

The Undergraduate Common Professional Component (CPC):
Origins and Process

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Abstract

Since 1988 US international program accrediting bodies have added a Common Professional Component (CPC) requirement to ensure that business programs recognize the interdisciplinary nature of business when “the process of answering a question, solving a problem, or addressing a topic is too broad or complex to be dealt with adequately by a single (academic) discipline.” CPC, for accreditation purposes, recognizes the weakness of academic business research and embraces the interdisciplinary nature of business by requiring accredited programs to document their multi-dimensional approach to CPC. CPC seeks to promote innovation in the business curriculum and to challenge the outdated separation of the business disciplines.

To date there has been no literature describing the CPC process. This paper, based on the experience of site evaluation teams, provides a non-prescriptive process for international business programs seeking accreditation. The paper provides the background and a suggested procedure that may be appropriate to satisfy the CPC accreditation requirement.

The explanation of the CPC process incorporates the need to integrate functional areas of business with the business environment, the technical skills of the business employees and compliance with local laws within an ethical context. The need for CPC is discussed with detailed background and supporting information from businesses operating in the 21st century. CPC presents a challenge to traditional academic credentialing. The challenge is to deal with the present and to prepare for the future rather than confining academic research and business degree programs to what has been the traditional discipline division of the past.

Familiarity with CPC is critically important for business majors in the 21st century and provides a curricular response to the challenges and innovations for which 21st century business students must prepare.

The Undergraduate Common Professional Component (CPC): Origins and Process

With average annual college costs in the United States ranging between \$14,000 (4-year public) and \$32,500¹ (4 year private), legitimate questions are being asked as to why “American students increasingly lag behind students of other developed countries, especially in math and science.”² This is particularly true for students, and the parents of students, who are searching for a “business school with bang for the buck.”³

Aside from other important considerations such as tuition, graduates’ success, career focus, schedule flexibility, accommodation and facilities,⁴ the focus of the curriculum and determination of whether it includes the Common Professional Components (CPC) will be essential.

The implementation of the CPC by many business schools is a relatively new phenomenon. Beginning in the late 1980s the major US international program accrediting agencies added a CPC accreditation requirement.

Addition of CPC to Accreditation Standards

ACBSP ⁵ in	1988
IACBE ⁶	1997 (since inception)
AACSB ⁷	2011 (planned) ⁸

*Accreditation Agencies for Business Programs recognized by
CHEA (Council of Higher Education Accreditation, USA)⁹*

Figure 1: Adoption of CPC by Accrediting Agencies

Before discussing the background and process for CPC, the brief outline of CPC is presented in Figure 2. Explanation of each of the purpose, process, and detail components of CPC will become clear as the reader understands the background to the introduction of CPC.

Nevertheless, at the outset the definition of CPC may be taken from the detailed component summary list described in Standard 6 of the ACBSP Standards and shown here in Figure 2.

UNDERGRADUATE COMMON PROFESSIONAL COMPONENT

- 1) Functional Areas
 - a) Marketing
 - b) Business Finance
 - c) Accounting
 - d) Management, including Production and Operations Management, Organizational Behavior, and Human Resource Management

- 2) The Business Environment
 - a) Legal Environment of Business
 - b) Economics
 - c) Business Ethics
 - d) Global Dimensions of Business

- 3) Technical Skills
 - a) Information Systems
 - b) Quantitative Techniques/Statistics

- 4) Integrative Areas
 - a) Business Policies OR
 - b) A comprehensive or integrating experience that enables a student to demonstrate the capacity to synthesize and apply knowledge from an organizational perspective.

Figure 2: ACBSP definition of the undergraduate CPC

Background to the institution of CPC:

The background to the institution of CPC may be seen to derive from the Post World War 2 to the “Ho Shi Kanri”¹⁰ policy of devising control processes in industry to assist in the rebuilding of manufacturing industries in Japan, which would focus employee attention on both product quality and corporate strategy. Deming identified the 14 points plan¹¹ using statistical methods to integrate activities at the workplace, Juran focused on quality control¹² across the disciplines and Drucker defined management as the “liberal art.”¹³ Drucker is widely credited with the teaching and training that has led to the development of so many forms of continuous improvement and first noted that post-capitalist society needed “a universally educated

person,”¹⁴ This process of “Getting your Ducks in a Row”¹⁵ is seen in industry in the 21st century in many forms such as Six sigma,¹⁶ the Balanced Scorecard,¹⁷ and the host of ISO¹⁸ programs.

One particular program, the Baldrige Performance Excellence Program¹⁹ has been sponsored by the US National Institute of Standards and Technology (NIST)²⁰ The Baldrige Program's mission is “to improve the competitiveness and performance of U.S. organizations,” and for this reason the implementation of CPC, particularly for ACBSP, has followed the Baldrige program conceptually with their approach to a set of standards which are focused not on prescription but on a continuous process of self evaluation which leads to measureable improvement.

CPC is focused on student learning outcomes with the intention of assuring recognition by students of the interdisciplinary nature of business. The interdisciplinary nature of business refers to the majority of real world business situations when the “process of answering a question, solving a problem, or addressing a topic is too broad or complex to be dealt with adequately by a single (academic) discipline.”²¹ The attention of the student is therefore drawn to the need to integrate their insights into 21st century business through critical thinking and the construction of a comprehensive global, rather than a narrow academic perspective. The problem with faculty credentialing and academic business research is that it is necessarily historical, therefore out-of date and far from the cutting edge of business initiatives. Like activity based costing,²² 21st century initiatives are not reported in the academic world until many years after they have in fact been put in place.

This is a serious problem for business, far too much business education is being taught in the 21st century by researchers of business past, while the challenge for business is finding competent new entrants who are concerned with business present and in the future. Yet outdated academic scholarship is still preferred to practical experience at a time when “experience is by industry achieved, and perfected by the swift course of time.”²³

CPC recognizes the weakness of academic business research and embraces the interdisciplinary nature of business; the CPC approach is now being recognized by organizations like the Society of International Business Research.²⁴ To date the measurement of value added by academic business research has generally not been on the basis of the utility of the research to industry or the professions, but on economic value in terms of post graduate salaries.²⁵ The time has come for a modern multi-dimensional approach.²⁶

The implementation of CPC provides not only a multi-dimensional approach, but an opportunity for measuring learning outcomes and continuously improving on the interdisciplinary perspective of international business.

The adoption of CPC and the continuous improvement approach to tertiary education in the United States is also linked to an increasing awareness of how higher education and particularly the segregation of academic (including the business) disciplines was “impoverishing the souls” of future business leaders and “closing the American mind.”²⁷ Recognition of the need to fully integrate the business disciplines across the undergraduate business curriculum came to a great extent from industry. Jack Welch of GE described the need as “integrated diversity”²⁸ and noted the need to eliminate the boundaries between the business disciplines in academia.

The Case study has been used by sociologists since at least 1829²⁹ and is often associated with the Chicago School³⁰ and provides examples of situations where the studies in business disciplines may be integrated. However, the case study overly depends on the textual presentation of the edited version of a single case. By the nature of hindsight, the case study itself is out-of-date. Further the case study fails to provide the full range of uncertainties surrounding a real case scenario and is thus not helpful when seeking a more contextual conclusion from the study of a business situation. Further the “answers” to the case depend on the case construction, the teaching objective(s) of the instructor and, certainly at the graduate level, the real world experience of the students.

The Capstone course is another academic approach to integration so that “learning from the courses in the major” can be integrated with “courses from the rest of the academic experience”³¹ However, the Capstone attempt “to marry theory and practice” often proves to be “a difficult task” even as a business program tries to prepare students “for the challenges they will encounter in their professional careers.”³²

Therefore, a more comprehensive approach is the CPC across the curriculum approach. This provides for the recognition by instructional faculty of the need for integration of a common set of professional components across the business curriculum. As noted this approach is now required by the major US business program accrediting agencies. The CPC approach may also be linked to Learning Outcomes and thus provide a metric for establishing continuous improvement in the teaching of CPC. Further, the successful implementation of CPC can be established by independent agencies such as Peregrine Academic Services³³ who provide not only independent assessment of CPC knowledge, but can also supply comparative analysis of CPC scores across the 800 ACBSP member institutions³⁴ who have chosen to be in the program. This is an important process which enables ACBSP (and other) universities to measure the CPC knowledge that has been assimilated by their students during the course of their business programs.

CPC Literature search

Research into the origins of CPC using online library databases³⁵ confirms that during the last ten years only one single article has been written specifically mentioning CPC.³⁶ The paucity of literature on CPC may be seen in the context of academic credentialing where the past takes priority over the present or future. “There is a crisis of legitimacy.”³⁷ Many in the business academy turn deaf ears to this crisis. That a search of the records of the Chronicle of Higher Education indicates no articles on CPC appears to confirm the crisis.

A number of articles note the importance of incorporating ethics, as a core business component, across the business curriculum.³⁸ However, the number of articles on the business curriculum indicates little commentary or research in this area. This confirms the failure of business programs “to grasp this pluralism of values and contexts” in the global marketplace, this certainly is “a weak link in the current organization of undergraduate business programs.”³⁹ Others also echo increasing skepticism concerning the content of the undergraduate business curriculum,⁴⁰ without specifically identifying the common professional components.

So CPC becomes somewhat of a mystery for Faculty at Colleges seeking ACBSP accreditation. Those who are preparing to respond to Standard 6.1.3 begin their Internet search and discover that it is Peregrine Academic Services who tell the worldwide web that

“Business schools obtaining and/or sustaining AACSB, ACBSP, and IACBE accreditation must demonstrate student competency associated with either 11 or 12 CPC topical areas depending upon the specific accreditation program with at least two direct measures and two indirect measures.”⁴¹

Seeking knowledge, elaboration, even the etymology of “CPC” a researcher finds that⁴²

All definitions for COMMON PROFESSIONAL COMPONENT acronym or abbreviation have been removed or haven't been published yet.

That is, except for the definitions provided by the accreditation councils such as the one provided by the Accreditation Council for Business Schools and Programs (ACBSP) which is set out in Figure 1.

Thus, there is significant difficulty to be encountered by academicians who are new to the CPC concept. The available literature provides a definition of CPC but this refers only to the elements which make-up CPC. No guidance is available to provide a practical process which a business program can adopt to come up with a satisfactory assessment of the CPC content of their particular courses.

Purpose of this Paper

The purpose of this paper is therefore, to provide business program faculty members with some guidance and a process to assist in their determination of the CPC in a particular undergraduate business program course. The guide is particularly aimed to satisfy the curiosity of universities with business programs which follow the American curriculum but are located outside the continental United States and who are not familiar with CPC. Many non-continental US universities with American curriculum business programs seek the competitive edge that they will gain if they are to be accredited by one of the American Accreditation Agencies identified in Figure 1. Accordingly they seek information on CPC and the CPC process.

In the absence of a body of literature on CPC, this paper proceeds directly to the analysis of a 5 step process for deriving the CPC elements in the business program. Two examples of courses going through the process will be provided, one for accounting and another for marketing. The processes described provide answers to many of the questions which ACBSP evaluators frequently come across when mentoring ACBSP candidate schools or when taking part in an

ACBSP site evaluation team. Note that the process described is not prescriptive, but rather one approach to satisfying the CPC requirement.

The paper will also provide a discussion of the assessment of CPC content so that instructors who are not familiar with the integration of business curriculum material gain an understanding of the direction of the process and the emphasis on continuous improvement in the dispersion of CPC across the business program curriculum.

CPC Course Mapping

The guideline process which is set out in this paper may be considered to be a 5 part system, shown in Figure 2. A description of each of the stages follows.

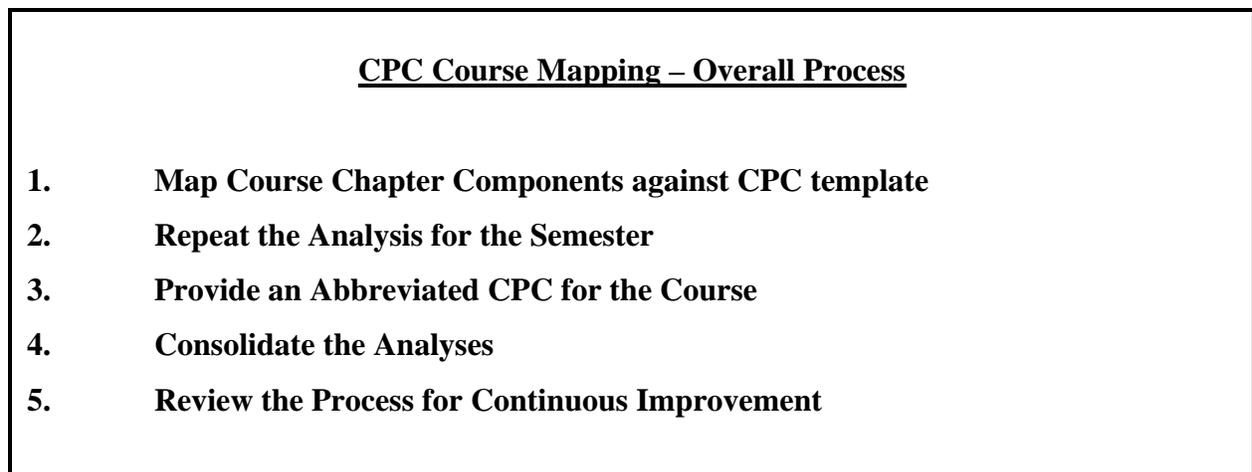


Figure 3: Mapping Course Chapter Components against the CPC template.

Mapping Course Components against the CPC Template:

Once an instructor prepares a course s/he will derive a map which will be based on the content of the course which is going to be discussed in class and which will be the focus of homework by the students.

The basis for allocation for ACBSP accreditation purposes is the American College Credit hour. In the United States the college credit hour is the “dominant measure of student attainment.”⁴³ Originating from the high school Carnegie Unit⁴⁴, the American college credit hour emerged coincidentally “with Charles W. Elliott’s introduction of electives at Harvard College in 1869.”⁴⁵

The American college credit hour measures a required minimum 120 credit hours of class time to reach the level of the Bachelor’s Degree. The 120 hours are typically spread over 4 years; that is two semesters each year and therefore 15 hours each term. Each of these semester/terms is typically broken down further into 5 undergraduate courses of 3 credit hours each as shown in Figure 4.

<u>The American College Credit (Cr) Hour</u>			
Year 1	Fall semester	5 courses x 3 Cr hours	15 Cr hours
	Spring Semester	5 courses x 3 Cr hours	15 Cr hours
Year 1 Total			30 Cr hours
Year 2 Total			30 Cr hours
Year 3 Total			30 Cr hours
Year 4 Total			30 Cr hours
Graduation Total		40 courses x 3 Cr hours	120 Cr hours
			=====

Figure 4: The American College Credit Hour

Each of the 3 credit hour courses represents 15 weeks of 3 hours class tuition time each week or 45 hours⁴⁶ of total class instruction for the course. Thus, in US universities, the instructor mapping a course for CPC will be typically mapping a 15 week course with 3 hours class time each week providing a total of 45 class hours which will be used to cover one or more of the common professional components.

For measurement purposes by non-American curriculum colleges an equivalent set of measures for the course will need to be constructed to complete the CPC process. The determination of equivalency will naturally depend on the educational system and culture of the country involved but, for ACBSP accreditation purposes should first be agreed in advance with the Director of ACBSP Accreditation.

In addition and in practice, students taking an undergraduate course will spend time completing homework assignments which may cover significant additional hours of focus on one or more, CPC. Accordingly, an allowance may be made by an instructor for the additional hours and, when mapping this, may be noted in an additional column as shown in Figure 5.

How much additional time students are expected to spend over and above the 45 class room hours will depend on the instructor's assignments. Guidelines suggest that up to an additional 50% of the class time is likely to be spent on homework and other assignments associated with the classroom work. This is a guideline within which an instructor may wish to map her/his course. The instructor will need to be able to justify such additional hours of CPC, especially if the total CPC hours exceed the 50% guideline recommended.

Taking for example an Introduction to Accounting Principles Course, an instructor might develop the following analysis shown in Figure 5.

		CPC Common Professional Components												
Text Chapter Titles		1	2	3	4	5	6	7	8	9	10	11		
1	Role of Accounting	1		1					1					
2	Establishing a Business	2		1					1					
3	Operating a Business	3		2			1	1						
4	Completing the Accounting Cycle	3	1	2				1						
5	Accounting Systems	3		2		1		1		2				
6	Merchandizing Operations	3	1	2				1				1		
7	Inventories	3		2								1		
8	Internal Control & Cash	3		2								1		
9	Receivables	3		2								1		
10	Tangible and Intangible Assets	3		2										
11	Current Liabilities	3		2										
12	Partnerships	3		2		1								
13	Corporations	3	1	2	2									
14	Long-Term Liabilities	3		2										
15	Investments	3		4	2	2					1	1		
16	Statement of Cash Flows	3	1	2			1							
3 Credit Hour Course x 15 weeks =		45	4	4	30	4	2	2	4	2	2	4	2	60
		Hrs												
			Marketing											
			Business Finance											
			Accounting Information Systems											
			Management											
			Legal environment of Business											
			Economics											
			Business Ethics											
			Global Dimensions of Business											
			Information Systems											
			Quantitative techniques											
			Business Policies											

Figure 5: CPC Course Analysis for an Accounting Principles Course

In this example the Instructor has related the textual material found in the Chapters which have been covered during the semester. For each of the 15 weeks of material the instructor has then assessed the CPC content of the week and provided an analysis to the CPC columns accordingly. A discussion of the assessment of CPC content follows the description of the process.

	TOPICS									CPC Common Professional Components												
Text Chapter Titles	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	10	11		
1 Role of Accounting												1										
2 Establishing a Business	1				1																1	
3 Operating a Business	1	2		1	1										1						1	
4 Completing the Accounting Cycle	2			1																		
5 Accounting Systems	1	1	2	1	2										1						2	
6 Merchandizing Operations	1																				1	
7 Inventories	1	1	3	1																	1	
8 Internal Control & Cash	1			1	1		2														1	
9 Receivables				1	1																1	
10 Tangible and Intangible Assets				1																		
11 Current Liabilities								1	1													
12 Partnerships								1														
13 Corporations													2	2								
14 Long-Term Liabilities																						
15 Investments												4	2	2							1	
16 Statement of Cash Flows																1					1	
Major Themes in classroom Hours	5	5	5	5	5	5	5	5	5			4	4	2	2	4	2	2	4	2	60	
1 Introduction to Business	5																					
2 Double-Entry Book-keeping		5																				
3 Assets, Revenue and Expenses Recognition			5																			
4 Inventory Systems and Shrinkage				5																		
5 Cost of Goods Sold					5																	
6 Adjustments, Accruals and Prepayments						5																
7 cash Flow							5															
8 Internal Controls and Cash								5														
9 Financial Analysis	5	5	5	5	5	5	5	5	5												5	
																						45

Figure 6: CPC + Learning Outcomes - Course Analysis for Accounting Principles

A more developed approach to assessment of CPC may be found in the example in Figure 2 where the instructor has related the Chapter topics to 9 learning outcomes which are being measured to determine student performance. The Instructor has identified the Learning Outcome Topics and at the same time evaluated, for the purposes of evaluating the CPC content, the class and homework time spent related to each text chapter of content.

Repeat the Analysis for the other Program courses:

Similar analysis then needs to be completed for other courses in the business program. By way of an example Figure 7 shows a CPC map for a Marketing Course. This assessment is by chapter and CPC content, but another version might link the text material with the learning outcomes and the CPC content. In this connection we might recollect one of the earliest examples of marketing by King Hammurabi⁴⁷ when he decided, for the first time in history, to market his code of laws⁴⁸ by having them recorded on steles, stone billboards, one of which survives to this day in the Louvre in Paris.

Principles of Marketing			CPC Common Professional Components										
Perreault et Al: Text Chapter Titles			1	2	3	4	5	6	7	8	9	10	11
1	Marketing's Role in the Organization	3	3										
2	Understanding the Changing Environment	3	3										
3	Understanding the Consumer Environment	3	3										
4	Business/Organizations-Buying Behaviour	3	3		1								
5	Information for Marketing Decisions	3	3										
6	Marketing Segmentation: Targets & Positions	3	3		1								
7	Product Planning for Goods and Services	3	3										
8	New-product Development & Branding	3	3				1						
9	Place & Development of Distribution Channels	3	3										
10	Tangible and Intangible Assets	3	3										
11	Logistics and Distribution	3	3			1						1	
12	Promotion - Integrated Marketing Text	3	3										
13	Advertising and Public Relations	3	3				1	1					
17	Price Setting in the Business World	3	3									1	
19	Controlling Market Plans	3	3			1	1						1
3 Credit Hour Course x 15 weeks =		45	45	0	0	4	1	2	1	0	2	1	56
		<i>Hrs</i>											
			Marketing										
			Business Finance										
			Accounting Information Systems										
			Management										
			Legal Environment of Business										
			Economics										
			Business Ethics										
			Global Dimensions of Business										
			Information Systems										
			Quantitative techniques										
			Business Policies										

Figure 7: CPC Course Analysis for a Marketing Course

Provide an Abbreviated Course Syllabus for the Program:

As part of the analysis process, instructors will be expected to provide an abbreviated course syllabus for each of the courses for which they have submitted a CPC analysis.

Copies of the abbreviated CPCs for the examples described in Figures 4, 5, & 6 are shown in Figures 8, 9, & 10 respectively which follow here:

American University Sample – Abbreviated Course Syllabus <i>(AUK Mission Statement is an integral part of Business Program Course Syllabi)</i>		
Course No: ACCT 201		Course Title: <u>Principles of Financial Accounting</u>
Instructors: J Cripps and J Russell		
Required Text: Libby, Libby, Phillips, Whitecotton, Principles of Accounting , McGraw-Hill International, ISBN 978 007 1284721		
Brief Course Description: (4 Credit Hours including 1 Credit Hour Lab) An introduction to the essential life skill of accounting. Students study the application, description and analysis of business transactions to ensure a reliable accounting information system.		
Topic Outlines:		Coverage Hours
1. Role of Accounting		3
2. Establishing a Business		3
3. Operating a Business		3
4. Completing the Accounting Cycle		3
5. Accounting Systems		3
6. Merchandizing Operations		3
7. Inventories		3
8. Internal Control and Cash		3
9. Receivables		3
10. Tangible and Intangible Assets		3
11. Current Liabilities		3
12. Partnerships		3
13. Corporations		3
14. Investments		3
15. Statement of Cash Flows		3
Total Sessions (Coverage Hours)		<u>45</u>
Summary of CPC Topics covered in this course:		Coverage Hours
Functional area:	Marketing	4
	Business Finance	4
	Accounting (information Systems)	30
	Management (particularly decision-making)	4
Business Environment:	Legal Environment of Business	2
	Economics	2
	Business Ethics	4
	Global Dimensions of Business	2
Technical Skills:	Information systems (Non-Accounting)	2
	Quantitative techniques	4
Integrative Areas:	Business Policies / Integrating Experience	2
Total (estimate of coverage hours)		<u>60</u>
==		
<i>Note: Accounting integrates any business information system so that Managers are provided with the information essential to making strategic and tactical decisions. CPC subjects covered in this course are not mutually exclusive due to the multi-dimensional attributes of accounting.</i>		

Figure 8: Abbreviated Syllabus Text Material to CPC - Accounting

Consolidate the Course CPC Analyses:

Once the abbreviated course analyses have been completed individually, they will then be consolidated on the Standard 6 1 3 Table and example of which is shown here in Figure 11.

Table of Common Professional Component (CPC) Compliance in BED core courses

BED Core COURSES	Hour Class Sessions by CPC Topic											Total
	MRKT	BUS FINC	ACCT	MGMT	LeoB	ECON	BUS ETHS	GDoB	InSy	QT STAT	Integ Areas	
MATH 103*		1					2			27	5	35
STAT 201*		1		1			1	1	1	28	5	38
ECON 200	2		5	3	1	38	2	4		2		57
ECON 201		5				38	3	5				51
ACCT 201	3	4	38	4						1	1	51
ACCT 205	3	5	38	4			3			1		54
ENGL 305	2			4				2	10			18
FINC 332	2	35	8	2	2	2	6	4	2	5	2	70
MGMT 201*				10	5	5	5	5	5	5	5	45
MGMT 210	2	4	2	4		5		5	10	5	5	42
MGMT 321	3	2	2	35	3	2	3		3	2	5	60
MGMT 345		5		10	2		4	10		25	5	61
MRKT 200	45			4	1	2	1			2	1	56
BEAL 401/2	3	3	5	5	15	2	23	5	2	1	5	69
TOTALS	65	65	98	86	29	94	53	41	33	104	39	

Figure 11: Table 6.5 ACBSP Accreditation Self-Study

Review the Process for Continuous Improvement

The 5th stage of the CPC process is the setting up of a procedure for continuous improvement in the establishment of CPC across the business curriculum.

The initial exercise is to derive an initial outline of how the academic course discipline may be diversified to recognize the integration of common professional components into the class subject.

The continuous exercise is the review process whereby the instructor may want to

- Review the course curriculum in accordance with the metrics on Learning Objectives derived during the semester and adjust the attainment of CPC objectives accordingly
- Link the metrics for the learning outcomes to the CPC objectives to provide both learning objectives and a CPC metric of knowledge transfer.
- Derive additional course materials which integrate both the discipline material and the CPC in a manner that improves the quality of the course. For example, a field trip to an international manufacturing company if carefully designed can not only demonstrate the nature of inventory for managerial, accounting, but, combined with meetings with manufacturing personnel, can extend business understanding to business policies and the global dimensions of business.

In addition the Business program will also want to

- Review the CPC process as a whole at a Faculty Meeting to identify if there is a need for any change,
- Identify possible additions to the program, particularly the Capstones, and perhaps in the courses that build to the Capstone so that certain curricular elements might be shared across courses or even at a Program meeting for students.
- Ensure that CPC analysis is being maintained and updated and, when practicable, measured so that the quality of the CPC constituent of the business program is not only maintained but continuously improved.
- As a faculty, develop a coherent set of continuously updated integrated abbreviated syllabi. This could lead to a standardized syllabus per course and prove especially advantageous to faculties relying on a high percentage of adjunct instructors, having multiple instructors delivering the same course, and or having a high percentage of new faculty members. The development of this program package of standardized abbreviated syllabi can offer multiple advantages:
 - Faculty development for those involved with the updating of syllabi
 - A forum for multi-disciplinary input
 - Integration across business disciplines
 - A training tool for integrated teaching and learning.

This approach would provide each faculty member with a “skeleton” syllabus upon which the extended syllabus might be “fleshed out.” This process also conforms to total quality management (TQM) practices of evaluating and improving the program as a whole rather than focusing on individual courses.

The Common Professional Components:

We have noted that, at least since the late 1980s, accredited business programs have focused on CPC input as one basis for demonstrating quality. The CPC focus, the recognition of management as the liberal art, **'liberal'** because, as Drucker noted “it deals with the fundamentals

of knowledge, self-knowledge, wisdom, and leadership; and 'art' because it is practice and application of that knowledge"⁴⁹ becomes a metric for integration and rational coverage of all the business disciplines.

Managers of the Future, undergraduate students in today's business programs need an inventory of knowledge and skills which they have absorbed from their courses in the humanities, the sciences, and the social sciences as well as the knowledge they have acquired while taking business courses. After all psychology, politics, economics, and philosophy, as well as history, the physical sciences and ethics are all part of the rich world of business. These skills are sometimes referred to as "people skills," the "soft skills," the ability to interact with all the members of a successful business team.

The Instructor needs to see the inevitable blending, the overlap, of professional components so that, for example, the earliest records of writing, the moment when pre-history ends and history begins with accounting is thought to be from the Uruk period in Mesopotamia dating from 3,500 BC⁵⁰ when "the first written records were accounts of trading and tallies of farm produce."⁵¹ Thus, from the start of history, business, and particular accounting, has been inevitably endemic to the integrated diversity of everyday life.

How then to demonstrate answers to the accreditation requirement questions:

- a. How does your curriculum design address the Common Professional Component (CPC) outlined below?
- b. How do you determine the appropriate coverage of the Common Professional Component (CPC)?
- c. If topical areas of the CPC are not covered through required courses in the business core, explain how this standard will be met.

The process described so far in this paper addresses how the individual courses in the curriculum address the CPC component.

The appropriate coverage is determined by a review of the overall business program CPC and a determination that each of the components is covered. "Each CPC area must receive a minimum of two thirds of a three (3) semester credit-hour course (or equivalent), or approximately 30 coverage hours."⁵² This is the advised standard for Bachelor's degree level programs. An institution can however choose fewer hours, but would be expected to justify why fewer hours are designed into the program. This is often acceptable because of specializations or concentrations or other means of integrating CPC topics.

Some CPC examples:

Within the Undergraduate curriculum the CPC standard may be met by taking opportunities to link the CPC components using:

- Mini-case Studies
- Major Case Studies
- Field Trips (especially tour abroad)
- Invited guest speakers
- Students Attending Conferences
- Students entering competitions
- Business simulations

Within the Functional Areas,

Marketing: (usually a separate course)

Marketing can be linked to business finance by examining the costs and results of global companies such as Young and Rubican and Saatchi and Saatchi and even their global impact and the global impact of their clients. Students are usually captivated by the translation blunders like the Coors copywriter who tried to translate the marketing slogan “Drink Coors: Turn it loose” into Spanish, but used words that mean “Drink Coors and get Diarrhea.”⁵³

Business Finance: (usually one or more courses)

Daily curricular attention to appropriate stories in the Wall St Journal, the Economist, or other business financial journals, like Bloomberg’s Businessweek and Forbes reports of International Corporations can readily extend the nature of the subject within the business program to include business finance. This also brings the student into the real world of Finance and can make the course more interesting.

Accounting: (usually two courses)

The long history of the impact of accounting even prior to Plato’s introduction of the academia in Athens in 387 BC, and then after that, offers an extraordinary wealth of how the double-entry system became the data base from which the information for business decision-makers is generated.

Management, including Production and Operations Management, Organizational Behavior, and Human Resource Management: (usually several courses)

The Middle English “stigweard,”⁵⁴ (now steward) and its links with the Greek word “oikonomos” or housekeeper are still employed to describe the managers of great households, whose activity evolves with growth to need specialist managers in the business world. Yet the tasks and entrepreneurial activity required by the big corporation reflect the broad range of skills needed by the modern stewards of both large and small business enterprise.

Within the Business Environment

Legal Environment of Business: (usually a course on Business Ethics)

Which links with each of the academic areas of business, as national agencies like the Environmental Protection Agency and the Internal Revenue Service in the United States prescribe activities which must take place and many which must not. Similar Agencies in Europe and elsewhere in the world mean that the legal environment places legal boundaries within all areas of business study.

Economics: (usually separate courses on Micro and Macro Economics)

The study of economics provides theoretical analysis of business activity based on the specialization described in the market by Ghazali with the needle factory⁵⁵ and later by Smith with his pin factory⁵⁶. The derivation of the financial instruments from the Arab traders after they brought paper from China to Europe and moved from oral to written contracts adds to a professional understanding of the economics of commerce.

Business Ethics: (usually a course on Business Ethics)

Financial statements and other business information that is made public “should be accurate and usable” in a 21st century market place where buyers and sellers are supposed to be able to rely on “accurate information to make rational decision.”⁵⁷ Yet the Parmalat⁵⁸, Enron, and Satyam⁵⁹ debacles illustrate the ethical problems managers and others encounter when they wish to “meet the targets,” or “smooth out earnings.” The complexity of the accounting process and the growth in the size of companies means that the traditional Audit Report is increasingly seen to lack the “transparency and accountability” targeted by the World Bank.

Global Dimensions of Business (many programs have an International Business course)

We live in a “global agora”⁶⁰ where millions and millions of buyers and sellers trade in goods and services and where “the global competitive playing field is being leveled.”⁶¹ Our students need to be aware of the changes that are taking place in the market place everyday.

Technical Skills

Information Systems (many programs have a course on Management Information Systems)

How target markets are established, how customers are targeted, how make and buy decisions are made. The increased usage of IT based tools, cookies, social networks, dedicated satellite systems, to carry on diversified business activities.

Quantitative Techniques/Statistics (usually courses on math, econometrics, and statistics)

How the quantitative techniques are being used to generate sales forecast, how statistics are being used, with particular reference to Deming’s 14 points and other statistical applications like J.D. Power surveys used for measuring customer satisfaction.

Integrative Areas⁶² *(usually a course in strategy or Strategic Planning)*

Business Policies or a comprehensive or integrating experience that enables a student to demonstrate the capacity to synthesize and apply knowledge from an organizational perspective.

Intrapreneurship and Entrepreneurship are a featured course in 21st century business programs. The new generation of students needs to learn about customer and product development and review “the Four steps to Epiphany.”⁶³ The mistakes and the failures of the dot.com era need to be understood.

Conclusion:

Moves to recognize the need for continuous improvement in the teaching of business and, in particular, to include references to current business practices came after the establishment of the earliest business schools in the USA (1881, collegiate at Wharton School,⁶⁴ and 1898, graduate school of business, Chicago⁶⁵) recognized the propriety of teaching business theory at academic institutions.

On the job business training, supported by apprenticeship training, dates back to before the 1780 BC Code of King Hammurabi⁶⁶. The idea of a Master educating an apprentice in trade to provide the minimum level of experience before a student was accepted as educated in his trade or profession. In the 19th and into the mid – 20th century, business training was acquired through experience, by learning business culture and routine at the workplace. The apprentice system, still in place in Germany, was replaced in particular by the post-World War II US-led adoption of academic training to prepare students for the increasingly technological and multicultural perspectives of the global marketplace.

The academic process, built on the tradition of German universities,⁶⁷ identified special discipline areas of business which, although they might be isolated in theory and in the classroom, were endemically integrated in the real world of global commerce.

Hence the many efforts here described, first in industry and later in the universities to provide methods to demonstrate the integration of the business academic disciplines outside the seminar room. Of these efforts, the CPC provides business programs with a metric to determine that they are providing insight into the integration of the business world across the curriculum.

And the initial mapping and setting up CPC across the curriculum is but the first stage in a process of continuing improvement. Already the CPC analysis has developed from a simple analysis of text material and related CPC perspectives. From text material progress is being made to learning outcomes. Learning Outcomes are there to be measured and improved upon and external validation of the CPC are also available through Peregrine and other providers of independent evaluations of graduating seniors’ CPC knowledge. These metrics are available also so that universities can measure their CPC knowledge transfer against the CPC knowledge transfer of the many other universities who are seeking external measurement of CPC.

This, then, is a sure way to provide future students with confirmation that a real world approach is being taken by those universities who have undertaken to be accredited and have a CPC program.

Familiarity with CPC is of critical importance to an undergraduate business major in the 21st century. Perhaps more important for key stakeholders is the knowledge that graduates understand the impact of CPC. Parents expect to fund a comprehensive business program that includes CPC and prepares for the real-world requirements of business. Prospective employees expect a university graduate to be aware of CPC and have a multi-disciplinary approach and understanding. Other third parties including government regulators do not expect ignorance of CPC in university graduates. The CPC has become an essential element of business programs which is why global accreditation agencies increasingly expect CPC to be identified and included in a credible business program.

Endnotes

- ¹ US Department of Education's figures for 2002-2003 updated for inflation to 2006 by College Directory (allcollege.org) and to 2011 by a further 9% based on Calculator soup's inflation calculator to 2010 see at <http://www.calculatorsoup.com/calculators/financial/inflation.php>. and adding a further 1.02%.
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- ³ Francesca de Meglio, 2010, **ROI: Business Schools with Bang for the Buck**, Bloomberg Businessweek, March 2010.
- ⁴ All Business Schools, 2011, **Choosing a Business School**, see at <http://www.allbusinessschools.com/business-careers/business-school-101/choosing-a-business-school>
- ⁵ ACBSP, Accreditation Council for Business Schools and Colleges, website at <http://www.acbsp.org/>
- ⁶ IACBE, International assembly for Collegiate Business Education, website at <http://iacbe.org/>
- ⁷ AACSB, Association to Advance Collegiate Schools of Business website at <http://www.aacsb.edu/>
- ⁸ AACSB has not included a specific CPC requirement pre-2011. The main focus of AACSB has been on research institutions and they are therefore concerned with faculty credentials rather than student learning outcomes assessment
- ⁹ CHEA website may be seen at <http://www.chea.org/>
- ¹⁰ Ho Shin Kanri contemporary interpretation process for managing direction
- ¹¹ W. Edwards Deming, 2000, **Out of the Crisis**, 2nd Ed, MIT Press (original publication 1982)
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- ¹³ Peter F. Drucker, 1955, **The Practice of Management**, Harper Business, New York
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- ¹⁵ Derek Thomason, Jackie Ashley, Graham Jackson, 2005 "Getting Your Ducks in a Row or Hoshin Kanri, Control, Number 5 seen at http://www.littoralis.info/iom/secure/assets/iom20050811.138021_42fb2fc5a6fc.pdf
- ¹⁶ The Six Sigma support foundation may be seen at <http://www.6sigma.us/>
- ¹⁷ The Balanced Scorecard Institute may be seen at <http://www.balancedscorecard.org/>
- ¹⁸ ISO = International Standards Organization. "ISO has developed over 18,500 International Standards on a variety of subjects and some 1100 new ISO standards are published every year". Programs may be found at http://www.iso.org/iso/iso_catalogue.htm

¹⁹ *Baldrige Performance Excellence Program homepage may be found at <http://www.nist.gov/baldrige/>*

²⁰ *NIST website may be found at <http://www.nist.gov/index.html>*

²¹ *Jerry Gaff & James Ratcliff, 1997 Eds, **Advancing Interdisciplinary Studies**, in the *Handbook of the Undergraduate Curriculum*. San Francisco: Jossey-Bass*

²² *Generally accorded in the academic world to Kaplan in 1987 but, from the author's personal experience, in use in the early 1970's by American multi-national companies.*

²³ *William Shakespeare, 1591, **Two Gentlemen of Verona**, Antonio to Pathino, Act 1 Scene 3,*

²⁴ *Society of Interdisciplinary Business Research at <http://www.sibresearch.org/>*

²⁵ *Jonathan P. O'Brien, Paul L. Drnevich, T. Russell Crook), and Craig E. Armstrong , 2010, **Does Business School Research Add Economic Value for Students?** *Academy of Management Learning and Education*, vol. 9, no. 4.*

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²⁷ *Allan Bloom, 1988, **Closing of the American Mind**, Simon and Schuster, New York*

²⁸ *Jack Welch, Former Chairman of GE, 2011*

²⁹ *Frederic, LePlay, 1855, **Les Ouvriers européens**, published Case Studies of 36 working family budgets and may be seen at <http://www.archive.org/details/lesouvrierseuro02playgoog>*

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³¹ *Robert Moore, Capstone Courses. Seen at <http://users.etown.edu/m/moorerc/capstone.html>*

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³³ *Peregrine Academic Services seen at <http://www.peregrineacademics.com/program/cpc/>*

³⁴ *For latest list of ACBSP member institutions see <http://www.acbsp.org/p/cm/ld/fid=14>*

³⁵ *including EBSCO, ProQuest and Questia*

³⁶ *Steven Tippins, 2004, **Business School Curriculum: Can we learn from Quantum Physics?**, *Journal of the American Academy of Business*, Cambridge, Vol 4: 1 & 2, pp320-329.*

³⁷ *Kenneth Ehrensals, **Establishing Pedagogic Authority: Accreditation and Staffing of (US) University Business Schools**, Chapter in Michael Grenfell, Michael Kelly, 1999, **Pierre Bourdieu: Language Culture and Education**, Peter Lang, Berlin.*

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⁴¹ *Peregrine Academic Services seen at <http://www.peregrineacademics.com/program/cpc/>*

⁴² *All Acronyms.com seen April, 2011 at*

⁴³ *Seen a <http://www.all-acronyms.com/Common+Professional+Component>*

⁴⁴ *John Harris, 2002, **Brief History of American Academic Credit System**, Samford University*

⁴⁴ *FAQs, 2011, **What is the Carnegie Unit?**, Carnegie Foundation for the Advancement of Teaching, see at <http://www.carnegiefoundation.org/faqs>*

⁴⁵ *Hannah Kreplin, 1971, **Credit by Examination: A review and Analysis of the Literature**, Office of the Vice-President- Planning, University of California, Berkeley.*

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- ⁴⁹ Drucker op cit:
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- ⁵¹ Shona Grimby, Ed 2000, **Encyclopedia of the American World**, p11
- ⁵² ACBSP Accreditation Standards Criteria 6.1.3
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- ⁵⁵ Ghazali, 11
- ⁵⁶ Adam Smith, 1776,
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- ⁶¹ Thomas Friedman, 2005, **The World is Flat**, Farrar, Straus and Giroux, New York, p 8
- ⁶² ACBSP includes the CPC of business Leadership here whereas IACBE breaks out Business Leadership as a separate CPC.
- ⁶³ Steven Gary Blank, 2005, **The Fours Steps to Epiphany**, Cafepress.com.
- ⁶⁴ Seen May 2011 at <http://www.wharton.upenn.edu/about/wharton-history.cfm>
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