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To: AACSB Members

FROM: Jerry E. Trapnell, Executive Vice President
& Chief Accreditation Officer

The attached paper entitled, "Deploying Professionally Qualified Faculty: An Interpretation of AACSB Standards," has been developed under the leadership and guidance of the AACSB Accreditation Coordinating Committee and Accreditation Quality Committee. The paper was developed in response to requests that initiated with the AACSB Doctoral Faculty Commission to enhance the discussions and understanding about the importance of professionally qualified (PQ) faculty in AACSB accredited business schools and accounting programs.

The paper does not establish new standards, but it reflects and captures discussions and questions that have emerged from AACSB accreditation committees, feedback from deans and accounting administrators, feedback from peer review teams, and discussions at AACSB conferences and seminars among others. It is hoped the paper adds a useful foundation to enhance the dialogue on the importance of deploying qualified faculty in accredited business schools and accounting programs.

As always, comments and feedback are welcomed. Your comments may be sent to Jerry Trapnell at jerryt@aacsb.edu. The paper will be shared with the membership at large and reflected in presentations at upcoming AACSB conferences and seminars.

DEPLOYING PROFESSIONALLY QUALIFIED FACULTY: AN INTERPRETATION OF AACSB STANDARDS

Purpose

This document provides guidance consistent with the spirit and intent of AACSB International accreditation standards on the use and deployment of “professionally qualified” (PQ) faculty. It is based on experiences of peer review teams and significant discussion by all AACSB accreditation committees. This document should not be viewed as a change to the standards but as a document to facilitate additional dialogue on the deployment of PQ faculty.

Background

The concept of PQ faculty was first introduced in the 1991 standards and has generated significant discussion. Current AACSB standards provide limited discussion related to the deployment of PQ faculty. This issue was highlighted in AACSB’s thought leadership study, *Sustaining Scholarship in Business Schools*, outlined the growing importance of professionally qualified faculty in light of the pending shortage of doctorally qualified faculty and called for “explicit quality standards for ‘clinical faculty’ similar to the measurement traditions developed for research faculty”. This document and supporting appendix is intended to address this concern.

The preamble to current AACSB standards states that “academic quality is created by the educational standards implemented by individual faculty members in interactions with students”. The central tenet of the standards remains that all faculty, AQ, PQ and other, are critical in supporting high quality academic programs, continuous improvement, and high quality graduates.

This document builds on this principle with a focus on the concept of PQ faculty. We begin with a review of Standard 10 and other standards and interpretive materials related to the deployment of PQ faculty. A framework for viewing the development and maintenance of the intellectual capital of PQ faculty in comparison to those of AQ faculty is proposed. Also, the paper draws from the experiences of AACSB reviews, discussions from AACSB seminars and conferences, and other feedback to develop a specific set of clarifications for classifying and deploying PQ faculty. Finally, Appendix 1 provides answers to frequently asked questions about PQ faculty.

Current AACSB Standards Related To PQ Faculty

Recognizing the diversity of missions of business schools and accounting programs, AACSB accreditation standards provide guidance to assist schools in producing academic programs that demonstrate “overall high quality” and support an environment of “continuous improvement.” Two standards provide objective guidance on faculty issues -- Standard 9 on faculty sufficiency, and Standard 10 on faculty qualifications. Both standards reinforce the central role of the faculty for the development of curricula, courses, and program delivery.

Standard 10 focuses specifically on faculty qualifications (AQ and PQ) and will be the focus of the remainder of this document.

Standard 10 states:

The faculty, has, and maintains, intellectual qualifications and current expertise to accomplish the mission and to assure that this occurs, the school has a clearly defined process to evaluate individual faculty member's contributions to the school's mission... (AACSB 2003b, 38)

The standards also recognize that faculty members designated AQ, PQ, or Other can make appropriate contributions to the fulfillment of the school's mission. The interpretive material places significant importance on the responsibility of **all** faculty members to maintain their intellectual capital to support the mission. This material also states that obtaining and maintaining academic or professional qualifications is a function of both original academic preparation **and** subsequent activities that maintain or establish preparation for current teaching responsibilities.

Standard 10 describes the PQ faculty member as follows:

Both relevant academic preparation and relevant professional experience will be required to establish a faculty member as professionally qualified. Normally, the academic preparation should consist of a master's degree in a field related to the area of the teaching assignment. Normally, the professional experience should be relevant to the faculty member's teaching assignment, significant in duration and level of responsibility, and current at the time of hiring... (AACSB, 2003b, 41)

Consistent with the current standards PQ faculty must meet the following qualifications:

1. In most cases, possess at least a masters degree (or equivalent qualification) in a discipline or field related to the area of teaching responsibilities;
2. Professional experience at the time of hiring that is significant in duration and level of responsibility and consistent with the area of teaching responsibilities; and
3. Continuous development activities that demonstrate the maintenance of intellectual capital (or currency in the teaching field) consistent with the teaching responsibilities.

The standards do place limitations on the deployment of PQ faculty through the interaction of interpretative sections in Standard 10. Standard 10 requires that "the academically qualified portion of the faculty...should not fall below 50 percent of the total faculty resources for schools with undergraduate programs

only”. This standard also acknowledges that the percentage of AQ faculty required varies based on a school’s mission. For example, “the percentage of academically qualified faculty resources required for a school with graduate programs should exceed the percentage for schools with no graduate programs.” Guidance in Standard 10 also requires that “total faculty resources that are academically qualified or professionally qualified must constitute at least 90 percent of the total faculty resources”.

Consistent with the above requirements, business school and accounting programs can have up to 10 percent of its faculty resources classified as “other”, neither AQ nor PQ. Alternatively, PQ faculty could account for 50 percent of total faculty resources for an undergraduate only business program (assuming the other 50% are AQ faculty). As a school’s mission requires more graduate programs, the percentage of total faculty resources that are PQ faculty should decline with a corresponding increase in the deployment of AQ faculty.

Standard 10 also requires that schools provide “information on academic and professional qualifications for each faculty member”. In all cases, programs need clear criteria and additional guidelines for:

- Determining PQ status at the time of hiring
- Developing performance expectations adequate to maintain PQ status

Such criteria and guidelines are as important for PQ faculty as for AQ faculty where traditionally, evaluation systems are more formalized and expectations more clearly articulated through appointment, evaluation, tenure and promotion systems.

Evaluating and Documenting PQ Faculty Qualifications

For consistent logic in assessing the potential deployment of a PQ faculty member, we recommend that the intellectual capital developed through the academic preparation of an AQ faculty member be considered as a starting point for discussion of the appropriate level of PQ qualifications. It is reasonable that to be PQ, a faculty member must have sufficient combined education and professional experience to develop a level of intellectual capital that allows him/her to contribute to the teaching mission in the area of their deployment as well as other components of the mission of the school as appropriate. While the capabilities of an AQ and PQ faculty member may be different, to maintain quality, the rigor and extent of their preparation should be comparable.

Table 1 provides a side-by-side perspective on AQ and PQ faculty in terms of intellectual capital development, intellectual capital maintenance and teaching preparation. For AQ status, a faculty member has typically devoted 3-5 years of focused, full-time learning in a doctoral program (often beyond a masters degree) to develop the appropriate intellectual capital to be an AQ faculty member. The

TABLE 1: AQ AND PQ FACULTY PERSPECTIVES

	Qualification	AQ	PQ
Intellectual Capital Development	Intellectual Contribution Sufficiency (Std. 2)	Intellectual Capital sufficient to conduct research and teach.	Intellectual Capital sufficient to teach and contribute to other aspects of the school's mission. May contribute to research mission
	Academic Preparation (Std. 10)	Doctoral Degree, a highly specialized degree (accounting, marketing, etc.) or significant specialized coursework	Master's Degree in Teaching Area
	<i>And/or</i>		
	Professional Experience (Std.10)	Encouraged	Significant in duration and level of responsibility
Intellectual Capital Maintenance	On-going development to maintain status (Std. 10)	Intellectual contributions (Discipline-based scholarship, contributions to practice, and/or learning and pedagogical research) and/or other development activities	Continuous development activities that demonstrate maintenance of intellectual/professional capital which may include intellectual contributions
Teaching Preparation		Preparation for teaching responsibilities in higher education received from AACSB accredited institutions or other sources	Strongly encouraged

PQ faculty member has a masters degree (or its equivalent) and professional experience of “significant duration and responsibilities” to generate similar intellectual capital. The means of generating that capital is different and it may yield different areas of expertise but the school should be able to make the case that it is comparable in its ability to prepare faculty members for their duties. An appropriate question to ask when considering a PQ faculty hire is: Does the professional experience rise to a level that can be judged to be comparable to the academic preparation and scholarship of an AQ faculty member in that it provides the individual with appropriate knowledge and skills to be an effective

classroom teacher/scholar in the courses and mission components for which the position is expected to cover?

Consistent with the philosophy above, documentation of qualifications is also critical. The 2006 revised Standards require schools to develop and implement appropriate criteria by which AQ and PQ status is granted and maintained. The criteria should be consistent with the school's mission and should address:

- ***The educational background, experience, and demonstrated work outcomes that are required to attain each status.***
- ***The priority and value of different activity outcomes reflecting the mission and strategic management processes.***
- ***Quality standards required of each activity and how quality is assured.***
- ***The quantity and frequency of activities and outcomes expected within a typical AACSB review cycle to maintain ea status.***

Each school's policies should also delineate, where appropriate, how criteria for granting and maintaining status varies with the deployment of individual faculty members across programs and levels (e.g., the experience of a professionally qualified faculty member who is assigned to teach introductory classes may be different than the professional experience expected of a PQ faculty member assigned to teach a capstone course). The criteria should be periodically reviewed and reflect a focus on continuous improvement over time.

Clarification of AACSB's Position On PQ Faculty

In light of the discussion above and after consideration of experiences from AACSB reviews, discussions from AACSB seminars and conferences, and other feedback on the use of PQ faculty, clarifications for classifying and deploying PQ faculty are provided below. These clarifications form the basis for future dialogue on this issue:

- PQ faculty members are important contributors to the mission of AACSB schools as part of the overall faculty complement along with appropriate AQ faculty.
- PQ status is normally granted to faculty members who, at the time of hiring, have professional and/or technical experience of significant duration and responsibilities. This experience provides the intellectual capital that allows them to contribute to the teaching mission in the area of their deployment as well as other mission components of the school as appropriate.
- PQ faculty can comprise 50 percent of total faculty resources. That percentage should decline as graduate programs are included in the scope of the accreditation review.
- Normally, the academic preparation expected for PQ faculty members is a master's degree in a field or discipline related to teaching responsibilities.

In rare cases, schools may make a case for PQ status for faculty members who do not have a master's degree but do have significant professional and/or technical experience that will substitute for the master's degree.

- PQ status is not a default position for AQ faculty who fail to maintain their intellectual capital.
- PQ faculty members must continue to participate in appropriate development activities to maintain their status
- PQ status may be lost if appropriate, continuous development activities are not undertaken. PQ status can be regained with an appropriate array of development activities.
- PQ faculty may be assigned to teach graduate classes, but the school must demonstrate how the PQ faculty member is qualified to teach at this level based on the level, duration, and complexity of the professional or technical experience.
- PQ faculty may undertake appropriate activities to earn AQ status and vice versa.
- In very rare cases, faculty members may be PQ and AQ at the same time.

SUMMARY AND CONCLUSIONS

This document provides additional discussion and clarification of AACSB standards that address the deployment of PQ faculty. The deployment of PQ faculty in AACSB International accredited business schools and accounting programs is an important strategic decision. PQ faculty will continue to grow in importance as the supply of new doctoral graduates remains flat or declines.

Appendix 1

Frequently Asked questions In Regard to Professionally Qualified Faculty

This appendix addresses a number of “frequently asked question” regarding the selection and deployment of PQ faculty. The questions and discussion presented reflect an interpretation based on experiences from AACSB accreditation reviews, questions and discussions at accreditation seminars and meetings, and observations of actual deployment of PQ and AQ faculty.

Is the optimum faculty mix 100% AQ and 0% PQ or other faculty?

No. Business schools with a significant basic scholarship mission and a graduate program that trains PhD’s for faculty positions at similar schools still benefit from deployment of some PQ faculty. Both AQ and PQ faculty have significant intellectual capital to contribute to both the teaching and scholarship missions of most schools.

What mission factors influence the mix of AQ and PQ faculty?

The deployment of PQ faculty is directly linked to the school’s mission. There is no set formula to determine the appropriate AQ/PQ/other faculty mix as factors such as types of degree programs (undergraduate, graduate, executive, etc.), degree program size and scope (on-campus, off-campus, distance, traditional or non-traditional students etc.), and scholarship focus can all impact this decision.

Table 2 depicts how differences in mission characteristics might impact the proportion of a school’s faculty that should be PQ. Given the diversity of accredited business schools missions, it would be impossible to create a table that covered every possible mission combination. Instead, the uniqueness of missions and programs requires each school to determine and justify the mix of AQ/PQ/Other faculty that is appropriate to meet the spirit and intent of AACSB standards by insuring that “overall high quality” is delivered. Table 2 is a general guide to this process. AACSB peer review teams and accreditation committees must provide professional judgment to the accreditation review process to determine the appropriateness of an individual school’s determination.

Can PQ faculty teach graduate classes?

Business schools and accounting programs can justify the use of PQ faculty to teach a particular graduate class in limited cases consistent with their area of professional expertise and experience. PQ faculty can bring extensive and specific expertise based on a significant business career that can be most relevant and beneficial to graduate students especially in courses with an applied focus. That experience and expertise offer significant intellectual capital to

Table 2: The Impact of Mission Characteristics on AQ-PQ Faculty Proportion: An Interpretation of the Intent of Standard 10		
Larger PQ	Moderate PQ Proportion	Smaller PQ Proportion
General Model of Degree Program		
Undergraduate focused on professional preparation	Mix of undergraduate and graduate programs focus on professional preparation	Significant graduate program focus on preparing students for advanced degrees
Impact of MBA/Masters		
No MBA/Masters Program	Medium to large MBA and/or Executive MBA Program with significant part-time student and	Large traditional student MBA/Specialized Masters Program
Impact of PhD Program		
No PhD Program	Small PhD Program placing students in teaching focused schools or industry	Large PhD program placing graduates in Research 1 schools
Impact of Executive Education		
Significant faculty deployment to support executive	Moderate faculty deployment to support executive programs	No or only minimal faculty deployment to support executive
Impact of Scholarship Focus		
Scholarship focused on learning and pedagogical research or contributions to practice	Scholarship includes an equal priority on pedagogical & practice oriented research as well as disciplines based research	Scholarship focused on discipline based

facilitates an integrated approach to the subject matter that provides a rich and positive classroom experience for all participants.

Schools that deploy PQ faculty to teach graduate courses must insure that the extent, duration, level of achievement and responsibility of the professional experience is consistent with graduate teaching. For example, it would be unlikely that a faculty member would be considered PQ to teach graduate classes with only a few years of professional experience. Likewise, PQ faculty would not be appropriate to teach research seminars supporting doctoral programs.

Can PQ faculty teach in executive education programs?

The use of PQ faculty to teach in executive MBA or other specialized master's degrees can be done consistent with the previous question. For non-credit executive education programs, the use of PQ faculty may be most appropriate as these individuals can bring expertise and perspectives from their professional experience that can be beneficial to participants. The deployment of PQ faculty in such cases is not limited by any AACSB standard since the programs or events do not lead to academic degrees.

How much professional experience is required at the time of hiring?

Professional experience at the time of hiring must be significant in duration and level of responsibility and consistent with the area of teaching responsibilities. A faculty candidate with a master's degree in accounting and 1-2 years of experience in a CPA firm as a junior accountant, for example, would not have sufficient experience to be classified as PQ in any circumstance.

As the expectations in terms of teaching assignments and other contributions increase, the quality, complexity and length of the professional experience of the PQ faculty must also increase. The amount of experience required for someone who will teach at the introductory level (e.g., principles of accounting, introduction to business, etc.) is less than the experience that would be expected of a faculty member who is to teach an advanced class for senior students or a graduate course. As a general guide, the professional experience should be significant enough to provide the PQ faculty member the intellectual capital that is reasonably equivalent to that of an AQ faculty who would be assigned to teach the same course(s).

Can a faculty member be PQ without a master's degree in the field of teaching (i.e., only an undergraduate degree in a business or related field)?

Consistent with the narrative in Standard 10, PQ faculty would normally have a master's degree in a field related to the area of teaching. A school may make the case that a faculty member who does not have a masters degree is PQ based on

a professional experience of significant duration and responsibility. Such cases should be limited in number and the experience that is being substituted for the master's degree should be extensive. To support their case, schools should be able to justify that the level of professional experience provide intellectual capital that is reasonable comparable to that received from a master's degree.

Professional qualifications or certifications can be a component of the justification for PQ status but are not alone sufficient justification. When that certification is based on or accompanied by significant professional experience, the faculty member may be qualified consistent with spirit and intent of Standard 10 for PQ. For example, a faculty candidate with a baccalaureate degree and licensure as a Certified Public Accountant (CPA) but who has only limited professional experience would not be PQ. Alternatively, a faculty candidate with the same degree and certification accompanied by experience as a senior partner or member of senior management may be PQ. In all cases, deployment of PQ faculty without appropriate master's degrees should be limited and the burden of proof is on the school. Professional certification is not a substitute for a master's degree.

Is the MBA an acceptable master's degree to teach across a number of business fields such as accounting, finance, marketing, management, etc.?

For MBA graduates whose coursework does not have a significant concentration in the area of teaching, the justification for PQ status should rely more on significant professional experience. If the faculty member's MBA includes significant concentration this may off-set some of the experience requirements. Again, schools must make the case that the combined academic training and professional work experience develops intellectual capital that is reasonably comparable to that of an AQ faculty member.

If the person is PQ at the time of hiring, how long can this status be justified before the qualification is lost assuming no development activities are undertaken?

Development activities for maintaining PQ status can be considered in comparison to the requirements for AQ faculty. A new Ph.D. is usually considered AQ for five years from the date of the degree without any additional development activities. The five years comes from the AACSB review cycles and has gained general acceptance and is appropriate for PQ faculty as well. In situations where the duration and level of experience lacks depth and rigor, a peer review team may argue that the period must be shorter. Again, this would depend on the types of courses taught relative to the experience of the PQ faculty member.

Can an AQ faculty member become PQ?

AACSB standards do not allow the “PQ” status to be a default status for AQ faculty members who fail to maintain their academic qualifications. In cases where an AQ faculty member has or attains the appropriate level of professional experience as that required to be PQ, they may be deemed PQ. Experience as a faculty member does not meet the test for PQ status unless part of that experience was as a consultant or a similar role with sufficient experience to warrant PQ status if that experience alone would qualify the individual at PQ.

Can a PQ faculty member become AQ?

A PQ faculty member may become AQ with an appropriate level of educational experience consistent with earning an academic doctorate in a field of business or a related one. That is, the faculty member would have to demonstrate the background consistent with what is expected of faculty members who hold academic qualifications as defined in the standard. Earning a doctorate is clearly an avenue to making this transition along with continuing development activities that sustain academic qualifications. A non-academic doctorate would not typically be sufficient.

Can a PQ faculty member become academically qualified without a Ph.D.?

In very limited cases, a school may make a successful argument that a faculty member with a master’s degree may be AQ. Such a case must be based on the faculty member having a sustained record of successful work consistent with what is expected for AQ faculty members. This record would probably include a sustained record of high quality research and publication in leading academic journals in the field, significant recognition and honors from the academic community, and academic engagement activities that would be consistent with an individual with academic credentials. Importantly, the activities that demonstrate AQ status should be consistent with the business school and accounting program mission. Publication in top quality practitioner journals validates strong support for their qualification as PQ but it does not typically provide support for their status as AQ.

What level and types of development activities are sufficient to sustain status as PQ?

To sustain PQ status, a variety of development activities may be appropriate that enable the individual faculty members to maintain their intellectual capital. These may include conducting an active consulting practice of significance and duration, creating and/or delivering highly successful executive education programs, serving on one or more board of directors, successfully publishing papers in academic, professional, or trade journals, publishing other intellectual contributions such as technical reports, textbooks and supporting materials,

obtaining a new or appropriate professional certification, and/or continuing in an active role of significance in a business enterprise. All activities should be consistent with the business school and accounting program mission and the teaching field.

The level and amount of development required depends on the level of teaching responsibilities. Again, the concept of maintaining sufficient intellectual capital that is reasonable comparable to that expected of AQ faculty members applies. Schools should develop appropriate processes to assess the development activities of PQ faculty with the same intensity as they do AQ faculty.

If PQ status is lost, how can it be regained?

If there are no development activities within five years from hire, PQ status is lost and the faculty member must be considered in the “Other” category, neither PQ nor AQ. PQ status may be regained with appropriate development activities that demonstrate the faculty member has reestablished professional experience that is current and relevant to the teaching field.

Do PQ faculty members have to produce intellectual contributions?

A response to this question has to be placed in the context of current AACSB business accreditation standards which state that a school’s mission must “include the production of intellectual contributions that advances the knowledge and practice of business and management” (Standard 2). Standard 2 requires that “the portfolio of intellectual contributions reflects the mission and includes contributions from a substantial cross-section of the faculty in each discipline.” (Standard 2).

When standards 2 and 10 are considered, it is clear schools with a higher proportion of PQ faculty may require some of those faculty members to produce intellectual contributions to meet the “substantial cross-section of the faculty in each discipline” expectation for intellectual contributions from Standard 2. While not all faculty members must do the same activities to maintain PQ or AQ status as noted earlier, producing intellectual contributions as defined in Standard 2 is an appropriate development activity that supports maintenance of intellectual capital and currency in the field of teaching responsibilities.

What type of teaching preparation is needed for PQ faculty? Does expertise in a topic area with no formal training in pedagogy qualify a person for PQ status?

AACSB International standards do not specify that AQ or PQ faculty members must have formal training in teaching pedagogy and techniques. Consistent with Standard 12, however, faculty members share the responsibility to “continuously

improve instructional programs” and “innovate in instructional processes”. Thus, faculty members must be prepared to meet these responsibilities.

Newly hired AQ faculty with doctorates from AACSB accredited business schools should have teaching preparation as a requirement of doctoral programs as specified in Standard 21. Many faculty members in business schools or accounting programs hired before the current or prior standards were adopted, however, have had little or no formal training in educational pedagogy and teaching techniques. In response, many universities have effectively implemented faculty development programs focused on teaching. This, however, remains a concern and business schools and accounting programs are encouraged to address the spirit and intent of Standard 12 with faculty development programs in teaching and pedagogical techniques.

Teaching preparation may also be a requirement of other accrediting or governmental organizations. For example, the UK government will require that all new teaching staff obtain a teaching qualification that incorporates agreed professional teaching standards. The topic of teaching preparation deserves discussion within the context of expectations of faculty of accredited business schools. AACSB is in the early stages of discussion to develop and offer a faculty development program relative to teaching and has added a seminar on teaching to its 2005-06 educational program agenda.

Can a faculty member be AQ and PQ? If so, how is this individual counted?

Faculty members may be both AQ and PQ. In such cases, the faculty member would normally hold a doctorate and have an appropriate scholarly record consistent with the school’s criteria for AQ status. At the same time, the faculty member may also have previous and/or current professional experience outside of the academic role that is of sufficient duration and level of responsibility to have PQ status. The experience and record of achievement must be consistent with each status. One does not substitute for the other. Additionally, a faculty member designated as AQ and PQ must continue an appropriate level of activities (intellectual contributions and contributions to practice) to maintain both qualifications.

If a faculty member is both AQ and PQ, the individual can only be counted once as AQ or PQ. Since AQ status is the most restrictive, it would seem that including the AQ status in any analysis of commitment to mission would be a first choice. But this is not required and the individual may be listed as PQ by the business school or accounting program.

Does rank or title affect PQ status or academically qualified status?

Rank or title does not impact PQ or AQ status. Though many schools use common terms as “assistant professor,” “associate professor,” or “professor,”

many other titles are also found in business schools including “visiting scholar,” “visiting professor,” “lecturer,” “instructor,” and/or “clinical professor.” These may have different meanings in different countries and/or regions of the world. Therefore, title and rank should have no affect on AQ or PQ status.

What must a school do to document how it defines AQ and PQ status in support of accreditation reviews?

In the January 2006 edition of the standards, explicit language is included in the interpretive materials for Standard 10 to require schools to develop and implement appropriate criteria for establishing and maintaining AQ and PQ status. Those criteria should be consistent with mission. AACSB staff will continue to identify best practices across all the standards and share these broadly at conferences, seminars, and other outlets. Standardized presentations of the above information are most helpful to peer review team members in facilitating an efficient and effective review of supporting documentation such as faculty vitae.