

**INDIANA STATE UNIVERSITY  
COLLEGE OF BUSINESS  
ANALYTICAL DEPARTMENT**

**STUDENT OUTCOME ASSESSMENT PLAN  
FOR  
FINANCIAL SERVICES  
MAJOR/MINOR**

**April 15, 2008**

**FINANCIAL SERVICES MAJOR/MINOR**  
**Core Courses**  
**Assessment of Student Knowledge**

**A. Program Objective and Competencies**

Graduates of the College of Business with a major or minor in the financial services program should be able to demonstrate broad based knowledge of national and international financial markets and institutions. They develop skills in analytical analysis, decision making subject to uncertainty, optimization of stakeholder interests, and the ethical conduct of business affairs. Students learn the sources of return and risk in domestic and international financial markets and institutions. They develop and understanding of differences in the capital structures of financial institutions and the implications these differences have on strategic, operational, financial, and hazard risk. The major requires all students to complete an overview of financial services with specific course work in the areas of depository institutions, ethics, insurance and risk management, investments, and related financial institutions. Students in the major then declare a track in one of four areas associated with financial services: accounting, banking, insurance, or investments.

**Learning Objectives -- Students will:**

1. Understand the operations of financial institutions and the services they provide.
2. Know how to read and analyze the financial statements of financial services institutions.
3. Be able to describe the risk management process.
4. Understand and be able to explain how financial institutions manage risks inherent in the institutions' capital structure.
5. Understand the scope of Investment Management - how to manage money to derive the maximum benefit from what is earned.
6. Understand the skills needed to analyze investments, and be able to construct and manage investments portfolios.
7. Develop mathematical computation skills and learn about the investment alternatives available.
8. Be knowledgeable concerning insurance and hazard risk management terminology.
9. Be able to describe the types of insurance contracts used to insure personal property, liability, life, and health insurance loss exposures.
10. Be competent in ethical decision making.
11. Be able to explain and defend the ethical framework in which they make business decisions.
12. Be able to identify parties affected by a business decision, identify how a decision may affect each stakeholder, and arrive at a decision that is (ideally) mutually beneficial or one that minimizes harm to any one party.

13. Understand the analysis, operations of financial markets and financial institutions highlighting current issues and regulatory aspects.
14. Be able to describe the role of Federal Reserve System (FRS) in conducting the nation's monetary policy, the tools employed by Fed to achieve its goals.
15. Know the different financial instruments that are traded in the financial markets and know how to determine the rates of return and the prices of these instruments. Know the factors that affect interest rates.

## **B. Mapping Learning Objectives into Required Courses**

Learning outcomes 1, 2, and 3 will be met in FIN 320

Learning outcomes 4, 5, and 6 will be met in FIN 333

Learning outcomes 7, 8, and 9 will be met in INS 340

Learning outcomes 10, 11, and 12 will be met in MGT 370

Learning outcomes 13, 14, and 15 will be met in FIN 440

## **C. Assessment Methods for Learning Objectives**

1. Assessment method: *classroom examinations*  
Learning objectives: 1, 3, 4, 5, 7, 8, 9, 11, 12, 13, 14, 15  
Students demonstrate understanding by performing well on objective and essay examinations.
  
2. Assessment method: *homework evaluation*  
Learning objectives: 3, 9  
Students are assessed by evaluating homework assignments.
  
3. Assessment method: *Internet class project in portfolio management*  
Learning objectives 6, 7  
Students are assessed using internet class project in portfolio management exercise. The student's portfolio analysis is evaluated with objectives established at the beginning and results compared to the expectations set on completion.
  
4. Assessment method: *financial statement analysis*  
Learning objectives 2, 4  
Students are given financial statements of several different types of financial services institutions and asked to analyze the capital structure and evaluate the institutions' exposure to financial risk.

5. Assessment method: *semester's research project will be evaluated*  
Learning objectives 3, 9  
Students select among a set of research topics and develop a report on their selected topic during the course of the semester.
  
6. Assessment method: *written case study*  
Learning objectives 10, 11, 12  
Students are given a case and asked to distinguish between legal conduct and ethical conduct in business and professional activities.  
  
Students are given a case with an ethical dilemma involving a business problem and asked to specify the appropriate ethical decision with justification.