Trends/Forces in Higher Education for Management
- More part-time students: The new majority is over 25, lives off campus and attends part-time
- The 18-22 year olds who attend full-time and live on campus are less than 25% of all students in higher education.
- There is an increasing need for continuous learning.
- There is a growing ability to provide for individualized learning style.
- There is a growing need and demand for cost containment – from 1990 to '96 tuition for full-time undergraduates rose 44% according to the General Accounting Office. Over the same period the cost of living rose 15.4% and the median household income rose only 13.8%.
- The Internet provides access 24 hours a day 7 days a week at annual costs of approximately $300 or approximately the cost of 5 text books. It has had a major impact on distance learning and anytime education.
- The rapid increase in the globalization of markets, organizations and management education.
- The potential increase in corporate "mini MBA" programs with no testing or evaluation

Assumptions which have guided AACSB accreditation practices.

ASSUMPTIONS

1. Offerings:

Degree Programs
- Degree/Non Degree Offerings
- Credit for Courses
- Non Credit Courses

2. Provider:

B-Schools in single Degree granting residential Colleges/Universities
- Same
- non b-school in traditional university
- corporate universities
- government sponsored
- education "vendors"
- joint programs
- corporate/university
- vendors/university
- consortium of universities (within a state/among states)
- government/corporate/university

3. Delivery:

Residential
- Residential
- Distributed
  Synchronous
  Asynchronous
Enrollment in Programs
- Enrollment in programs
  - Enrollment in modules
  - Enrollment in courses

Academic Calendar
- Academic calendar
  - Anytime

4. Learners:

Degree seeking/full time learner b-student
- Degree seeking/full time learner business student
  - non degree seeking
    - non full time learner (employee etc. first, then a learner)
    - non business student

5. Decision Maker:

Individual student/parents
- Individual student/parents
  - corporations
  - professional associations

6. Accreditation Agencies — originally only AACSB
- AACSB - The International Association for Management Education  www.aacsb.edu
  The Association currently has over 660 members of which 374 are accredited. Of these 7 are in Canada, 2 in Europe, 2 in Mexico, 2 in Asia, one in Central America and 1 in the UK.
- ACBSP – The Association of Collegiate Business Schools and Programs www.acbsp.org/
  The association currently has 177 two-year institutions of which 132 are accredited and 263 four-year institutions of which 118 are accredited.
- AMBA - Association for Management Education www.mba.org.uk
  A membership organization for MBA’s in the United Kingdom that accredits business schools on criteria first published in 1989. It launched an international accreditation program in 1997. It has 34 schools in the UK and 24 in Western Europe.

Case examples/ statistics

- Non b-school in traditional university

- Corporate Universities –
  www.corpu.com In 1998 Jeanne Meister’s book “Corporate Universities, Lessons in Building a World Class Work Force” listed 50 corporate Universities. Examples are: Southwest Airlines University for People, Eddie Bauer University, Reynolds University, Motorola University, Bell Atlantic, MBNA Bank, Saturn, Arthur Andersen, Ford Motor Co (FORDSTAR), Bank of Montreal, GE, Anheuser Bush (Bush Learning Center, Tennessee Valley Authority, Dell Computer, Arthur D. Little, AT&T, Harley Davidson, Oracle, McDonald Douglas, Disney, Iams, Sprint, Sears, Xerox, McDonald’s, National Semiconductor, and Charles Schwab.
Dow Jones University - http://dji.wsj.com Dow Jones University is an example of “branded education” – a company using its name to compete in the for-profit education market. It offers six on-line courses on investment and retirement planning.

- **Government Sponsored** -
  The Open University - (England) www.open.ac.uk/
  Since 1971, more than 2,000,000 students have taken courses and more than 227,000 have earned their degrees. It has 7,000 tutors/associate lecturers, 900 full time faculty and over 300 courses. It currently enrolls over 200,000. Of these, 20,000 are outside the UK. The average age of undergraduate students is 37 years and the majority are in the 25-45 age group. It has decided to open Open University America. Its courses are very expensive to produce e.g. $2.5 million for one course. Note... Only six Open University courses are completely internet based and all of them are in computing or a program in distance learning.

Western Governor’s University – www.westgov.org/smart/vu/vu.html
WGCU is a massive distance education program begun in 1995 by the governors of more than a dozen western U.S. states. It offers degrees and certificates based on competency. (ability to demonstrate you skills and knowledge on a series of assessments …not on required courses) It is also a broker for distance delivered courses offered by dozens of its affiliated education providers. Some of its corporate sponsors/partners are AT&T, Cisco Systems, Sunmicro Systems, and 3Com etc.

TeleCampus – www.telecampus.edu/
A University of Texas System program. (See University Consortiums below)

- **Kentucky Commonwealth Virtual University** -
  www.kcvu.org (see University Consortiums below)

- **Georgia On-Line** -
  www.conted.gatech.edu (see University Consortiums below)

- **Educational “Vendors”**
  SYLVAN Learning Systems – www.sylvan.net/ Currently is purchasing The European University of Madrid, www.uem.es/ ...a for-profit Spanish institution with 7200 students and 20 graduate and undergraduate programs. It plans to buy a university per year until it has 12 all located in different countries and intends to tap into Wall Street for its financing. Its president is Joseph Duffey, the current director of the U.S. Information Agency, former president of American University and past chancellor of the University of Massachusetts-Amherst.

The University of Phoenix – www.universityofphoenix.com/
Is America’s largest private accredited university with over 68,000 currently enrolled students and has provided degree and certificate programs to more than 527,00 working professionals. It specializes in degree and certificate programs for adult professionals.

Kaplan Education Centers - www.kaplan.com Already operates Concord Law School and plans to have an MBA program in 2000.

U.S.A. University – www.usauniversity.com offered to buy Norwich University’s Montpelier campus and courses for a distance education facility. The offer was rejected. It is still looking for a campus to buy.

- **Joint Programs**
  - **Corporate/University**
    NYUonline – www.sce.nyu.edu/virtual NYU’s School of Continuing and Professional Education created this for-profit subsidiary to partner with business more readily and leverage the school’s 2000-plus courses. Noncredit and certificate programs.
Vendor/University- UNext - www.Unext.com/ It's Cardean's Consortium includes the Universities of Columbia, Chicago, London B-School and Stanford. Chicago has a royalty arrangement that can be converted to equity if the company goes public.

University Access- www.universityaccess.com/
UA is currently working on programs with the Universities of Southern California, UCLA, Chicago, London B-School, Indiana, and UNC-Chapel Hill. Chapel Hill and UA are developing an on-line MBA to be offered to five corporations for a total of 50 students or less. To provide long term benefit to the school Chapel Hill has an equity position in University Access. With USC they are developing an open enrollment MBA program to be offered in Japan.

Pensare - www.pensare.com/
Is working with Fuqua, Wharton, Harvard, and USC. Pensare is providing the technology for Harvard and Wharton to develop and deliver on-line courses to be offered in the workplace. It works with Duke in delivering its on-line executive MBA. Fuqua's partnership with Pensare includes an equity position in the business and royalties for the faculty who create the materials.

Consortium of Universities –
  • Within a State
    TeleCampus - www.telecampus.edu/ The University of Texas System program is provided by 8 of the university campuses. These campuses will provide courses, which allows residents of rural Texas communities to receive an MBA without leaving home.
    Kentucky Commonwealth Virtual University http://www.kcvu.org - Is a directory of on-line courses from both public and private colleges and universities in the state. It opened in the summer of 1999 and is well financed with a $8million operating budget. For fall term ‘99, 21 classes were listed and 175 students enrolled.
    Georgia On-Line - www.cnetd.gatech.edu A consortium of 10 schools in the University System of Georgia that joined together to create on-line noncredit professional development courses
  • Among States
    Western Governor’s University – www.westgov.org/smart/vu/vu.html A consortium of more than a dozen western state. (See description above)

Government/University
German International School of Management and Administration - Purdue University's Krannert School has partnered with the government of Germany, and a private German foundation to create the German International School of Management and Administration. The School's initial program will be the first one-year Master of Science degree in industrial administration to begin in 2000. Plans also call for the development of a two-year executive master's degree for working managers. Purdue will receive $27 million over the first five years of the 10-year contract.

Cambridge-MIT Institute - Cambridge University, MIT and the British government have announced a $135 million joint venture to develop an institute that will have no physical site while involving the faculties at both institutions. The British government is investing $109 million in the project over the first five years with $26 million to be raised from private industry. Included in the institutes goals are, to bring MIT’s business executive programs to Britain and to develop common courses in management. MIT has said that the institute will be the only institutional partnership it will have in Europe.
• Distance Learning Programs (a partial list)

• Athabasca University - an MBA www.ccism.pc.athabascau.ca/
• Cal State - Dominguez Hills - MBA
• Carnegie Mellon - MSIA. Uses 2-way live broadcast, Internet, e-mail and computer software.
• Duke - The Global Executive MBA that uses video 2-way live broadcast, computer software, CD-
• Indiana University - Kelley Consortium MBA. Uses Videotape, Internet, CD-ROM, and e-mail.
• International University - an MBA in business communications. www.international.edu
• Keller Graduate School - MBA. Uses Internet, e-mail and video.
• MIT - SDM, System Design & Management a joint degree with engineering - MBA. Uses 2-way live broadcast, Internet video, and e-mail.
• Notre Dame - MBA. Uses 2-way live broadcast, e-mail and telephone.
• Ohio University - MBA On line
• Oklahoma State - MBA. Uses 2-way live broadcast, Internet and e-mail.
• Penn State - MBA. Uses 1 and 2-way live broadcast.
• Purdue - MSM which uses two-way live broadcast, Internet and e-mail
• Rochester Institute of Technology - a MSM. www.rit.edu
• ROM, Internet, and e-mail. www.fuqua.duke.edu/programs/gemba
• Syracuse - MBA. Uses Internet and e-mail.
• Temple University - Is creating a for-profit corporation to market on-line courses at the university. Ref Chronicle of Higher Education Dec, 17, 1999
• The Open University - MBA. Uses Internet and e-mail.
• The University of Florida - MBA. Uses Internet and e-mail
• The University of Michigan - a Global MBA which uses Video/computer conferencing, e-mail and shared applications software.
• The University of Tennessee - an MBA for physicians
• Thunderbird - MIMLA. Uses 1 and 2-way live broadcast, Internet and e-mail.
• Univ. of Colorado at Colorado Springs - MBA. Uses 1-way broadcast, videotapes, Internet and e-mail
• Univ. of Colorado at Denver - MBA. Uses Internet and e-mail.
• Univ. of South Carolina - MBA. Uses 1 and 2-way live broadcast.
• Univ. of Texas at Dallas - MBA. Uses 2-way live broadcast, audiotapes, audio conferencing, computer software, CD-ROM, computer conferencing, Internet and e-mail.
• University of Baltimore - MBA. Uses Videotapes, 2-way live broadcast, Internet, computer software and e-mail.
• University of Phoenix - MBA. Uses Internet and e-mail.
• University of Southern California - Executive Development. Uses 2-way live broadcast, Internet, and videotape. Partner is Caliber.
• University of Western Ontario - MBA. Uses 2-way live broadcast.
• University of Wisconsin at Platteville - Master of Project Management. Uses Internet and e-mail.
• Wharton - Courses only. Uses 2-way live broadcast, Internet, and e-mail. Providers are Caliber and Pensare.
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