

Economics Department Graduate Assessment Report for 2007

Introduction

The M.A. degree in economics is a one year program; students attending full-time can start in the fall and finish during the summer term. Students complete core courses in micro and macroeconomic theory, math and statistics, and choose amongst several elective courses to round out the program. The one-year format has some disadvantages. For example, we could offer more software and applied training in a two year program. However the fact that it is a one-year program also appears to be an important feature of the program for our students and switching to a two-year program could cause us to lose a significant number of potential students to other area masters programs.

Each year, a few of our better undergraduate students continue into the Masters. The two are separate degrees; there is no combined or accelerated BA/MA program. Given the nature of the MA, we do not see any benefit to a combined program. Most of our graduate students have their BA from another university, and several of these students are enrolled in the program while working full time. The fact that we offer the core graduate courses in the evening is a big draw for these students, who typically take between two and three years to complete the program.

Goals

The goals of the Master's Program in economics are threefold:

1. To provide students with the skills needed to apply macroeconomic theory to public policy questions.
2. To provide students with the skills needed to apply microeconomics to both policy questions and the resolution of applied problems in economics.
3. To provide students with the skills required to conduct applied economic research and to develop their ability to conduct and report on this research.

These are the goals developed by the Economics Department faculty and have not been modified from goals stated in previous years.

Outcomes

The outcomes relate to the three goals of the program. Students who successfully complete the program will be able to:

Outcome 1 (macroeconomics goals):

- a) Interpret annual, quarterly and daily macroeconomic data.
- b) Use business cycle, economic growth, inflation and unemployment models to analyze macroeconomic issues.
- c) Evaluate the impacts of monetary and fiscal policies on both national and international economies.

Outcome 2 (microeconomic goals):

- a) Understand how an economy allocates its scarce resources, including how agents make decisions, how various institutions affect incentives and decisions and how individual actions lead to a market equilibrium.
- b) Understand how external events influence choices and market equilibrium.
- c) Understand how public policy can alter incentives and affect market equilibrium.
- d) Understand concepts of efficiency.

Outcome 3 (applied goals):

Students will be able to formulate and test economic hypotheses. This includes collecting and analyzing data, relating the data to the theory so as to choose an appropriate empirical methodology and then interpreting the results. In choosing the appropriate methodology, students will be able to choose the correct statistical techniques, develop an appropriate empirical model (choice of dependent variables) and apply the appropriate tests for the validity and significance of the results.

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Methods/Review

Goals one and two are evaluated through pre and post-tests administered in advanced microeconomics (ECN 633), competition and strategy (ECN 635) and advanced macroeconomics (ECN 643). The pre-tests are administered prior to each student taking the relevant course (usually on the first class meeting) and the post-test is administered at the end of the course.

We assess achievement on goal three by evaluating the students' research projects which are completed as part of the econometrics course (ECN 625). The project requires students to formulate a hypothesis on some economic question and collect, analyze and interpret the data in order to test the hypothesis.

The graduate committee, which consists of members of the department who have graduate faculty status, evaluates both the exams and the papers.

Findings

The most recent results for the assessment exams cover the 2006-2007 academic year. This includes results from autumn 2006 for advanced microeconomics (ECN 633) and for spring 2007 for both competition and strategy (ECN 635) and advanced macroeconomics (ECN 643). The results from the previous two academic years are provided as a comparison.

Results for advanced macroeconomics (ECN 643):

I. For spring 2007:

- a) Six students took both exams.
- b) The average score on the pre-test was 50% while the post-test average was 61.7%, representing an average increase of 11.7 percentage points. The minimum improvement was 0 percentage points and the maximum was 25 percentage points.

II. For spring 2006:

- a) Seven students took both exams.
- b) The average score on the pre-test was 41.4% while the post-test average was 67.1%, representing an average increase of 25.7 percentage points. The minimum improvement was 10 percentage points and the maximum was 40 percentage points.

III. For spring 2005:

- a) Twelve students took both exams.
- b) The average score on the pre-test was 38% while the post-test average was 69%, representing an average increase of 31 percentage points. The minimum improvement was 5 percentage points and the maximum was 55 percentage points.

The results for 2007 are significantly lower than in the previous two years, however, this is likely a reflection of two factors. First, the pre-test scores were significantly higher in 2007. The average post-assessment scores were not much lower than the previous two years. Second, we have a new instructor in the course making it more difficult to compare the two sets of results. We need at least an additional year's data to make any meaningful cross-year comparisons.

Results for competition and strategy (ECN635):

I. For spring 2007:

- a. Nine students took both exams.
- b) The average score on the pre-test was 47.2% while the post-test average was 74.5%, representing an average increase of 27.3 percentage points. The minimum improvement was 8.3 percentage points and the maximum was 41.7 percentage points.

II. For spring 2006:

- a) Seven students took both exams.
- b) The average score on the pre-test was 48.8% while the post-test average was 85%, representing an average increase of 36.2 percentage points. The minimum improvement was 21 percentage points and the maximum was 66 percentage points.

II. For spring 2005:

- a) Eleven students took both exams.
- b) The average score on the pre-test was 39% while the post-test average was 82%, representing an average increase of 43 percentage points. The minimum improvement was 20.8 percentage points and the maximum was 54.1 percentage points.

The results for 2007 are roughly comparable to those in previous years and represent a significant improvement between the pre and post-exam results.

Results for advanced microeconomics (ECN633):

I. For fall 2006:

- a. Seven students took both exams.
- b) The average score on the pre-test was 37.7% while the post-test average was 45.1%, representing an average increase of 7.4 percentage points. The minimum improvement was -12 percentage points and the maximum was 16 percentage points.

II. For fall 2005:

- a) Eight students took both exams.
- b) The average score on the pre-test was 49.6% while the post-test average was 55.6%, representing an average increase of 6 percentage points. The minimum improvement was -3.7 percentage points and the maximum was 18.6 percentage points.

II. For fall 2004:

- a) Twelve students took both exams.
- b) The average score on the pre-test was 45% while the post-test average was 49%, representing an average increase of 4 percentage points. The minimum improvement was -4 percentage points and the maximum was 23 percentage points.

There has been some minor improvement in the results over each of the two years; however the results are lagging behind those for the other two courses. There are a couple of issues with the results for the ECN 633 scores. The course was changed this year and a new exam was used, one which still requires some modification. There is some question about what the assessment exam is measuring and whether this truly reflects students' progress. For example, the student who performed best on both class exams (midterm and final) and exhibited the best grasp of the material also posted a 12% decline in performance between the pre and post-assessment exams. Thus, it appears some work is still needed to make the new exam match the new course structure and material.

Overall, the committee is pleased with the results for ECN 635, while it is difficult to compare the ECN 643 across years. The post-test scores for ECN 643 are in line with previous years; it's the average change which has dropped. Again, this may be due to the high pre-test scores. Steps are being taken to analyze and remedy the reasons for the poorer post-test results in ECN 633.

Graduate papers for econometrics (ECN 625)

This year the graduate committee reviewed papers submitted by graduate students for spring 2006 econometrics course. The committee found the papers to be in line with the quality of papers reviewed in 2005.

In 2005, the committee reviewed nine papers submitted by graduate students. The committee agreed that the papers were an improvement over the 2004 papers, which were in turn an improvement on the 2003 papers, indicating steady progress.

Additional assessment

In 2005, the graduate committee added an additional means to assess student learning and satisfaction with the graduate program. The committee administers an exit survey to graduating MA students prior to their exit from the university.

Five students were surveyed in the summer of 2006. Three were planning to enter the job market, one went on to attend law school starting in the fall of 2006 and the fifth planned to continue in his current employment.

We asked the students what additional preparation would have helped them succeed in the MA program. Two said more math courses would have been helpful while one said additional economics courses would have been beneficial.

We also asked students what changes they would make to the MA program. Two could not think of any changes, while two suggested the statistics course did not provide enough preparation for the econometrics course, and further indicated that the cross-listing of the course as graduate and undergraduate may be the problem. Other suggestions included offering the mathematics for economics (ECN 610) class before the advanced microeconomics (ECN 633) course (which is difficult given the single year framework for the program) and offering more training in the use of statistical software. At this time, we do not have a solution for this. Students taking the labor economics course (ECN 675) do receive some basic training in the use of STATA, however not all students take this course. We are looking into various options for providing more software training, including the possibility of offering a one credit course in data management and basic analysis tools. We will also have a new instructor for the econometrics course who may also provide some more training.

Most students (four out of five) found the competition and strategy course (ECN 635) the most interesting, while advanced microeconomics (ECN 633) and econometrics (ECN 625) were most frequently cited as the most useful courses.

All five of the students had a positive experience in the program, citing good experiences with the faculty and fellow students. Some also mentioned that the one-year nature of the program is a plus.