AACSB Strategies for Maintaining Faculty Sufficiency

A Presentation By:
Michael C. Villano, CPA, CMA
The Importance of Accreditation

Accreditation adds value

Process of Peer review

Measure of program quality

Requires investment of institutional resources
Two Types of Accreditation

1. Institutional/Regional Accreditation
   The Higher Learning Commission

2. Discipline Based Accreditation
   Association to Advance Collegiate School of Business (AACSB)
   Accreditation Board of Engineering and Technology (ABET)
   National Council for Accreditation of Teacher Education (NCATE)
AACSB – Premier Business Accrediting Agency

Founded in 1916
Established Accreditation Standards in 1919
Over 1,096 member institutions
607 Accredited programs
Represent over 38 countries
AACSB Accreditation Standards ensure:

- Assessment of school’s mission
- Faculty Qualifications
- Programs
- Operations
- Other essential aspects of the institution
The Faculty Dilemma

Retirements of baby-boomer faculty

Less funding for doctoral programs

Business faculty in short supply—particularly Accounting

80-100 accounting doctoral students produced annually

Large salaries
AACSB Standard 10

Standard 10 addresses faculty qualifications and sufficiency:

The faculty of the school has, and maintains expertise to accomplish the mission and to ensure this occurs, the school has clearly defined processes to evaluate individual faculty member’s contributions to the school’s mission. The school specifies for both academically qualified and professionally qualified faculty, the required initial qualifications of faculty (original academic preparation and/or professional experience) as well as requirements for maintaining faculty competence (e.g., intellectual contributions, professional development, or practice).

(http://www.aacsb.edu/accreditation/business/standards/participants/standard10.asp)
The 90/10 Rule of Standard 10

Standard 10 requires:

At least 90% of faculty (both full-time and part-time) must be either Academically Qualified (AQ) and/or Professionally Qualified (PQ)

At least 50% of total faculty resources must be Academically Qualified (AQ)
90% Rule: Assume an institution employs 10 full time faculty members and 4 part time members. The 90% rule will be based on a total faculty of 12 (10 @ 100%) + (4 @ 50%). Therefore, at least eleven (90% * 12) faculty members must be either AQ or PQ. The remaining faculty could be classified as “Other”.

50% Rule: The AACSB report would have to include at least 6 (50% * 12) of the 14 total faculty members as AQ.
Academically Qualified is defined by AACSB as:
“Requiring a combination of original academic preparation (terminal degree completion) augmented by subsequent activities that maintain or establish preparation for current teaching responsibilities”
(http://www.aacsb.edu/accreditation/business/standards/participants/standard10.asp)
Professionally Qualified faculty are defined as: practitioners with at least a master’s degree relevant to the area of teaching assignment and also work experience that is “significant in duration and at the appropriate level of responsibility”

(http://www.aacsb.edu/accreditation/business/standards/participants/standard10.asp)
AQ faculty are in short supply

AQ must possess one of the following:

1. A doctoral degree in the area in which the individual teaches.
2. A doctoral degree in a business field, but primary teaching responsibility in a business field that is not the area of academic preparation.
3. A doctoral degree outside of business, but primary teaching responsibilities that incorporate the area of academic preparation.
4. A doctoral degree outside of business and primary teaching responsibilities that do not incorporate the area of academic preparation.
5. A specialized graduate degree in taxation.
6. Substantial specialized coursework in the field of primary teaching responsibilities, but no research doctoral degree.
Methods to address shortage

AICPA created Accounting Doctoral Scholars (ADS) Program

- Nationally sponsored initiative
- Four year renewable tuition waivers
- Over 40 participating universities
- Annual cash stipend
- Must concentrate in Auditing or Taxation
- 30 admitted candidates per year
Non-discipline based PhD’s can complete additional coursework

Additional doctoral-level coursework in area of teaching at an AACSB program.

Scholarship in area of teaching
Methods to address shortage

Post Doctoral Bridge to Business Program
Sponsored by AACSB
Program to make non-business PhD’s AQ for 5 years upon completion
Five accredited Bridge Programs
  University of Florida
  Grenoble Ecole de Management in France
  University of Toledo
  Tulane University
  Virginia Tech
Initial AQ status only remains for 5 years.
Peer reviewed scholarship and service must be maintained according to AACSB reviewed university standards.

For example: Youngstown State requires 2 peer reviewed publications and 3 intellectual contributions every 5 years to retain AQ undergraduate teaching status.
Faculty shortages are not expected to ease

Salaries continue to rise – Average Assistant Assistant Professor salaries near $85,000

More and more Business schools continue to seek AACSB Accreditation

Smaller programs are “crowded out” of the hiring market
Options other than AACSB

**Discipline Specific:**
- Association of Collegiate Business Schools and Programs (ACBSP)
  - Emphasizes teaching excellence
  - Involves outcomes assessment

**General Education:**
- Council for Higher Education Accreditation
For the future. . .

Questions?

Contact Information:
Michael C. Villano, CPA, CMA
Instructor of Accounting and Finance
Youngstown State University
Williamson College of Business Administration
Lariccia School of Accounting and Finance
One University Plaza
Youngstown, Ohio 44555
P 330-941-3084
E mcvillano@ysu.edu