

## 2017-2018 Annual Program Assessment Report

Please submit report to your department chair or program coordinator, the Associate Dean of your College, and to [james.solomon@csun.edu](mailto:james.solomon@csun.edu), Director of the Office of Academic Assessment and Program Review, by September 28, 2018. You may, but are not required to, submit a separate report for each program, including graduate degree programs, which conducted assessment activities, or you may combine programs in a single report. **Please identify your department/program in the file name for your report.**

**College:** David Nazarian College of Business and Economics

**Department:** Economics

**Program:** Economics

**Assessment liaison:** Glen Whitman

**1. Please check off whichever is applicable:**

- A.  **Measured student work within program major/options.**
- B.  **Analyzed results of measurement within program major/options.**
- C.  **Applied results of analysis to program review/curriculum/review/revision major/options.**
- D.  **Focused exclusively on the direct assessment measurement of General Education Natural Sciences learning outcomes**

**2. Overview of Annual Assessment Project(s).** On a separate sheet, provide a brief overview of this year's assessment activities, including:

- an explanation for why your department chose the assessment activities (measurement, analysis, application, or GE assessment) that it enacted
- if your department implemented assessment **option A**, identify which program SLOs were assessed (please identify the SLOs in full), in which classes and/or contexts, what assessment instruments were used and the methodology employed, the resulting scores, and the relation between this year's measure of student work and that of past years: (include as an appendix any and all relevant materials that you wish to include)
- if your department implemented assessment **option B**, identify what conclusions were drawn from the analysis of measured results, what changes to the program were planned in response, and the relation between this year's analyses and past and future assessment activities
- if your department implemented **option C**, identify the program modifications that were adopted, and the relation between program modifications and past and future assessment activities
- if your program implemented **option D**, exclusively or simultaneously with **options A, B, and/or C**, identify the basic skill(s) assessed and the precise learning outcomes assessed, the assessment instruments and methodology employed, and the resulting scores
- in what way(s) your assessment activities may reflect the university's commitment to diversity in all its dimensions but especially with respect to underrepresented groups
- any other assessment-related information you wish to include, including SLO revision (especially to ensure continuing alignment between program course offerings and both program and university student learning outcomes), and/or the creation and modification of new assessment instruments

**3. Preview of planned assessment activities for 2018-19.** Include a brief description as reflective of a continuous program of ongoing assessment.

## 2017-2018 Annual Program Assessment Report – ECONOMICS

**Explanation.** The Economics Department has a two-year cycle for assessment and program review. In academic years beginning with an odd number (such as this one, 2017-18), the Department assesses its six SLOs, and the Assessment Coordinator does a preliminary analysis of the results. In academic years beginning with an even number (such as 2018-19), the Department considers the assessment results from the previous year as part of its program review process. In keeping with this cycle, the Department assessed the following SLOs:

### **SLO #1: Have strong communication skills.**

In ECON 412 (fall), communication skills were assessed using a term paper, in which students were “required either to analyze the historical evolution of a specific theory or policy perspective, or to describe the influence of a specific economist or school of thought on the work of subsequent economists.” Of the 34 students assessed, the work of 17% was deemed “very good,” 62% “good enough” and 21% “not good enough.”

In ECON 409 (spring), communication skills were assessed using a research project that was due at the end of the semester (topic not reported). Of the 33 students assessed, the work of 41% was deemed “very good,” 54% “good enough,” and 5% “not good enough.”

The Economics Department sets a goal of at least 70% of students’ work being “very good” or “good enough.” That goal is clearly being met, with 79% and 95% falling in those categories according to these instruments. This result is consistent with the previous assessment cycle, when the comparable figures were 83% and 88%.

### **SLO #2: Have strong quantitative skills, including the ability to use and interpret economic statistics.**

In ECON 409 (fall), quantitative skills were assessed using an econometrics research project due at the end of the semester. Of the 43 students assessed, the work of 37% was deemed “very good,” 51% “good enough,” and 12% “not good enough.”

In ECON 410 (spring), quantitative skills were assessed using an exam question involving mathematical operations. Of the 18 students assessed, the work of 50% was deemed “very good,” 33% “good enough,” and 17% “not good enough.”

The Economics Department sets a goal of at least 70% of students’ work being “very good” or “good enough.” That goal is clearly being met, with 88% and 83% falling in those categories. This marks an apparent improvement from our last assessment cycle, when the comparable figures were oddly inconsistent: 95% and 43%. We attribute the improvement to the reappearance of math students in ECON 410. There were very few math students enrolled during the previous assessment cycle, and the instructor says math students handle the material better and tend to improve their peers’ performance as well.

### **SLO #3: Be able to express key economic concepts both intuitively and more formally.**

In ECON 412 (fall), this skill was assessed using a question on the final exam asking “asking how, according to Adam Smith, ‘profit’ and ‘interest’ are defined, and asking the student to identify the relationship between the profit rate and the interest rate in long-run equilibrium. This question requires students to have a good intuitive understanding of Smith’s notion of the ‘natural rate of interest,’ and also to be able to analyze more formally the dynamics of adjustment that occur when the interest rate is not equal to the profit rate (which can be done either graphically, or analytically with

reference to the inverse relationship between the price of bonds and the market interest rate).” Of the 38 students assessed, the work of 18% was deemed “very good,” 53% “good enough,” and 29% “not good enough.”

In ECON 410 (spring), this skill was assessed using a question on the final exam (topic not reported). Of the 17 students assessed, the work of 47% was deemed “very good,” 29% “good enough,” and 24% “not good enough.”

The Economics Department sets a goal of at least 70% of students’ work being “very good” or “good enough.” That goal is being met, with 71% and 76% falling in those categories. These results are similar but superior to the previous assessment cycle, when the comparable figures were 78% and 66% (meaning the benchmark was being met ambiguously).

**SLO #4: Understand how a decentralized market economy organizes economic activity, as well as the factors that may impede that process.**

In ECON 411 (fall), this skill was assessed using a midterm exam question in which students were asked to analyze an antitrust case against CHS hospital group in restrictive contracts against insurance industries in North Carolina. Of the 23 students assessed, the work of 35% was deemed “very good,” 48% “good enough,” and 17% “not good enough.”

In ECON 405 (spring), this skill was assessed using an exam question: “In the Heckscher-Ohlin model, which groups gain or lose when countries trade. Discuss the impact on the overall gains from trade when an import tariff or a quota are imposed.” Of the 38 students assessed, the work of 16% was deemed “very good,” 63% “good enough,” and 21% “not good enough.”

The Economics Department sets a goal of at least 70% of students’ work being “very good” or “good enough.” That goal is clearly being met, with 83% and 79% falling in those categories according to these two instruments. This marks an improvement from our last assessment cycle, when the comparable figures were 65% and 70%, and a return to the performance level of two cycles ago, when the comparable figures were 85% and 77%. However, in the past this SLO has been assessed using ECON 433, not ECON 405. The course change resulted from 433 not being offered this year (and 405 not having been offered in previous years).

**SLO #5: Understand key macroeconomic variables and how fiscal and monetary policies affect them.**

In ECON 401 (spring), this skill was assessed using a multiple-choice quiz. The quiz had 21 questions on a variety of topics. A student’s performance was counted as “very good” if they answered 17-21 questions correctly, “good enough” if they answered 12-16 questions correctly, and “not good enough” if they answered fewer than 12 questions correctly. Of the 49 students assessed, the performance of 16% was “very good,” 59% “good enough,” and 24% “not good enough.”

The ECON 401 results were also broken down by topic.

- On the 6 questions related to money and monetary policy, an average of 67% got each question right.
- On the 2 questions related to interest rates, an average of 54% got each question right.
- On the 2 questions relating to fiscal policy, an average of 63% got each question right.
- On the 6 questions related to macro measures of economic activity, an average of 75% got each question right.

- On the 4 questions relating to inflation and price level, an average of 59% got each question right.

In addition, ECON 401 collected assessment data in Spring 2017 even though that was technically not an assessment year in our cycle. The instrument was the same. Of the 50 students assessed, the performance of 14% was “very good,” 64% “good enough,” and 22% “not good enough.” The results by topic were 71%, 53%, 65%, 68%, and 62% for money/monetary policy, interest rates, fiscal policy, macro measures, and inflation/price level, respectively.

The Economics Department sets a goal of at least 70% of students’ work being “very good” or “good enough.” That goal is clearly being met, with 75% and 79% of students falling in those categories. This is a large improvement from the last assessment cycle, when only 56% of students fell in these categories. Indeed, the poor performance in the last cycle, combined with poor results from different instruments in earlier cycles, led the Economics Department to make substantial modifications in the program to offer students earlier reinforcement of macroeconomic concepts. Those changes will not be fully implemented for probably another year, so the present results occurred under the old system. The professor who taught the course says that, in contrast to previous semesters, he gave the students an advance list of topic areas and gave extra credit for the assessment quiz; these factors are the most likely explanation for the improved scores. (The professor says the class had very high attendance and that almost everyone took the quiz, so there was probably not a significant self-selection problem.)

#### **SLO #6: Understand how institutions, government policy, and regulation affect economic growth and the relative wealth of economies.**

In ECON 411 (fall), this skill was assessed using an exam question asking students to analyze an antitrust case against AT&T’s takeover of Time Warner. Of the 23 students assessed, the work of 43% was deemed “very good,” 52% “not good enough,” and 4% “not good enough.”

In ECON 405 (spring), this skill was assessed using an exam question: “Discuss the factors that determine whether a country should choose a fixed or floating exchange rate system. Include a discussion of the trilemma and the FIX line in your answer.” Of the 38 students assessed, the work of 26% was deemed “very good,” 55% “not good enough,” and 18% “not good enough.”

The Economics Department sets a goal of at least 70% of students’ work being “very good” or “good enough.” That goal is clearly being met, with 95% and 81% falling in those categories. In the previous assessment cycle, because ECON 405 was not offered, this SLO was assessed only in ECON 411. The comparable figure was 56%, indicating the goal was not being met; in the cycle before that, the comparable figure was 70%, indicating the goal was only marginally being met. We do not have an explanation for variability of results for this SLO. Although the results in ECON 405 were favorable, in retrospect we don’t think this question was a good fit for the SLO, so we will be looking for a new course with which to assess it.

#### **COMMITMENT TO DIVERSITY**

None of the program’s SLOs is specifically related to the university’s commitment to diversity, except insofar as our instructors always seek to make sure their assignments and activities respect that commitment.

#### **PREVIEW OF PLANNED ASSESSMENT ACTIVITY**

In Fall 2018, the Department will enter the Program Review phase of its 2-year cycle. The main topic of discussion will be how to adjust the assessment process to account for the latest changes to the program. ECON 405 (International Economics) will soon be eliminated in favor of a new version of ECON 405 (International Trade) along with the new ECON 403 (International Finance/Open-Economy Macroeconomics). In addition, ECON 320 (Labor Economics) will be replaced by ECON 421 (still Labor Economics). In general, the Department prefers to assess Econ SLOs in 400-level courses, which are mostly composed of economics majors nearing the end of the program. With three courses added and one course eliminated at the 400 level, we will need to revisit our assignment of assessment responsibilities. This is especially relevant for SLO #6, for which we have had some trouble finding appropriate courses to perform assessment in the past.