

## Chapter 4.10

# Make, Source, or Buy: The Decision to Acquire a New Reporting System

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### **EXECUTIVE SUMMARY**

The College of Business (COB) at Northern Washington University (NWU) needs new data systems to provide reports and information both internally and for its external accrediting body. Dewitt Brown, COB's associate dean, has been tasked with determining COB's needs and developing recommendations for sources of systems. COB could develop the systems internally since it has database expertise among its faculty and staff. Or, it could outsource to NWU's information technology staff. A third option, at least for some systems, is to purchase from an outside vendor. The decision is crucial: efficient, accurate reporting of data is key to COB's strategic plan to continue its accreditation as well as ensure that operations are smooth as possible. If COB were

to lose its accreditation, it would lose status and likely lose funding and students as well.

### **ORGANIZATIONAL BACKGROUND**

The setting for this case is the College of Business (COB) at Northern Washington University (NWU).<sup>1</sup> COB has about 1,100 full majors at the undergraduate level, plus another 300 premajor students and a small MBA program of about 65 students. COB's primary mission is to graduate students who have a broad general background in business administration as well as in-depth knowledge in a specialty area. Undergraduate majors include a BA in Business Administration, a BA in Accounting, and a BS in Manufacturing and Supply Chain Management. Concentra-

tions within the business administration major include finance, human resource management, international business, management, management information systems, marketing, and operations management.

COB is one of seven colleges that form NWU. The university is a public institution, at the Masters I level of the Carnegie classification, and it holds a high reputation within the state and nationally for the quality of its undergraduate programs. NWU has about 12,000 students, including about 700 graduate students. Many NWU students have attended a community college in the state, and a large number come to the university with an associate's degree that may include some or all of COB's lower-division foundation courses. NWU is primarily a residential campus: most students live in the local community and attend class full-time in quarters in which they are enrolled. The university has few extension programs and a limited number of distance-learning course offerings.

COB has been accredited by AACSB International, the Association to Advance Collegiate Schools of Business, since 1990. It is due for review in 3 years (in 2007—the year of the case is 2004), and will be one of the first schools reviewed under new accreditation standards. Maintenance of accreditation is critical for a school like COB. Accredited status affects the school's ability to attract high-quality students and faculty, as well as funding from both state and private sources. The review process has changed from previous years, and the standards have been extensively revised under the new rules. Schools are expected to prepare relatively short annual reports and a more extensive fifth-year report, with data available to teams at the time of the maintenance visit. Three broad categories exist in the new standards: strategic management, participants (primarily faculty and students), and assurance of learning. The second category contains several items that require either reporting of data or easy availability

of data, including faculty workload (courses and students taught), faculty qualifications (degree earned and recent activity in the field), and student admission and retention (incoming GPA and progress toward degree). The third category is completely new and focuses on assessment of student learning outcomes to determine if the school is fulfilling its mission. This category also requires data collection and dissemination either in a report or upon request. Data to compile these reports come from a number of sources, including university records, college records, and annual reports completed by the faculty.

COB's management structure is fairly simple. Peter O'Toole, the dean of COB, has two associate deans, one whose job responsibilities are more externally oriented and one whose job responsibilities are more internally oriented. The internally oriented associate dean, Dewitt Brown, has substantial responsibilities in the accreditation effort, including curriculum review, assurance of learning, and data reporting. Jennifer Wilkins, the dean's executive assistant, also plays an important part in the accreditation effort; she is assisted by Mildred Stinson, the COB program manager. Four department chairs make up another important part of the COB management structure. These chairs oversee the departments of accounting, decision sciences, finance and marketing, and management, and a total of 45 full-time, tenure-track faculty. Of particular importance in this case are the five full-time, tenure-track faculty who specialize in management information systems. They are housed in the decision sciences department. Each department has its own administrative assistant (secretary).

The strategic planning process at COB is informed by, but not driven by, AACSB mandates. The college's mission is to give students high-quality instruction within the limits imposed by its status as a college within a public university in times of tight state budgets. Strategic proposals are examined closely to see if they conform to the

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