

Spotlighting Grade Inflation in the CoB

Red Zone, Green Zone, Gray Zone: Grade Inflation Alert!

Investigators at USMPRIDE are pleased to introduce part I in a new mini-series that will run over the next few weeks. In this issue, “Red Zone, Green Zone, Gray Zone . . .,” we use observations from ETS scores along with grading history data from the **A Look at pic@prof Grades** series available here at USMPRIDE to spotlight potential grade inflation in the CoB.

Grade Inflation Alert Levels

Various CoB faculty were recently queried about the academic skills of students majoring in the various fields in the CoB. This information was combined with observations from the ETS scores to come up with the following ranking of average academic quality across the students in various majors in business:

1. ACC
2. FIN/REI
3. IB
4. MKT
5. MGT
6. MIS

As can be seen above, no attempt is made to quantify the differences in the academic skills of students in the various CoB disciplines. We refer to average CoB student (in terms of academic quality) as “x,” and posit that “x” lies between IB and MKT in the ranking above. Thus, ACC, FIN/REI and IB students are above average in academic skills, while MKT, MGT and MIS students are below average in academic skills.

One would think that the presence of grade inflation is most likely where above average grades are awarded to below average students. Grade inflation is least likely to be found where below average grades are awarded to above average students. We refer to the former situation as the Grade Inflation **Red Zone**, while the latter is referred to as the Grade Inflation **Green Zone**. The **Gray Zone** contains situations where below (above) average grades are awarded to below (above) average students. There is potential for grade inflation in the **Gray Zone**, though not likely as great as is the case with the **Red Zone**.

Using the coding system detailed above, the following CoB Grade Inflation Alert Levels are presented:

Grade Inflation Alert Levels

RED ZONE	High Likelihood of Encountering Grade Inflation
GRAY ZONE	Mod Likelihood of Encountering Grade Inflation
GREEN ZONE	Low Likelihood of Encountering Grade Inflation

These Alert Levels are used in the next section, wherein CoB course grades are introduced.

Simple Average of Course GPAs

Investigators analyzed grading in the CoB by calculating the simple average of course GPAs for each of the following CoB majors: ACC, FIN/REI, IB, MGT, MIS, and MKT. All courses above the principles level in the major areas are used in the calculations. For IB, the ECO courses beyond the principles level that are central to the IB curriculum are used. Table 1 below shows the simple average of course GPAs for each major area, along with the number of course sections that were used to calculate each simple average of course GPAs (grading data are taken from USMPRIDE's **A Look at pic@prof Grades** series).

Major Area	Simple Avg Course GPAs	#Course Sections
ACC	2.443	14
FIN/REI	2.532	5
IB	2.694	5
MGT	2.797	22
MIS	3.128	13
MKT	2.491	8
All CoB	2.724	67

The data in Table 1 above indicate that the simple average of course GPAs are lowest in ACC (2.443) and highest in MIS (3.128). The simple average of course GPAs for the CoB as a whole is 2.724. Thus, the averages of course GPAs in ACC, MKT,

FIN/REI, and IB are below the average of course GPAs for the whole CoB, while the opposite is true for MGT and MIS. This information is expressed, along with the ranking of average academic quality across students in various CoB majors, graphically in Figure 1 below.

Figure 1

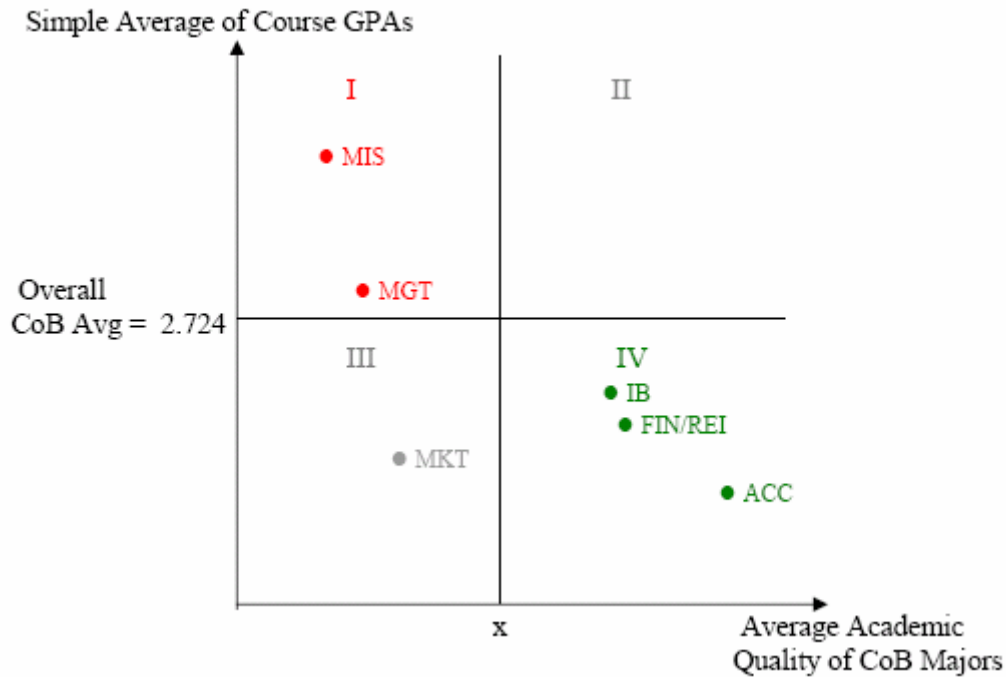


Figure 1 above shows that three CoB majors – ACC, FIN/REI, and IB – are **Green Zone** majors. Among these, grade inflation is least likely found in ACC. One CoB major, MKT, resides in the **Gray Zone**, wherein the likelihood of encountering grade inflation is classified as “moderate.” Two majors – MGT and MIS – face high alert levels for encountering grade inflation, though the former falls only marginally inside the **RED ZONE**.

A special thanks goes to researchers at the University of Kentucky (and USMPRIDE sources) for introducing us to the approach used in this report to examine grade inflation in the CoB. The next issue in this mini-series will look at alternative ways of spotlighting grade inflation in the CoB.