

Accounting for Faculty Sufficiency and Qualification Indicators for AACSB International's Accounting and/or Business Accreditation

**Ralph S. Polimeni, Hofstra University
Jacqueline A. Burke, Hofstra University**

ABSTRACT

*This paper demonstrates how to comply with AACSB's 2013 **Faculty Sufficiency and Deployment and Faculty Qualifications and Engagement/Professional Interactions** standards for accounting and/or business accreditation, which require the academic unit to develop and implement policies and procedures for classifying faculty members as participating or supporting, depending on time devoted toward the unit's mission, and also as SA, PA, SP, IP and O categories. An emphasis is placed on how to determine whether adjunct members are participating or supporting. A weighted per credit basis method, developed by the authors, is presented as one approach to account for this requirement.*

INTRODUCTION

AACSB International's (AACSB) Accounting Standard A4 (related to Business Standard 5) *Accounting Faculty Sufficiency and Deployment* and Accounting Standard A9 (related to Business Standard 15) *Accounting Faculty Qualifications and Engagement/Professional Interactions* requires an academic unit to maintain and utilize a faculty that is appropriate to achieve quality outcomes from its various degree programs offered and to attain other elements of its mission. One of the goals of AACSB's revised standards is to "attempt to reflect the competitive...and economic realities of the nature of university level management education across the globe" (Miles, Franklin, Grimmer & Heriot, 2013, p. 3). As colleges and universities dramatically increase the number of courses being taught by adjunct faculty in order to cut costs and remain competitive (Kelly, 2013; Shinn, 2016; Sonner, 2000), AACSB (2013a; 2013b) AACSB has implemented standards to require units to be more accountable for how they deploy both full time and part time (i.e., adjunct) faculty. As a result, students will be provided the opportunity to be educated by faculty that has the appropriate qualifications (AACSB, 2013a; 2013b). AACSB (2013a; 2013b) requires academic units to utilize participating faculty and qualified faculty in a certain percentage of its teaching. In order to demonstrate that a unit adheres to these standards, a unit must determine the criteria for classifying a faculty member (1) as participating or supporting (i.e., sufficiency group) and (2) into the appropriate faculty qualification group (i.e., Scholarly Academic, Practicing Academic, Scholarly Practitioner and Instructional Practitioner) (AACSB Accounting, 2013a, p. 37; AACSB Business, 2013b, p. 44). Once the criteria are developed, the unit must classify the faculty into the appropriate sufficiency and qualification categories. Since the accounting and business standards relating to these areas are essentially the same, this paper focuses on

how to compute the *Faculty Sufficiency and Deployment* and *Faculty Qualifications and Engagement/Professional Interactions* standards for accounting accreditation. This paper provides examples to illustrate how to apply these standards. As part of these examples, the paper demonstrates an approach, developed by the authors, on how to determine the percentage of time participating and supporting faculty devote towards an academic unit's mission by using a weight per credit basis method.

PARTICIPATING AND SUPPORTING (STANDARD A4)

According to Standard A4 (AACSB, 2013a), participating and supporting faculty members are defined as follows:

A participating faculty member actively and deeply engages in the activities of the school in matters beyond direct teaching responsibilities. Such matters might include policy decisions, educational directions, advising, research, and service commitments. The faculty member may participate in the governance of the academic unit and or business school, and be eligible to serve as a member on appropriate committees responsible for academic policymaking and/or other decisions. The individual may participate in a variety of non-class activities such as directing an extracurricular activity, providing academic and career advising, and representing the school on institutional committees. Normally, the academic unit considers participating faculty members to be long-term members of the faculty regardless of whether or not their appointments are of a full-time or part-time nature, whether or not their position with the academic unit is considered the faculty member's principal employment, and whether or not the unit has tenure policies. The individual may be eligible for, and participate in, faculty development activities and take non-teaching assignments, such as advising, as appropriate to the faculty role that the unit has defined taking into consideration the depth and breadth of the non-teaching assignment.

A supporting faculty member does not, as a rule, participate in the intellectual or operational life of the unit beyond the direct performance of teaching responsibilities. Usually, a supporting faculty member does not have deliberative or involvement rights on faculty issues, membership on faculty committees, or responsibilities beyond direct teaching functions (e.g., classroom and office hours). Normally, a supporting faculty member's appointment is on an ad hoc basis - for one term or one academic year without the expectation of continuation - and is exclusively for teaching responsibilities (pp. 22 – 23).

Note that a faculty member who is not participating is supporting. The academic unit must adopt criteria in order to identify each faculty member as participating or supporting. For

example, a faculty member of the College of Business Administration (CBA) at Winthrop University will be classified as participating during the academic year if a minimum of three of the following criteria is met during the year:

- Serves on a department, college or university committee
- Advises students
- Advises a business student organization or engages in chapter activities
- Regularly attends and participates in department meetings
- Regularly attends and participates in the CBA's faculty assemblies
- Participates in the CBA's assessment system
- Attends professional development activities sponsored by the CBA or Winthrop University
- Has scholarly activity (Winthrop University, 2014, p. 13, available at <http://www.winthrop.edu/uploadedFiles/cba/facultymanual/PostJune2014Edition-PandTguidelines.pdf>)

The criteria selected to classify faculty as participating or supporting must be consistent with the academic unit's mission.

Minimum Faculty Sufficiency Qualifications Standards

AACSB (2013a, p. 38) Standard A4 states that the academic unit must maintain the following minimum faculty qualifications, referred to as *faculty sufficiency indicators*, for participating and supporting:

- Overall: $P/(P+S) \geq 75\%$
- By discipline, location, or program: $P/(P+S) \geq 60\%$

*P: Participating; S: Supporting

FACULTY QUALIFICATION GROUP (STANDARD A9)

According to Standard A9 (AACSB, 2013a), the definitions of faculty qualification groups are stated as follows:

Scholarly Academics (SA) sustain currency and relevance through scholarship and related activities. Normally, SA status is granted to newly hired faculty members who earned their research doctorates within the last five years prior to the review dates.

Practice Academics (PA) sustain currency and relevance through professional engagement, interaction, and relevant activities. Normally, PA status applies to faculty members who augment their initial preparation as academic scholars with development and engagement activities that involve substantive linkages to practice, consulting, other forms of professional engagement, etc., based on the faculty members' earlier work as an SA faculty member.

Scholarly Practitioners (SP) sustain currency and relevance through continued professional experience, engagement, or interaction and scholarship related to their professional backgrounds and experience. Normally, SP status applies to practitioner faculty members who augment their experience with development and engagement activities involving substantive scholarly activities in their fields of teaching.

Instructional Practitioners (IP) sustain currency and relevance through continued professional experience and engagement related to their professional backgrounds and experience. Normally, IP status is granted to newly hired faculty members who join the faculty with significant professional experience (p. 33).

Other (O) should be used for those individuals holding a faculty title but whose qualifications do not meet the criteria the unit has established for SA, PA, SP, or IP status (p. 39).

The academic unit must adopt criteria in order to determine which group (i.e., faculty qualification or status) is appropriate for each faculty member and what is necessary to sustain the status. It is important to note that the academic unit is expected to work with the above definitions and develop criteria that are consistent with the academic unit's mission. AACSB Standard A9 (2013a) provides detailed information and examples regarding the basis for developing appropriate criteria. Other examples can also be found on the websites of various colleges. For example, the University of Wisconsin College of Business (2014) has prepared the following (Table 1) *Initial Academic Preparation and Professional Experience* criteria as part of its *Scholarship & Practitioner Productivity Guidelines & Faculty Qualifications* (only part of the document is presented):

Table 1
University of Wisconsin College of Business
Scholarship & Practitioner Productivity Guidelines & Faculty Qualifications
Initial Academic Preparation and Professional Experience

1. ACADEMICS

- a. Normally, a doctoral degree emphasizing advanced foundational discipline-based research is the required initial academic preparation for SA and PA status.
- b. Exceptions.
 - i. J.D. for teaching business law and legal environment
 - ii. Graduate degree in taxation to teach taxation
 - iii. Classified as Academically Qualified under previous standards
- c. A doctoral degree not related to the field of teaching or a non-research oriented doctoral degree, will typically require a higher level of research engagement activities to support currency and relevance in their fields of teaching.
- d. Newly Hired Faculty.
 - i. New tenure-track faculty with new terminal degrees have five years of SA status.
 - ii. New tenure-track faculty with terminal degrees three or more years old have three years of SA status.

2. PRACTITIONERS

- a. Normally, IP and SP faculty members are required to have a master's degree in disciplines related to their fields of teaching and, at the time of hire, have professional experience in business or other types of organizations that is current, substantial, and related to their area of teaching.
- b. Exceptions.
 - i. Individuals without a master's degree may be granted SP or IP status based on extensive professional experience in their discipline. For example, a partner in an accounting firm.
 - ii. Individuals with a research-oriented master's degree emphasizing discipline-based research, ABD or substantial doctoral coursework that establishes currency in the teaching field may need less professional experience to obtain SP or IP status. For example a master's degree with a master's thesis.
 - iii. Professional experience in higher education that establishes currency in the teaching field may need less professional (business) experience to obtain SP or IP status.
 - iv. Classification as Professionally Qualified (PQ) under previous AACSB accreditation standards or hired before the PQ standards were established may obtain SP or IP status (University of Wisconsin College of Business, 2014, p. 3, available at https://www.uwlax.edu/uploadedFiles/Academics/Colleges_Schools/College_of_Business_Administration/CBA%20Scholarly%20Productivity%20051415%20Approved.pdf).

Minimum Faculty Qualifications Standards

AACSB Standard A9 (2013a, p. 38) states the academic unit must normally maintain the following minimum faculty qualifications (i.e., *faculty qualification indicators*):

$$\text{Minimum SA: } (SA)/(SA + PA + SP + IP + O) \geq 40\%$$

$$\text{Minimum SA + PA + SP: } (SA + PA + SP)/(SA + PA + SP + IP + O) \geq 60\%$$

$$\text{Minimum SA + PA + SP + IP: } (SA + PA + SP + IP)/(SA + PA + SP + IP + O) \geq 90\%$$

IMPLEMENTATION OF POLICIES AND PROCEDURES

The academic accounting unit must develop and implement policies and procedures that are consistent with its mission for determining which faculty members are considered participating faculty and supporting faculty members and how to classify faculty members into SA, PA, SP, IP and O categories. The academic unit should also determine what is expected of full-time faculty regarding teaching, research and service. The unit should determine how much of a faculty member's time should be devoted to each category, e.g., 40% teaching, 40% research, and 20% service or some other combination that is appropriate to support the academic unit's mission. For example, the faculty of the College of Business at The University of Central Arkansas (UCA) agreed to the following emphasis:

...teaching (55-75%); intellectual contributions (20-35%); and service (5-25%). As an institution with an emphasis on undergraduate education, the college emphasizes scholarship and instructional development. Given this, each faculty member therefore must apportion their effort distribution for the three areas such that the total equals 100%, adhering to the percentages above (teaching 55-75%, etc.) (UCA, 2014, p. 8, available at http://uca.edu/business/files/2014/08/FacultyDevelopmentPlan_07-25-14.pdf).

Normally, a full-time faculty member's time devoted to the unit's mission is considered to be 100 percent or 1.00. The question arises as to the percentage assigned to part-time (adjunct) faculty members. The accounting academic unit must determine, in addition to their part-time teaching responsibilities, what other functions the part-time faculty members are performing to support the academic unit's mission. Examples of these functions were provided earlier, when discussing how AACSB defines participating. For example, such activities could include those that involve "...policy decisions, educational directions, advising, research, and service commitments" (AACSB, 2013a, p. 22).

One approach to computing faculty sufficiency indicators that is suggested by the authors is to assign a weight, on a per credit basis, to participating and supporting part-time faculty. A higher weight should be assigned to participating than supporting part-time faculty because the former devotes more time to achieving the academic unit's mission. For example, assume that an academic unit with an annual full time teaching load of 24 credit hours expects that the proportion of a full-time faculty member's time devoted to the academic unit's mission is expected to be 60% teaching, 10% research and 30% service. A participating faculty member should receive .038 (rounded) per credit hour for each credit taught while a supporting faculty member should receive .25 (rounded) per credit hour for each credit hour taught computed as follows:

$$\text{Participating} = 1.00/24 \times 90\%^* = .037499$$

*90% = 60% teaching + 30% service

$$\text{Supporting} = 1.00/24 \times 60\%** = .024999$$

**60% = 60% teaching

As previously noted, qualifying participating activities as defined by AACSB could also include research activities. For example, the College of Business Administration at California State University (Long Beach) (CSU) lists seven activities which qualifies faculty as participating, including advising students, serving on academic committees, being involved in governance activities, serving as a faculty advisor to a student club, participating in assessment activities, being a course coordinator for a core course, and being involved in “other significant intellectual or operational activities” (California State University, 2016, available at <http://web.csulb.edu/colleges/cba/aacsb/participating-standard/>). Also, at the Lucas College and Graduate School of Business at San Jose State University, non-tenure track faculty are classified as participating if they are engaged in at least two of eight different types of activities, including an activity that contributes to the scholarship component of its mission. Examples of other activities that can count toward being classified as participating include regularly attending department, school or university meetings, being involved with curriculum or assessment activities, and serving on committees or as a faculty advisor to a student organization (San Jose State University, 2016, available at <http://www.sjsu.edu/cobaccreditation/policies/facultysufficiency/>).

EXAMPLE OF COMPUTING COMPLIANCE RATIOS FOR ACCOUNTING AACSB ACCREDITATION FOR FACULTY SUFFICIENCY AND QUALIFICATIONS (RE: STANDARDS A4 AND A9)

The AACSB’s (2013a) compliance ratios should be computed for the normal academic year. Assume the following for this example:

- The accounting unit has only one location and program (an undergraduate degree program in accounting). If other locations and programs exist, then the same analysis would be required for each location and program.

- The annual faculty teaching load for full-time faculty is 18 credits.
- The proportion of a full-time faculty member's time devoted to the academic unit's mission is expected to be 50% teaching, 30% research and 20% service.
- All part-time faculty members have the opportunity to engage in activities of the school in matters beyond direct teaching responsibilities. The extent and type of these nonteaching activities will determine whether they are participating or supporting faculty.
- Participating faculty members are deemed to provide 70% support to the teaching and service goals of the academic unit's mission (50% teaching plus 20% service) while supporting faculty members are deemed by the school to provide only 50% support to the academic unit's mission (i.e., to the teaching component of the mission). Note that these percentages are based on a unit's mission and are only given as hypothetical amounts for this analysis. Therefore, for *each* credit taught by a part-time faculty member the academic unit has decided that: A *participating faculty member* should be assigned a weight of .04 rounded ($1.00/18 \text{ credits} * 70\%$) and a *supporting faculty member* should be assigned a weight of .03 rounded ($1.00/18 \text{ credits} * 50\%$). The rationale behind this analysis is that a participating faculty member helps the accounting unit achieve other components of its mission beyond teaching responsibilities and should therefore be assigned a heavier weight than a supporting faculty member.
- Full-time faculty/administrator percent of time devoted to the mission is 100% (1.00). A one (1.00) in the table indicates that the individual is full-time. Reasons for less than 1.00 (i.e., less than 100%) might include part-time employment (i.e., appointment as an adjunct), shared appointment with another academic unit, or other assignments that make the individual partially unavailable to the Accounting Unit.
- Faculty members A through D are full-time accounting faculty; faculty member E is a full-time administrator and is not engaged in teaching [note: according to AACSB (2013a), faculty members who do not teach are not included in the faculty sufficiency section but are included in the qualifications section of the table]; faculty members A through C are classified as SA, faculty member D is classified as a PA and faculty member E is classified as a SP.
- Faculty member F is a part-time faculty member who teaches 12 credits per academic year and is classified as IP and a *participating faculty member* and is therefore listed in the table as .48 ($.04 * 12 \text{ credits}$) for the academic year.
- Faculty member G is a part-time faculty member who teaches 4 credits during the academic year, is classified as O, is a *supporting faculty member* and is therefore listed in the table as .12 ($.03 * 4 \text{ credits}$) for the semester.

The information presented in Table 2 is based on the preceding assumptions:

<u>Table 2</u>			
<u>Faculty Sufficiency</u>			
<u>Name</u>	<u>Participating</u>	<u>Supporting</u>	<u>Total</u>
<u>Full-Time:</u>			
A	1.00		1.00
B	1.00		1.00
C	1.00		1.00
D	1.00		1.00
<u>Part-Time:</u>			
F	.48		.48
G		.12	.12
Total	<u>4.48</u>	<u>.12</u>	<u>4.60</u>

Note: Faculty member E is a full-time administrator and in accordance with AACSB (2013a) is therefore not listed in the faculty sufficiency section.

Analysis of Above Faculty Sufficiency

Following is an analysis of the results provided in Table 2, which demonstrates that the accounting unit satisfied the minimum faculty sufficiency standards:

- Overall faculty sufficiency: $4.48/4.60 = 97.4\%$
Conclusion: *satisfied standard (75% minimum)*
- By discipline, location, or program: $4.48/4.60 = 97.4\%$
Conclusion: *satisfied standard (60% minimum)*

Table 3 documents the percent of time devoted to mission for each faculty qualification group.

Table 3						
Faculty Qualifications						
Percent of Time Devoted to Mission						
For Each Faculty Qualification Group						
<u>Name</u>	<u>SA</u>	<u>PA</u>	<u>SP</u>	<u>IP</u>	<u>O</u>	<u>Total</u>
<u>Full-Time:</u>						
A	1.00					1.00
B	1.00					1.00
C	1.00					1.00
D		1.00				1.00
E			1.00			1.00
<u>Part-Time:</u>						
F				.48		.48
G					.12	.12
Total	<u>3.00</u>	<u>1.00</u>	<u>1.00</u>	<u>.48</u>	<u>.12</u>	<u>5.60</u>

Analysis of Above Faculty Qualifications

An analysis of Table 3 reveals that the accounting unit satisfied the minimum standards for percent of time devoted to the mission for each faculty qualification group:

- Minimum SA: $(3.00)/(5.60) = 53.6$
Conclusion: *satisfied standard (40% minimum)*
- Minimum SA + PA + SP: $(3.00 + 1.00 + 1.00)/(5.60) = 89.3\%$
Conclusion: *satisfied standard (60% minimum)*
- Minimum SA + PA + SP + IP: $(3.00 + 1.00 + 1.00 + .48)/(5.60) = 97.9\%$
Conclusion: *satisfied standard (75% minimum)*

Overall Analysis for the Accounting Unit

The accounting unit satisfied AACSB's (2013a) minimum sufficiency and qualifications requirements. Specifically, it met the 75% minimum overall faculty sufficiency requirement and the 60% minimum sufficiency requirement by discipline, location or program. The unit also met the 40% minimum SA requirement, 60% minimum SA + PA + SP requirement and the 90% minimum SA+PA+SP+IP requirement.

ALTERNATE SCENARIOS

According to AACSB standards,

The percent of time devoted to mission' reflects each faculty member's contributions to the unit's overall mission during the period of evaluation. Reasons for less than 100 percent might include part-time employment, shared appointment with another academic unit, or other assignments that make the faculty member partially unavailable to the unit. Full-time faculty member's percent of time devoted to mission is 100 percent (AACSB, 2013a, p. 39).

Assume instead for the previous example that faculty member A is SA for teaching both accounting and legal studies in business courses and that this individual taught 50% of their annual teaching load in accounting and 50% in legal studies in business courses. In the *faculty sufficiency section* and the *faculty qualification section*, faculty member A would be listed as .5 (instead of 1) in the accounting report and .5 (instead of 1) in the business report.

The above logic also holds true when a faculty member teaches in different programs. For instance, in the above example it was assumed that the school only had an undergraduate program. Assume instead that the school had both an undergraduate and graduate accounting program and that faculty member B taught all accounting courses; 75% in the undergraduate program and 25% in the graduate program. In the *faculty sufficiency section* and the *faculty qualification section*, faculty member B would be listed as .75 (instead of 1) in the report for the undergraduate accounting program and .25 (instead of 1) for the report for the graduate accounting program.

CONCLUSION

This paper focused on how to apply the *Faculty Sufficiency and Deployment* and *Faculty Qualifications and Engagement/Professional Interactions* standards for accounting accreditation. As part of this application, the paper also presented one approach, developed by the authors, on how to account for part-time faculty in order to comply with AACSB Standards A4 and A9 (2013a). The method utilizes a weight per credit basis approach to determine the percentage of time participating and supporting faculty devote towards an academic unit's mission. The approach presented could also be used for AACSB business accreditation.

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