

Going the

Virtual education is changing the classroom, but schools must plan carefully before implementing their own distance learning programs. Case studies from two successful programs offer templates.

by Andres Fortino and Paige P. Wolf

As higher education evolves, traditional business schools face a multitude of challenges to their standard educational formats. In particular, the full-time, face-to-face class is increasingly giving way to part-time and distance learning models as schools provide more programs with fewer time and location restrictions.

Today, part-time students make up about two-thirds of the MBA population in the U.S., and they account for approximately one-third of the MBA student body in the rest of the world. The ramifications of this growing part-time demographic are clear: Business educators must determine how to offer flexibility in programming while providing all students with a top education. At the same time, they must consider how to deliver quality programs in cost-effective ways that optimize student enrollment.

With many distance learning formats available, a business school's best option is to develop a program that complements its existing classroom formats. Two schools that have developed emerging programs are George Mason University in Fairfax, Virginia, and Marist College in Poughkeepsie, New York. George Mason, a large public state university serving a diverse population in the national capital region, developed its first distance learning course as part of a customized MBA program for a multinational corporation. Marist, a small rural college, used the distance format to enhance student enrollment. While their approaches are very different, their examples show that any school can find the right tools to bring distance learning to its campus.

Keys to the Virtual Classroom

As George Mason and Marist discovered, distance learning programs are more likely to succeed when schools consider three key facets of virtual education: making the business case for adopting online education, designing the ideal program, and carefully managing the transition.

Making the business case: The foray into distance education should be shaped by three important criteria: institutional mission, stakeholder support, and a thorough cost-benefit analysis. The cost-benefit analysis not only will help justify the program, but will aid in bringing more stakeholders on board, so it should be carefully conducted.

In terms of cost, the program should be at least self-sufficient to be attractive. Faculty compensation packages should reflect the fact that professors will need additional time to prepare content for the new format. In terms of benefits, a distance learning program should enhance the school's overall reputation and help it connect with a segment of the market it previously has been unable to reach.

Crafting a successful approach: Some distance learning programs combine face-to-face classroom sessions with Web-enhanced instruction, while others consist of 100 percent Web-based courses. Approaches that fall somewhere between these extremes are called *distributed* or *blended* models of delivery. When a school is designing its approach, it should consider how far its typical students must travel to sit in a physical classroom, what kind of access they have to the Internet, how their work

Distance



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schedules might affect their ability to attend classes, and what advantages the faculty might gain by using various learning tools and formats.

It's critical that the administration employ the right technology for its distance learning program. Innovative technology will not guarantee an effective course, but misused or unstable technology is almost certain to damage a program. The technical infrastructure must be stable, cost-effective, and as simple as possible, and it absolutely must be buttressed by technical support for faculty and students. Faculty often can overcome their initial concerns about new technology if they're encouraged to form support groups led by experienced colleagues.

Managing the transition: A virtual program cannot be successful without the support of enthusiastic and properly trained faculty. It's rare that a school has the funds to hire new, academically qualified individuals to deliver a distance education program. Thus, the school must focus on faculty development efforts that will reframe current courses and maximize usage of the available technology.

In addition, administrators must convince faculty that changing the course format will not have a negative impact on the quality of education. To alleviate these concerns, the school should design an evaluation system that systematically compares traditional and online delivery formats. Components to watch are quality of the course deliverables, grades, student reactions, and longer-term outcomes.

ClassroomPlus at GMU

A look at George Mason's distance learning program shows how one school integrated these three components of online education. Because George Mason is an AACSB-accredited school, even its virtual education courses had to meet high standards of education. George Mason's first client for distance education was a national corporation that wanted an MBA program for its widely dispersed senior managers.

Making the case: To help make the online approach attractive, administrators priced the virtual program in a way that allowed them to realize significant profit after costs were met. The pricing strategy was an important element in gaining the support of faculty and senior leadership. Faculty also embraced the program because they were allowed to teach it either as part of their regular load or as overload, which paid a bonus of 10 percent of their nine-month salaries.



Designing the program: The online delivery component was essential because the corporate sponsor would only fund limited travel for the students. At the same time, the corporation's primary goal was to promote networking among its executives to create synergies across business units that traditionally had been insular.

George Mason developed a blended model of distance education and named it ClassroomPlus. Each semester began and ended by immersing participants in their courses during eight-hour face-

to-face sessions with faculty and students. During the semester, local students and faculty met in four two-hour sessions. Remote students participated through teleconferencing and by viewing shared documents online through platforms such as NetMeeting and WebEx. This resulted in 24 hours of synchronous student-faculty contact time for each course. The rest of each course—which included threaded discussions, chats, and exams—was conducted asynchronously, using the Web-based tool WebCT.

Since many of these technologies were new to professors, technical and general programmatic support was critical in building faculty confidence. A technical support person was hired to train faculty in the use of WebCT and online document-sharing tools, and a full-time faculty member served as the program manager. This person handled all program logistics, planned student orientation, answered student questions, oversaw the technical support staff, recruited faculty, and answered faculty questions regarding the ClassroomPlus approach.

Managing the transition: To interest faculty in teaching in the new ClassroomPlus format, the school convened a Community of Practice made up of professors who wanted to explore advanced learning technologies. Successful, experienced faculty provided guidance. Among the questions other faculty raised were: How do I reproduce classroom learning moments in an online environment? How do I cover the same amount of material in this new format? How are group projects managed and executed? How will students learn from class discussions when synchronous class meetings are limited?

These and other concerns were addressed in monthly colloquia named The Faculty Fellows Program. This program began months before the first blended course was to be delivered and allowed adequate time for faculty to learn and

Balanced Scorecard for Virtual Learning

As business schools integrate distance learning into their programs, they can use the balanced scorecard approach to determine whether they are meeting their goals. The balanced scorecard, introduced in 1996 by Robert Kaplan and David Norton, allows an organization to align its business activities and decisions with its competitive strategies. Balanced scorecards measure how well businesses are doing in four areas: pleasing customers, satisfying stakeholders, organizing internal processes, and maintaining growth.

A business school can use a balanced scorecard to determine the merits of a distance education program and judge the program's effectiveness. Balanced scorecards also allow schools to collect data to help them in their quests for continuous improvement. The sample given here measures multiple critical success factors for two different schools in each of the four categories. Schools can identify the critical components that will help them measure effectiveness in their own programs.

Element	Metric	George Mason University	Marist College
Customers	Robustness of demand	<ul style="list-style-type: none"> One cohort per year recruited by sponsor company 	<ul style="list-style-type: none"> Total demand for online courses stronger than on-ground courses, measured course by course
	Student satisfaction	<ul style="list-style-type: none"> Student course evaluations above average Special survey conducted 	<ul style="list-style-type: none"> Student course evaluations above average
	Student performance	<ul style="list-style-type: none"> Course grade distribution above average Pre- and post-testing to measure subject comprehension 	<ul style="list-style-type: none"> Course grade distribution above average Course objectives judged by independent assessment
Finances	Reaching the breakeven point	<ul style="list-style-type: none"> Financial breakeven within 24 months with initial faculty development and technology cost burden 	<ul style="list-style-type: none"> Financial breakeven on a course-by-course basis based on meeting minimum course enrollment
	Total program revenue	<ul style="list-style-type: none"> Gross tuition revenue realized for entire cohorted program 	<ul style="list-style-type: none"> Tuition driven on a course-by-course basis
	Program costs	<ul style="list-style-type: none"> All direct costs, no infrastructure costs 	<ul style="list-style-type: none"> All direct costs plus IT infrastructure cost per course
Internal Business Processes	Course development processes	<ul style="list-style-type: none"> Faculty-driven with program director coordination 	<ul style="list-style-type: none"> Faculty-driven with central IT coordination and support
	Quality monitoring processes	<ul style="list-style-type: none"> Course development reviewed by peers Student course evaluations monitored 	<ul style="list-style-type: none"> Development process dictated by e-learning standards of excellence Student course evaluations monitored
	Adequate program staffing	<ul style="list-style-type: none"> Qualified faculty easily obtained to teach Adequate support staff installed 	<ul style="list-style-type: none"> Qualified faculty easily obtained to develop and teach courses Adequate support staff installed
Learning and Growth	New products	<ul style="list-style-type: none"> New graduate programs created using developed platform 	<ul style="list-style-type: none"> New online courses added to program New online graduate programs developed
	Faculty satisfaction	Measured by: <ul style="list-style-type: none"> Anecdotal evidence of satisfaction Rate of returning faculty Rate of adoption of new online technologies in regular on-ground classes 	Measured by: <ul style="list-style-type: none"> Satisfaction survey Rate of returning faculty
	Community of practice	<ul style="list-style-type: none"> During startup phase, attendance mandatory at CoP In subsequent years, faculty voluntarily attend 	<ul style="list-style-type: none"> Teaching Effectiveness Committee offers scheduled workshops and presentations

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all schools must be aware of its potential, both to **disrupt** and **enhance** their classrooms.

practice their new skills. Faculty members were compensated to participate in the program, and a Web site was created for the Faculty Fellows that included useful links, workshop workbooks, presentations made at meetings, and other resources for distance teaching.

Student Outreach at Marist

Like GMU, Marist College is an AACSB-accredited school with a strong incentive to devise a distance learning program. Unlike GMU, Marist is located in a rural setting that offers it little chance of drawing a strong commuter population. Thus, Marist instituted a distance learning program to enroll students who might otherwise have no way to attend classes.

Making the case: Online programs were attractive to the administration at Marist College because they could command higher levels of tuition. Such programs were also attractive to professors because Marist offered them a stipend up front to create online courses and an additional stipend each time they taught the class.

Designing the program: Because Marist wanted to reach students outside its rural setting, it launched a distance learning program with no residential requirement. Therefore, it merely converted its existing MBA programs to online versions that could be delivered via course management systems.

Only one section of an online course was offered in any one session. A full-time faculty member ran the class for up to 22 students. For every 25 additional students, another instructor was added to assist the primary faculty. The additional instructors were typically adjuncts whose salaries were lower than that of the primary faculty.

Once a cadre of assistants was developed and the faculty mastered the new online approach, this model was cost-effective at a reasonably high quality of instruction. In practice, using more than one or two additional assistants turned out to be impractical. Classes have not been large enough to test out the infinitely expandable mode.

Managing the transition: Financial motivation helped Marist faculty embrace an online format for the MBA program. The administration supported the move to this model, and internal champions—the dean and senior faculty members—led the transition. Eventually, the online program became a collegewide initiative under the leadership of the CIO. A robust set of seminars, workshops, and other faculty development offerings helped faculty acquire competencies in distance education. Now, most faculty enter the online teaching community by developing a course online, and they build capacity through this development process.

After several years, a well-developed system has evolved and is embodied in a set of guidelines called “Standards

A Brief History of the Classroom

While some management educators embrace distance learning, and others reject it, distance learning can be seen as just another permutation of the university classroom. Since the Industrial Age, educational institutions have favored the lecture hall as a way of delivering education to large groups, while organizing small-group seminars to allow elite graduate students to discuss specialized topics with their professors.

By 1900, schools in America had begun to adopt the Carnegie Foundation’s definition of a unit of instruction—45 contact hours to equal three credit hours. For many years, the Carnegie model suited American institutions of higher education and yielded millions of college graduates. Now the advent of Web-based communications has freed education from the constraints of both space and time. Schools can offer distance learning programs that satisfy the requirements of the Carnegie model if they focus on units of “instruction,” rather than “contact time.”

Primarily, this means faculty must move away from the traditional lecture format and find other ways to engage students. This should not be as alarming as it might sound, because faculty have always done far more than simply lecture. As Frank Rhodes, president emeritus of Cornell University, points out, “The professor must be ... able to organize the material, divide it into manageable segments, stress its relationships, introduce its principles, identify its assumptions, explore its ambiguities, reveal its implications, discuss its applications, and explain, challenge, answer, interpret, illuminate, and distinguish between the major and the lesser.”


Even in the virtual classroom, faculty still meet Rhodes’ definition of a professor as a guide and interpreter. They are most likely to be successful in that format if they treat it less like a lecture hall and more like a seminar room. In the virtual venue, they serve as role models and orchestrate the learning process by acting as coaches or mentors. The lecture hall is replaced by the computer screen, but in many ways, the classroom is the same.

for e-Learning Excellence.” The guidelines detail the peer review process for development, the best practices in development and execution of distance classes, the deliverables in the development process, and the payment schedule as deliverables are met. They also describe what the university considers a quality product and outline the intellectual property rights of the faculty. Faculty who develop a course are expected to maintain its currency and train others in its use.

The Future of Distance

While these two models have been successful for specific institutions, distance learning programs can be customized to suit any school or student body. Unfortunately, many business schools are refusing to consider distance education, thus leaving the field to commercial entities such as University of Phoenix and Capella University. But most experts believe business schools can't afford to ignore distance learning.

A paradigm shift is occurring, bringing about the cycle of “creative destruction” described by Joseph Schumpeter and elaborated on by Clayton Christensen. As the theory goes, innovation by one group can destroy the monopoly enjoyed by longtime market leaders, and companies that fail to innovate in turn will fall behind. In the case of management education, distance learning is the disruptive technology that is threatening traditional classrooms. While online programs initially might be addressed to underserved markets—students who cannot meet the time and geography requirements of face-to-face classes—eventually distance programs will become more popular with mainstream segments of the market as well. Schools that don't adapt will suffer, while schools that aggressively embrace distance learning are likely to take leadership positions.

Technology will only become more pervasive in our society, and more individuals will expect it to meet their educational needs. As long as some schools are providing distance education—and providing it well—all schools must be aware of its potential, both to disrupt and enhance their classrooms. The best plan is to discover the right way to turn the virtual classroom into a competitive advantage. 

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