

REPORT

**PRE-BUSINESS AT THE UNIVERSITY OF THE SOUTH:
RESEARCH, ANALYSIS, OBSERVATIONS, RECOMMENDATIONS**

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Executive Summary

The quality and rigor of the liberal arts education offered by Sewanee, the University of the South, are well-known. Sewanee's curriculum stresses critical thinking and the search for truth within a moral context informed by the institution's historic relationship with the Episcopal Church. Sewanee now is contemplating the possibility of expanding its offerings to better serve students who are interested in preparing themselves for careers in business, and/or who wish to pursue an MBA degree, and/or wish to fill leadership positions with a non-profit enterprise.

Admissions data indicate that Sewanee forfeits about one-quarter of its potential applications because it does not offer an identifiable business or pre-business program. This report is designed to assist the University in evaluating the options available to it in this regard.

Both students and alumni are enthusiastic supporters of a pre-business program, provided it serves as an addition to Sewanee's traditional strength in the liberal arts rather than a substitute. There is little support in these groups for a business major, but great support for a pre-business program that bears a resemblance to pre-medicine and pre-law programs. Most students and alumni believe Sewanee should move quickly to establish a pre-business program that consists of academic courses leading to a concentration, supported by a variety of co-curricular activities including internships, guest executives on campus, alumni networks, and the like.

Faculty generally support the idea of a pre-business program, but their support is more nuanced, for some faculty exhibit concerns about the size and course composition of a pre-business program, the salaries that business faculty might require, and the impact on Sewanee's commitment to the liberal arts. Most faculty prefer a multidisciplinary approach to pre-business that would draw on many of Sewanee's traditional liberal arts strengths.

I conclude that Sewanee should move ahead vigorously to implement a full pre-business program and label it a concentration. As it does so, it is essential that the Vice-Chancellor and Dean publicly support the pre-business program and devote resources to its support. This will send an unmistakable signal to alumni, whose participation and support are crucial if the program is to prosper and students to reap maximum benefits. The returns to Sewanee, however, bode to be very significant—among them a much larger admissions pool, happier students and larger alumni gifts.

I. BACKGROUND

Sewanee, the University of the South, has during the 150 years of its existence established an enviable reputation for the quality and rigor of the liberal arts education it offers students that historically have been both talented and motivated. Sewanee's curriculum stresses critical thinking and the search for truth within a moral context that is informed by the institution's historic relationship with the Episcopal Church. Sewanee's curricula span the traditional humanities, arts and sciences, but also focus upon academic areas such as forestry and environmental studies. These additional courses of study provide increasing numbers of Sewanee students with abundant opportunities to exercise and apply the knowledge and understandings they acquire as a part of their liberal arts education. For many years, the University also has identified pre-medicine and pre-law curricula and related advising to assist students who will pursue medicine and law.

A 2003 study commissioned by Sewanee examined *inter alia* the reasons why prospective students apply to and later enroll at the University.¹ Some 29 percent of prospective students who failed to apply, and 31 percent of those students who were admitted, but did not enroll, cited the absence of a business program at Sewanee as a drawback. Almost 30 percent of students who were judged to have a high likelihood of enrolling described the absence of a business program as a "deal breaker." Mr. David Lesesne, Sewanee's Dean of Admissions, told me that the absence of an identifiable business-related program (pre-business or something analogous) constituted a "significant disadvantage" for him and for Sewanee in the strenuous competition for talented high school graduates. He estimates that the absence of such a program reduces the Sewanee admissions pool by 500 applications annually (on a base of 2,000 to 2,500).

Sewanee subsequently formed a "pre-business" committee and established a pre-business advisor (currently Department of Economics Chair Dr. Douglass Williams). While a formal pre-business curriculum has not yet been established, four courses (in economics, accounting and statistics) were strongly recommended to students who are interested in a formal business career and perhaps an MBA degree as well. Another ten courses (spanning economics, psychology and philosophy) were called to the attention of such students. However, these courses deliberately were not identified as an academic major, minor, or concentration.

The organizational center of Sewanee's pre-business thrust has been the Department of Economics supplemented by the Center for Applied Economics, which was established in 2005. The Center is designed to support both academic and co-curricular programs that will enhance the capability of those Sewanee students who are contemplating a career in business and perhaps may pursue an MBA degree, as well as other students who simply wish to broaden their understanding of economic life, but have other career aspirations. Mr. Nicholas C. Babson (C '68), a successful businessman and former Chair of Sewanee's Board of Regents, has served as the Acting Director of the Center.

The purpose of the Center for Applied Economics is to engage students in a co-curricular program of educational and supporting activities that will enable them to enter society as principled citizens better able to perform and succeed in the global economy. Its stated objectives are to:

- Provide encouragement, advice, and networking opportunities to pre-business students.
- Work with members of the faculty, career services staff and associated alumni to assist students seeking business internships and post-graduate employment opportunities.

¹ Maguire Associates, Inc., *An Image Analysis: Summary of Findings and Recommendations* (March 2003).

- Arrange for, and host, distinguished business leaders and other speakers on campus during the academic year.
- Organize summer educational and instructional programs that bring students, faculty, members of the business community, and other participants together in conferences, workshops, or the classroom.

The evolving character of both the profit and non-profit worlds has not gone unrecognized by the Center, which has placed increased emphasis upon entrepreneurial phenomena, multidisciplinary approaches, and international aspects of business.

The Center, however, is not an academic department and offers no courses. Nor has the Center ever formally endorsed a curriculum. Instead, it has worked primarily with the Department of Economics and many other vital campus units such as the Center for Career Services and the Alumni Office to pursue its goals. This is a desirable pattern that should continue.

Alumni

A December 2003 study of University of the South alumni revealed that at least 95 Sewanee economics graduates have earned MBA degrees.² Yet, numerous other disciplines have generated individuals who subsequently have earned MBA degrees--23 English majors, 17 political science majors, 12 history majors, 11 psychology majors, etc. A total of 224 alumni MBA degrees holders were identified. Fully 82.3 percent of Sewanee's MBA alumni averred that the availability of a pre-business program would have been helpful to them. Only 5.5 percent believed such a program would not have been helpful.

In the course of my investigations for this study, I interviewed a dozen Sewanee alumni whose current position is in the world of business, law, or related areas. To a person, they were supportive of the notion of building a pre-business program upon what one described as "the intellectual challenge and discipline of a Sewanee liberal arts education." Representative was the comment of a senior business leader who opined, "My education at Sewanee was terrific. What I could have used, however, were a few business-related courses and some invaluable networking with the business world. This would have helped me gain entree more easily and subsequently enabled me to adjust to my new world much more quickly." Several Sewanee alumni underlined the importance of internships, especially those of an international nature, to their careers and personal growth.

I found that a representative Sewanee alumnus or alumna has little problem with the development of a pre-business program, provided such a program does not alter the University's traditional focus on the liberal arts. Some (though a minority) even favor the development of a business major, though more typical is the prescription of a Sewanee alumna who offered, "We don't need a school of business. What we definitely need, however, is some icing on the cake. This means we need to provide course work, experiences and contacts that will enable Sewanee graduates to obtain good jobs and excel. It's mostly about opportunities. We have been denying our graduates opportunities they deserve to have."

² *Pre-Business Committee Final Alumni Survey Results* (Sewanee: University of the South, 2003).

A more wistful, though acerbic alumnus likened Sewanee to “Brigadoon,” the mystical Scottish village that is disconnected from the real world. This individual, speaking for many alumni, contended this must change. In the words of another alumnus, “Either we must bring the real world to Sewanee, or we must take our students there.” They see the pre-business program as one step in that direction.

One Sewanee graduate and a subsequent MBA recipient put the issue this way in the 2003 report:

There are thousands of outstanding college prospects from all over the United States who are interested in business and finance; but who also desire the liberal arts education. Unfortunately, they all go to places like W&L: a school that seems to maintain the integrity of a liberal arts institution, yet is flexible enough to accommodate an area of education absolutely vital to the gigantic constituency of future businessmen.

Current Students

The current vintage of Sewanee students holds many of the same views. I met with two-dozen students in a variety of contexts and they told me:

- A pre-business curriculum is an excellent idea and Sewanee needs such a program.
- While they don’t see pre-business as exactly the same as pre-medicine and pre-law because of its emphasis on internships, they regard it as a similar and highly attractive option that should be available to them.
- The prospect of a “finance track” of perhaps three courses within the pre-business program is something the Department of Economics should pursue. Completion of such courses would prepare students to sit for the first level of the Certified Financial Analyst examination.
- The pre-business curriculum should be labeled a concentration and its completion should result in some type of recognition on students’ official academic transcripts.
- The availability of internships, especially in the summer, would greatly enhance the program. The Tonya Internship program is superb, but may not be able to handle the number of students who will wish to do internships.
- Visits to campus by business and non-profit executives would be quite beneficial, not only because of the knowledge student would gain from the guests, but also for the contacts and networking such guests would provide.

- The ability of students to network with Sewanee business alumni would dramatically increase the value of the program. They are particularly interested in networks in cities such as Atlanta and New York City.
- International coursework and experience, perhaps via internships, would make the program more attractive.
- The pre-business program needs to be publicized better. Announcements of it should appear both in the *Catalog* and on the University's web site.
- Periodic mailings and e-mails from the pre-business program to all students would be helpful in enabling them to review and clarify their options. Many students don't make up their minds about what they are going to do until the junior or senior years (or even later) and would benefit from receiving pre-business information even late in their undergraduate careers.
- It should be possible for alumni to participate in portions of the program. "I might want to come back and participate in seminars, or perhaps even do an internship," observed a student who argued that it sometimes takes graduates as long as a decade to really decide what they want to do with their lives and what it will take them to achieve their goals.
- It should be possible for students to "a la carte" portions of the pre-business program such as particular courses or even internships. "It shouldn't be all or nothing," advised a student who spoke for many.
- The pre-business program will be more attractive if it is anchored in Sewanee's traditional liberal education and includes options that focus upon business ethics, sustainable development, environmental issues, and similar topics that flow directly from that liberal arts foundation.

Faculty

I met on several occasions with faculty from the Department of Economics. As a group, Department of Economics faculty support the development of a pre-business program. Their own observations plus the comments of current students and alumni have led them to support the establishment of the Center for Applied Economics and to begin to identify a specific curriculum that might be associated with a pre-business academic program. Given the nature of a pre-business program, it is apparent that the faculty in the Department of Economics will function as the keystone for the program and their wisdom, support, and enthusiasm are critical.

Nevertheless, economics faculty currently feel somewhat overwhelmed by student demand for their courses and assert (with strong data to support them) that the department should be allocated additional permanent faculty positions. They do not believe the department is capable of mounting the new courses and additional course sections necessary for the pre-business program without additional faculty resources. My own perusal of the situation and data support this assessment. If, for example, the department is to offer additional coursework in areas such as accounting and finance,

and to support on-going work in areas such as sustainable economic development, environmental economics and micro-lending, then more faculty resources will be required.

Economics faculty do not support the development of a business major or minor and are insistent that a pre-business program evolve within the traditions and strengths of Sewanee's liberal arts heritage. In this, they echo a clear majority of individuals in nearly every significant Sewanee constituency.

I also interviewed approximately ten Sewanee faculty in departments and programs other than Economics. As a group, they too support the notion of a pre-business program and tend to see such a program as a complement to prosperous pre-medicine and pre-law programs that already exist. Non-economists typically do not want the curriculum associated with a pre-business program to be too large ("too large" here would mean a number of courses roughly equivalent to an academic major) because they see such course work competing with the University's traditional liberal arts core and, as one faculty member put it, "might turn us into a trade school."

Some non-economists also evince concern about the salaries that might be necessary to attract and retain the faculty required for a pre-business program. "We shouldn't develop a two-class faculty here," advised a faculty member who nonetheless did not object to "some reasonable differences in compensation," but demurred at the prospect of Sewanee paying \$100,000+ salaries to new assistant professors (salary levels that are not unusual for newly minted Ph.D.s in many disciplines today). The same faculty member, however, noted that the summer provided the opportunity for faculty to augment their incomes, as did administrative responsibilities. Several non-economics faculty also offered the view that, "salary differentials probably would be received more favorably" if it were clear that the funds supporting these salaries had been raised externally and were not being taken from the general faculty salary pool. That approach (raising outside funds) appears to be feasible and should be pursued, but several individuals also suggested that if the University truly believes in the merit of the pre-business program, it should supply some resources as well.

Administrators and Staff

I did not meet any Sewanee administrator or staff member who was not supportive of the development of a pre-business program, though several counseled caution. "Of course we need to do this," allowed a middle level administrator, "but we should do it the Sewanee way." This she later interpreted to mean that Sewanee should not develop a business major or a business school and that such course work should be elective in nature and not diminish the University's attentiveness to the liberal arts.

More than a few administrators view a pre-business program as essential to the future well-being of Sewanee. They point out that the number of applicants to Sewanee in recent years has begun to plateau and, as noted above, the absence of any type of program connected to business or commerce may cost the University one-quarter of the prospective students who otherwise would be interested in it. One administrator pointed out that currently, if a prospective student utilizes a data source such as the Princeton Review, and further indicates an interest in business, Sewanee is not one of the institutions that emerges as a possibility. "We lose out at the very beginning of the process," lamented an administrator who believes in the long-run that Sewanee cannot afford to shut out such a large segment of the admissions pool.

Other administrators note that Sewanee's endowment is not especially large for a liberal arts institution of its quality and maturity. They believe one reason for this is the reduced number of Sewanee graduates who choose business careers that might lead to levels of income and wealth that later result in gifts to the University. "I'm not certain some faculty understand the extent to which their own salaries and welfare depend upon our ability to raise money," commented an administrator. Another administrator offered the view that, "If faculty want Sewanee to prosper in the future, and they want competitive salaries and attractive facilities, then they must find a way for the University to offer an intellectually respectable business program."

The Sewanee Visiting Committee

The November 2006 meeting of the College Visiting Committee devoted its attention to the topic, "Vocation, Careers and Work After Sewanee." The report of the Visiting Committee is a very thoughtful analysis and discussion of the changing nature of American higher education in response to the evolving character of society. The group spent considerable time examining Derek Bok's, *Our Underachieving Colleges: A Candid Look at How Much Students Learn and Why They Should Be Learning More*.³ Bok notes that 60 percent of all college seniors today major in what might be termed a vocational, or job market oriented program (p. 283). He also argues that, "Today's undergraduates need more help than in the past to prepare for a lifetime of work" (p. 284). He advocates course work that is not narrowly vocational, but which gives "students a larger view of the professions" (p. 283) and urges that institutions "enlarge the variety of experiences" (p. 286) to which students are exposed. He concludes that, "[B]usiness concentrations need not interfere with the other purposes of a broad undergraduate education (p. 306).

The Visiting Committee examined the Center for Applied Economics in detail. Among its conclusions:

The consensus of the committee is that the activities currently being undertaken are desirable and strike the right balance between vocational and liberal arts educations and that the University should underline its financial support for the Center and the pre-business program. The overwhelming majority of committee members endorse the approach and urge that more information about the pre-business program be made available to prospective students in the recruiting process. Numerous committee members voiced their support of the value of increased opportunities within the economics department to study finance.

Various committee members voiced their support for course work that would focus on entrepreneurial topics and urged additional support for student internships. Noted the visiting committee, "It was very apparent from their presentations that Sewanee students who have participated in internship programs are extremely enthusiastic about their experiences and believe they have been very worthwhile, from both career and personal standpoints."

³ Derek Bok, *Our Underachieving Colleges: A Candid Look at How Much Students Learn and Why They Should Be Learning More* (Princeton: Princeton University Press, 2006).

The Committee also concluded that more must be done to connect Sewanee students with the University's Office of Career Services, which receives high marks. Alas, only about one-third of all Sewanee students utilize the Office of Career Services and this places them at a significant disadvantage, especially if these students wish to pursue a career in the business world. Extrapolating from this, it is apparent to me that one important benefit that should flow from a pre-business program is tighter connections between students and Career Services.

The Visiting Committee's summative evaluation of the relationship between Sewanee's liberal arts heritage and career-oriented programs was the following:

The committee believes it is extremely important for the long term health of the University to acknowledge and address the increased importance of career preparation to prospective and entering students, who are the lifeblood of the institution. To continue to attract the best and brightest and to fulfill its mission of a truly rounded education, Sewanee must be proactive in responding to students' career needs.

Visits to Other Institutions

Academics differ little from individuals in other occupations in often wanting to know how other individuals and organizations accomplish roughly similar tasks. Hence, professors will inquire of their colleagues at other institutions how they teach a course, what readings they utilize, and the like. I felt it would be wise for Sewanee personnel to do much the same thing by visiting several highly regarded liberal arts institutions that offer business programs. The aim was for visiting Sewanee personnel to gain knowledge and assess both triumphs and problems.

A half-dozen Sewanee individuals (faculty and staff) in various combinations visited Washington and Lee University, DePauw University, the McIntire School of Commerce at the University of Virginia and the Polsky Center for Entrepreneurship at the University of Chicago. These visits were quite valuable, for they provided Sewanee personnel with first-hand ability to "kick the tires" (as one individual put it) of these programs.

Selecting liberal arts institutions to visit was not as easy as one might presume. The truth is the no more than two of the top 25 liberal arts institutions (as ranked by *U.S. News and World Report*) actually sponsor a business program. Washington and Lee, ranked number 17 by *U.S. News*, is one of those. However, this provokes an obvious question. Why should Sewanee (ranked number 34 by *U.S. News*) initiate a business-oriented program if the top-rated institutions don't have such programs? Wouldn't this constitute a retrograde move?

My conclusion is that a resounding majority of those close to the Sewanee situation is that the situations of highly prestigious, very selective, and very well endowed liberal arts institutions such as Williams (ranked 1st by *U.S. News*), Amherst (2nd), Swarthmore (3rd), etc., are qualitatively different from that of Sewanee. As an administrator at Washington and Lee put it, "Those institutions don't need to offer business programs. Employers already come to those campuses to hire their graduates. They already attract the very best students and their graduates already have access to the business world. We're different."

By this, the administrator meant that Washington and Lee, despite its highly favorable reputation, was not unlike Avis, and had to try just a bit harder. Its response many years ago was to create the Williams School of Commerce and to integrate business-related instruction into the liberal arts core and essence of Washington and Lee. Indeed, the Williams School includes the Department of Politics, underlining the connection between the School's Commerce programs and the humanities and social sciences. Washington and Lee also has emphasized a multidisciplinary approach to the study of business and supports coursework and programming in environmental studies and also in the analysis of poverty. Further, in the words of a former faculty member, "We taught honesty," meaning that business instruction there has never been divorced from values and ethical standards.

By so doing, Washington and Lee believes it has carved out a niche in higher education—a highly selective liberal arts graduate institution that has successfully integrated business and commerce into the core of its liberal arts instruction. The imposing number of successful Washington and Lee commerce graduates who have led major for-profit and not-for-profit institutions is a testimony to its success.

DePauw University (number 48 on the *U.S. News* list) clearly believes it has achieved the same success, though it has gone about it in a different fashion. DePauw's Management Fellows Program is about 40 years old. Each year, the Fellows Program admits 25-40 highly talented individuals from an application pool of about 200. The Fellows Program "has become an admissions magnet, "according to DePauw's President, who noted that students in the Management Fellows Program boast SAT scores 50 to 100 points higher than the rest of the student body and turn out to be "generous donors" as well. This is relevant to Sewanee because some campus constituents believe that students who would matriculate at the University with the intention of doing pre-business would be academically less able. This does not appear to be the case at DePauw and Mr. David Lesesne, the Dean of Admissions, states that he cannot detect any academic differences between those Sewanee applicants who indicate an interest in business and those who do not.

DePauw places strong emphasis upon student internships and, in contrast to many other institutions, schedules these internships during regular academic semesters. It also grants academic credit for the internships, which include substantive writing requirements.

The DePauw Management Fellows Program relies upon two advisory boards, one internal and the other external. The internal advisory board focuses on curriculum and academic standards issue, while the external advisory board's primary interest is in connecting the Program, its curriculum and its faculty and students, to the business world. By most standards, the Management Fellows Program has been quite successful and currently claims five *Fortune 500* CEOs among its alumni. This is remarkable given DePauw's small size and rural location.

Are the Washington and Lee and DePauw examples more relevant to Sewanee than those of Williams, Amherst, Swarthmore, et. al.? I am convinced this is the case. Sewanee is not Avis, but it does need to try hard, perhaps harder than most because of its distinctive history, location and endowment. Sewanee's admission pool has not been growing; it does not boast a large endowment in gross dollar terms; and, it is located in a rural area far removed from most large employers. "Sewanee can't count on Microsoft coming to recruit here," observed a University faculty member. Said an alumnus, "Many of the firms Sewanee would like to attract simply don't associate us with business and so they pass us by. This hurts our graduates, who are capable of competing with anybody, anywhere." According to an administrator, "It's not enough for us to say we have smart students, so

come here and find them. We have to change how we label what we do, provide our students with more opportunities, and actively seek out connections with the corporate world.”

I conclude, then, that a high quality, easily identifiable pre-business academic program, coupled with internships, guest executives, emphasis upon the entrepreneurial and multidisciplinary aspects of business, and aided by productive networking, is a portion of the recipe for future Sewanee success. Here, I define success as both the ability of Sewanee students to live productive lives and achieve their goals, along with increasing the ability of the University of the South as an academic institution to prosper in the decades ahead.

II. RECOMMENDATIONS

1) Name and Purpose of the Program

Supporters of a pre-business program believe it should place emphasis upon four concepts that often have considerable overlap: (1) business/commerce; (2) entrepreneurship; (3) multidisciplinary approaches; and, (4) globalism.

Ideally, the name of an organization should accurately reflect its purpose. The problem here is that any name that incorporates (1), (2), (3) and (4) will be unwieldy. Perhaps the most frequently suggested name has been the “Center for Commerce and Entrepreneurship.” However, “commerce” might engender opposition, though as several individuals have pointed out, it is a term that admits to many types of interactions and exchanges not explicitly part of capitalism. I also found that the term “entrepreneurship” also has its detractors on the Sewanee campus.

My recommendation is that the Center for Applied Economics be renamed the “XXX Center,” perhaps in honor of a generous donor to the University, or to recognize someone important to the institution. Then, underneath the Center, its major objectives (which might change over time) should be listed. These might include:

- Providing students with background and academic course work in business and commerce
- Helping students integrate such course work into their liberal arts education as well as to clarify the roles of values in decision-making in the world of business and commerce
- Enabling students to understand and appreciate the growing international character of business and commerce
- Assisting students to understand, appreciate and participate in entrepreneurial activity, both in for profit and not-for-profit institutions
- Assisting students to understand principles of leadership, competition, cooperation and group activity
- Providing students with co-curricular experiences related to the world of business and commerce

- Helping students participate in internships with for-profit and not-for-profit organizations
- Along with the Alumni office and the Office of Career Services, connecting and networking students to Sewanee alumni located in occupations and locations of interest to the students
- Bringing leaders and participants in the world of business and commerce to the Sewanee campus where they interact with Sewanee students and faculty
- Connecting students, as needed, to summer bridge programs at other institutions that will provide them with intensive “boot camp” types of business instruction
- Assisting Sewanee students to visit firms and organizations off-campus
- Along with the Office of Career Services, helping students connect with prospective employers
- Assisting Sewanee faculty in broadening their range of experience in the world of business and commerce and providing them with regular year and summer opportunities to do so

Whatever name eventually is adopted for the Center, the program’s short-hand name should be, both inside and outside of Sewanee, “the pre-business program” and it should be regarded as analogous to pre-medicine and pre-law. This will reflect the reality that the major internal purpose of the Program is to offer a pre-business curriculum to Sewanee students.

2) **Director**

I believe Sewanee must recruit a well credentialed individual with considerable business experience to lead the Center. Ideally, this person will have earned a graduate degree such as the Ph.D. or M.B.A. from a prestigious institution and perhaps even have some publications (though not necessarily in refereed scholarly journals). Ideally, he/she will have considerable business experience, preferably with an international flavor. Ideally, he/she should be conversant with New York City financial institutions and people. Ideally, he/she should come with an understanding and appreciation of the traditions and values of Sewanee.

These characteristics are ideals and no doubt tradeoffs will be required among desired characteristics when actual candidates appear. Perhaps the first permanent Director will not be able to walk on water without getting his/her toes wet.

The Director could occupy a non-tenured faculty slot in the Department of Economics and might teach courses there, but it should not be either a requirement for the Director to hold a tenure-line position, or to teach courses.

Candor necessitates that I observe that in light of the restrictive nature of Sewanee's salary structure and policies, it will be a tremendous challenge to attract and retain a highly qualified director who is a good fit with the campus. I recommend that the University give close attention to its alumni as it attempts to fill this position. Plausibly, a mature and loyal alumnus/alumna who has achieved great success in the business world may be attracted by the prospect of a very different career challenge on the Sewanee campus. A highly successful Sewanee alumnus/alumna with a sense of mission and desire to contribute might well fill the bill.

3) **Reporting Relationship**

The consensus among the individuals with whom I talked is that the Director of the Center should report to the Dean of the College. I concur. It is crucial that the Center have a strong relationship with the Department of Economics, and depend primarily upon economics coursework, but also that it be seen as something owned by the entire University rather than being solely identified with the Department of Economics. The goal must be to involve diverse areas of the University in the program and give them ownership of the notion of pre-business. This will strengthen the program academically and draw upon obvious institutional strengths in environmental studies, forestry, philosophy, psychology, and mathematics. Pragmatically, it also will build support for the program.

Ultimately, it is important for non-economists to view the pre-business curriculum as a legitimate option that will build on Sewanee's traditionally strong liberal arts emphasis and that it is thought of in much the same fashion as Sewanee's pre-medicine and pre-law programs. I believe these things will happen more easily if the program reports to the Dean.

4) **Curriculum**

The most important thing to note is that the internal faculty advisory committee (addressed below) ultimately will determine the curriculum of the pre-business program. At the end of the day, it is faculty who will propose courses and defend the curriculum to the entire Sewanee community. In some areas, it is possible to proceed after appropriate consultation rather than seeking approval, but this is not the case in the realm of curriculum.

Professor Douglass Williams has indicated that at this point there is no formal pre-business academic course sequence. Instead, there are recommended courses. I believe this situation needs to change. There should be a formal pre-business sequence of courses (perhaps seven courses) that includes two elective courses drawn from departments other than Economics. The seven courses might include: one economics, two accounting, and two finance courses, plus the two elective courses. I must emphasize, however, that the curriculum should be determined by the faculty through established procedures, with the internal faculty advisory committee acting as the initiator of proposals.

Whatever courses are adopted or recommended, the sequence should be widely publicized. Note that I have not included a course in statistics among the seven, though such a course is absolutely essential. However, I have been assured that statistics usually can be taken by students as a University elective. In any case, students interested in pre-business should be strongly urged to take a statistics course as early as possible in their Sewanee careers. More than a few faculty also argued that the same conditions apply to the calculus. However, even though I have written a textbook on mathematical economics and therefore am strongly convinced of the centrality of the calculus to

business and economic analysis, I am not finally persuaded that the calculus is an absolute necessity for someone to pursue a business career, or to complete an MBA degree.

In addition, I heartily endorse the Department's notion of a three-course finance track aimed at preparing students to sit for the first level of Certified Financial Analyst (CFA) examination. This sequence should exist independent of the pre-business course sequence, though one or more courses of the finance sequence might overlap. Additional faculty assistance for the Department of Economics will be needed to support this initiative (see below). The CFA track also should be extensively publicized, but within the overall rubric of the pre-business course sequence even though one might do the finance sequence and not complete the entire pre-business sequence (e.g., not take a second accounting course, etc.).

Further, I believe it would be a very good thing for Sewanee to offer a Business Ethics course (this is done now in Philosophy) and a "green" or "sustainable development" course (currently offered in economics), and work in psychology as electives within the pre-business sequence. I also believe a course in micro-lending with direct application to the region would have great merit. Thanks to Professor Mohiuddin, Sewanee already is positioned to do so. Such courses fall squarely within Sewanee's tradition and no doubt also would make the pre-business program much more attractive on campus.

Finally, following the advice of the great majority of the individuals to whom I spoke, I recommend that the seven course pre-business sequence be approved as a "concentration" and this be noted on students' transcripts when they complete it. Both students and parents regard this as an important designation.

5) Faculty and Compensation

In order to make the pre-business program function appropriately, I believe two FTE "Center-related" positions are needed in addition to the two FTE faculty positions currently being requested by the Department of Economics. The first Center-related position is that of the Director and can be funded with outside money.

If the Department of Economics is assigned the two other badly needed positions it has requested, then the second Center-related faculty position might best be split into a series of part-time positions in order to provide flexibility. Thus, a finance person who might drive from Nashville to Sewanee once a week to teach an applied finance course, or perhaps a Vanderbilt University faculty member might come to Sewanee in order to offer a special course during the summer session. It appears to me that additional faculty help is needed in accounting, the area often referred to as operations research (quantitative decision models), finance, and international economics/finance. Further, some of the academic departments other than Economics that contribute courses to the program may need assistance as well. The proposed arrangement will provide the flexibility necessary for Sewanee to supply such assistance, even while the other appointments will maintain the emphasis Sewanee traditionally has placed upon having full-time, tenure-line or tenured faculty in its classrooms and offices.

Consider the following conceptual experiment. Suppose \$60,000 is put into the second Center-connected faculty line; this might cover up to six additional courses annually (\$10,000 per course) taught by individuals who likely come from Nashville, or even another institution of higher

education, to teach single courses. These adjunct faculty will provide Sewanee with flexibility and will not tie the program into a tenure-line faculty member whose talents and background may not meet the changing needs of the program over the years. After all, it would be remarkable if the needs of the program five years from now are precisely the same as those identified today.

This approach also will avoid the problem of attempting to recruit a full-time doctoral faculty member at an annual salary that would be non-competitive in terms of current market conditions. It is far better to employ several adjunct faculty members than to appoint a marginal individual to a permanent position where that individual might endure for thirty or more years. In any case, if conditions change, then Sewanee will have retained its flexibility and will have the ability to fill the position with a full-time, permanent faculty member.

The severe lack of competitiveness of the faculty salary structure therefore could be limited to the Director's position, where other means appear to be available to make the basic Sewanee salary more competitive. Outside funding, plus giving the Director a suitable administrative title and responsibilities, plus making the position twelve-months rather than nine months, and perhaps arranging for the individual to be hired as a consultant---all of these can bring up the salary to a competitive level, which I believe is absolutely critical. Members of the Sewanee community need to both tolerate and support flexibility in this regard.

6) Publicity

Despite the fact that there appears to be strong interest among students (current and prospective) who know about the current set of pre-business courses, I found that the program as a whole currently is not well known on the Sewanee campus. Further, it does not "pop up" when students search the Internet for business and business-related academic programs. The program should be widely publicized by the University and presented in its admissions materials and in the *Catalog*. Further, a well-developed web page that is prominently featured by the University is an absolute must. In addition, every fall, all students in the University should receive a mailing and e-mail from the Center that describes the program and how students might utilize its services. I also believe that an enticing e-mail to admitted students, prior to their entrance at Sewanee, would be helpful.

7) Faculty Advisory Council

The program will be led by the Director; however, he/she will rely heavily upon a seven-person Sewanee Faculty Advisory Committee which I recommend be composed of the Director (who will chair the Committee), plus the Chairperson of the Department of Economics, two other economics faculty members, and three faculty members from elsewhere in the University. All significant policy issues, especially those curricular, must be aired in front of the Faculty Advisory Council. This Council should meet at least once per semester and more frequently during its initial years. The Faculty Advisory Council's approval always will be necessary on any matters involving curriculum, programmatic requirements and academic standards. The Advisory Committee's actions must of course be subject to the University's usual rules and procedures concerning curriculum and academic standards.

8) Advisory Council (External)

It is vital that the program have a strong connection to existing business and organizational leaders. The purpose of the External Advisory Council is to develop and maintain ties with the business community, involve alumni, acquire ideas and suggestions re operation and curriculum, arrangement internships, assist students in the job market, help obtain speakers, etc. This Advisory Council should meet at least once per year over a two-day period, though perhaps twice per year in its infancy. Its agenda should include orientation to the University as a whole by the President and the Dean, as well as major focus on the Center and pre-business program. The President and Dean should view this Advisory Committee as a superb opportunity for proselytizing, fund-raising, and legitimate suggestions.

9) Enrollment

All Sewanee students should be eligible to take courses in the pre-business program and to complete its curriculum. Subject to available space, the courses and activities of the pre-business program should be available on an a la carte basis to individual students. That is, one might do an internship sponsored by the Center even though one may not have completed the courses in the pre-business sequence.

I find the selective and highly popular “Management Fellows” approach of DePauw University quite attractive, but note that this selective admissions regime took many years to grow to maturity. Instead, I recommend that students who successfully complete the requirements of Sewanee’s pre-business program (presumably these will include a sequence of courses, an internship, participation in co-curricular events and perhaps other requirements such as a specified grade point average) should be accorded the title, “Carey Fellow,” and this distinction should be entered on their transcripts. This is consistent with the program proposal that has been generously funded by William P. Carey and will provide the participants with prestigious recognition. The Carey proposal indicated that Sewanee eventually would bestow this honor on perhaps 25 to 30 Fellows in each graduating class.

Some individuals argue that such honorifics are typically ignored and hence are unnecessary. However, my conversations with students and alumni revealed they believe such distinctions are important and that the honor associated with being identified as a Carey Fellow will be helpful to students when they enter the job market.

10) Internships

It is not an exaggeration to say that student internships are a key, perhaps the key, to the success of business-related programs at excellent liberal arts colleges. Internship experiences literally change students’ lives and provide them with knowledge, sophistication and subsequent job offers. My conversations with Sewanee alumni and students underlined this reality. They are very grateful for the superb academic preparation they received on the Mountain, but frequently point to an internship experience as the event that forced them to integrate and utilize what they had learned in their classrooms.

Successful internship programs nearly always rely heavily upon alumni. “Getting one’s foot in the door” for the first time at a prestigious firm can be difficult, but well-placed alumni usually are the people who make this happen. Many Sewanee alumni already serve as productive networkers and supporters of current students and my conversations revealed that many more are willing to do the same.

The University's Business and Economic Internship Program, the Stephenson Internship Program and the Tonya Public Affairs Internship Program already exist and appear to work well. Because they work well, they should be relied upon extensively by pre-business students. However, these programs may not be able to support the number and variety of internships that will be needed by pre-business students and therefore special attention (and perhaps some fund-raising) may be necessary to support this critical aspect of Sewanee's pre-business portfolio. I recommend that the Center find the ways and means to pay for a one-half staff position in the Office of Career Services in order to support the internship programs and additional job market responsibilities that might be generated by the pre-business program.

Summer internships are the coin of the realm at most liberal arts colleges and are the easiest to sell to firms and organizations. However, I must note that DePauw University's regular year, semester-long internships have much to commend to Sewanee as an occasional alternative. They involve a sustained work experience and "real" work. They also involve substantive academic work while the student is "away" on his/her internship and hence carry with them academic credit. Note, however, that it took DePauw some time to bring this somewhat unusual pattern to fruition. Sewanee would be well advised to walk before it runs in this area.

11) Bridge and Summer Programs

In addition to its "pre-business" curriculum, the Center on occasion should consider offering Sewanee students the opportunity to take a course or two at Sewanee during the summer. However, such courses should target particular subject areas that are not or cannot be covered during the regular academic year, or perhaps take advantage of a visiting faculty member with special expertise.

I believe it will continue to be wise for Sewanee students to complete prestigious summer business bridge programs at other institutions such as Dartmouth (Tuck) and UC-Berkeley (Haas). It seems to me unlikely that Sewanee, given its location and size, will be available to develop a viable, competitive, summer alternative to programs such those offered by Tuck and Haas. Even so, the University on occasion should "bullet" single summer business-related courses when the opportunity or need arises.

Summer bridge programs will be especially relevant to Sewanee students who do not decide until much later in their undergraduate careers that they are interested in a life in business. By the time they have completed their junior years, it probably is too late for them to take many of the courses in Sewanee's pre-business curriculum. Nevertheless, an intensive summer experience at another institution, probably combined with a short internship or international opportunity, can be very beneficial to them at that stage of their development. Indeed, in my view, the combination of the academic bridge program with an internship is critical if "late decision" Sewanee students are going to be served well. This might well mean that some students will take their academic work elsewhere, but do their internship via Sewanee during the summer and take part in a variety of other Center-sponsored activities at Sewanee during the regular year.

12) Alumni Network

Our visits to Washington and Lee University and DePauw University confirmed what we suspected, namely, that the participation and enthusiasm of alumni are critical to the success of a

business or commerce program. However, someone has to be delegated to expend the time and energy to build an alumni network, one alumnus/alumna at a time. While economics faculty can help identify alumni, and on occasion can be very persuasive with them, most faculty understandably will not see alumni network-building as a major responsibility of their own. Ergo, I believe someone in the alumni and development area has to take this on as a significant commitment. This may well require additional funding from the University and/or financial support from the Center. By all odds, however, it is a critical activity that will underpin and determine the long-term productivity of the program.

This, however, presupposes that several things have occurred. First, Sewanee must flesh out its academic program. Subsequently, it must also develop a captivating brochure, bring executives to campus (the Graham Executive in Residence Program provides an excellent structure for this), launch an attractive pre-business website, hire a director and devote at least the equivalent of one additional faculty position in the general area of business, recruit students, etc. My conversations with alumni revealed strong support for a pre-business program; however, they need to be able to see some reality. For example, they must see that the Vice-Chancellor, Dean and Alumni Office are committed to the program and to developing an alumni network that will: (1) help place students in internships; (2) offer advice to students and faculty alike; (3) as appropriate, generate speakers and participants who will appear on the Sewanee campus and interact with students and faculty; and, (4) help recruit students for the program. It is fair to say that dozens, even hundreds of well-placed, prominent Sewanee alumni are primed and ready to go if they see appropriate action and leadership emanating from the campus in the area of pre-business.