

# Business Program

## Purpose Statement

The department commits itself to fostering students' learning so that they are prepared for professional pursuits and/or graduate study.

The department achieves this purpose when its graduates can

- demonstrate knowledge, understanding, and application of the principles, concepts, and tools in each key content area of their major;
- perform research, analysis, and critical thinking necessary to integrate key content from various business disciplines and other dimensions of society;
- perform effectively in groups;
- persuasively communicate business-related ideas in a variety of media and settings.
- develop a global mindset recognizing the diversity of cultures, practices, traditions, and philosophies. Be able to adapt to a changing world.

One major and two interdisciplinary majors are available within the Department of Business Administration. Within the Business Administration major, there are four emphasis areas, and a student must choose at least one area in which to concentrate their study: Management, Marketing, Finance, and Accounting.

## Core Requirements for all Business Majors: 37 hours

- G-BA 130** Principles of Business Management (3 hours)
- EC 201** Principles of Economics: Macro (3 hours)
- EC 204** Principles of Economics: Micro (3 hours)
- AC 205** Financial Accounting (3 hours)
- AC 206** Managerial Accounting (3 hours)
- \*G-CM 218** Business and Professional Communication (3 hours)
- G-BA 220** Business Applied Statistics (4 hours)
- BA 221** Marketing (3 hours)
- BA 315** Business Law (3 hours)
- BA/AC 320** Management/Accounting Information Systems (3 hours)
- BA 325** Financial Management (3 hours)
- \*BA 475** Business Strategy and Policy (3 hours)

## Accounting Emphasis

- AC 305** Intermediate Accounting I (3 hours)
- AC 306** Intermediate Accounting II (3 hours)
- AC 315** Cost Accounting (3 hours)
- AC 316** Individual Income Tax (3 hours)
- AC 437** Principles of Auditing (3 hours)

Hours in ACCOUNTING: 15 hours

Business Elective Hours: 6 hours

**37 Core + 15 ACCOUNTING + 6 Elective = 58 total hours**

## Management Emphasis

- BA 324** Organizational Behavior (3 hours)
- BA 339** Human Resource Management (3 hours)
- BA 342** International Business (3 hours)
- BA 490** Operations Management (3 hours)

Hours in MANAGEMENT: 12 hours

Business Elective Hours: 9 hours

**37 Core + 12 MANAGEMENT + 9 Elective = 58 total hours**

## Finance Emphasis

- AC 305** Intermediate Accounting I (3 hours)
- BA 451** Money and Banking (3 hours)
- BA 426** Financial Analysis (3 hours)
- BA 428** Investments (3 hours)

Hours in FINANCE: 12 hours

Business Elective Hours: 9 hours

**37 Core + 12 FINANCE + 9 Elective = 58 total hours**

### **Marketing Emphasis**

**BA 322** Advertising and Promotion (3 hours)

**BA 327** Consumer Behavior (3 hours)

**BA 342** International Business (3 hours)

**BA 427** Marketing Research (3 hours)

Hours in Marketing: 12 hours

Business Elective Hours: 9 hours

**37 Core + 12 MARKETING + 9 Elective = 58 total hours**

## **Departmental Minor**

### **Business Administration Minor: 21 total hours**

**G-BA 130** Principles of Business Management (3 hours)

**AC 202** Survey of Accounting (3 hours)

**EC 202** Survey of Economics (3 hours)

**\*G-CM 218** Business and Professional Communication (3 hours)

**BA 221** Marketing (3 hours)

**BA 315** Business Law (3 hours)

**BA 325** Financial Management (3 hours)

## **Other Business Emphases**

In addition to the prescribed majors outlined above, there are other ways in which a student may seek a major within this department.

### **Technology Major: Automotive Restoration Management**

The goal of the Automotive Restoration Management emphasis is to develop graduates who are prepared for professional pursuits and/or graduate study.

### **Art Major: Graphic Design Marketing**

## **Student-Designed Majors**

McPherson College offers students the opportunity to create their own major courses of study. Proposals for such majors must be approved by the Educational Policies Committee and must satisfy criteria for acceptable levels of academic rigor and integrity. The student-designed major section of this catalog provides more information. Students have successfully proposed such personalized programs in business-related areas such as Music Business.

## **CPA Study**

Students who are currently interested in sitting for the CPA (Certified Public Accountants) exam must meet the requirements as determined by the State Board of Accountancy. One of the requirements to sit for the CPA exam is 150 hours of college credit. McPherson College advises students pursuing a career in public accounting to complete their undergraduate degree at McPherson College and then complete a master's degree in business or accounting. For additional information, contact the chair of the business department.

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# **Business Course Descriptions**

## **Economics**

### **EC 201 Principles of Economics: Macro**

*3 hours*

The first semester of general economics deals with these major topics: supply and demand, the market system, the role of government; unemployment, economic fluctuations; fiscal and monetary policy approaches to economic stabilization; impact of international trade issues on domestic economic problems. (Fall)

## **EC 202 Survey of Economics**

*3 hours*

This course is designed to provide non-business majors with a basic understanding of key economic principles from both the “macro” and “micro” perspectives. Topics will include: supply and demand, economic goals and measures, market types, economic fluctuations, monetary and fiscal policy, and international trade. (Spring)

## **EC 204 Principles of Economics: Micro**

*3 hours*

The second semester of general economics study. The course focuses on concepts of supply and demand in the context of perfect and imperfect product and resource markets. In addition, students apply economic concepts to a variety of current topics, labor unions, income distribution, and health care. Prerequisite: EC 201. (Spring)

## **EC 452 International Finance** (dormant)

*3 hours*

# **Accounting**

## **AC 202 Survey of Accounting**

*3 hours*

This course is designed for managers and personnel in organizations of all sizes who must work with, and understand, accounting and financial information; without overemphasizing the mechanics and technical language of accounting. Students will learn how to read and use financial statements and financial information to make business decisions. Topics include fundamental financial accounting, fundamental cost accounting, terminology, cash and internal control, financial statement analysis, and cash flow. (Fall)

## **AC 205 Financial Accounting**

*3 hours*

A study of the elements of accounting, the balance sheet, income statement, principles of double entry accounting, the process of closing books, and depreciation methods. (Fall)

## **AC 206 Managerial Accounting**

*3 hours*

A continuation of Financial Accounting, with the emphasis on various entity capital structures, analysis and interpretation of financial statements, statement of cash flows, present value concepts, and introduction to cost accounting. Prerequisites: AC 205. (Spring)

## **AC 305 Intermediate Accounting I**

*3 hours*

The first of two in-depth financial accounting courses. The conceptual framework, critical analysis of generally accepted accounting principles, and applications are stressed. Topics include the balance sheet, income statement, the statement of cash flows debt financing, equity financing, earnings per share, and accounting changes and error correction. Prerequisites: C or better in AC 205. (Fall)

## **AC 306 Intermediate Accounting II**

*3 hours*

The second of two in-depth financial accounting courses. Continued in-depth analysis of generally accepted accounting principles and related applications are emphasized. Topics include the earnings management, revenue cycle, revenue recognition, inventory and cost of goods sold, non-current operating assets, investments, leases, income taxes, pensions, other payroll topics, derivatives, contingencies, etc. Prerequisites: AC 305.(Spring)

## **AC 315 Cost Accounting**

*3 hours*

The study of standard costing, cash budgeting, process costing, job order costing and their applications to the management decision process. Prerequisite: AC 206, G-BA 130. (Fall, even years)

## **AC 316 Individual Income Tax**

*3 hours*

The study of individual income tax theory, planning and application. Prerequisites: G-BA 130 and AC206. (Fall)

## **AC 320 Accounting Information Systems**

*3 hours*

The concept of accounting information systems refers to all accounting procedures designed and implemented to ensure that transactions are properly recorded, processed, and disclosed. This course will use the case method of instruction to assist student skill development in evaluation and construction of accounting systems. This course also provides comprehensive understanding and practical application skills of Intuit's Quickbooks software. Prerequisites: G-BA 130, and AC 206 concurrently. (Spring)

### **AC 437 Principles of Auditing**

*3 hours*

The following topics are included in this course: theory and application of the following concepts: materiality, risk, internal control evaluation, and audit evidence (analytical and substantive). Students will learn to evaluate the risk of financial statement assertions and choose appropriate audit procedures. This course concentrates on auditing standards generally accepted in the United States as issued by the AICPA auditing standards board and PCOAB. Other items include financial statement fraud, independence, legal liability, and ethical responsibilities. Concurrent: AC 306 and AC 320. (Spring, odd years)

## **Business Administration**

### **G-BA 130 Principles of Business Management**

*3 hours*

This course introduces the student to the management process. The course takes an integrated approach to management by examining the role of the manager from a traditional and contemporary perspective while applying decision-making and critical-thinking skills to the challenges facing managers in today's globally diverse environment. The course examines the techniques for controlling, planning, organizing resources and leading a social institution. Introductory finance and accounting principles will also be addressed. (Fall and Spring)

### **G-CM 218 Business and Professional Communication**

*3 hours (Language Intensive)*

Business and Professional Communication is a course designed to expose students to strategies for effective communication in a business environment. Students will deal with both oral and written forms of communication. The course will also deal with the effective communication of information through the use of spreadsheets and graphs, as well as on-line communication skills that are essential to success in today's business environment. Students will learn effective techniques for using technology to enhance an oral presentation as well. (Fall)

### **G-BA 220 Business Applied Statistics**

*4 hours*

This course is a study of the principles of descriptive statistics, probability, sample and population relationships, estimation, and hypothesis testing. The student will receive a solid foundation in mathematical theory, practical application, and Microsoft Excel. Prerequisites: ID119 Intermediate Algebra with a grade of C or better, or three years of high school mathematics and an ACT mathematics score of 22 or an SAT math score of 560. (Spring)

### **BA 221 Marketing**

*3 hours*

A study of marketing institutions and the functions which they perform: pricing, promotion, distribution, and product development. The course will also address effects of external domestic and international environments on marketing strategy. Prerequisite: G-BA 130. (Fall)

### **G-BA 230 Personal Finance**

*3 hours*

This course provides an overview of personal and family financial planning with an emphasis on financial recordkeeping, planning your spending, tax planning, consumer credit, making buying decisions, purchasing insurance, selecting investments, and retirement and estate planning. This class is recommended for non-business majors. (Fall, Interterm)

### **BA 235 Entrepreneurship and Small Business Management**

*3 hours*

Focus is on the start-up and development of a small business. Topics include acquisition of capital; design of accounting systems and cash control; principles of taxation and payroll deductions; financial statement analysis; legal issues related to workers' compensation, product liability, contracts fundamentals, and forms of business organization; election, hiring, and appraisal of employees; marketing of product; inventory control; location and facilities analysis; and regulatory impacts. Course requires preparation of a complete business plan. Concurrent: G-BA 130. (Fall)

### **BA 315 Business Law**

*3 hours*

This course is designed to help students master the fundamental and legal and regulatory knowledge necessary to perform in today's business environment. Students will develop an understanding of how to solve a legal problem and will study topics such as contracts, sales governed by the UCC, bankruptcy, principle-agent relationships and employer/employee legal issues. (Spring)

**BA 320 Management Information Systems**

*3 hours*

The concept of management information systems refers to all management procedures designed and implemented to insure that data related to the basic goals, strategies, and operations of the business entity are properly and timely collected, processed, and reported. This course will use the case method of instruction to assist student skill development in evaluation and construction of management systems. This course also provides comprehensive understanding and practical application skills of Microsoft's Access software. Prerequisites: G-BA 130. (Spring)

**BA 322 Advertising and Promotion**

*3 hours*

Advertising and promotion is a course that directly relates to marketing and how advertising drives the company's marketing plan. The class will explore all forms of print and electronic media and learn to evaluate the effectiveness of advertising. The class will revolve around applying material from the text, to developing and executing an actual advertising plan. Client meetings will be held with the organization we will be preparing advertising. After the completion of this course, students will have a full understanding of what goes into an advertising campaign. The students will have a greater appreciation for what it takes to produce a 30-second commercial and budgeting, negotiating and persuading the client. Prerequisite: BA 221 (Fall)

**BA 324 Organizational Behavior**

*3 hours*

In depth exploration of the management functions of organizing and leading/directing. Emphasis on individual motivation, group process and team management, leadership styles and effectiveness, organizational communication, decision-making, managing global workforces and diversity, management of change, organizational culture, and organizational design. Prerequisite: G-BA 130, Grade of C or better in EC 204 or EC 202. (Fall)

**BA 325 Financial Management**

*3 hours*

A study of concepts in financial management including the time-value of money, ratio analysis, cost of capital, capital budgeting, and the valuation of stocks and bonds. The course includes a term project to evaluate the performance of publicly traded companies within an industry. (Book Fee) Prerequisites: AC 206 (Fall)

**BA 327 Consumer Behavior**

*3 hours*

This course is designed to help students evaluate why people do what they do when they buy something. Students will examine behavioral science concepts applicable to understand the buyer's behavior and investigate specific processes of consumer decision-making. Topics will include: purchase decisions, reference groups; and sociological, psychological, and economic aspects of consumer behavior. Additional topics will include: environmental influences on consumer evaluation, consumer attitudes, and post-purchase evaluation. Prerequisite: BA 221. (Spring)

**BA 339 Human Resource Management**

*3 hours*

A study of the processes, problems, and opportunities associated with the human resources deployed by an organization. Major topics include planning, staffing, training and development, compensation, employee relations. Prerequisite: G-BA 130. (Spring)

**BA 342 International Business**

*3 hours*

This course is a study from the manager's perspective in the fields of international trade and investment, balance of payments, international financial markets, monetary systems, national trade policy, and international laws. This course also addresses cultural variables in business, and examines how each of a number of basic management activities must be handled differently in the international environment. Prerequisites: EC 204, G-BA 130. (Fall)

**G-BA 342IT International Business Travel Trip**

*3 hours*

This course is designed to deliver students a holistic experience of a country other than the United States, with primary attention given to business commerce, and trade relations in a foreign country. Topics experienced will include: economic history through present day, cultural, as well as other historical attributes. The course destination can change year-by-year. Prior course destinations include: Costa Rica and Australia.

**BA 345 Customer Sales Management**

*3 hours*

This course is designed to demystify the negative stereotypes of sales by exposing students to the sales process and how it fits into the structure of a business and specifically within marketing. Students will practice customer management tactics, negotiation, and persuasive sales techniques. Prerequisites: G-BA 130, BA 221, G-CM 218. (Spring)

**BA 426 Financial Analysis**

*3 hours*

A continuation of Financial Management examining in greater depth the topics of capital budgeting, capital structure, financial forecasting, working capital management, acquisitions, and dividend/stock repurchase policies. The primary teaching method is application utilizing case studies. Through these case studies, students will gain an intermediate to advanced proficiency level in Microsoft Excel. Prerequisites: BA 325, and AC 305 recommended. (Spring)

**BA 427 Marketing Research**

*3 hours*

This course focuses on the different types of marketing research (qualitative and quantitative) as well as the complex issues at each stage of the marketing research process, including research objectives, questionnaire construction (specifically for survey research), sampling, data collection, and statistical analysis. Accordingly, this course is appropriate for both prospective users of research results and prospective marketing researchers. Prerequisite: C or better in BA 221, BA 322, and concurrent BA 327. (Spring)

**BA 428 Investments**

*3 hours*

A study of investment media, sources of investment information, the stock risk, modern portfolio theory, and the analysis and evaluation of industries and firms. As part of this class students manage \$350,000 of the college's endowment. Prerequisite: EC 204 or EC 202, and BA 325 (Spring)

**BA 451 Money and Banking**

*3 hours*

A study of the nature and function of money, its relation to prices, and the many functions of the American banking system. Prerequisite: EC 204, AC 206. (Fall)

**BA 475 Business Strategy and Policy**

*3 hours (Senior Seminar and Language Intensive)*

This is a capstone course for all Business majors. This course is an intense study of the role of strategic planning in the success of an organization. It provides a framework for such planning and the practical application of strategic planning through case studies. Prerequisites: Prior completion of or contemporaneous enrollment in all other major requirements. (Spring)

**BA 490 Operations Management**

*3 hours*

Operations Management encompasses the theory and application of managing both service and manufacturing industry processes. Topics include: value chain, supply chain, inventory, resource, quality, sequencing, as well as capacity management techniques and practices. Additional areas of emphasis include: operations strategy, goods and services design, facility design, forecasting, process selection and sequencing. Students can expect to learn both the theoretical basis and mathematical application of operations management processes. Prerequisites: G-BA 130. (Fall)

**Special Course Options**

**295/495** Field Experience (1-4 hours)

**297** Study Abroad (12-16 hours)

**299/499** Independent Study (1-4 hours)

**388** Career Connections (3-10 hours)

**445** Readings and Research (1-4 hours)