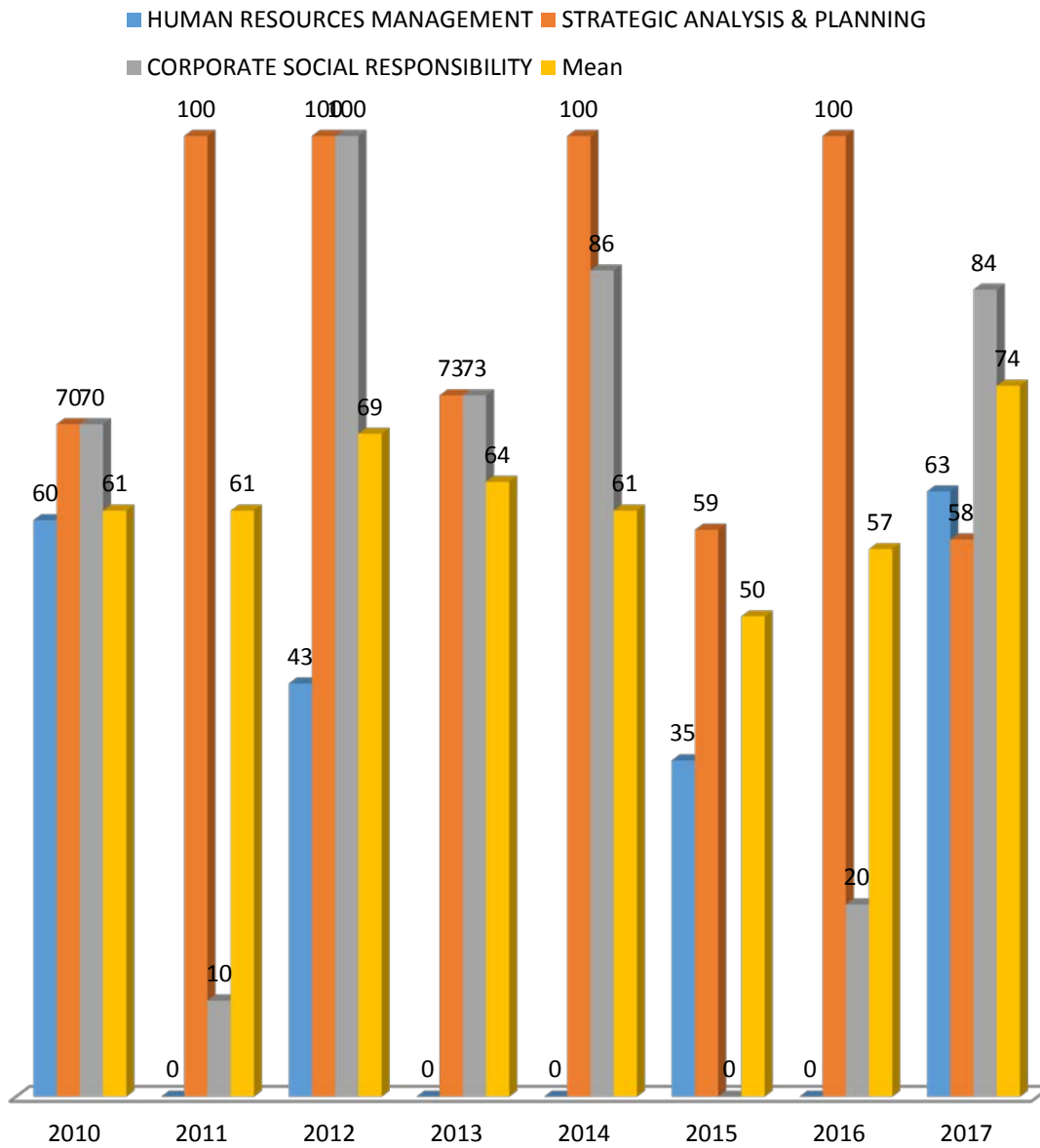


STUDENT	Analytical Skills	FINANCIAL MANAGEMENT	OPERATIONS MANAGEMENT	MARKETING MANAGEMENT	HUMAN RESOURCES MANAGEMENT	STRATEGIC ANALYSIS & PLANNING	CORPORATE SOCIAL RESPONSIBILITY
Student 1	89	61	82	13	93	16	55
Student 2	100	77	41	94	76	73	12
Student 3	54	63	22	40	84	73	64
Student 4	72	62	48	75	82	41	54
Student 5	89	77	41	94	76	73	12
Student 6	72	62	48	75	82	41	54
Student 7	100	79	64	91	2	73	50
Student 8	89	77	41	94	76	73	12
Student 9	100	79	64	91	2	73	50
Student 10	72	46	37	21	37	43	57
Student 11	72	62	48	75	82	41	54
Student 12	100	79	64	91	2	73	50
Student 13	54	62	48	75	82	41	54
Student 14	54	61	82	13	93	16	55
Student 15	89	63	22	40	84	73	64
Student 16	89	62	48	75	82	41	54
Student 17	100	79	64	91	2	73	50
Student 18	100	79	64	91	2	73	50
Student 19	100	79	64	91	2	73	50
Mean	84	69	52	70	55	57	47
<b>% Above 50th Percentile</b>	<b>100</b>	<b>95</b>	<b>42</b>	<b>74</b>	<b>63</b>	<b>58</b>	<b>84</b>

**b. Results of Past Academic Years**



## % of FMU Finance Students Higher Than 50th Worldwide Percentile Ranking in BSG (8 Yr Comparison)



- (1) In the 2016-2017 academic year, Finance students performed better than 50<sup>th</sup> percentile globally in all areas except Operation Management.
- (2) Over the last 8 years, analytical skills, human resources management areas show relatively poor performance. Except these areas, Finance students' overall performance has been good by the global and national standard over the last 6

years. Students performed well in analytical skills area this year.

**Use of results to improve program/Action Plan for SLO 3**

Encourage students to show more interest in areas other than finance area.

**Changes to Assessment Plan: N/A**

**Changes to Academic Processes: N/A**

**Changes to Curriculum:** other changes planned. See below

## **IV. Program Highlights**

### **1. Participation in FMU Experiential Learning, Research and Performing Arts Day Presentation in April 2016**

- Jordan Cannon (Finance junior) “A Comparative Du Pont Analysis of General Mills, Inc. and Kellogg Company”, received the 1st place award (Mentor: Dr. Cheulho Lee).
- Sanjay Lyew (Finance junior) “A Comparative Du Pont Analysis of Publix Super Markets, Inc. and Whole Foods Market, Inc “ received 1<sup>st</sup> place award. (Mentor: Dr. Cheulho Lee).
- Federico Blumberg (Finance senior) “An Industry and Company Analysis of NIKE Inc.” received 1<sup>st</sup> place award. (Mentor: Dr. Cheulho Lee).
- Ruben Sanchez (Finance senior) “A Comparative Du Pont Analysis of Dell Inc. and HP Inc”. received 1st place award. (Mentor: Dr. Cheulho Lee).
- Khalil Knowles (Finance junior) “An Industry and Company Analysis of General Motors Company”, received the 1st place award (Mentor: Dr. Cheulho Lee).
- Rashad Russell (Finance junior) “An Industry and Company Analysis of American Airlines Group Inc.” received the 1st place award (Mentor: Dr. Cheulho Lee).

### **2. International Honor Societies Induction and Star Chapter Award for Delta Mu Delta**

- 6 Finance juniors and seniors were inducted into Financial Management Association International Honor Society.(Advisor: Dr. Cheulho Lee)
- 6 Finance juniors and seniors were inducted into Delta Mu Delta International Honor Society. (Advisor: Dr. Cheulho Lee).
- We received the Delta Mu Delta Star Chapter Award for 5 years in a row. FMU Delta Mu Delta Chapter is one of 22 STAR chapters for 2016-2017 academic year, chosen from over 300+ DMD chapters. The STAR award sets our students apart from DMD members at over 300+ DMD chapters.

### **3. Guest Speaker**

Invited Mr. Patrick Manning Patrick Manning, former President of Manufactures Hanover Securities Corporation, to discuss “ Careers on Wall Street” , Fall 2016

### **4. Bloomberg Market Concepts (BMC)**

Bloomberg Market Concepts (BMC) is an 8 hour self-paced e-learning course that provides a visual introduction to the financial markets. BMC consists of 4 modules – Economics, Currencies, Fixed Income and Equities – woven together from Bloomberg data, news, analytics and television. By taking BMC, learners familiarize themselves with the industry standard service through four heavily interconnected modules.

This year, 5 students passed BMC and received the certificates.

#### **5. UNCF/Bloomberg Terminal Usage Enhancement Initiative**

We hired student tutors to help other students use the Bloomberg terminal. These student tutors were rigorously trained by Dr. Lee before tutoring other students. Bloomberg has become an integral part of Finance program.

#### **6. Community Service**

12 Finance students, along with Dr. Lee and Ms. Benjamin, participated in the Seventh Annual Community Health Awareness Day, sponsored by Triumph the Church, Kingdom of God in Christ, and National Black Police Association in April 2016

#### **7. Academic Excellence**

- Federico Blumberg(2017 Finance graduate) received the Academic Excellence Award in 2017 Commencement ceremony for graduating with the highest GPA among all FMU graduates.
- 4 Finance graduate have received the Academic Teaching Excellence Award in a Commencement ceremony since we produced the first ever Finance graduates in 2007.
- In the 2017 commencement ceremony, 8 finance student graduated with Summa Cum Laude and 4 students with Magna Cum Laude, and 4 students with Cum Laude.