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Agenda Item: I.A.4.

DATE: July 15, 2004

SUBJECT: Austin Peay State University, Masters of Science in Management

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION: The proposed Masters of Science in Management is designed to offer management education and provide analytical and operational expertise needed for administrative service managers. The executive weekend format allows the program to be completed in one or two years, typically appeals to persons already in the workforce. Broad-based curriculum is applicable to managers in many fields and will meet the needs of non-business majors who want to qualify for leadership positions.

PROPOSED START-UP DATE: Upon approval

Commission staff has reviewed this program proposal according to the academic standards adopted by the Commission on November 14, 2002. Each standard is referenced below.

1.1.20A MISSION: The proposed program is consistent with and supportive of the mission of the university. Austin Peay State University offers strong undergraduate programs that provide the foundation for professional programs or graduate study.

1.1.20B CURRICULUM: The curriculum design is patterned after the competencies-based management education programs offered by many corporate and traditional universities, teaching skills that can be directly applied to the real-work setting. The program requires 30 semester hours offered through an eight-week, weekend format.

Course Name	Credit Hours
Major Field Core	21

- Business Foundations
- Managerial Use of Financial Reports
- Technology and Information Systems Management
- Leadership and Organizational Dynamics
- Organizational Structure and Communication
- Applied Business Research
- Strategic Decision Making

Electives	9
	30

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1.1.20C ACADEMIC STANDARDS: The program is designed for students to enter with degrees from any discipline. Students will be admitted based on an evaluation of past academic achievement, aptitude for advance study, professional accomplishments and motivation to achieve.

Projected Program Productivity

Student Projections	Part-time	Total FTE	Head-count	Total Graduates
Year 1	15	19	25	6
Year 2	25	27	40	12
Year 3	30	35	50	15
Year 4	35	37	55	18
Year 5	40	45	65	21

1.1.20D FACULTY: APSU will hire a full-time faculty member to teach and provide leadership to coordinate the proposed program.

1.1.20E LIBRARY RESOURCES: APSU does not currently have graduate programs in business, therefore, minimum acquisitions of library resources are required to support the proposed program. An additional $15,000 has been budgeted to enhance library resources. Most library resources are also available through electronic databases.

1.1.20F ADMINISTRATION/ORGANIZATION: The proposed program will be administrated in the School of Business by a full-time faculty/coordinator.

1.1.20G SUPPORT RESOURCES: None indicated.

1.1.20H FACILITIES/INSTRUCTIONAL EQUIPMENT: Existing facilities and instructional equipment are sufficient to support the proposed program.

1.1.20I STUDENT/EMPLOYER DEMANDS: The program is particularly suited for college graduates employed in technical fields and interested in moving into leadership positions. APSU surveyed all upper-level students enrolled in the School of Business during the 2004 spring semester. Responses from 326 students indicated strong interest in the program. Seventy-one percent of the respondents intend to pursue a graduate degree and 58% are particularly interested in a business-related degree. Twenty-seven percent (88 students) said they would "definitely" enroll in the program if it were available at APSU. An additional survey of APSU alumni in the immediate region was also conducted to gauge demand for graduate programs and explore interest in the program. There were 207 responses to the survey done via email. Of those responding, 48 alumni (23 percent of the respondents) indicated plans to seek a graduate degree in business. Of that group of respondents, 93 percent stated that they would strongly consider enrolling if the program was established at APSU.

Labor market needs are based on the Tennessee Department of Labor's projections for Local Workforce Investment Area 8, which includes Cheatham, Dickson, Houston, Humphreys, Montgomery, Robertson, Stewart, Sumner, and Williamson Counties. This nine-county area includes 563,743 residents in 2000, with a civilian labor force of 292,850. The Department of Labor projects a total of 3,040 individuals employed in Management and Public Relations by 2010. This represents an annual increase of 4.52%, or a total increase of 55.9% between 2000 and 2010. The Department of Labor projects 490 openings annually in the region in management occupations. According to the Occupational Outlook Handbook, administrative service managers perform a broad range of duties in virtually every sector of the economy.

1.1.20J NO UNNECESSARY DUPLICATION: The proposed M.S.M. is unique in Tennessee. It would be available for degree holders from any discipline, preparing graduates for a broad range of management occupations. The University of Tennessee at Knoxville offers the only M.S. in Management Science available through a Tennessee public institution. However, its purpose is more specialized than the proposed APSU program, requiring a mathematics background or equivalent for careers in finance, manufacturing and logistics. The Master of Science in Management degree at Troy State University, slated to begin in Clarksville this year, is designed to prepare specialists in Human Resource Management.

1.1.20K COOPERATIVE INSTITUTIONS: N/A

1.1.20L DESEGREGATION: APSU conducted a desegregation impact study and established measures to enhance racial diversity of the institution. THEC and TBR staff reviewed data and found that the program will not negatively impact the state's efforts to achieve racial diversity at institutions in Middle Tennessee.

1.1.20M ASSESSMENT/EVALUATION AND ACCREDITATION: In addition to annual performance reports, the proposed program will use student and alumni surveys, and self-studies to assess the program quality and viability. APSU plans to seek accreditation from the Association to Advance Collegiate Schools of Business (AACSB) within the next five years. This accreditation will include the proposed M.S.M. and also the Bachelor of Business Administration. Implementation of the M.S.M. is a substantive change for regional accreditation. A letter of notification has been sent to SACS/COC.

1.1.20N ARTICULATION: N/A

1.1.20O EXTERNAL JUDGMENT (Graduate Programs): On May 4, 2004, an external review was conducted by Dr. Lee Caldwell, Associate Dean of the College of Management and Professor of Management at Georgia Technological University. Dr. Caldwell indicated that APSU has a large cohort of qualified faculty and library resources to sustain the proposed program. He expressed that the growth and economic development of the region is more than sufficient to support the type of M.S.M. being proposed and confirmed that there is demand for such a program in the region. Dr. Caldwell emphasized the importance of financial support for professional development for graduate faculty and that consideration be given to establishing a more diverse faculty membership as new faculty members are added in order to

achieve greater diversity that reflects the anticipated student cohorts. In the course of the review, Dr. Caldwell also identified areas for revision in the curriculum, program implementation and the program evaluation process. The university administration and faculty made recommended revisions and resubmitted a proposal reflecting those revisions.

1.1.20P COST/BENEFIT/SOURCE: Projected tuition and fees will be adequate to support the proposed program. The program will enable APSU to provide affordable access to populations currently underserved at the graduate level by offering the M.S.M. degree. APSU also plans to develop some of the courses for online delivery.

	Year 1	Year 2	Year 3	Year 4	Year 5
1. Expenditures					
A. One – time:					
New/renovated space					
Equipment					
Library	15,000				
Consultants					
Other					
Total for One-time Expenditures	15,000				
B. Recurring:					
Administration					
Faculty	93,000	93,000	93,000	93,000	168,000
Staff					
Benefits	25,000	25,000	25,000	25,000	50,000
Equipment					
Library					
Travel					
Other					
Total for Recurring Expenditures	118,000	118,000	118,000	118,000	218,000
TOTAL (A + B)	133,000	118,000	118,000	118,000	218,000

2. Revenues					
State appropriations (new, FTE)					
Tuition/Fees	98,880	135,750	173,760	184,620	222,630
Business Fee*	34,200	18,750	24,000	25,500	30,750
Institutional Resources					
Grants/Contracts					
Gifts					
Other (in-kind donations, etc.)					
TOTAL REVENUES	133,000	154,500	197,760	210,120	253,380

Business Fee in Year One = Funds earmarked from general business fee collection ($25 per credit hour) for startup funds. These funds are in addition to business fees collected in the graduate student credit hours for year one. In years two through five, the business fee portion is solely generated by the graduate student credit hours.

1.1.30   POST APPROVAL MONITORING: An annual performance review of the proposed program will be conducted for the first five years following approval. The review will be based on goals established in the approved program proposal. At the end of this period, the Commission will conduct a summative evaluation based on, but not limited to enrollment and graduation numbers, program cost, progress toward accreditation, library acquisitions, student performance, and other goals set by the institution and agreed to by the governing board and Commission staff. As a result of deficiencies noted from the evaluation, the Commission may recommend to the governing board that the program be terminated. The Commission may also choose to extend this period if additional time is needed/or requested by the governing board.