

Faculty Course Assessment Report
North Dakota State University
Department of Construction Management and Engineering
CM&E 240, Financial and Cost Concepts for Construction Managers, 3 credits
Spring 2011 – Darshi De Saram

Catalog Description:

This course provides an introduction to financial management and economic appraisal of construction projects. Topics include: accounting systems; financial documents; managing costs and cash flow; setting profit margins for bidding; time value of money; and economic evaluation of projects. Prereq: ECON 105, Construction Management major.

Grade Distribution:

A	B	C	D	F	W	Total
56	6	2	0	0	2	66

Modifications Made to Course:

A lesson on Ethics was added as explained below under the section on ‘Ethics Component’.

To keep the class engaged, in-class assignments are regularly used. These assignments have been progressively improved based on experiences of administering them.

Course Outcomes Assessment ACCE: (matrix content)

- 1.1 Communication - Oral and Written
- 1.2 Ethics
- 5.15 Job direct and indirect costs
- 5.24 Resource allocation and management
- 5.31 Cost accounting and industry formats
- 5.32 Fixed and variable costs: insurance, bonding, marketing, general and administrative expenses
- 5.33 Bidding and procurement practices
- 5.34 Record and report practices
- 5.35 Capital equipment, depreciation, and expensing
- 5.36 Forecasting costs, cash flow requirements
- 5.37 Payment processes and time value of money
- 5.64 Cost control data and procedures

Communications Component:

This course has a project where students interview industry practitioners responsible for handling financial aspects in construction firms. To conduct the interviews, students had to communicate with industry practitioners by way of soliciting and coordinating appointments, and conducting interviews. Once the data are collected, they have to make a 6 to 10 minute presentation to the class. Feedback is collected from all class members and the instructor too will grade the presentation.

Ethics Component:

When I said to the students that I am going to conduct a lesson on ethics, they expected that I will start explaining how they need to be ethical. Being a management program, I took a different approach by addressing the challenges pertaining to organizational dynamics of ethical behavior. Considering the U.S. Air Force Academy Honor Code:

“We will not lie, steal or cheat,
Nor tolerate among us anyone who does”

I asked “Which do you think is the harder part to practice: Line 1 or Line 2? Why?” Discussion was focused on skills in organizational dynamics that are required to either intervene to stop unethical conduct by others, or change an accepted practice to become more ethical. Especially this course is pursued by Construction Engineering students also, who do not participate in courses that specifically discuss organizational dynamics. For their benefit, theory on organizational dynamics was also briefly discussed. Students were also introduced to Kohlberg's Six Stages of Moral Development. An exercise was provided where students were described two unethical scenarios, and asked “If you were in that situation, how will you conduct yourself?” Answers had to comprise of “Action you may take” justified by theory of organizational dynamics. Also, each action they may take had to be ranked on the Kohlberg's Moral Development Matrix.

Contemporary Issues Component:

Many examples from current news items are regularly discussed in the class. Especially when discussing the economic concepts, I bring in current issues in the national and international economic situation.

Student Feedback:

Students of Construction Management often find accounting and financial management boring. I acknowledge that, thus incorporate humor and in-class activities that keep them engaged.

Reflection:

In addition to the separate lesson on ethics, ethical issues need to be highlighted in each section.

I wish to improve students’ ability to handle analytical problems.

Proposed Actions for Course Improvement:

Ethical issues will be highlighted in the class discussions on each section.

Analytical challenges to students in in-class assignments will be strengthened.