

FORM 3

**COVER SHEET
EXTENSION OF AN EXISTING PROGRAM NOTICE OF INTENT
(LOCATION NOI)**

Program Information

Program Name: Master of Business Administration (MBA)

Institution Name: Washington State University

Degree Granting Unit: College of Business

CIP Code: 52.0201

Proposed Start Date: Fall 2009

Projected Enrollment in Year One: 20 FTEs At Full Enrollment: 100 FTEs, by 2012 (year)

Proposed New Funding: Self-sustaining level of graduate tuition

Funding Source: State FTE Self Support Other:

Mode of Delivery / Locations

Single Campus Delivery _____

Off Site _____

Distance Learning: Online

Other

Flexible Scheduling

Evening Classes

Weekend Classes

Other: Anytime, Anywhere

Attendance Options

Full-Time

Part-Time

Contact Information (Academic Department Representative)

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April 24, 2009

Endorsement by Chief Academic Officer

Date

Substantive Statement of Need

This proposal for an Online MBA (OMBA) represents another version of the existing Master of Business Administration (MBA) degree program offered through the College of Business at each of the Washington State University campuses. This is not a new degree proposal (i.e. the curriculum will be equivalent to that of the MBA program currently offered by WSU), but rather a proposal to offer an existent program to a new audience in a different (online) format. The College of Business is accredited by the AACSB at the undergraduate, Masters, and PhD levels. The new program will be AACSB accredited. We believe that not only will substantial demand exist for this program, but that this program is well aligned with the strategic objectives associated with WSU, the College of Business, and the Center for Distance and Professional Education (all of which is outlined below).

- **Curriculum:** Equivalent to our Accelerated MBA option offered on the Pullman Campus:
 - o 39 credits (primarily in the form of three credit courses)
 - o Program can be completed in as little as 12 months (full-time), or up to 4 years (part time).
 - o Non-academic certificates may be available for students interested in taking selected components of the curriculum.

- **Faculty Resources:** No new tenure track faculty resources will be needed to launch the program. We will utilize some WSU business faculty members from all campus locations to teach in the program. Initially, we expect to staff a portion of these courses with academically and professionally qualified adjuncts. As the program grows, additional full-time faculty members will be hired to teach in it.
- **Alignment with WSU Program Prioritization Priorities and University and College Strategic Plan:** The proposed Online MBA will also provide an opportunity to meet items 5 and 6 of the Provost's final Program Prioritization recommendations regarding the College of Business:
 - Better utilize regional campuses in the teaching program to sustain university-wide accreditation and achieve more efficient resource utilization.
 - View the Master of Business Administration as a statewide enterprise; use Pullman and regional campus resources to deliver the MBA as a "state-wide" program.

The proposed OMBA will provide a unique and important opportunity to better utilize regional campus faculties to help deliver the MBA as a state-wide program in a very efficient manner.

- **Collaboration between COB and CDPE:** All courses are offered fully online, and will be supported in a cooperative effort between the College of Business and the Center for Distance and Professional Education, where both entities have substantial experience in delivering online degrees. The COB will help in recruiting students, advising students, curriculum and course development, and course delivery. The CDPE will assist in marketing the program, answering student queries, course design, and helping develop and maintain courses.
- **Demand:**
 - Demographic trends show a growing national and international population that is age-appropriate for MBA programs
 - Growing international interest in such programs - we have already been approached by a program in India that wants to partner in MBA offerings

- o Survey results obtained from the Center for Distance and Professional Education at WSU show an online MBA as the #1 graduate program of interest among past DDP graduates (with over 900 students indicating interest)
- o The counter-cyclical nature of educational enrollments -interest in graduate programs actually increase in poor economic times
- o See **Appendix** (Business Week Article) entitled "MBA Learners Go the Distance, A troubled economy bolsters growth in online business programs" (December 2008)

APPENDIX

BusinessWeek

DISTANCE PROGRAMS December 28, 2008, 3:56PM EST text size:

MBA Learners Go the Distance

http://www.businessweek.com/print/bschools/content/dec2008/bs20081228_937663.htm

A troubled economy bolsters growth in online business programs

By [Alysa Teichman](#)

Denny Basham, who lives in Colorado and is a systems engineer for a software company, is studying for his MBA like many others in this weakening economy. But, like a growing number of these students, Basham hasn't quit his job and moved to earn his degree. He's doing it online.

In an era where any job is precious enough to hold onto and the price of gas remains a worry, more MBA seekers are earning their degrees through [distance programs](#). For instance, at the University of Florida, which has a 275-student [distance MBA program](#) that's been online since 1999, there's been a 20 percent to 25 percent increase in applications since last year. Alex Sevilla, the assistant dean and MBA director, attributes the response to today's economic uncertainties.

"If I'm not certain where my job is going, should I make this investment if I'm not sure I'll be here physically for the next two years? An Internet program eliminates that worry," Sevilla said.

That's the sort of thinking that sold Basham. After considering a wide range of programs, he decided to go with the [Thunderbird Global MBA On-Demand](#), an online program offered by Thunderbird School of Global Management in Arizona, because he could keep his job and pay off his mortgage and car payments.

"Say I lost my job: If I had to move from Colorado to somewhere else, I could still keep working on my MBA," Basham said. "I think the programs are getting better, too. It's really hard to tell if someone went distance or fulltime."

FUELED BY GAS PRICES

Indeed, for many of today's aspiring MBAs with several years of work experience, an online MBA enables them to balance a rigorous job that may involve travel with a thirst to increase intellectual capital. This kind of program, which appeared more than decade ago, has gained momentum over the last couple of years as it's become more socially acceptable.

"Distance learning programs were a trickle early on, but due to the economy and gas prices early this summer, things are taking off," said John Bourne, the executive director of the Sloan Consortium, an organization that integrates online education into the mainstream.

This holds true of online MBA programs and online higher education in general, which had 3.9 million participants in fall of 2007, an increase of 12.9 percent over the previous year, according to the consortium. The overall population of students in higher education grew by only 1.2 percent. Most online students are undergrads; graduate students make up 14 percent of online enrollment.

It's hard to say how much of the recent growth in online MBA enrollment is being spurred by the downturn as opposed to the baseline trend upward in distance education, but business schools say the volatile economy is certainly driving some of it.

"It's tempting to associate increased application volume with deteriorating economic conditions," said Michael Eleey, the assistant dean and managing director of the [MBA Online program](#) at Arizona State University, which has 420 students and is seeing a jump of 10 percent to 20 percent in applications. "That probably is a good part of what's going on, at least from what we hear about those inquiring and applying for the program."

MORE INTERACTIVITY!

Online MBA programs have advanced beyond chats and one-way video lectures, incorporating elements of interaction between students and professors. Now, most programs use methods that simulate real classrooms, allowing students and professors to converse and offer presentations. Some programs are using virtual technologies such as [Second Life](#).

Proponents of online programs point out that besides the cost-savings, most schools don't differentiate on the diploma itself between degrees earned online or in traditional programs. Many of the online programs combine the online curriculum with short residency periods at the actual campus.

However, there are still some advantages to traditional programs. MBA admissions consultant Linda Abraham said that while online programs save students time and money, they don't yet have the same credibility as traditional classrooms in the employment arena, and don't offer the same networking and "informal education" opportunities.

Still, at Arizona State, 25 students in face-to-face programs requested a transfer to the MBA Online Program within the last year, about double the usual rate, according to Assistant Dean Eleey.

"This is symptomatic of the general turbulence we're seeing in the world of work over the last couple of years or particularly the last year with respect to economic conditions," he said. "Changes and volatility in people's jobs have created a need for people who have started in face-to-face to move online, and we see that trend increasing, not declining."

Teichman is a reporting intern at BusinessWeek.