

College of Business
Office of the Dean
260 Wohlers Hall
1206 South Sixth Street
Champaign, IL 61820-6980



April 21, 2016

Dear members of the Senate Educational Policy Committee,

I am writing to offer an update on the iMBA program that the Senate Educational Policy Committee approved approximately one year ago and to inform you about our plans going forward.

We successfully launched the iMBA program in January 2016 with 115 students in our first cohort. As one can see from Table 1, the program has attracted highly qualified applicants from across the United States and around the world. We admitted only 20.9% of those who applied, which makes us a very selective program. For comparison, the two top-ranked online MBA programs in the United States, the University of North Carolina and Indiana University, admitted 51% and 76% of applicants, respectively.

The online MBA is an attractive option for many prospective students that value convenience and flexibility. As such, we expect the demand for our high-quality online MBA program to grow, especially now that we have begun to actively marketing our program. The available numbers from the marketplace appear to confirm our expectations. For example, in 2012, approximately 38,000 students from around the world were interested in an online MBA program. Our admission yield, in excess of 95%, is nearly unheard of in the MBA world, suggesting that the perceived value of our program is very high. Ratings from iMBA courses indicate that students are very happy with their online MBA experience thus far, which will further enhance the reputation of our program.

Table 1: Online MBA Characteristics

	Spring 2016 Cohort
Applications	555
Admissions	120
Selectivity	20.9%
Enrollees	115
Yield	95.8%
Average Age	36.7
Average Work Years	11.4
Female	28%
International Students	18%
Number of States	18
Number of Countries	13

Source: Department of Management Information Campus Profile 2015-2016

We are prepared to begin scaling up our enrollment as both word-of-mouth and our marketing efforts increase applications to our program. As you are aware, the iMBA is a self-supporting program that does not rely on State funds. Capitalizing on the market opportunity created by the strong demand for our program is essential to the College of Business' ability to pursue our mission and our strategic priorities. We expect the program will help us build our global MBA brand. And, the additional revenue that we will earn from expanding the scale of our program will provide much-needed resources to grow our scholarly impact through the hiring of new faculty. It is important that we begin scaling up immediately, as our competition is not standing still and we do not want to lose our early-mover advantage in the marketplace.

Therefore, moving forward, the College of Business intends to expand enrollment in the iMBA program beyond the initial level recommended by the Senate Educational Policy Committee last year. As required by Standing Rule 13, with this letter I am informing you that we intend to grow the program at a rate that will exceed 25%. Although it is difficult to precisely estimate demand for this new program, we have a goal of increasing enrollment to 250 students for the Fall 2016 cohort and to 500 for the January 2017 cohort. If our plans materially change from these estimates, we will provide further updates to the EPC.

Given that this is an entirely self-financed program and is staffed entirely by College of Business faculty, there is no impact on any other unit on this campus. We are fully confident in our ability to scale up our admissions, academic, and student support components to meet the potential growth.

Importantly, we have put in place a robust faculty governance process to guide this expansion. Professor Madhu Viswanathan – the Diane and Steven N. Miller Professor in Business – has led faculty oversight of the program as faculty advisor for the past year. In addition to chairing a faculty committee overseeing the iMBA, he has also done an amazing job of creating a collaborative environment between faculty and staff working on the program. Additionally, the College Executive Committee, an elected body of six of our most respected faculty in the College, have strongly endorsed the decision to expand this program.

I, as Dean, in close collaboration with College of Business faculty, will ensure that this program grows responsibly, making strategic investments in scaling to create reputational and financial capital for the College. We remain committed to maintaining the University's very high standards and using this program to enhance our global reputation. This includes maintaining high standards of quality in the admissions process, as this is key to our goal of making this a top-rated online MBA program.

Thank you for your approval of this program last year and for your continued support as we continue to invest in this opportunity.

Sincerely,



Jeffrey R. Brown

Josef and Margot Lakonishok Endowed Professor of Business and Dean

cc: Prof. Rashad Abdel-Khalik, College Executive Committee
Prof. Raj Echambadi, Senior Associate Dean
Prof. Kevin Jackson, College Executive Committee
Prof. Tim Johnson, College Executive Committee
Prof. Huseyin Leblebici, College Executive Committee
Prof. Sharon Shavitt, College Executive Committee
Prof. Madhu Viswanathan, Chair of iMBA faculty committee
Prof. Scott Weisbenner, College Executive Committee