BizEd

July/August 2013

What's Around the CORNER for MANAGEMENT EDUCATION

Business Schools Prepare For Big Changes Ahead

ALSO:

- **Creating a Culture of Assessment**
- **Technology in Emerging Economies**

con**tents**

Features

34

Departments

54

Cover photo image CJ Burton

Change in the Air

RAQUITA HENDERSON

No matter where you look, businesses are recognizing that their customers' preferences aren't the same as they were even a few years ago. In response, they're revising their underlying models significantly to ensure their survival in the years to come.

Take the newspaper industry. After experiencing a first-quarter decline in revenue, *The New York Times* recently announced it would offer a lower-cost online subscription model, in which readers would pay for only the news or subject matter of their choice. The *Times* also plans to offer premium subscribers incentives, such as access to special events, and extend its brand into games, e-commerce, and conferences.

Then there's the restaurant industry. In 2010, Chicago-based chef Grant Achatz, owner of the restaurant Next, made headlines when he began requiring patrons to purchase advance tickets, at prices that varied by the set menu or dining time. In fact, the restaurant now sells only season tickets—in 2012, Next received more than 6,600 requests to purchase 900 season ticket packages. Diners like the no-hassle system, says Achatz—there's no waiting for tables, menus to read, or bill to pay at meal's end.

Even online retailers are, somewhat ironically, experimenting with "new" models. Some are actually opening brick-and-mortar stores to establish more personal connections with customers. Online eyewear retailer Warby Parker opened a physical store in New York's SoHo neighborhood in April, with another store in Boston soon to come. There are murmurs that online giants Amazon and Google are considering moves into retail as a way to blend e-commerce with traditional transactions.

As students call for more convenient, affordable, and accessible educational options, business schools also are experimenting with new models: from blended learning and MOOCs to different structures of funding and tuition. Educators are grappling with a key question: How can they respond quickly to disruptive forces, especially if it means altering deeply entrenched educational traditions that date back hundreds of years?

Several articles in this issue explore this very concern. In "Cornering the Market," Len Jessup of the University of Arizona and Angus Laing of Loughborough University recommend new models that could help business schools stay ahead of the curve. "Technology, Education, and the Developing World" examines how emerging markets are adopting mobile technology for educational delivery. Finally, in "What Makes a MOOC?" three professors describe what it's like to teach massive open online courses as they tackle the implications of this controversial and potentially game-changing mode of delivery.

Just like other industries, higher education seems to be rapidly transforming into something new. That means that business schools must be more willing than ever to experiment, innovate, and, yes, even fail, if they are to place themselves at the forefront of the changes that lie ahead. ⓩ

Tricia Bisoux

\ PIER/GETTY IMAGES

headlines

Developing Responsible Leaders

AS SUSTAINABILITY GROWS more important to the world's consumers, critics are requiring more accountability from business leaders—and from the institutions that educate them. In response, AACSB International has partnered with the European Foundation for Management Development (EFMD) and the Globally Responsible Leadership Initiative. Through a collective network of companies and business schools, AACSB, EFMD, and the GRLI will focus on ways that industry and academic partnerships can advance the development of better leaders.

According to John Fernandes, AACSB's president and CEO, "This partnership and our enhanced accreditation standards represent AACSB's strong commitment to the development of ethical, sustainable, and socially responsible leaders, and to our expectation that business schools make these higher aims a critical success area." The new standards, which were approved by AACSB members in April at the association's annual conference, require that business schools educate students in ways that achieve these pillars of effective leadership.

As founding partners, AACSB and EFMD will join the GRLI board of directors. Fernandes will be one of AACSB's representatives to the board; the other will be Linda Livingstone, dean of the Graziadio School of Business and Management at Pepperdine University in Malibu, California. The partnership, says Livingstone, "will help foster change in how business schools approach ethical, sustainable, and globally responsible leadership in their program offerings, curriculum, and practices."

Incorporating Sustainability

WHEN BUSINESS LEADERS integrate sustainability into their core business practices, the ensuing social and environmental initiatives will create internal benefits for their companies. That was one of the observations made by Bernard Garrette, associate dean for HEC Paris in France, when he spoke at the school's annual Sustainable Business Conference in March. The conference was hosted by HEC Paris, BeCitizen, the GDF SUEZ Chair, and the Center for Research on Society and Organizations.

On the conference's tenth anniversary, the theme was "From the green line to the bottom line: creating company value through sustainability." Speakers addressed three key themes: sustainable opportunities in global markets, sustainable business models, and integrated reporting. Panels explored opportunities both at the base of the pyramid and within advanced economies by examining frugal, reverse, and clean-tech innovations. Panels also addressed the value and necessity of integrated reporting, which helps companies demonstrate the relationship between nonfinancial indicators and financial performance. More about the conference can be found at hec-sbc.org/.

Shorter MBAs: Three New Programs

AN MBA REQUIRES not only an investment of money, but time. Many schools seek to reduce that time investment by designing shorter programs, as is the case for programs being offered by three U.S. schools this fall:

■ Thunderbird School of Global Management in Glendale, Arizona, is launching a one-year MBA in global management, which can be completed for about US$20,000 less than the former 20-month program. Because courses will be delivered in theme-based modules, students will take fewer courses, but take them concurrently and dive more deeply into coursework. Cross-enterprise courses will approach the same cases from different disciplines, which will allow students to study them from multiple perspectives. In addition, students can customize their degrees through various concentration areas, internships, and global learning experiences. Students can also prep for the one-year MBA by attending online boot camps.

■ Purdue University's Krannert School of Management in West Lafayette, Indiana, has revamped its Weekend MBA program. The length of the program has dropped from 35 to 21 months, while new features have been added, including elective courses, an emphasis on leadership and career training, and an international business trip. Under the new format, students meet on Fridays and Saturdays every other week; they also enjoy greater integration with students in the full-time MBA and other professional master's programs at Krannert.

■ The Kenan-Flagler Business School at the University of North Carolina in Chapel Hill has redesigned its evening and weekend EMBA programs to offer new features and more convenience for students. The schedule has been modified to include immersive weekend courses and tech-enabled modules. In addition, the calendar has been streamlined and the curriculum has been restructured, while new electives and global immersions have been developed.

Funding Models for the 21st Century

BUSINESS SCHOOL administrators are constantly re-examining their funding models for ideas about where they might find new sources of revenue. It's instructive to look at how and where funding differs across three major geographic regions—Northern America, Asia, and Europe.

In all three regions, the bulk of the money comes from student tuition and associated fees. But schools in Asia and Europe receive substantially more money from nondegree executive education programs than schools from Northern America do, while schools in Northern America are more likely than their counterparts to raise money from private gifts and grants. Both Asian and Northern American schools have more endowment funds to draw on than European schools.

Differences among regions can be explained in part by variances in cultural norms. For instance, many European countries adhere to the belief that higher education should be funded by society, not financed by individuals. But as competition grows more fierce and educational institutions face ongoing challenges, it might be time for schools in all quadrants of the globe to study the funding models used by their peers—some of which are suggested in the numbers below—and borrow some of their more successful tactics.

Where Do B-Schools Get Their Funding?

	Asia	Europe	Northern America
Tuition and subsidies	76.82%	69.01%	80.97%
Nondegree education	7.01%	12.72%	1.36%
Private gifts and grants	1.66%	0.61%	5.25%
Endowment funds	4.16%	2.16%	4.89%
Grants and contracts	3.47%	3.77%	1.70%
Other student charges	1.05%	3.05%	2.64%
Private contracts	0.52%	2.90%	0.35%
Other sources	5.32%	5.77%	2.83%

Information is drawn from AACSB International's 2011–2012 Business School Questionnaire, in which 422 schools participated.

headlines

SHORT TAKES

NEW APPOINTMENTS

■ **Idalene "Idie" Kesner** has been named dean of the Kelley School of Business at Indiana University in Bloomington. Kesner, who becomes the first woman to lead the school, has served as interim dean since October 2012. Previously, she was associate dean of faculty and research and the Frank P. Popoff Chair of Strategic Management.

■ In March, **Young S. Park** took his new post as dean of Sogang Business School in Seoul, South Korea. He previously served as associate dean for undergraduate and graduate programs. Park succeeds Jae Hyung Min, who has resumed his role as senior faculty member.

■ **G. "Anand" Anandalingam** has been appointed dean and professor of management science at the Imperial College Business School in London. He succeeds Dorothy Griffiths, who has served as dean of the school since February 2012, following David Begg's retirement. Currently dean of the Robert H. Smith School of Business at the University of Maryland, Anandalingam will take up his role at Imperial on August 1.

■ **Kenneth A. Kavajecz** is the new dean of the Martin J. Whitman School of Man-agement at Syracuse University in New York. He was most recently chairman of the department of finance and a professor of finance at the Wisconsin Business School at the University of Wisconsin-Madison. Kavajecz replaces retiring Melvin Stith.

■ **Amy B. Hietapelto** has been named the new dean of the Labovitz School of Business and Economics at the University of Minnesota Duluth as of July 1. Hietapelto most recently served as dean of the College of Business and Management at Northeastern Illinois University in Chicago.

■ On July 1, **Wm. Gerard (Gerry) Sanders** takes up his new post as dean of the University of Texas at San Antonio College of Business. He was most recently professor of strategic management at Rice University in Houston. Sanders will be the first to also hold the Bodenstedt Chair for the Dean of Busi-ness. Sanders succeeds Lynda de la Viña.

■ **Donald E. Gibson** has been named dean of the Charles F. Dolan School of Business at Fairfield University in Connecti-cut. He has been the school's interim dean for nearly two years and a faculty member for 12 years.

■ **M. Eric Johnson** is the new dean of Vanderbilt University's Owen Graduate School of Management in Nashville, Ten-nessee. He is a former asso-ciate professor at Vanderbilt and current associate dean at the Tuck School of Business at Dartmouth College.

■ **Joseph B. Mazzola** has been named dean and Monte Ahuja Endowed Chair at the Monte Ahuja College of Business at Cleveland State University in Ohio. Maz-zola joins CSU from the Belk College of Business at the University of North Carolina at Charlotte. There he was the Belk Distinguished Professor of Business; he had previously served as dean of the school from 2008 to 2011.

■ **David Spald-ing** has been appointed the next Raisbeck Endowed Dean of the College of Business at Iowa State University in Ames. Spalding, who is senior vice president and senior adviser to Dart-mouth College's interim presi-dent, will begin his new role on August 1.

■ **Mary Gowan** is the new dean for James Madison Uni-versity's College of Business in Harrisonburg, Virginia. Gowan, an expert in human resources management, is the former dean and professor of manage-ment at the Martha and Spen-cer Love School of Business at Elon University. She assumes her new post July 1.

■ Northeastern Illinois Uni-versity in Chicago has named **Michael Bedell** acting dean of the College of Business and Management, effective July 1. Previously, Bedell served as associate dean at NEIU and MBA director and accredita-tion lead at California State University in Bakersfield.

■ **James W. Dean Jr.** has been appointed the next executive vice chancellor and provost for the University of North Carolina at Chapel Hill. He has been dean of the university's Kenan-Flagler Business School since 2008, and he is also a professor of organizational behavior and a Sarah Graham Kenan Distin-guished Scholar. He begins his new position July 1.

■ AACSB International has named **Richard E. Sorensen** as Special Advisor to the Presi-dent and CEO for Emerging Economies. Sorensen, who is retiring as dean of the Pamplin College of Business at Virginia Tech in Blacksburg, begins his duties July 1. In his new role, Sorensen will focus on under-

headlines

SHORT TAKES

standing the current needs of business schools in emerging economies and determining how AACSB can help improve quality assurance processes in such regions.

■ **Kerry Healey** has been selected as the first woman to lead Babson College of Babson Park, Massachusetts. Healy—former lieutenant governor of Massachusetts—will assume her presidency July 1.

STEPPING DOWN

■ In June 2014, **Thomas S. Robertson** will step down as dean of the Wharton School at the University of Pennsylvania in Philadelphia, where he has served since August 2007. During his tenure, he expanded the size of the faculty, raised support for research programs and specialized centers, and made major commitments to the new MBA curriculum. Robertson plans to return to the Wharton marketing faculty.

■ In May, **M. Omar Hefni** retired as president of the University of Dubai, where he spearheaded the process that resulted in AACSB accreditation in 2009.

HONORS AND AWARDS

■ **Bernard J. Milano** has been awarded the American Association of Blacks in Higher Education's 2013 AABHE

Advocacy Award. Milano is president and trustee of the KPMG Foundation, and president and board member of The PhD Project and KPMG Disaster Relief Fund.

■ **Darlene Brannigan Smith** has been named one of "Maryland's Top 100 Women" for 2013 by *The Daily Record,* the state's business and legal newspaper. Smith is dean of the University of Baltimore's Merrick School of Business.

■ A student team from **Colorado State University** College of Business in Fort Collins won the Global Business School Network's third annual MBA+ Challenge Video Contest. The competition invites business students from around the globe to submit videos showing how they are making a difference in the developing world. The winning video, "MamaCarts–Increasing Food Security," shows how a for-profit food cart franchise is using local food sources to supply meals to lower-income urban markets. Winners received a free trip to make a presentation at the GBSN Annual Conference and 10th Anniversary Celebration in Tunisia in June. All the videos may be viewed online at www.gbsnonline.org/mbachallenge.

■ Each year, the American Council on Education (ACE)

awards fellowships that help prepare promising faculty for roles of senior leadership in academia. For the 2013–2014 academic year, three of the 50 professors who received ACE Fellowships were business professors from the PhD Project Professors program. They are **Jorge Perez** of Kennesaw State University; **Jose Antonio Rosa** of the University of Wyoming; and **Charles Wesley Richardson Jr.** of Clark Atlanta University. Other ACE Fellows with backgrounds in business and associated disciplines are **Anne Lee Balazs** of Eastern Michigan University; **Jennifer P. Bott** of Ball State University; **Carlos Prieto** of Escuela Bancaria y Comercial; **Celsa (Lupita) Sánchez** of CETYS University; and **Larry "Dale" Young** of Georgia College & State University.

■ A new national award that honors the achievements of business school health-care educators has gone to **June Kinney** of the Wharton School at the University of Pennsylvania in Philadelphia. Kinney is not only the inaugural recipient—she is the namesake of the June Kinney Achievement Award, which

is bestowed by the Business School Alliance for Health. Kinney is associate director and lecturer at the Wharton School Health Care Management Department.

NEW PROGRAMS

■ In fall 2014, the Davis College of Business at **Jacksonville University** in Florida plans to launch a three-year doctorate in business administration. Plans for the DBA program include focuses on big data, business analytics, and globalization. The goal of the program will be to cultivate "scholarly practitioners"—graduates who can apply classroom theories to real-world problems. Professor of finance **Richard J. Cebula** will advise candidates in the DBA program.

■ The Miller College of Business at **Ball State University** in Muncie, Indiana, is debuting an undergraduate major in logistics and supply chain management.

■ The Marshall School of Business at the **University of Southern California** in Los Angeles announces a new Master of Science in Global Supply Chain Management (MSGSCM). The 16-month online program begins this fall.

■ This September, **Indiana University's** Kelley School of Business in Indianapolis will launch the Business of Medi-

cine MBA, a two-year program that will be delivered 50 percent online and 50 percent through weekends in residence.

■ **INSEAD** has formally begun its master in finance degree aimed at educating working professionals in the finance industry. The 20-month program consists of five integrated modules; four will be delivered on INSEAD's Singapore campus and one on its campus in Fontainebleau, France.

■ **Fisher College of Business** at The Ohio State University in Columbus, Ohio, has launched a graduate minor in business in health sciences to provide a business foundation to students in dentistry, medicine, nursing, optometry, pharmacy, and veterinary medicine. Coursework in the minor, designed to be completed in two consecutive summer terms, focuses on topics such as operations, talent management, strategy, financial analysis, and accounting as they relate to the health sciences sector.

■ This fall, the Merrick School of Business at the **University of Baltimore** in Maryland will debut its MS in innovation management and technology commercialization. Designed for working students who plan to transition from the laboratory to the management team, it focuses on four themes: promoting organizational creativity, developing new products, managing a growing technology firm, and acquiring resources.

GRANTS AND DONATIONS
■ **Columbia Business School** of New York City has received a US$100 million pledge from Ronald O. Perelman, chairman and CEO of MacAndrews & Forbes Holdings and a member of

headlines

SHORT TAKES

the school's board of overseers. The gift will be used to develop a new facility on the school's Manhattanville campus. In recognition of his generosity, the school will name one of its two buildings on the new campus the Ronald O. Perelman Center for Business Innovation.

■ The **University of California, Davis,** has announced a gift from the Arthur & Carlyse Ciocca Charitable Foundation to establish a visiting professorship in innovation and entrepreneurship at the Graduate School of Management. Arthur Ciocca is the co-founder and chairman emeritus of The Wine Group. The first holder of the professorship is **Carl Schramm,** the former president and CEO of the Ewing Marion Kauffman Foundation.

■ Dallas businessman Robert B. Rowling and his family have pledged US$25 million to help fund the construction of a new building at the **University of Texas at Austin.** The 458,000-square-foot Robert B. Rowling Hall will

house the graduate programs of the Red McCombs School of Business.

■ The School of Business Administration at **Portland State University** in Oregon has received a gift of US$8 million to help expand its building and programs. The donors, a local MBA alumnus and his wife, wish to remain anonymous. The money will go toward a new building that will triple the square footage of the business school and bring its classes all under one roof.

■ The Leeds School of Business at the **University of Colorado Boulder** has received a US$2.25 million gift from the Thomas Stix Guggenheim family to establish an endowed faculty chair in business design and innovation. The tenured post will be housed within the school's division of management.

■ **Dalhousie University's** Rowe School of Business in Halifax, Nova Scotia, has received a CAN$1.5 million donation from Scotiabank to support the school's Bold Ambitions campaign. The gift will be spread over ten years and will fund the Scotiabank Ethical Leadership Initiative.

COLLABORATIONS

■ **Aalto University Executive Education** of Helsinki, Finland, and **ESADE Business School** in Barcelona, Spain, plan to produce a joint inter-

national design business management (IDBM) program that targets Europe, Latin America, and Asia. The IDBM program emphasizes the role of design in creating competitive advantage.

■ **Rouen Business School** and **Reims Management School,** both of France, have announced their intentions to merge into a single school. It will be jointly headed by its chairman, Yves Bénard, the former chairman of Reims Management School; and its dean, Frank Bostyn, previ-

ously the project manager for the merger. Together the schools currently have about 8,000 students and 200 professors. (See related article on page 24.)

■ **IMD** in Lausanne, Switzerland, and the **Cheung Kong Graduate School of Business (CKGSB)** in Beijing, China, have partnered to

offer a new executive education program called The China Strategy Challenge. To be held at IMD in September, it is designed for senior executives who want to begin or expand businesses in China.

■ **INSEAD** and the **China Europe International Business School (CEIBS)** have launched two programs focusing on European and Chinese businesses. INSEAD has campuses in Abu Dhabi, Singapore, and France; CEIBS is located in Shanghai.

■ **Thunderbird School of Global Management** in Glendale, Arizona, plans to partner with Laureate Education to create a jointly owned entity through which Thunderbird will open multiple international instructional sites and campuses, expand its online and executive education programs, and offer undergraduate degree programs. The partnership preserves Thunderbird's independence and nonprofit status while proving capital support to the school. Cities under consideration for Thunderbird instructional sites include Madrid; Paris; Sao Paulo; and Santiago, Chile.

■ Deloitte is expanding its relationship with **Indiana University's** Kelley School of Business in Bloomington to become the founding mem-

ber of its Institute for Business Analytics.

■ **Tecnológico de Monterrey** in Mexico has joined The Global Consortium for Entrepreneurship Education (GCEE), which was founded by **Babson College** of Wellesley, Massachusetts. Babson and Tec de Monterrey have signed an agreement calling for curriculum development and teacher training that will focus on entrepreneurship education in Mexico and Latin America.

OTHER NEWS
■ **Stanford Graduate School of Business** in California has created the Stanford Africa MBA Fellowship to encourage African citizens with a commitment to the continent's development to pursue an MBA at Stanford. Each year, the school will award up to eight fellowships, which will cover tuition and associated fees of approximately US$140,000 for the two-year program. The fellowship has been launched as a pilot and

is expected to continue for three to five years.

■ In April, the Trulaske College of Business at the **University of Missouri** in Columbia hosted the inaugural MBA Case Competition for the Southeastern Conference (SEC), with all 14 universities participating. Teams developed business cases for event sponsor AT&T. First-place winner University of Florida divided a US$20,000 purse with second- and third-place winners. The SEC, with support from all member universities, made a three-year commitment to help launch and sustain the program. Other member schools will host the event in coming years, with the University of Alabama hosting in 2014.

■ **Towson University** in Maryland has joined the CFA Institute University Recognition Program, which acknowledges that its bachelor's degree in business administration with a concentration in finance incorporates at least 70 percent of the CFA Program Candidate Body of Knowledge and places emphasis on the CFA Institute Code of Ethics and Standards of Practice. This degree program positions students to obtain the Chartered Financial Analyst designation.

■ This August will see the opening of the Alfond Inn, a hotel complex that will be owned and operated by **Rollins College** in Winter Park, Florida. Built with a US$12.5 million grant from the Harold Alfond Foundation, the inn will generate operating

income that will endow the Alfond Scholars Program for the next 25 years or until the endowment principal reaches $50 million.

■ In May, the USC Marshall School of Business at the **University of Southern California** in Los Angeles kicked off the USC Marshall Initiative, a US$400 million fundraising campaign. The initiative is part of The Campaign for the University of Southern California, a multiyear effort to secure $6 billion or more in private philanthropy. ⓩ

MARTIN BARRAUD/GLOW IMAGES

Cornering the

Market

Amid a host of disruptive forces affecting higher education, business schools must fundamentally change the way they operate if they're to shape their own future. And, many believe, they'd better do it fast.

BY TRICIA BISOUX

Imagine presenting the following case study to a class of MBAs: A service-based institution faces dwindling sources of funding, an onslaught of new competitors, and a range of stakeholders who are demanding a wider range of options, easier access to services, and greater value for their money. To stay competitive and continue to grow, the institution must adopt new strategies and radically revise the way it operates. And it must do so in ways that align with not only its own goals, but those of its change-averse parent organization.

The class must answer the crucial question: How?

In April, Len Jessup and Angus Laing presented a very similar real-life case study not to a class of MBAs, but to a gathering of administrators at AACSB International's annual conference in Chicago. The topic of their presentation: What new financial models will help business schools sustain their missions in the years to come? The time-honored strategies that brought business schools to where they are today will not take them much farther, say Jessup, dean of the University of Arizona's Eller College of Management in Tucson, and Laing, dean of Loughborough University's School of Business and Economics in Leicestershire, United Kingdom. "We can no longer continue to try to squeeze efficiencies from existing models," says Laing. "We've got to change our models."

Business schools need to act quickly and strategically to overcome budget shortfalls and retain their competitive edge, these two deans emphasize. Based on their experiences and conversations with colleagues, Jessup and Laing have their own recommendations for how business schools can position themselves to help shape their own futures.

"The business model for business schools has changed dramatically," says Jessup. "And it's not going back."

First, Differentiate

As more schools raise tuition rates to make up for reductions in government support, students are expanding their college searches farther field in order to find programs that give them the most value for their money. That makes it more important than ever for business schools to differentiate their offerings from a growing pool of competing programs.

That is especially true for universities in the U.K., says Laing, due largely to the 2010 Browne Review of the funding of Britain's higher education institutions. In response to the report's recommendations, the British government raised the tuition cap that the country's higher education institutions could charge annually, from £3,290 to £9,000. By the 2014–2015 academic year, most universities in England will have raised their undergraduate tuition rates to the £9,000 limit to offset the withdrawal of state funds. The government also withdrew its funding of business education, as well as of all subjects other than STEM disciplines (science, technology, engineering, and math). Consequently, undergraduate business

students now must pay the entire cost of their educations.

Loughborough already has adopted the £9,000 tuition rate, which covers the cost of delivering the business school's programs as well as a subsidy it pays to the university to support higher-cost disciplines. But higher rates make students in the U.K. much more willing to consider less expensive

business schools in other countries. Such increased student mobility will make it more difficult for schools to differentiate themselves based on the cost of their programs. "The new tuition cap has opened up the prospect of far more competition from English-language business schools in mainland Europe," says Laing.

Going forward, business schools will have to find other ways to set themselves apart from competitors, he adds. For instance, a yearlong undergraduate internship program helps distinguish Loughborough's business program from those at other schools. Because relatively few other programs offer similar opportunities, says Laing, the compulsory internship helps Loughborough continue to recruit strong students in spite of greater student mobility.

"You must be able to answer the key question that students and parents will ask: What does this degree offer that we can't find elsewhere?" says Laing.

Grow Your Profit Centers

In the U.S., many business schools at publicly funded universities are finding that they'll need to generate more revenue to make up for dwindling support from state governments. For that reason, business schools will need to do more to bolster their best profit centers, Jessup says.

That was Jessup's aim when he was appointed dean at the Eller College in May 2011. At the time, the university president gave him two directives: First, make the business school self-sustaining. Second, do the same for the university as a whole. Enrollment at the college has been on the rise—increasing nearly 20 percent since 2006. At the same time, state support for the university in 2013 had declined close to 40 percent from its peak in 2008, while university tuition doubled. To raise more

ANDERSEN ROSS/GETTY IMAGES

revenue, Jessup's first priority was to continue the growth in enrollment with new programs. He also supported an increase in the Eller College's differential tuition from US$400 to $600 per semester. A surcharge that Eller's undergraduate students pay over and above the university's tuition, differential tuition revenues flow directly to Eller College. Finally, Jessup looked for ways to strengthen the school's executive MBA program and increase revenue from sources such as donations, grants, and corporate contracts.

Today, Eller College generates between $90 million and $95 million annually from tuition and other sources, while spending only about $50 million to run its programs. "We are more than self-sustaining at this point," says Jessup. Eller College pays a large subsidy from its surplus back to the university.

Jessup admits that not all business schools can boost their tuition rates to such a large extent. Even so, their leaders need to consider tuition increases if state funding has dried up—especially if an increase does not hurt their ability to attract students. In Eller's case, its tuition remains nationally competitive. "We draw students heavily from states such as California, Illinois, and New York, where rates are higher," he explains. "Competitive pressures nationwide have actually helped us, because more students are voting with their feet."

In the U.K., raising tuition past the £9,000 cap is not an option. For that reason, many business schools are no longer growing their domestic undergraduate recruitment efforts, says Laing. Instead,

RETHINKING THE MODEL…
BY COLLABORATING

Three business schools recently announced a new approach to global undergraduate business education. The University of Southern California (USC) in Los Angeles, the Hong Kong University of Science and Technology (HKUST), and Bocconi University in Italy have launched the World Bachelor in Business (WBB) program. In the new program, undergraduate business students will live and study on three continents and earn degrees from all three universities. The first cohort of 45 students will begin the WBB program in September.

WBB students will spend the first year of the program in Los Angeles, their second year in Hong Kong, and their third year in Milan. In the fourth year, they can study at the partner university of their choice. Classroom instruction will be in English on all three campuses, but students will have opportunities to learn Chinese, Italian, and another European language. The courses offered on all three campuses meet the educational requirements of all three schools.

Because of the logistics of transferring credits from campus to campus, students will follow a fairly regimented core curriculum. A faculty director at each school will facilitate communication among the campuses and handle any issues that arise. In addition, each school has designed dedicated courses specifically for WBB students to introduce them to issues important to global business. For instance, students will take technology-enabled courses co-taught by faculty on all three campuses and work on teams with their counterparts on the other two campuses.

Each year, students will pay the tuition rate of the school where they are studying. During the fourth year, when students choose where to study, they will pay a specially calculated tuition rate that the partners will split, based on each school's financial and regulatory situation. "We had many discussions on how to structure the tuition—some that went up to the top levels of our universities," says John Matsusaka, professor of finance and Marshall's vice dean for faculty and academic affairs. "It's complicated for us, but it will be simple for students."

At the time of this article, the partner schools already had received 1,200 applications for 45 spots through Marshall and Bocconi, and they still were waiting to close the application period at HKUST. That indicates a high level of interest among students in receiving a transcontinental undergraduate business education, says Matsusaka.

"We were trying to anticipate where we thought higher education was headed," he says. "As the world becomes increasingly global, students will need to do more than visit a country for just one week or semester to develop a global mindset. They need to live there."

they're focusing on specialized master's and MBA programs, where there is no government regulation of fees. They also are focusing more on international recruitment at the undergraduate level, because they can charge different fees to international students. To increase revenue, says Laing, "we're shifting the mix of programs we teach and the students we recruit."

Adopt RCM
Recently, some deans have raised the possibility of separating their business schools from the larger university—essentially going private. But what would privatization mean for a business school? For many schools, says Jessup, the drawbacks outweigh the benefits.

While privatization offers a business school financial and strategic autonomy, it also makes it

RETHINKING THE MODEL…
BY REPOSITIONING

In September, Audencia Nantes School of Management in France will relaunch its one-year full-time MBA as an MBA in Responsible Management. The new program—which is still the school's general MBA program, not a specialized offering—will better differentiate the school from competitors, says Rhona Johnsen, Audencia's director of MBA programs.

"We were finding that students tended to view all MBAs as the same. They would ask us, 'What do you do differently?' That question pushed us to think more deeply about what our strengths and competencies are," Johnsen says.

The school's repositioning was finalized after a two-year analysis of the global MBA market. "We found that business schools were increasingly launching specialized master's programs and differentiating their programs based on their expertise," says Johnsen. "The classical model of the MBA appeared to be changing."

The school chose to focus on responsible management after it realized how much of its activity already was related to the topic, from its corporate consultancy projects and faculty research to its Research Institute for Global Responsibility and Entrepreneurship. The repositioned MBA will be further supported by student exchanges with the University of Exeter's One Planet MBA, based in the U.K., which is "a flagship example of how an MBA can relate more to responsible management," says Johnsen.

As part of this transition, Audencia's MBA curriculum has undergone a significant overhaul, now incorporating courses such as "Responsible Finance and Accounting" and "Sustainable Operations Management." Rather than assign professors to teach certain courses, the school invited them to submit ideas for courses they'd like to teach that would support the new regime. That flexibility "has opened up a range of creative possibilities for our faculty," says Johnsen.

Most important, says Johnsen, the school now has an answer for students who ask how Audencia's program differs from others in the market. The candidates who have applied so far, she says, "are already convinced that ours is the type of MBA they want."

responsible for the costs of building maintenance, security, and employee health insurance and retirement plans. "Once deans add up the total cost of ownership, many realize that business schools reap significant benefits from being part of a university campus," says Jessup.

Rather than going private, Jessup strongly advocates that public universities adopt responsibility-centered management, or RCM, the financial model that the University of Arizona is in the process of implementing. In the U.S., the RCM model was pioneered by schools such as Indiana University and the University of Michigan in the mid-1970s, when they converted from a centralized administration overseeing the entire university to a decentralized system that allowed individual departments to retain control over their own tuition dollars. In return, each department pays a tax back to the university to support central services—the taxes from financially stronger programs subsidize less lucrative but strategically significant disciplines. For a business school, that tax often ranges from 30 percent to 50 percent of its tuition revenues.

Under RCM, a business school can really spread its wings, says Jessup. But even though more large public universities are adopting some form of RCM, Jessup realizes that not all university presidents are ready to jump on the RCM bandwagon. Some are concerned that their universities will become more focused on generating revenue than on providing education as a public good. Others fear that less profitable departments might struggle—or even face closure.

To persuade university leaders of the benefits of RCM, business school deans can fall back on their training in organizational behavior and change management, says Jessup. "There's strength in numbers. If you're arguing for RCM or a similar large-scale shift in mindset, bring other key decision makers—other deans—to the table," he says. "Have benchmarking data to show how and why others have done it. Most important, help university leaders understand that the school might not survive unless it shifts to some form of an RCM model."

He points to Indiana University as one example deans can use to make their case. For instance, although IU's music school cannot sustain itself on its own tuition dollars, it's still ranked No. 3 in the nation. In fact, IU boasts 90 programs ranked in the top 25 in the country *because* RCM allows larger profit centers such as the business and law schools to remain entrepreneurial and generate more revenue. Those programs not only sustain themselves but also support

many important but less lucrative programs in the arts and sciences.

"What better argument that universities can thrive under RCM?" says Jessup. "The model isn't just good for the business school—it's good for everyone."

Learn from Disruptors

There's no question that online education has transformed how courses are delivered. (See "Technology, Education, and the Developing World" on page 30.) And it's still unclear whether the massive open online course, or MOOC, is a friend, foe, or farce to higher education. (See "What Makes a MOOC?" on page 26.) But business schools should not ignore for-profits like Strayer University or MOOC platforms such as Coursera and edX, says Laing. Just consider what happened to Kodak after its leaders ignored the implications of digital photography.

Laing points out that the same trends affecting business schools—decreased funding and higher costs—are driving many students to seek out cost-effective educational alternatives. Case in point is the success of U.K.-based distance learning provider the Open University and Open University Business School, where Laing served as a director of research and marketing professor for four years. "Since the OU has developed a successful MBA program, it's aggressively targeting the undergraduate market, offering students the ability to study part-time at lower cost," Laing says.

At the same time, for-profit online education providers like London-based BPP University College and U.S.-based University of Phoenix, both owned by the Apollo Group, can provide students faster

RETHINKING THE MODEL…
BY MERGING

In April, Rouen Business School and Reims Management School, both in France, announced their merger into a single institution. The new business school, whose official name will be released in September, will be jointly headed by Yves Bénard, former chairman of Reims Management School, and Frank Bostyn, previously the project manager for the merger.

The merger made sense because of the schools' long-standing partnership, which includes executive education programs they offer jointly in Paris. The newly formed school can better increase its visibility, grow its programs, achieve greater impact through research, and build more strategic alliances with global partners, says Bostyn.

"It is difficult for a small school to invest in the development necessary to build its reputation or increase its visibility through organic growth, especially in the mature market for business education we have in France," he says. "For us, the solution was to merge, so we could achieve a larger scale."

The new school will have three campuses in Rouen, Reims, and Paris, all within a two- to three-hour commute from each other. Some long-standing programs will remain on either the Reims or Rouen campuses because of their strong ties to local industry. The school will consolidate the partners' two original MBA programs into one and move it to Paris, where it will be delivered alongside the school's exec ed programs. The school then plans to expand its executive education activities and redouble its corporate outreach efforts.

"Increasing our presence in Paris will have a large impact on our financial model," says Bostyn. "We want to position the school as a partner to companies in their organizational development."

time-to-completion for degrees and certifications. "For-profits might not give students the 'life-changing experiences' of traditional higher education," says Laing, "but they do offer cost-conscious students a very sensible approach."

Traditional business schools will not be able to compete with for-profits on price, or even on the benefits of traditional delivery, if that's not what students are looking for. Instead, Laing advises business schools to learn more about how for-profits and MOOCs do what they do. It's possible that their underlying models offer solutions for traditional higher ed.

With that in mind, 20 universities in the U.K. recently joined Future-Learn, a consortium led by the Open University. Through FutureLearn, the universities will examine models such as Coursera, edX, and Udacity,

and then develop a similar platform for MOOC delivery.

"It will be difficult to ever charge for MOOC content," Laing admits. As example, he refers to the difficulty that newspaper publishers have had trying to persuade people to pay for online content that was previously offered for free. Even so, he can imagine a day when traditional business schools use MOOCs to augment their face-to-face courses—when, for instance, professors might ask students to view a MOOC developed at another school and then use its content as a springboard for class discussion.

Where MOOCs are concerned, says Laing, "it's arguably easier to charge for the learning support, the exams, the credits, and the school brand. What matters is the quality of the interactions in the classroom—that's what students are buying."

Transform the University

Jessup and Laing agree that business schools can play a critical role in transforming their universities into economic powerhouses. "University presidents and provosts typically come from the arts and sciences, not business—the notion of profit centers and cost centers and how to manage them is often foreign to them," says Jessup. "Business schools at public universities are in a position to help their universities make the shift to a performance-based budget allocation process."

Jessup makes sure that the Eller College plays this role for the University of Arizona. Two years ago, UA faculty and centers spent about US$625 million annually on grant-funded scientific research, but its commercialization activities were falling short of potential. Since then, the Eller College has helped UA restructure its activities around technology transfer and commercialization, largely through a new initiative called Tech Launch Arizona. Tightly linked with Eller's McGuire Center for Entrepreneurship, Tech Launch Arizona helps faculty and startups develop and commercialize their best inventions, which improves the financial health not only of the university, but of the region as a whole.

Persuade Policymakers

Finally, if business schools want to secure their futures, they must do more to promote the strategic value of their activities to lawmakers, says Laing. "Government focuses heavily on the economic importance of STEM—science, technology, engineering, and math. We need to show officials that it should be STEM², with the second

> If business schools want to secure their futures, they must do more to promote the strategic value of their activities to lawmakers.

'M' standing for management," he says. "As governments struggle to promote their growth and innovation agendas, business schools have not articulated what we can contribute as much as we should."

To that end, the Association of Business Schools in the U.K. has formed an innovation task force that aims to reach out to policymakers and promote business schools as drivers of regional and national economic growth. More important, the task force wants to convince policymakers to provide more funding support for business school activities that support entrepreneurship and urban regeneration initiatives.

"There's huge opportunity in this area," says Laing. "We need

to think carefully about the messages we send to government officials, so they view business schools as strategically important, in the same way they view medicine and engineering as strategically important. We need to convince them to provide incentives to encourage business schools to act more entrepreneurially."

What Are Business Schools For?

Jessup and Laing stress that it's time for business schools to do some serious soul-searching—to ask the crucial question: What are business schools for? If their purpose is to educate future leaders, drive economic growth, promote innovation, and support their ongoing missions, then they must adopt the best strategies and financial models to support those goals for the long term.

"At best, 20 percent of our faculty think deeply about what the business school does as a whole, rather than focus only on their own narrow expertise," says Laing. "Very few ask, 'What's the world like? How is it changing? How do I need to operate?' A culture of conservatism holds us back. We're not as entrepreneurial as we should be."

By outlining the critical issues that business schools face—and highlighting possible solutions—these two deans hope to trigger even more vigorous discussion and action among their colleagues. But it's not all bad news, they say. The market may be tumultuous, but Laing and Jessup believe it's a great time for business education. They see tremendous opportunities in the years ahead—but only for those business schools willing to take action today. **Z**

WHAT
MAKES A M

OOC?

Three business professors discuss what they learned from teaching their first massive open online courses— and why they think MOOCs are here to stay.

BY TRICIA BISOUX

While many educators have been wondering whether massive open online courses represent revolution or ruin for higher education, a relatively small number of professors have been testing the format's potential for teaching and learning. The first business professors began experimenting with MOOCs just over a year ago.

BizEd recently spoke to three professors who have delivered MOOCs through the Coursera platform. **Hank Lucas,** professor of information at the Smith School of Business at the University of Maryland in College Park, taught his first MOOC, "Surviving Disruptive Technologies," this past spring. **Edward Hess** is a professor of business administration and executive-in-residence at the Darden Graduate School of Business at the University of Virginia in Charlottesville. He has taught two rounds of a MOOC called "Grow to Greatness: Smart

Growth for Private Businesses," based on his book by the same name. Finally, **Christian Terwiesch** is a professor of operations and information management at the Wharton School at the University of Pennsylvania in Philadelphia. He has taught two Coursera offerings of "An Introduction to Operations Management."

BizEd asked Hess, Lucas, and Terwiesch to share what they liked, what they learned, and why they think MOOCs have such tremendous potential for education.

What has been the biggest challenge of teaching a MOOC?

Lucas: I've taught a fully online course for our part-time MBA, for which I've created videos. But Coursera offers its own recommendations for producing online videos. It suggests making sure you're doing other things while you're talking, such as using a special table computer so you can annotate your slides—circle

elements and underline words—as you record the lecture. I think that's very effective. As a result of this, I re-recorded all my videos for my regular online course.

Terwiesch: In the classroom, you can think on the fly and make up your lecture as you go along, but that doesn't work in a MOOC. This format forces you to think much more deeply about the topic, so you can teach it effectively in a series of brief ten-minute videos. That has been a very helpful exercise for me.

Have you had any bad experiences?

Hess: No, my MOOC has far exceeded my expectations. The quality and quantity of student engagement on the discussion forums, and the quality of their submitted work, has been in some cases as high as I've seen with my MBAs. In a single MOOC, I taught more people than Darden has graduated in its history.

Lucas: The most frustrating part

was the tests, which were peer-graded. Once students submitted their papers, three or four of them would grade each other's work according to a rubric I provided. Many emailed me about their concerns with the grading process. But I looked at some of the exams, and by and large the grading was good.

Terwiesch: I had a few students email me to ask if I could go over the material with them personally—I had 87,000 students, so email is not a good way of contact. But I actually had a very small fraction of students contact me directly. And many of them sent me wonderful messages to share how they used the tools they learned in class at work and to let me know how much more they understand.

How do you manage your MOOC?

Hess: I use the case method, and it works. Could I replicate the same classroom discussion that happens in my physical classroom in my MOOC? No. But can I deliver high-engagement learning, promote critical thinking, and enable students to converse, debate, and learn from each other? Yes! In the discussion forums, students learned from each other and formed affinity groups that lasted beyond the course.

Lucas: Each week, my assistant Danielle and I use Google Hangouts to invite up to nine people to join us for an online conversation about that week's lecture. Each person appears in a window on the screen. Danielle monitors the discussion boards and sends me the email addresses of students who have been particularly active. I then invite those students to participate, and the entire class can watch the dis-

cussion. We post a Twitter hashtag, so the entire class can tweet comments and questions, which we monitor and respond to during the conversation. I record the hangout session, upload it to YouTube, and post an announcement about the video on Coursera's website.

I know that sounds complicated, but it has really worked. For example, one week we compared the models of FedEx and UPS to the problems the U.S. Postal Service is facing. I asked how postal services in other countries were handling these problems, and we got a range of views, including comments from students in Germany and Australia.

Terwiesch: I have to give credit to the Coursera platform. Many questions that students would typically ask the professor are answered by the community. I oversee the discussion forums each week, and if there's something the community can't resolve, I intervene. But the community is remarkably responsive.

Also, I ask students to create projects based on the material that they completed in their workplaces and share their experiences. We had close to 2,000 projects in the first round of the course, and I think

we're going to get about 1,000 in the second. If we post those projects online, we will have created an amazing library of projects that document how people used operations management to change their businesses.

Many criticize MOOCs because of their high dropout rates. What do you say to that criticism?

Hess: I think too many people are focusing on the wrong numbers. The key questions are, how many students who attended the first class finish the course, and is that number meaningful to the school? *[Of more than 31,000 students in Hess' first class, 10,260 finished the course.]*

Lucas: If we were offering MOOCs for credit, it would be a different story. But right now, students who came to even one of my lectures took something away from it, and I know that many mastered the material. For instance, I had just over 16,000 students enroll in my course. At one point, Coursera's statistics showed that 8,000 were active. About 900 students took the midterm. How many years would it take for me to reach 900 students? Or talk to 8,000?

Terwiesch: Measuring gradu-

ation rates for students paying US$200,000 for their educations is important. But measuring completion rates when they can sign up for free? That's an irrelevant number. We shouldn't take a measure from the old industry and apply it to the new. *[Of 87,000 students who initially enrolled in Terwiesch's first class, 7,000 users were active in the discussion forums and took the final exam.]*

What impact will MOOCs have on higher education?

Hess: I expect we'll see more partnerships between four-year institutions and community colleges to bring more content to community colleges in a cost-efficient manner. One also could argue that the sector most disrupted by MOOCs will be for-profit education, which will be up against completely different competitors. Many business schools already use online learning combined with residencies in their executive MBA programs, so MOOCs most likely will drive improvements for those programs.

Lucas: Obviously, we can't keep giving away our product, and Coursera is working on a revenue model. For instance, Coursera now offers certificates, where students can pay a fee to show they've completed the course, as well as a model in which it licenses a MOOC to a school for use in a course and pays a royalty to the university that created it.

I also think we'll find ways for MOOCs to add value to the traditional classroom. So, say, five Nobel Prize-winning professors create MOOCs in economics. If a professor selects the parts of those MOOCs that are the most exciting, and

brings those parts into class for discussion, that adds value. It would be rare that a professor could bring five Nobel-winning professors to class any other way.

Terwiesch: I think we'll develop a model where students can take the course for free but pay for extra support, extra lectures, and test-taking monitoring if they're taking the course for credit. In places such as Africa and Asia, this model can reach thousands and thousands of students who otherwise would not be able to attend school.

In the 1990s, I once had a conversation with Jeff Bezos of Amazon.com, and we wondered whether bookstores would die out one day. A couple of years later, we knew that was exactly what was happening,

but no one was willing to admit it because it sounded too evil. As business professors, we see innovation happen in industries all the time. This time it's happening in our own. I think we know exactly where this is heading, but we don't want to say it right now. This is a disruptive technology, and some people are going to lose.

But when the automobile came around, we didn't cry for the horse cart. If professors continue to reinvent what they teach and stay experiential, there will always be work. It would be incredibly naive to believe that we can continue to do business as usual, as if MOOCs hadn't come along. This is not a crazy trend that will stick around for a year and then go away. It's here to stay. **Z**

MOOCs Get Credit

The American Council on Education (ACE), an association that advises college presidents, has endorsed five massive online open courses for undergraduate credit. They include courses in genetics and bioelectricity from Duke University, in pre-calculus and algebra from the University of California at Irvine, and in calculus from the University of Pennsylvania. All are offered through Coursera.

Even with ACE's endorsement, degree-granting institutions still decide whether to accept these courses for credit. Schools that have made that leap include Georgia State University, which will grant credits for certain MOOCs if students demonstrate mastery of the material—much as it would for students who have passed Advanced Placement tests. In April, the University of Cincinnati in Ohio announced that its students could earn two credits for completing a seven-week MOOC, "Innovation and Design Thinking." Students can apply those credits toward their graduate degrees in either the Carl H. Lindner College of Business or the College of Engineering and Applied Science.

In the face of growing tuition, decreased state funding, and increased enrollments, some California schools are turning to MOOCs to help students reduce the cost of tuition. San Jose State University has partnered with MOOC provider Udacity in a pilot project that will allow students to earn credits for completing introductory MOOCs in subjects such as mathematics. Created by school faculty, these MOOCs will cost US$150, compared to $450 to $750 for an on-campus course. The University of California and California State University systems are working with MOOC providers to establish similar programs.

The *Chronicle of Higher Education* recently reported on a bill under consideration by the California state legislature. The bill calls for state universities to allow students to take certain online courses delivered by external providers if the students are unable to enroll in the introductory courses offered at their own schools because of high demand.

If the bill is passed, California colleges and universities could be required to accept certain MOOCs for credit. That possibility could add a new dimension to the debate over whether MOOCs are good news or bad news for higher education.

TECHNOLOGY, EDUCATION and the DEVELOPING WORLD

As more students in emerging economies use their cell phones as learning devices, mobile technology is poised to revolutionize education.

BY GUY PFEFFERMANN

A revolution is coming to business education, and it's being ushered in by technology. In developed countries, students might pay US$50,000 annually to attend on-campus lectures for 15 hours a week, but in developing nations, students are increasingly consuming education that's delivered via mobile devices at very little cost. As developed worlds adopt online models, technology could transform educational institutions everywhere, from kindergartens to universities.

Three interrelated trends are having the most impact: the improvement of online education, the adoption of new technology by major universities, and the mobile delivery of education. The first two are creating massive

changes that will affect all of higher education. But from trends that we're seeing in developing countries—including our member schools in the Global Business School Network (GBSN)—mobile delivery has the most potential for truly disruptive innovation.

Mastering Online Education

The first trend—improved online education—means that the supply of digital educational offerings is growing at an exponential rate. In Africa, for example, sales of cloud-based e-learning products are increasing at nearly 40 percent a year, albeit from a low base. Worldwide, the growth rate is 7.6 percent, with revenues exceeding US$35 billion.

While some online providers in the industrialized world offer top-notch educational opportunities, many of these providers in developing nations have yet to prove their quality, relevance, integrity, and value to employers. But it's only a matter of time before we see higher quality among players in this part of the market. And demand for these online offerings will continue to grow as computer access becomes almost universal in advanced economies and increases quickly in the developing world.

This acceleration accounts for the second trend: More established business schools are adopting some form of online education, whether these courses are entirely virtual or delivered in a blended format. New technology allows schools to provide courses through video monitors that closely simulate face-to-face delivery. Technology also powers the "flipped classroom," in which students view videos and online materials for their homework; when they come to class, they discuss material they've already learned off-site.

In fact, a recent survey by the GBSN found that more than 80 percent of its member schools say technology is changing the way they deliver education. They know that technology can help them reach more students at a lower cost—but they're still figuring out how.

Learn as You Go

Mobile technology is being used to support a wide range of learning opportunities in developing nations. Several are aimed at promoting literacy:

■ Worldreader (www.worldreader.org/) aims to make digital books available to children in the developing world by bypassing e-readers and moving straight to mobile phones. Thus far, the Worldreader app is on 3.9 million handsets; 245,000 e-books have reached 1,000 children in sub-Saharan Africa.

■ M-Ubuntu (www.m-ubuntu.org.za) connects South African teachers with literacy coaches in the U.S., England, Sweden, and Italy. Teachers use recycled smartphones to bring handheld computing to their classrooms as they develop reading, writing, and critical thinking skills.

Other initiatives address a broad range of topics:

■ Souktel: JobMatch (souktel.org) allows job seekers and employers to find each other through a mobile phone information service.

■ mHealthEd (mhealthed.org/mhealthed.html) relies on mobile phones to supply health education, advice, and training to patients, volunteers, community health workers, nurses, and other medical staff. As an example, the organization can send broadcast text messages advising people how to avoid malaria or how to get tested for HIV/AIDS. The phones also put diagnostic and data collection applications in the hands of rural health workers.

■ The Jokko Initiative (www.rapidsms.org/case-studies/senegal-the-jokko-initiative/) uses text messaging to communicate information to wide, dispersed networks of people—for instance, it alerts women about income-generating events they can attend.

Education Is at Hand

In the developing world, the use of mobile phones for education is the next frontier. As more individuals in developing nations acquire cell phones and other devices, more online content will be designed for mobile delivery, which will again accelerate both supply and demand. GBSN recently commissioned education writer Emily Heron to research initiatives that are using mobile technology to deliver education in developing nations.

One of the most exciting initiatives can be found at Regenesys Business School in Johannesburg, South Africa (regenesys.co.za/free-edu/). Operating over an online platform accessible from smartphones, tablets, or PCs, the school offers MBA and BBA degrees, postgraduate diplomas in management, and higher certificates in business management. The program is built on a "freemium" model: Learners have no-cost access to Regenesys

In Africa, sales of cloud-based e-learning products are increasing at nearly 40 percent a year. Worldwide, the growth rate is 7.6 percent, with revenues exceeding US$35 billion.

Free Business Education, which includes study guides, tutor videos, e-books, webinars, academic articles, Google hangouts, business tools, and examples of exams and assignments. However, students must pay fees if they want to take exams, receive assignments, and earn degrees. Students who are in

the degree and certificate programs also must meet entry requirements and complete graduation requirements.

Regenesys is accredited with the Council on Higher Education, the Department of Education, and the South African Qualifications Authority. It has partnered on the freemium initiative with Pearson, South Africa's *Sunday Times* newspaper, Internet Solutions, the Human Resources Development Council, and the Trade and Industry Ministry. The director aims to educate one million people in the next three years.

Various other initiatives are devoted to using mobile technology to provide education to learners in developing nations. While the following programs aren't built around business, they do show how cell phone learning is taking off.

For instance, Nokia Education Delivery (projects.developer.nokia.com/NED) offers free, open-source software that carries educational material to mobile phones via mobile networks; a group can share media files by connecting the phone to a TV or a projector. Nokia is also involved in Momaths (projects.developer.nokia.com/Momaths), which gives users access to math content via mobile phones.

BridgeIt Programs (www.iyfnet.org/bridgeit) allow teachers to download video content using cellular phones, which are connected to TVs in the classrooms. This gives remote schools and communities access to a vast range of educational content. Safari Blackboard (safaricom.com/safaricomblackboard/) allows teachers to record their lessons and store digital content on the Safaricom Cloud, where

students and other teachers can access it for a fee. The cloud-based Learning with Vodafone Solution (www.vodafone.com/content/index/ about/foundation/news/learning_ india.html) combines content, a learning platform, mobile devices, and access technologies to integrate classroom curriculum with content from the web. It also allows children to take SMS multiple-choice tests outside the classroom.

A number of other exciting initiatives are being unrolled in developing countries. (See "Learn as You Go" on the facing page for a sampling.) While some of these target disciplines other than business, they all show how innovatively mobile technology can be used to connect people and expand what they know.

The Future Is Mobile

It's clear that an impressive number of organizations, mostly nonprofits, are already developing educational programs via mobile phones. While most online courses are created for students in industrialized countries, many are starting to be adapted for use in the developing world. Others are being created specifically for this audience. (For some examples, visit www.pbs.org/mediashift/2013/03/ will-mobile-education-arrive-in-the-developing-world072.html.) Indeed, The African Management Initiative (www.africanmanagers.org) already is planning to produce MOOCs in partnership with African business schools. Once such programs are widely available, the reach of education, including management education, will increase as never before.

And management education will see changes like never before. An increased reliance on online educational delivery is likely to transform the traditional integrated structure, in which universities supply the entire value chain, from knowledge generation to course delivery. Only schools with big endowments or access to public funding will be able to afford knowledge generation; most business schools will become "pedagogic engineers," whose role will be to adapt to local needs the knowledge that is created elsewhere.

Indeed, online programming is enabling education in all fields, at all levels, in all geographic locations. Traditional business schools must figure out how to incorporate online and mobile delivery into their conventional formats so they, too, can profit from the disruptive technology that is shaping the future. **Z**

Guy Pfeffermann is the founder and CEO of the Global Business School Network, headquartered in Washington, D.C. He previously spent 40 years as an economist at the World Bank, including 15 years as chief economist at the International Finance Corporation.

Two Surveys: Who's Using What?

To discover how technology is being used in the classroom, the Global Business School Network conducted an informal survey of its member schools.

All respondents indicated that online and mobile delivery formats supplement rather than substitute for classroom instruction. One-third of respondents rely on technology to reach a greater number of students. Half are currently using interactive platforms and incorporating content created by others; the others are planning to do both in the future.

Of the schools that offer technology-driven courses, more than half require students to have access to high-quality broadband; the rest make do with medium-to-low-quality connections. Two-thirds are planning to create massive open online courses (MOOCs); a handful plan to incorporate MOOCs produced by others into their programs.

So what's stopping these schools from adopting technology more quickly? Almost all respondents—in advanced as well as developing countries—mention lack of faculty capacity. Half point to the school's insufficient IT equipment. In fact, occasionally the school's IT equipment is more of a constraint than the equipment used by students.

A separate survey from UNICEF looked into the factors that affect mobile use for education and development. The global research report, known as Mobiles for Development (M4D), resulted in a case study of the way mobile services are used in 14 countries.

For instance, SMS chat is popular in Iraq, while MMS (multimedia messaging services) is more widely used in Kosovo. The study also found a wide variety in the nature of mobile initiatives employed by each country. At the time of the study in 2010, health initiatives accounted for 32 percent of the total, followed by socioeconomic initiatives at 15 percent, agriculture at 13 percent, and education at 12 percent.

More results can be found at www.cto.int/wp-content/themes/solid/_layout/ dc/ptojects/UNICEF%20Mobiles4Dev%20Report.pdf.

The
DATA'S

11,2	9,2	12,6	16	8,0
8,5	12,2	13,4	14,3	12,7
10,2	12,9	12,8	9,5	9,4
9,8	10,1	12,8	7,9	5,7
10,7	10,7	7,8	9,9	10,5
7,7	8,2	10,6	10,3	15,4

in the Details

BY TRICIA BISOUX

Selecting a software system to meet your school's data management needs can be a complex process. Read on for advice on how to choose and implement the best platform for your faculty and staff.

All-in-one or a la carte? In the cloud or locally hosted? Purchased off-the-shelf or designed in-house? So many questions are involved in choosing the right system to support two areas of utmost importance to the business school: faculty contributions and the assessment and assurance of learning. Putting the right system in place can be a high-stakes affair, especially when faculty development, promotion and tenure, student learning, and even accreditation hang in the balance.

The functions of different commercial platforms (often called "software as a service" systems, or SaaS) often overlap. That means that making the right choice can be as much about comfort level as it is about functionality, says Peter Ewell, vice president of the National Center for Higher Education Management Systems in Boulder, Colorado. "These are commercial products, so of course companies will claim a lot. You need to test drive a system with your own data to see if it can do what you need it to do," says Ewell. "What's most important is how comfortable you feel with the interface and whether it's compatible with how you work."

However, choosing a software platform isn't even a school's most critical decision in this process. It's more important for schools to first identify the problems they face and decide what their larger goals are, says Geoff Irvine, CEO of Chalk & Wire of Ridgeway, Ontario, in Canada. "Don't rush to buy a tool based on a huge shopping list of items," Irvine advises. "Instead, consider how you want people to feel and act differently a year, three years, or five years from now."

But how can schools make sure that a system will add value to their programs over the long term? Voices from around the industry advise schools to think of their choice and implementation of a system of data management as a three-part process. First, establish the school's objectives and the faculty and staff's desired workflow. Second, promote a culture that sees the ultimate value of the system, through ongoing communication. Finally, design and implement the system, working out the kinks over time with the support and ongoing contributions of faculty.

> ## "Take time to discuss valid measures of performance and develop a common vocabulary—it will make all the difference."
>
> <div align="right">—Geoff Irvine, Chalk & Wire</div>

Starting Points

For most administrators, choosing the right data management system starts with doing their research: speaking to company representatives at conferences, viewing demos, and hearing from current users about their experiences with certain products. But the process actually should start much sooner, with frank talks, goal setting, and consensus building, says Irvine.

It's important to create a culture that's ready to take the leap into a new way of doing things—and to contribute meaningfully to that process. "Take care of people first. Move slowly and bring in the early adopters first," says Irvine. "Software cannot fix people issues—at least not the important ones."

Once faculty and staff are on board with adopting a new report-ing system, schools can take the following next steps:

Meet and discuss. Have early and frequent conversations about the new system, the value of reporting faculty data, and the difference between assessing student learning objectives and assigning grades. "Take time to discuss valid measures of performance and develop a common vocabulary—it will make all the difference," says Irvine.

Know your goals. From these discussions should emerge a clear picture of the problems your school wants to solve and the goals its faculty want to achieve. With these in mind, you can present vendors with a user-specific scenario that outlines your present and future objectives. Then, ask providers for demonstrations that show how their products would achieve that scenario.

Likewise, says Ewell, avoid being enamored with a vendor's generic pitch. Most software platforms offer a smorgasbord of interesting features, which may or may not offer value to an individual institution. For that reason, a general pitch or demo is rarely helpful to schools with specific requirements.

Consider compatibility. The business school may want to import registration data from the larger university or compare its students' performance on a certain measure to that of students in other disciplines. "You want to be aware of what the rest of the institution is using and how compatible your choice will be with that system," says Ewell.

Don't wait for "perfect." Establishing a data management plan is a work in progress—few schools get it 100 percent right on the first
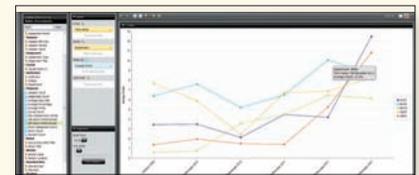
A WAY TO USE...
Chalk & Wire

Some schools use Chalk & Wire's "Assessment Escalation" feature to create custom workflows for assessment. For example, if the student's score on a certain assessment is above or below a selected number, it then "bounces" to another person or group in a position to form a response. This is one way for schools to identify at-risk students and raise graduation rates and retention.

A WAY TO USE...
eLumen

Schools can use eLumen's Course Lead feature to aggregate data across all sections of a course. With this tool, a single person can manage all assessment activity for a course, without the need for individual instructors to log in to the system to submit data.

A WAY TO USE...
LiveText

Individual faculty members can use LiveText's "Blind Assessor" feature to electronically evaluate students' course-embedded assessments randomly, from anywhere, at anytime, and on a device of their choosing.

try. "Do not wait to have a perfectly developed plan before execution," says Victoria Guzzo, director of communications for LiveText of LaGrange, Illinois. Once goals are set and the system is in place, continue to adjust and refine protocols and features as needed.

Home-Grown or OOTB?

Although an out-of-the-box software system can be the right option for many schools, it isn't the *only* solution, particularly in the areas of assessment and assurance of learning. Sometimes a simpler, home-grown method can be just as effective to meet a school's needs, whether it's an adaptation of the school's existing learning management system, the use of Microsoft Excel spreadsheets, or an in-house system designed by the school's computer science and instructional design staff, says Kathryn Martell, dean of the College of Business at Central Washington University (CWU) in Ellensburg.

"In a survey I conducted a couple of years ago, I asked educators what they used for assessment. Excel was the program they used the most by far," says Martell. "I think that's because faculty already have it on their machines, and they're familiar with it. Making the switch to another software platform involves a large learning curve."

For instance, a member of Martell's faculty created a rubric in Blackboard for his course. After students had completed the assessment, the results were downloaded into Excel. "The professor sent me the Excel spreadsheet with the data broken down by question," says Martell. "I could see easily what areas proved most difficult for students."

However, the more complicated a school's data management needs are, the more a higher-order software
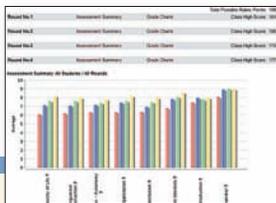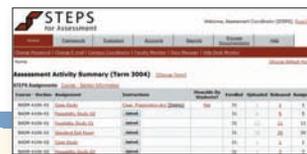

A WAY TO USE…
Mentor

One school wanted to know how its faculty were responding to assessment results, so it created an "Assessment Improvement Report" through the Mentor platform. The report asks faculty two questions: "What assessment results prompted you to modify this course/assignment?" and "What changes have you made to this course/assignment in response?" Their responses are aggregated, by term and course number, in a report distributed to the assessment committee and dean.

A WAY TO USE…
SEDONA Systems

Schools now can use SEDONA's newest feature to create reports to support Standards 2 and 15 of the new AACSB standards regarding mission and impact of intellectual contributions. Under the module's nine tabs, schools can enter information related to AACSB tables 2-1, 15-1, and 15-2, and AACSB's Business School Questionnaire; track breadth of engagement, indicators of impact, and conveyance of outcomes to stakeholders; and monitor achievement of objectives and mission. A menu links users to reports supporting the school's intellectual contributions portfolio.

A WAY TO USE…
STEPS for Assessment

After one school has its own evaluators assess samples of student work collected in the STEPS system, it asks business professionals to evaluate the same work. Practitioners and faculty then meet to discuss the results. Another school asks employers to use the system to evaluate the performance of interns, who in turn use the system to evaluate their internship experiences.

A WAY TO USE…
Taskstream

An increasing number of schools are asking their faculty to create e-portfolios to showcase their scholarship, teaching, and service accomplishments—complete with multimedia—rather than only entering those activities into a database. The schools find that e-portfolios better highlight faculty's work, support benchmarking activities, and ease the burden of the promotion and tenure process.

platform might be a better option. That's especially true for schools satisfying accreditation standards related to the documentation of faculty qualifications and contributions. "A number of schools use an OOTB solution to manage their faculty contributions, but use something like Excel for assessment," she says.

Ewell agrees that Excel is a powerful tool, but he sees one downside of its being a school's only data management tool—it offers no ability to create easy-to-read customized reports with appealing graphics. That could be important to schools that want to show their accomplishments to accreditors and stakeholders.

"To share reports with your dean or other stakeholders, you might want report templates with pre-programmed graphics capability so that you can show them well," says Ewell. "The payoff of the home-grown system is that you get exactly what you want. But creating such a system is a lot of work—I would exhaust the commercial possibilities first."

Keep Faculty Up-to-Date

A business school's faculty do great things—teach, advise, research, write, manage, consult, present, volunteer—and keeping abreast of all of that activity is a challenge. "I spoke with administrators at one school who had to read in the newspaper that a member of their faculty won the Nobel Prize," says Matt Bartel, CEO of Digital Measures in Milwaukee, Wisconsin. "It's important for schools to know what their faculty are doing, so that they can better market their programs or demonstrate that their faculty are staying current."

With the right system and procedures in place, administrators can have their faculty's collective résumé at their fingertips, whether they want to use the information for accreditation, highlight their faculty's best work in front of stakeholders, or have a starting point for their strategic planning.

However, for such a system to work well, it often requires faculty to input the data themselves. If a school is moving to a data management platform for the first time, faculty could be overwhelmed by the amount of data they'll need to enter into the system. Therefore, schools should plan how to ease faculty into the transition.

For instance, schools could take an incremental approach, asking faculty to enter their historical information over a longer period of time. Or, it might make sense to hire staff or grad students to do the initial data entry, and then provide incentives to encourage faculty to keep the information up-to-date.

Says Jon Woodroof, co-founder of SEDONA Systems of Knoxville, Tennessee, "If schools base part of faculty's annual performance evaluations on the information they have entered and maintained in the system, they will keep the database up-to-date."

No matter what approach administrators choose, it's important that they consider the full scope of their needs and adopt a system that can change with those needs, says Curt Naser, CEO of Axiom Education of Shelton, Connecticut, developer of the Mentor platform. "Cobbling different pieces of software together is bound to lead to frustration and limitations on use," he says. "Look for a system that is pedagogically responsible and that can meet a variety of needs."

"Schools generally purchase software to solve a specific problem they face," says Bartel. "We often use the phrase, 'Enter data one time. Use it many times.'"

With so many tools and approaches available, schools are sure to devise solutions that work well in their cultures—if they've done their homework. The ideas in this article and the table of companies available online (see box below, at left) are intended to be a starting point in that process. **Z**

To read about the experiences of users of some of the software platforms mentioned in this article, as well as read answers to other questions related to assessment, explore the discussion forum dedicated to "Assessment" at the AACSB Exchange, theexchange.aacsb.edu/Discussions. Access requires institutional log-in information.

WANT TO LEARN MORE about specific SaaS platforms that track assessment and faculty data? Go to **www.bizedmagazine.com/features/data-details** for a printable table about nine popular software systems, including information about features, tech support, and pricing.

MEASURES *That* MATTER

For one business school, a successful approach to assessment is driven by two fundamental questions: What can we discover about student learning? What should we do about it?

BY TRICIA BISOUX

The navigational menus on most business school websites feature links related to areas such as "Admissions," "Programs," or "Research." But the College of Business Administration (CBA) at the University of Wisconsin–La Crosse adds a less expected heading to its navigational lineup: "Assurance of Learning." The link leads visitors to the college's learning goals for its undergraduate and MBA programs, its annual assessment reports, descriptions of its rubrics, and resources on best practices in assessment and assurance of learning (AoL). The school presents this information on its website at www.uwlax.edu/ba/AOL/aol.htm.

"We make this information available for our stakeholders to see," says Betsy Knowles, a senior lecturer in the economics department and coordinator of the school's assessment task force. "This is a way we can let students, faculty, and employers know: These are the learning outcomes that matter to us."

Such transparency is just one component of the CBA's comprehensive approach to AoL, which has become an integral part of the school's educational culture. "Everything we do is guided by two questions," says Knowles. "What can

we discover about student learning? And what should we do about it?" In fact, the efforts of CBA's faculty to impact student learning recently garnered national attention. The college was one of four schools to receive the 2013 Council for Higher Education Accreditation's (CHEA) Award for Outstanding Institutional Practice in Student Learning Outcomes—and only the second business school ever to receive the recognition. (In 2008, Seton Hall University's Stillman School of Business in South Orange, New Jersey, received the honor.)

The story of how the CBA helped its faculty get excited about measuring and enhancing their students' learning could serve as a blueprint for other schools that seek to ramp up their own AoL efforts. It's one that the college is eager to tell.

Energy and Expertise
CHEA's recognition is a culmination of a process that began in 2009, just after the CBA had spent two semesters revising its undergraduate student learning goals and rethinking its general approach to AoL. "We recognized that we needed to develop a structure and process that emphasized faculty participation—what you might call a culture," says Knowles. "We wanted a process that was more sustainable over time."

Forming an assurance of learning task force was a critical first step, says Bruce May, dean and

professor of management at the CBA. "We handpicked a team of junior and senior faculty and instructors who were well-respected, could work together, and had the energy and expertise to play key roles in assessment activities," he says. The college chose individuals who had served on the undergraduate and graduate curriculum committees to create synergy between curriculum development and assessment activities.

The second step was to create a system where conversations about assessment occurred frequently and naturally throughout the college, says Knowles. To that end, the task force asked professors from each department to volunteer as core course coordinators to work directly with the task force to link learning goals and effect curricular change. They also act as liaisons between the task force and departments, and they arrange meetings with their department's faculty to discuss how they should respond to assessment results.

A third step was to invite stakeholders from across the college to participate in the assessment process. Today, students and representatives from companies that employ the school's graduates meet with task force members each semester and attend the annual faculty retreat. "The structure of our task force provides channels of instant communication throughout the college," says Knowles.

Strong Support Systems
When the college first started to implement its assessment plan, its task force let faculty know about the school's renewed emphasis on assessment at every committee or faculty meeting. "We talked about

the language of assessment, we talked about outcomes—at one stage we even did an entire college reading of a single course-embedded assessment, so that when we would say, 'We're doing a reading,' everyone would know what we meant," says Knowles.

Now, faculty are well-versed in assessment, and May makes sure they have everything they need to produce high-quality assessment data and respond in meaningful ways. (See "Committing to Assessment" at right.) For example, the school has integrated a number of events, workshops, and procedures into its regular schedule:

An annual faculty retreat. Held each spring semester, the faculty retreat is one of the most important events of the CBA's academic calendar. During each retreat, the faculty review assessment data from the previous year and hash out what worked and what didn't. They can propose adding a new subject to the curriculum or augmenting a current one. At this year's retreat, faculty discussed how to integrate social responsibility to their courses, as well as what learning objectives and rubrics would best suit that topic.

The retreats give faculty an entire day to engage in cross-disciplinary discussions centered on student learning, says Knowles. "They can sit at a table together and ask the big questions: 'Why do our students struggle with the big picture during presentations?' or 'How can we help them become more comfortable with public speaking?'"

At the last faculty retreat, members of the board of advisors talked about what they, as employers, want students to know upon grad-

Committing to Assessment

Bruce May, dean of UW-L's College of Business Administration, believes that a business school's leaders can't just tell faculty that assessment is important. They also must show their commitment in one or more of the following ways:

Provide the funding. Serving just over 1,650 students, the CBA isn't a large business school, but that makes assessment no less important, says May, who has made assessment a permanent line item in his budget. He allocates funds for hotel meeting space for the annual faculty retreat, books on assessment for faculty, honorariums for guest speakers, on-campus workshops, and travel and fees for conferences and seminars. May also provides an independent budget for the college's assurance of learning task force and gives the school's assessment coordinator a half-time teaching schedule and a summer stipend.

"If faculty say they need to read this book or attend an additional conference, I say, 'Go ahead.' I know it's a good investment," May says.

Send the right signals. May shows his commitment to assessment by not only providing resources, but also participating himself. He attends task force meetings and invites members of his board of advisors to attend as well. He also invites board members to participate in the faculty's annual retreat and help faculty read course-embedded assessments.

"Faculty read signals, and when the dean comes to their meetings and participates in discussions, these are signals that assurance of learning is important to the college," says May.

Reward the effort. Faculty generally have three areas of responsibility—teaching, research, and service. Many deans automatically categorize faculty's work toward assurance of learning as service. But that does not recognize the full scope of its importance.

"We elevate assessment and assurance of learning work by relating it to teaching, research, *and* service," says May. "When assessment becomes part of teaching and research, and not just service, it becomes a more integrated part of our faculty's normal workload."

Choose the right motivation. "Do not ask faculty to conduct assessments because of accreditation," says May. "Ask faculty to do them because they improve your programs."

Stay flexible. Refining an approach to assessment is not about achieving perfection. "Some people were trying to make this a perfect process, but when you try to do that, it keeps you from making progress," says May. "We'd try something. If it didn't work, we'd laugh it off, get together, and try something else." That process of trial and error, he says, has led the school to a successful—and sustainable—assessment strategy.

uation. "Faculty said that it was good to look at assessment from a business perspective," says May.

An annual assessment orientation. For the past two years, the school has held an annual orientation for new faculty, which covers why assessment is important and how the school approaches the process. The content covers areas such as the difference between direct and indirect assessment, the nature of course-embedded assessments, and the ways the CBA defines terms such as "outcomes," "goals," and "objectives."

Workshops on teaching. Faculty have asked for more professional development opportunities to help them improve their teaching, particularly in the areas of critical thinking and written communication. In response, the college worked with UW-L's Center for Advancing Teaching and Learning to develop a series of afternoon faculty workshops that target those subjects. During the 2011–2012 academic year, says Knowles, 18 of the school's 60 faculty members reported making changes to the way they teach critical thinking and 16 reported making changes to their teaching of written communication as a direct result of what they learned.

Faculty-led assessment. At the end of each semester, the college asks faculty to volunteer to read course-embedded assessments and record the resulting data. Faculty read assessments at the same table, where they can discuss the results on the spot. The information gathered during these meetings, as well as during the rest of the year, is reported to the college before the next retreat.

Faculty anonymity. Perhaps most important, the college makes it clear that assessment is about student learning, not faculty performance. For that reason, reports never identify instructors, which increases faculty's willingness to participate and see the value of the process. "Faculty must understand that we are not assessing individual courses, but how the courses work together across the entire program," says May. "Once they realize that this isn't about them, they are able to relax."

'Let's Go for It'

Although the college made a plan before it moved forward, its task force did not set the plan's boundaries too rigidly. "We debated what approaches we should use. Course-embedded? Standardized?

Putting Success in Assessment

Because AACSB's new accreditation standards pay more attention to assessment and assurance of learning, business schools are investing more resources into tracking student data. Three experts offer their advice on how to design an effective, cost-efficient assessment approach:

Don't measure everything. Schools should consolidate their efforts on a few well-chosen rubrics, says Kathryn Martell, dean of the College of Business at Central Washington University in Ellensburg. Martell often gives presentations regarding effective assessment methods, and she has found that more is not necessarily better when it comes to assessment and AoL.

Martell recommends a simple formula: Set approximately five learning goals per degree program, and assess students' progress toward those goals twice in five years. "If your accrediting body doesn't require it, you don't have to assess everything, every year," she says. "You just need to be able to summarize the data and share it with faculty at least once a year."

Link rubrics to learning objectives, not courses. The goal of assessment should be to measure students' success in exhibiting accepted competency levels, not their performance in the course itself, says Steve Adams, president of STEPS for Assessment based in Chico, California, and emeritus professor of accounting at California State University, Chico.

Have the right motivations. The ROI on assessment is highest when schools are motivated because they want to improve the quality of learning and add value to their offerings, says Geoff Irvine, CEO of software vendor Chalk & Wire in Ridgeway, Ontario. "Assessment done for assessment's sake is like a Pac-Man game—it eats up tons of resources and gives nothing back," he says.

Train outside evaluators. Eventually, the system should allow faculty to spend more time on "closing the loop" by setting learning objectives and designing responses to assessment data than they do on evaluating student work. "Software packages can make it easy for individuals who are not teaching the course to evaluate sampled work electronically," says Adams. "That can reduce the time faculty spend on assessment and increase the quality of assessments."

FRENCH CONNECTIONS

Dana McCann, '14

Capitalizing on her love for international travel and learning languages, Dana chose a double major in French and business administration with a concentration in international business. The two will come together in a new way next year when she studies abroad in France at the Rouen School of Business.

But that won't be her first time experiencing the intersection of French culture and international relations. In the summer of 2012, she interned with the Embassy of France's Press and Communications Office.

To learn more about students in the Robins School of Business at the University of Richmond, visit **ROBINS.RICHMOND.EDU**.

ROBINS School *of* Business

Something else? Finally, we just said, 'Let's try them all. Let's go for it.' From the beginning, we've kept open minds," Knowles says.

The fact that the school's assessment activities are transparent and faculty-driven means that CBA faculty feel free to raise concerns and suggest courses of action. For instance, one of the school's assessment rubrics measures how well students identify and consider information relevant to the task at hand. Recently, a faculty member suggested that it might be just as important to know whether students successfully disregard *irrelevant* information, by creating a rubric in which faculty have deliberately integrated meaningless data. In response to that proposal, faculty have created course-embedded assessment tasks that integrate irrelevant content. The undergraduate curriculum committee also is considering an addition to the CBA's critical thinking rubric

to address this issue.

Knowles acknowledges that such a "let's try anything" approach may sound too broad or diffuse for some, but she emphasizes that it's actually quite consistent with the college's central objective: to improve educational outcomes.

"As faculty, we see this process as a constant state of learning—we're learners, just as our students are learners. It's gratifying to hear our faculty say, 'I never thought of it that way' or 'I have a new idea to try in class,'" says Knowles. "We've realized that with an ounce of flexibility, we can provide a richer learning environment for our students."

Engaged and Excited
Knowles notes that the CBA's approach melds well with the intentions of Standard 8 of AACSB International's new set of accreditation standards, which AACSB's members approved at its annual

meeting in April. Standard 8 highlights the need to document the level of faculty engagement. In 2011–2012, for instance, 45 of the CBA's 60 faculty attended the faculty retreat, 28 went to teaching workshops, and nine went to AACSB assessment seminars. "We have high participation rates, and some of what faculty have learned has translated into papers and presentations about student learning. That's something we're really excited about," she says.

By keeping the school's focus on student learning—and not on faculty performance—the CBA has been able to keep its faculty's enthusiasm and participation rates high. In the end, Knowles offers these words of advice: Take it slow. Do what matters. Let faculty drive the process.

After all, most faculty want to improve students' learning. When that's the goal, says Knowles, everything else just makes sense. **Z**

COMP

A curriculum redesign offers the perfect opportunity for a Finnish business school to strengthen its connections to industry.

BY TEEMU KOKKO

Curricular development is a university's most important core process, one that helps ensure that its programs reflect the ongoing realities of business. At HAAGA-HELIA, a university of applied sciences in Helsinki, Finland, we've found that a curricular redesign is also an opportunity for a school to strengthen its corporate relationships.

Although our faculty have long histories with many of our industry contacts, we wanted to adopt a more proactive, organizational approach to corporate relations to ensure we were seeking out new partners on an ongoing basis. As part of our recent curriculum redesign, we took steps to involve industry more closely in our programs and create more opportunities to interact and pursue common goals with our corporate partners. In the process, we've made cooperation with industry a true hallmark of our program, which helps

us better prepare our students for real-world business.

The Finnish Factor

Strengthening our corporate relationships was especially important given our school's national context. Scandinavia, which comprises Finland, Denmark, Norway, and Sweden, is home to a population of only 24 million people; of that number, Finland has only 5 million. These close quarters drive especially strong relationships between education and industry. In addition, hierarchies in Scandinavian companies tend to be quite low, making access to corporate leaders easier than it might be in other parts of the world.

The Finnish higher education system consists of two types of institutions: universities of scientific research and universities of applied sciences. The country's 20 universities of scientific research focus on research-based instruction, while its 26 universities of applied sciences

focus on practice-based education that supports the labor needs of the regional market, including degree programs, professional specializations, and adult education.

Universities of applied sciences also conduct research and development activities linked to the needs of industry. That Finland formed these institutions to address the needs of business shows how deeply this country is committed to graduating students with real-world skills. Serving 10,000 students on six campuses, HAAGA-HELIA is one of Finland's largest universities of applied sciences and one of the largest providers of business education in Europe.

We offer 12 BBA and MBA programs in English, Finnish, and Swedish, in areas related to business administration, management assistant education, journalism, hospitality management, information technology, and sports management. Our 210-credit bachelor degree generally takes three and

ANY TIES

a half years to complete, with the first half of the program focusing on core business disciplines; and the second half, on electives, field study, and professional experience.

In 2007, HAAGA-HELIA's board members laid out several general criteria for our curriculum redesign. First, they wanted HAAGA-HELIA to offer a minimum number of courses in applied research and language studies. Second, they wanted to allow students to personalize their programs. And, third, they wanted to standardize our course structures and module sizes so that credits could be exchanged across departments to support more customized curricula.

More important, given our role as a university of applied sciences, board members wanted us to deepen our commitment to industry by doing more to help our faculty and staff maintain current corporate contacts and reach out to new

potential contacts on a continuous basis. In response, we formed 11 "competence teams" that each include lecturers within a given discipline, such as marketing and sales, human resource management, and foreign languages. Our competence teams coordinate development work within their own disciplines and between different disciplines. They also encourage faculty to develop their corporate connections throughout the year. Then, during our annual development meeting, each competence team reports the new industry contacts faculty and staff have made over the past year.

Getting Industry Involved

In 2008, we began our redesign efforts in earnest. The competence teams and a six-member task force, headed by the vice president, began their analysis of the present curriculum. They sent more than 2,600 questionnaires to current students

and former graduates and surveyed current students. Our students' most common request was to have more freedom of choice in their courses. In addition, so many students asked that we add new course content on the topic of purchasing management that we created a new course within our logistics module.

We also invited 78 representatives from our partner companies to participate in one of two three-hour workshops to discuss our programs. Most were from Finnish SMEs, but others were from larger companies such as Nokia, social game and online community firm Sulake, insurance company Fennia, and several major Finnish banks. During the workshops, we asked them questions such as "What can our curriculum do better?" and "What do you expect from us in the future?" We also formed discipline-specific delegations of businesspeople who offered additional guidance

for specific competence areas.

These participants asked us for more content related to project management, accounting skills, and intercultural communications. They wanted our courses to focus on practical issues, such as the legal requirements and implications of international marketing. They also thought we should place greater emphasis on areas such as internationalization, project management, cultural knowledge, online marketing, entrepreneurship, law, and logistics.

By including industry in our curriculum redesign, we strengthened our bond with partner companies, so that we receive corporate input on an ongoing basis, not just during a program re-evaluation. Now that they're more familiar with our offerings, they initiate thesis projects, offer a greater number of internships, and provide more case studies to our students. Most important, many make the effort to keep in touch with us—we no longer have to be the first to contact them. That is exactly what we hoped for when we began this process.

Curricular Outcomes

Once we gathered feedback from our board, students, and partners, we delivered it all directly to the competence teams, which then made proposals for new curricular structures and frameworks. After 33 months of planning, the first student cohort enrolled in the new curriculum in the fall of 2010.

The biggest changes reflected in HAAGA-HELIA's new curriculum include:

Customized Programs: While all of our students must take required courses, they now are encouraged to take courses from other disciplines—for example, students in sports management are free to take courses in hospitality if it suits their educational goals. All electives are offered at times when they are available to all students, regardless of the discipline. Approximately 60 percent of the students take advantage of these elective options.

Entrepreneurship: The Finnish government is a strong supporter of entrepreneurship, so we now require each course description to include explicit entrepreneurial content, and all first-year students must enroll in a required five-credit course on entrepreneurship. In addition, students have the option to develop business ideas into companies in our business incubator and participate in Startup School, a coaching and mentoring program.

Internationalization: All individual course descriptions must include explicit content that supports international business. Moreover, students are required to take courses to become proficient in at least three languages, as well as a course in cross-cultural management.

Research, Development, and Innovation (RD&I): Finally, all students must take courses in methodology and applied research. They also can opt to complete a 15- to 30-credit RD&I project to commercialize an idea for a product or service; in some situations, RD&I projects can replace traditional courses. Since the new curriculum's first year,

the number of students completing RD&I projects has gradually increased—approximately 10 percent now include an RD&I project in their personalized study plans.

Ongoing Effort

Now in its third year, our revised curriculum has received enthusiastic feedback from partner companies, students, faculty, and staff. More important, our faculty have increased their corporate contacts by approximately 30 percent. These additional contacts have led to a number of small-scale projects. Our next challenge is to increase the size and scope of those collaborations.

Through our focus on entrepreneurship and RD&I projects, we also have created more "landing spots" for corporate participation. Students have worked with companies on a range of RD&I projects, including an analysis of how Scandinavian businesses can increase their activity in Russia, a plan to better market Scandinavian design, and a report on ways to promote Arctic tourism. As we had hoped, our curriculum brings corporate involvement to the forefront of our activities.

We will continue to organize workshops with executives to discuss our courses and keep them involved. By integrating such ongoing, formal activities into our curriculum, we can sustain and grow our corporate relationships and keep our programs dynamic, relevant, and deeply connected to business. Ⓩ

Teemu Kokko is vice president of HAAGA-HELIA–University of Applied Sciences in Helsinki, Finland.

research

Small IT Firms Enjoy Tweet Success

A WORKING PAPER suggests that companies that communicate with investors through Twitter enjoy measurable increases in liquidity and stock price as a result. The study was conducted by associate accounting professor Elizabeth Blankespoor of the Stanford Graduate School of Business in California and accounting professors Gregory Miller and Hal White of the University of Michigan's Ross School of Business in Ann Arbor.

The researchers collected data about a sample of information technology firms using Twitter from mid- to late 2009. To overcome the challenge of extracting data from Twitter's unique platform, they used a combination of computer programs to search for appropriate feeds and assigned assistants to collect data by hand.

The trio found that Twitter use was "associated with lower bid-ask spreads, greater depths, and higher liquidity ratios," after they controlled for factors such as general news coverage and overall market condi-

Gregory Miller, Elizabeth Blankespoor, and Hal White

tions. They also found that Twitter's effect is lower for larger companies that already enjoy high visibility.

In the past, companies often assumed that standard practices of information disclosure were enough, relying on the press to get the word out about their latest information. But the press tends to cover only high-visibility companies, leaving smaller companies unheard. Now that firms have more direct and open channels such as Twitter for communicating with investors, the authors write, they can "reduce information asymmetry" in the market.

"The Role of Dissemination in Market Liquidity: Evidence from Firms' Use of Twitter" is a working paper available online at ssrn.com/abstract=1657169. The paper is being considered for publication in the January 2014 issue of *The Accounting Review*.

RESEARCH RECOGNITIONS

Raghuram G. Rajan, the Eric J. Gleacher Distinguished Service Professor of Finance at the University of Chicago's Booth School of Business, is the recipient of the Burton Foundation's annual Regulatory Innovation Award. The global law firm Morrison & Foerster established the award in 2008 through the Burton Foundation to honor an academic or non-elected public official who has contributed to regulatory reform in the areas of corporate governance, securities, capital markets, or financial institutions.

Feng Zhu, assistant professor of management and organization at the University of Southern California's Marshall School of Business in Los Angeles, has received the Western Academy of Management's Ascendant Scholar Award. The award recognizes individuals who completed their doctorate programs within the last seven years and have demonstrated achievements in research and teaching. He was recognized for his research on technology strategy and business model competition in platform-based markets and his teaching in strategic management.

David Teece of the Haas School of Business at the University of California, Berkeley, has received the Royal Honour of Companion of the New Zealand Order of Merit. He received the honor for his services to promote relations between New Zealand and the United States through his co-founding of the nonprofit Kea Global Network.

The United States Association for Small Business and

Designing Next-Gen 911

BUSINESS RESEARCH AIMS to impact business practice, but East Carolina University's College of Business in Greenville, North Carolina, also wants to shape public policy—in ways that could save lives. A research group at ECU is working with U.S. policymakers to upgrade a 911 public safety communications system that is far behind the technological times.

ECU's 911 Technology, Policy, and Information Management Group (which ECU abbreviates as "the Group") was established in 2008 as part of the college's Bureau of Business Research. It has partnered with the North Carolina 911 Board to create a Next Generation 911 (NG911) system for the state. The Group studies federal legislation, analyzes state policies, evaluates plans under review, recommends new 911 funding models, and develops new standards for 911 call centers.

A recent Group report includes "Next Generation 911: When Technology Drives Public Policy." Written by James Holloway, professor of business law, and Elaine Seeman, professor of information management technology, it appeared earlier this year in the *International Journal of Business Continuity and Risk Management*. The authors note that there is an urgent need for state and federal governments to update the current system to more accurately pinpoint the location of cell phone 911 calls. Even more important, the 911 system must be upgraded to accommodate text, video, and photos, as well as transmissions sent via voice-over internet protocol, or VOIP.

In 2010, the Group completed a funding study for the state of North Carolina, which showed that its 911 public safety answering points (PSAPs) spend approximately US$40 million each year, while the state distributes approximately $60 million to these centers. The Group recommended that PSAPs be divided into five groups identified by the types and sizes of the populations they serve—rural versus urban, for instance—and that funds be allocated on a per capita basis. This system would allow the state to better allocate funds and identify surpluses to be used to pay for infrastructure upgrades.

This work shows the impact that the College of Business can have on state and federal policymaking, state and national security, and the telecommunications industry, says Holloway. "We can help generate policies that better weigh public safety against business interests."

The industry has been slow to change due to constrained resources, lack of infrastructure, and resistance to new technologies. But given today's climate, the authors believe an IP-based 911 network will receive greater support. "If Virginia Tech students had been able to silently text for 911 help, lives could have been saved," they write in their report. "If a cell phone user could send pictures of [an] individual abducting a child, lives could be changed."

Entrepreneurship has recognized **John Pearce** with its Exemplary Scholar award at its January conference in San Francisco. Pearce holds the Endowed Chair of Strategic Management and Entrepreneurship at Villanova School of Business in Pennsylvania.

Raymond Burke, the E.W. Kelley Professor of Business Administration at Indiana University's Kelley School of Business in Bloomington, has been named editor-in-chief of the *Journal of Shopper Research*, formerly known as the *Journal of Marketing at Retail*. The peer-reviewed journal publishes academic research in the areas of shopper behavior, shopper insights, and in-store marketing.

A paper by three Canadian researchers has been named the "most cited paper" by the *International Journal of Human-Computer Studies*. The award recognizes the paper with the highest number of citations between 2010 and 2012. **Dianne Cyr** of Simon Fraser University's Beedie School of Business and **Milena Head** of McMaster University's DeGroote School of Business, along with **Hector Larios** of SFU's School of Interactive Arts and Technology, received the award for "Colour Appeal in Website Design Within and Across Cultures: A Multi-Method Evaluation." The trio used three types of data collection—surveys, eye tracking, and interviews—to analyze visitors' responses to different website color schemes. They found that cultural color preferences influence user trust in, satisfaction with, and loyalty to a website—for example, they found that for Japanese, yellow inspires the most trust and satisfaction; for Germans, blue; and for Canadians, gray.

research

Playing Favorites Boosts Performance

FIVE RESEARCHERS have found that when bosses treat some employees better than others, it's actually good for productivity. The researchers include Stefan Thau and Madan Pillutla of the London Business School in the U.K., Christian Tröster of Kuhne Logistics University in Germany, Karl Aquino of the University of British Columbia's Sauder School of Business in Canada, and David De Cremer of Erasmus University in The Netherlands.

In one experiment, the researchers divided 41 student participants into groups and asked them to email suggestions for improving education at their universities to their "team leaders." Half of the groups received replies in which the team leaders responded positively but equally to each suggestion; the other half received replies in which the team leaders showed preference for some ideas over others. In a follow-up survey, those in the "preferential treatment" group indicated greater willingness to volunteer for a group task than those in the "equal treatment" group.

The researchers also conducted an online survey of employees. Those who reported receiving preferential treatment from their bosses noted feeling a greater sense of self-worth on the job.

This information sheds new light on work culture norms in different parts of the world—companies in the U.S., for example, often show preferential treatment to star employees, while those in Northern European and Asian countries favor a more egalitarian approach. To achieve optimum team performance, managers should consider an approach that falls somewhere in between, says Aquino.

"The key is to find the right balance," he says. "Treat everyone reasonably well, but treat those whose work counts most, or who have been most productive, just a little bit better."

"Satisfying Individual Desires or Moral Standards? Preferential Treatment and Group Members' Self-Worth, Affect, and Behavior" appeared in the March 2013 issue of the *Journal of Business Ethics*.

The Impact Of Social Protests

SOCIAL ACTIVIST ORGANIZATIONS often attempt to compel a corporation to change its behavior by embarrassing its leaders and tarnishing its public reputation. Organizations such as Greenpeace and People for the Ethical Treatment of Animals (PETA) have convinced industry to change everything from how clothes are produced to how fast food is sourced.

The irony is that an activist's social protest usually has little impact on a company's bottom line, according to Theodore Waldron of Baylor University's Hankamer School of Business in Waco, Texas; Chad Navis of the Wisconsin School of Business at the University of Wisconsin in Madison; and Greg Fisher of Indiana University's Kelley School of Business in Bloomington.

Theodore Waldron

"Targeted companies are not losing consumers, suppliers, or other transaction partners in large numbers," Waldron says. "So the question is, what do executives fundamentally consider when they are deciding how to deal with activists?"

The researchers believe that activists may make enough "noise" in the marketplace that executives overestimate the impact of their campaign and respond to their demands, says Waldron. If executives are motivated by profit, they may resort to making mere promises, or "greenwashing." However, those who want to serve society well may implement changes that go above and beyond what activists want. That means that activists who target companies known for their concern for stakeholders— rather than companies that are visible or large—are more likely to be successful.

Chad Navis

Even if protests have little impact, no company enjoys dealing with the fallout. The researchers suggest that companies reduce the likelihood of protests by changing practices that could garner activists' attention; promoting undesirable practices as common to the industry, not specific to their company; or inviting activists' input.

Greg Fisher

"Explaining Differences in Firms' Responses to Activism" was published online in November 2012 in the *Academy of Management Review*.

UPCOMING & ONGOING

■ INNOVATION INC.
North Carolina State University's Poole College of Management in Raleigh has created the Consumer Innovation Consortium (CIC), an academic-corporate research collaboration focused on creating effective consumer-centric approaches to marketing. The founding CIC partner companies are AmerisourceBergen, a global pharmaceutical services provider; Bayer CropScience, the subsidiary of Bayer AG responsible for its agricultural business; Burt's Bees, a manufacturer of natural beauty products; and Cotton Incorporated, which focuses on the use and promotion of cotton. Each partner firm will work with faculty and graduate students at the CIC on a research project customized to its industry.

■ ETHICAL BASIS
Rutgers Institute for Ethical Leadership (IEL) at Rutgers Business School of Newark and New Brunswick, New Jersey, has received a US$2.6 million donation from Prudential Financial and The Prudential Foundation. The donation includes an $850,000 three-year challenge grant—each dollar that IEL raises will be matched with two dollars from The Prudential Foundation. IEL will use the funding to continue its coursework, research, and work with nonprofit organizations.

■ WOMEN AT WORK
Carleton University's Sprott School of Business in Ottawa, Ontario, has announced a CAN$1 million, ten-year commitment from the Royal Bank of Canada to support the school's Centre for Research and Education on Women and Work (CREWW). The funds will support new research into workplace diversity and the factors that prevent employees from reaching their full potential, as well as a distance education program for women managers and a speakers series on women in management.

■ ON HUMAN RIGHTS
New York University's Stern School of Business is planning to establish a center for business and human rights. Michael Posner, who recently served as Assistant Secretary of State for Democracy, Human Rights, and Labor at the U.S. Department of State, joined the school's faculty in March to lead the effort. "Global businesses are confronting complex human rights challenges that demand approaches that go beyond 'corporate social responsibility,'" says Posner, who also will begin teaching in NYU Stern's Business and Society Program this fall. "The center will seek to answer the hard questions 21st-century companies face: What can companies do to respect human rights? What *should* they be doing?"

■ EU JOBS WATCH
The University of Strathclyde Business School in the U.K. will spearhead a four-year, £4 million research project on the employment challenges facing European Union countries. Eight other European universities will take part in the project, including Central European University, Université Libre de Bruxelles, University of Evry-Paris, University of Gothenburg, University of Leuven, London Metropolitan University, University of Oviedo, and University of Wrocław. The European Trade Union Institute, Consultingeuropa, the International Labour Organization, Neuroedukacja, and Volvo are among the corporate participants.

■ TREK TO MOUNT EVEREST
From the beginning of April to the end of May, a team of researchers from the Umeå School of Business and Economics in Sweden studied a group of climbers at the Mount Everest base camp in Nepal. Through observation, interviews, helmet cameras, video, and radio transmissions, the researchers aimed to learn how the climbers plan projects and pursue goals in hazardous environments.

"Hazardous environments are ideal to get an understanding of how groups and individuals make decisions and organize themselves," says Markus Hällgren, senior lecturer and leader of the team. "Making the wrong decision during an expedition may lead to someone's injury or death." The Umeå research team is part of TripleED (Extreme Environments–Everyday Decisions), a project that is focused on studying decision making in extreme environments from an organizational perspective.

■ BANK ON RETAIL
PNC Financial Services Group will support the creation of the PNC Center for Financial Services Innovation at Carnegie Mellon University in Pittsburgh, Pennsylvania. The center will focus on research, curricula, and executive education related to retail banking, particularly on the effective use of new technology to promote innovation in banking services. ⓩ

technology

Shaping Education's Future in the Cloud

by Owen P. Hall Jr.

Thirty years from now the big university campuses will be relics. Peter Drucker said those words in 1997. Today, we are about halfway through the timeframe of Drucker's prediction, and while university campuses are not yet relics, it's clear that their boundaries are changing. More than 70 AACSB-accredited business schools now offer online and hybrid programs, and that number is growing. But how will online and hybrid learning shape the future of business schools?

That question has led to the creation of the Management Education Collaboration Network (MECNET) at Pepperdine University in Malibu, California. As a cloud-based, peer-to-peer collaborative network, MECNET will connect educators, administrators, and researchers and provide them with access to the latest trends, data, and developments in Internet-based learning on a larger, more global scale.

In 2010, the Graduate Management Admission Council launched its Ideas to Innovation (i2i) Challenge, a part of the GMAC Management Education for Tomorrow (MET) Fund. So far, the MET Fund has awarded more than US$7.1 million in i2i grants to 12 organizations in six countries. Pepperdine won a $60,000 grant from the MET Fund to design MECNET.

To assess the needs of business schools, Pepperdine surveyed faculty, administrators, associations, and research institutions—more than 100 responded. Of those, 91 percent believe that Internet-based learning technologies are important to their institution's mission, 85 percent think that online learning tools can create efficiencies in teaching, and 84 percent believe these tools can improve student learning. Ninety-six percent also indicated that educators need formal training to implement new learning technologies, while 76 percent thought a collaborative network would help them identify best practices.

Respondents also identified key challenges of imple-menting MECNET. How will MECNET help educators adapt approaches developed in other parts of the world? Will it include data collection and analytics tools? Will MECNET be supported by institutional subscriptions, grant funding, or another financial model? We are addressing those challenges as we construct the network.

In many respects, the use of online technologies to promote learning and collaboration among students has far outpaced the use of these technologies to promote collaboration among educators. But we are seeing this pattern change. For instance, Columbia University has started building a network of research institutes designed for faculty and students from various disciplines to collaborate with universities, government agencies, and other organizations abroad.

Similarly, we believe a cloud-based knowledge-exchange portal like MECNET will promote collaboration among faculty, provide university leaders with a sounding board for critical policy issues, and drive educational innovation. And, as educators become more comfortable teaching in the cloud, students will have more opportunities to engage in virtual internships, connect to real-world business, work on global study teams, and enroll in specialty courses offered by universities worldwide. Universities will save money, rely less on travel, and use fewer printed materials, reducing the environmental footprint of higher education.

Hybrid and online learning is a new frontier. As the technology continues to evolve, we hope that MEC-NET will facilitate the ability of business educators to deliver world-class online education.

Owen P. Hall Jr. holds the Julian Virtue Professorship and is a professor of decision sciences at Pepperdine University's Graziadio School of Business and Management in Los Angeles, California. He leads the MEC-NET project. For information, visit www.gmac.com/why-gmac/giving-back-met-fund/pepperdine.aspx. Those interested in participating in the project's next phase can contact the organizers at metfund@gmac.com.

Prize Rewards Teaching Innovation

THE MINERVA PROJECT, an organization that aims to redefine higher education with a new type of university, recently announced the launch of the Minerva Academy, a society of educators led by Nobel Laureate Roger Kornberg. The group will select and award its inaugural US$500,000 Minerva Prize for Advancements in Higher Education, the largest prize of its kind, to a single educator whose innovations in teaching have led to extraordinary student learning experiences.

The large prize signals the Minerva Project's ambition to revolutionize higher education. In fall 2015, the organization plans to open a university with no campus, tenure, or sports teams. Instead, students will take all their courses online in small interactive groups, while living and learning together in a sequence of traditional dormitories in cities around the world.

Nominations for the Minerva Prize are open through November 30 at www.minervaproject.com/academy. The first prize will be awarded May 2014.

Students Prefer Smartphones

SMARTPHONES HAVE surpassed desktop computers among college students when it comes to completing their coursework. That's according to a fall 2012 survey from OnCampus Research, a division of the National Association of College Stores.

Nearly 55 percent of students who responded to the survey use smartphones for coursework—only 31 reported that they still use a desktop. Laptops still come out on top, with 91 percent of students using them to study.
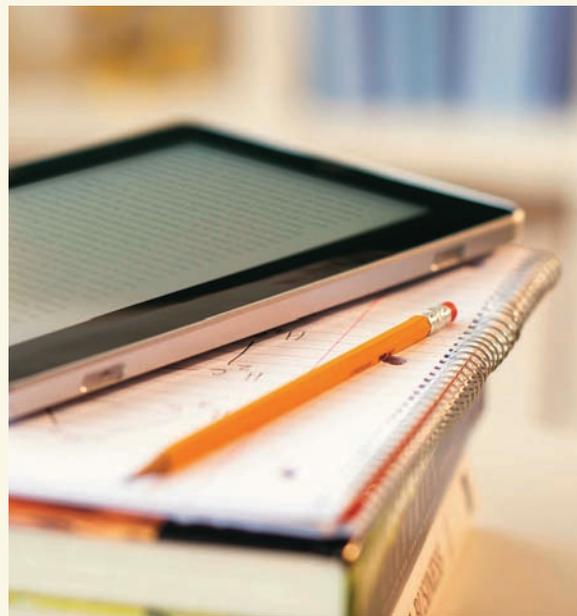
Digital Public Library Opens

ON APRIL 18, the Digital Public Library of America (DPLA) officially opened its virtual doors. The library includes 2 million items, including 1.2 million digital copies from the National Archives catalog. Among them are documents from the founding of the United States, World War II posters, and Mathew Brady Civil War photographs.

The DPLA is a two-year large-scale collaboration across government agencies, research institutions, museums, libraries, and archives. The project's coordinators are working with digital content providers such as the National Archives and Harvard University to share content from their online catalogs. DPLA's goal is to become a public online repository of tens of millions of artifacts from American culture and history.

Daniel Cohen will be the DPLA's founding executive director. Cohen also directs the Roy Rosenzweig Center for History and New Media at George Mason University in Fairfax, Virginia.

For more information, visit the library's website at dp.la.

tech**nology**

TOOLS OF THE TRADE
B-Schools Make a Match

The MBA admissions process can be challenging for students and business schools alike. Schools must find ways to showcase their strengths to attract the best students, and students must scour rankings, printed materials, and web-based information to determine which institution best suits their learning styles and goals. In the process, some students find the perfect match, but others find themselves enrolled in programs that just aren't the right fit.

To ease this process, 15 business school deans have formed the Business Education Alliance (BEA), a nonprofit that is designing a web-based interactive tool to offer prospective students an objective source of reliable data on MBA programs and allow them to conduct personalized searches of business school programs.

The new platform, called BestMatch, will provide not only verified information about participating business schools, but also tools for self-assessment. "We often assume that prospective MBA students know what they're looking for in a program. That's not always the case," says Larry Pulley, BEA chairman and dean of the College of William & Mary's Mason School of Business in Williamsburg, Virginia. "This tool will help them pinpoint their career interests and the skills they'll need to achieve those goals."

In addition, BestMatch will answer crucial questions about a program's total cost, a student's likelihood of acceptance, and job prospects after graduation.

BestMatch will offer an equal opportunity to match a wider range of graduates with recruiters, says Anthony Hendrickson, dean of the College of Business at Creighton University in

Omaha, Nebraska, and a BEA participant. "Many companies limit their searches to five or six schools," he says, which also limits their access to talent.

The BEA grew out of a December 2009 discussion among deans about the rankings, explains Pulley. Their conclusion was that rankings don't tell the whole story of what business schools have to offer. "We want to provide a tool that provides a deeper, richer source of information for a broader array of students, companies, and schools," says Pulley. "Ultimately, our goal is to improve the outcome of business education."

Privately funded, BEA is working with IvyCorp, a Seattle-based technology company, to build the BestMatch platform. The alliance welcomes new member schools, as well as employers, to contribute to the platform's design and system of data gathering. For information, visit www.beducationalliance.org.

Pearson Expands to the Cloud

Pearson, a global publishing and education services company, has acquired Learning Catalytics, a cloud-based learning analytics and assessment system developed by Eric Mazur, Brian Lukoff, and Gary King of Harvard University in Boston, Massachusetts. The Learning Catalytics system allows faculty to ask their students open-ended or critical thinking questions, receive answers and measure student performance in real time, and determine which areas require further explanation. The software then automatically groups students for further discussion based on their needs.

The software offers faculty a "graphical dashboard" to show how students are learning, says Paul Corey, president of Pearson Higher Education's science, business, and technology division. With that information, he adds, faculty can "dive more deeply into areas of common misconceptions or make adjustments in real time."

This represents one of Pearson's newest tools designed to support online higher education, including OpenClass, a cloud-based learning management system. For more information, visit learningcatalytics.com.

NEWSBYTES

■ VIDEOS ON ETHICS

The McCombs School of Business at the University of Texas at Austin has launched "Ethics Unwrapped," a series of free educational videos on ethics. They include a documentary featuring disgraced lobbyist Jack Abramoff, and more than a dozen animated shorts featuring ethics concepts. Teaching notes are available for each video. The videos are available at ethicsunwrapped.utexas. edu/.

■ TRADING AND TECH

The Merage School of Business at the University of California at Irvine soon will open its new Charles Schwab Trading and Technology Lab. The lab will be equipped with television monitors streaming global financial news, as well as interactive trading stations featuring data from Bloomberg, Chicago Mercantile Exchange, Thomson/Reuters, Matlab, Factset, and eSignal.

■ ANALYTICS AT GW

In the fall, the George Washington School of Business in Washington, D.C., plans to launch a 33-credit business analytics master's degree. The degree, which will take

from ten months to two years to complete, will include courses in data warehousing, data mining, risk analytics, and sports analytics. The program builds on the school's certificate program in business analytics, which launched in 2011.

■ THINK TANK RENAMED

Leaders of the nonprofit Innosight Institute have changed its name to the Clayton Christensen Institute for Disruptive Innovation to better reflect the contributions of Harvard Business School professor Clayton Christensen, who co-founded the institute in 2007. The institute also has a new website at www.christenseninstitute.org.

■ NEW LMS OPTION

Jenzabar, a provider of software and services for higher education, now offers Jenzabar eLearning. The new learning management system includes a course organization portal with communication tools, as well as one-click access to course content, grading tools, and synchronous online meeting spaces.

■ HEDGING ON ETHICS

Nottingham Trent University's Investment Society and Nottingham Business School in the United Kingdom have launched a US$50 million virtual hedge fund for 50 students, which focuses on law, regulation, and ethical decision making. Ⓩ

your turn

by Michelle O'Connor-Ratcliff and Richard Custin

The Mediation Solution

IN HIS NOTES for a law lecture, no less a legal mind than Abraham Lincoln advised, "Discourage litigation. Persuade your neighbors to compromise whenever you can. Point out to them how the nominal winner is often a real loser—in fees, expenses, and waste of time."

Little has changed since Lincoln's time. Litigation remains a slow, inefficient, expensive, acrimonious, and unpredictable process that airs problems in full public view. Mediation, on the other hand, offers a way to resolve legal disputes effectively, efficiently, and privately—and at a reduced cost. While a few business courses briefly discuss alternative dispute resolution (ADR), which includes mediation and arbitration, it's our experience that most undergraduate business law courses generally pay scant attention to this topic. And we believe mediation is too important in the real world to relegate to a small cameo in the curriculum.

It seems the business world agrees. The use of mediation is gaining more acceptance, and many business contracts specify that the contract parties must participate in ADR if there's a disagreement. In fact, in the U.S., Congress and the courts have explicitly endorsed ADR as a favored method of resolving disputes. At times an overburdened court system may impose mandatory ADR before allowing a dispute to proceed in the courtroom.

Most business leaders also have a positive view of mediation, whether it's voluntary or mandated. When *Cornell Business News* surveyed Fortune 1000 corporations, it found that 88 percent had used mediation to resolve commercial disputes in the previous three years, and 79 percent had used arbitration during the same time period. Eighty-one percent considered ADR a more satisfactory process than litigation—90 percent because it was a "critical cost-control technique," 66 percent because it led to "satisfactory settlements," and 59 percent because it could "preserve good relationships."

Because mediation is so widely accepted and successfully employed, it only makes sense that business schools should prepare their graduates to use it. But few schools do more than focus on the benefits of mediation: It's faster and cheaper than litigation; it gives parties more control over the resolution than a jury decision; it avoids setting legal precedents; it allows parties to maintain confidentiality; and it is less adversarial, which means it is more likely to preserve an ongoing business relationship.

While these are all important points, we believe it's even more essential for students to learn how mediation is achieved in the first place.
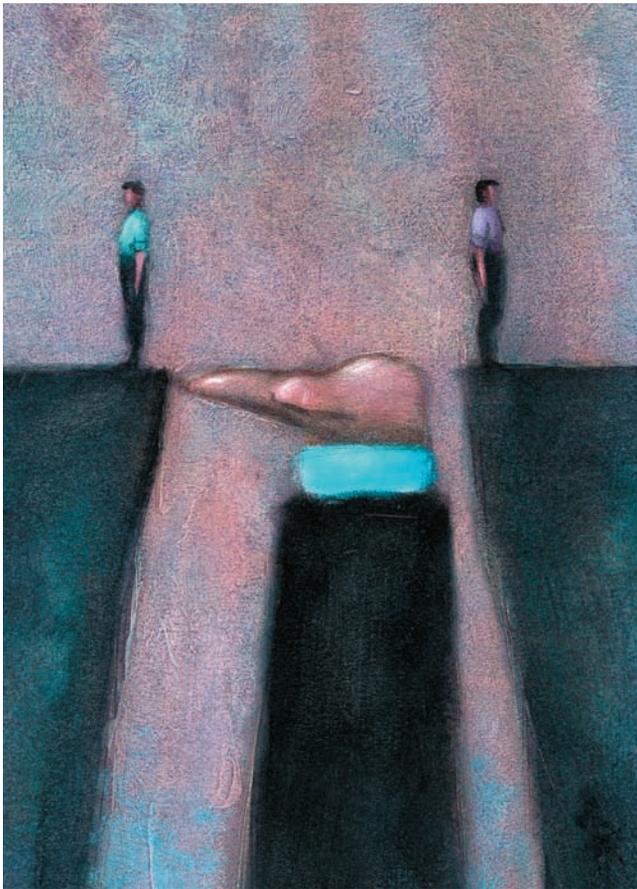
Mediation in Action

We realize it's tough to add new material to overcrowded business curricula, but we think mediation training can fit seamlessly into the lesson plans of the typical business law class. Here are three recommendations:

1. Have students watch an actual mediation. This can be done through a class outing or through a video viewing. Recently students from the University of San Diego School of Business Administration attended a live mediation at the nearby United States District Court. That court has successfully implemented an early neutral evaluation in which a magistrate judge serves as a mediator in civil cases. But we also have shown videos of actual mediation ses-

Mediation is too important in the
real world to relegate to a small
cameo in the curriculum.

Lucy agreed to the terms of the "offer." The Zehmers refused to sell the property, indicating that their "offer" was a joke. Lucy brought an action for specific performance. (*Lucy v. Zehmer* (1954) 196 Va. 493).

This is a perfect dispute for students to mediate. Professors can break their students into groups of three—Lucy, Zehmer, and a mediator—and give them ten minutes to try to find a solution everyone can live with. At the end of those ten minutes, each group should elect a spokesperson to present its solution. We have found that it can be very illuminating for students to compare how the actual disposition of the case differs from the solutions that they propose.

3. Integrate mediation into the entire business law course. As the semester marches on and legal cases come up in other contexts, professors first can go over who won, who lost, and what rule of law emerged. They can then set aside 15 minutes for students to participate in a role-playing exercise built around the same case. This exercise allows students to see if mediation can produce different—and maybe better—results than those that were actually achieved in court.

For an even faster exercise, the instructor can simply open the floor to a quick discussion of how the case might have had a different outcome if the parties had used mediation instead of litigation. Professors who repeat this exercise every few weeks in different areas of business law will quickly and easily integrate mediation throughout the business law curriculum.

Getting Comfortable

Teaching mediation properly does require an investment of time, but we believe the topic is so important that it should be covered in our business classrooms. The more comfortable our students are with the process of mediation, the more likely they will be to use it to resolve a future dispute efficiently and peacefully. And that's an approach we believe harmonizes with the realities of the business world we are preparing our students to enter. Ⓩ

Richard E. Custin and Michelle O'Connor-Ratcliff are attorneys who teach business law at the University of San Diego School of Business Administration in California.

sions, which the California courts offer for free on their website.

Either method allows students to observe the mediator's technique and approach, the atmosphere in the room, and the give and take between the parties. Viewing a mediation doesn't take up an inordinate amount of time, but it gives students invaluable insights into the process. We recommend that the video viewing or the trip to court take place early in the semester, so students can apply what they've learned to later lessons.

2. Give students a chance to participate in mediation role-play. While business law classes typically draw on appellate case opinions to teach students the rule of law, professors can use the fact patterns from these cases as mediation prompts. For example, here's a leading business law contract case:

Zehmer discussed selling a farm to Lucy. Zehmer and his wife signed a paper agreeing to sell the farm to Lucy.

Helpful Links

www.mediationtrainings.org

www.niacr.org

www.inadr.org

www.eeoc.gov/employees/mediation.cfm

www.ada.gov/mediate.htm

www.mediate.com

www.adrforum.com

www.courts.ca.gov/programs-adr.htm

bookshelf
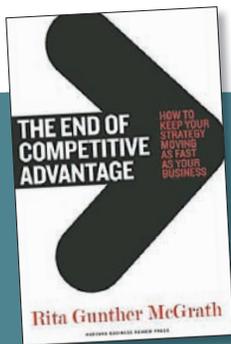
THE END OF COMPETITIVE ADVANTAGE

AUTHOR: Rita Gunther McGrath
PUBLISHER: Harvard Business Review Press, US$30

GONE ARE THE DAYS when stable, monolithic corporations dominated their industries for decades simply by staying the best at what they did. In today's fractured, volatile, global economy, companies can expect to enjoy only *transient* competitive advantage, says McGrath of Columbia Business School. Leaders must constantly look for the next big idea, develop plans for redeploying personnel and resources into new product lines, and figure out how to exit from their current markets when necessary. And they must do all these things simultaneously as they ride many individual waves of innovation from concept to dissolution. She emphasizes that, in this new model, "disengagement—the process of moving out of an exhausted opportunity—is as core to the business as innovation, growth, and exploitation are." McGrath has identified ten firms that have managed a steady rate of growth over the past ten years by following just this strategy, and she draws on their stories to illustrate points she makes throughout this intriguing look at the future.

GLOBAL TILT

AUTHOR: Ram Charan
PUBLISHER: Crown Business, US$28

THE WORLD'S WEALTH and power are undergoing a "global tilt" from north—above the thirty-first parallel—to south, and consultant Charan uses vivid, urgent prose to describe that headlong transfer of influence. He identifies key forces driving this change, including the interconnected global financial system, competition among countries, mobile communications and their attendant innovations, changing demographics, and pressure on resources. His book is aimed directly at northern leaders who think they can rely on old tactics to survive in a new world. "If you are too impatient, intimidated, indifferent, or arrogant to build up this competence, your leadership is at risk of being obsolete. …You have to step back from the constraining details of your business and industry, view the world at large, and pick out the key trends or items that would upend the world you're accustomed to and create once-in-a-lifetime opportunities." He paints a picture of a future that's chaotic, scary—and full of possibilities.

LEADERSHIP SUSTAINABILITY

AUTHORS: Dave Ulrich and Norm Smallwood
PUBLISHER: McGraw-Hill, US$30

IN THE U.S., up to $80 billion annually goes toward training, but barely 30 percent of leadership training sticks, estimate Ulrich of the University of Michigan and leadership expert Smallwood. So how can C-suite executives commit to the changes they need to make and develop sustainable leadership? "Today's biggest unmet challenge of leadership is not learning more about what to do, it is about learning how to make sure that what is known is done," the authors write. Sustainable leaders, they believe, live by seven disciplines: simplicity, time, accountability, resources, tracking, melioration, and emotion (which spell START ME). For instance, leaders who master simplicity are able to focus on what matters most—defining problems, prioritizing assignments, and filtering out extraneous clutter. Leaders who master time actually spend their days doing the tasks they've identified as crucial, instead of being distracted by other demands. As Ulrich and Smallwood say, "Leaders matter. Leadership matters more. Leadership sustainability matters most."
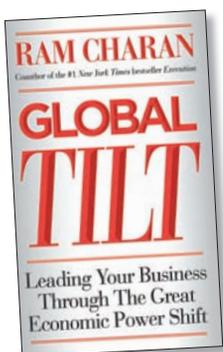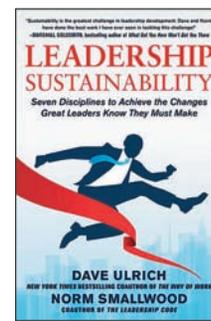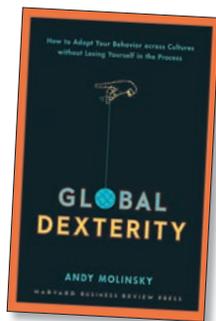
GLOBAL DEXTERITY

AUTHOR: Andy Molinsky
PUBLISHER: Harvard Business Review Press, US$25

LEARNING TO FUNCTION effectively in an unfamiliar country is not simply a matter of learning the

cultural norms, notes Brandeis University's Molinsky. Transplanted professionals face three key challenges: adapting while still behaving authentically, developing true competence, and overcoming resentment that they have to adapt in the first place. To develop "global dexterity," says Molinsky, professionals in new environments must determine how the people around them view behavior across six dimensions: directness, enthusiasm, formality, assertiveness, self-promotion, and personal disclosure. He also thinks international managers can make small but meaningful changes that don't compromise their own beliefs but help them fit in more seamlessly. For instance, a Russian woman uncomfortable with self-promotion wasn't able to brag about how well she would fit on a new team, but she learned to ask, "How could I be helpful on this project?" She stretched her "personal comfort zone" and cracked the cultural code.

CREATING GOOD WORK

AUTHOR: Ron Schultz
PUBLISHER: Palgrave Macmillan, US$35

Advocates of social entrepreneurship share a desire to change or at least improve the world, but as the field grows broader and more complex, would-be practitioners sometimes find themselves bewildered. To create a useful book for this group, microfinance director Schultz has collected essays from a wide swath of academics, entrepreneurs, and specialists who offer insights into the theory, application, and practice of social entrepreneurship. In his contribution, Craig Dunn of Western Washington University defines social entrepreneurship as a "deliberate disruptive design" that sets out to create radical change in the service of social justice. Georgetown University's Alan Andreasen describes how classic marketing tactics can be used in social marketing, where the goal is not to influence a consumer to buy but to motivate a population group to change behavior. Other authors discuss topics ranging from legal issues to microfinance initiatives. As Schultz says in his introduction, social entrepreneurship "is our recognition that we are all in this together." ⓩ
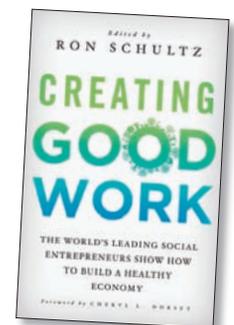
Don't Miss

"OUR SOCIETY has re-oriented itself to the present moment. Everything is live, real-time, and always-on," writes media theorist Douglas Rushkoff in *Present Shock*. This relentless focus on the now means that everyone, from a college student to the head of the Federal Reserve, discounts the future and ignores accruing debts. Rushkoff decries the collapse of narrative, as we can't keep our attention on the long storylines essential to pop culture and politics; he worries about "digiphrenia," or the way we use technology to be two places at once, at least virtually. "Press pause," he urges. "We have time for this." (Current, US$26.95)

DECISION MAKERS who want to understand how to utilize Big Data have a useful primer in *Keeping Up with the Quants*. Business professors Thomas Davenport of Babson and Jinho Kim of the Korea National Defense University explain how to use analytics to frame questions, solve problems, and present results in a compelling fashion. It's clear they believe passionately in the power of data; they write, "In almost every walk of life, there is evidence that analytical decision making is more accurate and precise and produces better decision outcomes." (Harvard Business Review Press, US$27)

THE FABLE *How Stella Saved the Farm* is the newest offering from Dartmouth's Vijay Govindarajan and innovation expert Chris Trimble. The story centers around a small animal-owned farm and the challenges faced by top management—sheep and horses—as they add a line of luxury wool products to rescue the farm's failing fortunes. With each setback, the team learns another key lesson, such as "In any great innovation story, the idea is only the beginning" and "Build the dedicated team as though you are building a new and different company from the ground up." Hard lessons, easy reading. (St. Martin's Press, US$19.99)

idea exchange

Meet Your Maker

The Idea
Illinois MakerLab, which gives students hands-on experience with 3D modeling and printing

Location
The College of Business at the University of Illinois at Urbana-Champaign

The Lab
Opened in January, Illinois MakerLab is equipped with six MakerBot Replicator2 3D printers, as well as Kinect for Windows, a 3D image capturing system. Users can download design templates from the Internet, make their own designs with 3D modeling software, or scan an existing object or person with Kinect. Once they perfect their designs onscreen, they send them to the printer. So far, students in business, engineering, art, and architecture have printed objects ranging from business card holders to furniture models.

This fall, the school plans to add four more printers, each costing about US$2,000. Aric Rindfleisch, the school's John M. Jones Professor of Marketing, established the lab with funds from his chaired position. The lab's ongoing costs include $500 per month to maintain all ten printers and keep them supplied with plastic filament. To cover future expenses, Rindfleisch will seek sponsors, donations, and grants, as well as offer exec ed courses.

Marketing professor Aric Rindfleisch holds a 3D model of himself created in MakerLab.

New Way to Innovate
Next spring, Rindfleisch and Vishal Sachdev, the lab's director, will collaborate with engineering professor Matt Sherburne to teach a cross-disciplinary course fittingly called "Making Things." Students will work on three-person teams—comprising students from business, engineering, and design—to create products, print prototypes, and write business plans.
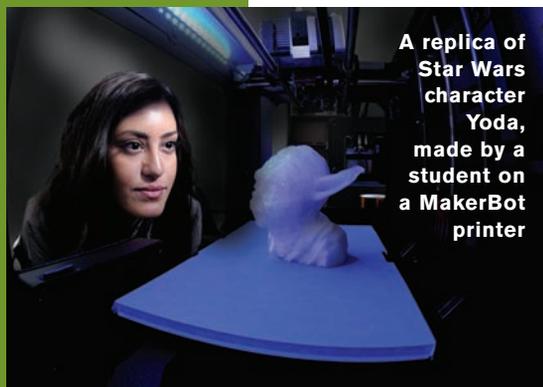
Join the Movement
Now costing as little as $400, 3D printers are hitting the mainstream quickly, which has led to the "maker movement"—a boom of home-based inventors who are printing and selling their own creations. Several online platforms even now allow individuals to sell their objects directly to consumers. These trends could disrupt traditional retail and manufacturing channels, says Rindfleisch.

Rindfleisch says that his vision for MakerLab is threefold: to support courses on innovation, help faculty study the implications of the maker movement, and inspire students' independent "creation of things we can't even imagine yet." The lab's purpose, he adds, isn't just to make cool objects. It's to prepare students for what the future of innovation could look like.

To read more about Illinois MakerLab, visit makerlab.illinois.edu. **Z**

As a student rotates on a chair, a camera scans her head and shoulders to create a 3D image.

A replica of Star Wars character Yoda, made by a student on a MakerBot printer