Proposal to Establish an Online MBA Program

College of Business

Proposal to Establish an Online MBA Program
Table of Contents

1. COLLEGE OF BUSINESS PROPOSAL

We propose that the College of Business launch an online version of our MBA program in early 2016. This program, which we plan to market as the "iMBA," would be the fourth element of our MBA program, supplementing our full-time, professional, and executive programs, each of which leads to an Illinois MBA. The goal for the iMBA program at Illinois is to deliver a high-quality program that is accessible to global audiences and is recognized as a top-five online program by 2019. The iMBA will follow the existing Executive MBA curriculum that requires the equivalent of 18 four-credit-hour courses totaling 72 credit hours, and hence it is not a new degree program. Our proposed iMBA program targets a different market segment, thereby increasing the reach of our Illinois MBA.

Strategic Rationale

The creation of an online version of our MBA was identified as a top priority by the College of Business' 2014 strategic planning committee, chaired by Professor Joe Mahoney. It has since been endorsed by the Dean's Business Council (the key alumni advisory group) and the College of Business' faculty executive committee. This program serves three strategic objectives: (1) it reaffirms our commitment to the university's land-grant mission by expanding the reach and accessibility of graduate business education; (2) it provides a competitive opportunity to be an early mover in an online market that is in the early stages of potentially rapid growth; and (3) it holds promise for increasing and diversifying the College of Business' revenue base at a time of declining state resources.

In addition to meeting these three strategic objectives, an online MBA program will also have other benefits for the College of Business and the University of Illinois. We expect that taking our MBA online will:

- Increase the visibility of the College of Business and the University of Illinois;
- Drive student recruitment to other College of Business and Illinois programs;
- Showcase and demonstrate the quality of our faculty;
- Deliver innovative pedagogy in a flexible environment at a lower cost;
- Enable us to capture a larger share of the MBA market; and
- Create a catalog of digital content that can be leveraged across our online, face-to-face, and blended courses in our degree and non-degree programs

The Market for an Online MBA

An online MBA has become an attractive option for many prospective students. The recent growth of several quality online MBA programs has made it possible for professionals who do not want to leave their jobs, or relocate to another city, to pursue graduate education. Rising student interest, coupled with wider acceptance of online MBAs from employers (see link: http://bloom.bg/1PoUHDW), has prompted many top-tier schools to offer an online MBA.

Because the online MBA space is still in its infancy, there is limited data that can be used to estimate aggregate demand for an online MBA degree.   To address this, we used survey data to assess demand and a count of existing program enrollments to assess supply. Putting these estimates together suggests that there is significant unmet demand that could be addressed with an online MBA from the University of Illinois.

To assess demand, we analyzed survey data from individuals interested in MBA programs. In 2012, 117,233 MBA degrees were granted in the United States (source: National Center for Education Statistics, 2012). About double that number (258,192) of students took the Graduate Management Aptitude Test (GMAT), the primary admissions test used by business schools. According to a survey of GMAT takers, approximately 15%, or approximately 38,000 prospective students, were interested in an online MBA program (source: GMAC prospective student survey). Importantly, 47% of students interested in online MBA programs planned to enroll in the programs within six months. If half of all students interested in an online MBA do eventually enroll, this would suggest about 19,000 interested students. Assuming the distribution of GMAT scores in the interested population mirrors the distribution of GMAT scores among all takers, this would imply that there are about 7,500 students with GMAT scores above 600 (an approximate cut-off for the in-person Illinois MBA) that would be interested in an online degree.

To assess supply, we undertook a brute force examination of the online MBA enrollments in the top 20 online programs (list obtained from the Poets and Quants website). Our examination indicates approximate enrollments of about 6,000 in these top 20 schools, indicating an average size of 300 per program. Of course, larger state schools, such as the University of North Carolina and Indiana University, have well over 500 enrollments. Exhibit 1 provides the student enrollment numbers for the top online MBA programs as rated by the 2015 *US News & World Report*.

EXHIBIT 1: Student Enrollment in the Top Online MBA Programs from *US News & World Report,* 2015
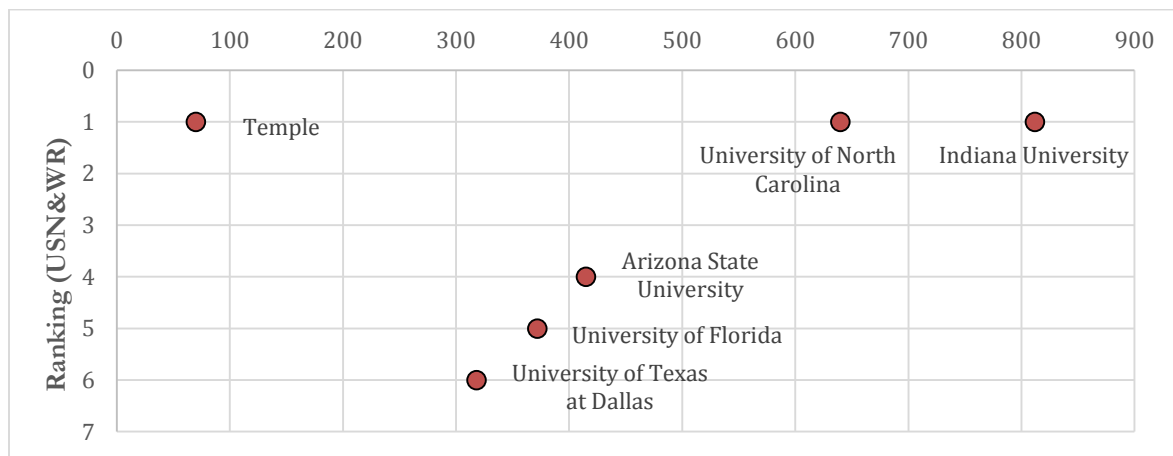
Exhibit 2 summarizes what the top 50 schools from the 2015 *US News & World Report* rankings are doing in the online space. Three patterns emerge from this table.

1. Most schools have some type of online initiatives. Some are engaged in blended or hybrid learning (part online and part face-to-face), some have embarked on non-degree certificates, and some schools have entered into the online MBA space. There are very few schools that have no active online initiatives.

2. Schools with massive scale in full-time face-to-face MBA programs, such as Harvard (n = 1,867) and the University of Pennsylvania (n = 1,711), have not yet entered the online MBA space but are very active in offering non-degree certificates. As such, they are in the process of developing digital content that would enable them to enter into the online MBA space relatively easily and quickly, if they decide to do so.

3. Schools with relatively smaller full-time MBA programs are moving into the online MBA space (e.g., Carnegie Mellon, Indiana, Florida, Maryland, North Carolina, etc.). As such, schools like Indiana and North Carolina have been able to achieve total enrollments of over 1,000 students due to the addition of the online program.

Based on the estimates highlighted above, it appears that there is still significant unmet demand for an online MBA degree. Importantly, we expect this demand to grow in the future as the degree gains wider acceptance among employers. Indeed, market trends support that there is a shift from in-person to online programs. According to 2013 data from the 126 member schools of the Association to Advance Collegiate Schools of Business (AACSB), enrollment in fulltime MBA programs declined 2.0% between 2008 and 2013. In the same report, enrollment in face-to-face part-time MBA programs, including executive MBA programs, has fallen by 13.6% from 30,194 in 2008-2009 to 26,077 in 2012-2013. At the same time, numerous quality competitors have started offering online programs. The following state institutions all have high enrollment numbers in their online MBA programs: Indiana University, University of North Carolina at Chapel Hill, Arizona State University, and University of Florida. If we move quickly, we believe we can still be early enough to the market to capture more than our fair share of online students. Although we will not be a first-mover, we can still be an early-mover with a 2016 launch. Further, we believe that our partnership with Coursera offers a competitive advantage, both in terms of the quality of the platform and the ability to recruit students. The additional financial resources created by this program will also help the Illinois College of Business maintain or improve our competitive position more generally, particularly with regard to attracting and retaining faculty.

The online MBA market has the potential to significantly increase the number of students that we serve. Currently, the University of Illinois graduates about 180 MBA students each year across all our face-to-face MBA programs combined. There is growing evidence that online MBA programs make a school's face-to-face programs better (see link: http://bit.ly/1Cywy3u) by bolstering the entire MBA ecosystem. In addition to creating incremental financial resources for the College, the online initiative will also spur the creation of content that faculty can leverage in other ways. For example, material from the online program could be used to supplement face-to-face classes, giving rise to blended learning opportunities.

EXHIBIT 2: List of Top 50 MBA Programs from 2015 *US News & World Report* and Enrollments
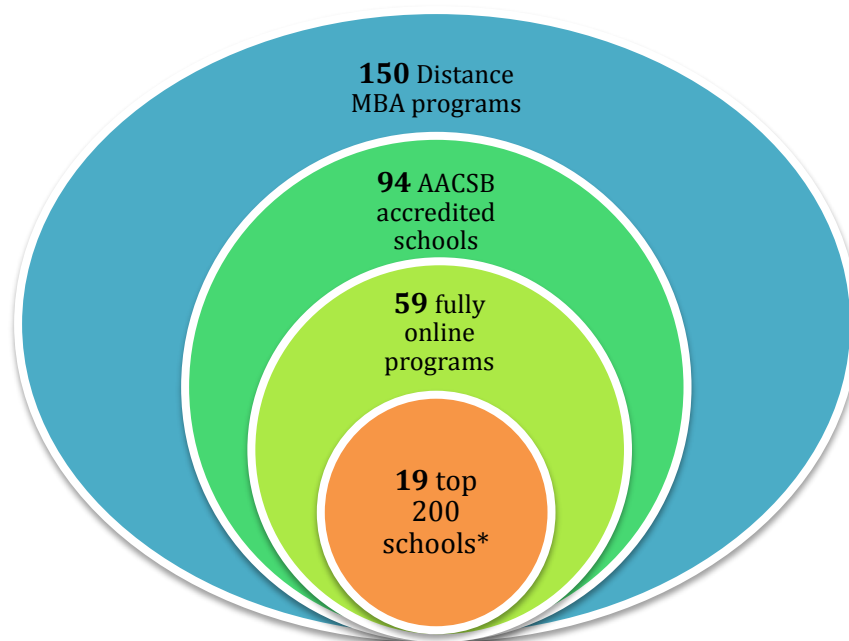
2015 *US News & World Report* Rank & School	2014 Rank	Change from 2014	Full-time MBA Enrollment	Online Initiatives
1. Stanford GSB	1	Unchanged	825	Non-degree courses & certificates
2. Harvard Business School	1	Slipped 1 spot	1,867	Non-degree courses & certificates
3. Pennsylvania (Wharton)	1	Slipped 2 spots	1,711	Non-degree courses & certificates
4. Chicago (Booth)	4	Unchanged	1,181	Non-degree courses & certificates
5. MIT (Sloan)	5	Unchanged	812	Non-degree courses & certificates
6. Northwestern (Kellogg)	6	Unchanged	1,047	Non-degree courses & certificates
7. UC-Berkeley (Haas)	7	Unchanged	503	Non-degree courses & certificates
8. Columbia Business School	8	Unchanged	1,270	Non-degree courses & certificates
9. Dartmouth (Tuck)	9	Unchanged	558	Blended learning
10. Virginia (Darden)	11	Moved 1 spot up	633	Blended learning
11. New York (Stern)	10	Slipped 1 spot	798	Non-degree courses & certificates
11. Michigan (Ross)	11	Unchanged	886	Blended learning; non-degree courses
13. Duke (Fuqua)	14	Moved 1 spot up	876	Blended learning; non-degree courses
13. Yale School of Management	13	Unchanged	625	Non-degree courses & certificates
15. UCLA (Anderson)	16	Moved 1 spot up	708	Blended learning
16. Cornell (Johnson)	17	Moved 1 spot up	585	Blended learning; non-degree courses
17. Texas-Austin (McCombs)	15	Slipped 2 spots	551	Non-degree courses & certificates
18. North Carolina (Kenan-Flagler)	19	Moved 1 spot up	562	Online MBA
19. Washington (Olin)	22	Moved 3 spots up	281	None
20. Carnegie Mellon (Tepper)	18	Slipped 2 spots	421	Online MBA
21. Emory (Goizueta)	20	Slipped 1 spot	384	Blended learning; non-degree certificates
21. Indiana (Kelley)	21	Unchanged	391	Online MBA
23. Washington (Foster)	25	Moved 2 spots up	248	Non-degree courses & certificates

2015 *US News &World Report* Rank & School	2014 Rank	Change from 2014	Full-time MBA Enrollment	Online Initiatives
24. Georgetown (McDonough)	23	Slipped 1 spot	528	None
25. Notre Dame (Mendoza)	23	Slipped 2 spots	323	Non-degree courses & certificates
25. Southern California (Marshall)	27	Moved 2 spots up	431	Online MBA
27. Texas A&M (Mays)	37	Moved 10 spots up	113	None
27. Minnesota (Carlson)	33	Moved 6 spots up	220	Blended learning
27. Vanderbilt (Owen)	25	Slipped 2 spots	334	Non-degree courses & certificates
30. Arizona State (Carey)	27	Slipped 3 spots	136	Online MBA
30. Georgia Tech (Scheller)	27	Slipped 3 spots	127	None
30. Ohio State (Fisher)	27	Slipped 3 spots	220	Non-degree courses & certificates
33. Brigham Young (Marriott)	27	Slipped 6 spots	301	Non-degree courses
33. Rice (Jones)	33	Unchanged	214	None
33. Texas-Dallas	37	Slipped 4 spots	128	Online MBA
33. University of Wisconsin-Madison	27	Slipped 6 spots	199	Non-degree courses
37. Michigan State (Broad)	35	Slipped 2 spots	150	Non-degree courses and certificates
37. Penn State (Smeal)	41	Moved 4 spots up	157	Online MBA
37. Florida (Hough)	41	Moved 4 spots up	117	Online MBA
37. Rochester (Simon)	37	Unchanged	213	Blended learning
41. Temple (Fox)	48	Moved 7 spots up	117	Online MBA
41. Maryland (Smith)	41	Unchanged	200	Online MBA
43. Boston University	45	Moved 2 spots up	273	None
43. Iowa (Tippie)	51	Moved 8 spots up	118	None
45. Boston College (Carroll)	45	Unchanged	193	None
45. Wake Forest	58	Moved 13 spots up	95	None
47. University of Illinois-Urbana	35	Slipped 12 spots	169	Blended learning
48. Rutgers	60	Moved 12 spots up	201	Blended learning
48. Southern Methodist (Cox)	55	Moved 7 spots up	206	None
48. Connecticut	52	Moved up 4 spots up	75	Non-degree courses & certificates
48. Pittsburgh (Katz)	52	Moved 4 spots up	161	None

Why Now?

More and more schools are entering the online MBA market. However, only 19 of the programs are AACSB accredited and in the top 200 U.S. programs, as ranked by *US News & World Report* (see Exhibit 3). Being an early entrant into the online market, coupled with our strong reputation internationally, will provide Illinois with a distinct advantage over schools entering the market later. Hence, we believe it is important to enter the market now while demand is growing and few top schools have taken advantage of it (see Exhibit 3).

EXHIBIT 3: Online Competitive Landscape in the U.S.

150 Distance MBA programs

94 AACSB accredited schools

59 fully online programs

19 top 200 schools*

* Ranked by *US News & World Report*

How Does the iMBA Fit with Our Other Online Offerings?

Once our online program is fully operational, individuals will be able to take some individual courses online, when they register as a non-degree graduate student. Individuals who register and complete several courses in an area will be eligible to earn a non-degree certificate. Students who wish to complete the **online MBA degree will need to apply and be admitted by the UIUC graduate college**, just as applicants to our other MBA programs do.

This approach has several advantages for Illinois, including the ability to generate multiple revenue streams: we will be able to generate revenue for individual courses and for non-degree certificates from a much larger pool of students.

Why Partner with Coursera?

Coursera is a worldwide leader with great expertise in partnering with numerous universities and offering Massive Open Online Courses (MOOCs). The University of Illinois is one of the premier partners of Coursera and has experience in delivering courses using this platform.

The University of Illinois became the first land-grant institution to ally with Coursera in 2012. Partnership with Coursera guarantees immediate worldwide visibility without the associated (huge) marketing costs. Coursera has a bank of 11.6 million learners currently. The enrollment numbers for the six College of Business **noncredit courses** (announced in October 2014) have reached **200,000** in the five months since the announcement, a testament to Coursera's immense global reach. Through Coursera, we will be able to reach a large number of qualified mass-market applicants worldwide and attract them to our online MBA program. Such a platform will enable Illinois to reach thousands of learners and showcase our faculty capabilities in offering great content. This move enables us to expand our global footprint. More importantly, it enables us to deliver a much more innovative online MBA model than what is being presented in the current online MBA market space and, hence, has a better chance of success.

We hope to expose this audience to our course offerings on Coursera with the idea that some of these learners would be interested in taking Illinois courses for credit or enrolling in an iMBA degree program. Existing Illinois students, including students in Professional Science Masters programs and graduate students in business and non-business programs, could also enroll in the online for-credit courses.

In addition to serving as a marketing engine, Coursera can also provide analytic data drawn from student data that would enable us to continually develop new offerings. With Coursera and the technology, we now have the ability to collect individual data from thousands of students and can start analyzing in real time what works and what doesn't. This ability would enable us to adapt to the ever-changing education marketplace. More importantly, the data will help us revise course offerings and develop new courses for both the Chicago EMBA and the iMBA, based on student input.

Through Coursera, we will be able to market a high-quality MBA program to a large number of qualified mass-market applicants worldwide using the Coursera platform. Our initial goal is to start a cohort of about 500 students in 2016 with a steady-state enrollment of 1,500 students in 3 to 5 years. We are using the individual courses launching in the summer of 2015 to pilot-test our abilities, so that we are ready for the iMBA launch. Exhibit 4 provides details of the three different segments that we hope to attract through this partnership.

EXHIBIT 4: Illinois College of Business – Coursera Relationship

Result	Admissions	Instructor Engagement	TA	Total Enrollment	Lecture Delivery	Homework, Exams, Discussion	Verification	Cost
iMBA Degree	Graduate College	High[1]	1/50	500 - 1,500	Coursera	Compass	ProctorU[2]	$250 per credit hour
Illinois CoB Certificate	CiTL[3]	High	1/50	500 per course	Coursera	Compass	ProctorU	$250 per credit hour
Coursera Verified Certificate	Coursera	Low[4]	0	10K+	Coursera	-	Signature Track	$79 per course
No Verified Certificate	Coursera	Low	0	100K+	Coursera	-	None	Free

Faculty and Alumni Endorsement

A faculty taskforce, comprised of Professors Jeff Brown, Jon Davis, Avijit Ghosh, and Joseph White, worked with the e-learning team for over a year to read proposals, ask critical questions, and provide valuable feedback. The College Executive Committee (CEC), comprised of members from all three departments, was supportive of the College's efforts to move forward with an online MBA degree. The proposal was also presented to the entire College faculty in a Town Hall meeting, and the overall sentiment of the faculty was positive (see Dean DeBrock's memo presented in Appendix A indicating the outcomes of the College Executive Committee and the Town Hall meeting). In addition, in March 2014, the Dean's Business Council, comprised of College of Business alumni, rated the iMBA as the top strategic priority.

Professor Jeff Brown led a conversation with approximately 15 current full-time MBA students in February 2015 during which he gathered feedback on the proposal. Students were generally supportive, although they stressed the need to ensure that the full-time program provide sufficient value-added over the online program through career services, in-person projects, meaningful in-person interactions, etc.

In addition, a brief survey was administered to the Chicago EMBA students (n = 26) concerning their feelings about blended and online learning. Sixty eight percent of students agreed that a blended EMBA program that met for four days a month as usual but supplemented current experiences with online learning would be beneficial to students. Also, sixty eight percent agreed that a high-quality online MBA program that attracts students from around the world would enhance the value of an MBA degree from Illinois. Taken together, it appears that an online MBA

---

[1] High-engagement courses involve a lead faculty member, instructor, and teaching assistants.
[2] ProctorU is a software package that is used for identity verification.
[3] Center for Innovation in Teaching and Learning at Illinois.
[4] Self-directed learning has no instructor involvement. Lectures are available on demand through Coursera's site

program with a well-crafted value proposition that is distinctly different from that of a face-to-face EMBA program would add significant value to the Illinois MBA ecosystem.

2. DIFFERENTIATION & IMPACT ON OTHER PROGRAMS

Relationship to Existing MBA Programs

Although our three existing MBA programs all offer the same degree, they are targeted at different market segments (see Exhibit 5 for a broad overview of the various MBA programs offered by the College of Business). The Champaign-based PMBA program attracts students from Central Illinois. The Chicago-based EMBA program is focused primarily on executives with over seven years of experience. The full-time MBA program attracts domestic students with less work experience and international students who are looking for professional opportunities in the United States. Our existing suite of MBA programs involve meaningful faculty interactions, career services, immersion and experiential learning opportunities, face-to-face peer interactions, and professional networking opportunities.

The online MBA would cater to a segment that values mobility, convenience, and believes that the online programs fit their learning styles and life circumstances better than our existing programs. The online MBA program is a no-frills program that does not involve the augmented services required of face-to-face programs. Examination of other online MBA programs suggests that an online program enhances the demand for on-campus programs because online programs create global awareness and visibility for the College.

We believe that an online MBA will benefit the existing MBA programs. The online offerings developed for the online MBA can be leveraged in terms of more course offerings and flexibility for the existing face-to-face MBA programs. In addition, the revenues generated from the online MBA can be utilized to provide scholarships and TA opportunities to students in the traditional programs.

EXHIBIT 5: Landscape of Current MBA Degree Offerings at the University of Illinois

	Programs	Target	Duration	Credit hours	Differentiator
MBA Degree	MBA	Full-Time On Campus 2+ years of experience	24 months	72	Global Consulting Experience
	Prof. MBA	Part-Time On Campus 2+ years of experience	30 months	72	Experiential Learning Opportunity
	Exec. MBA	Chicago – Senior Executives 7+ years of experience	20 months	72	International Consulting Project
	iMBA	Online (iMBA)	24-36 months	72	Capstone Consulting Project

The Proposed Curriculum

The iMBA targets working professionals all over the world. As such, the current EMBA curriculum is a good fit for the needs of this target market. The capstone project, a key differentiator of the program, will be significantly valued by working professionals. We have the capabilities to successfully deliver this differentiated course and, hence, stand out in the online MBA space.

Transfer from On-Campus to Online program

Our experiences in managing MBA programs over the past several years indicate that transfers from one program to another is negligible. Moreover, the current programs, including the EMBA-Chicago, the Professional MBA, and the full-time MBA, are all lockstep cohort programs that involve specific experiences that, pedagogically, would be difficult to translate to the online program. For example, students of the EMBA program work on a consultative experience internationally during the entire second year. Student teams work remotely with an international client and travel to the designated country where the team meets with and presents the results of their consulting work to the client. The international component is required for graduation in the EMBA and very strongly recommended for the full-time MBA. In summary, we expect that the current offerings and the online MBA will form a complementary product portfolio that will be valuable to all students.

3. FACULTY

Faculty Involved in the iMBA Program

Teaching capacity for this program will be drawn from current program faculty. This includes 98 full-time equivalents of tenured/tenure-line faculty and 49 full-time equivalents of specialized faculty with long-standing experience and success in teaching. **All faculty teaching in the program will be academically or professionally qualified, as defined by AACSB, the College's accrediting body.**

The faculty will be selected based on the advice and guidance from department heads and department chairs, the same way we have for our new online business specialization offerings starting in the summer of 2015. Below is a list of faculty developing and teaching the 6 courses in the two specializations (Digital Marketing and Improving Business Finances and Operations) that were announced in October 2014. They provide a testament to the quality of faculty who will be teaching in the iMBA program.

- ❖ **Heitor Almeida**
  - o Stanley C. and Joan J. Golder Distinguished Chair in Corporate Finance at the University of Illinois at Urbana-Champaign
  - o Awarded the Excellence in Undergraduate Teaching award for the College of Business in 2013 and Professor of the Year for the 2014 EMBA Class in Chicago

- ❖ **Gopesh Anand**
  - o Associate professor in the Department of Business Administration at the University of Illinois at Urbana-Champaign
  - o Has consistently been selected by students to the University of Illinois List Of Teachers Rated as Excellent

- ❖ **Gary Hecht**
  - o Associate professor in the Department of Accounting at the University of Illinois at Urbana-Champaign
  - o Has been selected by students to the University of Illinois List Of Teachers Rated as Excellent

- ❖ **Aric Rindfleisch**
  - o John M. Jones Professor of Marketing and Executive Director of the Illinois MakerLab
  - o Named by Princeton Review as one of "The Best 300 Professors" in America

- ❖ **Scott Weisbenner**
  - o Professor in the Department of Finance and a James F. Towey Faculty Fellow at the University of Illinois at Urbana-Champaign
  - o Selected the Best First-Year Professor in the Executive MBA Program in 2013 and the Best Professor in the Full-Time MBA Program in 2014

Faculty on the college-wide educational policy committee will review the demographics, enrollment, and the AACSB-required assurance of student learning documents annually. In addition, communication with the entire faculty will be through the fall and spring all-college faculty meetings.

Course development and design will be completed by the faculty teaching the course in partnership with the College of Business eLearning Office and the Campus Center for Innovation in Teaching and Learning (http://citl.illinois.edu/). The College eLearning office (http://business.illinois.edu/elearning) has a variety of resources. They help with instructional design and research and provide samples and templates for faculty as well as faculty training on the various learning platforms used to host their classes.

Compensation and Intellectual Property Rights

The iMBA will be a self-supporting program. Faculty will be compensated on an off-load basis unless approved by the faculty dean. All faculty teaching in the iMBA program will be academically or professionally qualified per the AACSB classification.

The content in our MOOCs is governed by the same rules of ownership as apply to our on-campus or traditional online courses, that is, unless otherwise agreed to by the instructor, intellectual property rights to any course content created by the instructor independently and at the instructor's initiative, rest with the instructor. Where the course support provided by the University is over and above the University resources usually and customarily provided, as will likely be the case with most MOOCs, course content created by the instructor shall be owned

by the instructor and licensed to the University. See "The General Rules Concerning University Organization and Procedure," Article III, particularly Section 4(b) at *http://www.bot.uillinois.edu/general-rules*

The primary course developer owns the copyright for the pedagogical material per University of Illinois guidelines.

4. CURRICULUM

The College of Business MBA programs require completion of 72 credit hours with a minimum GPA of **2.75**. The list of courses, their credit hours, and other details of the iMBA and EMBA programs are listed in Table 1. We anticipate that students will be able to complete the degree requirements within 2 to 3 years**.** As can be seen from Table 1, there is a direct equivalence of the core and elective courses offered in the Executive MBA program and the iMBA program.

During course development and design, we used the AACSB white paper entitled "Quality Issues in Distance Learning." The purpose of this paper is twofold. First, the paper is for educators who design, construct, and deliver distance-learning programs. It provides a source of ideas and considerations to ensure the development of quality programs. Second, the guidelines assist people who review quality (accreditation) in distance learning to ensure those programs are AACSB compliant.[5] The College is reviewed and reaccredited on a five-year cycle.

Online courses will contain the same level of content as the on-campus courses, as verified by the Graduate College Committee on Extended Education and External Degrees, now and continuing through a five-year review cycle. Hence, it will follow the quality assurance guidelines established for online courses from Illinois that continue to put the campus at the top of research institutions devoted to quality online learning. Illinois online learning practices pedagogically sound instructional design of courses, active learning strategies, excellent development of digital content, featured accessibility, and exam proctoring among other features.[6] Courses will be structured and follow assessment practices with measurable goals and milestones. Systems like the ones currently used in traditional online education and Massive Online Open Courses at Illinois will be the background and backbone of the course design. Faculty training and development of teaching assistants will be at the core of the course development and preparation.

---

[5] AACSB white paper: Quality Issues in Distance Learning.
[6] AACSB white paper: Quality Issues in Distance Learning.

Table 1: Curriculum Comparison Between the Executive MBA and the Proposed Online MBA Programs

Executive MBA - Chicago				Online MBA			
Rubric	Course	Title	Hours	Rubric	Course	Title	Hours
BADM	508	Executive Leadership	4	BADM	508 OM	Executive Leadership	4
BADM	544	Business Strategy	4	BADM	544 OM	Business Strategy	4
ECON	528	Firm-Level Economics	4	ECON	528 OM	Firm-Level Economics	4
BADM	572	Statistics, Data Analysis & Decision Making	4	BADM	572 OM	Statistics, Data & Decision Making	4
ACCY	500	Financial Accounting	4	ACCY	500 OM	Financial Accounting	4
BADM	509	Designing & Managing Organizations	4	BADM	509 OM	Designing & Managing Organizations	4
ACCY	503	Managerial Accounting	4	ACCY	503 OM	Managerial Accounting	4
BADM	567	Process Management	4	BADM	567 OM	Process Management	4
FIN	511	Investment Finance	4	FIN	511 OM	Investment Finance	4
ECON	529	Country-Level Economics	4	ECON	529 OM	Country-Level Economics	4
FIN	520	Corporate Finance	4	FIN	520 OM	Corporate Finance	4
BADM	520	Marketing Management	4	BADM	520 OM	Marketing Management	4
BADM	590	Business Ethics & Corporate Responsibility	4	BADM	590 OM	Ethical Dilemmas in Business	4
BADM	590	International Consulting Project - China	4	BADM	590 OM	Integrated Learning Experience Project	4
BADM	590	Entrepreneurship & Corporate Renewal	4	BADM	590 OM	Entrepreneurship & Corporate Renewal	4
BADM	590	Advanced Marketing	4	BADM	590 OM	Advanced Marketing	4
BADM	590	Global Strategy	4	BADM	590 OM	Global Strategy	4
BADM	590	Fostering Creative Thinking	2	BADM	590 OM	Fostering Creative Thinking	2
BADM	590	Strategic Human Capital	2	BADM	590 OM	Strategic Human Capital	2
BADM	590	Global Business Horizons	4	BADM	590 OM	Global Business Horizons	4

BADM 590 is the course number for special topics in the general area of business. Topics are selected by the instructor at the beginning of each term. Each BADM 590 course has a unique CRN (course registration number) that is assigned by the BANNER system.

5. RESOURCE IMPLICATIONS

Human Resources – e-Learning Team

The College of Business e-Learning team has grown from their first blended learning course (FIN 221) in 2008 through the development of the online undergraduate minor. Now students from other colleges can earn a minor in business, and our undergraduates can ensure that they don't delay their graduation by taking an online course while studying abroad. There are now approximately 15 undergraduate courses blended, flipped, or completely online. There are also half a dozen graduate level courses that have been converted into a blended learning environment. There are many success stories including Professor Madhu Viswanathan's Marketplace Literacy course, offered on the Coursera platform, which has attracted over 30,000 students and the attention of the United Nations.[7]

The e-Learning office includes Norma Scagnoli, Director of e-Learning, a professional videographer, three credentialed e-Learning specialists, a Director of Digital Engagement, and various student helpers.

Initially, the program will be implemented using the current e-Learning team and the existing college faculty. Each course is supported by a coordinating faculty member (instructor) and a teaching assistant for every 50 students enrolled. We also anticipate adding incremental credentialed people to the design team in e-Learning, marketing, and recruiting.

As the program grows, the College of Business will continue to add teaching and communications assistants from around the campus. In addition, the College plans to hire several **permanent staff** who will train TAs and work as TAs themselves. The permanent staff will add stability to the teaching assistant pool, reduce the number of teaching assistants needed, and ensure that teaching assistants remain in compliance with the University policy regarding TA responsibilities.

Human Resources – Faculty

The College of Business intends to develop its offerings over three years. Some of the online material already exists from professors who have flipped their classrooms. Some of the material will be new. Admittedly, the first time an online course is developed, it is initially time-consuming for the faculty developer. However, once the content is recorded and testing materials developed, that content is something that is not only part of that course; it becomes part of the overall learning environment.

The College will continually monitor the faculty resources consumed and adjust faculty and instructor levels to meet demand.

Human Resources – Admissions

---

[7] https://business.illinois.edu/news/college/2014/02/madhu-viswanathan-will-serve-on-newly-forming-un-advisory-board/

In anticipation of the increased admissions volume, the Provost's Office has approved two new admissions personnel for the Graduate College. Since it will take some time for those personnel to learn their roles, they have already been hired and have started training.

The College of Business plans to hire a student affairs officer (see exhibit 6) who will handle admission processing. As the volume grows, we will add staff to that office.
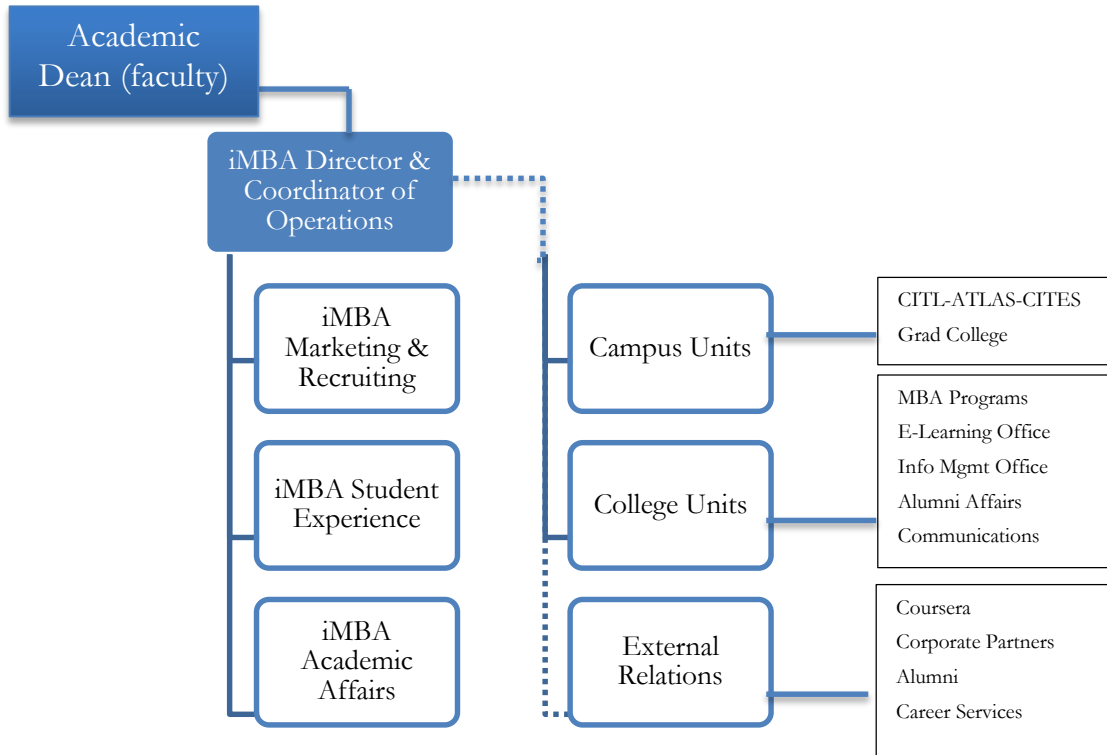
Financial Resources

The College is in the process of cultivating several interested donors. In addition, we will receive revenue from iMBA student tuition. Funds to support personnel growth will initially come from donated money, but eventually the online program will be revenue generating and self-supporting.[8]

6. iMBA STRUCTURE & GOVERNANCE

This program will be overseen by the Office of the Dean. As such, all decisions pertaining to strategy and finances, including revenue sharing with units, will be the responsibility of the Dean's office. The iMBA will be overseen by an academic dean who will be responsible for developing the pedagogical framework and liaising with the faculty. The College Executive Committee will provide faculty oversight. From an operations standpoint, the program will be led by a Program Director and Coordinator of Operations, who will provide leadership, expertise, and support for the iMBA Program and will be responsible for developing strategies and goals that align with overall college objectives and direct operations to achieve those goals. This position will coordinate collaborative efforts within college and campus units to generate products and outcomes needed to make the program successful. Please see Exhibit 6 for the proposed structure. Initially, the program will have three FTEs that will work under the supervision of the Program Director; their roles will broadly pertain to student experiences, academic affairs, and marketing/outreach.

---

[8] Appendix F, table 3

EXHIBIT 6: iMBA Program Governance

This program will be delivered asynchronously using our Learning Management System for the "high-engagement certificates" and the "iMBA" degree in combination with the Coursera platform for the "self-directed learning" and will be hosted in the cloud. Students will be required to have a computer and have Internet access.

7. COURSE DEVELOPMENT, INFRASTRUCTURE, & SUPPORT

A partnership with Coursera will provide help to our marketing and recruiting. CiTL will provide help with course development and production services. Beyond these capabilities, the College will need to acquire and/or build additional e-Learning capabilities in order to successfully operate the iMBA program.

The iMBA program would like to develop a catalog of 20 courses over the next three years. In the initial years, these online courses will mirror the offerings in the face-to-face EMBA program. If the iMBA is successful, we intend to take advantage of the flexibility offered by the online infrastructure to extend the range of courses, make some potential modifications to the entire degree program, as needed, including extending the range of available courses to enhance its competitiveness. Extending the range of available elective courses will enhance both the iMBA and the EMBA's competitiveness and allow the College of Business to gradually introduce some needed modifications to the MBA degree program.

The content for these courses will be developed with the help of the campus (CiTL) in coordination with the college's e-Learning office and Coursera. E-Learning will be responsible for both the course development and implementation.

Course development will consist of three stages (see Exhibit 7):

A. **Course planning and design.** This step involves meetings with the faculty member and e-Learning team to determine pedagogical goals, performance objectives, learning outcomes, and instructional methods. The outcomes of these discussions are an outline of the instructional design model, levels of interaction, and assessment and logistics.
Duration: (3 weeks)

B. **Development of course materials and integration in the Learning Management System (LMS)**. This stage will include video recordings and production, creation of new materials, integration into the LMS, and development of patterns for communication and interaction between students and the teaching team (faculty, students, and course assistants).
Duration: (8-12 weeks depending on type and amount of new materials to be developed).

C. **Testing and approvals**. This step entails the usability and accessibility testing of materials, course navigation, and assessment by focus groups or mock participants, and subsequent approvals by the faculty teaching the course.
Duration: (2-4 weeks depending on type and amount of new materials to be developed).

The specific roles and responsibilities (for both the College and the campus) for the various **course development** tasks are given below.
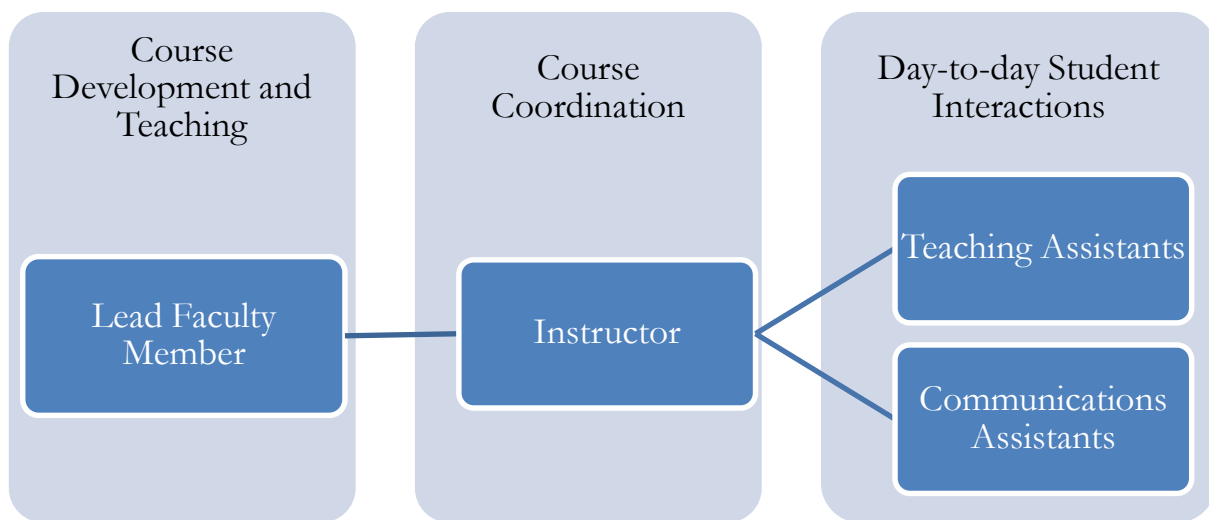
EXHIBIT 7: Stages of Course Development

STAGE	ACTION	WHO	Unit / Manager
Course Development	Planning and design	Lead faculty	College
		Instructional designer(*)	e-Learning
		LMS specialist	e-Learning/CiTL
		Videographer	e-Learning/CiTL
	Development of course materials	Instructional designer(*)	e-Learning
		LMS specialist	e-Learning/CiTL
		Videographer	e-Learning/CiTL
		Graphic designer (*)	e-Learning/CiTL
	Quality control and approvals	Lead faculty	College
		Instructional designer(*)	e-Learning
		Copy editor	CiTL
		Accessibility	Campus/CiTL
		Focus group	e-Learning

(*)New position, needs to be hired

Once the course is developed, the course needs to be implemented. For each course, a teaching team will be formed, comprised of the lead faculty member, an instructor, a communications assistant, and teaching assistants (TAs). The instructor will oversee a set of TAs and will be responsible for managing and coordinating the day-to-day student interactions and helping the lead faculty member manage the course. A faculty member may decide whether or not to involve an instructor. The visual depiction of the roles of the faculty member, instructor, and the assistants is given in Exhibit 8.

EXHIBIT 8: A Visual Depiction of the Organization of the Course

Roles of the Teaching Team

The teaching team model incorporates proven course redesign and active learning strategies. Online courses initially go through a redesign process. The design is not only about the 'instructor's presence' (Garrison, 2007), it is about increased learning and student success through the incorporation of active learning strategies. The course redesign movement, led by Carol Twigg of **National Center for Academic Transformation (NCAT)** has had an important impact on higher education across the country. Their research, supported by Pew Charitable Trust, has studied over 30 two-year and four-year higher education institutions using information technology to redesign learning environments to produce better learning outcomes for students. Multiple courses at the University of Illinois were included in this study.

Each course will have its own **lead faculty member** (subject matter expert), instructor, and teaching assistants. As suggested before, it will be up to the faculty member to involve an instructor to help with the course. Using this model the lead faculty member participates in weekly prerecorded lectures. The lead faculty member builds detailed rubrics and specific feedback within student activities, which results in quick feedback from the instructor. For those activities that require manual grading, **teaching assistants** and instructor**s** will help with grading following the lead faculty member's rubrics. As indicated in the University of Illinois regulations, Teaching Assistants will *"only assist the responsible instructor in grading, laboratory supervision, and similar activities for courses."*

The lead faculty members' presence is felt not only through engaging students' interaction in video lectures via in-video questions, but also through weekly messages that the faculty member creates based on the instructor's feedback about student engagement and interaction. In addition, the lead faculty member will be available for weekly online office hours or hosting synchronous debriefing sessions for specific activities.

All members of teaching team: lead faculty member, instructor and teaching assistants, will be subscribed to one or more forums in the class: Questions for the instructor, Questions for the class, Course Hub. In these places students will be encouraged to post questions or comments about the course content, general logistics of the course or other matters. The **lead faculty member** and instructors will handle content related questions and they **will be the first point of interaction with the student**. The Course Hub (a social network area) and the Questions for the Class will focus on social interaction and also questions on logistics, therefore, the response by course assistants will be more appropriate in that forum.

The **communications assistant** will be responsible for engaging students in interactions within the course using the Compass platform. The communications assistant will monitor all communications in the course. Since the role of the communications assistant is new, we describe the specific responsibilities below. Communications assistants will:

- Engage students in interaction and respond to questions about logistics or general information/concerns, or basic technical support issues,
- Direct specific questions to corresponding venues (i.e., academic questions to TAs; or issues that need technical support to the support team),
- Identify unmet or potential needs and opportunities for better distribution of information,
- Identify and solve issues with netiquette, disruptions, or other matters of possible concern,
- Take action or elevate issues to higher levels as required.

Once the course is developed, each course will be offered to students over an eight-week period. Research on online pedagogies has found that student retention is improved if the instructional material is delivered in four-week blocks. Thus, we decided to deliver the first half of the courses in four weeks, give students a week off, and then finish the course in another four-week period.

8. STUDENT ADMISSIONS

One of the goals of offering an online MBA program is to make high-quality education accessible to a large pool of highly qualified applicants in the United States and abroad. The iMBA students will be admitted as degree-seeking students. Student admission policy and procedures **will follow stringent College of Business and Graduate College guidelines**. A multidisciplinary admission committee, including faculty, will be in charge of reviewing applications, checking documents, and making decisions on student admission. The program will use the following criteria:

- A bachelor's degree from an accredited college in the United States or an equivalent degree from a recognized international institution of higher learning.
- A grade point average of 3.0 (A=4.0), or comparable GPA for an international applicant, for the last two years of undergraduate study is a minimum requirement for admission.

- As for the EMBA program, applicants will not be required to submit a GMAT score but will have the option to submit it.
- International students must submit attested English translations of all transcripts.
- Applicants must meet Graduate College English language proficiency requirements.
- Submission of personal statement describing their work experience and how they feel the MBA will help them in their professional life.
- Two letters of reference.
- A copy of two documents with a picture of the student and their signature. For international students a passport is generally used.

Adviser assignment, advising processes, and academic progress reviews will follow the procedures and protocols already in operation at the Department and Program levels. Advisers will be drawn from tenured/tenure-line and specialized faculty in BADM. Advising will follow the established procedures for academic progress in effect for all BADM graduate students.

9. PROGRAM AND STUDENT ASSESSMENT

Throughout the proposal, we have highlighted the importance of managing a high-quality, large-scale online MBA program. In order to maintain institutional reputation, the program will maintain high quality through the following standards.

1. Admissions process will follow the same standards as those of our face-to-face MBA programs.
2. Assessment of Program structure components will be based on Quality Matters Higher Education Rubric, Fifth Edition, 2014 (QM), which is a standard that is followed by all online degree programs in major universities across the country and abroad.
3. The students' progress toward degree completion will be closely monitored by the Student Affairs group to ensure that each student can complete their degrees within the five-year maximum for Master's degrees.

Finally, we will use the campus metrics to ensure the overall health of the program and that the program is steadily growing with quality students from around the world. We will be looking at the application numbers, admitted numbers, and enrollment.

Verification of Student Identity

With the growing number of online students wanting credit for the courses they take, the issue of validating identity becomes necessary. Coursera has introduced a process called **Signature Track**, which ensures the person taking a test is the same one who signed up for the class by using webcam/photograph comparisons and typing pattern analysis. This is a feature that we have been using in the Coursera courses offered by this college and campus. The College of Business would also use the passport picture for comparison.

The software package we use for identity verification is ProctorU. This software uses webcams to remotely monitor students, even tracking eye movement. The College of Business is currently using ProctorU in online undergraduate courses. Each live proctor monitors up to six students at a time. If cheating is suspected, the proctor warns the student via videoconferencing software.

Faculty will be encouraged to use multiple and constant assessment methods. Weekly graded assignments as well as essay exams and project work will ensure constant monitoring of participation and verification of identity. Many faculty already use software to detect plagiarism, and we will continue using the software with the online students.
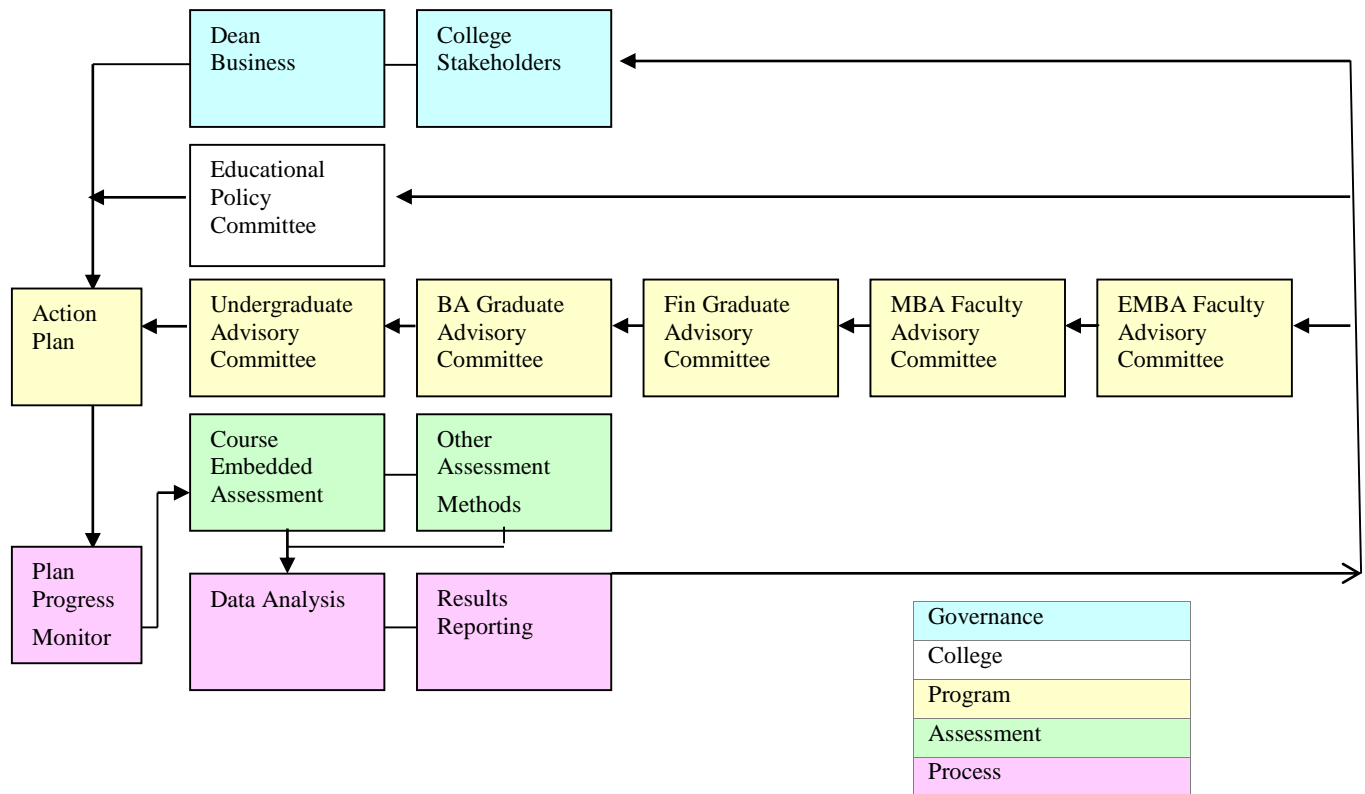
Students will have an electronic handbook accessible through the program website. The handbook will include the purpose, objectives, admission requirements, program requirements, cost, academic policies, timelines, and the services they will receive through the program.

We do not feel that the program will need to be discontinued at any time. However, if we should need to discontinue the program, we will honor our commitment to those currently enrolled students and keep the program live until they have graduated, but we would not admit any additional students.

Student Assessment

The College of Business has a process to review student progress toward meeting learning goals. The responsibility for monitoring that progress falls to the faculty program director. Each program has goals and learning objectives. The plan also includes information on where the data was collected, results, and plans for improvement (see Appendix B). Data collected during the year are compiled and are reviewed by the faculty director in charge of the various degrees, the educational policy committee, the Dean, and College of Business stakeholders (see Exhibit 9).

Exhibit 9: Assurance of Learning Hierarchy

Assessment of the Online MBA Program Structural Components

Overall Program assessment will be done using the Quality Matters Higher Education Rubric, Fifth Edition, 2014 (QM). This rubric has become a standard for Higher Education online courses and programs and is currently being used by the College of Business e-Learning Office and the University of Illinois for the online offerings. QM is a set of 8 general standards and 43 specific standards used to evaluate the design of online and blended courses (see Appendix D). The rubric is complete with annotations that explain the application of the standards and the relationship among them. A scoring system and a set of online tools facilitate the evaluation by a team of reviewers. Unique to the rubric is the concept of alignment. This occurs when critical course components work together to ensure students achieve desired learning outcomes. Specific standards, including alignment, are indicated in the **r**ubric annotations. When aligned, each of these course components is directly tied to and supports the learning objectives.

The eight general standards used in the assessment include:
1. Course Overview and Introduction
2. Learning Objectives (Competencies)
3. Assessment and Measurement
4. Instructional Materials
5. Course Activities and Learner Interaction
6. Course Technology
7. Learner Support
8. Accessibility and Usability

Assessment of the MBA Program Success

In addition, we will use the campus metrics to ensure the overall health of the program (see Appendix B) and that the program is steadily growing with quality students from around the world.

10. APPENDICES

Appendix A: Memo from the Dean of the College of Business

Update on College of Business iMBA planning

Friday, Feb 20, 2015

Larry DeBrock and Raj Echambadi attended the College Executive Committee in room 260 Wohlers Hall. The meeting was very productive. The committee members were quite helpful with their questions, suggestions, and edits. The committee was supportive of the iMBA initiative. In this CEC meeting, one faculty member advocated for maintaining standards for entry into the degree program that will maintain parity with the College's other three MBA programs.

Friday, Feb 27, 2015

A Town Hall Faculty meeting was held in Deloitte Auditorium in the Business Instructional Facility. The sole agenda item was to discuss the iMBA initiative. Larry DeBrock offered opening remarks about the strategic importance of this initiative. Historically, the Exec MBA program started in Champaign in 1975. In 2003, this program was moved to the Illini Center at 200 S. Wacker, Chicago IL. In 2006, the same curriculum was copied to a new delivery model, a part-time evening MBA program in Champaign, now known as the Professional MBA program. The iMBA represents the next addition of a new delivery model for the same curriculum. DeBrock asked the faculty for input and suggestions.

Raj Echambadi presented a slide deck outlining the proposed iMBA. Upon completion, the floor was opened for discussion. Several faculty spoke, a few questions were asked. In the open faculty meeting, one faculty member voiced concerns that if other universities are also rapidly entering this market, it is not clear what competitive advantage our program would have for recruiting students. This was addressed by discussing with the faculty the exclusive arrangement our College has with Coursera to host our MBA program (and not other MBA programs), and the 11 million students currently enrolled in Coursera programs that Coursera will help to bring to our programs.

The overall sentiment of the faculty was positive for this initiative.

Respectfully submitted:

Larry DeBrock
Josef and Margot Lakonishok Endowed Dean, College of Business

Appendix B: Assessment of Overall College of Business Program Success

	Evaluation Methods
Admissions: • Total applications for the program • Number of those applicants admitted • Number who enroll in the program • Average age of admitted and enrolled students • Number of years of work experience	Department Statistics Applications
Demographics: • Number of domestic students enrolled • Number of international students enrolled • Percent of enrollees who are women • Number of underrepresented students enrolled	Applications
Academics/Program Quality: • How do students rate the quality of course content? • How do students perceive the quality of the instructor? • Is the course content at the level expected by the students? • To what extent do students find the course relevant? • What would you change about the course? • Would the student recommend the course to a friend?	Evaluation at the end of each course
Graduation: • Number of students graduating in 3 years • Number of enrollees who eventually complete the program • Average time to program completion	Department Statistics
Program Health: • Are the applications increasing? • What is the quality of the applicants? • Are enrollments growing? • What percent of students complete the degree requirements? • What are the course evaluations for content and delivery? • Is the program self-supporting?	Department Statistics Advisory Committee

Appendix C: Outcomes Assessment Plan for iMBA (in development)

Program: Online MBA							
Learning Outcome	**Measures**	**Target**	**Finding**				**Action Plan**
Critical Thinking & Problem Solving							
Students will apply the perspective of their chosen areas of study to develop fully reasoned arguments on such contemporary issues as the need for innovation, integrity, leading and managing change, globalization, and technology management	Measures will be selected from the 72 hours of coursework	Student must have 80% or greater in measures	Graduating Class of	**2018**	**2019**	**2020**	
Teamwork and Leadership							
Students will apply management tools, techniques, and behaviors to demonstrate effective leadership performance	Students are placed on teams for the two core courses during the summer semester	Team deliverables					
Communication Skills							
Students should be able to express ideas with clarity in both oral and written communications Students will demonstrate effective oral and written communication skills	Case studies, group and individual presentations, and written assignments within the curriculum help to develop and/or further enhance current skills						

Appendix D: Assessment of Instructional Components

Standards			Points
Course Overview and Introduction	1.1	Instructions make clear how to get started and where to find various course components.	3
	1.2	Learners are introduced to the purpose and structure of the course.	3
	1.3	Etiquette expectations (sometimes called "netiquette") for online discussions, email, and other forms of communication are clearly stated.	2
	1.4	Course and/or institutional policies with which the learner is expected to comply are clearly stated, or a link to current policies is provided.	2
	1.5	Minimum technology requirements are clearly stated and instructions for use provided.	2
	1.6	Prerequisite knowledge in the discipline and/or any required competencies are clearly stated.	1
	1.7	Minimum technical skills expected of the learner are clearly stated.	1
	1.8	The self-introduction by the instructor is appropriate and is available online.	1
	1.9	Learners are asked to introduce themselves to the class.	1
Learning Objectives	2.1	The course learning objectives, or course/program competencies, describe outcomes that are measurable.	3
	2.2	The module/unit learning objectives or competencies describe outcomes that are measurable and consistent with the course-level objectives or competencies.	3
	2.3	All learning objectives or competencies are stated clearly and written from the learner's perspective.	3
	2.4	The relationship between learning objectives or competencies and course activities is clearly stated.	3
	2.5	The learning objectives or competencies are suited to the level of the course.	3
Assessment & Measurement	3.1	The assessments measure the stated learning objectives or competencies.	3
	3.2	The course grading policy is stated clearly.	3
	3.3	Specific and descriptive criteria are provided for the evaluation of learners' work and are tied to the course grading policy.	3
	3.4	The assessment instruments selected are sequenced, varied, and suited to the learner work being assessed.	2
	3.5	The course provides learners with multiple opportunities to track their learning progress.	2
Instructional Materials	4.1	The instructional materials contribute to the achievement of the stated course and module/unit learning objectives.	3
	4.2	Both the purpose of instructional materials and how they are to be used for learning activities are clearly explained.	3
	4.3	All instructional materials used in the course are appropriately cited.	2
	4.4	The instructional materials are current.	2
	4.5	A variety of instructional materials is used in the course.	2
	4.6	The distinction between required and optional materials is clearly explained.	1
Course Activities & Learner Interaction	5.1	The learning activities promote the achievement of the stated learning objectives or competencies.	3
	5.2	Learning activities provide opportunities for interaction that support active learning.	3
	5.3	The instructor's plan for classroom response time and feedback on assignments is clearly stated.	3
	5.4	The requirements for learner interaction are clearly stated.	2

Course Technology	6.1	The tools used in the course support the learning objectives and competencies.	3
	6.2	Course tools promote learner engagement and active learning.	3
	6.3	Technologies required in the course are readily obtainable.	2
	6.4	The course technologies are current.	1
	6.5	Links are provided to privacy policies for all external tools required in the course.	1
Learner Support	7.1	The course instructions articulate or link to a clear description of the technical support offered and how to obtain it.	3
	7.2	Course instructions articulate or link to the institution's accessibility policies and services.	3
	7.3	Course instructions articulate or link to an explanation of how the institution's academic support services and resources can help learners succeed in the course and how learners can obtain them.	2
	7.4	Course instructions articulate or link to an explanation of how the institution's student services and resources can help learners succeed and how learners can obtain them.	1
Accessibility and Usability	8.1	Course navigation facilitates ease of use.	3
	8.2	Information is provided about the accessibility of all technologies required in the course.	3
	8.3	The course provides alternative means of access to course materials in formats that meet the needs of diverse learners.	2
	8.4	The course design facilitates readability.	2
	8.5	Course multimedia facilitate ease of use.	2

Appendix E: Statement for the Programs of Study Catalog

Major: Business Administration
Degrees offered: MBA

Graduate Degree Program

The College of Business offers a degree program leading to the Master's in Business Administration (MBA) in <u>four</u> delivery modes. The traditional full-time MBA and the part-time, evening MBA are offered on the Urbana campus. The Executive MBA is offered on weekends in downtown Chicago, <u>and the online edition is offered for students who need more flexibility in their MBA program.</u>

All Illinois MBA programs require 72 hours of credit. Students graduate with a Master's of Business Administration from the University of Illinois at Urbana-Champaign. Student transcripts do not vary based upon program format.

The **Full-Time MBA** is offered in a lockstep, face-to-face cohort format for the first-year core curriculum. The core consists of 40 hours of classwork that provide the foundation. During the second year, students have the flexibility to customize their area of concentration by taking 32 hours of business and non-business courses.

The **Executive MBA** program is offered in a lockstep, face-to-face cohort program comprised of eighteen courses covering all major disciplines of business study. The courses are organized into ten modules with only two courses running at any moment in time, each lasting about four weekends. This focused format, using four days per month (Friday and Saturday), maximizes learning while minimizing disruption to professional and personal commitments.

The Illinois **Professional MBA** uses a lockstep face-to-face cohort format. The program consists of eighteen, four-credit courses for a total of 72 credit hours. Modules (semesters) are ten or five weeks long, unless otherwise noted, and students will be registered for their courses by the Office Coordinator. The cohort class structure allows members of each class to begin the program at the same time and advance through the curriculum together. During each module, study teams are created that are designed to draw upon the diverse academic and professional backgrounds of the class.

The **online MBA** uses a flexible program format. As with the EMBA program, the iMBA consists of eighteen, four-credit courses for a total of 72 credit hours. During each course, virtual study teams are created that are designed to draw upon the diverse academic and professional backgrounds of the class. The online MBA caters to a segment of the population that values mobility, convenience, and believes that the online programs better fit their learning styles and life circumstances.

Admission

Applicants to the Illinois iMBA program must have completed an earned undergraduate degree, and submit scores on the Graduate Management Admission Test (GMAT) or Graduate Record Examination (GRE), if available, two letters of recommendation, and essays. Applicants whose native language is not English are also required to submit scores from the Test of English as a Foreign Language (TOEFL) or the IELTS.

Degree Requirements

*For additional details and requirements refer to the department's graduate curriculum and the Graduate College Handbook.

Master's of Business Administration (MBA) online

Required Courses	Required Hours
ECON 528, ECON 529, ACCY 500, ACCY 503, FIN 511, FIN 520, BADM 508, BADM 509, BADM 520, BADM 572, BADM 544, BADM 567, BADM 590 EDB, BADM 590 ILEP	56
Electives (BADM 590 courses)	16
Total Hours	72
Minimum 500-level Hours Required Overall:	72
Minimum GPA:	2.75

Desired Effective Date

We propose to begin admissions in November 2015 for spring semester 2016.

Intended Use of Tuition Waivers

This program is a self-supporting program and as such the program is exempt from all tuition and fee waiver programs. We do not plan to offer tuition waivers except when we are required to do so by statute.

Appendix F: Response to Questions submitted by the Senate Educational Policy Committee

1. <u>Coursera's privacy policy allows for the release of students' information to third parties for advertising purposes. Given that we're entrusting them with students' biometric and passport photo data, we need to have legal counsel sign off on the fact that CoB's agreements with Coursera insure that we (and they) are in compliance with FERPA.</u>

   The Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g; 34 CFR Part 99) is a Federal law that protects the privacy of student education records. The law applies to all schools that receive funds under an applicable program of the U.S. Department of Education. Illinois has an agreement in place with Coursera that allows them to act as an official FERPA agent on our behalf (see Appendix G). The legal counsel has signed off on this arrangement.

2. <u>UofI's transcripts do not distinguish delivery methods for the same program; iMBA graduates will show the same degree as the EMBA students. Given that the programs are structured differently, how will CoB demonstrate that the iMBA students graduate with the same capabilities/knowledge as the EMBA students?</u>

   The iMBA and EMBA have identical curriculum (see Table 1). The online program will utilize many of the same faculty that teaches in the face-to-face courses. Also, the iMBA has the same learning goals and objectives as the Chicago program. The student assessment will be modeled after the same dimensions—critical thinking and problem solving, teamwork and leadership, and communication skills—that are measured in our well-regarded EMBA program (see Student Assessment and Appendix C: Outcomes Assessment Plan for iMBA).

3. <u>The proposal does not adequately establish demand/need for the program. How has the estimated number of students been determined? How many apply currently to other universities' business school offerings online? How many MBA seats are available nationwide?</u>

   See section on "The Market for an Online MBA."

   The Director of the EMBA program in Chicago indicated to us that he expects the number of students applying to both face-to-face EMBA program and an online EMBA program to be negligible due to the fact that students who seek an online MBA seek very different experiences. As long as there are compelling and distinct value propositions between the online MBA and the Chicago EMBA, we expect minimal competitive overlap between the two programs.

   According to the Pearson marketing research report commissioned by the College of Business to study the online MBA market, the "global" working professional segment represents a substantial target audience of more than 5.4 million academically eligible individuals. (See Why an Online MBA? for additional information.) By exploiting the power of Coursera in terms of lead generation and marketing, we expect to be able to reach a far greater audience than we could otherwise bring due to our marketing efforts. Hence, we are reasonably confident that we would

meet our conservative enrollment projections. All iMBA students will be subject to the same admissions criteria used for our campus-based MBA programs.

4. <u>The proposal provides some information on faculty/student ratios, but not enough. Please provide details on faculty/student, lecturer/student and TA/student ratios for the iMBA program *AND* the existing EMBA.</u>

   For each course, there will be one lead faculty member, one instructor, a communication assistant for every 200 students, as well as a teaching assistant for each 50 students. . The College of Business has several full-time professional graduate programs including Master's of Science in Finance, Master's of Science in Technology and Management, Master's of Science in Accounting, and full-time MBA that will provide the pipeline for the TAs required. In addition, the College plans to hire several permanent teaching assistants who will orient new TAs and serve as TAs themselves.

   The face-to-face EMBA program in Chicago has 21 teaching faculty. Given the small size of the program, the EMBA program does not provide faculty with TAs to help them with the courses. The faculty must use their own teaching assistants if they would like help grading, etc.

5. <u>The proposal should provide a more detailed budget for the new program as well as a risk assessment. What are the projected revenues? Costs? Can the CoB hire sufficient numbers of qualified faculty/lecturers/TAs in the time frame necessary to support this proposal?</u>

   Teaching capacity for this program will be drawn from current program faculty. This includes 98 full-time equivalents of tenured/tenure-line faculty and 49 full-time equivalents of specialized faculty with long-standing experience and success in teaching. The College has already hired 6 teaching assistants for the first specialization and has identified many more interested students for the future.

   <u>Please see Table 3 for the enrollment numbers, expenses, and contribution to the College.</u>

Table 3: Operating Income from iMBA[9]

	AY 14-15	AY 15-16	AY 16-17
Revenue:	0	$1,995,000	$2,992,500
Direct Expense			
Faculty Compensation	$ 75,000	$ 300,000	$ 300,000
Annual Costs of Newly Developed Courses	$ 187,500	$ 562,500	$ 562,500
Teaching/Communications Assistants	-	$ 140,625	$ 210,938
Equipment & Supplies	$ 25,000	$ 25,000	$ 25,000
Total Direct Expense	$ 287,500	$ 1,028,125	$ 1,098,438
Indirect Expense			
Administrator's Salary & Benefits	$ 85,000	$ 89,250	$ 98,398
Administration & Finance	$ 180,000	$ 299,000	$ 478,950
Student Affairs	$ 55,000	$ 110,000	$ 220,000
College Support (overhead- 2.2% per S. Frank)	$ -	$ 43,890	$ 65,835
Total Indirect Expense	$ 320,000	$ 542,410	$ 858,498
Total Expenses	$ 607,500	$ 2,132,765	$ 2,519,435
Net Profit/Loss	**$ (607,500)**	**$ (137,765)**	**$ 473,065**

The incremental financial investment needed for the iMBA consists of overload salaries of faculty and payments to TAs. The structure does not require any new permanent budget outlays, which helps to mitigate the downside financial risk to the College. It should be borne in mind that this investment is not exclusively for iMBA – online content will be repurposed for campus-based programs, blended learning courses, and potential professional education offerings, including certificates or specializations that will generate revenue for the college.

However, this proposal is not without risk.

- First and foremost, there is considerable uncertainty about the ultimate size of the market for an online program. Although we think that our numbers are conservative and our market strategy has been validated by Coursera, the demand will not be fully known until the program is launched.
- Second, it is possible that other higher-ranked MBA programs such as Harvard and Wharton may enter into the online MBA space thereby reducing our market share. Although this strategy is plausible, our early entry advantage in this space coupled with the marketing power of Coursera is likely to act as a buffer and enable us to hold share. Indeed, the greater risk to Illinois from this possibility is if we do not offer an online program at all or if we do so as followers.
- Third, there is risk that some students initially interested in a face-to-face MBA program may pursue an online MBA. We believe that this potential cannibalization is likely to be minimal as the

---

[9] The revenue does not include revenue from individual courses, specializations, or non-degree certificates.

value propositions and target markets for these various programs are very different. At a higher level, though, this "minimal" cannibalization is still preferable because students would graduate from the University of Illinois as opposed to them pursuing an online MBA from a competitor school because we do not offer one. We respectfully contend that being bold and innovative is one way to stand out and deliver.

6. <u>What are the risks to the existing EMBA arising from creation of the iMBA, both in terms of potential poaching of students and in terms of risk to the recognized distinction of the existing EMBA program?</u>

The existing EMBA program enrolls 35-40 students a year. Students seeking a face-to-face EMBA seek a different value proposition from the online MBA students. Students in the face-to-face programs value in-person faculty engagement, live in Chicago, and can afford to take off two working days a month. Online MBA students are usually unable to take off work and, hence, value the convenience and flexibility of an online program. A student interested in an online MBA program is not subject to geographic constraints and, hence, students are likely to be drawn from around the world. Due to the differing value propositions of the face-to-face MBA and online programs, we believe that the competitive overlap is likely to be minimal. Our conversations with schools with successful programs confirm this position.

More importantly, an online MBA is likely to enhance the face-to-face MBA ecosystem. For example, the University of Massachusetts, Amherst has an online program that caters to 1,200 students. The resources from this online program enabled them to provide scholarships to students interested in their small-sized face-to-face program (40 students). For the first time, University of Massachusetts has been ranked in the top 100 schools in the latest 2015 *U.S. News and World Report* rankings. A cursory examination of Table 1 shows that programs with online MBA programs seem to be doing well in their face-to-face programs as well (see Indiana University, University of North Carolina, Carnegie Mellon, etc.). We believe that this would be the case for us as well – the resources from the online MBA will help us develop a better face-to-face MBA ecosystem.

7. <u>The discussion of the actual details of delivery of the program through the learning platforms mentioned (both Coursera and on-campus LMS) is rather weak. What activities are iMBA students engaged in, where, and when? What activities are faculty engaged in? Lecturers? TAs? Communications Assistants? How will courses be kept up to date? By whom?</u>

The iMBA degree will be housed on Compass, the course management system at the University of Illinois. The content will be licensed to Coursera for the self-directed learning component (see details in Exhibit 4).

iMBA students will be engaged in activities in both platforms (Coursera and IL Compass) with the dual purpose of enabling interaction with a heterogeneous global audience through the Coursera platform within our online classes thereby benefitting the iMBA students from the global exposure. At the same time, the cohort specific space within IL Compass will provide the iMBA students space to work closely with instructors on more in-depth activities for their degree. Specifically,

A. In the **Coursera Platform** they will be required to:
1. Access instructor's lectures and presentations
2. Complete multiple choice activities to practice knowledge of terminology,
3. Participate in case study activities and peer assessment to enhance their opportunities for application of new knowledge
4. Monitor and lead discussions on specific topics and integrate and categorize information that they will then share with their iMBA cohort

B. In **IL Compass**, they will be required to:
1. Expand their immersion into new knowledge by accessing Harvard Business Review cases, textbook materials, online guest speakers, and additional video presentations
2. Participate in faculty- and TA-moderated team discussions to enhance their development of professional communication and leadership skills,
3. Provide in-depth analysis of case studies and problem solving
4. Submit papers, projects, or individual assignments that demonstrate evidence of learning
5. Work on team projects and create presentations and reports as a result of their learning and interaction

All activities in IL Compass will be graded and receive feedback from the teaching team.

In general, iMBA students will enter IL Compass and follow a weekly agenda that will guide them through the activities for the week. Some activities will be linked to Coursera, and others will happen only in IL Compass.

The role of faculty: Faculty members will help develop the course and then teach the course. Once the course is developed, the same course content can be used for a period of time.

In terms of course development, faculty members will be engaged in creating and developing course content with the assistance of the eLearning team and CiTL. Course content development includes creation of syllabus, development of videos and scripts for different topics, and development of various activities to create a truly multi-faceted course. They will also create assessment strategies for students which will be implemented in IL Compass. CiTL is prepared to assist the program in several ways, including working closely with the units involved to ensure instructional support needs of the iMBA program are met. Please see Appendix H for a letter of support from the Associate Provost for Educational Innovation.

Faculty will later be involved in teaching the courses by accessing the IL Compass platform and monitoring students' activities, communicating expectations, responding to questions, supervising TA activities in the different sections, creating weekly webcasts or weekly announcements, and grading with the assistance of TAs.

The role of teaching and communications assistants:

TAs will be involved in:

- o Monitoring and moderating day to day students' interaction in the class
- o Responding to student questions and presenting a weekly report of student questions to the respective faculty
- o Working with lead faculty to address student questions,
- o Hosting weekly online office hours
- o Grading and course/section management through faculty and instructor guidance

Communications assistants will work on the Coursera portion of the class. They will help in monitoring student communications, engaging students in activities, and encouraging participation. They will refer content-related questions to the TAs.

The course will be kept up to date by the instructor in collaboration with the e-Learning office. The e-Learning office will conduct an end-of-semester evaluation of student perceptions of the course dissemination and delivery. Based on this analysis, changes will be made in future offerings of the course in consultation with the faculty.

8. The proposal suggests that communications assistants will engage students in online platforms OUTSIDE Coursera. Do we have legal agreements in place with those other platforms regarding release/use of student information? Can we legally require students to use other platforms? Or engage with students on them? It seems far too easy for communications assistants to cross the line from engaging into harassing, particularly given that the form and level of engagement is not specified here.

    We will be using only two platforms; Coursera and the University of Illinois' learning management system, Compass. No other platforms will be used.

9. The overall design of the iMBA differs significantly from the EMBA as it exists now (see stack ability and specializations and required courses). Will the EMBA be changed to conform to this model eventually? If not, why the different model for the iMBA? And if a different model, how can we call these the same degree? There is nothing in the proposal that provides persuasive evidence of equivalence between the degree programs, particularly if this new program is going to be considered accredited under the existing EMBA degree.

    The EMBA and iMBA have identical core courses and will be virtual mirror images of each other. (see Table 1). Over time, using Coursera's data analytics, we will assess changing student needs to develop new course opportunities that will serve both the iMBA and EMBA.

10. Need better definition of admissions standards for the new program. Is an online bachelor's degree acceptable for applying to an iMBA program?

    Applicants for the iMBA must have earned at least a bachelor's degree from a regionally accredited college in the United States or a comparable degree from a recognized institution of higher learning

abroad. A grade point average (GPA) of 3.0 (A=4.0), or comparable GPA for an international applicant, for the last two years of undergraduate study is a minimum requirement for admission. The graduate college policy does not specify the delivery method.

11. Has the department engaged in discussion of the proposed iMBA program with existing EMBA students and alumni? It might be in CoB's interest to engage with these students to determine whether they think this move might lessen the value of their degree.

    The iMBA proposal was discussed in March 2014 with the Dean's Business Council, a collection of about 60 College of Business alumni. They were supportive of the proposal and labelled it as top priority for the College. In addition, Prof. Jeff Brown held a discussion with approximately 15 students currently enrolled in our full-time MBA program. These students were generally supportive of our expansion into the online space, although they stressed the need to ensure that the in-person experiences and our supplemental services (e.g., career services) were sufficiently strong to justify any cost differential between the programs. In addition, a brief survey was administered to the Chicago EMBA students (n = 26) concerning their perceptions about online learning. Sixty eight percent agreed that a high-quality online MBA program that attracts students from around the world would enhance the value of an MBA degree from Illinois.

12. What is the exit plan for the new degree if Coursera fails?

    The iMBA content will be housed on our learning management systems. The partnership with Coursera is valuable because it provides marketing, analytical, and advertising support. If these capabilities are deemed important and Coursera does not work out for any reason, we could license our self-directed learning content to other MOOC-based platforms such as EdX or Udacity.

    If we launch the program, we will strictly measure the actual performance against our forecasts and ascertain whether we are performing as planned. Corrective measures will be taken in order to ensure that we meet the projections.

Appendix G: FERPA Agreement between Coursera & Illinois

The draft FERPA agreement is available upon request.

Appendix H: Letter of Support from CiTL

UNIVERSITY OF ILLINOIS
AT URBANA-CHAMPAIGN

Center for Innovation in Teaching & Learning
901 West University Avenue
Suite 201, MC-260
Urbana, IL 61801-2777 USA

To: Larry DeBrock, Dean, and Rajagopal Echambadi, Associate Dean, College of Business

From: Deanna Raineri, Associate Provost for Educational Innovation

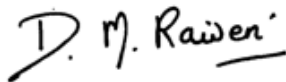Re: Support of Illinois Masters in Business Administration (iMBA)

Date: March 24, 2015

I write to assure you that the Center for Innovation in Teaching & Learning (CITL) is ready to assist with the proposed Illinois Masters in Business Administration (iMBA) to be offered by the College of Business in partnership with Coursera. The program represents an innovative approach toward the marketing and delivery of a high-demand field, coupling the broad-reach of a traditional Massive Open Online Course (MOOC) provider with the academic rigor of a degree bearing Illinois' name.

CITL is centrally resourced and prepared to assist the program in various ways. These include: program coordination, instructional design, media production, registration of non-degree students in CITL course sections, marketing, program evaluation, and related financial reports. In addition, CITL will work closely with the units involved to ensure instructional support needs of the program are met.

Please let me know if you need additional information.

Sincerely,

Deanna Raineri
Associate Provost for Educational Innovation
Office of the Provost and Vice Chancellor for Academic Affairs