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JABE 1

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ABOUT:

The Journal for Advancing Business Education is a practitioner and scholarly journal that publishes the best work in the field of business education to enhance teaching, achieve student learning outcomes, and meet program goals. The Journal follows the general IACBE theme of "Moving. Forward. Together." All submissions are subject to a double-blind peer review process. The Journal is an online journal and accessible on the IACBE Web page. The Journal for Advancing Business Education is a biannual publication.

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FROM THE EDITOR

Dear Reader,

Despite all the challenges and uncertainties of the pandemic, many business educators I work with and talk to are more energized and committed to teaching and learning than ever before and want to see change. Recently, I had conversations with different educators around the world about how business education after the pandemic should look like and what they want change. Following are some of the insights I gleaned from these conversations. I hope some of this information will help JABE readers emerge from the taxing pandemic-experience stronger and chart a new teaching path. Some of the things business educators want to change are as follows:

- **Return to normal:** The educators I talked to want to return to a state of normalcy in higher education where everything is not so confusing, not done on a week's notice, and not in a constant state of emergency. They want to see leadership and clarity that helps educators and students to learn without disruptions.
- **Communicate scientific results in an era of social media:** Social media and other platforms have become the primary channel for people to receive information and the news. Piggybacking on this development is that scientific news and information are more and more consumed through social media. In the near future, many educators want to strike a balance between information diffusion and suitability when using these media platforms.
- **Learn new things:** Many business educators want to branch out and learn more about the newest and latest things, such as artificial intelligence, environmental social governance, climate issues, behavioral economics, and blockchain.
- **Provide opportunities for creativity and growth:** Business educators are eager develop ways to challenge the talents of students. They want to create more opportunities for students to be creative, grow professionally, and practice their 21st century skills (e.g., communication, collaboration, critically thinking).
- **Prioritize emotional and mental well-being:** Many people in education want to reevaluate their priorities and want to achieve a better work-life balance. They want to spend more time with their families and focus more on professional projects they enjoy.

All in all, business educators plan to challenge the student population to be more self-compassionate, mindful, and critical about their learning and the knowledge they acquire.

Thank you!

Christian Gilde
Managing Editor

Journal for Advancing Business Education

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MBA CAPSTONE CONSULTING MODEL: BRIDGING THE CLASSROOM TO THE COMMUNITY IN THE ONLINE ENVIRONMENT

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ABSTRACT

This paper reports on the development of an online MBA capstone program that delivers experiential learning in the form of a consulting project where students solve real business problems. The clients are government agencies or non-profit organizations that serve the community. The online MBA capstone model utilizes modern educational and business communications technologies to facilitate the success of virtual project teams while meeting the needs of online students. This paper reports on multiple project case study results and recommends best practices developed after running this course for multiple years.

INTRODUCTION

The educational journey of a business student involves the acquisition of knowledge, skills, and an ethical disposition that prepares one for professional and personal success. The course sequence progressively delivers the desired learning outcomes, which culminate in a *capstone* experience that integrates all that was learned in the program. This final stage may include a combination of formats such as a traditional course (e.g., case-study analysis; strategic management; business policy), a computer simulation, and a real or simulated project. The inclusion of an “experiential learning” component coupled with modern educational and project management technologies allows schools to develop innovative capstone experiences to meet the evolving needs of both students and industry. This paper presents the journey that one school took as it transitioned its face-to-face experiential MBA capstone course into an online format.

Graduates of business programs are often required to demonstrate discipline knowledge, critical thinking, an ability to use decision support tools, ethics, and professional communications. Whereas carefully designed exams may test this knowledge, an experiential learning component provides the student with an opportunity to apply all that was taught in the program to a real problem; it offers learning that is not possible in a traditional classroom setting. This mode of learning has been successfully used across multiple disciplines such as with science laboratories and medical school residencies. In each of these situations, the experience gained by the student reinforces the classroom content and facilitates the transformative learning process. However, the challenge exists regarding how to properly design a business capstone course so that it effectively incorporates an experiential component that prepares the student to face real-world challenges as well as being socially minded.

Whereas traditional business capstone courses may focus on a theoretical case analysis, many innovative pedagogical approaches have integrated an experiential learning process. Theroux and Kilbane (2004) utilized a real time case study over an entire semester to expose the students to actual business problems, data, and the interdisciplinary functional areas of a real company. Kachra and Schnietz (2008) proposed using comprehensive cases and business simulations aimed at improving practical integration skills as opposed to focusing on theoretical analysis. Carter and Stickney (2019) included individual student and functionally homogenous and cross-functional teams to replicate the experiences of real management decision-making processes. These select cases are representative of a growing trend of educators to integrate experiential learning into business capstone courses, blending theory with practical applications that more closely match industry needs.

The National Association of Colleges and Employers (NACE) found the most desired attributes of a candidate to be communication skills (written), problem-solving skills, ability to work in a team, initiative, analytical/quantitative skills, and a strong work ethic (NACE Staff, 2018). In addition, many organizations have increased use of virtual project teams (Minton-Eversole, 2012). As a result, business graduates must have the ability to collaborate in teams, critically analyze business situations, and develop creative solutions, while doing all of this in a world of constant technological change and increasing virtual business practices. Essential is the development of a socially minded student with an ethical disposition.

The evolution of technology and the impact of the global pandemic have changed the landscape of business education. Traditional face-to-face (F2F) courses have been modified into blended or fully online formats, thus allowing flexible course delivery options to meet the needs

of students. Sophisticated learning management systems (LMS) allow for the design of course shells that are user-friendly and organized with instructional resources and assignments. Virtual communication technologies facilitate effective student-to-content, student-to-student, and student-to-instructor interactions, while closely replicating the learning experience of a traditional F2F classroom setting.

Graduate business students often exhibit personal and professional situations that benefit from these improved blended and online technologies, and schools have evolved accordingly (Peterson, 2019). The demographics of these graduate students include those who study either full- or part-time, while working jobs that require routine travel. As technology has become more prevalent, the students have adopted new learning styles and embraced technologically enhanced education. Whether it is to help students accommodate personal or professional obligations, or enroll in a specialized program of study, creating blended or fully online distance learning options allows schools to better meet the needs of students. Similar to the traditional F2F MBA capstone students, those enrolled in an online capstone would also benefit from the “experiential learning” component.

In summary, integrating experiential learning in an MBA capstone course, coupled with the increase of technological practices, have created an opportunity to improve the online business education experience. This paper describes the journey that one school took as it designed and implemented an online MBA capstone course built around the philosophy of experiential learning. The model presented in this paper contributes to the evolving literature of pedagogical capstone practices and can be used to integrate an experiential learning component using virtual project teams in online, blended, and traditional F2F courses.

DEVELOPMENT OF SOCIALLY MINDED EXPERIENTIAL CAPSTONE

This paper is based on the experiences of a liberal arts faith-based college in the northeast. The business school’s mission statement expresses its value of *transformative education, executive-based learning, and the ideals of study, service, spirituality, and community in its preparation of the student for a meaningful, professional, and personal life*. This paper reports on the strategic transition of a highly experiential capstone program from its traditional face-to-face modality to fully online. It would be negligent if the inspiration and context for the development of this experiential capstone was not shared.

Prior to 2012, the case method defined its capstone. It was solely grounded in studying the theory and the hypothetical applied practice leading to a right or wrong answer. There was no opportunity to ‘do.’ Also, the focus was solely on the for-profit sector. The business faculty, at this time, were resistant to making any change from the case model.

In the fall of 2012, a senior professor assumed responsibility for both the graduate and undergraduate capstone classes. As an experienced leader, she recognized that the case model did not prepare students for work-life challenges. The two influencing factors that enabled her to develop a meaningful capstone experience included the college’s annual theme of *Civic Engagement* and Michael Bloomberg’s service as the Mayor of New York City and his launch of the

Mayor’s

Challenge.

Civic Engagement. The college's annual theme provided an opportunity to reconsider students' learning experiences. Embedding both leadership skills and a disposition toward social responsibility had emerged as a trend in higher education (Reason, Ryder, & Kee, 2013). Industry leaders in both the not-for-profit and for-profit sectors need graduates who have the skills and disposition for producing economic value while making a social impact (Dees, 2001).

Developing citizens to be socially engaged was an early purpose of higher education, suggesting that the "purpose of the first American colleges and universities was the development of students' characters, no less than their intellects" (Ehrlich, 2000, p. xxvii). An educated citizen should have the intellectual understanding of civics and politics as it will inspire social action. Reason, Ryder, and Kee (2013) discuss raising awareness of social problems among college students and preparing them to be engaged in solving those problems. Colleges should help students see the linkage from the classroom to their responsibility for serving the community and creating positive, ethical sustainable change in their given industries. Yet, in 2012 it was suggested that only one-third of college students strongly agreed that their education increased their civic capacities (National Task Force on Civic Learning and Democratic Engagement, 2012). In a 2010 US Census survey, only 10 percent of citizens reached out to a public official (National Task Force on Civic Learning & Democratic Engagement, 2012). Corporate and government scandals reinforced the need for higher education to prepare students to face ethical dilemmas (Mackenzie, 2015) both in and out of the workplace. The workplace and democratic society needs ethical leaders and informed and engaged citizens who are capable of solving social problems in a multicultural society (Reason, Ryder, Kee, 2013). It was further suggested that students' moral and civic responsibility can be enhanced "through the cumulative, interactive effect of numerous curricular and extracurricular programs, within an environment of sustained institutional commitment to these overarching goals" (Ehrlich, 2000, p xxvi).

The Mayor's Challenge. Michael Bloomberg, CEO and co-founder of Bloomberg L.P., assumed responsibility as Mayor of New York City from 2002-2013. One of the five focus areas of Bloomberg Philanthropies is government innovation. As a result, in 2012 Bloomberg announced the Mayor's Challenge, which encouraged and fostered innovation in American cities. He inspired mayors and their teams to identify problems and solve them (<https://youtu.be/DRq2v2AXylc>). Bloomberg Philanthropies did not leave this process to chance, rather, it developed a series of tools, training, and networking opportunities that guided these mayors towards success. Bloomberg recognized that pressing challenges coupled with shrinking resources demanded that local leaders learn how to resolve problems to make the world a better place for its residents (Government Innovation, 2021).

In redesigning the capstone experience, the founding professor reached out to Bloomberg Philanthropies to gain access to the tools, which provided the foundation for the new experiential capstone program.

2012 Execution and Rollout. The intersection of a spirit of Civic Engagement and the Bloomberg Philanthropies' Mayors Challenge provided the tools and processes for the development of the new business capstone experience. The design allowed a team of soon-to-graduate students to work with a mayor of an Incorporated Village to solve a pressing real-world problem.

Though there was resistance from the finance faculty to move away from the case-study model, the program's founding faculty member persisted and invited two mayors to work with the business students. In September 2012, the initial two classes of students each studied their assigned problem and actively interacted with the mayors' staff members and constituents. The students applied the Bloomberg Philanthropies steps of *Vision* (ignite and inspire), *Implement* (plan and execute), *Impact* (improve and amplify), and *Replicate* (leadership and legacy) as they developed the executable turnkey solution to be presented to the government leaders. The students were faced with more than a problem, but with a real-world environment within which expectations had to be managed, data gathered, clear communication paths established, and a collegial connection to government leaders maintained. Evidence of program learning was clearly demonstrated.

The reader may recognize why the fall of 2012 was such a challenging semester to roll-out an innovative experiential capstone program. It was the fall of Super Storm Sandy, which ravaged all three of these Incorporated villages' shore communities. By December 2012, when the students presented their solutions to their mayors and government leaders, they demonstrated much more than solving a problem, but the maturity of professionally navigating a complex time in history, while still getting the job done.

The mayors and government leaders were astonished by the highly developed turnkey solutions. The experience also provided the students a significant résumé boost and relevant storytelling for future employers during their individual interview circuit. The word got out. The success lessened the resistance of the Wall Street finance faculty and secured this highly experiential model as the official capstone experience for the college's business students.

Program growth forced us to reach beyond Incorporated Villages; a new partnership grew with County government and a new set of capstone clients emerged (e.g., Commission for Human Rights, the Bar Association, Anti-Bias Crime Task Force, Housing Authority, etc.). Currently, the program invites not-for-profit organizations to work with the business students as capstone clients.

This background provides context for the relevance of this article. Transitioning a highly interactive, high-touch, and F2F class to a fully online experience required focus and thoughtful attention to detail.

EVOLUTION OF THE ONLINE MBA CAPSTONE EXPERIENCE

This experiential learning MBA capstone model blueprint required the students to form teams and work on a consulting project for a non-profit organization that serves the local community. Prospective non-profit clients are vetted to ensure that their missions are in alignment with that of the college and its business school. The students are presented with a business problem; they must thoroughly research the client and its industry, develop a vision with recommended actionable solutions, and design a detailed "turnkey" implementation plan. These non-profit clients are often limited in resources, so the students' consulting solutions must consider all constraints and potential risks. The final project concludes with a professional quality report complete with all analyses and implementation details, and an oral presentation that is image-based, engaging, and delivered without speaker notes.

This MBA capstone model provided a comprehensive assessment of the entire MBA graduate program. The Program Learning Outcomes (PLOs) of knowledge, critical thinking,

writing, speaking, decision tools, and ethics, were incorporated into an experiential learning process that transformed the students.

The MBA program is delivered in 7-week accelerated semesters. This model closely aligns with the real-world business environment where both challenges and solutions require efficient focus; therefore, this capstone project is also conducted within an accelerated 7-week semester. The demonstration of collaborative teamwork, critical thinking, and the discipline of developing a strong work ethic match the skills desired by employers. Another benefit of this structure is the confidence gained by the students. An MBA graduate should be capable of entering an industry with which the student had no prior experience and successfully analyze and solve business problems.

This consulting project provided the students with an experience that facilitates transformative learning. The students often report personal growth after exposure to the non-profit organization's mission and witnessing the impact on the local community. Select published case studies of past experiential capstone consulting projects include those authored by Rodriguez, Riegel, and Mackenzie (2017), Holodar, Mauro, Runne-Garcia, Totten, and Mackenzie (2018), Santi, Bouayach, and Mackenzie (2019), and Senatore et al. (2019).

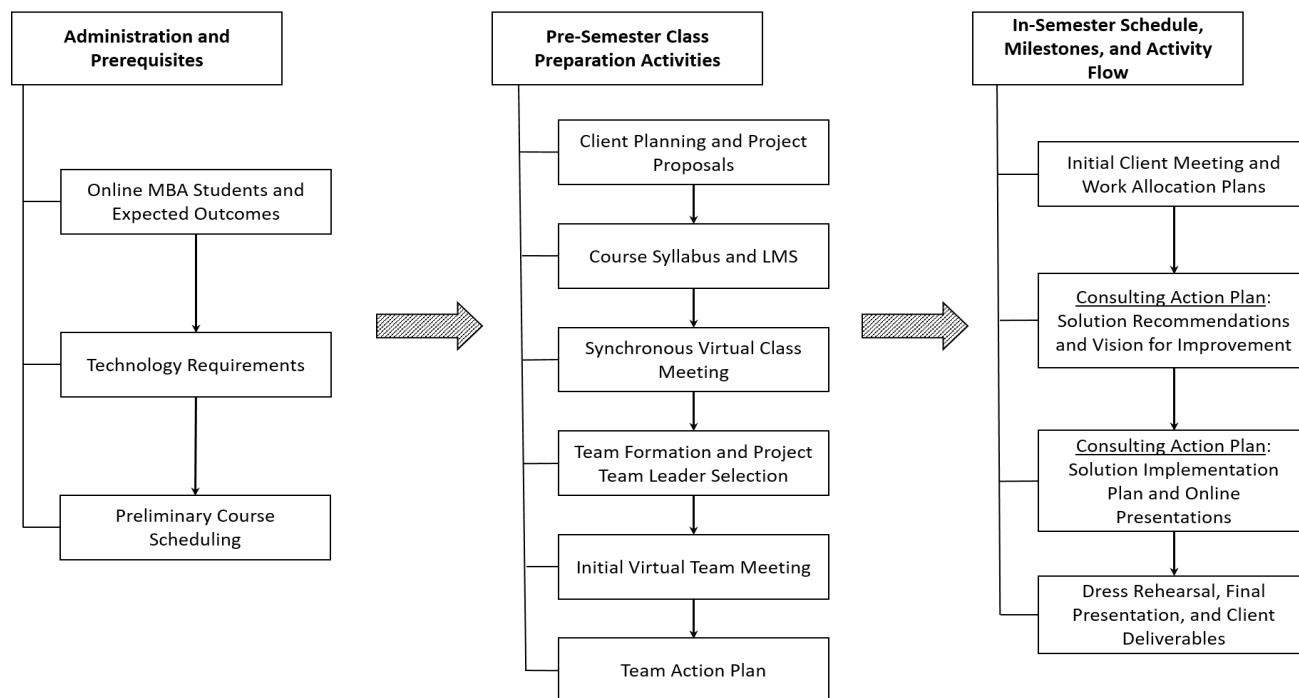
As the new experiential capstone course evolved using the traditional F2F format, the demand for online MBA options increased. The bankruptcy of a local business school created an immediate demand for a fully online capstone to allow these stranded students to graduate (Hals, 2016). The Dowling College bankruptcy, coupled with the changing marketplace and our corporate partners' desire for more online sections, motivated this next step. The college was at cross-roads with how to best meet the students' needs, while still delivering the same experiential learning objectives. The business school initially used simulation-based projects in the online capstone course, but this approach did not achieve the desired learning outcomes. The students did not have the opportunity to work with a real client, connect with the community, or experience the transformative learning that was occurring in the F2F course sections. A unique MBA online capstone model was then developed that integrated the educational philosophies of the F2F capstone structure with modern course LMS and virtual project management communications technologies.

The remainder of this paper describes the resulting experiential learning-based online MBA capstone course model, select consulting project results, and lessons learned from implementing this course over a multi-year period.

EXPERIENTIAL ONLINE MBA CAPSTONE MODEL

This section provides the course design and implementation details of this experiential online MBA capstone model. A visual representation of this model is included as Figure 1.

Figure 1: Model Flow of Online MBA Capstone Course



Administration and Prerequisites

Prior to running the initial online MBA capstone course, the school developed guidelines as to what constitutes an online eligible student, expected course outcomes, technology requirements for both the students and faculty, and a philosophy of how the course will be scheduled.

Online MBA Students and Expected Outcomes

This online MBA capstone model was designed to meet the needs of any student desiring an online option to complete the degree requirements. Regardless of the geographical location of the student, the structure and flow of this capstone course provides the opportunity for transformative experiential learning. It allows the student to work collaboratively in a team environment and apply the knowledge, skills, and ethical business disposition taught throughout the program to solve a real problem presented by a non-profit organization. These learning outcomes are consistent with the traditional F2F format and are in alignment with the strategic vision and mission of the college and its business school.

Technology Requirements

In addition to the program requirements for the traditional F2F capstone course, a successful online section involves additional technological demands on both the instructor and

students. Successful online courses require an organized course shell designed using a modern LMS such as Canvas, which is the platform used in this case study. The LMS course site serves as the virtual classroom environment and should provide a roadmap for the students to follow as the semester progresses. In order to effectively operate a collaborative online capstone course, the students need access to the required technology. This includes reliable internet access and computers equipped with microphones and webcams for video conferencing. In lieu of conducting in-person team meetings, the online MBA course employs virtual meetings using such platforms as BigBlue Button (accessible through Canvas Conferences), Microsoft Zoom, and GoToMeeting. The student needs to be comfortable using these technologies. If one is not, then this online capstone format provides an excellent opportunity to learn these online tools and develop the disposition required to perform professionally on virtual teams.

Preliminary Course Scheduling

The model presented in this paper should work well for various course time blocks but is illustrated using a 7-week semester structure consistent with the traditional F2F format. The 7-week semester promotes a more concentrated focus on the client's consulting problem and improves the students' ability to plan due to the shorter time horizon. A working professional can typically plan to be more present over a 7-week period than in a longer 14-week semester. This shorter time frame also incorporates a sense of pressure as the student works within a more restrictive schedule, thus adding a real-world element to the experiential learning process.

Whereas a traditional F2F course may meet in-person weekly, it was determined that an essential component of an experiential online MBA capstone course was mandatory weekly synchronous sessions. It is important for the students to replicate the F2F environment through a mix of class and team synchronous sessions. This particular recommendation has evolved over time, but feedback from students and faculty was that team performance and overall collegiality improved with the addition of these pre-scheduled synchronous sessions. Without a set weekly class meeting time, student work and personal schedules can make it difficult to find common meeting times. These planned synchronous meeting times encouraged students to organize their time through advanced planning and scheduling, and significantly improved the cohesiveness and performance of the individual teams and class as a whole.

Pre-Semester Class Preparation Activities

It is recommended that select preparation activities be conducted before the beginning of the semester, including the professor's preparation work with the client, creation and distribution of the course syllabus, consulting team formations, and preliminary client and industry research.

Client Planning and Project Proposals

Similar to the F2F format, clients are vetted by the faculty to ensure consistency with the college mission. These clients are non-profit organizations whose mission is to serve the local community, thus providing a unique transformative learning experience for the students that does not always exist with a for-profit organization.

Prior to the semester start, the professor will meet with the client to learn about the organization and identify the potential problems that the student teams will address. It is emphasized that the client should not recommend solutions, but instead suggest problems that are open-ended and allow for student creativity. A graduate of an MBA program should be able to encounter a business problem in any industry, critically analyze the situation, and design actionable solutions.

Course Syllabus and LMS

A comprehensive syllabus and LMS course site should be developed that clearly includes all course requirements, milestone dates, and beneficial supplementary information. This experiential MBA capstone course must be carefully designed to break down any learning barriers sometimes present in online courses. The program commitment to socially minded education is reinforced in the syllabus.

Without the benefit of in-person meetings, the course guidelines must be especially clear so that all students understand how to successfully navigate the course logistics. Due to the rigorous nature of this course, the syllabus and accompanying LMS course site should be made available to the students at least two weeks prior to the start of the semester.

Synchronous Virtual Class Meeting

A synchronous online meeting should be conducted at least 2 weeks before the start of the semester. During this meeting, the instructor can review the course syllabus, explain the experiential learning process, discuss the client and its problem opportunities, and provide recommendations regarding the best practices for working with virtual teams and completing the consulting project. Recording this meeting allows students to watch it later to reinforce any content that was discussed. Furthermore, all students should introduce themselves using microphones and webcams. This practice facilitates class collegiality, allows for the visualization of body language during communications, and can be very effective at replicating the in-person atmosphere that teams may experience while in a F2F setting, thus removing communication barriers that often exist in an online course.

Team Formation and Project Team Leader Selection

Following the synchronous virtual introductory meeting, the professor begins the process of team formation and identifying a Project Team Leader (PTL). It is the authors' experience that various approaches can be effective at constructing successful virtual teams. One approach is to request that students submit a *Consulting Biosketch*. As part of this submission, students will provide details of their professional and educational backgrounds, perceived strengths and weaknesses, career objectives, schedules of availability for team meetings, and answers to project management and leadership style questions. To encourage students to become familiar with the virtual meeting and presentation technology, the professor may also require students to set up a webcam and record answers to interview questions aimed at identifying candidates for the PTL role. The instructor can use this aggregate information to form teams and select their respective PTL. The teams should be balanced in skillset and, if possible, aligned so that work and meeting

schedules are as closely matched as possible. The number of team members may depend on the class size but, based on the authors' experience, 4-5 students per team has been most effective. The PTL is an important role and serves many purposes, including being the constant point of contact between the team and the professor, working with the team to collaboratively allocate work each week, scheduling and moderating weekly team meetings, ensuring all team deadlines are met, and applying project management and leadership skills.

Initial Virtual Team Meeting

Once the teams are constructed and the PTL selected, the professor conducts at least one individual virtual meeting with each team to review the project specifics. Students will meet on-camera and share more detailed introductions so that the teams can quickly build cohesiveness. This meeting includes a detailed discussion of the client and the specifics of the team's problem statement. The teams must then prepare for the client meeting that will take place during the first official mandatory synchronous class session. This includes preliminary research about the client, problem statement, and industry; as well as the development of consulting questions to be discussed with the client.

Team Action Plan

Each team is required to build a *Team Action Plan* that specifies how the team will conduct itself throughout the semester. This plan begins with a profile summary of each member's core strengths and projected roles. A set of ground rules is included that specifies a weekly meeting schedule so that all team members can include these in their calendars. A communications management plan should include a variety of communications procedures (e.g., email, phone, text, project webpage) and rules for response timeliness. A plan pertaining to how the consulting report document will be prepared, edited, and any required file sharing system should be detailed. Decision-making procedures specify how the team will generate ideas, identify consensus in recommendations, and resolve any conflict that may arise throughout the semester. An actionable timeline is included that provides a detailed schedule as to how the team will meet each of the deliverables specified in the course syllabus. When managing an online project team, this Team Action Plan is essential to ensure that each team member effectively works together to prepare an advanced plan of action, understands what is expected within the team organization, and accepts accountability to successfully complete this rigorous experiential learning project.

In-Semester Schedule, Milestones, and Activity Flow

The official semester can now begin. This section includes details of how the project flows over a 7-week semester schedule.

Initial Client Meeting and Work Allocation Plans

The semester officially begins with a mandatory synchronous online session where the professor, students, and the client participate using a virtual classroom. The client provides a personal introduction of the organization, including its successes and current challenges. The

teams, having already conducted preliminary research, ask questions about the organization, proposed problem areas, and even inquire about unsuccessful past solutions attempted. A well-prepared team can gain valuable insights that will set the stage for a successful project beginning. A high-level of professionalism is required of the team members. During this meeting, it is important that the client does not recommend solutions. The students are “consultants” and need to demonstrate the ability to critically analyze a business situation, brainstorm “out-of-the-box” creative ideas, and design actionable recommendations to the client.

After the initial client meeting, the teams then break into individual virtual meeting rooms, discuss what was learned from the client, and begin developing preliminary solution ideas and a *Work Allocation Plan*. This plan includes a detailed breakdown of the work to be performed over the next week and a description of how this work will be allocated to each team member. Once approved by the professor, this plan ensures clarity in how each student should manage time, accountability for task(s) completion, and is a useful tool for managing online teams. As the semester progresses, it is recommended that teams develop weekly Work Allocation Plans and include a section recapping the progress of the team over the past week. This tool ensures clarity and individual accountability that has been shown to be effective with online project team management.

This initial online synchronous session ends with each team rejoining a combined virtual classroom to share thoughts about the client meeting. Even though the teams work on separate problems, it is important to replicate the cross-team collaboration that may occur in the traditional F2F setting.

Consulting Action Plan: Solution Recommendations and Vision for Improvement

After the initial synchronous class session, the student consulting teams spend the next two weeks building the initial sections of the *Consulting Action Plan*. These sections include research into the client’s background and the development of a SWOT analysis. An MBA graduate should be able to conduct industry research and identify an organization’s strengths, weaknesses, opportunities, and threats, and then critically analyze the results of this SWOT analysis to develop a strategic management plan. In many cases, the non-profit organizations do not have the business resources or training to perform this type of SWOT analysis in-house, so this process allows the student consulting teams to identify strategic opportunities that may not have been previously recognized by the client.

As the students work together to design baseline consulting recommendations, it is often useful to perform a site visit of the client’s facilities. Depending on the geographical locations of the students, some teams may be able to physically visit the client. For those that cannot perform a site visit, client interviews and site tours can be conducted by the professor or select students and either live-streamed or recorded.

The information and analysis are then used to build a set of consulting recommendations and a vision for the client’s organization. The teams often provide a multi-phased solution that provides flexibility for the client so that it may enact a staged implementation strategy. This approach is particularly valuable due to the resource constraints that typically exist within non-profit organizations.

It is important that the students conduct regular online virtual team meetings throughout these **first two weeks** of the semester to facilitate progress, ensure consistency in team

performance, and allow for productive brainstorming sessions. During these virtual meetings, the use of a shared screen with whiteboard features can replicate the type of visual idea collection strategies that occur during open brainstorming sessions.

Synchronous sessions occur involving the entire class on a weekly basis to allow for cross-team collaboration. After the **second week** of building the consulting vision, each team is expected to formally present its recommendations to the class. This presentation includes a detailed description of both the problem and recommended solutions. The teams use a virtual meeting platform to replicate how a presentation would occur in the traditional F2F course setting. The professor and other students in the class provide feedback and collaboratively assist each team in refining its consulting recommendations. This approach builds a cohesive atmosphere within the online classroom environment, while also exposing all students to each client problem.

Consulting Action Plan: Solution Implementation Plan and Online Presentations

Once the initial consulting vision has been refined by each team, the **next three weeks** are spent building the detailed implementation plan for the client. This “turnkey solution plan” includes the step-by-step details of how the client will implement the recommendations. It is expected that all information is provided so that the client does not need to perform further research. It requires clear communication of these details to the client to remove the barriers of tacit knowledge being held by the team. The specific sections of this part of the Consulting Action Plan include the detailed implementation steps, projected costs and benefits, required resources, a plan to close any existing resource gaps, and potential funding strategies.

The mandatory synchronous sessions occurring during these weeks include repeated presentations to the class that allow for collaborative feedback resulting in iterative improvements to the project scope and turnkey implementation plan. Presenting the solution plan to the other student teams forces the team to be effective at communicating the recommendations to an audience. The structure and style of the final presentation is also developed during this time period. An effective way of capturing the audience’s attention is to tell an engaging story that introduces the non-profit organization and discusses its successes and challenges. The consulting recommendations and implementation plan are then presented along with a vision for sustainable benefits to the community.

A significant challenge with the online capstone format involves replicating the energy that exists during an in-person presentation. The presentation should be created using slides that are visually appealing and primarily image-based, while containing limited words to reduce the likelihood of the audience reading the slides. Smooth slide transitions and embedded student created videos can be incorporated to maintain audience attention. All team members participate in the presentations and should be consistent with professional business attire, clean backgrounds such as a plain wall behind the speaker, and camera angles that allow for body language to be communicated during the presentation. The speakers should be well rehearsed, refrain from using notes, and present with a style that projects energy and maintains the attention of the audience.

Dress Rehearsal, Final Presentation, and Client Deliverables

The **final two weeks** of the semester are used to finalize both the Consulting Action Plan report and the corresponding team presentation. An online dress rehearsal is conducted at least one

week prior to the final presentation date. During this synchronous session, the flow of the final presentation event is simulated as each team delivers its presentation. This event allows for the teams to benchmark their status against other teams, provide additional feedback to each other, and prepare for any final refinements to the presentation. The **final week** is then spent conducting multiple virtual team practice sessions and allowing the professor to recommend final improvements before the client presentation event.

The final results of this experiential MBA capstone consulting project are delivered to the client during the final synchronous session of the semester. An online virtual presentation conference is created, and the client has the option of either attending on-campus or remotely. The client is provided with the Consulting Action Plan report in both digital and professionally bound hard copy formats. A live question and answer (Q&A) session is then conducted between the client, faculty, guests, and the presenting students. An essential feature of this experiential learning process is that the students have the opportunity to engage with the client and get instant feedback regarding their consulting recommendations.

A summary of the course weekly timeline with highlighted actions items, deliverables, and milestones is included in Table 1.

Table 1: Summary of Online MBA Capstone Course Weekly Timeline

Week(s)	Action Items, Deliverables, and Milestones
1	<ul style="list-style-type: none"> Initial online synchronous session Teams meet with the client Brainstorm solution ideas Create Work Allocation Plan
2	<ul style="list-style-type: none"> Recommended virtual team meetings outside of class session Begin building Consulting Action Plan (solution recommendations and vision for improvement) SWOT analysis Team brainstorming sessions Client site tours (physical or virtual) Develop initial consulting recommendations Synchronous session with progress reports, recommendation updates, and cross-team collaboration
3-4	<ul style="list-style-type: none"> Continued virtual team meetings outside of class session Revise solution recommendations based on research and instructor and class feedback Continue building Consulting Action Plan (solution implementation plan and online presentations) Synchronous sessions with team presentations of the “turnkey solution plan” Cross-team feedback Begin developing the final presentation story
5	<ul style="list-style-type: none"> Submit Consulting Action Plan report for feedback Practice presentations to the class Presentation feedback from students, professor, and guest observers
6	<ul style="list-style-type: none"> Online presentation dress rehearsal Dress rehearsal presentation feedback from students, professor, and guest observers Complete Consulting Action Plan report revisions
7	<ul style="list-style-type: none"> Multiple virtual presentation practice sessions Consulting Action Plan report submitted to the client Final presentation to the client Live Q&A session with the client, faculty, guests, and other presenting students

CASE STUDIES OF ONLINE MBA CAPSTONE CONSULTING PROJECTS

This section presents examples of client cases that have been solved using this online MBA capstone program.

Child Care Council of Nassau, Inc. (CCCN)

The Child Care Council of Nassau, Inc. (CCCN) is a private not-for-profit organization that is a referral source to families requiring childcare services. The CCCN informs families about childcare choices and financial options. Four online MBA capstone teams worked with CCCN to solve the client's business problems.

- Designed a new marketing and community awareness plan that included social media and print advertising strategies, and an innovative partnership program with local schools and businesses (Armand, DiCristina, and Ball, 2018).
- Designed a plan to save CCCN's Farm-to-Preschool Program; a program that provides interactive opportunities to educate young children regarding healthy eating habits. A multi-phased growth strategy was designed that included a partnership with a local grocer to donate produce and a new location at no cost, along with the innovative design of a mobile farm stand using a retrofitted school bus that could travel to multiple communities: *Fresh Truck Long Island* (Armand, DiCristina, and Ball, 2018).
- CCCN's reach to its desired customer demographics was analyzed. A multi-phased solution was designed to facilitate its entrance into the "digital age". Designed implementable strategies to expand its external outreach, redesigned its website for improved security and mobile access, and developed a mobile app.
- Addressed the challenges of attracting, retaining, and developing employees that could grow within the organization and provide sustainable leadership. These solutions included a new recruitment and mentorship program, business training, a detailed succession plan, board engagement approaches, and the funding strategies needed to support these recommendations.

Woodward Children's Center (WCC)

The Woodward Children's Center (WCC) is a 501(c)(3) not-for-profit corporation and a P.L. 853 Non-Public School approved by the New York State Education Department. The WCC offers a rich and varied level of educational programs to students ranging from ages 9-21 with emotional and mental disabilities and traumas. Students are referred to WCC through school districts, physicians, therapists, private agencies, family court, and parents. Three online MBA capstone teams worked with WCC to solve client business problems.

- Designed solutions to improve its program diversification. Developed a four-pronged approach: (1) new after-school program aimed at enriching the students' overall experience, (2) new analytic tool that offers strategic insights into program redesign, (3) transitional assessment group that would bridge the gap from achievements inside the classroom to success

outside the classroom, and (4) new program design to connect students with prospective local business employers.

- Updated the school's overall image and marketing efforts. The WCC has evolved over its 60-year history, but many of these improvements have not been conveyed to the community. The comprehensive multi-phase plan included: updating the school's mission statement, name, and logo; strategically increasing print media advertising efforts; enhancing its social media presence; expanding its open house events; and developing an innovative program called the *Silk Scarf for Success* (SSS). This SSS program would utilize the creativity of its students, professional educators, and therapists, and state-of-the-art technologies to promote awareness and generate revenues by designing, producing, and selling unique silk scarves that include student-designed artwork reflective of the school's mission (Khan, Oyelude, and Ball, 2018).
- Designed multi-phased plan focused on board engagement, marketing, and financial sponsorship. This plan included: a board retreat; creation of an honorary board member position; marketing brochures; a press kit; and an annual fundraising gala event that would showcase student talent.

Council for Unity (CFU)

The Council For Unity (CFU) is a 501(c)(3) not-for-profit organization that fosters positive life skills in at-risk youths and the jail population; it brands itself as an alternative to gangs. An online MBA capstone team worked with CFU to increase the awareness of its programs across Long Island and develop new funding strategies.

- Developed a multi-phased approach that included a new community outreach model targeting at-risk neighborhoods, a discount card program sponsored by local businesses, alternative funding strategies through banks and grants, and improved awareness through enhanced social media and an annual carnival event.

Case Study Observations

The MBA capstone experiential learning model presented in this paper was tested over a 10-year period using a variety of client types, each with unique business problems and challenges with constrained resources. The open-ended problems posed to the student consultants included each of the core business areas and required the students to research and critically analyze the client organization and industry. In each case, the proposed multi-phased solutions were detailed with an actionable "turnkey" implementation plan that addressed strategies for closing any resource gaps. All of these case problems could be solved using the experiential online MBA capstone course "best practice" model presented in this paper.

LESSONS LEARNED

The journey to build and implement a fully online MBA experiential capstone course has resulted in key lessons that can be applied to future online MBA capstone courses, as well as to

online, blended, and traditional F2F courses that employ virtual project management technologies to facilitate experiential learning efforts. A summary of the lessons learned is included in Table 2.

Table 2: Lessons Learned from Implementing Online MBA Capstone Course

Lessons Learned	
Student Discipline and Flexibility	<ul style="list-style-type: none"> • Student time management skills • Self-discipline • Ability to participate in virtual team meetings outside of class sessions
Technology Access	<ul style="list-style-type: none"> • Computer with online access • Familiarity with shared documents and virtual communications platforms (e.g., texting, Google Docs, Slack, Microsoft Zoom)
Team Size and Number of Clients	<ul style="list-style-type: none"> • 4-5 students per team • Once client per course section
Virtual Project Team Success	<ul style="list-style-type: none"> • Consistent and frequent communications • Webcams during virtual meetings • Detailed Team Action Plan with pre-scheduled meeting dates and times • Enforced measures of individual and team accountability • Timely contributions of all team members • Student to student, class, and professor communication channels
Final Client Presentations	<ul style="list-style-type: none"> • Live virtual presentation (e.g., Microsoft Zoom, GoToMeeting) • Hybrid of in-person and virtual presentation • Pre-recorded presentation with live Q&A session • With each approach, a pre-recorded presentation file can be given to the client for future viewings • Begin building the presentation early in the semester and utilize multiple practice sessions
Faculty Requirements and Training	<ul style="list-style-type: none"> • Proficiency in virtual team management and presentation technologies • Build a detailed and easy-to-navigate course site using an LMS • Utilize institution's online and blended teaching resources • Ability for faculty to embrace and operate effectively with uncertainty
Administrative Logistics	<ul style="list-style-type: none"> • Mandatory pre-course information session (e.g., experiential learning process; online course format; provide examples of past projects) • Accommodations based on institution's semester format

Student Discipline and Flexibility

The course provides a rigorous experiential learning opportunity for the student and is most appropriate for those students who can manage time well in an online environment. Whereas some online courses may be self-paced or structured similar to an independent study, this model requires a structure that necessitates consistent collaborative team efforts. The students need to have the ability to schedule time for weekly virtual team meetings and the synchronous class sessions. The inclusion of the mandatory synchronous sessions significantly improved the ability of the teams to function effectively and facilitate cross-team collaborations.

Technology Access

The students must have access to the technology and the skills required to participate in a virtual project management environment. Examples of these technologies include the use of shared documents to facilitate real-time multi-person editing and various project communications platforms (e.g., texting, Google Docs, Slack, video conferencing). These skills are becoming increasingly valuable in industry, and the nature of this program provides the opportunity to build a marketable level of technological project-management competency.

Team Size and Number of Clients

The team size and number of clients have been tested with varying degrees of success. If possible, due to overall class size, it is recommended that the team size be set to 4-5 members. The project demands and overall course rigor do allow for work to be effectively divided over this number of students; larger teams have exhibited difficulty meeting consistently, developing norms, and working cohesively. Furthermore, focusing on only one client for each of the team's problems has allowed the students to offer more in-depth feedback and productive cross-team collaboration. This *one-client* format also eases the logistical efforts of the instructor in terms of coordinating site visits and allows more time to ensure that the projects progress efficiently.

Virtual Project Team Success

Consistent and frequent communications and online team meeting techniques are required to overcome challenges associated with virtual project teams. It is essential that all team members use webcams to replicate in-person conversations and facilitate team building. Students have teleconferenced into virtual meetings, but this approach is not as effective as when the visual component is included through the use of a camera. The Team Action Plan should include regularly scheduled team meetings, with members held accountable if not in attendance. An enforced measure of accountability is important to ensure full participation, timely contributions of all team members, and has been critical to project success. Finally, each of the student-to-*student*, student-to-*class*, and student-to-*professor* communication channels should be used throughout the semester.

Final Client Presentations

The final client presentation can be delivered using alternative formats. The model described in this paper recommended using a live virtual presentation where all team members are logged into the platform (e.g., Microsoft Zoom, GoToMeeting). Other approaches have been tested to varying degrees of success. An alternative approach has been to use a hybrid presentation model where some students present physically in-person while others are streamed online. In this case, the presentation is still delivered live, but provides both convenience and flexibility to the student and client. Another approach is to pre-record the presentation, allowing the client to watch the recorded presentation, and then conduct a live online Q&A session. This approach provides the benefit of removing the technological risk of a team member's video failing during the live presentation. Regardless of the selected format of the final presentation, providing the client with

a recorded presentation to augment a live one allows for the client to replay the presentation at a later date when implementing the solutions. A challenge with all presentation approaches involves ensuring smooth transitions between students, so it is essential that teams dedicate significant time to practicing as group.

Faculty Requirements and Training

Utilizing virtual technologies to facilitate online experiential capstone projects requires faculty that are proficient with this course format. The skills required to build the LMS course site and lead online project teams are different than in a traditional F2F setting or with theoretical case studies. Utilizing the institution's online and blended teaching resources can help train the faculty and provide additional best practices to incorporate this type of model into its program. Faculty must embrace the uncertainty that exists when managing a live project case. Although the overall structure of the course is predefined, the students' team dynamics and consulting recommendations will not be known until the semester unfolds. This is a live project, so faculty need the ability to manage student teams within an atmosphere of uncertainty.

Administrative Logistics

As the traditional F2F and online MBA capstone consulting courses developed, it was recognized that the students could benefit from an information session that explained the experiential learning process, online course format, and provided examples of the final outcomes. Due to the course rigor and unique requirements compared to other online MBA courses, attendance at this session became mandatory prior to registering for the course. Furthermore, whereas the online MBA capstone consulting course model presented in this paper has been tested using the 7-week semester schedule, the primary structural components can be modified to accommodate other semester formats (e.g., 14-weeks).

DISCUSSION AND CONCLUSIONS

The successful completion of an MBA capstone course should signal that the student has met the educational objectives of the institution. The missions of the college and its business school emphasize the pillars of study, spirituality, service, and community while providing a transformative educational experience. Whereas the traditional F2F MBA capstone course includes experiential learning through consulting projects for government agencies or non-profit organizations, the online capstone format varied significantly and relied on a business simulation. It was determined, however, that the overall learning outcomes and student experience should not change for those enrolled in an online course section. As a result, the original simulation-based online format was replaced with one designed so that the online students have the same experiential learning opportunity as those in the traditional F2F course sections. This redesign also ensured that the institution's mission-based transformative education process is consistently achieved by all students.

The final result is an innovative online MBA capstone model, with the students embracing modern technology to collaborate and solve real business problems for local non-profit

organizations that serve the community. This new course model meets the needs of those MBA students requiring an online capstone option, while providing for an educational experience not possible through simulations or traditional case study approaches.

This paper presented the history of the capstone consulting experience, the details of this new online MBA capstone course, the challenges of transitioning the course to an online format, key lessons learned from the process, and overall best practices developed over the past years of delivering the course. Sample results of real client case studies were discussed to illustrate the effectiveness of implementing this model over a multi-year period.

By participating on virtual project teams, students have been able to build a level of business technological literacy that is required by today's employers. When reflecting on the project experiences, students often report an increased level of confidence as a result of successfully collaborating with a team to solve a real-world project unlike any predefined case study. These live projects build practical applied business skills that augment the theoretical education experienced in the classroom. The students also report a rewarding feeling knowing that they were able to apply their business education to help organizations that provide services to those living in the surrounding communities. In many cases, an enhanced level of social mindedness is achieved as the students interact with each client organization and learn more about its cause. These online students are now able to grow academically, professionally, and personally through experiential learning that bridges the classroom with the community.

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THE RELATIONSHIP BETWEEN PARTICIPATION IN COLLEGE-ORGANIZED EXTRA-CURRICULAR ACTIVITIES AND STUDENT SATISFACTION

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ABSTRACT

Colleges organize extra-curricular activities for their students because research indicates they are associated with positive learning outcomes. These out-of-class activities supplement classroom learning with opportunities for growth that are difficult to replicate inside the classroom. This study extends education quality research by analyzing whether participation in these activities impacts the level of satisfaction graduating students have with their college. Results indicate overall there is a positive association between extra-curricular participation and satisfaction. Research also shows differential relationships between activity types and various indicators of graduate satisfaction with their college.

INTRODUCTION

Colleges spend considerable time and resources organizing and promoting extra-curricular activities for their students. The primary motive of this effort is to provide students with opportunities to supplement their college curriculum with out-of-the-classroom activities for the purpose of enhancing a student's professional development and marketability to employers or graduate schools (James & Yun, 2018; Spiller & Marold, 2015). "Extracurricular involvement provides an important vehicle for learning and personal development" (Jones, 2018). While research indicates these activities are generally successful in both regards, little research has examined whether participation in these activities is associated with increased levels of student satisfaction with their college (Long et al., 1999; Mavondo et al., 2004).

While there is no doubt that learning and employability outcomes are critical (Fredericks, 2011), it is also important to understand whether or not students who avail themselves of these opportunities are more satisfied with their educational experience in their college or rather are more prone to become disenchanted (Appleton-Knapp & Krentler, 2006). Indeed, Bowen, citing, Jencks (1972) notes that "since educators have meager knowledge of the relation between the forms and methods of education and its outcomes, one of the main criteria for deciding on educational method might be the degree of direct satisfaction obtained by students and teachers" (Bowen, 1977, p. 44-45).

Just because an activity is in a student's best interest does not guarantee that participants will appreciate it or will be grateful to their college for providing them with these developmental opportunities. Education has a number of "tough love" pedagogies that although they may be in a student's long-term best interest, they can generate negative affect in the short term. The authors' experience indicates such activities might include; oral presentations, videotaped role plays, calling on students to answer questions in class, term papers, quantitative classes, attendance policies, cell phone/laptop bans during class and sensitivity training to name a few. It is not suggested that educators refrain from using these pedagogies because of student pushback, but rather if it is established that they negatively influence student satisfaction, strategies can then be implemented to ameliorate the negative side effects. If, on the other hand, it is shown that participation in an activity is associated with enhanced satisfaction, colleges should promote these opportunities to their internal market to boost participation rates and to their external market to help attract prospective students to the college.

The impact of extra-curricular participation on student satisfaction is important because satisfaction has been linked to university competitive advantage (e.g., favorable rankings) (Lee et al., 2000; Yusoff et al., 2015) and success (Arnett et al., 2003; Bruggink & Siddiqui, 1995; Harrison et al., 1995). It follows, then, that the success of a student-oriented strategy can be measured by the extent to which it generates student satisfaction (Gainer & Padanyi, 2002; Voon, 2008) and improves student performance (Bean & Bradley, 1986, James & Yun, 2018; Pike, 1991). Thus, universities can gain a competitive advantage by building better relationships with their students (James & Yun, 2018; Rowley, 2003; Tapp et al., 2004).

Satisfaction is important from a higher education marketing standpoint for at least three reasons. First, it can influence future college enrollments through student-to-student referrals and word-of-mouth (Bright & Graham, 2016; Dutton & Dukerich, 2017). Elliott & Healy (2001) note that word-of-mouth *promotion*, an outcome of student satisfaction, is the most efficient effective way to recruit students. Second, it can impact a student's willingness to *stay connected* to the

college after graduation (Pastorella, 2003), which in turn can drive alumni donations to the college (Arnett et al., 2003; Bruggink & Siddiqui, 1995; Harrison et al., 1995; Pastorella, 2003; Snijders et al., 2019). Third, satisfaction can influence future levels of participation in these activities, because negative word-of-mouth can cause students to develop doubts as to whether the benefits of participation exceed their costs (Douglas et al., 2008). If students who participate in a particular activity tend not to be satisfied, it is important that colleges are aware of this and try to understand why, so that strategies can be developed and implemented to remedy the underlying causes of student frustration (Mavondo et al., 2004). On the other hand, if these activities do enhance student satisfaction then perhaps they should be more visibly promoted in college marketing efforts (Hemsley-Brown & Oplatka, 2006) to prospective students and potentially be leveraged as a source of differential advantage over competing programs (Alnawas, 2015; Mavondo et al., 2004; Oliff et al., 2013).

Out of concern for pandering to students, some researchers view a market oriented approach (i.e., having a customer focus) as potentially doing damage to the learning process (Matus et al., 2021). In contrast, we argue that marketing approaches are used in nearly every aspect of recruiting students to attend universities (Snijders et al., 2019). From this perspective, students are partners in education and hence partly accountable for their own satisfaction (James & Yun, 2018; Mark, 2013). Thus, it is important that administrators learn about students' college/university extra-curricular experiences and the extent to which they are satisfied with those experiences (James & Yun, 2018; Tan et al., 2016).

In this study, we examine the extent to which participation in college-organized extra-curricular activities (e.g., certifications, internships, competitions, study abroad, and student organizations) affect four key indicators of student satisfaction (i.e., overall evaluation of the college, the evaluation of benefits vs costs, intention to recommend the college to a friend, and desire to stay connected to the college). The purpose of this study is to examine whether student participation in college-organized extra-curricular activities is associated with increased levels of satisfaction with the college (Alves & Raposo, 2007; Douglas et al., 2008; Duarte et al., 2012).

We begin by reviewing the literature on higher education (viewed as a service), student satisfaction, and extra-curricular activities. We then describe our study methodology followed by a summary of findings, discussion, and suggestions for future research.

LITERATURE REVIEW AND CONCEPTUAL MODEL

Our research is informed by three related areas of theory and research: school effectiveness as it relates to *education quality* (e.g., Cameron & Whetten, 1983; Cheng, 1990; Hwang & Choi, 2019), *higher education marketing* (e.g., Hemsley-Brown & Oplatka, 2006; Mark, 2013), and *services marketing* (Sultan & Wong, 2013; Voss et al., 1998). Education quality has important implications for college/university performance (Hwang & Choi, 2019). It is defined as the set of elements in the input, process, and output of the education system that provides services that satisfy strategic constituencies (both internal and external) by meeting their expectations (Cheng & Tam, 1997).

Satisfaction

The consumer behavior literature on satisfaction (sometimes referred to as consumer satisfaction and customer satisfaction) lacks a consensus definition (Giese & Cote, 2000; James & Yun, 2018). Satisfaction is thought to be a summary of emotional and cognitive responses with a particular focus (e.g., expectations or actual experiences) occurring post consumption or after accumulative experiences. Recent conceptualizations lean toward satisfaction being more of an emotional response of varying intensity (Giese & Cote, 2000).

There are two main streams within satisfaction research including satisfaction as a process (e.g., Alves & Raposo, 2007; Fornell, 1992) and satisfaction as a summative/cumulative measure (e.g., Aitken, 1982; Oliver, 1997). From a process perspective, customer satisfaction is influenced by customer expectations for the service and a comparison of customer experience with the prior expectation (Tse & Wilton, 1988). When the customer experience does not meet the expectation, consumers are likely to be dissatisfied while satisfied consumers are likely to form a behavioral intention toward the product or service and repurchase (Fornell, 1992). We expect that positive behavioral intention likely includes sharing positive word-of-mouth (Dutton & Dukerich, 2017). Put another way, satisfaction is the difference between expectations and perceptions of performance (Feldman & Theiss, 1982; Wanous et al., 1992). Any discrepancy between expectations and the actual experience leads to disconfirmation. Positive disconfirmation occurs when actual performance exceeds expectations while negative disconfirmation creates dissatisfaction (Appleton-Knapp & Krentler, 2006).

On the other hand, satisfaction can be viewed as the sum of simpler satisfactions with various attributes of a service (Churchhill & Suprenant, 1982). Research has shown that customer satisfaction is determined by attribute level performance (Chun et al, 2018; Oliva et al., 1992) such as the ease of getting information (Oliva et al., 1992), search time in selecting the service (Anderson & Sullivan, 1993), and prior experience (Bolton & Drew, 1991).

Student satisfaction, viewed through the lens of the expectation-performance theory of satisfaction, results when actual performance meets or exceeds the student's expectation (Elliott & Healy, 2001; Munteanu et al., 2010; Parasuraman et al., 1985). As Elliott and Shin (2002, p.198) note "Student satisfaction refers to the favorability of a student's subjective evaluation of the various outcomes and experiences associated with education. Student satisfaction is being shaped continually by repeated experiences in campus life." Thus, we support the notion that satisfaction is a response to an evaluation process (Giese & Cote, 2000; Masserini et al., 2019; Oliver, 1981; Tse & Wilton, 1988). Indeed, the trend is toward higher education recognizing that it is a service industry requiring that it place greater emphasis on meeting the expectations and needs of university students (Elliott & Healy, 2001; Hemsley-Brown & Oplatka, 2006; Voon, 2008).

At least two major factors determine student satisfaction including the direct effects of *outcomes* and the indirect effects of *performance* (James & Yun, 2018). Outcomes are the result of the combination of students' academic and social performance while performance consists of faculty-student interaction and social integration (i.e., extracurricular activities and peer relationships). Operationalized as behavioral dimensions of satisfaction (Bright & Graham, 2016; Giese & Cote, 2000), student satisfaction in this study is a combination of three important indicators including: (1) believing that *benefits exceed costs*, (2) intending to *recommend the college to a friend*, and (3) planning to *stay connected* to the college.

Benefits exceed costs. Mark (2013) argues that students are only satisfied when they have received what they paid for. At a minimum, this includes a quality education, in their chosen discipline, with a credential that has value in the labor market.

Intend to recommend to a friend. Recommendation is reflective of satisfaction because it is an indicator of the likelihood of future ongoing relationships between the student and the college (Zeithaml et al., 1996). “The decision of former students to recommend an institution to prospective students may be motivated by many factors, but satisfaction with their own learning experience is probably one of the most powerful motives” (Mavondo et al., 2004, p. 51).

Plan to stay connected. An outcome of extra-curricular activities is that students are more likely to identify with their majors and persist in their education (Perez et al., 2014). Arnett et al. (2003, p. 102) suggest that administrators in nonprofit higher education marketing should increase “the salience of their donors’ organization-related identity and developing such identities in potential donors” by encouraging students to become more actively involved in university-related activities.

Extra-curricular Participation/Student Satisfaction Linkage

Antecedents of student satisfaction have been divided into personal factors (see Brokaw et al., 2004) and institutional factors such as instructor teaching (Dana et al., 2001), quality of instruction (deBourgh, 2003), classmate interaction (Fredericksen et al., 2000), and infrastructure (Helgesen & Nasset, 2007). Our study adds to this extant research by exploring the effects of student participation in extra-curricular activities on student satisfaction. More specifically, in this exploratory study two main research questions will be addressed,

RQ1: Overall, are graduating business students who participated in college-organized extra-curricular activities more satisfied with their college than those who did not participate in such activities?

RQ2: What are the linkages between participation in specific types of college-organized extra-curricular activities and specific indicators of satisfaction with the college?

Extra-curricular Activities

Extra-curricular activities are defined as school-related experiences that occur outside the classroom which seek to advance student’s professional growth (Lawhorn, 2008). These activities represent opportunities for students to obtain additional professional development outside of the formal curriculum in order to assist them in their pursuit of their educational and professional goals (Low, 2000; Miller, 2005). College administrators may organize and promote these activities to their students in order to help address the criticism that schools do not offer enough active learning experiences for students to apply their skills and knowledge (Kosnik et al., 2013). These activities may help schools fill in the gaps in the traditional classroom-based curriculum where higher-level learning objectives such as leadership, application of skills, practical experience, and transformative learning are often difficult to achieve. While the value of any experience of this type is dependent on the particulars of the learner and the experience (Rubin et al., 2002), research indicates that at the aggregate level, extra-curricular activities do seem to be effective from both an educational as well as an employability perspective (Howard, 1986). It has not been established whether students’ extra-curricular service activity is antecedent to student satisfaction.

Description of the Extra-curricular Activities Included in the Study

Study abroad. Study abroad is an important activity for universities in addressing the demand of employers for graduates who have the experience and perspective necessary to enable them to operate effectively in a global business economy (Albers-Miller et al., 1999; Bakalis & Joiner, 2004; Clapp-Smith & Wernsing, 2014; Hallows et al., 2011). Additionally, study abroad programs are important for improving student retention and augmenting university recruitment efforts (Curtis & Ledgerwood, 2018). The study abroad experience may range from a faculty led study abroad course to spending an entire semester (or year) abroad taking classes at a foreign university that will transfer back to the host school as part of an exchange agreement. The primary educational benefit of study abroad experiences is that they are effective in instilling within participating students an international orientation. Specifically, study abroad programs have been linked with increases in participants' cultural awareness (Black & Duhon, 2006; Hallows et al., 2011; Helms & Thibadoux, 1992), intercultural competence (Paras et al., 2019), perceived acquisition of international knowledge (Hallows et al., 2011), world-mindedness, and receptiveness to global perspectives on issues (Douglas & Jones-Rikkens, 2001; Tarrant et al., 2014). However, the main issues confronting study abroad programs is not related to their effectiveness but rather the barriers to studying abroad (Vernon et al., 2017) and how to get more students to participate (Garver & Divine, 2008). These programs can be costly, time consuming, (Hallows et al., 2011) and may force students to navigate a number of institutional and bureaucratic obstacles in order to get the courses they take abroad to be accepted for transfer credit. As a result, only about 10% of undergraduate college students in the US participate in study abroad (NAFSA, 2020).

Professional certifications. Certifications (e.g., the IT certification: Microsoft Certified Solution Expert (MCSE) are a way for students to develop a sustainable competitive advantage after graduation. Certifications enhance students' professional profiles, and thereby, possibly outshine other potential job candidates for a job, promotion, or salary increase (Rob, 2014; Wireschen & Zhang, 2010). Prachyl and Sullivan (2016) propose a strategy that involves students starting early and integrating accounting certifications throughout their educational experience. Additionally, the authors note the benefits students gain from taking high stakes exams. Thus, certifications can potentially provide colleges with job-ready students and serve as tangible measures of faculty and staff skill sets (Prebil & McCarthy, 2018; Rob, 2014).

Competitions. With competitions, students compete either individually or as a team against other students to provide the best solution to a problem (e.g., Marketplace Live Simulation). Educational value is derived from placing students in real world scenarios in high-pressure situations (e.g. time pressure, representing a school or program, public speaking, real world ambiguities, competing against others) and tasking them with solving a difficult critical thinking exercise (Gamble & Jelley, 2014; Herrera-Limones et al., 2020; Maier-Lytle et al., 2010). Students benefit professionally by participating through exposure to employers (who frequently sponsor and judge these competitions, or just attend in order to scout for talent), networking opportunities with both industry professionals and students in other programs, who may become valuable future contacts, and hours of free hands-on individual coaching from program faculty (Gamble & Jelley, 2014; Inks et al., 2020; Mani et al., 2016; Spiller & Marold, 2015).

Discipline-related student organizations. The main purpose of discipline-related student organizations is to provide professional development opportunities for students. Since most coursework a student takes is focused on instilling discipline-based knowledge and developing

essential work-related skills, (Cook et al., 2004; Hymon–Parker & Smith, 1998) rather than on career development, student organizations can help fill this gap. Typically, meetings of these organizations feature speakers from industry who can provide career advice to students who are preparing to enter the job market. Other activities of a student organization may include field trips to tour local companies, resume workshops, networking nights with employers, and social mixers in order to facilitate relationship building among members (Lawhorn, 2008). Peltier et al. (2008) identified four outcomes associated with member satisfaction with their student organization 1) discipline-related activities (e.g. consulting projects and competitions), 2) networking with peers, 3) contact with industry professionals, and 4) experience leading the organization.

Internships. According to Stretch and Harp (1991) an internship is “controlled experiential learning where a student receives academic credit while employed by an organization in a chosen area of interest” (p. 67). Internships are “widely embraced by business schools world-wide as the preferred method to give students practical experience and help them transition to the real world” (Kosnik et al., 2013, p. 616). This helps them develop skills and professional relationships they would have difficulty obtaining in the classroom and this should enhance their marketability (Weible, 2010). Nghia and Duyen (2019) found three learning outcomes associated with internship participation, 1) development and application of professional, knowledge, and skills, 2) more positive attitudes toward learning, and 3) shaping career paths.

METHOD

The Sample

Data were collected from undergraduate students graduating from a college of business (CBA) in a large public university located in the Midwestern region of the U.S. as part of a business college exit survey. The undergraduate enrollment in the college was 2,460 students. During the last several weeks of a spring semester all students enrolled in the BSBA degree program’s capstone course were provided with a link for the survey and given several weeks to respond. Students were given course credit as an incentive to complete the survey. A total of 354 students fully completed the survey out of a capstone class enrollment of 375 for a response rate of 94.4%. The composition of the sample was as follows: 64.5% male and 35.6% female; 83.4% white; and the average age was 23.5.

Measures

Participation in college-organized extra-curricular activities were measured by presenting the sample of graduating business students with a listing of activities and having them indicate which (if any), they participated. The activities listed were: for-credit internship, competitions, certifications, membership in a business-related student organization, and study abroad.

Satisfaction with the CBA was measured by having respondents indicate their agreement with three statements on a 5-point Likert scale anchored by strongly disagree = 1 and strongly agree = 5. These statements were as follows: *The benefits of an education from the CBA outweighs the cost*; *I would recommend the CBA to others*; and *I am likely to stay connected with the CBA after graduation*. In addition, satisfaction was also measured using a five-item semantic differential scale in which graduating students were asked “*How would you rate your overall educational experience in the CBA?*” where 1 = poor and 5 = excellent.

These four satisfaction questions were employed for the following reasons: 1) the “benefits outweighed costs” question reflects the emerging importance of “ROI” to many customers of higher education (Adams, 2013; Svrluga, 2019); 2) the “recommend the CBA to others” question taps into “Net Promoter Score” one of the most popular single item measures of satisfaction (Farris et al., 2010); 3) the “likely to stay connected with the CBA” reflects the only viable retention option for most colleges – other than a graduate degree - once a student graduates; and 4) the “overall experience” question provides for respondents an opportunity to provide a direct overall assessment of their experience as a student in the college.

Statistical Analysis

To address RQ1, *Overall, are graduating business students who participated in extra-curricular activities more satisfied with their college than those who did not participate*, a MANOVA analysis was performed. The independent variable was whether a student had participated in any of the five college organized extra-curricular activities that were included in the study and the dependent variables were the four indicators of satisfaction. The results are presented in Table 1 and show a significant F-value of 3.76 with a significance level of .005. These results indicate that participation in extra-curricular activities is associated with higher levels of satisfaction with the college. The post-hoc analysis showed that participators had significantly higher mean satisfaction responses than non-participators on three of the four measures (the results were insignificant only for the measure of overall educational experience).

Table 1: MANOVA on differences between college-organized extra-curricular activity participators vs. non-participators in terms of satisfaction with the college

Overall F test

Independent variable	Dependent variables	Group sizes	F-ratio	significance	conclusion
Participation in a college-organized extra-curricular activity	Four indicators of satisfaction with the college	Yes = 224 No =130	3.76	.005	Participators are more satisfied

Post hoc t-tests (Table 1 Continued)

	Did an extra-curricular activity mean n = 224	Did not do a extra-curricular activity mean n = 130	T value	significance	Conclusion
Overall evaluation	4.07	3.96	1.435	.151	n.s.
Cost vs. benefit	3.78	3.47	2.967	.003	Participators more strongly agree that the benefits outweigh the costs
Recommend to a friend	4.23	4.02	2.660	.008	Participators more strongly agree they will recommend the college to a friend
Stay connected to college	3.37	3.02	3.341	.001	Participators more strongly agree they will stay connected to the college.

Given the significant results on RQ1 at the overall level, it was judged appropriate to proceed to RQ2, *What are the linkages between participation in specific types of extra-curricular activities and specific indicators of satisfaction with the CBA?* The justification for drilling down to the activity level is that the five activities examined are all conceptually distinct and could thus vary greatly in terms of their impact on student satisfaction in general as well as on specific indicators of satisfaction. A series of partial correlations were used to test the relationships between participation in the five extra-curricular activities and the four indicators of satisfaction with the business college. A series of 20 partial correlation analyses were performed with each of the four satisfaction measures correlated with each of the five extra-curricular activities. The remaining four activities were used as control variables in each of the activity/satisfaction indicator partial correlations. The control variables were used since many students participated in more than one extra-curricular activity and thus the presence of the other four extra-curricular activities in the partial correlations allow us to account for this potential source of confounding.

The results of these analyses are presented in Table 2. Looking at the results from the perspective of how participation in different activities impacts the satisfaction indicators, the following was determined. Except for study abroad, the other four extra-curriculars were associated with enhanced satisfaction, although each varied in terms of which indicators of satisfaction, they influenced.

Table 2: Partial correlation analysis: Partial correlations between participation in a college-organized extra-curricular activity and indicators of student satisfaction with their college, controlling for participation in the other activities.

	Extra-curricular activities				
Satisfaction indicators	For credit Internship (46.8% = yes)	Certification (18.6% = yes)	Competition (22.5% = yes)	College related Student Organization (38.8% = yes)	Study Abroad (9.8% = yes)
Overall evaluation	.137 ($p = .012$)	ns	ns	ns	ns
Cost vs. benefit	ns	ns	.118 ($p = .027$)	.116 ($p = .030$)	ns
Recommend to a friend	ns	ns	ns	.132 ($p = .014$)	-.101 ($p = .059$)
Stay connected to the college	.144 ($p = .008$)	.119 ($p = .027$)	ns	ns	ns
conclusions	Internship students are more likely to stay connected to the college and give the college a more positive overall evaluation	Certification students are more likely to stay connected to the college	Competition students more strongly believe the benefits received outweighed the costs	Student organization members are more likely to believe the benefits received outweigh the costs and are more likely to recommend the college to a friend	Study abroad students are less likely to recommend the college to a friend

The results indicate that participation in a *for-credit* internship is significantly associated with a higher overall evaluation of the CBA ($r = .137, p = .012$) and a greater intent to stay connected to the college after graduation ($r = .144, p = .008$). Participating in a certification program is associated only with a greater intent to stay connected to the college after graduation ($r = .119, p = .027$). Participating in a competition is significantly associated with a more positive evaluation of the extent to which the benefits of a CBA education outweigh its costs ($r = .118, p = .027$). Membership in a business-related student organization was also associated with a more positive evaluation of the cost and benefits of the CBA ($r = .116, p = .030$) as well as being more likely to recommend the CBA to a friend ($r = .132, p = .014$). Finally, study abroad participants expressed the lowest levels of satisfaction with the CBA having insignificant relationships with

three of the satisfaction measures and a marginally significant negative association with the likelihood they would recommend the CBA to a friend ($r = -.101, p = .059$).

DISCUSSION

Our research establishes a positive link between participation in college-organized extra-curricular activities and student satisfaction with their college. It also details specific linkages between individual activities and various attributes of satisfaction. Previous research documented the positive impact that college-organized extra-curricular activities has on student learning (Lawhorn, 2008). Our study extends this research by showing these activities are also associated with increased levels of student satisfaction overall. Like Black (2018), we find that satisfaction is a key component in the student experience. Our study provides empirical support for Arnett et al. (2003, p. 95) who suggest that “the positive affect associated with participating in extra-curricular activities could increase a person’s overall satisfaction with the university.”

Regarding the relationships between specific activities and specific satisfaction measures, there was some interesting variation in results. Participation in a for-credit internship was significantly associated with a more positive evaluation of the business college and a greater intention to stay connected. Potential reasons for the positive link with the overall evaluation is that research indicates that internships make students more marketable and students who participate in internships are more likely to get job offers than those who do not participate (Weible, 2010). In fact, our exit survey data shows that at the time of the survey, 69.1% of students with a *for-credit* internship had received at least one full-time job offer versus 37.3% for those students without such an experience. This relationship with *an intention to stay connected* has face validity to us based on our experience working with internship students. We have observed that many students who go through the on-campus recruiting process for internships often return to campus after graduation to recruit the next group of interns for their employers.

Participation in competitions was associated with a stronger belief that the benefits of attending the CBA outweigh its costs. Our experience is that competitions typically involve a lot of one-on-one outside-of-class preparation time and coaching with program faculty that is not associated with additional tuition or course fees. It generally also involves the covering of travel expenses to and from competitions. At the competitions, student participants also get the opportunity to enhance their marketability by networking with employers who typically serve as sponsors and judges for these competitions. This may all combine to increase the value proposition for students, as they perceive they are getting special individualized benefits not available to all students with little to no additional cost.

Participation in business student organizations was the only activity significantly related to a greater likelihood of recommending the college to a friend. This could be attributed to social/peer-to-peer aspect of student organizations and how they can potentially build a sense of community and belonging within the college and motivate students to recommend such an experience to others.

Receiving a certification was positively associated with an intent to stay connected to the college. Certification programs are generally associated with additional costs for participants as there are often fees attached to preparation workshops and standardized testing. This may negate their value proposition to students and affect the student’s cost/benefit analysis. However, the

additional time spent out-of-class engaging with college faculty in preparation for a certification exam may create stronger personal connections to those faculty that motivate a greater intent to stay connected to the college (Prebil & McCarthy, 2018).

Study abroad was the one activity not associated with increased satisfaction with the CBA, and in fact had a marginally significant instance of decreased satisfaction in terms of recommending the college to a friend. Qualitative feedback indicates there are some areas of frustration among study abroad participants. These factors include the high cost of studying abroad, perceived inadequate level of financial assistance, and the possibility of greater student debt. In addition, the process of getting courses taken at universities abroad approved as transfer credit can be difficult and may involve individual deliberations/approvals from decision makers from different academic units. If a student is not successful in obtaining the necessary transfer credit, some study abroad participants may have to delay their graduation. Also, the bureaucratic process of getting approval from the university to participate in study abroad (e.g. background checks, numerous forms) can be wearisome as well. Because of these issues, some students may feel that rather than encouraging students to study abroad, schools are putting up roadblocks or at the least not doing enough to make the process easier. While most participants indicate high satisfaction with the study abroad experience itself, there does appear to be evidence of some backlash against the college and university as a whole for making the process more stressful. This could in turn make these students less willing to recommend the college to others.

Theoretical Implications

The results extend the literature on education quality (e.g., Cheng & Tam, 1997). In particular, we empirically tested Arnett et al.'s (2003, p. 96) hypothesis that "the positive affect associated with participating in extra-curricular activities could increase a person's overall satisfaction with the university." We found that participation in extra-curricular activities is antecedent to student satisfaction. Indeed, participators had significantly higher mean satisfaction responses than non-participators on three of the four satisfaction measures (overall educational experience was not significant). With the exception of study abroad, we identified four extra-curricular activities (i.e., for-credit internship, certification program, competition, and business-related student organization) that are associated with enhanced satisfaction as well as the indicators of satisfaction (i.e., overall evaluation of the CBA, intention to stay connected to the college, costs vs. benefits of a CBA education, and intention to recommend the CBA to a friend) each activity influenced (see Table 2).

Practical Implications

This research suggests that college-organized extra-curricular activities are not only in the best interest of the student, from a learning outcomes standpoint, but will also benefit the college through increased levels of graduate satisfaction (Snijders et al., 2019). Additionally, our study is important because it indicates that these extra-curricular activities can not only enhance student learning and career readiness, but they can also enhance the marketability of the college to current and prospective students. Based on our findings, colleges should use extra-curricular activities to help students better clarify their long-term expectations and goals (Mark, 2013).

LIMITATIONS AND FUTURE RESEARCH

We did not measure levels or the extent to which students participated in extra-curricular activities. This might have provided more insight than simply asking whether or not a student participated in a particular extra-curricular activity. Furthermore, building on the work of Arnett et al., (2003) and Reed (2002), it might have been better to measure social identity salience rather than simply student connection. Although our study did not examine the relationship between student activity and student satisfaction with the activity, clearly, students play a role in producing their own satisfaction. Given that Zhang et al., (2008) found that student activity affects student satisfaction acting through both perception quality and perception value, this is a fertile area for future research.

Future research should also investigate the link between student connection and future donations because participation in internships, business competitions, professional certifications, and involvement with a business-related registered student organization likely affect future donations (Arnett et al., 2003; Bruggink & Siddiqui, 1995; Harrison et al., 1995). Future research should also examine variations in student experience across programs (e.g., business vs. engineering). Our research also detected a potential red flag regarding study abroad, as participation in that was associated with some evidence of a decrease in satisfaction with the college. This merits further examination on what is causing this dissatisfaction and what are the potential solutions. Given that students are satisfied when they perceive the pleasurable fulfillment of a service (Oliver, 1997), future research should address the question: What is it that students expect from their extra-curricular experiences?

In closing, the overarching implication of our study is that the increased competition among colleges and universities is conferring greater importance to extra-curricular activities as a way to achieve competitive advantage. In this sectorial context, it is imperative that colleges and universities appreciate the linkages between extra-curricular activities and various attributes of student satisfaction. In this research, we provide a framework for ensuring student satisfaction by embedding quality into the college and university learning process through meaningful extra-curricular activities including for-credit internship, certifications, competition, college-related student organizations, and hassle-free study abroad experiences. Our study constitutes an important step toward understanding the relationship between extra-curricular activities and student satisfaction. Studies that replicate and extend our research are called for. Given that colleges spend considerable time and resources organizing and promoting extra-curricular activities for their students, such research should be of increasing value.

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DOES CULTURAL MENTORING IMPACTING INTERCULTURAL COMPETENCE?

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ABSTRACT

With the continued globalization of the workforce today it is becoming more important for today's workers to be globally competent. For workers to be globally competent it is essential that they gain the necessary skills while completing their college education. Intercultural competence has to be acquired through specific formal and informal experience for students to have the greatest gains during their college experience. This study explores the impact of precollege characteristics, college experiences and study abroad on students' intercultural competence at a rural, public, four-year liberal arts university.

INTRODUCTION AND BACKGROUND

In a joint statement (2021) from the US department of State and the US department of education, they say “The robust exchange of students, researchers, scholars, and educators, along with broader international education efforts between the United States and other countries, strengthens relationships between current and future leaders. These relationships are necessary to address shared challenges, enhance American prosperity, and contribute to global peace and security.” (pg. 1)

Over the past two decades, numerous reports have been published regarding higher education’s need to address global preparedness in the workforce (Vande Berg, Connor-Linton, and Paige, 2009; Association for the Study of Higher Education [ASHE], 2012; Hammer, 2012; Salisbury, 2015). Higher education has responded by implementing many activities, programs and curricular changes to prepare students for the workplace of today and the future. These activities have included establishing multicultural centers on campus’, increasing study abroad participation, bringing more international students to campus, internationalizing the curriculum and more. Educational policy makers, companies, and higher education leaders have recognized this need for American college graduates to acquire global competencies in order to effectively communicate and collaborate across racial, ethnic, and cultural differences and to successfully compete and contribute in today’s “new global century” (ASHE, 2012). One of the most prominent ways higher education has attempted address this has been by trying to increase participation in study abroad. Due to the very nature of study abroad—traveling to a foreign country for study—most educators, university administrators, study abroad firms, governmental bodies, and others concerned with the need to educate global citizens, have long simply accepted that study abroad improves one’s intercultural competence. However, the evidence suggests otherwise (Salisbury, An, & Pascarella, 2013).

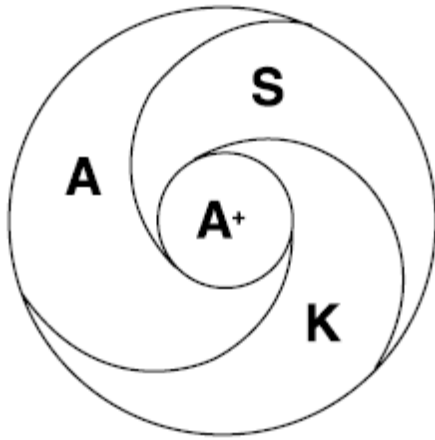
Intercultural competence early on was loosely defined as “orientations towards cultural difference” (Hammer, Bennett, & Wiseman, 2003). Later intercultural competence and knowledge was defined as “a set of cognitive, affective, and behavioral skills and characteristics that support effective and appropriate interaction in a variety of cultural contexts” (Bennett, J., 2008).

Furthermore Deardorff (2011) addresses the complexity around defining the concept of intercultural competence by recognizing that scholars still have not settled on a single definition. Deardorff’s process orientation model recognizes internal and external outcomes of intercultural competence based on the development of “specific attitudes, knowledge, and skills inherent in intercultural competence.” Deardorff then defines intercultural competence as “effective and appropriate behavior and communication in intercultural situations” (Deardorff, 2011). With this framework Deardorff (2010) states that intercultural competence is a lifelong process, and one never becomes completely interculturally competent (p. 90).

Fantini (2000) posits that while interculturalists do not agree on a single definition, but do agree on the nature of the intercultural experience, as in the development of competence in another culture, provide opportunity for reflections into one’s own native culture (Fantini, 2000). In addition to attitudes, skills, and knowledge, awareness is introduced to the construct. Awareness of self and others is a central theme in most intercultural models. Fantini (2000) states “many interculturalists see awareness (of self and others) as the keystone on which effective and appropriate interactions depend” (Fantini, p. 28). As seen in image 1, based on the research on pedagogy of learning, awareness has emerged to complement the attitudes, skills and knowledge.

Fantini (2000) represents this by awareness being in the center and attitude, skills and knowledge emitting and surrounding awareness (p. 28). For an illustration of this see image 1 in appendix B.

Image 1: Fantini graphic of A+ASK awareness + attitude, skills and knowledge



Additionally, intercultural competence development has often been impacted by developing proficiency in second language learning. Contact and experience with people of other languages and cultures in positive environments provides experience to develop intercultural competencies. This experience beginning the process of intercultural development, but it is an ongoing process and takes time, often a lifelong development process, that may have times of regression or stagnation, but has no end point (Fantini, 2000).

The Developmental Intercultural Competence Model developed by Bennett (1986) emphasized the process of moving through levels of ethnocentric to ethnorelative stages. This model has been renamed Developmental Model of Intercultural Sensitivity (DMIS) (Hammer et al., 2003). The DMIS includes three ethnocentric orientations: Denial, Defense, and Minimization and three ethnorelative orientations; Acceptance, adaptation, and Integration (Hammer, Bennett, & Wiseman, 2003). This model is viewed as a continuum in which an individual moves through, the stages, may stagnate, and even regress at times.

- The denial stage demonstrated one's attitudes that other cultures were irrelevant, and that only their own culture was legitimate.
- The defense stage recognized that other cultures exist but in an us-versus-them attitude. Defense reversal can occur in this stage when an adopted culture succeeds one's former culture.
- Minimization incorporated the differences in cultures, but mostly just as an extension of their own culture.
- Acceptance emerged when one recognized their culture as one of many various cultures of the world.
- Adaptation appeared in the continuum as one began to behave in manners from other cultures.

- Integration occurred on the continuum if one began to blend their indigenous culture with other cultural worldviews and created overlap of multiple cultural identities and groupings (Bennett, 1986).

With the developmental models and process-oriented models of intercultural competence the idea of precollege characteristics, the college experience including study abroad having an impact on intercultural development is plausible. The construct of intercultural competence, and gaining greater intercultural competence is dependent on having experience in many different cultural contexts.

STATEMENT OF THE PROBLEM

With higher education seeking to address the needs of preparing students as global citizens, many efforts to increase intercultural, international, and global learning have been undertaken on campuses throughout the United States. These efforts include multicultural centers, study abroad, and international curricular changes. Research on intercultural competencies has primarily focused on students, particularly those who have studied abroad. Limitations on these efforts have included studies that have focused on trips from the United States to other Westernized countries throughout Europe, length of the sojourn trip, and on the predispositions for studying abroad (Vande Berg, Connor-Linton, & Paige, 2009; Kelley, 2010; Salisbury et al., 2013). To address these limitations, this research will provide additional knowledge about intercultural competence development within the curriculum, activities and experiences at institutions of higher education. With intercultural competence as a precursor to global competence, it is important for colleges and universities to provide opportunities for students to gain intercultural competence to be better prepared for entering the global workforce.

Global competence is needed to cope with, understand, and manage working and living in the connected world around us. Today's workers are either preparing to work with or are working with others, many of whom are likely to be from another culture or sub-culture either across borders or local, which may include colleagues, customers, students, suppliers, management, investors, counselors, or any other person or group.

Recent reports have indicated that many organizations do not believe they have the global talent to reach their organizations' goals (Killian, et al. 2011; Osland, et al. 2017). In the continuous development of the Global Mindset Model, Javidan and Walker (2012) stated that having an international business, international management, or international affairs graduate degree increased one's Global Mindset Inventory score. Those without an international degree but with large amounts of experience in several countries have lower scores than those with a degree and the same experience. Those without a degree would need to live in two additional countries to achieve the same score as those with an international degree. The data showed that for those with an international degree the impact of living and working in another country was greater than those without an international degree (Javidan & Walker, 2012).

When studying global leadership, many researchers have focused on expatriates (Mendenhall et al., 2013). Similarly, in researching global competencies, most of the research has been focused on expatriates (Jokinen, 2005). These studies have found that expatriates do exhibit knowledge, skills and attitudes associated with global competence. Research on global leadership

and global competencies has often focused on business settings, international assignments, international managers, and government employees (Adler, 1997; Black et al., 1999; Bird & Stevens, 2004; Mendenhall, Reiche, Bird, & Osland, 2012). This would be an indication that, for global competence development, having experience in a global work setting is needed.

Background of the Problem

With the emergence of multinational organizations over the past three plus decades and their need for leaders in various locations across the globe, it is critical that leaders are trained with a global mindset. There may be an opportunity to begin this training within higher education institutions. As this need for globally competent workers in business has emerged, many in the academic and scholarly fields have undertaken ways to address the need of globalization. With scholarly pursuits often being isolated in silos of disciplines and research agendas, many models and divergent tools have been developed.

One goal of this research is to link intercultural competence as a prerequisite to global competence through a review of the literature. The second and primary goal is to help identify ways in which higher education can address the need of intercultural competence development by exploring the relationship of predispositions before and during the college experience, including study abroad, which may impact intercultural competence.

DEFINITION OF KEY TERMS

A number of terms need to be defined as they are used throughout this study and are relatively recent to the literature. These terms have been defined by leading authors (Ang & Van Dyne, 2008; Bennett, 2008; Bird & Osland, 2004; Mendenhall et al., 2013) in the field or have been compiled based on several authors and literature for use in this study. Defining these terms will bring consistency to their use and add to the literature.

Global experience—traveling abroad for a time of two weeks or longer, studying or working abroad, or living in a country other than one's home country.

Intercultural competence—"a set of cognitive, affective, and behavioral skills and characteristics that support effective and appropriate interaction in a variety of cultural contexts" (Bennett, 2008).

Cultural intelligence—"an individual's capability to function and manage effectively in culturally diverse settings" (Ang & Van Dyne, 2008).

Global competencies—characteristics, traits, attitudes, skills, and abilities that when possessed are useful to becoming successful in a global setting (Bird & Osland, 2004).

Global citizenship—(1) global awareness (understanding and appreciation of one's self in the world and of world issues), (2) social responsibility (concern for others, for society at large, and for the environment), and (3) civic engagement (active engagement with local, regional, national, and global community issues) (Stoner, 2014).

Global Leadership—contexts involve multiple cross-boundary stakeholders, multiple sources of external cross-boundary authority, and multiple cultures under conditions of temporal, geographic, and cultural complexity (Mendenhall et al., 2013).

Expatriate—a person who works on a job assignment in a country other than one's own home country.

Study abroad—educational travel that involves studying in another country, usually lasting two weeks to one year.

INTERNATIONALIZATION OF HIGHER EDUCATION

Internationalization has been one of the most powerful forces and biggest movements in higher education over the past two decades in American universities especially following the unfortunate events of September 11th 2001. With a renewed interest in internationalization of the curriculum since the turn of the last century, many efforts have been made to increase the international, global and intercultural competence of the university experience. In the past decade major initiatives, and efforts from the American Association of Colleges and Universities (AAC&U), Association of Public and Land-Grant Universities (APLU), and American Council on Education (ACE) have been undertaken to renew the internationalized curriculum of American higher education. These efforts have included intercultural/multicultural centers on campuses, increased participation in study abroad, and an increase in bringing international students to university campuses in the United States. While these initiatives have been put in place, they have not been as effective or met the desired results that were expected (Salisbury, 2015; Salisbury, An, & Pascarella, 2013; Kelly, 2010).

Altbach, Reisberg and Rumbley (2009) state “it is not possible for higher education to opt out of the global environment, since its effects are unavoidable” (p. 7). Internationalization is a not a national effort, rather a global effort. News about internationalization in higher education moves quickly across borders and the Internet and other forms of communication allows this to happen instantly. Internationalization efforts at one institution is often examined, considered or implemented by other institutions in other regions of the world (Rumbley, Altbach, & Reisburg, 2012). This implementation of internationalization of the curriculum can lead to undesired results if the initiative was not properly assessed before being copied elsewhere.

Rumbley, Altbach, and Reisburg (2012) provide a summary list of central themes of major key aspects of internationalization in higher education. While not an exhaustive list, it highlights the multifaceted nature of internationalization and its effect on individuals, institutions, and national and regional higher education systems. The list includes:

- The increasing number of internationally mobile students and scholars, moving to and from ever more diverse locations
- The rapid growth in cross-border educational provision
- The push to achieve world-class status
- The interest in producing globally competent graduates capable of understanding and functioning in a complex and interconnected world
- The increasing prevalence of the English language for teaching and research
- The significant emphasis on cooperative networking among higher education institutions and national higher education systems
- The overt efforts by individual institutions and national higher education systems to compete internationally

- The dramatic increase in the commercialization of international education, particularly in terms of the growing opportunities available to for-profit enterprises.

The rationale for internationalization has changed over time and has multiple players involved in the rationale. Four categories of rationale were present in 1999, which included academic, economic, political and social (de Wit & Merckx, 2012). By 2008, there were two levels identified, institutional and national (de Wit & Merckx, 2012). Surveys conducted by the International Association of Universities (IAU) in 2005 and 2009 found a major rationale for internationalizing in higher education was for preparing students to be interculturally competent (Knight, 2012).

A development in internationalizing higher education has been the division of “internationalization at home” and “cross-border education”. Internationalization at home includes campus-based strategies and initiatives that include international and intercultural dimensions to teaching/learning, curriculum, research, extracurricular activities, and relationships with ethnic and cultural groups. Additionally, the “at home” concept includes the integration of foreign students and scholars into campus activities (Knight, 2012). The cross-border education is the mobility and movement of people, programs, providers, policies, knowledge, ideas, services and projects across national boundaries (Knight, 2012).

The efforts to internationalize the curriculum in the United States the past two decades has been fueled by political action. To achieve international and global citizenry the bi-partisan Lincoln Commission Report (2005) to congress stated that a massive increase in the global literacy and awareness of the college graduate is required (Stoner, et al., 2014). The American Academy of Arts and Sciences (AAA&S, 2013) states that graduates need to be prepared to participate in the global economy and understand diverse cultures and be able to work with people from around the world. The AAA&S focuses on language learning, expanding education in international affairs and transnational studies and supporting study abroad and student exchange programs (Stoner, et al., 2014). The National Leadership Council for Liberal Education and American’s Promise (LEAP) published a report that identified global and local civic knowledge and engagement and intercultural knowledge and competence as essential learning outcomes for university graduates (Stoner, et al., 2014). For college graduates to be competitive for employment opportunities, they must have the ability to operate in an expanding global economy. Universities should have a pressing obligation to provide these skills by creating and expanding robust curricula and other initiatives on campus that help foster these needed skills (Stoner, et al., 2014).

The Association of American Colleges and Universities’ (AAC&U) Greater Expectations report identified that colleges and universities should create settings that foster students understanding of their connectedness to local and global issues and their responsibility to act as global citizens. Additionally, students should have the opportunities to learn about human imagination, expression, and the products of many cultures and those interrelations within global and cross-cultural communities (Nair, Norman, Tucker, & Burkert, 2012). One of the biggest efforts to provide this opportunity has been the AAC&U’s Liberal Education and America’s Promise a national advocacy and action initiative working towards all students having a twenty first century education that emphasizes global and intercultural competence and knowledge, civic mindedness and connections between the human, physical and natural worlds.

ANTECEDENTS OF INTERCULTURAL COMPETENCE

With the numerous constructs and models of intercultural competence, much of the work and literature has been fragmented. Research on intercultural competence has positioned into three distinct streams of research. The first and largest stream of research uses an individual differences approach and conceptualizes competence as personal traits (Raver & Van Dyne, 2017). The second stream conceptualizes intercultural competence as intercultural attitudes and worldviews (Raver & Van Dyne, 2017). The third stream conceptualizes intercultural competence as a set of intercultural capabilities, as in knowledge, skills and abilities that people can use in intercultural contexts (Raver & Van Dyne, 2017). From this third stream of literature the concept of cultural intelligence (CQ) has emerged. In this thread of cultural intelligence literature two overarching antecedents predicting or preceding high cultural intelligence have begun to emerge: personality traits and cultural experiences (Ang, Soon & Koh, 2006; Presbitero, 2008; Kim & Van Dyne, 2012; Moon, Choi & Jung, 2012; Li, Mobley & Kelly, 2013; Tay, Westman & Chia, 2016). From these numerous studies, the antecedents and predictive variables of cultural intelligence have been introduced to the literature.

Cultural intelligence (CQ) has been defined as a four-factor model, which includes metacognitive, cognitive, motivational and behavioral facets. Metacognitive CQ is the mental capacity to acquire and understand cultural knowledge. Cognitive CQ is the knowledge about cultures, their similarities and differences. Motivational CQ is the interest and confidence in functioning effectively in intercultural contexts. Behavioral CQ is the capability to flex between behaviors in intercultural contexts (Ang & Van Dyne, 2008). Understanding these four factors of CQ provides a background to the predictive variables and antecedents of cultural intelligence and developing intercultural competence.

Ang, Soon and Koh (2006) found that the Big Five model of personality correlates to CQ. The Big Five model of personality includes extraversion, agreeableness, conscientiousness, emotional stability and openness to new experience. The study included 465 business students from a large public university in Singapore who provided data on CQ and 338 students provided a second set of data six weeks later on personality and demographics. The results found that conscientiousness correlated to metacognitive CQ, agreeableness was positively related to behavioral CQ, though emotional stability negatively related to behavioral CQ, extraversion was correlated positively to motivational CQ and behavioral CQ, and openness to experience was positively related to all four factors of CQ: metacognitive CQ, cognitive CQ, motivational CQ, and behavioral CQ (Ang, Van Dyne, & Koh, 2006). While there is significant and interesting data on personality and cultural intelligence this research focuses on experiences impacting intercultural competence. However, it is important to acknowledge that personality is an antecedent or predicting factor on intercultural competence development.

Kim and Van Dyne (2012) found that prior intercultural contact is a predictor of cultural intelligence and that cultural intelligence is a predictor of international leadership potential. This research was conducted over two studies. The first study included 441 working adults using a questionnaire at an international professional conference. The study assessed prior intercultural contact based on the number of countries the participants had lived in for at least six months including their home country. Additionally, the participants were assessed on cultural intelligence, the study controlled the sample by gender, education and work experience as CQ as prior research

show an association of gender, education and work experience to CQ. The second study two included questionnaires from 181 working adults with observations from 708 also filling out questionnaires on self-awareness and feedback delivered through a part-time graduate course. This second study controlled for prior intercultural contact and minority (member of the minor group) status and looked at the relationship of CQ and potential international leadership. After each participant filled out the questionnaire on intercultural contact and CQ, each participant had two sets of observers provided data on CQ and international leadership potential. Through confirmatory factor analysis the data showed a positive result between CQ and prior intercultural contact. The data also showed a positive relationship between CQ and international leadership potential. Overall the results showed a positive relationship of prior intercultural contact predicting CQ, which then predicted international leadership potential, but only for members of the majority group status, not those in the minority group status (Kim & Van Dyne, 2012). The results of prior intercultural contact predicting greater cultural intelligence would support this research of precollege experiences, including intercultural contact positively impacting intercultural competence. While Kim and Van Dyne found the relationship of intercultural contact in working adults, this research explored this relationship in university students, and particularly in the participants' precollege experiences.

Moon, Choi and Jung (2012) discovered that international non-work experience, including personal and language study trips had more of an influence on CQ than work experience. The study was a self-report questionnaire of 190 Korean expatriates across seven industries. The questionnaire surveyed the participants on cultural intelligence, predeparture cross-cultural training, goal orientation, and cross-cultural adjustment. The study controlled for age, tenure after assignment, education, job title, language proficiency and previous visiting experience as these demographic and experiences have been related to CQ and cross-cultural adjustment previously (Moon, Choi, & Jung, 2012). The results showed that previous international nonwork experience correlated positively to all four factors of CQ, metacognitive, cognitive, behavioral and motivational. International work experience only had a positive relationship to metacognitive and cognitive CQ. Additional analysis showed the impact of international nonwork experience to be greater than international work experience. In regards to predeparture cross-cultural training, comprehensiveness of the training related positively with all four factors, while the length of training only related to cognitive CQ (Moon, Choi, & Jung, 2012). With results showing that nonwork experience in international settings impacting CQ positively, it supports this research of precollege experiences impact on intercultural competence.

Tay, Westman and Chia (2015) found that multicultural experiences (MCEs) have a positive relationship with CQ in short-term business travelers with a low need for control, but not for those with a high need for control. However, those travelers with a high need for control have higher CQ than those with a low need for control. With a final of sample of 491, questionnaires were given to business travelers working at multinational corporations in Brazil, Singapore, and Israel. Of the respondents 92% had travelled for work lasting a week or less with an average of 9.25 trips within the previous year. The study explored multicultural experiences (MCEs), burnout, schedule autonomy, cultural intelligence and need for control. The study controlled for gender, marital status, educational level, tenure at current company, and location (Tay, Westman, & Chia, 2008).

The results found that multicultural experiences positively related to cognitive CQ, although not as positively related to motivational CQ as the control variables were. Multicultural

experiences were not significantly related metacognitive or behavioral CQ. Travelers' need for control was positively related to all four factors of CQ, once the control variables were accounted for. Multicultural experiences combined with need for control showed significant relation to cognitive and motivational CQ. The results also found that the relationship of positive MCEs to cognitive CQ and MCEs to motivational CQ was stronger in travelers with a lower need for control. Additionally, the results found MCEs combined with need for control impacted higher motivational CQ and that travelers with lower need for control experience higher motivational CQ when they had more multicultural experiences. Finally, the results found a significant and negative relation of burnout and schedule autonomy to metacognitive, motivational and behavioral CQ, but not cognitive CQ. Additionally, metacognitive, motivational and behavioral CQ were significantly positively related to schedule autonomy (Tay, Westman, & Chia, 2008). The result of this study shows that multicultural experiences, in this case short term work experiences and need for control are positively related to cultural intelligence once control factors are accounted for. This would support this research on short term experiences and multicultural experiences impacting intercultural competence scores. To add to the literature this research explored the relationship of these experiences and others, in university students with their precollege experiences. The importance of students improving their intercultural competence is to lead to their gaining of global competence in the workforce following graduation. To be competitive in the global workforce students will need to be globally competent, of which intercultural competence is a prerequisite to global competence. Students leaving higher education with greater intercultural competence allows them to more quickly begin the experiences in the workforce to gain the needed global competencies.

With previous research finding correlation and inferences of international and global experiences impacting individual's intercultural competence this research explored replicating this in the higher education classroom. Those individuals who travelled abroad for leisure or for a longer period of time seemed to have more impacts, so this research utilized an organized formal setting of students over a period of ten weeks. This guided experience was in a classroom that had international MBA students act as cultural mentors for students in a 100-level business course.

RESEARCH QUESTION AND HYPOTHESES

Can cultural mentoring create intercultural environments that have a positive impact on intercultural competencies of university students?

Hypothesis 1: University students with specific precollege characteristics will show positive impact on intercultural competence score gains.

Hypothesis 2: University students with specific college experiences of cultural mentoring will show positive impact on intercultural competence scores gains.

Hypothesis 3: University students with specific precollege characteristics and specific college experience of cultural mentoring will have the greatest impact on intercultural competence scores.

Research Variables

Adapted from Salisbury et al. (2013), the following variables will be used to measure precollege characteristics: (a) gender, (b) race, (c) academic preparation, (d) parent's educational attainment, (e) socioeconomic status, and (f) positive attitude toward literacy. College experience variables will include (a) college major, (b) co-curricular involvement, (c) diverse experience and interactions, and (d) integrative learning experiences. Undergraduate students, in an introductory business course participated in a cultural mentoring program that grouped them with five international MBA students in-class for a weekly session learning about each other's home cultures. This program lasted for 10 weeks. A control group of students who completed the same introductory class without participating in this cultural mentoring program were also assessed for comparing the impact on intercultural competence scores.

Research Intervention

In the fall quarter of 2019, students in an introductory business course from one rural, public, regional university participated in weekly intercultural mentoring sessions with five international MBA students from various countries. The sample included a class of 21 students, separated into five groups of approximately four each. Each participant, including the cultural mentors, was assessed with a pretest and posttest of intercultural competence and a demographic questionnaire, included with the pretest, to capture data on precollege characteristics and college experiences.

The students spent one class period a week over ten weeks, of 50 minutes each in groups discussing various cultural topics. The conversations were two way in that each group member was participating in sharing their experiences. The group conversations were led by the cultural mentor who they were given topic ideas to start the conversation each week. These topics ranged from what holiday celebrations are like, what clothes and food they wear and eat, to what are social injustices in your country, to name a few. The students were rotated into new groups approximately 4 times over the ten weeks to have experience and conversations with multiple mentors.

ASSESSMENT TOOL AND MEASURES

To best replicate previous research on precollege characteristics, the college experience, and study abroad impact on intercultural competence, the researcher will use the Miville-Guzman University Diversity Scale (MGUDS) short form to assess intercultural competence. Previous studies have utilized the MGUDS to measure intercultural competence (Salisbury et al., 2013).

One limitation to the research was the small sample size. Completing the survey and MGUDS assessment was voluntary for the students. The participation in the cultural mentoring session was required as part of the course and occurred during the regular class meeting time once a week. The pretest assessment included data from 18 undergraduate students and 5 MBA students. The post-test included data from 10 undergraduate and three MBA students. While the response rates were low, the data showed an average increase in MGUDS score by 3 points. The

pretest average score for the undergraduate students was 69.11 out of 90 points possible. On the posttest undergraduate students scores increased by 3 full points or 4.3% to 72.1. The MBA students who were the mentors in the project had an average score of 74.2 on the MGUDS pretest and an average score of 77.3 on the posttest. Also, a 3 point or approximately 4% increase. From this small dataset it could be inferred that cultural mentoring could have a positive impact on intercultural competence score. Further research with a larger sample size would need to be utilized to further confirm the results. Recreating this project at other universities would be useful to further analyze the impact of cultural mentoring on student's intercultural competence.

CONCLUSION

Today's workers and those in the future will need to be prepared for a global workplace and society, so understanding the interdisciplinary nature of intercultural and global competencies is paramount in preparing them. As these global employees progress in their fields, they will become the next generation of global leaders. Effectively preparing these workers to enter the leadership pipeline, will better ensure organizations' sustainability as economies and society continue to evolve in this global manner.

For the workforce to be prepared, it is imperative that universities deploy the best practices to ensure graduates are leaving with the correct skill set for the workforce. With evidence of precollege characteristics and college experiences that better impact intercultural competencies, universities and other interested agencies can then adapt the curriculum to best improve those competencies. If university graduates then leave with improved intercultural competencies, they will be prepared to start acquiring global competencies needed to be global leaders.

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SUSTAINABILITY OF AN EXPERIENTIAL LEARNING MODEL: LEARNING OUTCOMES THROUGH INTERNSHIPS

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ABSTRACT

The experiential learning techniques that we rely on today have been further developed and analyzed since their beginning with John Dewey's (1910) concept of "learn by doing." This paper studies the practical side of the functionality and sustainability of experiential learning through higher education. Further, the work examines the application of experiential learning beyond the classroom and into professional career engagement. The paper emphasizes the enduring experiential models that can be deployed through students' intellectual and technical capabilities once taught. Additionally, the paper highlights the importance of correctly developed internships for the individualized benefit of the student.

INTRODUCTION

Why should we care so much about experiential learning and its growth properties and potential in secondary education? The answer is simple; people are starting to question the value of sending students to colleges and universities (Chamorro-Premuzic & Frankiewicz, 2019). Universities' unique value is their ability to teach through experiential learning (Allen, 2020). Great potential for meaningful learning is inherent in experiential learning (Lewis & Williams, 1994). Experiential Learning is the culmination of critical thinking, problem-solving, and decision-making of learning by doing. David Kolb (1984) is a foremost resource in Experiential Learning from his publication of *The Process of Experiential Learning*. We build the foundation of experiential learning from him by understanding that it is not practiced by itself. Instead, it is the combination of perception, cognition, behavior, and experience; it's built on the collective works of Lewin, Dewey, and Piaget. John Dewey, Kurt Lewin, and Jean Piaget were three of the foremost leaders in evaluating and projecting experiential learning theory. John Dewey is the author of *Experience and Education* and the founder of the theory of reflective thought and action.

Husson University's College of Business requires a minimum of one and a maximum of four experiential learning experiences. The goal of these internships is not only for the student to gain practical knowledge but also for the student and the mentor/employer to develop a relationship that could lead to a career opportunity after graduation. When the time between classroom learning and professional application is reduced, the student benefits. When the mentor/employer has the opportunity to work with the student/ intern, a relationship begins to determine the suitability for career employment. Our internship model requires eighteen (18) elements to be built into the student's career portfolio.

Active, persistent, and careful consideration of beliefs or supposed knowledge in the light of the grounds that support it and further the conclusions constitutes reflective thought (Dewey, 1910). Kurt Lewin is the developer of The Three Step Model of Change, which influences Kolb's and others' learning cycles; unfreezing the present level, moving onto a new level, and freezing life on the new level (Lewin, 1947). Jean Piaget is the author of *Play, Dreams, and Imitation in Childhood*. His work compounded the belief that experiential learning was fundamental and started in childhood; both symbol and concept exist in sensory-motor assimilation. When the baby who has learned to swing an object swings another object, this generalized schema is the equivalent of the idea (Piaget, 1945). The final summarization of Kolb's work on experiential learning can best be restated directly from his publication, "Knowledge is continuously derived from and tested out in the experiences of the learner" (Kolb, 1984). We conclude experiential learning as a sustainable learning model carried through secondary education to professional employment through his process. It is more than a theory; it is the actual application of skills

SUSTAINABLE MODEL

According to the Kolb method, true learning is depicted as a four-part process (Lewis & Williams, 1994). Learners have concrete experiences, reflecting on them from different perspectives. The learner will engage in abstract conceptualization from their reflective observations by creating generalizations that integrate the observations into theories. They are then led into active experimentation to test what they have learned in more complex situations (Lewis

& Williams, 1994). Experiential learning is categorized as sustainable because after the students have applied their active experimentation to more complex cases, they gain a new set of concrete experiences. This leads to another round of learning at a more sophisticated level. Concrete experiences can be induced by recalling past experiences, through role-play, or via case studies (Lewis & Williams, 1994).

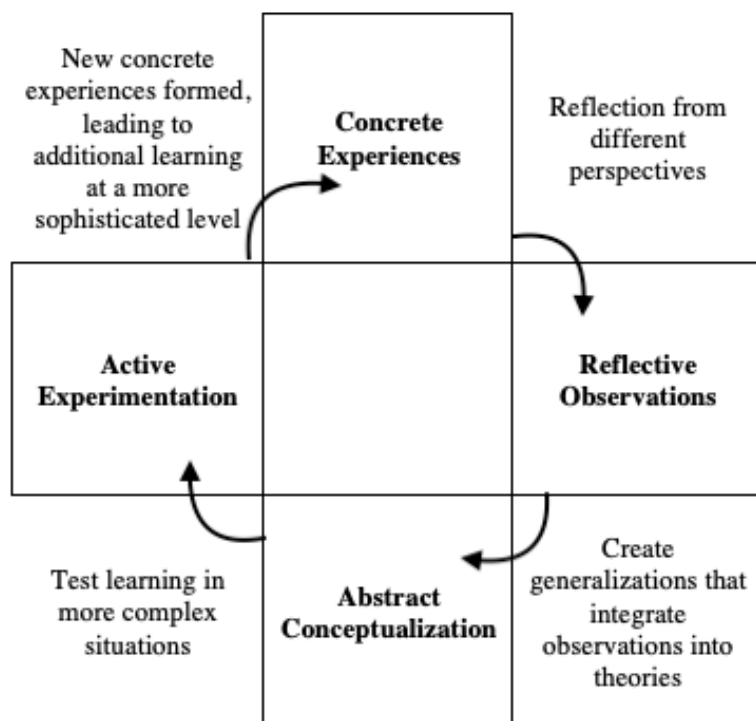
Reflective observation is cultivated by group discussions, reflective papers, and journals; abstract conceptualization is stimulated by lectures, print sources, and films; and active experimentation is encouraged by problem-solving exercises such as mock proposals (Lewis & Williams, 1994). Via the Kolb method, authentic learning is experiential learning; it is never intended to end and also keeps a keen focus upon continuous improvement (see Figure 1).

Kolb's (1984) theory isn't the only theory that strives to prove experiential learning as a sustainable model. Many leading educational theorists have built upon Dewey's concept. Kurt Lewin, Paulo Freire, William James, and Carl Rogers helped supplement John Dewey's six concepts of experiential learning (Inchaouh & Tchaicha, 2020). Their experiential process involves the following: 1) A focus on process rather than outcomes; 2) a test to prove or disapprove preconceived ideas on a topic; 3) options for different modes of reflection, action, feeling, and thinking; 4) an understanding of the world; 5) interactions between the learner and the environment; and 6) creation of knowledge. This process is repeated frequently for every subsequent learning experience under the assumption that each creation of knowledge will lead to additional questions and theories to be followed through with the theory. "Dewey's argument that this type of experience- invoking active interactions- is naturally educational. He also argued that experiential learning could only be possible if learners were emotionally engaged.

The sustainability of experiential learning also stems from its ability to be applied across various majors and learners. Experiential education facilitates diverse educational experiences and programming to meet the changing learning styles of learners (Cantor, 1995).

There are not enough carrots or sticks to improve undergraduate education without the commitment of students and faculty. They are the precious resources on which the improvement of undergrad education depends (Chickering & Gamson, 1987). The carrot and stick method referred to here is the process of offering incentives to persuade better actions and then the punishment if they refuse to follow through. This method needs to be usurped and replaced by the commitment of faculty and staff to better their education on a personal level. Several of the better options for improving practice in higher education is: contact between students and faculty, developing reciprocity and cooperation among student, encouraging active learning, and giving prompt feedback (Chickering & Gamson, 1987).

Figure 1: Lewis & Williams (1994) adaptation of the Kolb Learning Cycle



Active learning follows a similar course of action as experiential learning. Through consulting projects and immersions in capstone courses and action learning labs, experiential learning gives students opportunities to apply what they learn to real-world problems faced by organizations (Allen, 2020). There are thousands of internships, independent study, and cooperative job programs across the country in all kinds of colleges and universities, in all sorts of fields, for all types of students (Chickering & Gamson, 1987). Learning is not a spectator sport. Students do not learn just by sitting in classes listening to teachers, memorizing assignments, and spitting out answers. They must talk about what they're learning, write about it, relate it to past experiences, and apply it (Chickering & Gamson, 1987).

At Husson University, we realize that experiential learning is not a "one size fits all" scenario. Our internship experiences are designed to fit the needs of the student/intern and mentor/employer in the best manner possible, realizing that each internship experience will likely be different. Husson's internship program has been nationally ranked by US News & World Report.

SERVICE LEARNING

The most successful experiential learning activity of acquiring practical interpersonal skills and teamwork is service-learning; community service as a formal part of education quickly

becomes a national movement (Cantor, 1995). Across the country, various colleges and universities make it a requirement for students to complete a number of volunteer hours to graduate. The concept of service learning expands on the idea of volunteerism by including reflective components, emphasizing the transfer of learning, and encouraging students to view problems in a larger societal context (Lewis & Williams, 1994). Service-learning provides students an opportunity to analyze social issues, identify community resources, and take responsibility to help address societal problems. Through the development of cooperative education programs, colleges and their faculty and students are brought closer to their community; proactive economic development emerges (Cantor, 1995).

Business schools face the challenge of training people to respond to organizational management and administration challenges and managing social, ecological, and environmental challenges (Marco-Gardoqui et al., 2020). The most successful companies have internalized and prioritized their sense of belonging to a greater community. It is vital to combine all short, medium, and long-term interests. Experiential service learning is the connection between these two roles. While in college and university, students actively engaging in volunteerism in their community show the same dedication to the community that companies seek when making long-term employment commitments.

Experiential learning can be pictured as a bridge, connecting theoretical textbooks and classroom work to practical and applicable situations promoted by activities such as simulations and internships. Although active learning and experiential learning are not identical, they share the same common core. (Chickering & Gamson, 1987). During this application of book learned knowledge, students immediately apply what they've been told and use it to actual actions. Hakeem (2001) conducted a study where the results showed: that compared with traditional lecture formats, active learning students became more involved with the course content through application to real-life situations. Thus, the active learning students gained a better understanding than the students in the traditional class. Students gain further knowledge through real-time coaching, feedback, and reflection during these times. The experiential learning model provides coaching and feedback that improves students' real-world expertise and confidence to increase their aptitude for handling real-world situations. It's also conducted in a safe and healthy growth arena. The feedback students get is meant to bolster, not break down.

The real value of experiential learning is increased engagement. The article *Innovations in Experiential Learning* said that "having an experience is not the same as learning from it," To learn from experiential learning truly, this article coins the term "coached experience" (Allen, 2020). This means that the student and mentor are directly involved in decision-making, in action taking, through various discussions and collaboration in problem-solving activities. Experiential learning activities are natural motivators; we know that adult learners need to get involved in and take ownership of their learning (Cantor, 1995). This creates a sense of ownership in the outcome, both from the mentor and the student.

To draw a parallel between experiential learnings and the concept of coached experience, we know that you have to get in the water; you cannot learn how to swim by reading about it (McGill University, n.d.). Going a step further, when you are coached on the proper technique to move your arms and legs, swimming becomes easier, and the learning is more thorough than simply getting in the water. If the swimmer and coach discover a problem or difficulty with one arm stroke through discussion and action, they can choose another, and the learning becomes more valuable.

One of the most important aspects of experiential learning is reflecting on the experience; this concept makes it a sustainable model. When you reflect back on your experience, you gain insight and develop additional avenues of discovery to pursue. “Knowing what you know and don’t know focuses learning” (Chickering & Gamson, 1987). Students need feedback on performance to benefit; they need help in assessing existing knowledge and competence; they need chances to reflect on what they have learned, what they still need to learn, and how to assess themselves for the future.

Formative feedback can be used as an instructional tool to help students develop their skills, while also providing multiple opportunities for students to develop their ability to give and receive feedback (James et al., 2020). Reflection assignments serve as an ideal assessment of student learning, and intentionally building in reflection assignments is a core element of learning design (Heinrich & Green, 2020). To ensure that feedback and reflection are valuable, we stress the importance of communication through all parties. Student/intern, professor, and employer/internship site. Frequent student-faculty contact in and out of classes is the most important factor for student motivation and involvement; faculty concerns help students get through difficult times and keep working (Chickering & Gamson, 1987). These approaches are expected to increase the learners' motivation, self-efficacy, and subsequent retention rate and train them for complex business environments (Medini et al., 2019).

There is a correct and incorrect way to structure an effective internship program through your university. Interns should be paid and treated as typical employees if they’re expected to perform like regular employees; paid interns usually consider internships more seriously than unpaid interns (Greer, 2013). Internship supervisors should have a background that helps students develop competencies in training and development; interns also need to have access to professionals in the organization to explore the work environment. Interns need to have ownership of the projects they work on for their employer; give them a project with a manageable scope for the duration of the internship. The internship is the student’s opportunity to implement theory taught in the classroom; it’s the opportunity to see things in practice and interact with people working in the field. An internship is one of the easiest ways to provide a structured experiential learning opportunity for a student.

Experiential learning appears to be more effective in developing the skills that employers seek, such as communication skills, working in teams, and workplace literacy (Lewis & Williams, 1994). Field-based experiences, the oldest area of interest, have been common in higher education since the 1930s. Internships and practicum assignments help prepare students for careers. Hiring and working with interns can give employers realistic insight into the future workforce and offers an opportunity for employers to begin understanding the ideas, motivations, and values of the future workforce (Greer, 2013). Experiences that often occur outside the classroom provide growing numbers of nontraditional and traditional learners with a valuable opportunity to apply theory to practice. These experiences allow all learners to develop the skills and amass job experience, giving them an edge on the competition for employment (Cantor, 1995).

Estimates of U.S. employers’ actual total training investment, including informal and on-the-job training, are estimated to be in the \$200 billion range (Lewis & Williams, 1994). These expenditures are fueled by ever-increasing demands for employee accountability and a need to document how training influences bottom-line results. Employers dedicate a substantial portion of training investments to develop managers, spending approximately 1 percent of revenues on education (Lewis & Williams, 1994). An internship experience through school enhances student

learning and also creates a valuable connection to a workplace in the area. Through internships, students can match employer needs and grow into their roles. This leads to benefits to the employer, including a reduction in turnover, reduction in training costs, and the ability to mentor the next generation.

Experiential learning's impact on return on investment is also vital in its sustainability. Promoting experiential learning partnerships with businesses and the community helps maximize mutual resources (Cantor, 1995). Notably, retention is an issue for both universities and workplace entities. Employees who completed internships are more likely to be at a company at both one-year and five-year retention benchmarks (Marshall University, n.d.). By employing the technique of experiential learning, you can make the experience more personal. It's an opportunity to customize the internship experience so that students and employers can optimize their skills and work towards the future they envision; benefits are derived from learning to perform in their chosen occupations or careers (Cantor, 1995). This creates an employer-employee relationship which in turn will drive up retention rates. Students and employers can improve the return on investment on both emotional and physical levels. This return can be evidenced by reduced turnover and the student's future employment after graduation.

During my years of supervising internships, students and employers have often commented, "Internships create a business relationship between the student and the mentor site." The better educated and trained students are more likely to be considered as future employees. If a student/intern can show the mentor/employer their skillset, a comfort zone develops toward a future employment relationship. In other words, a mutual test drive would reduce the risk of the unknown.

The benefits derived from these relationships is a chance to develop tomorrow's citizens and workers and recruit the best of them to the business organization (Cantor, 1995). Experiential learning provides the connection, and it's up to the mentor and student to develop that connection into something that continues to grow the students and the business. According to a NACE Research Survey, employers made full-time offers to almost 65% of interns, and 80% accepted those offers (Marshall University, n.d.).

FINDINGS

Over the past fourteen years, Dr. Lee Speronis has documented the number of internships he has overseen across four different classifications (see Table 1). This is a mere fraction of the total internships at Husson University during this period.

Table 1: Number of Internships by Year Across BA, BA Grad, SM, and HA Courses Overseen by Dr. Speronis

	BA 351-354	HA 203,401,403	BA Grad 729-730, 790-794	SM 496-498	Total by Year
2008	0	4	0	0	4
2009	0	8	2	0	10
2010	2	4	0	0	6
2011	7	12	3	0	22
2012	15	14	3	0	32
2013	9	23	12	0	44
2014	8	44	20	0	72
2015	17	24	12	0	53
2016	17	23	19	0	59
2017	11	16	22	0	49
2018	26	27	33	15	101
2019	29	22	31	0	82
2020	31	19	17	9	76
2021	23	<u>27</u>	<u>8</u>	<u>0</u>	58
Total by Class	195	267	182	24	668

The total number of internships across all four classifications, ongoing through fourteen years, comes to 668. To further understand what these classes mean, below is a brief description of the course and the requirements for completion. Any class at Husson University that begins with the abbreviation BA denotes it as a Business Management course. HA denotes a course in the field of Hospitality and Tourism Management, and SM represents Sports Management. All students in the College of Business are required to complete a minimum of one 120-hour internship. Students are often encouraged and occasionally required to perform more than one internship and may enroll in a maximum of four internship classes with permission.

BA 351-354 are undergraduate, introductory business internship courses. They require 120-150 documented hours to be completed. The student will find or choose an internship site that the internship coordinator then approves. The internship site can be any business site that the internship coordinator approves. Examples of businesses approved by Husson University for BA 351-354 sites include hotels, banks, casinos, retail, marketing, restaurants, event planning, sales, non-profits, property management, and wealth management.

HA 203, 401, and 403 are undergraduate hospitality internship courses. This signifies that the internship site should have a strong correlation to the hospitality field, including, but not limited to, hotels, restaurants, casinos, event planning, cruise lines, concerts, amusement parks, etc. These courses require a different number of documented hours: HA 203 requires 90 hours, HA 401 requires 120 hours, and HA 403 requires 240 hours.

BA Grad 729-730, and 790-794 are all graduate-level internship courses. These courses also require a different number of documented hours. BA 729 and BA 790-794 require 120-150 hours. BA 730 requires a minimum of 150 hours.

SM 496-498 are undergraduate internships focused on the side of sports management. The functional areas for this internship at Husson University are professional sports, college athletics, high school athletics, sports marketing, arena management, golf courses, and parks and recreations. This internship requires 120 documented hours.

Husson University has a variety of requirements for their internship classes, as demonstrated by the sample syllabus (see Appendix C). A comprehensive portfolio is presented to the internship coordinator to review and grade at the end of each internship. Included in the portfolio are eighteen specific requirements (see Appendix A). The requirements are 1) the internship agreement between the student, mentor, and coordinator, 2) enrollment in the College Central Network, 3) a record of weekly check-ins with the coordinator, 4) the resume of the student, 5) anticipated goals, 6) a profile of the internship site company, 7) contact information for the site mentor, 8) weekly journals of activities and jobs performed by the intern, 9) a work schedule and 10) log of hours, 11 & 12) two projects the student was given and completed for the company, 13) records of meetings with the site mentor, 14) a mentor evaluation, 15) a summary paper of the internship experience, 16 & 17) two examples of excellence in written work and 18) any additional information regarding the internship that the intern feels the coordinator should know.

Special consideration is given to requirement 14) the mentor evaluation (see Appendix B), representing the employer's evaluation of the student. Students are rated in twenty categories using a 6-point Likert scale, 1 through 5, with 6 being non-applicable (NA).

The data for Table 2 and Table 3 was derived from the rubric and evaluation located in the examples shown in Appendix A and Appendix B.

Table 2: Internship Benefits for the Employer

1.	Matching student to employer needs
2.	Reduction in turnover
3.	Creating a connection to the campus
4.	Custom designing the work experience
5.	Greater career commitment by the student
6.	Opportunity to mentor the next generation of management
7.	Enhanced training through competencies
8.	A great source of recruitment
9.	Clear path for succession planning
10.	The chance to test-drive the employee/student

Table 3: Internship Benefits for the Student

1.	Matching employer to student needs
2.	Increased satisfaction and motivation
3.	Workplace application of classroom learning
4.	Creating a connection to the community
5.	Practical skill and career development
6.	Enhanced academic performance
7.	Enhanced employability through competencies
8.	More rapid promotion
9.	Increased professional development
10.	The chance to test-drive the business/employer

Examining the data from Tables 2 and 3 shows that there are clear benefits to employers and students. The students benefit from enhanced employer commitment, increased promotion potential, and acquiring real-world job skills that allow them to hit the ground running upon graduation. For employers, internships also appear to reduce costs by reducing turnover.

LIMITATIONS AND OPPORTUNITIES

This research study supports the existing literature regarding the benefits of experiential learning and internships. While we would hope that the benefits of experiential learning and internships would be universal, additional research is required to determine if that is true. The authors have identified the following research opportunities.

Husson University is a small private university located in Bangor, Maine in the Northeast United States. Additional research should be conducted in a different geographical area to ensure no geographical bias in the findings. Similarly, an analysis should be performed at a large, public school to ensure that the results are not unique to smaller private institutions. As a school in a small city, a more urban environment could be examined as well. Over the last five years, Bangor has experienced a significant workforce shortage. It is unclear how that may have impacted the results of this study.

All of the students participating in this study are studying business. It would be interesting to see if the results can be generalized to other major classifications, such as STEM, to see if the findings are biased by major.

Finally, can the experiential learning and internship model be easily implemented for other learning groups such as retirement age students, non-traditional learners, or younger learners in early education with similar results.

CONCLUSION

This paper was written to track the history of experiential learning from its origins through its application at Husson University. The importance of the experiential learning as we encounter changing educational landscapes as well as dynamic external forces cannot be underscored.

Administrators at Husson have been very adaptive to the feedback from both student/interns and mentor/employers with regard to curriculum design.

A service-learning and internship-based approach gives students valuable hands-on experience and promotes learning on an individual level, and translates to a learning model that each student can find a way to excel. To facilitate further research into the field of experiential learning, we bring into consideration at which age these methods are most beneficial. A natural progression from lecture style to experiential learning benefits university students and promotes a sustainable model to begin or continue their careers.

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APPENDIX A

Internship Grading Rubric

	complete	quality	comment
Table of Contents			
Tabbed Format			
First assignment-register CCN			
Agreement			
Coordinator Check-ins			
Syllabus			
Resume			
Anticipated Goals Paper			
Company Profile			
Journals-Weekly			
Work Schedule/Hours			
Projects-2			
Meetings w/Site Mentor			
On Site Evaluation			
Summary of Internship			
Examples of Writing-2			
other			
Overall Portfolio			

Mentors comments:

APPENDIX B

Husson University College of Business

Internship Employer's Evaluation

Intern's Name _____ Period of Employment _____

Employer _____

To the Supervisor:

Student experiential learning is greatly valued as an important part of quality education at Husson University. We greatly appreciate your efforts in improving your student's professional development and we need your feedback on your student's performance in their field of studies. Please evaluate objectively, comparing the student with other personnel assigned the same or similarly classified jobs and with professional standards for your employees.

Circle one score in each of the 7 categories below:

1=Strongly disagree 2=Disagree 3=Neutral 4=Agree 5=Strongly Agree 6=NA

Decision Making Skills

Identifies problem clearly	1	2	3	4	5	6
Evaluates the significance of evidence	1	2	3	4	5	6
Uses data to make decisions	1	2	3	4	5	6

Communication Skills

Efficiently organizes information	1	2	3	4	5	6
-----------------------------------	---	---	---	---	---	---

Expresses information with clarity when....

Writing	1	2	3	4	5	6
Speaking	1	2	3	4	5	6
Presents information effectively	1	2	3	4	5	6

Interpersonal Skills

Gets along well with other employees	1	2	3	4	5	6
--------------------------------------	---	---	---	---	---	---

Values the point of view of others	1	2	3	4	5	6
------------------------------------	---	---	---	---	---	---

Seeks consensus where appropriate	1	2	3	4	5	6
-----------------------------------	---	---	---	---	---	---

Personal Appearance

Personal appearance is appropriate	1	2	3	4	5	6
------------------------------------	---	---	---	---	---	---

Dresses appropriately	1	2	3	4	5	6
-----------------------	---	---	---	---	---	---

Leadership Skills

Shows individual initiative	1	2	3	4	5	6
-----------------------------	---	---	---	---	---	---

Motivates others to achieve excellence	1	2	3	4	5	6
--	---	---	---	---	---	---

Exhibits leadership skills	1	2	3	4	5	6
----------------------------	---	---	---	---	---	---

Research Skills

Employs relevant research skills	1	2	3	4	5	6
----------------------------------	---	---	---	---	---	---

Identifies relevant information	1	2	3	4	5	6
---------------------------------	---	---	---	---	---	---

Professional Ethics

Recognizes professional ethics situations	1	2	3	4	5	6
---	---	---	---	---	---	---

Exhibits unquestionable integrity	1	2	3	4	5	6
-----------------------------------	---	---	---	---	---	---

Has an excellent work ethic	1	2	3	4	5	6
-----------------------------	---	---	---	---	---	---

Comments _____

Supervisor's signature _____

APPENDIX C

Sample internship Syllabus

**Husson University
College of Business
School of Business & Management**

A. Course Information

- Course Number & Title: BA 351, BA 352, BA 353, BA 354
- Number of Credits: 3 Credits
- Day and Time of Class: **Weekly check-ins all semester beginning the first week**
- Class Location: HAH 269

B. Instructor Information

- Name: Lee P. Speronis, JD., CHE, CHIA, CAHTA
- Office: Harold Alfond Hall room 269
- Office Phone: 207-941-7171
- Email: speronisl@husson.edu
- Office Hours: Monday-Friday by appointment; via email, in-person, phone or zoom

C. Course Description

This course will provide the student with an introductory, mid-level or advanced experiential learning opportunity. Active participation in actual projects for the internship site is required and community service activities are welcome. **120-150** hours are required for this internship.

Each student will find, will choose, or will be provided with an internship site. The site chosen will be based upon; (1) an interview conducted by the management of the internship site, (2) the acceptance by the internship coordinator, and (3) the student's preference of location based on availability. The internship coordinator will have the final decision on all internship placements. The coordinator's decision will be based on his/her interaction with the student during previous coursework and his/her understanding of the requirements of the student and the internship site. Every consideration will be given to the student's personal preferences in regard to location and type of internship site. Coordinator check-ins begin within the first week of the semester.

D. Prerequisites

Completion of 60 hours of course credit

E. Student Learning Outcomes (SLOs):

Upon successful completion of the course, students will be able to:

1. Provide the student with hands-on experience at entry, mid and supervisory level jobs in a business environment.
2. Describe and understand the duties and responsibilities of the student's internship position.
3. Implement and develop previously skills and knowledge in a real-world experiential learning environment in business.

4. Expand the student's knowledge base by applying business concepts and theories to real-world decision making;
5. Develop leadership and management skills through professional demeanor and a solid work ethic.
6. Demonstrate self-assessment and guide their decision making by applying principles of ethics and social responsibility.
7. Develop and expand the student's professional network through interaction with role models and mentors in their fields of expertise.
8. Apply and improve written, oral and non-verbal skills relevant to the business environment through the preparation and presentation of an internship portfolio.

F. Required Texts and Materials:

Required: Each student is required to complete an internship portfolio describing their internship experience and containing the following items:

- 1-Table of Contents
- 2-Tabbed Format
- 3-Mandatory First Assignment
- 4-Internship Agreement; signed by site mentor and internship coordinator
- 5-Record of weekly check-ins with coordinator
- 6-Course Syllabus
- 7-Resume of Student
- 8-Anticipated Goals Paper
- 9-Profile of Internship Host Company
- 10-Weekly Journals
- 11-Work Schedule and Log of Internship Hours
- 12-Project 1
- 13-Project 2
- 14-Record of meetings with site mentor
- 15-Signed Mentor Evaluation
- 16-Internship Summary Paper/Internship Survey
- 17-Examples (2) of excellence in writing-prior course work
- 18-any other relevant information in regard to the internship

REMEMBER THIS PORTFOLIO WILL BE A REPRESENTATION OF YOU AND YOUR INTERNSHIP EXPERIENCE AT JOB INTERVIEWS!!!!

G. University Policies

- All relevant Husson University policies can be found in the "University Policies" link in Canvas, or here <https://www.husson.edu/academics/academic-policies/graduate-policies>

H. Class Specific Policies

- **Internship Decorum:** The instructor expects students to maintain decorum reflective of behavior generally expected in academic and professional environments. Grooming and attire should reflect a professional perspective. You should not wear hats inside the workplace. Be on-time, show great work ethic, learn and perform with excellence. You are not only representing yourself, but also your classmates, your program, the College of Business and Husson University.

- **Document Formatting and Submission:** The College of Business courses use APA style for references and citations unless otherwise specified for law courses. All work will be submitted in one of three methods unless other instructions are provided: 1-via Canvas in either a .doc or docx format; 2-in person; 3-via email. Work submitted in any other format WILL NOT BE ACCEPTED and the assignment will be graded as a zero. All written work should be of the highest academic standards, meaning all narratives must be concise and coherent. All of your written work must be sufficiently supported by cited research. Your work should be carefully proof read and spell checked for accuracy.

I. Course Grading and Assignments

- Detailed explanations of each assignment can be found in Canvas.
- **YOUR PORTFOLIO IS DUE THE FINAL FRIDAY OF THE SEMESTER** or on any date agreed upon by the internship coordinator and the student.

Assignment	Points	% of Final Grade
Intro Assignment/Employer Agreement	50	5.00%
Anticipated Goals/Company Profile	100	10.00%
Work Schedules/Journals	100	10.00%
Project Portfolio	250	25.00%
Examples of Projects	100	10.00%
Check-ins w/Coordinator	100	10.00%
Site Mentor Evaluation	150	15.00%
Summary Paper/Internship Survey	100	10.00%
Examples of Writing	50	5.00%
Totals	1000	100.00%

J. Course Schedule

- You are responsible for communicating with your internship coordinator on a weekly basis. Communication with your internship coordinator will be either in-person or via email, phone, zoom or other communication as agreed upon at the beginning of the semester.
- The instructor also has full discretion to determine the extent to which (if at all) technology will be used during the internship.

K. Mapping Statement

- This course is required as a core course for all students in the College of Business at Husson University according to IACBE (International Assembly for Collegiate Business Education) accreditation. This course is also a valuable elective for those seeking an invaluable learning experience at a job site, which could evolve into a career path!

- This course is mapped to the following IACBE Programmatic Outcomes 2020
 1. Students will integrate the core areas of business to inform decision making.
 2. Students will apply legal and ethical principles in business to organizational decision making.
 3. Students will apply business-related quantitative and qualitative methods and tools to formulate management decision alternatives.
 4. Students will demonstrate leadership skills.
 5. Students will demonstrate professional business communication.
 6. Students will demonstrate the ability to work with diverse colleagues in team situations; and
 7. Students will demonstrate general and functional knowledge of the skills that they have learned during their internship experience.

IMPROVING THE SMALLER UNIVERSITY ENDOWMENT: PURPOSE, PERFORMANCE, AND RECOMMENDATIONS

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ABSTRACT

The goal of this literature review is to provide smaller university endowments the scholarly evidence needed to improve their future prosperity. We discuss several key topics university leaders and endowment committees should consider including the purpose of an endowment, the performance of the “Endowment Model” approach to investing, and recommendations for improving the performance of smaller university endowments. We conclude that smaller university endowments should build the best investment committees possible, develop their decision-making ability, and find change champions that drive investment performance. This paper has important implications for university leaders who manage smaller university endowments.

Introduction

University endowments play a critical role in higher education. A prosperous endowment benefits its university by providing the financial resources needed to enhance university teaching, research, public service, and student learning outcomes. Over the past several decades, university endowments have become an increasingly important source of financing as the growth rate of the average endowment has exceeded the growth rate of university expenditures (Brown et al., 2010). Sadly, many universities that prioritize teaching excellence are financially constrained. These institutions face an environment where their endowments are smaller relative to competing universities, federal, state, and private funding may not be sufficient, and increasing financial dependence on enrollment jeopardizes the sustainability of ongoing operations.

The goal of this paper is to provide university leaders with smaller university endowments the scholarly evidence needed to improve their institution's prosperity going forward. By surveying the university endowment literature, we identify key topics university leaders and endowment committees should consider. Further, we provide recommendations that may improve university endowment investment returns. These recommendations are tailored specifically for smaller university endowments. Scholarly articles included in this literature review were found using academic databases and were analyzed based on their relevance to our goal. While this literature review is far from exhaustive, the review attempts to provide an appropriate examination of scholarly work that we feel best serves university endowment administrators, trustees, investment committee members, portfolio managers, external consultants, in addition to scholars interested in this topic.

First, we begin by discussing the debate surrounding the purpose of university endowments. While many scholars argue university endowments should be used to smooth income streams or self-insure against financial shocks, others demonstrate institutional prestige is the real priority. Next, we discuss the "Endowment Model" and its performance. This approach to endowment investing has received much attention and is known for its large allocations to illiquid alternative assets such as private equity, hedge funds, venture capital, and natural resources. Finally, we provide recommendations smaller university endowments can take to improve their investment performance. These recommendations include building the best investment committee possible, developing the investment committee's decision-making ability, and finding your change champion.

The Purpose of University Endowments

The American Council on Education defines a university endowment as an aggregation of assets invested by a college or university to support its educational and research mission in perpetuity (American Council on Education, 2021). University endowments are unique in that they represent a pledge between a donor and an institution that links past, present, and future generations. Endowments serve universities by providing financial resources that support university operations, encourage innovation, and preserve the long-term welfare of colleges and universities (American Council on Education, 2021). Despite many universities accumulating large endowments, the purpose of a university endowment is not fully understood and is a subject of debate. This section introduces two early endowment theories that explain why universities

possess endowments then shift to more recent arguments concerning self-insurance, institutional prestige, and endowment hoarding.

Early Endowment Theories

The first endowment theory comes from Tobin (1974) who argues that the trustees of a university should act as if the institution will operate in perpetuity and seek to treat all generations equally. The Tobin model suggests trustees should behave as if they have a zero subjective rate of time preference. For Tobin, the purpose of an endowment is to provide a smooth flow of real income for the university. Tobin's model (1974) has two implications for university endowments. First, a short-term payout response to a revenue shock should be small as endowments spread gains and losses over time. Second, endowments should respond symmetrically to positive and negative shocks because an equal magnitude of payouts creates Tobin's smoothing effect.

The second endowment theory argues that the purpose of an endowment is to self-insure against revenue shocks using the endowment as a form of precautionary savings when other university revenues are unexpectedly low. Black (1976) argues that endowments should function as a form of self-insurance where the endowment is only one of the university's sources of income. Hansmann (1990) argues endowments serve as a financial buffer against periods of financial adversity. Hansmann (1990) notes that universities are especially vulnerable to financial shocks for three reasons: university assets provide poor collateral to be leveraged, they cannot issue new equity in a financial crisis, and their cost structures are inflexible due to institutional features such as tenure. Merton (1993) shows that proper asset allocation can allow endowments to perfectly hedge against shocks to other revenue. Merton suggests universities adjust payout rates in response to both endowment shocks and revenue shocks. This is in contrast to Tobin (1974) who argues for symmetrical payouts. However, both leading economists recognize an endowment's key function of smoothing out the effects of temporary shocks.

Testing the Self-Insurance Hypothesis

The argument that universities use their endowments as self-insurance in turbulent times has received much interest in the literature. Researchers began to test whether the risk of financial shocks affects university endowment decision-making, as it should under the proposed hypothesis. Scholars introduced the concept of background risk, defined as the standard deviation of a university's non-financial income, and focused on how this variable affects endowment portfolio risk and asset allocation. Background risk can be described as the volatility of a university's non-endowment income, or "background income," for example tuition and fees, government appropriations, research grants, or any other non-endowment income sources. Several scholars theoretically demonstrate that increased background risk results in reduced endowment portfolio risk with decreasing absolute risk aversion (Eeckhoudt et al., 1996; Gollier & Pratt, 1996; Kimball, 1993; Pratt & Zeckhauser, 1987).

Dimmock (2012) tested the self-insurance hypothesis and provided much-needed empirical evidence that background risk significantly predicts endowment portfolio volatility and asset allocation. Dimmock (2012) found that a one standard deviation increase in a university's background income increases the endowment portfolio allocation to fixed income by 15%, demonstrating that universities facing uncertain income prospects react by decreasing their risk

via safer investments. Dimmock (2012) also found that heavily indebted universities allocate more to fixed income and less to risky assets, resulting in a lower portfolio standard deviation. An important contribution of Dimmock (2012) is that the study provided empirical evidence that university endowments consider the non-tradable, idiosyncratic risks of their individual institutions and incorporated this information into their asset allocation decisions, which ultimately influenced their portfolio risk. The study also provides evidence that endowments manage their portfolios in a manner consistent with decreasing and convex absolute risk aversion (Dimmock, 2012).

Validating Dimmock (2012), Rosen and Sappington (2015) also examined background income, risk, and asset allocation. They found that endowment managers incorporated the expected level and variability of background income into their portfolio allocation decisions. Thus, universities that expect higher background incomes are more likely to invest in riskier investments and allocate a larger percentage of their endowments to alternative assets such as private equity or hedge funds.

Institutional Prestige and Endowment Hoarding

Despite a strong theoretical foundation coupled with empirical evidence, challenging scholars have questioned the self-insurance hypothesis by proposing instead that universities hold endowments in order to maximize profits and grow institutional prestige. Hansmann (1990) acknowledges that one of the purposes of endowments is to manage a university's institutional reputation. Goetzmann and Oster (2012) argue the size and performance of a university's endowment is now so associated with its prestige that universities pursue strategies designed to solely maximize endowment returns.

Barber and Wang (2013) used data from the National Association of College and University Business Officers (NACUBO) to analyze the returns of hundreds of U.S. endowments over a 21-year period. The authors found that on average university endowments earn excess returns close to zero. However, when isolating the endowments of elite universities, the authors (Barber & Wang, 2013) found these institutions generate positive excess returns, meaning these universities can consistently earn better than average investment returns for their universities. The authors concluded that "the intriguing evidence of superior returns among the top-performing and elite institutions is completely explained by their strategic asset allocation decisions" (Barber & Wang, 2013, p.27).

Samuels (2011) accuses university endowments of operating as hedge funds in the pursuit of profit maximization. The author (Samuels, 2011) outlines five factors that have caused this trend, which include the state-defunding of public education, the emphasis on research over instruction, the move to high-risk investments, the development of a free-market academic labor system, and the marketing of college admissions. Samuels (2011) warns that under this new market-based education structure, students will be asked to pay more, class sizes will be larger, the number of tenured professors will decrease while administrators increase, and faculty will be forced to teach in a defensive manner in fear of making the student-customer upset. It appears Samuels (2011) has been proven correct as increased competition under the market-based education structure has allowed university endowments to become a source of competitive advantage.

Meyer and Zhou (2017) claim university endowments are becoming a vehicle for inequality and institutional segmentation. The authors state the exorbitant wealth of a few super-rich universities are negatively impacting American higher education. The authors emphasize that of the 4,700 institutions reporting to the US Department of Education, less than one percent of institutions, 35 institutions in all, hold 54.5% of all endowed American higher education wealth. Meyer and Zhou (2017) argue that this inequality, caused by the aggressive investment strategies of endowments, will eventually produce unbridgeable differences in assets, power, and social inequality.

In an effort to analyze competing hypotheses of the purpose of university endowments. Brown and colleagues (2014) examined large financial market fluctuations and endowment payout behavior to distinguish between university endowments being used to smooth payouts, and self-insure against financial shocks, or instead pursue investment returns to grow reputation. They found that university endowments reduce payouts relative to their stated policies following negative shocks yet leave payouts unchanged in response to concurrent positive shocks. Brown et al. (2014) state that such “Endowment-Hoarding” behavior is apparent among endowments whose current value is close to the beginning value at the start of the university president’s tenure. The authors show that endowment hoarding behavior impacts real university operations, notably employment, as large negative endowment shocks lead to the reduction of tenured faculty and support staff, while positive shocks did not result in additional hiring. The Brown et al (2014) analysis demonstrates support for the institutional prestige and endowment hoarding hypothesis.

The Debate Continues

What is the purpose of a university endowment? Despite much academic attention, there is no consensus view in the literature. Although institutional prestige may not be a stated purpose, endowment hoarding demonstrates prestige is a priority among university presidents (Brown et al., 2014). While some suggest a university endowment’s purpose is to provide consistent income or self-insure against financial shocks, others indicate payout evidence show prestige and hoarding are equally important, if not more important. This view confirms Hannsman’s (1990) observation that agency problems lead universities to adopt suboptimal financial policies and asset allocations that serve the personal interest of university faculty and administrations.

Summarizing the literature presented thus far, theories concerning the purpose of university endowments state they provide a smooth flow of income and self-insure against financial shocks. Empirical tests of the self-insurance hypothesis found universities incorporated non-endowment background risks into their endowment investment decisions. More recent studies have shifted attention to an endowment’s ability to increase institutional prestige and the practice of endowment hoardings. In the next section, we discuss the Endowment Model of investing and its performance.

The Endowment Model and its Performance

With the objective of higher returns, the 1970s, and 1980s saw university endowments move away from fixed-income investments to equity investments. The 1990s and 2000s saw a continued shift to alternative investments such as hedge funds, private equity, and venture capital (Liaw, 2020; Lerner et al., 2008). Although these shifts produced impressive returns, they also increased the university’s exposure to financial market risk (Brown et al., 2014). This section

discusses the trend of university endowments allocating growing amounts of capital toward alternative assets, known as the “Endowment Model,” by exploring its origins and features, its criticisms, and recent performance.

Origins and Features of the Endowment Model

David Swensen was the chief investment officer at Yale University from 1985 until his death in 2021. When Swensen left Wall Street to manage the Yale University endowment its value was \$1 billion USD and by 2019 its value grew to roughly \$30 billion USD. Swensen is highly respected in the investment management community, not only for his investment track record but also for his pioneering approach to endowment management, known as the “Endowment Model.”

Swensen (2009) describes the Endowment Model in his book, *Pioneering Portfolio Management*, by emphasizing that university endowments have much longer time horizons than other investors. As a result, liquidity is not a primary concern and an endowment can earn excess returns by allocating to illiquid alternative investments such as private equity, venture capital, hedge funds, and other similar assets. Because alternative markets are less efficient than public markets, the Endowment Model also emphasizes the heavy reliance on skilled investment managers in specialized areas. Additionally, because an endowment’s time horizon is theoretically infinite, the Endowment Model also stresses the broad diversification of assets that offer an equity-like return while also avoiding asset classes with low expected returns, such as fixed income. Through these features, the Endowment Model approach enables the maximization of risk-adjusted returns by combining several uncorrelated assets with skillful active management. The Endowment Model has been tremendously successful for Ivy League universities such as Yale, Harvard, Princeton, as well as other large and prestigious universities.

Several scholars argue that the success of the Endowment Model is at least partially explained by human capital. Lerner et al. (2008) demonstrate that between 1992 and 2004 Ivy League endowments outperformed the overall median endowment by more than three percentage points per annum. The authors find similar outperformance for universities with high average SAT scores. Barber and Wang (2013) also report similar findings related to SAT scores and endowment performance. These authors conclude that economies of scale in the management of their endowments are a result of better trained, more sophisticated endowment managers whereas smaller endowments tend to be managed by financial officers with other non-investment duties who may not have specialized knowledge in all areas of financial markets. Further, these authors conclude that SAT scores serve as a proxy for the skill of university administrators, as well as connections of the alumni network which may be utilized to the endowment’s benefit.

Swensen (2009) has cautioned against foolhardy imitating Yale’s approach and today the Endowment Model has been trivialized to an over-simplified overweight allocation to alternative assets. Despite Swensen’s warnings, the model’s success has led many universities of all sizes to attempt to replicate Swensen’s performance (Liaw, 2020). For example, Abilene Christian University introduced private equity into their \$75 million endowments, which later grew to \$376 million, of which 72% is now invested in alternative investments (Lim, 2015). Despite this, the majority of endowments, especially those under \$1 billion, have not been able to achieve the same performance and would have been better off investing in passive market indexes (Wallick et al., 2014).

Performance and Criticisms of the Endowment Model

The Endowment Model has fundamentally changed the way universities invest and has also been widely adopted by other institutional investors, such as pension funds, charities, and other non-profits. However, many criticize the Endowment Model's appropriateness for all university endowments and its recent performance.

Lim (2015) argues that smaller university endowments, with less than \$1 billion, are more likely to be disadvantaged applying the Endowment Model due to fewer resources to support the staff needed to thoroughly perform due diligence on alternative asset funds, as well as meet reporting and auditing demands. As a result, these universities rely on multi-level management structures, such as external advisors and fund of funds investments, in order to gain exposure to alternative assets, which ultimately dilutes investment returns. In addition, smaller universities not only lack the investable capital but also the prestige needed to gain access to top-quartile managers.

Two recent empirical studies (Liaw, 2020; Ennis, 2021) found increased allocations to alternative assets did not lead to higher average returns for small and midsize endowments. Liaw (2020) uses National Association of College and University Business Officers (NACUBO) data to examine the link between exposure to alternative assets and investment performance for different sized endowments from 2002 to 2017. Liaw (2020) presents the asset allocation in alternatives for different-sized endowments as well as their respective annual returns, reproduced below in Tables 1 and 2.

Table 1. Allocation to Alternative Assets for Different-Sized University Endowments

Size	2002 to 2017	2002 to 2008	2009 to 2017
Over \$1 billion	49.85%	38.23%	58.89%
\$501 million to \$1 billion	37.89%	29.19%	44.67%
\$101 million to \$500 million	27.96%	20.04%	34.11%
\$51 million to \$100 million	18.53%	12.20%	23.44%
\$25 million to \$50 million	14.51%	10.31%	17.78%
Under \$25 million	8.43%	5.12%	11.00%

Data source: NACUBO

Table 2. Annual Returns for Different-Sized University Endowments

Size	2002 to 2017	2002 to 2008	2009 to 2017
Over \$1 billion	7.78%	9.77%	6.23%
\$501 million to \$1 billion	6.84%	8.14%	5.82%
\$101 million to \$500 million	6.24%	7.03%	5.63%
\$51 million to \$100 million	5.86%	6.20%	5.59%
\$25 million to \$50 million	5.76%	5.87%	5.67%
Under \$25 million	5.43%	4.86%	5.87%
60/40 Benchmark Portfolio	6.69%	4.24%	8.58%

Data source: NACUBO

Table 1 demonstrates that asset allocation in alternative assets increases as endowment size increases. Table 2 demonstrates the average rate of return for large endowments (over \$1 billion) is higher (7.781%) than any group during the 2002 to 2017 timespan. This performance was also better than the traditional 60-percent equity 40-percent fixed income passive benchmark portfolio, known as the “60/40” portfolio. Table 1 and Table 2 exhibit that large endowments both allocate more to alternative assets and achieve higher annual returns compared to smaller endowments. Perhaps not surprisingly, university endowments of all sizes have increased their allocation to alternative investments over the years, including endowments under \$25 million (5.12% to 11%). These results indicate successful endowment investing is more than allocating money and that access to top managers is a critical component within the Endowment Model framework (Liaw, 2020).

Ennis (2021) argues the overweight allocation to alternative assets has resulted in underperformance by 1.6% per year compared with a simple passive approach. Table 3 presents the asset allocations of large endowments (\$1 billion or greater) and shows alternative investments accounting for nearly 60% of total endowment assets, which is far beyond (49.1% overweight) an aggregate market representation (labeled opportunity set). Ennis (2021) states, these large endowments heavily overweight alternative assets at the expense of domestic stocks and bonds thereby representing large active bets more so than diversification.

Table 3. Asset Allocations: Large Endowments vs. Opportunity Set as of June 30, 2019

Asset Class	NACUBO Large Endowments	Opportunity Set	Overweight/ Underweight
U.S. Equity	14.3%	32.2%	-17.9
Non-U.S. Equity	17.0%	16.1%	0.9
Public Fixed Income	9.3%	41.4%	-32.1
<i>Subtotal Traditional Assets</i>	40.6%	89.7%	-49.1
Real Estate	6.2%	1.1%	5.1
Venture	9.0%	1.0%	8.0
Leveraged Buyouts	13.6%	2.2%	11.5
Hedge Funds	20.5%	3.4%	17.1
Private Debt	1.2%	0.9%	0.3
Infrastructure and Natural Resources	6.3%	0.9%	5.5
Other	2.4%	0.8%	1.6
<i>Subtotal Alternative Investments</i>	59.4%	10.3%	49.1
Total	100.0%	100.0%	-

From Ennis (2021) labeled Exhibit 2.

Continuing the analysis, Ennis (2021) divides the dataset into three eras of market risk-adjusted performance. Ennis (2021) reports that during the Stock and Bond Era (1974-1993) large endowments held less than 10% in alternatives and saw average excess returns of -0.8%. During the Golden Age of Alts (1994-2008) large endowments enjoyed the extraordinary risk-adjusted

performance with average annual excess returns of 4.1%. These impressive returns were due to large allocations to alternative assets, which averaged 34% of the composite's value during the era. The Post Global Financial Crisis Era (2009-2020) saw allocations to alternative assets grow to 54%, however, these large endowments underperformed passive investments by 1.6% per year. Ennis (2021) concludes that alternative investments play no discernible role in the diversification of portfolios in the Post-Global Financial Crisis era and may never have provided meaningful diversification benefits during the full timespan analyzed.

The Future of the Endowment Model

The Endowment Model has been remarkably successful for prestigious institutions with large university endowments. This success has attracted the attention of university endowments of all sizes. While some smaller university endowments may achieve success applying the Endowment Model, unfortunately, new evidence is confirming David Swensen's warning that what works for Yale might not work for everyone. As Ennis (2021) suggests, perhaps it is time for university fiduciaries to recognize that they have not merely been unlucky, rather the Endowment Model has failed them. In the next section, we provide suggestions for how smaller university endowments may improve their investment performance.

Improving the Performance of Smaller University Endowments

While public attention focuses on prestigious universities with large endowments, the majority of universities have modest endowments or none at all (ACE, 2021). National Center for Education Statistics data shows at the end of the fiscal year 2018, 25% of private four-year colleges and universities and 23% of public four-year colleges and universities had endowments of less than \$10 million (ACE, 2021). The median endowment of private and public four-year colleges and universities is \$37.1 million and \$35.4 million, respectively. Understandably, these universities have trouble implementing the same investment strategies or hiring the same fund managers as universities like Harvard and Yale, which now have endowment assets of over \$40 billion and \$30 billion, respectively.

Smaller university endowments must find strategies that fit their individual strengths rather than imitate the large endowments, which we have shown is an inappropriate approach. This section surveys the literature for insights aimed at improving the investment performance of smaller university endowments. We have aggregated these insights into three categories of recommendations: one, build the best investment committee possible; two, develop the investment committee's decision-making ability; and three, find your change champions.

Build the Best Investment Committee Possible

A university's investment committee is responsible for establishing the endowment's investment goals, policies, and target asset allocation. Lerner et al. (2008) argue the largest endowments possess greater resources to attract top professional talent to serve in these committee positions. These authors state that endowment performance is highly correlated with the academic quality of the student body, where SAT scores of students serve as a proxy for the overall skill of the university administration, wealth, connections, and donations of the alumni, and the prestige

of the university's brand. Since committee members are often selected from alumni, their academic abilities may contribute to better decision-making and investment outcomes (Lerner et al., 2008). Brown et al. (2011) found a positive correlation between levels of investment committee's board and business experience and levels of diversification of endowment portfolios.

As a result, smaller university endowments should consider building the best investment committee possible. This can be achieved by selecting from your institution's most experienced and financially knowledgeable faculty and alumni to serve on the investment committee. In addition to an institution's staff and alumni network, the university should pursue qualified candidates in their geographical area with expertise in financial markets and investing.

Smaller university endowments must go beyond simply selecting their investment committee members. They must also build their future candidate pool, starting with today's current students. Smaller university endowments can begin this process by considering actions that may improve future investment performance. By improving the prestige of a university's brand, as well as attracting students with higher SAT scores, over time this may improve the quality of the alumni community, and therefore the potential of the investment committee (Lerner et al., 2008; Brown et al., 2011).

We recommend smaller universities compete by promptly introducing new and relevant areas of study that resonate with the creative energies of current students. For example, today's students may be motivated to study cryptocurrencies, blockchain technology, or artificial intelligence. Smaller universities should use their size as an advantage by moving more quickly to meet the educational interests of prospective top students. Over time successful student outcomes will grow the quality of the alumni network, grow the institution's prestige, attract quality faculty, and ultimately improve the opportunity set of the endowment's investment committee.

Develop the Investment Committee's Decision-Making Ability

It is not enough to select the right investment committee. Each member of the committee should develop their investment decision-making ability in order to improve the performance of the endowment. Lord (2020) found that committee members who devoted considerable time and effort to learn and improve their understanding of portfolio construction saw a positive effect on their portfolio decision-making. Lord (2020) states the commitment to learning represents a level of diligence, dedication, and willingness to do the work needed to improve the endowment. Learning Theory postulates that knowledge is a key source of competitive advantage (Grant, 1996), while organizational learning is considered a strategic resource in Resource-Based Theory (Smith et al., 1996). Organizational learning may enable changes in behavior that improve performance (Slater & Narver, 1995). According to Lord (2014), top-performing smaller university endowments engage in intensive educational sessions for investment committee members to learn about asset classes not previously held in endowment portfolios, allowing committees to become more comfortable making investments in these assets.

Open-mindedness is also considered useful in developing investment decision-making ability. Lord (2020) finds open-mindedness among investment committee members contributes positively to an investment decision-making framework. Open-mindedness is the ability of an organization to question members' biases and assumptions and be open to new approaches (Calantone et al., 2002). High-performing organizations benefit from disagreements that result from close inspection of assumptions and alternatives (Janis, 1972; Slater & Narver, 1995). Open-

mindfulness allows for diverse perspectives to be critically debated, resulting in higher-quality decision-making (Amason, 1996). Lord (2020) argues open-mindedness encourages critical reflection and a willingness to express differing opinions. When putting together, the synthesizing of diverse perspectives is thought to be superior to individual perspectives (Mason & Mitroff, 1981; Schweiger & Sandberg, 1989).

An important benefit of open-mindedness is its ability to combat herding behavior and groupthink. In group settings involving investment decisions, herding behavior has been documented among managers (Scharfstein & Stein, 1990). Lord (2014) highlights the importance of vigorous debate among endowment members to avoid groupthink, as well as to curb situations where a dominant personality could have undue influence on investment decision-making. Finally, it is important to emphasize that open-mindedness constitutes the critical and ongoing reflection of one's own biases, not just those of other investment committee members.

We recommend smaller university endowments develop their investment committee's decision-making ability by creating an environment where continual learning and debate are highly valued and practiced. Often a divide and conquer approach is effective where certain committee members gain expertise in specific asset classes and act as a disseminator of relevant information to the group. In order to ensure the successful practice of learning and open-mindedness, we further recommend adopting systematic procedures for committee membership and meetings that allow for opinions to be fully vetted and assumptions tested, as well as to evaluate and analyze potential investments.

Find Your Change Champions

Change champions are described as identifying with an idea they consider their own and promoting this idea to a degree that goes beyond the requirements of their job (Schon, 1963). Studies investigating change champions have primarily focused on leadership and innovation. Change champions resemble transformational leaders who inspire others to look beyond their own self-interests for a higher collective purpose (Burns, 1978). Empirical research by Howell and Higgins (1990) showed significant differences in personality between change champions and non-champions where change champions possess risk-taking and innovativeness behaviors.

Lord (2014) used a grounded theory approach to explore top-performing smaller university endowments and found change champions were more prevalent at top-performing smaller endowments than poor performing smaller endowments, with both groups recognizing and emphasizing the positive benefits change champions initiated. In addition, change champions tended to be more persistent about their causes with activities being initiated more than five years prior (Lord, 2014). The changes reported most frequently include broader diversification, hiring new consultants, and seeking greater expertise on investment committees. Lord (2014) highlighted that change champions are not tied to any particular role and include committee members, financial officers, board chairs, college presidents, and external consultants.

External consultants play a collaborative role in the investment strategy and performance of top-performing smaller university endowments. According to Lord (2014), consultants were credited by top-performing smaller university endowments for providing information and aiding the understanding of the overall portfolio. For example, educational sessions involving consultants about portfolio modeling and the contributions of alternative asset classes to improve the risk-reward profile of the portfolio were used at top-performing smaller university endowments. Lord

(2014) concluded that the presence of a knowledgeable external consultant amplifies the effects of investment committee expertise, efficacy, agency, and learning commitment.

However, it is important for investment committee members to remain independent in their decision-making and not exclusively rely on the consultant's expertise. Top-performing smaller university endowments have a strong sense of independence, responsibility, and control over their decision-making whereas poor performing smaller endowments overly rely on consultants and hold them responsible for endowment performance (Lord, 2014). Although all endowments state external consultants were beneficial, it is not surprising that top-performing endowments express greater satisfaction and longer tenure with consultants than poor performers (Lord, 2014).

We recommend smaller university endowments that have the objective of improving their investment performance employ knowledgeable external consultants. If the investment committee members understand the consultant's role is strictly advisory and that ultimately the responsibility of the endowment's decision-making and subsequent performance lies with them, then an external consultant may prove to be a strong performance enhancer. Furthermore, we recommend a common process whereby the consultant helps the committee with analytical work such as due diligence, research, educational presentations, and initiating discussion of investment topics and opportunities. The investment committee has the responsibility to listen, learn, and ultimately use this information to make informed decisions on behalf of the university's endowment. Finally, if feasible, smaller university endowments should consider the addition of paid professional staff. Lord (2014) found that larger endowment staffs greatly contribute to performance than smaller staffs. Equally important is the quality of paid staffers, not simply the number. A common approach is an outsourced chief investment officer (OCIO), or a small group of analysts that act as fiduciaries.

Conclusion

In summary, this literature review provides key topics relevant for university leaders with smaller university endowments. First, we discussed the purpose of endowments and whether they should be used for smoothing income streams, protecting against financial shocks, or growing institutional prestige. We conclude that each university should debate and decide why its endowment exists and what are the endowment's priorities. Second, we discussed the Endowment Model and whether it is appropriate for smaller university endowments. We conclude that the majority of smaller university endowments should not adopt this approach, however, should explore the appropriateness of alternative assets. Finally, we provided three recommendations for smaller university endowments to improve their investment performance. These recommendations include building the best investment committee possible, developing the investment committee's decision-making ability, and finding your change champions. We conclude that smaller university endowments can improve endowment performance when investment committee members commit to the continued learning of portfolio management and investing as well as embrace change champions, such as knowledgeable external consultants, who can provide the expertise needed to support the investment committee. These insights give the smaller university endowment the opportunity to improve their university's future prosperity.

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