

New Program Proposal
Bachelor of Science in Hospitality and Tourism Management
College of Charleston

Summary

The College of Charleston requests approval to offer a program leading to the Bachelor of Science degree in Hospitality and Tourism Management, to be implemented in Fall 2005.

The proposal was approved by the College of Charleston Board of Trustees on April 23, 2004, and submitted for Commission review on May 13, 2004. The proposal was reviewed without substantive comment and voted upon favorably by the Advisory Committee on Academic Programs at its meeting on July 15, 2004.

The purpose of the program is to provide students with a high quality comprehensive hospitality management education in a liberal arts environment supported by a progressive series of practical, applied, and experiential learning opportunities, thus providing the Charleston region with managerially qualified graduates to serve the hospitality and tourism industry. The program also seeks to produce graduates who are ethical, globally aware, competent in the use of technologies, and who demonstrate the capacity to function collaboratively in an environment characterized by diversity, uncertainty, and rapid change.

The proposal notes that the program is an expansion of an existing business management concentration in Hospitality and Tourism Management that was approved by CHE in 1995. Since then, the program has grown considerably in both enrollment (a 15-fold increase over the last six years) and faculty, as has the region's hospitality and tourism industry in general. Tourism remains South Carolina's number one export, accounting for over 13 percent of all exported earnings of goods and services. More than four million people visit the Charleston region annually, and more than a quarter of all jobs in the region are directly and indirectly supported by the hospitality and tourism industry.

As currently offered, the concentration is limited in its content and flexibility to offer student internships. According to the proposal, an expanded program offers three potential benefits to the state, the region, and the institution. These include greater content exposure for students, leading to improved preparation for management positions; a greater pool of potential candidates from

which employers may choose; and a greater degree of national visibility for the institution, the region, and the state through a nationally competitive academic course of study.

As a major in the School of Business and Economics, the proposed program hopes to capitalize upon the pending relocation of Johnson and Wales University to Charlotte, North Carolina by filling the regional curricular void in hospitality and tourism management created by the institution's departure. According to the proposal, support for the program has been expressed by local legislative delegates, leaders in the hospitality and tourism industry, the Provost of Coastal Carolina University, and the Chair of USC's Hotel, Restaurant, and Tourism Administration program. Similar programs in the state are offered through USC-Columbia (a Bachelor degree in Hotel, Restaurant, and Tourism Management) and USC-Beaufort (recently approved), and another is under development at Coastal Carolina University.

The proposed program will differ from existing in-state programs in several aspects. First, it will reflect a core curriculum derived from business administration, thus mirroring nationally recognized hospitality and tourism management programs from around the country. Second, the curriculum emphasizes applied planning and management skills, rather than simply providing exposure to job-specific content areas such as sanitation, food production, etc. Third, considerable emphasis will be placed on internships that are delivered through institutional relationships with local businesses and nationally recognized hospitality industry leaders.

Currently there are 120 students enrolled in either the concentration or the minor in Hospitality and Tourism Management. The proposal notes that graduates of these courses of study have been successful at locating employment opportunities. The proposal did not provide specific vacancy projections for career paths and opportunities related to the proposed degree. No survey of available or anticipated positions was reported for determining the employability of program graduates.

The curriculum will require 122 credit hours of academic coursework, including 50 credit hours of general studies requirements, 36 credit hours of core business requirements, 18 credit hours of coursework specific to the hospitality and tourism major, including a 3 credit hour internship. The proposal identifies eight new 300- and 400-level courses that will be required of students.

Two new faculty at the rank of Assistant or Associate professor, as well as one new Master's Degree-level instructor, will be required to deliver the program.

The program will also utilize two current full-time faculty members who will maintain their current teaching load. Thus, total faculty dedicated to teaching will be four (4 FTE), plus one full-time instructor.

Anticipated enrollment in the program in Fall 2005 is 60 students, which represents one-half of the 120 students currently enrolled in either the concentration or minor in Hospitality and Tourism Management. Summer enrollment for 2006 is projected at 25 students. The proposal indicates an anticipated 50 percent enrollment increase during the program's second year, and a doubling of its original enrollment numbers in the third year of operation. If these projections are met, the program will more than meet CHE's productivity standards.

This program will be offered through the School of Business and as such will be encompassed in the next specialized accreditation review by AACSB.

In October 2003 the College of Charleston submitted a below-the-line funding request to the Commission of \$345,000 for Economic Partnership Initiatives. The request detailed four initiatives: 1) Coordination of Internships within the Business School, 2) Charleston Regional Business Information and Research program, 3) International Travel Study Program, and 4) Summer Research Grants and Professional Development. The Economic Partnership Initiative request, as summarized in attachment 2 of the Commission's October 2, 2003, agenda items, makes no mention of a program of study leading to the B.S. degree in Hospitality and Tourism Management.

The request for below-the-line funding was approved by the Commission and subsequently approved by the South Carolina General Assembly during the 2004 legislative session as a recurring item titled "Culinary Arts" in the amount of \$395,000.

The proposal states that the only new equipment needed to implement the program are four personal computers. New costs for the program are estimated to begin at \$590,500 in the first year, \$601,530 in the second year, \$616,990 in the third year, \$632,894 in the fourth year, and increase to \$649,254 in the fifth year. Categories of costs over the first five years of the program's implementation include program administration (\$78,060); faculty salaries (\$2,415,654); clerical/support personnel (\$202,954); supplies and materials (\$13,000); library resources (\$15,000); (\$16,500); and other (\$350,000). The "other" category is described in the proposal as "faculty research support, visiting scholar stipends, internship program, and marketing resources provided by the South Carolina General Assembly." Total estimated new costs for the program during the first five years will be \$3,091,168.

Shown below are the estimated Mission Resource Requirement (MRR) costs to the state, and new costs not funded by the MRR associated with implementation of the proposed program for its first five years. Also shown are the estimated revenues projected under the MRR and the Resource Allocation Plan as well as student tuition.

| Year | Estimated MRR Cost for Proposed Program | Extraordinary (Non-MRR) Costs for Proposed Program | Total Costs | State Appropriation | Tuition | Total Revenue |
|---------|---|--|-------------|---------------------|-----------|---------------|
| 2004-05 | \$591,982 | \$0 | \$591,982 | \$0 | \$526,517 | \$526,517 |
| 2005-06 | \$680,109 | \$0 | \$680,109 | 167,724 | \$605,018 | \$772,741 |
| 2006-07 | \$785,478 | \$0 | \$785,478 | 192,660 | \$698,988 | \$891,648 |
| 2007-08 | \$785,478 | \$0 | \$785,478 | 222,446 | \$698,988 | \$921,434 |
| 2008-09 | \$785,478 | \$0 | \$785,478 | 222,446 | \$698,988 | \$921,434 |

These data demonstrate that if the institution meets the projected student enrollments and contains costs as they are shown in the proposal, the program will not be able to cover costs during its first year, but it will be able to cover costs during years two through five. Note that the revenue projections above do not include the annual recurring below-the-line appropriation of \$395,000 approved by the South Carolina General Assembly in 2004.

In summary, the institution will offer a program leading to the B.S. degree in Hospitality and Tourism Management that will provide students with a targeted set of skills designed to meet the needs of South Carolina's tourism industry. Increased student demand and interest, continued growth of South Carolina's tourism industry, and enrollment growth of existing courses of study offered as a minor or concentration at the institution have been the principal bases for this proposal.

Recommendation

The Committee on Academic Affairs and Licensing recommends that the Commission approve the program at College of Charleston leading to the Bachelor of Science degree in Hospitality and Tourism Management for implementation in Fall 2005, provided that no "unique cost" or other special state funding be required or requested.