

WALTON

2016 ACCOUNTING CONTINUOUS IMPROVEMENT REPORT



UNIVERSITY OF
ARKANSAS



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INTRODUCTION

The Department considers itself to be an integral unit of the Sam M. Walton College of Business and University of Arkansas. Throughout the report we refer to the “Department,” “Walton College,” and “University,” respectively. When appropriate, we include applicable excerpts from the College CIR report into our report. Otherwise, our report focuses on the distinct activities and nature of the Accounting Department and makes reference to the College report.

The Department of Accounting is pleased to provide this Continuous Improvement Report, in alignment with the 2013 AACSB standards (updated in July, 2016). We focus on our story over the past five years, since our last Continuous Improvement Report (covering the years 2006-2010, and reported in November, 2011).

Consistent with the mission of the University, our Department as a unit of the Walton College originally emphasized education and service to the citizens of Arkansas with limited emphasis on research or on gaining national or international prominence. This description no longer characterizes the Department or Walton College. Through partnerships with the State of Arkansas and with major investors, the College is now a ranked business school. Alongside this rise, our Department has also gained a strong national reputation. We continue to serve our State, but also emphasize the delivery of educational programs that serve students on a national and international stage, produce high impact research contributions, and serve our partners in the business community on a state, regional, and national basis.

EXECUTIVE SUMMARY: ENGAGEMENT, INNOVATION, AND IMPACT

The Department of Accounting has embraced and produced distinct elements of *Engagement*, *Innovation*, and *Impact* over the past five years. These elements are guided by our mission, environmental context, and approach to defining the concepts of *Engagement*, *Innovation*, and *Impact*. Although not exhaustive or mutually exclusive, the following provides examples of each, which are discussed in more detail throughout our report.

Engagement reflects how our students, faculty, and stakeholders participate in the academic and professional life of our Department.

- Our Beta Alpha Psi Accounting Student Organization continues to win national awards based upon their community service, student engagement, and professional interactions.
- Our Weekly Beta Alpha Psi meeting includes invited speakers who are able to address 80-100 students on a weekly basis.
- Our Annual Accounting Awards Banquet unites employers, alumni, faculty and students to celebrate student accomplishments and award merit-based scholarships.
- We've instituted a Summer Recruiter Summit that brings the recruiters from our major employers on campus for a 1-day event to discuss student trends and recruiting norms.
- Our engagement with our scholarly academic environment is also evident through our ability to attract 5 new faculty members since our last continuous improvement review.
- Our Professional Advisory Board has grown to 22 Members. They meet twice a year to provide feedback on various department initiatives.
- This fall, we received a select invitation and sent a team of students to participate in the Deloitte Audit Innovation Case Competition.
- Members of the Department serve on numerous University and College committees, including Faculty Senate, College Awards Committee, College Research Committee, among several others.

Innovation reflects our intentional efforts to define our distinct characteristics and opportunities, embrace new ways to continuously improve the operations of our Department, and pursue high-quality curricular initiatives, among other attributes.

- We revised our Mission Statement and identified a set of specific strategic initiative areas.
- Our Department has added two additional Clinical Professor positions to address a growing student population.
- We instituted our Integrated Master of Accountancy path. This has also been a crucial element to the growth in our graduate program and increasing stature among national accounting rankings. The IMACC path combines undergraduate and graduate coursework that allows outstanding students to earn the B.S.B.A. and the Master of Accountancy (MACC) degrees at the same time.
- The Department has also completed its development of on-line courses to support the College On-line General Business Degree Program. Our on-line offerings now include Principles of Accounting I and II, Fundamentals of Tax, Intermediate Acct I & II, Governmental & Non-profit

Accounting, and Accounting Technology. Proposals are currently submitted for approval of online accounting degree offerings.

- We revised our set of standing department committees to better reflect our efforts and activities aimed at achieving our mission.
- Our Department instituted a summer research conference for current and prior PhD students to help advance their research portfolios.
- In addition to our traditional Fall Accounting Employer Fair, we also added a Spring Semester Fair targeted specifically at internships and junior students entering the IMACC path.
- We put in place graduate internship credit offerings and compressed courses in the Spring Semester.
- We added several Tax courses to our curriculum and instituted a third installment of our Intermediate Accounting course.
- We have revived our Advanced Accounting Information Systems course within the MACC program, with a focus on Analytics
- We are now capable of providing distinct concentration areas in our MACC program, including Audit, Tax, and Industry/Entrepreneurial.

Impact reflects our efforts to make a difference in the academic and professional lives of our students, intellectual environment, and accounting community.

- Our department had two of the top 75 performers in the United States last year on the certified public accountant exam. Philip Meek and Addison Scott were named winners of the 2015 Elijah Watt Sells Award by the American Institute of CPAs
- Placements of our Accounting Students continues to be extremely high and reaching a more diverse geographic footprint among high-profile employers.
- Each year we are able to award over \$80,000 in scholarships due to the generous nature of our alumni, endowments, and strategic use of those funds.
- Two of our faculty members were promoted to Distinguished Professor. We also promoted one faculty member to Associate with Tenure.
- Several members of the faculty impact our academic field by holding office or key appointments in national organizations, including past president of the American Accounting Association, member of the Pathways Commission for Accounting Education, various committees of the AAA Tax, AIS, and Audit Sections.
- The combined intellectual contributions of our faculty have placed us within several top ten research publication rankings.
- One faculty member received the College's Best All-Around Faculty Member award.
- Members of the Faculty have received manuscript awards for notable contribution and journal influence.
- Our Assurance of Learning efforts were revised and measured in the last cycle. Our efforts showed that our students are meeting distinct learning goals. We were also able to identify areas to refine and improve.

- A number of our faculty served in editorial positions with notable journals, such as *The Accounting Review*, *Accounting Horizons*, *Contemporary Accounting Research* and *International Journal of Accounting Information Systems*.
- Members of our Clinical and Lecturer Faculty Team were awarded the 2016 Mark Chain/FSA Innovation Graduate Teaching Award
- Doctoral Student placement reflects the growing reputation of our program with placements at peer and aspirant schools such as University of Tennessee, University of Missouri, and Vanderbilt.

We are proud of our success in *Engagement*, *Innovation*, and *Impact* as we pursue our mission and contribute to the College's mission. We are also committed to the spirit of continuous improvement, both in terms of recognizing our achievements and opportunities to raise the quality of our programs as we move forward. Throughout this report we have attempted to recognize areas that we feel are opportunities for improvement in the future as we serve our constituents and pursue our mission.

SITUATIONAL ANALYSIS

Context That Shapes Our Story?

At the University of Arkansas, the Department of Accounting is an integral unit of the Sam M. Walton College of Business. Accounting programs are offered at the bachelors, masters and doctoral levels; all offered on the Fayetteville campus. As we operate under the context of our University environment, we provide a brief overview of the major University factors shaping our Department.

The University of Arkansas (UA) was founded in 1871 as the land grant university in the State and it exists today as the flagship university. No other university in the state (with the exception of the medical campus located in Little Rock) has as extensive a research mission. These factors put the University and Department in a distinctive position compared to institutions in other states that have multiple universities with similar missions. The University is located in Northwest Arkansas (NWA). As of Fall 2016, the University enrolls over 27,000 students. The most recent *US News and World Report* ranked UA as #135 nationally (#64 public). The Walton College is currently ranked 26th among public universities by *US News and World Report*, and it has been a top 30 business school for 12 consecutive years. The UA has new leadership in Chancellor Joseph Steinmetz (who began in January, 2016) and Provost James Coleman (starting in January, 2017).

The College of Business Administration was founded in 1926 and first accredited by AACSB in 1931. The Department of Accounting received initial and separate accreditation from the AACSB in 1986. Since our last review, the College has had three subsequent Deans, including Dan Worrell (returned to Faculty) and Eli Jones (took Dean's Post at Texas A&M, effective May 2015). In April 2016, Matt Waller was appointed Dean of the Walton College. In July 2016, Gary Peters was named Department Chair of Accounting.

In a time when postsecondary education enrollment in the state is declining, the University, the Walton College and the Department has experienced growing enrollment. Since our last AACSB visit, Walton College undergraduate enrollment has grown by 50%, from 3,764 in 2011 to 5,679 in 2016. Fall 2016 set a new record for the size of the entering freshman class at the University. Beginning Fall 2016, the Accounting Department has 547 Undergraduate, 73 Masters, and 11 Doctoral students. We employ 19 full time faculty and 1 full time staff. As of the most recent Public Accounting Report ranks the Department of Accounting Undergraduate (Graduate) program at 45th (42nd) among Public Universities.

Characteristics That Shape Our Current Advantages and Disadvantages

Relative Advantages

Location. The Walton College is located in the NWA region, an area recognized for its livability (Fayetteville received a #3 ranking in the 2016 US News Best Places to Live behind Denver, CO, and Austin, TX), fast growing population, and the large surrounding corporate community.

The Walton Brand. The Department enjoys the benefits of a strong College Brand. Walton is regarded as a leading college at the UA and as the best business college in the State of Arkansas. The Walton brand has made the College attractive to out-of-state undergraduate students, with a 73.7% increase in such students since fall, 2011.

Department Endowment. The Department benefits from a larger endowment relative to other Departments in the College. The endowed funds consist largely of endowed chairs to support individual faculty and scholarships to support students. Income from endowments that is available to support summer salaries and travel is approximately \$350,000 per year.

Department Research Activity and National Reputation. According to the BYU 2015 accounting research rankings, for work published in the past 6 years the Department ranked 27th overall (all methods), and 11th in archival research. For work published in the past 6 years, our doctoral program graduates rank #3 in Accounting Information Systems, #15 in Audit, and #37 in Financial Accounting.

Graduation and Employment Outcomes: The Department has a 6th year graduation rate of 88.1% compared to a University rate of 62.5%. For the Spring 2015 graduating class, 88% of undergraduates were employed by graduation at an average starting salary of \$51,363 and 89% of MACC graduates were employed by graduation at an average starting salary of \$52,326.

Department Culture and Active Student Engagement. The Department is a very collegial group of faculty with strong College and Department leadership. Our chapter of Beta Alpha Psi consistently is ranked as a Superior Chapter. We also have active student chapters of NABA, ALPFA, and ASCEND (beginning in Fall 2016).

Advisory Board Engagement. The Department and the Walton College has taken advantage of its surrounding business community and built a strong Departmental Advisory Board. The Department also has numerous high profile executives serving on Fortune 500 companies.

Relative Disadvantages:

Instructional Capacity. Following a significant increase in students and lack of corresponding faculty growth, the Department's faculty teach a disproportionate share of credit hours in the College. For Fall 2015, for example, the Department produced 11,328 credit hours, far above the credit hour production of other college departments, which ranged from 5,234 (Supply Chain Management) to 7,997 (Economics). Credit hours per tenure track Accounting faculty member were 944, again out of the range of other departments in the college, from 571 in Economics to 794 in Finance. This challenge is magnified by the presence of non-competitive faculty salaries, efforts to grow graduate programs, and attempts to sustain a clear focus on the research component of our mission.

Attracting Underrepresented Students. The Walton College is increasingly attractive to out-of-state students, but continues to struggle in attracting students from all areas of Arkansas, particularly the Delta region. This is problematic, given our land grant mission.

Financial Support for Student Experiences. Although the College and Department have enjoyed growing enrollments, there remain financial challenges for many students. Arkansas students struggle to afford college and so there is an ongoing need for scholarships and other forms of financial support for in-state students. Distinct funding sources for Student Experiential learning is also lagging. Compared to other flagship MACC programs, distinct support for field visits, professional development activities, and study abroad options are insufficient. In addition, funding for doctoral stipends, which previously had been a point of competitive advantage, are beginning to fall behind market levels.

Regional Location within Arkansas. While we are quite proud of our growing placement footprint and our growing reputation among national recruiters, our regional location also carries with it certain costs. Student employment is spread among numerous states. This creates challenges with respect to advising of CPA requirements. This can also increase challenges faced by Arkansas employers who have historically recruited students from Fayetteville.

Narrow Alumni and Stakeholder Support. While the Department is extremely grateful for support it receives from our generous corporate and alumni supporters, the breadth of participation from the broader set of Alumni and Corporate sponsors compared to other flagship accounting programs is relatively narrow. The Department raises annual contributions of approximately \$40,000 in undesignated special

gifts to the Department. By comparison, given a graduating class of 130 students, this represents an average 1-year alumni participation of only \$307 per graduate. We believe there are unreached and willing alumni supporters.

Forces That Challenge Our Immediate and Long-term Future

Insufficient Growth in Faculty. Enrollment growth has outpaced the growth of faculty to serve students and programs. At the College level, semester credit hours have increased 66% since 2011; however, tenure track lines in the Department have not increased with the exception of 2 clinical professor positions. Insufficient growth in tenure track faculty threatens the research mission of the Department and our ability to create revenue-generating programs that compensate for decreased support from state and university allocations.

Non-competitive Faculty Compensation. Although the Department has been successful in recruiting world-class faculty, our ability to retain this faculty and to recruit similar faculty in the future is in jeopardy. Salaries for faculty have not kept up with inflation or accounting market competition. As a result, we have lost some tenured faculty to other schools and have lost numerous desirable rookies to other schools in recent years. For 2015-16, our Department was able to offer rookies 9-month compensation (excluding summer support) of \$186,000, significantly less than offers from Oklahoma, Tennessee, Kansas and Missouri and about 20%-40% under offers from Illinois, Maryland, Nebraska, Texas A&M, and Notre Dame. Initial 3-year teaching loads of 3/0 are offered to new professors, which revert to a 2/2 load. These challenges are further complicated by strict State and University regulations that put limitations on faculty compensation when extra duties are performed (e.g., teaching overloads).

The Department and the College continue to be challenged by increasing salary compression among faculty ranks. Similarly, non-tenure track instructional salaries are not competitive with accounting positions in Northwest Arkansas. Part-time professional instructors are currently paid \$4000 per course (\$5000 with terminal degree). Our salaried full-time lecturers currently receive approximately \$60,000 for a 4/4 course-load. The shortage of doctoral-qualified faculty in accounting and the rising level of market driven faculty salaries challenge our ability to maintain the quality of our teaching and research activities.

Service Capacity and Mentorship. Over the current year and near future, we are moving from a highly tenured (inverse pyramid) tenure-track faculty to a more pyramid shaped structure with fewer full professors and more assistant professors. While this injection of younger faculty holds great opportunities for the Department's future, we also have the challenge of mentoring them through attainment of tenure, pursuing service activities consistent with our land-grant identity, and expanding our educational offerings. Given the heavy credit-hour production of our faculty, this type of service becomes increasingly difficult. Moreover, this constrains our ability to pursue new curricular initiatives and innovative small group or one-on-one interactions with our students and stakeholders.

Factors That Provide Opportunities for Enhancing Our Department

Economic Vitality of the Region and Potential Partnerships. A relatively high proportion of Fortune 500 presence in the area creates opportunities for local professional partnerships. The economic vitality of the region also promotes growth in professional accounting services. This creates opportunities in academic program development, noncredit program development, student outcomes, research, and outreach.

Diverse Placement Footprint. Our accounting students are finding employment across an increasingly diverse geographic footprint. Placements examples include Northwest Arkansas, Little Rock, Tulsa, Kansas City, DFW, Houston, Nashville, Memphis, NYC, among other locations. Relationships with firms

in these locations and growing internship opportunities in the region are also increasing our ability to enhance our degree offerings.

Online Programs Provides Platform for New Opportunities. Given the College's emphasis on innovation, the Department is exploring opportunities for new online, hybrid or on-campus programs. Approvals for online undergraduate and master's accounting degrees are already in process. This will be an advantage as the state system has decided there will be a limit to the number of online programs approved in each area.

College-Level Initiatives. The College is currently pursuing new initiatives, including new executive education offerings, corporate partnerships, entrepreneurial projects, expanded analytics offerings, new physical locations and diversity initiatives. Some of these initiatives could hold valuable roles for the Department.

Unreached but Willing Alumni Base. We have a successful and willing alumni base that provides the opportunity for partnerships in new educational ventures as well as fundraising. The Department is actively engaged in the renewed outreach efforts and the University's current capital campaign.

PROGRESS UPDATE ON CONCERNS FROM PREVIOUS REVIEW

Although the last review contained no items requiring formal responses, the review team expressed several concerns that they hoped would be addressed in future reports. We present the 2011 concerns in italics, followed by a summary of responsive actions and progress to date.

“1. The Accounting Department is following the College’s strategic mission, particularly the thrusts in research and student outcomes (particularly through their M.Acc.). However, to differentiate the Accounting mission and leverage their strengths, the Department should develop an accounting program specific mission to supplement that of the College. (2003 Standard 1: Accounting Mission Statement; 2013 Standard 1)”

In coordination with the Accounting Advisory Board and Faculty, a new Mission Statement has been developed for the Department. The Statement was developed to complement and supplement that of the College, yet reflect our student and constituent needs. We continue to evaluate our programs in light of the new mission statement and the College’s new mission statement.

Departmental Mission Statement:

We develop outstanding students and faculty who meaningfully impact the global accounting community by:

- **Equipping students with technical knowledge, professional skills, and an appreciation for lifelong learning.**
- **Creating and disseminating leading edge knowledge for use in the classroom and profession.**
- **Inspiring service to the University, Profession, and Community.**

Note: It should be recognized that the new Mission Statement was developed in response to the College’s prior mission statement (which was subsequently revised). This is discussed more in the next section.

“2. The integrated core presents a challenge to the quality of the accounting curriculum. The absence of a clearly defined accounting component makes it difficult to build a solid undergraduate accounting major or integrated M.Acc. program or to provide a sufficient basis in accounting for finance or other business majors. Assessment and re-evaluation of learning objectives of the accounting content in the core is needed. (2003 Standards 16, 19, 39, 40, 42: Assurance of Learning; 2013 Standard 8 and 9)”

The undergraduate business core has been completely revised. In addition to other changes, an explicit introductory to principles of accounting course was added to the freshman sequence (ACCT 2013 Accounting Principles). A Managerial Accounting course (ACCT 2023 Accounting Principles II) was also added to the sophomore sequence. The Managerial Accounting course is required of Accounting and Finance majors. Other majors in the College have the option of taking the Managerial Accounting course or a Business Foundations Course (WCOB 2053). We have also added a Principles of Accounting course for Honors Students (ACCT 2013H).

“3. The Department’s assurance of learning is primarily focused on skills versus content. Increased focus should be placed on knowledge acquisition and content measures. The assessment of learning should also provide assurance that knowledge content is being delivered and that the curriculum is up-to-date based on feedback from employers and the profession. There is evidence that the Department does this to some extent already, but the Department needs to formalize this feedback into the assurance of learning measures. In addition, the Department needs to take into consideration the CPA exam results by part which lends insights into content. Surveys of alumni two, five and ten years out can also provide feedback on curriculum effectiveness. (2003 Standards 37-40 and 42-45: Accounting Assurance of Learning; 2013 Standard 8)”

We have revised our AOL activities to be more in line with and leverage the College’s improvement efforts. A College staff member was hired in May 2013 to monitor, coordinate and steward the Assurance of Learning initiative and provide greater consistency and sustainability in assessment. The Director of Instructional Design and Assurance of Learning has analyzed the processes and measures used throughout the College’s degree programs over the past nine years. Through collaborative discussion, a flexible approach was identified that is adaptable to program specific needs, while maintaining a consistent framework for comparisons on curricular and process improvements. The outcome of these discussions is a documented systematic process for conducting and reporting AOL activities.

During the process of re-engaging with AOL in a sustainable manner, our Department goals, objectives, instruments, and measurements were reviewed and refined to align with AACSB and higher education program evaluation best practices. Significant effort has been placed on ensuring that evidence of learning toward program goals are supported by directly measurable learning objectives. Measurement of objectives has been focused on rubric-based evaluations of embedded activities in the curriculum. Rubrics have been developed and received faculty approval for implementation in AOL efforts and activities selected for measurement are reviewed to ensure alignment with both the rubric and the objective.

Re-engagement has also resulted in a greater widespread understanding of the process necessary to “close the loop” on curricular improvement. As noted by the 2011 team, in past cycles, some goals/improvements were left unclosed due, in part, to weak alignments between goals, measures, and the curriculum. During discussions with faculty regarding defining goals and measures, an explicit linkage to how the resulting evidence of student learning, or lack of, will be used for curricular improvement was addressed. The result was a three-phase assessment plan that reflects the spirit of AACSB AOL within the cycle. Currently, the Department has assessed the majority of program objectives and some improvements have been initiated. The efforts to improve our AOL initiative, highlighted above, demonstrate a renewed commitment to ensuring student-learning achievement. These actions also address the concerns noted by the 2011 review team.

“4. Faculty research productivity has dramatically improved. In that sense, the issue from the prior 2006 report has been addressed. However, the criteria for AQ should be updated to reflect the current research output and aspirations, particularly elimination of course work as a qualifying mechanism for AQ status and perhaps raising of the number of publications expected in a five-year window. (2003 Standard 2: Intellectual Contributions; 2003 Standard 10: Faculty Qualifications; 2003 Standard 35: Accounting Faculty Intellectual Contributions; 2013 Standard 2, Standard 5, Standard 15)”

The recent AACSB changes in faculty qualifications have shaped our approach to addressing this concern. We have built our approach to faculty qualifications around the new faculty categories (i.e., Scholarly Academic, Practice Academic, and others). Specifically, the College has developed a new

system for classifying faculty based upon a faculty qualifications grid (See Appendix E and Discussed in the Faculty Qualifications and Engagement Section). The Grid ensures that faculty understand that they can make contributions in different areas that serve the mission of the College (e.g., creating business knowledge, disseminating business knowledge, teaching students, educating practitioners). With respect to the issue of intellectual contributions noted in the prior team's comment, the Department and College has adopted an expectation that SA faculty are expected to publish *at least three publications in peer reviewed journals* in a five-year window in order to maintain the SA status. Our department also incorporates *recommendations* for targeted outlets in our personnel document. We also recognize that outlets and contributions are subject to qualitative judgment, faculty expertise, and faculty roles.

Given a tightening instructional market in accounting, we are watching areas of faculty qualifications closely. Developing our existing instructional represents is a priority for the Department. At the same time, hiring faculty with appropriate qualifications represents a distinct environmental challenge given our salary constraints.

STRATEGIC MANAGEMENT AND INNOVATION

Mission Statement and Summary of Strategic Framework

Since the last CIR visit, the Department, with input from our Advisory Board, revised its former mission statement to reflect our accounting student and constituent needs. We note that the College subsequently revised its mission statement and strategic plan.

The current Department Mission statement is shown below:

DEPARTMENT MISSION: We develop outstanding students and faculty who meaningfully impact the global accounting community by:

- **Equipping students with technical knowledge, professional skills, and an appreciation for lifelong learning.**
- **Creating and disseminating leading edge knowledge for use in the classroom and profession.**
- **Inspiring service to the University, profession, and community.**

With the establishment of our Mission Statement, the Department identified 6 strategic focus areas:

1. Grow the Accounting Major, particularly participation in our Masters Degree Program.
2. Raise the academic quality and rigor of our programs.
3. Develop programmatic niches and areas of accounting concentration.
4. Increase the research reputation of our Department.
5. Provide opportunities for faculty development.
6. Develop means to market our programs to students and employers, as well as enhance our national reputation.

Examples of Innovation, Impact, and Engagement continuous improvement efforts as they relate to the above strategic focus areas include:

1. Through proactive communications and recruiting, our MACC program has now grown to over 60 students in a given year.
2. We instituted general guidelines for expected grade rigor across our curriculum. We also adopted a department policy regarding the use of comprehensive exams, which account for at least 30% of a student's grade.
3. We've added several tax courses, which now allow us to credibly produce students with a distinct Tax emphasis.
4. Our weekly research workshops and summer research conference allow for faculty to focus on early projects or receive specific feedback on comments received during the "revise and resubmit" stage. This has increased our publication success and raised our research rankings.
5. We encourage and support conference participation for faculty of all ranks and type. This in turn, has lead to teaching and research innovations.
6. We instituted the IMACC path and promoted spring internships. This has raised the profile of our programs among both students and employers.

Strategic Management Planning Process

The Department has collaborative governance structures and an environment that promotes input from faculty, students, and staff to respond to strategic needs. In addition to periodic semester meetings, the department also utilizes the following actions and structure to inform our strategic activities:

- Accounting Department representatives participate on numerous College and University level committees and Senate positions.
- The Department Chair participates in the College's Executive Committee (composed of the academic Department Chairs, the Assistant and Associate Deans, and the Dean).
- The Department reports to and receives feedback from its Executive Advisory Board on a Semi-Annual basis.
- The Department participates in a number of department level committees that support decisions and operations. In an effort to improve the impact of these committees we revised the following standing committees:
 - **ASSURANCE OF LEARNING:** Develop an undergraduate program and MACC assurance of learning plan for FY017-23. Suggest and Implement Learning Objectives and Rubrics. Implement program of assessment to collect and monitor assurance of learning data. Prepare annual Learning Assurance Annual Report by June 1. Coordinate with College AOL Activities.
 - **STUDENT ENGAGEMENT and PLACEMENT:** Coordinate Activities across BAP, NABA, BGS, and related student groups. Monitor and Report on Internship Activity and Student Placement. Work with students, potential employers, and the WCOB and University placement officers to provide employment opportunities and career counseling for students.
 - **ACCOUNTING CURRICULUM:** Monitor curriculum needs in light of Professional Trends and CPA Exam Requirements. Evaluate curriculum flow through Undergrad, IMACC, and MACC programs. Recommend course offerings, sequences, and degree proposals. Monitor catalog text and recommend changes as needed.
 - **MACC/IMACC:** Recruit applicants for the IMACC program, evaluate applicants to the IMACC/MACC programs. Suggest and implement department policies regarding the MACC program Admissions. Monitor enrollment trends and graduation rates.
 - **DOCTORAL:** Recruit applicants for the Ph.D. program. Evaluate applicants to the PH.D. Program. Advise PH.D. Students. Prepare and administer comprehensive exams. Suggest and implement department policies regarding the PH.D. Program. Conduct an annual program assessment. Chair serves as member of the WCOB Doctoral Program Committee.
 - **SCHOLARSHIPS:** Oversee matters related to scholarships and awards, including: recommend changes, as needed, to selection criteria; solicit and evaluate applications; select recipients; report to the faculty.
 - **FACULTY RECURITING:** Conduct searches for open faculty positions. (Committee will vary depending on Clinical or Tenure-Track Searches)
 - **PROMOTION AND TENURE COMMITTEE:** Consists of all department tenured faculty according to personnel document. Chair Elected by the Group. Make recommendations for or against tenure and/or promotion by October 22.
 - **ANNUAL PEER REVIEW COMMITTEE:** Perform annual evaluations of all departmental faculty. Chair elected by PRC members. Appointed and elected according

to procedures in the department personnel documents (i.e. 3 Tenured/Tenure Track Members, 1 Non-Tenure Track, who meet eligibility requirements)

Opportunities for Continued Improvement in our Strategic Management Efforts

2016 has been a year of significant change in leadership. In January, the University welcomed a new Chancellor. The University will welcome a new Provost beginning Spring 2017. In May 2016, the Walton College welcomed its new dean, Matt Waller, after serving as interim dean for less than a year. In July, Gary Peters became the Accounting Department Chair, following the 2-terms of leadership provided by Vernon Richardson.

2016 also brought about significant change in the composition of the Accounting faculty. At the end of academic year 2015-16, Professor Rien Bouwman (who was very active in department and college service) retired; two other senior professors, James Myers and Linda Myers took newly funded endowed positions at the University of Tennessee. Thus, we have many new faculty to help merge into our Department and we also need to adjust to the change from an inverted pyramid shaped tenure-track faculty to a pyramid shaped group. We are excited by the potential of our young faculty, but recognize the need for changes in our strategic planning, mentorship and service allocations as a result of the structural changes in our Department.

As would be expected with the change in leadership, 2016 has also been a year of significant strategic planning at the University and College levels. At the end of September 2016, the University issued a new set of “guiding priorities” including advancing student success; building a collaborative and innovative campus; enhancing our research and discovery mission; enriching campus diversity and inclusion; investing in faculty excellence; promoting innovation in teaching and learning; reaffirming our land-grant and flagship responsibilities; and strengthening graduate education.

The College continues to work on its new strategic plan, including alignment with these guiding priorities and the creation of metrics. On October 31, the Walton College Strategic Plan was approved. The plan includes strategic initiatives in research, teaching, analytics, diversity, entrepreneurship and innovation, globalization, and retail/supply chain. Details may be found in the College Report. Several Department faculty members were involved in the College planning effort and many attended town hall meetings or responded to electronic surveys.

The Department is currently involved in reviewing these plans and determining how strategic initiatives for the next five years will be crafted to align with the University and College. During the remainder of this academic year, we will give additional thought to strategic planning for the Department, particularly about initiatives to pursue for the next five years. Given the Chancellor’s stated Priority Areas and the College’s Strategic Plan, we need to consider where we align and where we have an opportunity to be distinct. This will enable us to make better decisions about the allocation and development of our time, talents, and resources.

Intellectual Contributions, Impact, and Alignment with Mission

The UA is classified among doctoral-granting universities with the highest level of research productivity, as measured by the Carnegie Foundation for the Advancement of Teaching. The advancement and dissemination of business knowledge are a key aspect of the Department’s mission, making evident the importance of research.

The College and Department emphasize the importance of quality academic publications through our distribution of summer research funding and annual performance reviews. Department research activity

and intellectual contributions are reviewed on an annual basis during the Annual Review process (Appendix C includes the Department's Personnel Document which stipulates criteria for evaluating intellectual contributions). Faculty members present a self-assessment, which in turn is evaluated by the Department's Peer Review Committee (PRC) and Department Chair. Further review takes place at the College Executive Committee level, and finally by the Walton College Dean. As described in the Faculty Qualifications section, the Walton Faculty Qualifications Grid was created to guide the intellectual contribution expectations for each type of faculty member.

(A summary of intellectual contributions is provided in tables A2-1 and A2-2.)

Holistic View of the Impact of Intellectual Contributions

As a unit of the Walton College, the Department also takes the College's holistic approach for evaluating the Impact of its intellectual contributions and pursuits as illustrated in Appendix F. (A more user-friendly and interactive version is available through the PRT website). This approach recognizes that we strive to have impact on three audiences: academic audiences (scholars, research literatures, the profession), pedagogical audiences (students, other teachers, the literature on pedagogy) and practice audiences (business people, industry, community). We expect that faculty and staff contribute in ways that grow the impact of the Walton College.

We believe that *impact on academic audiences* relates to demonstrating originality of ideas (e.g., conference presentations, publications), leadership within a profession (editorial board membership, leadership positions in the profession), peer recognition of excellence (best paper awards, Visiting Scholar invitations), ongoing use of ideas (citation counts), and investment by others that signals their belief in our impact (external funding).

Impact on pedagogical audiences is evident when there is influence on the profession of teaching (through publications), when teaching efforts are recognized for excellence (through teaching awards), when students achieve significant educational outcomes (honors theses, dissertations, success for doctoral students in the profession as demonstrated by their publication records and citation counts), and when our reach extends beyond our campus (education programs for younger students). Scholarly research sharpens our critical reflection and discussion of the accounting environment in the classroom.

Impact on practice audiences might be assessed in numerous ways. We strive to have impact on the thinking of our industry partners (through recruiting conferences) and the broader community of business leaders (through publications). We see evidence of impact when the media reports on intellectual contributions created in Walton (media cites). When students work in businesses in internships fostered by the Department, we are enhancing the ability of these businesses to hire well-trained talent. And we demonstrate impact on the business community when we are involved in the development of new business ventures. One noteworthy example of our Impact on Practice is the success Walton MACC students contribute to the College's business plan competition teams (a first step toward business creation).

We also track several broad metrics as evidence of our *overall impact*. Impact exists (for students, for businesses, for the community) when students have successful educational outcomes (graduation rate, placement rate). Impact also is evident when members of the business community elect to be involved in the Department and College, signaling the value they see in the contributions we make. Finally, when people invest their money in the Department and College (private gift funding), this suggests a belief in the impact that the College has on students, businesses, and the community.

Examples of Recent Indicators of our Impact

Below are examples, of some of the indications of the high caliber of Accounting faculty and research impact (see also Support Table A2-1 and A2-2 for details of Intellectual Contributions):

- Over the last five years, our faculty produced 128 basic/discovery scholarship intellectual contributions; 9 applied/integration/application scholarship intellectual contributions; and 5 teaching/learning scholarship intellectual contributions. Seventy-three articles were published in peer-reviewed journals, including many in top journals; 32 of these were coauthored with more than one member of our faculty or a doctoral student. Additional intellectual contributions were in the form of conference or meeting presentations, textbooks, and cases.
- In total, 85% of our participating faculty produced intellectual contributions over the past five years. Several faculty members also serve on editorial boards or as editors and co-editors for prominent publications including T. J. Atwood serving on the *Journal of the American Taxation Association* editorial board and Vernon Richardson serving editor positions of *The Accounting Review*, *Accounting Horizons*, and *International Journal of Accounting Information Systems*.
- Several of our faculty received awards for articles previously published. Vernon Richardson received the *Accounting Horizons* best manuscript award in 2014. Also in 2014, James and Linda Myers received the American Accounting Association Auditing Section's "Notable Contributions to the Auditing Literature" award.
- Several faculty had their work featured in the business press. For example, Cory Cassell's article (published in *The Accounting Review* in 2013) on "Forecasting without Consequence? Evidence on the Properties of Retiring CEOs' Forecasts of Future Earnings" coauthored with Shawn Huang and Juan Manuel Sanchez was featured in (1) Arkansas Democrat Gazette, "CEOs Tend to Boost Forecast for Final Year" by Cyd King (March 2, 2014); (2) Compliance Week, "Study Links CEO Retirements with Optimistic Forecasts" by Tammy Whitehouse (November 15, 2013); (3) Wall Street Journal, "Overheard: The Grass May Look Greenest Right Before a Chief Executive is Put Out to Pasture" (November 13, 2013); (4) Accounting Today, "CEOs Nearing Retirement Inflate Earnings Guidance" by Michael Cohn (November 12, 2013); (5) American Accounting Association press release, "CEOs Nearing Retirement Inflate Earnings Forecasts, Study Finds" by Ben Haimowitz (November 12, 2013); and (6) Harvard Law School Forum on Corporate Governance and Financial Regulation (July 22, 2013).
- Gary Peters' research has been honored by research grants since the last AACSB visit: a 2011 Bank of America Research Fund Honoring James H. Penick and a 2015 KPMG LLP Research Grant.
- Many of our faculty members contribute to the research of others by serving as discussants of papers at conferences or as ad hoc reviewers of journal submissions. T. J. Atwood received the JATA Conference Outstanding Discussant Award for 2012, awarded at the AAA Annual Meeting (August 2012).
- As a Department, we've strategically emphasized our strengths in archival research. In turn, this has raised our profile in distinct research areas. According to the BYU 2015 accounting research rankings, for work published in the past 6 years the Department ranked 27th overall (all methods), and 11th in archival research. For work published in the past 6 years, our doctoral program graduates rank #3 in Accounting Information Systems, #15 in Audit, and #37 in Financial Accounting.

- Our faculty has also received honors for teaching/learning intellectual contributions. Most recently, Charles Leflar, Katie Terrell and JaLynn Thomas won the Federation of Schools of Accountancy's 2016 *Mark Chain/FSA Teaching Innovation Award* for their curriculum "Interviewing for Requirements in the Advanced AIS Classroom." Their curriculum will also be included in the Accounting Professors' Curriculum Resource, the AICPA's curriculum tool.
- Gary Peters has been cited in Arkansas Business regarding trends in accounting education and placements within Arkansas.

Financial Strategies and Allocation of Resources

The Department strives to rely on sufficient and sustained resources (financial, human, physical, infrastructural, etc.) to support the academic mission. The Department's annual operating budget totals approximately \$3.6 million. The Department relies largely on three primary sources of resources to support its academic mission: 1) allocation of resources provided by the College, 2) permanent Department-specific endowments, and 3) annual special gifts. We refer the reviewers to the College Report for a discussion of College Financial strategies and resource allocation. Faculty and staff 9-month salaries are tied to hard-funding resources through the College. The College also funds most ordinary operating expenditures. College-wide trends in revenue dollars and in percentage of revenue from each source since 2012 are presented in the College-Wide Report (See College Report Appendix D.9 and D.10). These trends suggest:

- Revenue (*in dollars*) increased across several funding sources: State Budget, Program Revenue, and Differential Tuition and Dedicated Revenue. The increases in State Budget funding were driven by increased enrollments; the increase in Differential Tuition and Dedicated Revenue were driven by increased enrollment and by strategic efforts to get support from the UA for an increase in the Differential Tuition percentage (from 15.8% in 2012 to 22% undergraduate and 32.4% graduate in 2016).
- Revenue (*in dollars*) remained relatively flat across two funding sources: Private Funds and Grant Funds. Given that we have just started the public phase of our capital campaign, the College and Department expects to see significant growth in Private Funds in the future.
- Since 2012, two funding sources became more important (in terms of *funding percentages*) to supporting Walton operations: 1) Program Revenue, and 2) Differential Tuition and Dedicated Revenue.

To enhance its activities, the Department maintains certain endowment funds that supplement financial support for faculty summer support (endowed chair positions), research related travel and professional development, scholarships, and other student activities. The market value of cumulative endowments exceeds \$15 million. Income from these endowments that is available to support chair holders is approximately \$350,000 per year. Income to support scholarships and fellowships totals approximately \$85,000 per year. In addition to endowment income, the Department receives approximately \$40,000 per year in annual undesignated gifts. Since the last accreditation review, 2 new clinical faculty lines have been added to the Department to support growing student population and the College's newly added online general business degree.

The Department and College have not seen any addition of facilities since our last accreditation visit. Given our growing enrollment, we face facilities challenges in the future, related to classroom space, office space, and student usage space.

The trends in resources available to the accounting academic unit, including those related to finances, facilities, information technology infrastructure, human, and library resources mirror those of the Walton College. In general, the Department and College are on an upward trajectory in regard to financial stability due to the current capital campaign, the steady growth in differential tuition, the addition of an online undergraduate program and growth in master’s programs. Although we are proud of our success to date, limited growth in faculty (particularly tenure track faculty) foreshadows limited ability to meet future financial needs through new program creation.

Strategic Funding Activities and Initiatives of the Department The University is in the midst of a capital campaign and our Department Chair, Gary Peters, is actively working with the Dean and the Development Office to secure additional resources for the Department. The Department has a track record of garnering significant donations (e.g., for endowed chairs) during the last capital campaign. A dedicated giving page for the Department is also being established to solicit specific gifts from Alumni, Advisory Board Leadership, and Business Partners. We currently have outstanding gift proposals for funding tied to a number of department strategic initiatives, including tax curriculum support in the MACC program and support for student leadership activities.

The College is strategically seeking and developing Executive Education opportunities as a means of expanding engagement and impact, as well as creating additional funding sources. Early success in the area of Supply Chain Management executive education has created distinct opportunities with other organizations in different disciplines. In the Department, Vernon Richardson is currently developing a full-length Financial Accounting for Non-Financial Managers course after a successful pilot customized short course was delivered at J.B. Hunt. Gary Peters is currently piloting a new Intermediate Accounting for Financial Professionals course with Wal-Mart. Both courses have high potential future demand and are well aligned with College goals for Executive Education. Funding from these activities would be used to supplement summer research activities as needed.

As a means of generating differential tuition explicitly tied to the Accounting Department, the Department is also exploring opportunities for new online or hybrid degree and certificate programs. Approvals for online undergraduate and master’s accounting degrees are already in process. This will be an advantage as the state system has decided there will be a limit to the number of online programs approved in each area.

Key 1-3 Year Strategic Action Items

Strategic Activities	Start Date	Projected Annual Cost	Source or Disposition of Funds
Faculty Summer Support	Ongoing	\$460,000	College Summer Funding; Chair Endowments
Student Experience Enrichment	Ongoing	\$25,000	Alumni Gifts; Advisory Board; Partner Gifts
Specialized Database Support	Ongoing	\$15,000	Chair Endowments; Partner Gifts
Faculty Development Travel	Ongoing	\$50,000	College Funding; Chair Endowments; Partner Gifts
MACC Scholarships	Ongoing	\$85,000	Alumni Gifts; Scholarship Endowments; Partner Gifts

Opportunities for Continued Improvement in our Financial Resources Management

In addition, to the strategic funding activities mentioned above, we believe there are opportunities for continuous improvement in the management of Department's financial resources. Although controls and stewardship of Departmental financial resources are strong, we believe there are opportunities to improve the reporting of funding relative to strategic focal areas. Since the last CIR visit, the College's finance staff experienced significant turnover. This created additional challenges associated with the production of reporting mechanisms that track financial uses over short-time periods. The College now has a strong Assistant Dean of Finance and staff who are focused on improved reporting mechanisms. This has created an opportunity for stronger reporting and tracking of Department financial resources, particularly as it relates to the Department's, College's, and University's strategic priorities. This would also improve our stewardship reporting and campaign cultivation activities.

With the establishment of a new Dean, a growing graduate program, approved increases in differential tuition, and new strategic priorities of the College, the Department has the opportunity to work with the Dean's office to address market pressures on faculty salaries and expansion of instructional resources.

PARTICIPANTS – STUDENTS, FACULTY, AND PROFESSIONAL STAFF

Students: Enrollment, Outcomes, Diversity, and Support Programs

The Walton College has been ranked in the U.S. News & World Report top 30 public schools and top 50 public and private schools every year since 2005. The Department of Accounting's undergraduate and MACC programs first appeared in the Public Accounting Report rankings of accounting programs shortly thereafter, initially compared to schools of similar size and later in the Top 50 programs overall. Our undergraduate program is ranked 45th in the 2016 Top 50 Undergraduate Rankings; our MACC program is ranked 42nd in the 2016 Top 50 Master's Rankings.

Admissions and Enrollment

As a land grant university, our undergraduate admission requirements are consistent with supporting young Arkansans. These requirements, partnered with our college expectations for high academic performance, help to disseminate business knowledge not only within the state of Arkansas, but also beyond.

The College has clear, transparent admission policies that enable us to admit well-qualified students. General University admission standards require that students who have taken 16 high school course requirements must have a minimum GPA of 3.00 and an ACT of 20 (or SAT of 930 combined critical reading and math). Transfer students (students with more than 24 transferrable hours) must have a cumulative GPA of at least 2.00 on all course work attempted and be eligible to return to the last institution attended.

All students admitted to the UA are eligible for admission to the Walton College and Accounting Major. Students are required to follow the degree program requirements set forth in the catalog corresponding to the student's first semester. To be eligible to enroll in upper-division business courses students must complete the Walton College computer competency requirement, and maintain at least a 2.50 overall grade-point average, in addition to completing 31 credit hours of pre-business core courses, also with at least a 2.50 GPA. Further, a student must complete all courses offered to meet this requirement with a grade of "C" or better or the requirement for graduation. Although the requirements of any given major mirror the College's general requirements, students in the College must earned a B or above in Principles of Accounting (ACCT 2013) before progressing to upper-level accounting courses.

Since the last AACSB visit, the Walton College and the Department have increased undergraduate and graduate enrollment, undergraduate first year retention rates, and undergraduate 6 year graduation rates, as shown below for our most recent graduating class (for comparison, the University's most recent first year retention rate for entering freshman was 82.1% and its most recent 6-year graduation rate was 62.5%; the Fall 2015 University student body was 51.2% female, 25% minority, and 57% from Arkansas). The College has also made improvement in geographic diversity of domestic students. We have seen increases in students from surrounding states, including Kansas (3.1% in 2011 to 3.4% in 2015), Missouri (5.8% in 2011 to 6.8% in 2015), and Texas (22.7% in 2011 to 30.8% in 2015).

The Department has increased enrollment significantly in both the undergraduate and MACC programs, but at a slower rate than the overall college increase. Partly this is due to the introduction of new College majors (such as Supply Chain Management and Retail BSBA majors) and master's degrees so there are now more options competing for students. Also the Department's initiatives to further increase the rigor of its programs and quality of its graduates may have also slowed some of the enrollment growth.

	Walton College			ACCOUNTING		
	Fall 2011	Fall 2015	% growth	Fall 2011	Fall 2015	% growth
Undergraduate Enrollment, degree seeking	3764	5432	44.3%	421	568	34.9%
All Master's/MACC Enrollment, degree seeking	235	345	46.8%	41	50	26.8%
PhD Enrollment	73	72		12	10	
6-Year Graduation % (2011 and 2015 as Year 6)	57.5	66.5		77.8	88.1	
Percentage Minority* undergraduate students	21.3	20.9		28.5	24.5	
Percentage Female undergraduate students	32.4	34.5		39.4	38.2	
Percent from Arkansas, undergraduate students	56.7	47.8		63.2	51.9	
Percentage Minority* graduate students	31.8	41.2		24.5	25.8	
Percentage Female graduate students	33.4	34.1		41.5	35.5	
Percent from Arkansas, graduate students	57.1	59.7		47.2	40.3	

* Minority students is measured for this table as all non-Caucasian students, including mixed race and foreign. Data from: Office of Institutional Research.

Undergraduate Academic Progression and Retention

Academic advising for all undergraduate students, including Accounting Majors, follows a centralized (self-contained) advising model with advising taking place in the Undergraduate Programs Office. Entering students are introduced to academic advising at New Student Orientation and again in Freshmen Business Connections. All students with less than 60 hours of credit, new transfer students, returning students, and students with less than a 2.5 cumulative GPA are required to meet with professional advisors. Beginning in 2012, all students with 95 hours are required to meet with an advisor for a pre-graduation check. In fall 2013, the University of Arkansas purchased a record-keeping software for academic advising. The software, aptly named UASuccess, provides a system to better track student interactions with advisors, faculty and staff whether in person, by email, phone call or Skype.

The Department benefits from a number of College-level programs that are designed to help at-risk students and increase our retention rates. Examples include Academic Planning Workshops, Supplemental Instruction, Freshmen Business Connections, and Office of Diversity of Inclusion Programs. Details of these programs and initiatives can be found in the College-Wide Report.

The Department also benefits from and contributes to the College's robust undergraduate Honors Program. The Honors Program has increased in size despite an increase in program standards; in 2016, the College graduated 100 students from the Honors Program. This is a 38.8% increase in Honors Program graduates (from 72 in 2015). Students in the Honors Program have an average 4.03 High School GPA and an ACT score of 30.5. Strong evidence of the high quality of Accounting undergraduate students is that declared accounting majors now make up 19.7% of College honors students (115 out of 584), whereas accounting enrollment is only 10.5% of College undergraduate enrollment.

Our six-year graduation rate has increased significantly from 57.5% in 2011 to 66.5% as of May 2016, which compares favorably to the university graduation rate of 64.5%. In 2011, the Department ranked 4th

among the eight College undergraduate degrees for 6-year graduation rates. In the 2015 academic year the Department ranked 2nd among those eight. We have improved retention at every level of the undergraduate program, as shown below.

Retention and Graduation Report: First-time Full-time Degree-Seeking New Freshmen Accounting, BSBA (including double majors)								
Cohort Year	1st Year		2nd Year		3rd Year		4th Year	
	Retained	Graduated	Retained	Graduated	Retained	Graduated	Retained	Graduated
2011	78.7%	0.0%	69.2%	0.0%	70.2%	1.1%	18.9%	36.0%
2012	87.5%	0.0%	83.3%	0.0%	84.7%	0.8%		
2013	84.1%	0.0%	78.3%	0.0%				
2104	89.2%	0.0%						

Note: The Retained column shows the percentage of students who continued to be enrolled at UofA the next fall. The Graduated column shows the cumulative percentage of students who graduated from the UofA by the end of that year. All percentages are relative to the respective adjusted cohort.

Graduate Students Enrollment and Outcomes.

The Department’s MACC Director (Gary Peters before he recently became Department Chair; Ken Bills beginning in Fall 2016) works with the Graduate School of Business to recruit MACC students and the MACC Director advises all MACC students. The MACC Director is provided with a 1-course release. The MACC Director is assisted by an IMACC Admissions Advisor (who currently also serves as the assistant department chair and full-time instructor, Jalynn Thomas) and by the Department’s MACC Committee. Admission to graduate accounting programs in the Walton College is determined by departmental committees that evaluate prior academic performance, coursework, standardized test scores, letters of recommendation, and resumes to develop a holistic view of each applicant’s history.

Interest in our MACC Degree remains strong since the last visit, as has enrollment, as shown below:

	2012	2013	2014	2015	2016
MACC	56	48	47	50	73
Mean GMAT	594	568	575	543	545

GMAT scores have a mean and median in the mid-500s. The MACC and IMACC students attend an orientation and reception each summer and have regular opportunities for contact with potential employers. These students, as well as some BSBA students, also regularly participate in elective internships and study abroad programs.

Placement of undergraduate and MACC students is excellent, with most students receiving multiple job offers. From the Spring 2015 undergraduate graduating class, 88% were employed at graduation with an average starting salary of \$51,363. Full-time MACC Program Academic Year 2015-2016 Graduate Employment/After Graduation outcomes were:

- 97% of job seeking graduates were employed at graduation.
- \$53,340 was the average salary of those employed at graduation.

MACC graduates and some double-major BSBA students, graduate “CPA-ready.” Most students begin taking CPA Exam parts beginning in July following graduation. First time sitters for all Arkansas students

in 2015 had a pass rate of 59.9%, exceeding the national average for first time pass rates. In 2015, two graduates were named winners of the Elijah Watt Sells Award by the AICPA, placing them among the top 75 performers on the CPA exam that year.

The Doctoral Program Director (currently Cory Cassell) takes primary responsibility for recruiting and advising our doctoral students, with assistance from other tenured and tenure-track Accounting faculty. In the most recent full academic year we admitted three students into our doctoral program admission from a pool of 20 applicants with GMAT scores averaging approximately 700.

An active weekly research workshop program and first-year and second-year papers support doctoral student learning. Faculty regularly coauthor papers with doctoral students. Doctoral student placement information may be found in Appendix H.

To maintain high standards, continuation in a graduate program is contingent upon academic performance with clear, published guidelines and expectations for GPA. Students failing to maintain the required GPA are placed on probation for one semester and required to work more intensively with an advisor. A student who fails to raise his or her GPA to the required minimum in one semester may be dismissed from the program.

Opportunities for Continued Improvement: Enrollment, Outcomes, and Diversity

The College also recently instituted the Office for Strategic Information and Effectiveness. This office will allow the Department to innovate our efforts to identify key student statistics and demographics to monitor them across time. We also see this as an opportunity to better track our undergraduate student group to determine their outcomes with respect to further graduate education or employment outcomes. We also have an opportunity to strengthen our tracking of specific MACC outcomes by CPA exam success and employment success by employer, industry, and geographic location. We believe these improvement opportunities can also be aligned with the staffing resources committed to the other graduate programs in the Graduate School of Business.

Another area of opportunity includes coordinating additional student outreach and development efforts with the College's Office of Diversity and Inclusion. For example, the Department also increased its innovation efforts to establish an ASCEND Student Chapter in Fall 2016, with the hope of strengthening the professional development and employment outcomes of our pan-Asian student group. The Department also has the opportunity to deepen its engagement with the local NABA professional chapter, which is active and supportive of the students in the Walton College and the College's Office of Diversity and Inclusion.

Faculty: Management, Qualifications, and Deployment

The Department follows all College policies for faculty management (recruitment and hiring, orientation and mentoring, evaluation and reward system); these policies are detailed in the College Report. In addition, the Department has established its own policies, included in the Department Personnel Document (see Appendix C).

To assure a quality classroom experience for students, it is imperative that faculty possess the necessary credentials, including advanced degrees, publications, relevant professional experience, and in some cases professional certification, and renew their scholarly and professional activity over time. Faculty sufficiency is evaluated at the time of hire and each year during the annual faculty performance evaluation. Both the Department Chair and the College's Associate Dean approve these classifications for Research and Graduate Programs. The criteria for classification are established at the College level and implemented by the Department.

The Department’s expectation is that all full-time faculty will be Participating Faculty. Participating Faculty are those who engage in the life of College beyond their classroom activities; these activities can include participation in department or college governance (e.g., committee work), in student engagement activities (e.g., advising student clubs) or other relevant activities. We do not maintain a master list of such activities given their variety, but we do have a careful process for ensuring that faculty are correctly classified: 1) Our designation of different types of faculty (see College report for details) indicates our expectation that all faculty be Participating (with the exception of short time Lecturers), 2) Faculty are categorized each year by the Department Chair at performance review time, 3) Faculty narratives, written by individual faculty members and approved by the Department Chair, include this categorization, and 4) these narratives are reviewed each year by the Senior Associate Dean and the Office for Strategic Information and Effectiveness. Problematic categorizations, if any, are addressed with the Department Chair.

Table A9-1 at the end of this report summarizes faculty sufficiency and qualifications for the most recent full academic year, 2015-16. Table A9-2 also at the end of this report shows how these faculty were deployed across degree programs. The Department Chair, in consultation with the faculty member, makes workload assignments, considering qualifications and needs. Given research and doctoral granting missions, we utilize only tenured and tenure-track faculty in doctoral classes. Standard workloads for tenure-track faculty are 2-2. The College provides two course releases per year to the Department to be used pursue strategic activities of the Department. Currently, one course release is assigned to the PhD Director. The second course release is assigned to the Beta Alpha Psi Advisor.

For the Department as a whole, 82.5% of semester credit hours taught were covered by participating faculty. All tenured and tenure-track faculty, clinical faculty, and full-time instructors were participating. In addition, some visiting and adjunct (part-time) faculty were participating. No doctoral candidates were participating.

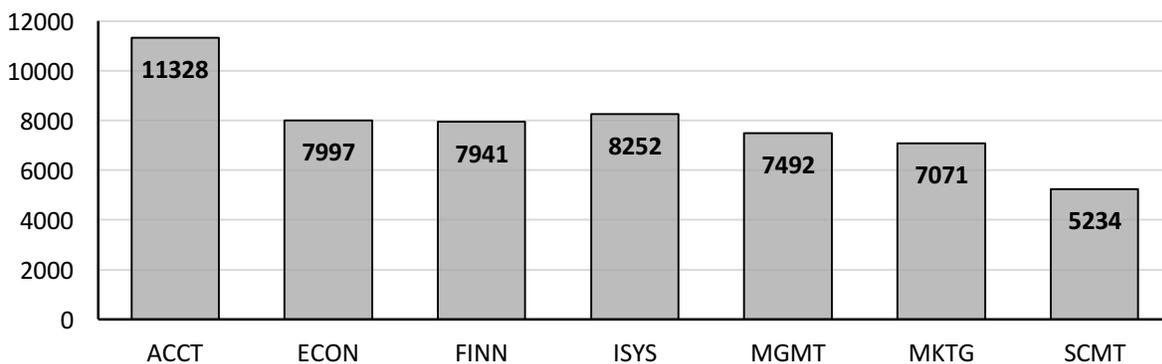
Professional Staff

The Department has one staff member, Administrative Assistant Jasmine Edwards, who is typically assisted by several work-study students. She is highly valued by all members of the Department. The Department is also supported by an excellent College staff – for details see the College report.

Opportunities for Continued Improvement: Faculty Deployment

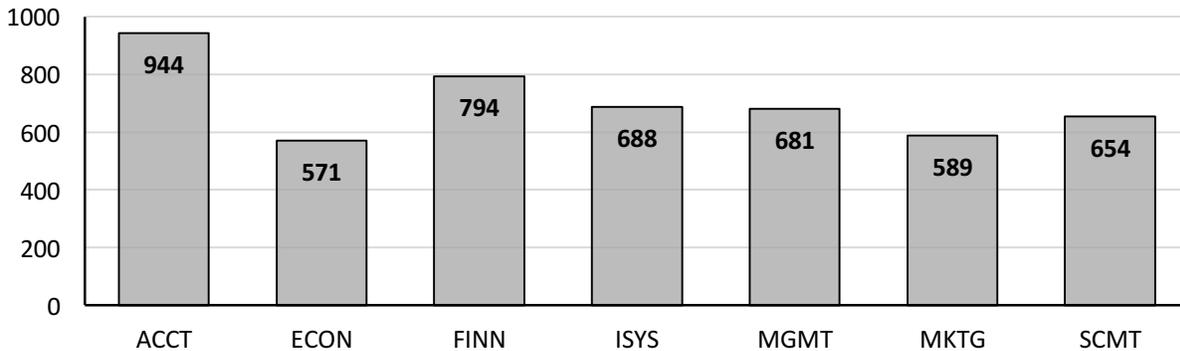
One challenge for the Department is that our faculty teach a disproportionate number of semester credit hours compared to other College departments, as shown below:

CREDIT HOURS BY DEPARTMENT, FALL 2015



In addition, there is a potential threat to future research productivity because a similar disproportionate teaching burden exists for our tenured/tenure-track faculty, as shown below:

CREDIT HOURS PER TENURE-TRACK FACULTY, FALL 2015



Our Department faculty represents a very collegial group that has willingly taken on the burdens of recent growth in enrollment, but is not immune to the risk of burnout. We are convinced that, to this point, the extra teaching burden has not resulted in a decline in quality of the classroom experience for our students or research productivity for tenure-track faculty. However, we are concerned that the inequitable teaching burden is a potential threat to the long-term quality of classroom experience.

These concerns are also heightened by the recent turnover among faculty. During the 2015-2016 we lost 4 faculty members due to competing offers (2 Clinical Faculty and 2 Full Professors) and 1 faculty member due to retirement. We were extremely fortunate to replace the individuals with 2 Assistant Professor and 1 Tenured Associate Professor. A key reason for our recruiting success was due to the active nature of our faculty group. We were also able to replace 1 Clinical Faculty member who met SA status. Our last position was filled with a visiting clinical assistant professor. Moving forward to the next CIR cycle we expect additional retirements among our senior faculty. Given the large proportion of faculty turnover, we provide details about our new faculty in Appendix D.

LEARNING AND TEACHING

Curriculum Management Overview

The Department of Accounting strives to foster an academic environment characterized by scholarship, scholarly approaches to accounting education, and a focus on advanced learning. The Department offers a total of three accounting degree programs at the bachelor, master, and doctoral levels. An overview of those programs is below; additional detail on the content of these programs may be found in the College report.

Undergraduate BSBA in Accounting

The Bachelor's degree is a four-year program degree of 120 credit hours of accounting undergraduate coursework. 24 credit hours are specifically related to upper level accounting coursework with coverage of Tax, Systems, Financial Accounting, Managerial/Cost accounting and Auditing.

Recent changes to the undergraduate program include the addition of a third semester in the formerly two-course Intermediate Financial Accounting sequence; reinsertion in the College Core of an Introductory Financial Accounting requirement for all students in Business and a required Introductory Management Accounting course for accounting majors; redesign and improvement of our tax sequence, including a new undergraduate course ACCT 4203 *Fundamentals of Taxation II*, as we prepare for the future potential addition of a tax track in the MACC program.

IMACC Path

The integrated path to the Master of Accountancy (IMACC) is a five-year path that allows outstanding students to earn the B.S.B.A. and the Master of Accountancy (MACC) degrees simultaneously. IMACC students are expected to exhibit a high-level of self-motivation along with the personal qualities and intellectual capacity necessary to establish successful careers in public accounting, industry, not-for-profit organizations, and higher education. IMACC student apply for the MACC program in their Junior year. Beginning in the Senior year the IMACC student begins a two year path of undergraduate and graduate coursework to complete their BSBA and Masters degrees. These students are strongly encouraged to also complete an internship during their senior year.

Master of Accountancy

The Master of Accountancy program is a one-year (two-semester) 30 credit hour program designed to provide rigorous preparation at the graduate level for students with aspirations to achieve success in their chosen career path in public practice, industry, or government. Our program is intended to develop critical and analytical thinking as well as to reinforce strong technical skills required for CPA licensure. Students take 12 specified credit hours of coursework related to Tax, Audit, Financial Accounting, and Fraud Detection. The remaining courses require a minimum (maximum) of 6 (12) hours of accounting electives.

The MACC program curriculum has been stable since the last visit, but as the program has grown in size, planned changes in the near future include the ability to focus on a "track" within the program (e.g., audit, tax). There is also an ongoing effort to increase coverage of big data and analytics in both the systems course and in other courses in the MACC program.

Ph.D. Program in Business with an Emphasis in Accounting

The Accounting program's goal is to help prepare students for successful and productive careers as faculty members at leading research-oriented universities. Currently, all of our doctoral students focus on archival research with an emphasis on financial or audit-related topics.

General Business and MBA Programs

In addition, the Department of Accounting participates in the provision of required and elective accounting coursework utilized within the Walton College's on campus undergraduate business degrees, online general business degree, full-time MBA, Executive MBA, a part-time and fulltime Masters in Information Systems, Masters in Economics, and doctoral degrees.

Learning Goals and Assurance of Learning

The overall process of assuring learning at the Walton College is grounded in an understanding that the process is intended to assess student learning outcomes at the program curriculum level, not the course or individual faculty levels, although the Accounting Department views Assurance of Learning at the department and program level. Additionally, while measurement of outcomes is a component of the process, the ultimate objective is curricular improvement and verification of improvement effect (a.k.a., "closing the loop") based on evidence.

The Department works in partnership with the College's AOL efforts to assure both College-level learning goals and Department specific learning goals. A College Director of Instructional Design and Assurance of Learning was hired in May 2013 to monitor, coordinate and steward Assurance of Learning and to provide consistency and sustainability in assessment throughout the College. The Director analyzed processes and measures used in each degree program over the past nine years, including the Accounting Department. Several commonalities were observed in program-level processes. These commonalities formed the framework for discussion with program directors, committees, and individual faculty on how best to unify a systematic college-wide assessment process. The accounting faculty and the college's Director of Instructional Design collaborated to further develop the department's undergraduate learning goals to recognize the distinct attributes of the accounting profession. The outcome of these discussions is a documented systematic process for conducting and reporting AOL activities in the College and Department. The spirit and intent of our assessment process – curricular improvement – is maintained through a climate of open dialog and voluntary faculty involvement.

In order to assess the department's five program learning goals, a number of specific learning objectives have been specified, as listed below:

Undergraduate Accounting Learning Goals

Communication: Our graduates will be able to communicate effectively in professional business situations.

*Learning Objective 1 - **Written Communication:** Students will be able to write for a professional audience as demonstrated by writing an effective constructed response.*

*Learning Objective 2 - **Oral Communication:** Students will be able to prepare and present accounting-related documents for a professional audience.*

Critical Thinking/Problem Solving: Our graduates will be able to make, and develop support for accounting decisions based on a systematic and objective consideration of the problems, the issues, and the relative merits of feasible alternatives.

Learning Objective: Students will identify a problem or situation, address important questions, and gather relevant evidence to lead to an appropriate conclusion or recommendation.

Interpersonal Skills: Our graduates will be able to effectively work in teams and interact with persons from diverse backgrounds, interests and roles, in order to accomplish accounting related goals and objectives, while fostering an atmosphere of tolerance and fairness.

Learning Objective: Students interact and cooperate productively and maturely with others when working on a team, demonstrating leadership and team-facilitation skills as needed.

Technology Utilization: Our graduates will effectively use and apply prevalent accounting-related technology.

Learning Objective 1: Students will show proficiency in the design of spreadsheets and databases.

Learning Objective 2: Students will show proficiency at retrieving data from databases of professional literature, such as the tax code and regulations, Statements of Financial Accounting Standards, and related literature.

Accounting Knowledge: Our graduates will demonstrate competence and understanding of accounting knowledge required for admission into nationally-ranked professional graduate programs in accounting, or for entry-level jobs in public and private accounting.

Learning Objective 1: Students will demonstrate proficiency in key concepts of Financial Accounting.

Learning Objective 2: Students will demonstrate proficiency in key concepts of Taxation of Individuals and Entities.

Learning Objective 3: Students will demonstrate proficiency in key concepts of Auditing and Assurance Services.

MACC Program Learning Goals

The MACC Program learning goals derive from the Accounting Department's undergraduate objectives. The learning goals for the MACC program expand on and emphasize certain aspects of the College's learning goals. In the current learning cycle, the MACC Program adopted five over-arching Learning Goals and related learning objectives:

Communication: Graduates of the MACC program at the Sam M. Walton College of Business will be able to communicate effectively in professional situations.

*Learning Objective 1 **Oral Communication:** Students will be able to deliver professional quality presentations.*

*Learning Objective 2 **Written Communication:** Students will prepare business documents or constructed responses for a professional accounting audience.*

Critical Thinking and Problem Solving: Graduates of the MACC program at the Sam M. Walton College of Business will make and develop support for accounting decisions based on a systematic and objective consideration of the problems, the issues, and the relative merits of feasible alternatives.

Learning Objective 1: Students will demonstrate critical thinking and strategic problem solving skills through systematic and objective consideration of business related problems and evidence.

Learning Objective 2: Students will identify relevant information and support for an appropriate conclusion or recommendation.

Learning Objective 3: Students will employ appropriate quantitative and model-building techniques to test solutions and explore the likelihood of alternative scenarios.

Technical Competence: Graduates of the MACC program at the Sam M. Walton College of Business will demonstrate competence in and ability to apply broad accounting knowledge (financial, tax, audit, managerial) as expected of a professional accountant.

Learning Objective 1: Students will demonstrate the ability to effectively apply fundamental business knowledge to analyze accounting problems.

Learning Objective 2: Students will excel in the pursuit of post-graduate professional certification.

Ethics and Professionalism: Graduates of the MACC program at the Sam M. Walton College of Business will demonstrate understanding of the professional responsibilities and ethical standards of the accounting profession.

Learning Objective 1: Students will be able to recognize ethical problems and apply appropriate guidelines, regulations, and codes of conduct to promote professional integrity.

Learning Objective 2: Students will recognize the professional obligation to engage in professional development and continuous learning.

Research: Graduates of the MACC program at the Sam M. Walton College of Business will be able to assess and apply appropriate standards, regulations, or other professional guidance to address multifaceted accounting problems.

Learning Objective 1: Students will support a financial audit position based upon professional guidance/requirements applicable to financial reporting, as well as guidance related to the conduct of audit engagements.

Learning Objective 2: Students will support a Tax position based upon both strategic business practices and professional requirements applicable to financial transactions and Federal Tax.

Learning objectives are addressed in specific courses across the curriculum, and are linked to specific embedded assessment measures. By integrating assessment activities into specific courses, three major advantages are achieved. One is that if assessment activities are part of the course (and included in the course grade), then students will take assessment seriously. Second, once assessment activities are integrated into a course, they are much more likely to continue to be applied in future years. Third, given the many demands upon today's faculty, it is hard to make room for add-on activities and it is even harder to assure that these add-on assessment activities will continue to be implemented over time. Course-embedded assessment moves assessment from being an "add-on" to becoming an integral part of the course.

The assessment of specific learning goals has been distributed across the accounting curriculum. All but one undergraduate accounting course has been charged with the assessment of one or two specific learning goals. Assessment in the MACC program is focused among three of the required courses. The Department follows the College's efforts for engaging in assurance activities across a 5-year cycle. During each cycle, the assessment is to be carried out in a systematic and ongoing basis. Each learning objective should be measured *at least* twice during a given cycle. Analysis of assessment data occurs following each measurement to identify needed areas of improvement within the substance and delivery of the curricula. Learning Objectives and assessment locations are subject to revision during the cycle to provide an opportunity to improve the assessment process and/or in response to curricular changes aimed at improving the effectiveness of the MACC Program.

Although course-embedded assessments provide the core of the undergraduate assessment data, several other sources of information complement the assessment picture. Graduating seniors enrolled in *Assurance Services* during the spring term were invited to participate in an exit survey. Virtually all students did so. In addition, continuing contact with employers and campus recruiters, as well as the Fall and Spring meetings of the Accounting Advisory Board provide a rich and critical source of feedback on the status of accounting program.

As an example of “closing the loop” efforts, consider the assessment of Accounting Technical Knowledge in the Fall 2014 undergraduate *Intermediate Accounting II* course (the second course in our former two-course sequence). Assessment results indicated that students were not meeting the desired performance goals in any of the areas measured. Faculty considered possible causes and accepted the opinion of the faculty teaching in the Intermediate Accounting sequence that the amount of material that must be covered had simply grown too high over the past decades. This was particularly noticeable in Intermediate Accounting II, which has seen the most of the content additions. Consequently, students might become overwhelmed and don’t have enough time to absorb the material. The financial accounting faculty recommended that an additional financial accounting course be added to the program. This recommendation was implemented when the accounting faculty voted to add a third financial accounting course, entitled *Intermediate Accounting III*, and add it to the requirements for the B.S.B.A. in accounting. The Fall 2015 assessment of the same accounting technical knowledge objectives, now covered in a three-course sequence, saw a dramatic improvement.

Within the MACC program, we’ve instituted new Tax courses to address technical competence concerns. We are also in the process of reevaluating the deployment of oral and written communication development opportunities in the MACC program. This is due in part to the ongoing review of our required and elective coursework, in light of new courses and concentration areas.

Additional details about our undergraduate and MACC assessment program plans and the most recent results may be found in Appendix A and B.

Opportunities for Continued Improvement: Curriculum Management and Learning Assurance

While we are pleased with the revision of our AOL process (including focused learning goals and assessment mechanisms), we believe there are opportunities to improve. Our BSBA degree is now predominantly a lock step program, given the addition of Tax II and Intermediate III. This could create greater opportunities for participation across the department and integration of AOL assessment into the curriculum.

We’ve also noted that the large increase in MACC enrollment should also be taken into account when deploying AOL across the MACC curriculum. Due to the transition in tax courses and development of concentration areas, our next AOL learning cycle will need to include additional assessment in our tax courses. We also believe that improved CPA tracking could also strengthen our AOL process. The large internship participation also provides an opportunity for employer assessment and contribution to soft skills opportunities. Finally, we are looking for ways to institute greater awareness and coverage of formal problem solving methodologies. Similar to the soft skills, the MACC program could look to outside sources of assistance in this area. This would also increase the programs ability to employ distinct AOL rubrics as they related to critical thinking / problem solving skills. Additional discussion of these observations and recommendations is provided in our AOL reports.

High Quality Teaching Support and Development

In all of these programs, we strive to provide our students with a quality level consistent with higher education in accounting. We ensure high quality through numerous activities:

- We carefully balance the profile of our faculty. In line with the new AACSB faculty qualifications, most of our faculty fit within the scholarly academic, professional academic, and scholarly practitioner categories.
- We construct our curriculum with care, processing such changes through our relevant faculty committees at the Department, College, and University levels (e.g., the Undergraduate Programs Committee, the Master's Program Committee, the Doctoral Program Committee).
- We employ certain governance processes to promote faculty attentiveness to delivery of high quality education, which includes formal annual performance reviews, continued development of assurance of learning activities, and participation in activities delivered by the Walton College Center for Teaching Effectiveness.
- We engage the participation of external stakeholders (described more fully below) to provide feedback on the changing demands of accounting professionals and our graduates. We remain responsive to the evolving accounting regulatory landscape, which includes State Boards of Accountancy, the Public Company Accounting Oversight Board, American Institute of Certified Public Accountants, and various tax authorities.
- We also foster a culture of advanced learning through an emphasis on scholarly research activities (see Section 4 for additional discussion).
- Student learning is fostered outside the classroom via the College's Registered Student Organizations, including Beta Alpha Psi, NABA, ALPFA and Ascend.
- The Department and College make a strong commitment to the presence of technology and classroom resources for our students. Our classrooms are equipped with state-of-the-art classroom technology: document cameras, smart boards, and more.
- The undergraduate and MACC classes use the Blackboard Learning Management System to augment classroom comments, provide lecture notes, and upload the students' assignments. Outside the classroom, students have 24-hour access to undergraduate and graduate computer labs provided by the College. In addition to software and database access provided by the College, the Department provides access to accounting, auditing, and tax online databases.
- Students also have access to meeting and study areas provided by the College in the current Business Building and also have access to additional spaces for meeting and study in Walker Hall. Walker Hall also contains two meeting rooms dedicated to MACC students, a gift of the Roy and Christine Sturgis Charitable Trust.

We strive to foster environments whereby, students, faculty, administrators, professional staff, and practitioners interact and collaborate as a community. We achieve this collaborative culture in multiple ways. Below are some notable examples.

The Department includes an Accounting Advisory Board. The Board is comprised of 22 members (listed in Appendix G), representing public accounting firms, private industry, and academic representatives. The Board includes committees as follows: Curriculum and Professional development, Membership and Outreach, and Marketing and Recruiting. The most recent past year's accomplishments include the

establishment of the Accounting Advisory Board Leadership Endowment. The Board also provides feedback on curriculum issues and student involvement. The last meeting included discussions of the development of a Junior Alumni Advisory Council, communications for sophomore recruiting, and strategies for raising the profile of the department to be a “premier” recruiting destination. As an example of the dialogues with our advisory Board, minutes from the previous meeting are also provided in Appendix G.

Our Beta Alpha Psi student organization is also a key element of our collaborative community. This student-run group regularly receives recognition for the level of activity on campus, interaction with the local community, and involvement with employers, among other activities. For example, this group host weekly meetings that include topical presentations from public accounting firms, corporate accountants and professional societies. In addition, Beta Alpha Psi is instrumental in hosting a semi-annual “Meet the Firms” event. Currently Beta Alpha Psi has approximately 120 members.

We also have a strong culture of collaborative research activity, which we view as essential to the education of our doctoral students. Weekly research workshops are held to provide feedback on both faculty and doctoral student projects. MACC students, who go on to pursue terminal degrees and academic careers, also regularly attend these research workshops. Our doctoral students regularly co-author with the faculty. Many of our MACC students who hold graduate assistantship provide key assistance on many of these research projects.

ACADEMIC AND PROFESSIONAL ENGAGEMENT

Student Academic and Professional Engagement

The College has a robust story of student academic and professional engagement. The College report details a number of College-wide support and enrichment programs for undergraduate and graduate students including such things as our study abroad programs, service learning activities, Leadership Walton program, Honors Program, career services programs, technology support and so. Accounting undergraduate and MACC students are very active participants in and beneficiaries of these programs.

At the Department level, students are particularly active in four professional engagement organizations: Beta Alpha Psi, NABA, ALPHA, and new this year, our first ASCEND chapter. Our Beta Alpha Psi chapter has received Superior Chapter status every year since the last visit, and for decades before. All four organizations offer extensive opportunities for networking with professionals. Many of our students complete accounting internships.

Our faculty regularly employ new forms of learning experiences for our students. As examples during the past five years:

- Many of our faculty have recently developed online courses, with segments that can also be used to supplement live courses. For instance, Vernon Richardson made his videos for our online introductory financial accounting course available for other instructors to post to the Blackboard sites for their on campus financial accounting courses as an additional source of information.
- Our first course in accounting now uses University-supported “Supplemental Instructors,” one-hour weekly small class (18 or less students) sections where students work problems and practice for exams (and receive credit for participation) to support their 3-credit financial accounting course. SI Instructors are chosen from students who recently completed the course with high grades.
- We added an honors section of the first accounting course, taught by John Norwood.
- At the time of the last visit, our faculty was light on tax and our tax curriculum was similarly light. With the addition of several full-time tax faculty members in the last five years, including T. J. Atwood, our tax courses have been expanded and improved. For instance, a second tax course was added at the undergraduate level and projects were added to both the undergraduate and MACC tax courses.
- Katie Terrell has worked to bring a greater focus on big data and analytics to our accounting systems courses, particularly at the MACC level. She and Vernon Richardson are currently working on creating experiential learning projects.
- Charles Leflar developed a course about accounting for the oil and gas industry, available as an elective in both the accounting program and several other College programs. This course recognizes that a large proportion of our students come from neighboring oil states, particularly Texas and Oklahoma.
- In our senior Honors seminar and MACC elective course on Ethics and Corporate Governance, Karen Pincus worked with the Walton College Communications Center and Mullins Library to add coaching on oral presentations, writing, and research to enrich course assignments and projects. Students are able to do dry runs of course oral presentations with an oral

communications coach; have writing samples both under time pressure and no time pressure evaluated against a rubric for entry level accounting professionals; and work with a business librarian to enrich their research on unresolved contemporary issues in accounting.

Executive Education

History and Mission. Traditionally, Walton Executive Education (EE) has struggled to create a strong EE program. We have moved away from open enrollment programs to customized programs that target specific organizations and span levels and functions of that organization. Our mission is to fully serve the executive and management development needs of our strategic partners.

Strategy. Walton EE developed a clear strategy to stimulate growth. First, we engage with existing partners of the College (companies that hire our students or are on our advisory boards). We reach out to these companies at a high level within the corporation because this builds long-term relationships and broader scope of programs. For example, J.B. Hunt University (which has served 240 employees online and 219 face-to-face since 2013) is a partnership between Walton EE and the company to provide online education related to supply chain management for all company employees. Second, we emphasize online and modularized programming. This allows for easy customization that can be delivered across clients, and it allows for use of modules in undergraduate and graduate for credit courses. The latter allows faculty to leverage their time across executive education and teaching. The College has invested in its EE infrastructure, by hiring an Assistant Director for EE to work with the Associate Dean for EE. Success is measured via: repeat business, expanding revenues, feedback from clients, and participant feedback.

In response to the changes in strategy and reorganization, the most active contributor to the Executive Education area has been the Supply Chain and Logistics department. This is partially due to the nature of our local corporate partners and opportunity set. However, we believe that accounting is likely to be next area of greatest opportunity. Accounting-focused Executive Education offerings are currently being developed for both financial and non-financial managers.

Faculty Qualifications and Engagement

System for determining Faculty Qualifications

The Department follows the College's system for determining faculty qualifications and supporting faculty engagement.

For the most recent full academic year, 2015-16, 82.5% of accounting faculty were participating, including 100% of full-time faculty and 51.6% of visiting/adjunct faculty. All tenured/tenure-track faculty are either Scholarly Academic or Practitioner Academic; all instructors and visiting/adjunct faculty are Instructional Practitioners. Faculty qualifications and engagement are summarized in Table A9-1 and A9-2 at the end of this report.

The Department's and College's strategy for supporting faculty engagement is embedded in its system for classifying faculty. This system is described in the Walton Faculty Qualifications (FQ) Grid (Appendix E). The grid has multiple purposes:

- 1) To define the four categories of faculty (Scholarly Academics, Practice Academics, Scholarly Practitioners, and Instructional Practitioners; see page 2 of the Grid).
- 2) To explain the range of activities that can serve as intellectual contributions to different stakeholders of the College. Specifically, contributions may be targeted to *academic*, *pedagogical*, or *practitioner* audiences (see rows on page 1 of the Grid).

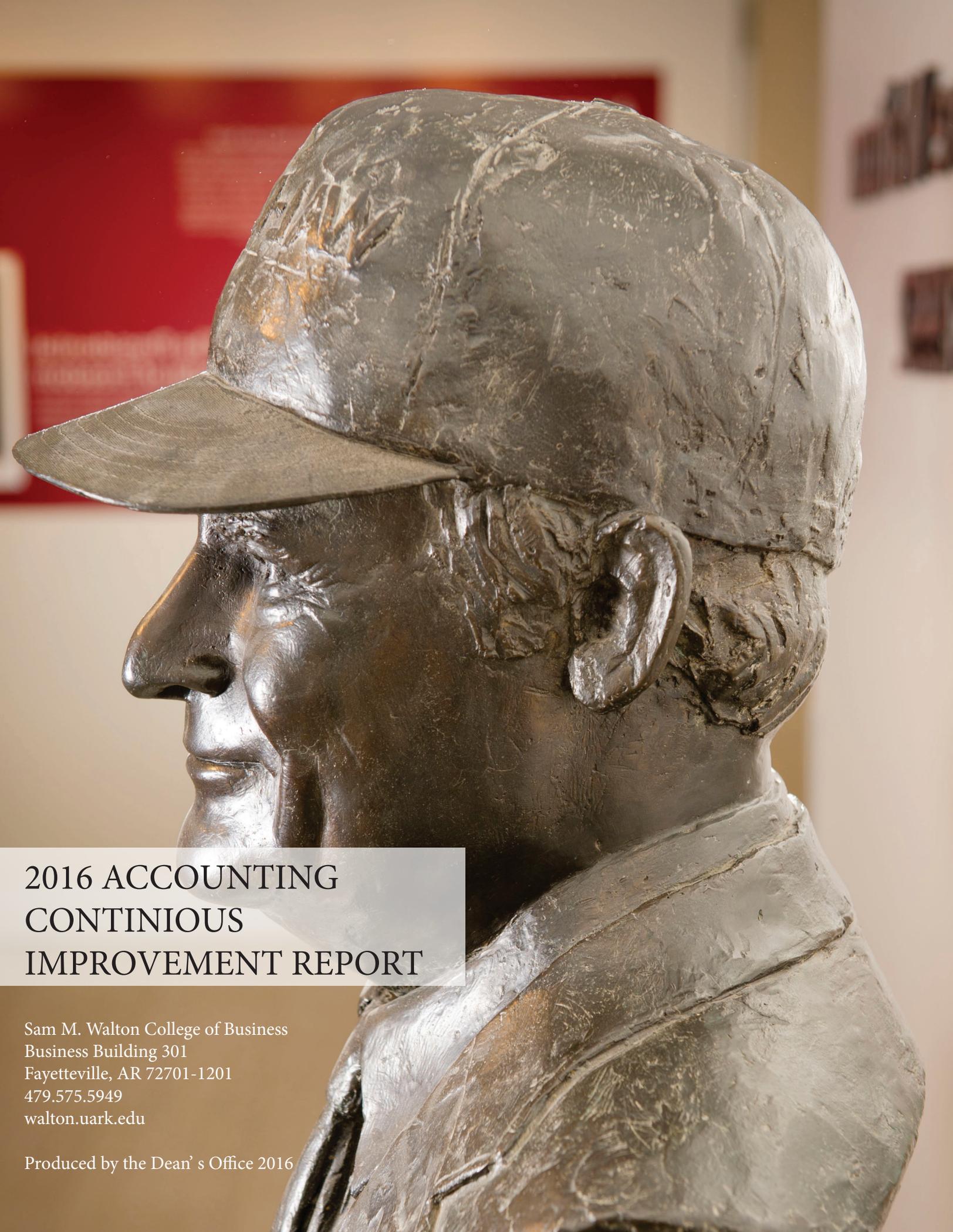
- 3) To differentiate between different levels of intellectual contributions. The Grid illustrates that some activities are focused on *engagement* with the target audience, some involve *innovation*, and some demonstrate *impact* (see columns on page 1 of the Grid). In general, as activities move from engagement to innovation to impact, they are regarded as more significant intellectual contributions.
- 4) To provide specific examples of the types of activities that serve as intellectual contributions for different categories of faculty (see the information in Cells 1-9 on page 1 of the Grid). Examples of activities that fit within each Cell are provided; these examples serve as prototypical activities within each cell, but are not an exhaustive list.
- 5) To communicate expectations about what intellectual contributions each type of faculty member should be making.

The FQ Grid ensures that faculty understand that they can make contributions in different areas that serve the mission of the College (e.g., creating business knowledge, disseminating business knowledge, teaching students, educating practitioners). The FQ Grid is used in multiple ways:

- It allows new faculty to understand the different types of faculty that exist in the College.
- It allows each faculty member to understand what he/she is expected to contribute.
- It provides a diagnostic tool for Departments Chairs to discuss performance with faculty. If they are not engaged in appropriate types or levels of activity, they are coached using the Grid.
- It provides a roadmap for reclassification of faculty if that is needed. For example, if a SA faculty member is not publishing at expected levels, then he/she may be coached toward understanding how to move toward a PA designation (what activities will be required to achieve PA status).

The extent to which each faculty member corresponds to performance expectations related to his/her faculty category is assessed in the Faculty Narrative that is written for each faculty member by the Department Chair each spring (after the annual performance review). Narratives provide information about the type and level of activity in each of the cells of the FQ Grid, indicating where faculty contribute. Narratives are developed by the Department Chair, shared with the faculty member, and reviewed by the Senior Associate Dean and the Director of Information to ensure their correspondence to WCOB standards. Because of the great variation across types of activities, the level of activity required for each activity type is not pre-specified; faculty are expected to be engaged at a level that keeps their knowledge and skills sharp and that fits with their workload weights. As Department Chairs write the Narrative for each faculty member, they must make the case that this is indeed true; the Narratives are then reviewed by the Senior Associate Dean and Director of Information to ensure accuracy and appropriateness. There is one exception to this process, and that is in regard to research publications; specifically, SA faculty are expected to publish *at least three publications in peer reviewed journals* in order to maintain the SA status.

Faculty are encouraged to participate in professional development and engagement activities. Funding from the College and Department support travel to various academic and professional conferences. The Department also makes these opportunities available to a cross-section of faculty, from Lecturers to Senior Faculty. Faculty are encouraged to engage with various academic and professional organizations, including roles in the AAA and sections, as well as professional organizations such as the IIA. The Department also encourages collaborations with faculty from other institutions by supporting travel to those locations or inviting workshop participation from those locations.



2016 ACCOUNTING
CONTINUOUS
IMPROVEMENT REPORT

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