

**Department of Finance
E.J. Ourso College of Business
Louisiana State University**

**Strategic Plan and Evaluation Criteria
AY 2011-2015**

Vision

The Department of Finance will be recognized as among the top twenty departments of finance at public universities for its excellence in the production, dissemination and application of financial knowledge.

Mission

The Department of Finance is a cooperative and productive unit of the E.J. Ourso College of Business at Louisiana State University. Its mission is to create innovative, challenging, high quality educational experiences for its students; to conduct, publish, and apply meaningful scholarly research; and to provide excellence in service to the state and local community, the profession, and the university. The Department of Finance is in full accord with LSU's *Flagship 2020: LSU Transforms Lives* and with the E. J. Ourso College of Business' *Five-Year Strategic Plan for National Prominence 2010-2015*.

I. Learning: Graduate and Undergraduate

The Department of Finance's Learning goal is to produce outstanding graduates from our bachelor's, master's, and doctoral programs, who have been challenged by our comprehensive, state-of-the-art educational programs, provided with unique opportunities for personal and professional growth, and encouraged to think innovatively; and who are keenly aware of the ethical responsibilities and global implications of finance theory and practice. The Department is also committed to delivering finance and business law education of the highest caliber in its role as a service unit for the College's various other educational programs, as a minor area for students outside the College, and as a contributor to the College's professional education programs.

Strategic Factor 1. *Deliver contemporary educational programs of high quality at both the undergraduate and graduate levels.*

Objective 1.1. Pursue teaching excellence in all instructional programs offered by the Department.

Actions:

- Fill all vacant faculty positions with individuals having excellent potential to become superior teachers of our students.

- Motivate faculty to excel in teaching by ensuring that the compensation structure appropriately and consistently rewards effective teaching.
- Encourage faculty participation in instructional workshops and symposia to develop innovative and effective teaching.
- Ensure that the quality of teaching is consistent across the finance curriculum, with special emphasis on FIN 3715 and FIN/BLAW 3201.
- Develop teaching skills and abilities of doctoral students through faculty mentoring.
- Maintain a copy of every course syllabus on file and include syllabi as a criteria for reviews.
- Maintain faculty involvement in executive development programs.

Performance Indicators:

- Number of courses and sections/course offered, and number of student credit hours (SCHs) generated both total and by terminally qualified faculty.
- Number of faculty and doctoral students participating in instructional development programs and seminars, both at LSU and at professional society meetings.
- Number of faculty receiving recognition (awards, etc.) for excellence in teaching.
- Average score on student evaluations of instructors and courses.

Constraints:

- Number of approved full-time faculty positions.
- Ability to offer merit pay increases for teaching performance.
- The inherent conflict between rigorous instruction and course evaluations, given that finance is a demanding subject for most students.
- Availability of relevant instructional development seminars.

Champion: Department chairperson.

Flagship 2020 Strategic Direction: “Learning”

E.J. Ourso Strategic Direction: Goals 2 and 3

Objective 1.2. Continuously assess and improve the curricula in all instructional programs, using other Research I institutions’ curricula as benchmarks.

Actions:

- Develop and evaluate new educational approaches and technology consistent with contemporary changes in finance, information technology

and the needs of our constituents, and integrate them, as they become available here, into our graduate and undergraduate curricula.

- Develop new elective courses to maintain a state-of-the-art curriculum.
- Develop finance related courses and programs across departments and colleges.
- Integrate the SMART Lab into more finance courses required for the major.
- Increase the modeling and computer skills of undergraduate finance majors and MS Finance students.
- Ensure continued access to software and data, on- and off-line, to enhance learning in investment and other finance courses.
- Develop a set of learning outcome statements for BLAW 3201, the core course in business law.

Performance Indicators:

- Curricula review through departmental participation on the Committee on Courses and Curricula, and the advisory committees for undergraduate and graduate curricula.
- Number of new course developments and innovations, and revisions of existing courses.
- Availability of specialized software in the SMART Lab.
- Publication on the Department's web site of the learning outcome statements for the business law course consistent with the Louisiana Articulation Matrix.

Constraints:

- SMART Lab support-- Funding for specialized software and data.
- Availability of faculty to develop and teach new courses.

Champion: Department chairperson, graduate and undergraduate advisors, faculty.

Flagship 2020 Strategic Direction: "Learning"

E.J. Ourso Strategic Direction: Goals 2, 3, and 4

Strategic Factor 2. *Attract highly qualified and motivated students to the undergraduate and graduate programs of the Department.*

Objective 2.1. Increase the effectiveness of graduate and undergraduate student recruiting.

Actions:

- Enhance financial aid packages for graduate assistantships and fellowships, especially at the doctoral level, to make them competitive with those of our peer institutions.
- Promote the accelerated masters' program to qualified sophomores and juniors.
- Develop and publish (print or electronic) graduate and undergraduate brochures.
- Expand scholarship opportunities for meritorious undergraduate students.
- Continuously update content of the Finance Department web site to make clear our desire to strengthen our intellectual environment by broadening the cultural diversity.
- Provide travel funding for Ph.D. students who have papers accepted for presentation of national or regional conferences
- Develop an online invitation-only community named *LSU Finance Stakeholders Forum*, for current students, alums, and employer/sponsors.
- Continue to build upon our national recognition as a CFA® Program partner.
- Establish LSU as a CFP® Board-Registered Program.

Performance Indicators:

- Undergraduate scholarships (number and dollar amount).
- Graduate assistantships (number and dollar amount/student) absolute and relative to those of peer institutions.
- Test scores (e.g., ACT, GMAT, GRE), grade point averages, and results of certification examinations (e.g., CFA, CFP) for both incoming students and outgoing graduates.
- Placement of graduates (especially at the doctoral level, emphasis on placement in nationally recognized, peer institutions).
- Results of annual surveys of graduating seniors to assess perceptions of programmatic effectiveness and learning outcomes.

Constraints:

- Funding for graduate assistantships at both Masters and doctoral levels.
- Limited faculty time for student recruiting activities.

Champion: Department chairperson, graduate and undergraduate advisors.

Flagship 2020 Strategic Direction: "Learning," "Engagement," and "Diversity"

E.J. Ourso Strategic Direction: Goals 2, 3, and 4

Objective 2.2. Continuously assess and improve the student experience outside the classroom.

Actions:

- Increase internal (departmental) student advisement services.
- Continue to support our student organizations: the Student Finance Association, the Student Real Estate Association, and the Masters Student Finance Association.
- Deliver effective placement and career guidance services for undergraduate and masters students through *LSU Finance Stakeholders Forum*.
- Strengthen internship programs at both the graduate and undergraduate levels.
- Interact with corporate recruiters to increase potential employers' awareness of our graduates' worth.
- Placement of graduates, with emphasis on placement undergraduate and Masters students with nationally recognized employers.
- Build and maintain strong relationships with successful alums to strengthen future placement.

Performance Indicators:

- Number of Finance majors and demographics of Finance majors.
- Student retention, and graduation rates at both the undergraduate and graduate levels.
- Placement effectiveness (e.g., number and quality of companies recruiting finance students; number of hires and beginning salaries; percentage of students placed at graduation; quality of institutions hiring Ph.D. students and beginning salary/financial packages, etc.).
- Results of annual surveys of alumni and employers to monitor perceptions of programmatic effectiveness and to document the career paths of our graduates.

Constraints:

- Limited faculty time for student related activities, including placement activities.

Champion: Department chairperson, graduate and undergraduate advisors.

Flagship 2020 Strategic Direction: "Learning" and "Engagement"

E.J. Ourso Strategic Direction: Goals 2 and 3

II. Discovery

The Department of Finance's Research Goal is to produce, publish and otherwise disseminate scholarly works that significantly advance the finance discipline. The Department expects to be ranked among the top 20 public research institutions in finance and related areas of research.

Strategic Factor 3. *Foster an environment conducive to the development and growth of faculty scholars and promote and encourage the production, dissemination, and application of significant research.*

Objective 3.1. Provide a support infrastructure and effective motivational climate conducive to the recruitment, development, and retention of a high quality research faculty.

Actions:

- Maintain a compensation and reward structure that encourages *high quality* research, especially (1.) the availability of research data, (2.) a strong Ph.D. program, and (3.) reduced teachings loads for research productive faculty.
- Provide adequate computing resources, travel allowances, research assistance, and general support for research.
- Continue to provide access to state-of-the-art databases, including CRSP, Compustat, and SDC's Security Offerings and Mergers and Acquisitions, and Execucomp files.
- Support the visiting scholars seminar series (Friday seminar).
- Fill all vacant faculty positions with individuals having excellent potential to be superior contributors to research. Fill the vacant William H. Wright Endowed Chair of Financial Services with a high quality associate or full professor.
- Sponsor a research conference in New Orleans.
- Assure information flow between administration and faculty and staff.
- Attract and maintain a critical mass of high quality doctoral students who work jointly with faculty in research capacities.

Performance Indicators:

- Research accomplishments and progress of individual faculty (total number of articles and books published or accepted, number of articles published or accepted in "A" journals; number of presentations at scholarly conferences, manuscripts under review, manuscripts in progress but not under review, invited lectures; and other indices of scholarship). Relate research accomplishments to teaching and service contributions.

- Aggregate research performance using a three-year moving average.
- Aggregate performance relative to respective departments at peer institutions.
- Ability to recruit superior faculty to fill vacant positions.
- Faculty turnover rates.
- Number of proposals submitted for external funding, and the number of awards/grants received.
- Presence in the national media.
- Research support resources (dollar amount, databases, number of hours of graduate assistantship per research faculty, etc.), using peer institutions as benchmarks.
- Number of visiting scholars/year (i.e., research seminar presentations).
- Citation index, by faculty member.

Constraints:

- Ability to offer competitive salary packages to potential faculty hires.
- Ability to offer merit pay increases for research performance.
- Funding for acquisition and maintenance of databases.
- Funding for visiting scholars (Friday seminar).
- Availability of funding for competitive doctoral student stipends.

Champion: Department chairperson, senior faculty.

Flagship 2020 Strategic Direction: “Discovery,” and “Diversity”

E.J. Ourso Strategic Direction: Goals 1 and 2

Objective 3.2. Establish a financial services research institute. A major goal of the institute will be to enhance the competitiveness of our graduates who enter the financial services industry. Faculty and students, working in partnership with industry leaders, will conduct research to address issues of concern to the industry. Such collaborative efforts will be the key to accomplishing the goals of the Institute.

Actions:

- Develop relations with the major financial services firms.
- Improve relations with investment firms currently hiring our students.
- Improve relations with financial institutions currently hiring our students.

- Obtain additional funding (public and private) to enhance the state funded laboratory for instruction and research in the application of information technology in investments and financial markets through the SMART Lab.

Performance Indicators:

- Accomplishment of the specific actions listed above.

Constraints:

- Limited faculty time for the project.

Champion: Department chairperson, senior faculty.

Flagship 2020 Strategic Direction: “Discovery,” and “Engagement”

E.J. Ourso Strategic Direction: Goals 1 and 4

Strategic Factor 4. *Secure adequate private and public funds to support the mission of the Department.*

Objective 4.1. In concert with the College’s development activities, enhance departmental endowments and discretionary monies for program support through private and/or corporate donations.

Actions:

- Develop new and improve existing relations with firms currently hiring our students through the *LSU Finance Stakeholders Forum*
- Seek funding (public and private) to endow and name the department.
- Seek funding (public and private) to further ensure the viability of the SMART Lab for instruction and research in the application of information technology in investments and financial markets.
- Seek funding for specialized software and data if vendors are unwilling to donate it.
- Seek additional funding for additional portfolios for students to manage, similar to the current \$1,000,000 *Tiger Fund*.
- Seek funding (public and private) to establish a Financial Services Research Institute (Objective 3.2, above).
- Seek funding (public and private) to support one \$2,000,000 chair and two \$500,000 professorships.

Performance Indicators:

- Accomplishment of the specific actions listed above.
- Number of proposals submitted for external funding, and the number of awards/grants received.

Constraints:

- Identification and persuasion of corporate and individual donors.
- Needs of other departments within the College (coordination of development plans across the College and University).

Champion: Dean, Department chairperson, senior faculty.

Flagship 2020 Strategic Direction: “Engagement”

E.J. Ourso Strategic Direction: Goal 4

Objective 4.2. Expand efforts to obtain grant monies for research from foundations, national agencies, and corporate endowments.

Actions:

- Increase number of proposals submitted for research grants from extramural entities.

Performance Indicators:

- Number of proposals submitted for external funding, and the number of awards/grants received.

Constraints:

- Limited faculty time for and experience in writing grant proposals.

Champion: Department chairperson, senior faculty.

Flagship 2020 Strategic Direction: “Discovery,” and “Engagement”

E.J. Ourso Strategic Direction: Goals 1 and 4

III. Engagement

The Department promotes the engagement of faculty, staff, and students within the university, within the state and local community, and within the academic community worldwide. It seeks to fulfill this mission by contributing to the University’s effective functioning, by interacting with business and government to foster the State’s and nation’s economic development, by serving in professional associations, and by developing and serving rigorous academic journals.

Strategic Factor 5 *Enhance the reputation of the Department among stakeholders inside and outside LSU through faculty involvement in activities that are supportive of the faculty member's professional stature and appropriate to the department's role and mission.*

Objective 5.1. Encourage professional and University service.

Actions:

- Increase involvement with academic journals in capacities of editors, editorial advisors, referees, reviewers, etc.
- Increase participation in professional associations as officers, program committee members, session chairs, etc.
- Encourage participation in University committees, College committees, student organizations, etc.

Performance Indicators:

- Faculty service activities in professional organizations (number of conference participations, offices held in learned societies, journal editing positions, etc.).
- Faculty service activities in the College and University community (administrative committees, academic committees, student committees, etc.).

Constraints:

- Faculty reluctance to commit time and effort to service in the absence of rewards.

Champion: Department chairperson, faculty.

Flagship 2020 Strategic Direction: “Engagement”

E.J. Ourso Strategic Direction: Goals 1 and 4

Objective 5.2. Forge new and strengthen existing alliances with business constituencies within Louisiana and other relevant publics.

Actions:

- Develop and expand research and outreach activities.
- Continue to conduct research and disseminate information on housing and real estate markets provided through the Real Estate Research Institute.
- Increase faculty interaction and contact with the business community via appropriate consultation activities, faculty membership on business boards and civic organizations, publications in practitioner-oriented journals, and invitation of business executives to speak to classes.
- Strengthen internship programs at both the graduate and undergraduate levels.
- Maintain faculty involvement in executive development programs.
- Increase involvement of the newly formed Finance Advisory Council.

Performance Indicators:

- Number of faculty consulting experiences, including business advisory and community leadership roles.
- Number of articles appearing in trade and practitioner publications.
- Number of guest lecturers in classrooms, etc.
- Number of companies supporting internships, and number of students in intern positions. (Results of annual surveys of participants to determine the satisfaction of partnering companies and students with the intern experience.)
- Number of faculty participating in executive development programs.

Constraints:

- Faculty reluctance to commit time and effort to service in the absence of rewards.

Champion: Department chairperson, senior faculty.

Flagship 2020 Strategic Direction: “Engagement”

E.J. Ourso Strategic Direction: Goals 1 and 4