MINUTES
BOARD OF ADVISORS, SCHOOL OF BUSINESS
OCTOBER 19, 2004
UNIVERSITY CONFERENCE CENTER
UNIVERSITY OF SOUTHERN INDIANA

MEMBERS PRESENT: Tom Austerman, Roxy Baas, Evan Beck, Alan Brill, Adrian Brooks, Mark Cox, Marsha Ellenstein, Patrick Harvey, Alan Jones, Alan Julian, Tom Magan, Don Minton, Allen Mounts, Dave Papariella, Al Ritz, Ken Robinson, Ron Romain, Ken Sendelweck, Larry Steenberg, Bob Swan, Mike Weber, Gene Klippel, and Nancy Bizal

MEMBERS ABSENT: David Abbott, Ron Bonger, Carl Chapman, Paul Coburn, Keith Emge, Tim Flesch, Kay Forbes-Smith, Rick Geissinger, Carolyn Georgette, Mike Head, Dan Hermann, Lucy Himstedt, Terry Keating, Mark Lemond, Phil Liebeman, Frank McDonald, Jim McKinney, Matt Meadows, Jim Muehlbauer, Dan Schenk, Michelle Schroeder, John Shekell, Marjorie Soyugenc, Rick Stivers, and Linda White

FACULTY PRESENT: Gary Black, Kevin Celuch, Margaret Chen, Bill Henderson, Eva Jermakowicz, Jane Johansen, Mohammed Khayum, Mehmet Kocakulah, Jeanette Maier-Lytle, Brian McGuire, Sudesh Mujumdar, Greg Murphy, Joy Peluchette, Jong Rhim, Anusuya Roy, and Jennifer Williams

Welcome to Board of Advisors – Allen Mounts:

Allen Mounts welcomed everyone to the Fall Board of Advisors Meeting. Mounts introduced new faces to the Board – Tom Austerman, Bank of Evansville; Marsha Ellenstein, Co-owner of Rogers Jewelers; and Ken Robinson, Vision-e.

Dean Klippel introduced new faculty members – Gary Black, Assistant Professor of Operations Management, and Margaret Chen, Assistant Professor of Finance.

Approval of Minutes – Allen Mounts:

The minutes of March 31, 2004 were approved as mailed

Chair's Remarks – Allen Mounts:

Mounts reported two members of the Board have moved away. Jim Dodd moved to Ohio and Pam Peterson moved to Texas. Mounts announced the discussion for this meeting will be the Strategic Plan for the School of Business. He also mentioned last year the Board changed its name to reflect more accurately what the Board offers to the school and noted there has been a lot of positive change in the School of Business over the years.

Dean's Report – Gene Klippel:

The University of Southern Indiana has made the new School of Business building its number one priority. The proposal will come before the state legislature for their approval during this session.

Foundation Update:

> In the year 2003 - $45,914 was raised through appeals letter
> In the year 2004 - $41,060 was raised through appeals letter

This money is used as discretionary money on the part of the School of Business to support faculty research and faculty academic related travel. The appeals letter for this year was mailed in early October.

Endowed Scholarships: It should be noted there will be a waiting period which is required by the USI Foundation Office before the earnings from these gifts will be available in the form of scholarships.

> Aline Nunn - $2.1 million (50% School of Business)
> Rebecca Nunn – $1.1 million (50% School of Business)
> Gumberts and Wells – $1 million (100% School of Business)

The Indiana CPA Society's Student Case Competition was held on October 15th in Indianapolis. The accounting team from USI School of Business placed first out of nine teams statewide. These included student teams from Indiana University, Notre Dame, et al.

Executive-in-Residence was held on October 6th. Normally the focus of this program is on an individual. However, this year a new format was introduced---The Executive Team-in-Residence. This format was well received and will become part of the mix for future Executive-in-Residence programs. Jim McKinney and his executive team from Regency Commercial Associates were the presenters at the 32nd annual program.

Update from Spring 2004 Meeting and MBA Report – Mohammed Khayum:

Dr. Khayum reported two issues were discussed at the Spring 2004 Board of Advisors Meeting. The first is "Should the School of Business modify or expand the economic reports it currently produces?" The second is "Should the School of Business enter the realm of regional economic forecasts?"

Six suggestions came out of the sessions last spring. They are as follows:

1. Determine the School's role with regard to collecting and sharing information about the area economy. Implementation status – Fall 2004. Comments -Will be determined in context of the School of Business Strategic Plan.

2. Identify utilization of reports. Implementation status -Initiated Summer 2004. Comments - Web Page Counter development and surveying sample of users is proceeding on schedule.
3. Explore coordination of information collection with other organizations. Implementation status – Fall 2004. Comments – Promotion of Business Outlook Survey to Chamber of Commerce membership is currently underway.
4. Expand visibility of reports. Implementation status – preliminary steps Fall 2004. Comments – A plan for periodic coverage in Evansville Courier and Press has been established
5. Explore potential collaboration regarding the sales person efficacy measure. Implementation status – ongoing. Comments – Measure under review at a major academic journal and plans for follow-up with local businesses to be implemented.
6. Make Evansville Factbook more user friendly and include other topics. Implementation status – ongoing. Comments – proposal being developed to identify other topic coverage and resources needed.

At the beginning of Fall Semester 2004, the enrollment for the MBA Program was 113 students. The most popular undergraduate majors entering the MBA program are Business Administration, Engineering, Math and Science. The balance of men and women in the program is – 55% male and 45% female. This program is a part-time program – classes are held in the evening to accommodate students working full-time.

The MBA Program was favorably noted in the 2005 Princeton Review. One hundred forty-three schools responded to the survey. We will continue to respond to the survey as this gives us good academic visibility, as well as strong exposure to potential students.

Strategic Plan – Brian McGuire:

McGuire gave a brief presentation on the background of the Strategic Planning Process. Nine meetings have been held so far with the first one held on August 23rd. The faculty met on September 20th to discuss the plan and give feedback to the committee. Today we are meeting with the Board of Advisors for their feedback.

The members of the Board and faculty were divided into two groups.

Discussion Group 1

Self Introductions of BOA members and faculty and staff.

Facilitator: Allen Mounts
Backup Facilitator: Brian McGuire
Note takers: Mohammed Khayum and Joy Peluchette

Discussion of the group centered on the vision and mission statements. Although the group was unable to review the remaining sections of the draft strategic plan due to time, it was felt that its main priority should be the vision and mission statements anyway.

Conceptual Issues

Several conceptual issues were raised while reviewing both the vision and mission statements.

- that these statements need to be directionally sound

- must adhere to standard principles in crafting these kinds of statements (e.g. simple, distinct, measurable, clear---the vision should "paint a picture" and the mission should "motivate")

- when viewed by different stakeholders, both of the statements should pass the understanding test (e.g. what would a student, parent, etc. take away after reading the statements)

- Brevity (conciseness) is important in both statements (especially in the vision statement)

Issues Raised

A range of issues were raised in the discussion.

- choice of words (e.g. "strive to provide" instead of "recognized as")

- need to clarify certain words (e.g. what is meant by "school embraces service that is receptive…;" what is meant by "entrepreneurial spirit;" what is meant by "outside the classroom;" what is meant by "relevancy")

- absence of certain words/concepts (e.g. ethics/integrity)

- relevance of including "in a rapidly changing business environment" (viewed as a given)

- is it important to spell out the geographic scope? (discussion focused on the pros and cons of this, given the university mission)

- the need to include "exceeding students' expectations" after "a premier learning experience" (concerns about measurement difficulties were raised and alternative terms were suggested, such as "challenging learning experience"

- statements appeared to be more internally focused, there is need to make mention of outside interaction (e.g. outside of university)

- the need to highlight strengths or distinctiveness, such as the "value" students receive from their educational experience in the school

Other Suggestions

Discussion concluded with several suggestions:

- the need for both statements to be succinct, particularly the vision statement

- the need for a glossary of terms

- consider rewording of the vision statement, such as the following example:

  We equip students for success through a value-driven education model which incorporates real-world "needs" (or applications, experience, relevance, etc.)

Discussion Group 2

Self Introductions of BOA members and faculty and staff

Facilitator: Al Ritz
Backup Facilitator: Kevin Celuch
Note takers: Joyce Babillis and Nancy Bizal

Vision

Discussion included the following areas:

- <u>Premier</u> of what: Need to establish the bar for "premier" status. How do we know when we have reached that status? How is it measured? Is there a measurement out there called "superior to group "?

- The vision statement is a dream. Do we have to have a vision that is measurable? We want to have a "stretch" (a "reach").

- <u>Learning Experience:</u> The focus is on a premier learning experience.

- <u>To be recognized:</u> From whom, the AACSB, the Business Community (i.e., employers), or students? What about "striving to be a premier learning experience" or "We strive to provide a premier learning experience…"?

- Success: What is success? Becoming a president, or becoming a manager?

- Learning experience was (and still is) what and who USI is (and is its strength). The group noted the first sentence in the mission reinforces the learning experience idea.

- Entrepreneurial has broad meaning—refers to starters (what about big companies?). The wording needs clear definition. Entrepreneurial spirit is applicable no matter the size of the company.

Mission

Discussion included the following areas:

- First sentence really good. How is it accomplished?

- Educating and equipping students to be successful after graduation—be functional and able to contribute.

- Inside and outside the classroom: The group really likes the concept. However, it is missing internships and coops for both students and faculty (which need to be there someplace).

Guiding Principles

Discussion included the following areas:

- Student-centered learning: Do we need to mention doing business in an ethical manner? Best way to succeed is to do it ethically. Add ethical and social responsibility and/or add it to the third bullet. Calculated risk-taking needs an ethical balance.

- Knowledge and Lifelong Learning: Add ethical conduct many places. Should ethics be a separate category or permeated throughout? The group seems to prefer permeated throughout (just as it is not a separate course but part of many courses).

- Creativity: How do you foster creativity when you punish failure? How do you foster risk-taking? For example, most very successful risk-takers have failed a couple of times (failing in a risk-taking culture is not punishable). Can you go on when you fail (you cannot be afraid to lose)? Do you know what excellence is? We learn from consequences.

- How can you teach "entrepreneurship," and can you draw it out? Can you teach it? Is it a genetic issue? Who will make the changes (e.g., not always the way it

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has been done, but find better ways)? Students sometimes are pessimistic about "new idea" formation. We can work on ways to question "is there a better way?" We can broaden students' skill sets.

- What does "alternative modes" mean? (e.g., separate living communities, technology, groups, etc.)

- Engagement: Could "ethics" be added here? We should seek to understand what our community needs are (which is what the BOA is all about). How does USI balance "learning experience" with scholarship and service? Community interaction is how we tell our story, but how do we keep the learning experience as the top priority?

Strategic Priorities

Discussion included the following areas:

- Nine strategic priorities seem like a large number. The faculty task force is torn between four or five and nine—all will have a definite timeline. Nine seems too many to group; someone can't think of nine things at once (but timeline may help).

- Need "ownership" (who is responsible) and timelines as a way to know how and when these things are accomplished and then how they need to be measured (we need to establish measures for every strategic priority). Faculty task force recommended action steps, leaving measurements to the group (School of Business Assessment Task Force) responsible for carrying out that strategy.

- The numbering suggests a "ranked" order. The group recommends prioritizing (putting "student-centered learning" at the top) and then go down to as many as six additional priorities.

- The group needed clarification of the meaning of "pedagogy."

- Learning outside the university (internships and "coops" need to be there). The relationship with business is not explicit (it needs to be specific about internships and coops and shadows, since they are high priority items).

- The "metrics" are too far down in the document (need to be earlier in document).

- New Building: This priority seems odd among the others. Could it possibly be included in some other area? Can we reinforce the need at a higher level? It is out of our control in that we do not control the building approval, and we do control the kind of building (i.e., smart, wireless, what kind of classrooms, labs,

offices, etc.)? Should we move the "building" earlier in total document and out of Strategic Priorities?

- Innovation and niches: What about partnerships with other institutions (for example, VU and Ivy Tech, though often an "on again/off again" situation)? What about partnerships with business centers (site location consultants want communities to cooperate to provide the best level of service to companies)? Borders are often breaking down, and we could develop a Center for a Tech Park (USI could lead, but we know UE has expertise; collaboration could take place).

- Number 3 could be restated to read: "Collaborative exploration of strategic relationships" (we do have this in place at Ivy Tech with the "2+2" options).

- Strategic standpoint: "Controlled growth." We must be sure we are not stretching too far, and we must have some quality at a distant point. Dual programs can work, but they must be controlled. For example, Finance enrollment is growing, but the faculty is somewhat thin (partly due to the additional FTE's added by the APS Programs "Financial Management" track). In addition, international schools want partnerships. Related to this topic, there is a real question of "do-ability" with quality. Research and service can be easier with a collaborative effort.

- Explore the business needs of the community (Evansville) for the students (i.e., future job growth). The strengths in this area are plastics and financial services (though not an actual "center"). Can this drive new opportunities for the school and what can it deliver (which should be our next step)?

- Learning assessment is the next step in the process. Right now we are using indirect measures (i.e., surveys), and the only real direct measures are the ETS major field test (which contains no communication or ethical decision-making skills) and various professional exams (such as the CPA and CMA exams).

- A "niche" is a difficult area. Communities should assess where they are in terms of growth (i.e. plastics are leveling off, but technology will be the rising star). Who are the rising stars?

- Where is the greatest opportunity for our community? The Department of Commerce is currently making these determinations for various states and sectors. We need to review these materials.

Other Suggestions

Discussion concluded with several suggestions:

- Rank (prioritize) the strategic priorities

- Condense the document (where appropriate)

- Move metrics into the document

- Establish "ownership" of the strategic priorities and a timeline

Next Steps:

Khayum reported the minutes and other information for the Board of Advisors will be posted on blackboard. A password will be issued to the Board members along with information on how to access blackboard. The discussion board will be kept up-to-date to help improve communications with the Board.

Klippel reported meetings have been planned with graduate and undergraduate students to get feedback on the Strategic Plan. Klippel thanked everyone for coming and said the Board adds tremendous value to our school.

Next Meeting:

The next Board of Advisors Meeting is scheduled for Wednesday, April 6, 2005, in Carter Hall.

Adjournment:

The meeting was adjourned at 5:10 p.m.