



BizEd

July/August 2014

CROSSING THE SPECTRUM

Business schools enrich their curricula with a vibrant blend of online and onsite education

PLUS: THE JESUIT APPROACH TO ETHICS • CONFRONTING THE FISCAL CHALLENGE

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Constant Contact




RAQUITA HENDERSON

The summer before my senior year in college, I traveled to Moscow for a Russian language program. It was 1990, so no email, no smartphones; I spoke only basic Russian. Terribly homesick, I stood for two hours one afternoon in a long line outside a government public office, waiting for my turn to use a pay phone to call home. Once I made it inside, it took several tries to punch a call through—and after only three minutes of conversation with my family, I got disconnected. I frantically dialed again. This time, I got through just long enough to blurt out, “I don’t know how long I have, so—” ... click. Tears. Seeing my distress, an older Russian woman nearby patted my arm to comfort me.

Today that sense of disconnection may be as much of a historical relic as that pay phone. Just recently, I traveled to Singapore, where I was able to purchase a sim chip for my smartphone for just S\$20; it offered a data plan and calls to the U.S. at local rates. During a stay in Bali, Indonesia, I was never far from free wi-fi. I sent my family emails, I posted photos on Facebook. If not for the 13-hour time difference, I would have thought my family and I were in the same city.

That ability to stay connected, regardless of distance, is driving big changes in education. I recently read about “tele-collaboration,” which connects students from different countries to each other via Skype or Google Hangouts so they can teach each other their native languages. Then, there’s Duolingo, a mobile app that offers free courses in five languages, with a course in Russian soon to come. How much better could my Russian have been if I’d had access to such resources?

In this issue, we take a look at technology’s swift transformation of higher education. “The Blended Campus” examines how today’s robust web-based technologies support richer online interactions and different learning models. In “Two Modes, One Experience,” the Isenberg School of Management at UMass Amherst shares its strategy to integrate its online and on-campus students in a single program. Educators are discovering how strategic choices in course design and technology can bring people together and support new ways to learn.

I never tried to call home again during my stay in Moscow. By just a week later, my homesickness had eased, and I ended up having a great time. But I wonder what my trip would have been like today, with social media, Skype, and smartphones erasing some of the distance and easing my transition into a different culture? Today, technology keeps us all in close contact—with home, with campus, with each other. And it promises to take us all to places we’ve never been before. 

Raquita Henderson



STANCHEV/THINKSTOCK

headlines

Reimagining Education

MANY FACTORS ARE forcing educational institutions to rethink the learning process: new technologies, global competition, the rising cost of traditional higher education, and a more diverse body of students who frequently look for educational resources outside of



traditional degree programs. To seek innovative new pedagogical approaches to higher education, the SEI Center for Advanced Studies in Management at the Wharton School of the University of Pennsylvania in Philadelphia is partnering with QS Quacquarelli Symonds, publisher of QS World University Rankings, to launch a global competition.

The “Wharton-QS Stars Awards 2014—Reimagine Education” competition will promote the latest innovations in online, onsite, and blended learning environments around the world. The partners are welcoming entries from any university or enterprise, whether public or private, profit or nonprofit. Innovators will be recognized in the categories of arts and humanities, engineering and technology, life sciences and medicine, natural sciences, social sciences, professional and executive education, and overall pedagogical innovation. Entries must be submitted by August 31 to reimagine-education.com.

Pedagogical innovations will be showcased at a three-day global conference on December 8 through 10 in Philadelphia, Pennsylvania. In addition, an e-book of the leading entries will be published in February 2015, alongside the release of the QS World University Ranking by Subjects 2015.

Investing in the Emerging Market at Home

MANY BUSINESS SCHOOLS offer students a chance to work with real money by managing investment portfolios. But at Walsh College in Troy, Michigan, the new investment fund arrives with a twist: The entire portfolio will consist of companies headquartered in Michigan.

The US\$100,000 investment portfolio was funded by Leon LaBrecque, a CPA, investment manager, and former Walsh faculty member in finance and economics. LaBrecque sees Michigan as an attractive “emerging market” worth investing in. Its current market cap of \$388 billion is larger than Indonesia or Thailand,

and its employment rate has been rising at double the rate of the rest of the U.S. At the same time, since early 2009, a portfolio of diverse Michigan companies has experienced returns of 25.2 percent annualized versus 20.93 percent on the S&P 500.

The student-run portfolio, named the Michigan Alpha Project (MAP), not only will give Walsh finance students a chance to gain real-world investment expe-



Want More B-School News?

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IMAGE COURTESY OF THE UNIVERSITY OF UTAH/LAWRENCE BOYE

Home/Garage/School/ Entrepreneurship Center

ENTREPRENEURS TEND to eat, breathe, and sleep their innovations—and that's exactly what student entrepreneurs will soon be able to do at the David Eccles School of Business at the University of Utah in Salt Lake City. A US\$12 million donation from Pierre Lassonde, announced by the university's Lassonde

Entrepreneur Institute, will create a 148-square-foot facility called the "Lassonde Studios: Live. Create. Launch." The building will unite 412 residences with 20,000 square feet of "garage" space where students can gather to build prototypes and launch companies.

The new facility will be designed to have the versatility and durability of an industrial loft building. The ground floor will contain studio workshops that include 3D printers, power tools, office space, and lounge areas. Surrounding the work space will be student residences in the form of loft areas for groups and small, moveable pods for individuals. The entire building will use a "universal grid" that will allow sections to be remodeled and repurposed based on student needs.

"The building will be as innovative and entrepreneurial as the activities inside," says Troy D'Ambrosio, executive director of the institute. "Students will be able to choose what type of residence they want and what type of work space they prefer, and if we don't have what they want, we might start knocking down walls. If this building is the same five years after we open the doors, we are doing something wrong. Entrepreneurship is never static."

Groundbreaking for the building, which is expected to cost \$45 million, is scheduled for fall 2014, with students moving in for the fall of 2016.

rience, it also will allow the school to support its home-state market. The outcome of the MAP investments—which are focused on Michigan equities—will determine whether regional bias has a positive or negative effect on portfolio alpha. Alpha is a measure of performance on a risk-adjusted basis and is defined as the excess return of the fund relative to the return of the benchmark index.

Two Walsh student teams, each including a portfolio manager and analysts, vie for the opportunity to

serve as LaBrecque's financial advisor, with responsibility for managing his \$100,000 portfolio. Teams will be selected based on their responses to a request for proposal and judged according to the quality of their research, validity of their proposed strategies, and other factors. Students will use Walsh College's finance lab to analyze markets and make investment choices.

LaBrecque sees the new portfolio as a lure to keep students at Walsh—and in state. He says, "I don't want our young talent leaving home for Chicago or New York. I want them here, where they can be great neighbors and make our state better for generations to come. I want the thousands of great companies in Michigan to have access to the best and brightest."

For more information about the MAP, visit www.michiganalphaproject.org.



Survey: Men Better Prepared For Overall Career Success

ALTHOUGH MILLENNIAL women are seen as better job candidates and better prepared for their first jobs out of college, men still are viewed as better prepared for success in their careers overall, according to survey data gathered by Bentley University in Waltham, Massachusetts. The survey, which asked respondents for their views about recent college graduates, indicates that many in the workforce still hold out-of-date perceptions about women—and these perceptions may create barriers that prevent Millennial women from advancing.

The Bentley Preparedness Survey, conducted online by KRC Research, surveyed more than 3,000 respondents among business decision makers, corporate recruiters, influential figures in higher education, parents of students, high school students, college students, recent college graduates, and the general population.

More than 82 percent of respondents, including 76 percent of men, believe women are better suited for business success in terms of their communication and interpersonal skills. However, 64 percent of respondents, including a majority of women, say men are better suited to business success in terms of their leadership abilities.

Bentley's Center for Women and Business is working to identify solutions that will help women reach positions of leadership. Most recently, the center joined forces with Massachusetts governor Deval Patrick to develop a fellowship program that places graduate-level women in paid positions in state government while also providing leadership training and networking opportunities. More information about the survey can be found at www.bentley.edu/prepared/millennials.

AACSB News

Three new developments are kicking off the 2014–2015 fiscal year for AACSB International:

■ The association's board of directors has approved the establishment of a new regional AACSB headquarters in Amsterdam, Netherlands. The new office will serve Europe, the Middle East, and Africa (EMEA), a region that currently contains nearly half of all AACSB members outside of North America. In 2009, AACSB established its first regional office in Singapore, in addition to its main headquarters in Tampa, Florida.

■ Four individuals have been appointed to positions on the board of directors and will begin their terms in July. Michel Patry of HEC Montréal in Canada will serve a one-year term as secretary-treasurer. Robert T. Sumichrast of Virginia Polytechnic Institute and State University in Blacksburg will serve a one-year term as a board member; Soumitra Dutta of Cornell University in Ithaca, New York, and Michael Thomas of Booz Allen Hamilton both will serve three-year terms.

■ On September 1, Christine Clements will join AACSB as senior vice president of accreditation and member services. Clements, who was most recently dean of the University of Wisconsin–Whitewater, has served on numerous peer review teams for AACSB and has acted as chair and vice chair of the Initial Accreditation Committee.

SHORT TAKES

NEW APPOINTMENTS



RON HALL

■ **Linda A. Livingstone** has been announced as the next dean of the George Washington

School of Business in Washington, D.C. She begins her service August 1. Livingstone has spent the last 12 years as dean of the Graziadio School of Business and Management at Pepperdine University in Malibu, California. During her time at Pepperdine, she oversaw a US\$200 million expansion of the business school's regional campuses, increased the school's international partnerships with other academic institutions, and led the school to membership in the Globally Responsible Leadership Initiative. July 1, Livingstone becomes chair of the board of directors for AACSB International.



JIM CARPENTER

■ On July 15, **Erika Hayes James** becomes dean of Emory University's Goizueta Business

School in Atlanta, Georgia. She comes to Emory from the Darden Graduate School of Business Administration at the University of Virginia, where she served most recently as senior associate dean for executive education.

■ On June 1, **Stephen Stan-difird** became the dean of Butler University's College

of Business in Indianapolis. He previously was dean of the Schroeder School of Business at the University of Evansville in Indiana.



■ In August, **Elrie LaBrent (Brent) Chrite** takes his post as dean of the Daniels College of Business at the University of Denver in Colorado. He was previously dean and professor of management and international business at Montclair State University in New Jersey.

■ **Siamack Shojai** has been named dean of the Cotsakos College of Business at William Paterson University in Wayne, New Jersey, effective July 1, 2014. Shojai comes to William Paterson from Central Connecticut State University, where he has served as dean of the School of Business since 2007.

■ **Shane Hunt** has accepted the position of dean of the College of Business at Arkansas



State University in Jonesboro. He brings faculty expertise in the areas of strategic marketing, professional sales management, and marketing management.

■ Beginning on August 1, **Stefanie Lenway** will become dean of the Opus College of

Business and hold the Opus Distinguished Chair at the University of St. Thomas in Minneapolis, Minnesota. She is currently business dean at Michigan State University and has spent 33 years as a professor, department chair, or dean. She succeeds **Christopher Puto**, who has been dean of St. Thomas' business programs since 2002. Following a one-year sabbatical, Puto plans to return to the university as a member of the faculty.

■ **Irfan Hyder**

(top photo) has been named dean of the College of Business Management at the Institute of Business Management (IoBM) in Karachi, Pakistan. Hyder was recently deputy director at the Institute of Business Administration in Karachi and dean and vice president of PAF-KIET (Karachi Institute of Economics and Technology). **Mohammad Ali Shamim** has been named dean of the College of Economics & Social Development at IoBM. Shamim has been both a working executive and a business professor.



■ **Benjamin C. Ayers**, director of the J.M. Tull School of Accounting in the University of Georgia's Terry College of Business in Athens, has been named dean of the Terry

College. Ayers will succeed **Charles B. Knapp**, UGA president emeritus, who has served as interim dean since July 2013, when **Robert Sumichrast** stepped down as dean to accept a position at Virginia Tech. Ayers was named director of the Tull School in 2005 after serving on the faculty since 1996. He also holds the Earl Davis Chair in Taxation.

■ The Orfalea College of Business at California Polytechnic State University in San Luis Obispo has chosen **Scott Dawson** as its new dean. He starts August 1. Dawson is currently dean of the School of Business and Administration at Portland State University in Oregon. Dawson succeeds **Dave Christie**, who served from 2004 to 2013, and interim dean **Doug Cerf**.

■ **Rebecca I. Porterfield** has been named dean of the Haile/US Bank College of Business at Northern Kentucky University in Highland Heights. She was most recently graduate associate dean of the Cameron School of Business at the University of North Carolina Wilmington. She takes her post at NKU on July 1.

■ On July 1, **J. Dennis Credit** joins San Diego State University in California as dean of the College of Business Administration. He was most recently dean of the College of

SHORT TAKES

Business at Southern Illinois University, where he helped focus the university's energies on regional engagement and economic development.



■ **Andrew Ainslie** has been named the seventh dean of the University of Rochester's

Simon Business School in New York. He took the office after **Mark Zupan's** term as dean ended on June 30. Ainslie had been a senior associate dean of the full-time MBA program at the UCLA Anderson School of Management since 2010 and an associate professor of marketing since 2005.



■ On August 1, **Elizabeth B. Davis** becomes dean of the School of Management at the

University of San Francisco in California. She is the first woman to hold that position. She is currently dean of the College of Business and professor of management at the University of New Haven in Connecticut.

■ **Charles Seifert** has been selected as dean of Siena College's School of Business in Loudonville, New York. He was most recently professor of management and executive director of Siena's Institute for Leadership Development.

■ East Tennessee State University in Johnson City has announced **Dennis R. Depew** as dean of the College of Business and Technology. He is dean emeritus of the College of Technology at Indiana's Purdue University, where he was also a professor of technology leadership and innovation.

■ **Robert Beatty** is the new dean of the Lutgert College of Business at Florida Gulf Coast University. He was previously business dean and professor at Rowan University in New Jersey. He replaces **Hudson Rogers**, who has accepted a job as provost of Valdosta State University in Georgia.

■ **James Hoffman** has been named the dean of the College of Business at New Mexico State University in Las Cruces. He was previously a professor and former associate dean in the Rawls College of Business at Texas Tech University in Lubbock.

■ Starting July 1, **Craig White** will be the interim dean of the University of New Mexico's Anderson School of Management in Albuquerque. White is the current chair of the department of accounting and the Moss Adams Professor of Accounting. He takes his new post following the retirement of **Douglas Brown**, under whose leadership the

school was reaccredited, achieved record fundraising efforts, and secured a commitment for a new building.

■ **David A. Whidbee**, associate dean for faculty affairs and research in Washington State University's College of Business in Pullman, has been named interim dean of the college. Whidbee, who joined WSU in 1997, holds the Omer L. Carey Chair in Financial Education. He replaces **Eric R. Spangenberg**, who has accepted a position as dean of the Paul Merage School of Business at the University of California, Irvine.

STEPPING DOWN

■ The University of Virginia has announced that **Robert F. Bruner** will step down as dean of the Darden School of Business upon the completion of his second term in 2015. He will take a one-year leave of absence and return to the faculty. During Bruner's tenure, Darden underwent curricular reform and launched two new formats of its MBA, both targeted at executives. Bruner oversaw fundraising efforts that netted US\$150 million for the school and encouraged the school to embrace cutting-edge technology such as MOOCs and e-readers.

■ **Craig McAllaster**, the longest-serving dean of Rollins College Crummer Graduate

School of Business in Winter Park, Florida, ended his tenure May 30 after 14 years. He plans to return to teaching. During his deanship, he hired more than 75 percent of current faculty, launched accelerated and blended MBA programs, created the Center for Advanced Entrepreneurship and the Center for Leadership Development, and led a major renovation of the school's distance learning technology.

■ **Mirta Martin**, dean of Virginia State University's Reginald F. Lewis School of Business in Petersburg, has left the university to become the ninth president of Fort Hays State University in Kansas. Martin became dean of the business school in 2009. Under her leadership, the school began delivering its core curriculum in a predominantly digital format and secured the funding gift that named the school.

■ **Sanjay Varshney** will step down as dean of the College of Business Administration at California State University in Sacramento. During Varshney's ten years as dean, the college launched an international MBA in Singapore, developed a business honors program, and partnered with regional businesses for its EMBA. He will continue producing the *Sacramento Business Review* economic forecast.

■ **Jerry Strawser** will not seek another term as dean of the Mays Business School at Texas A&M in College Station. His time at the university, which began in 2001, included three terms as dean and stints as interim provost and executive vice president for academic affairs.

■ This spring, **Glenn Potts** is retiring as both professor and dean of the College of Business and Economics at the University of Wisconsin-River Falls. He has been at the university for 38 years, the last five of them as dean.

■ **Carolyn M. Callahan** has stepped down after a year as the dean of the University of Louisville College of Business in Kentucky. Citing personal and family reasons, she is taking a leave of absence from the school, though she will continue to serve as professor of accounting and has been offered a position as associate provost upon her return.

HONORS AND AWARDS

■ **Jan Williams**, dean and professor emeritus of the College of Business Administration of the University of Tennessee in Knoxville, has received the John J. Fernandes Strategic Leadership Award given by the Academy of Strategic and Entrepreneurial Leadership. The award is periodically presented to

a dean or other senior academic leader who evidences great leadership; Williams is its second recipient.

■ **BizEd** was honored twice in the Association Media & Publishing's 2014 EXCEL Awards competition. The magazine won a silver award for general excellence and a bronze award for best single-topic issue for the November 2013 publication. The EXCEL Awards recognize excellence in association publications and online media.

NEW PROGRAMS

■ This spring, the Kogod School of Business at **American University** in Washington, D.C., launched the Sustainable Entrepreneurship and Innovation Initiative, which will focus on researching sustainable business practices, practicing environmental advocacy, and implementing a new venture incubator. The incubator will match students and young alumni from across the university with business mentors and provide them with space and seed money.

■ The **University of Miami** School of Business Administration in Florida is launching four new full-time specialized master's programs. The one-year programs, which debut this fall, include MSc degrees in business analytics, international business,

and finance, as well as an MA in economics.

■ The Marshall School of Business at the **University of Southern California** in Los Angeles will offer a master of science in entrepreneurship and innovation (MSEI) through its Lloyd Greif Center for Entrepreneurial Studies. Students can personalize their degrees with electives such as technology commercialization and new product development.

COLLABORATIONS

■ **Copenhagen Business School** of Denmark is partnering with **INSEAD** of Fontainebleau, France, to develop a knowledge center addressing changes of ownership in Danish small and medium enterprises. The Danish Industry Foundation has awarded a joint grant of about €3 million (approximately US\$4.2 million) to fund the research.

■ **SKEMA Business School** has partnered with the **University of Science and Technology of China** (USTC) to offer a double degree in engineering and management. Technical components of the program will be taught on USTC's campus in Suzhou during the first year, followed by management courses at one of SKEMA's campuses in France or the U.S. during the second year.

GIFTS AND DONATIONS

■ A substantial gift from an international real estate executive will establish the William J. McMorrow Global Real Estate Program at the **University of Southern California's** Marshall School of Business in Los Angeles. McMorrow, an alum, heads real estate firm Kennedy Wilson. His gift is part of USC's multiyear US\$6 billion fundraising campaign.

■ The College of Business at **California State University in Northridge** will be renamed the David Nazarian College of Business and Economics in recognition of Nazarian's US\$10 million gift to his alma mater. Nazarian, founder of Nimes Capital, will also lead a \$25 million fundraising campaign for the school, for which his donation is the lead gift.

■ The **University of Massachusetts Amherst** has announced a US\$10 million gift from longtime supporters to create the Douglas and Diana Berthiaume Center for Entrepreneurship within the university's Isenberg School of Management. Douglas Berthiaume heads the Waters Corporation, which manufactures analytical technologies. 





THE BLEND



ED

Campus

As new technologies and pedagogies emerge, more schools are blurring the lines between online and on-campus education—and, in the process, offering online experiences that could rival, and in some cases surpass, those offered face to face.

BY TRICIA BISOUX

“Online education” may have lost its inferiority complex. For years, courses delivered via online and distance formats were perceived as being of lesser quality than those delivered in brick-and-mortar classrooms. But that stigma is lifting as faster Internet speeds, sophisticated mobile devices, and robust collaboration platforms support more nuanced and interactive online learning experiences.

At schools like the University of Florida in Gainesville, which has offered some form of distance education since the 1970s, online courses are integrated into those offered face to face, not presented as separate offerings. For instance, one introductory undergraduate entrepreneurship course enrolls 720 students, 100 of whom take the same course remotely. Those 100 students access content via a mix of simulcast and recorded lectures, as well as interact with face-to-face students through the learning management platform and other tools, explains Tawnya Means, director of the Center for Teaching, Learning, and Assessment at the university’s Warrington College of Business Administration.

“Most of the time, educators ask, ‘What can we do to leverage what we do on campus for the online student?’” says Means. “Here, we ask, ‘How can we leverage what we do online for our on-campus students?’ The technology is now so amazing, it supports activities that aren’t possible in the classroom. Why don’t we take what we do online and give that to everyone?”

That kind of “reverse innovation” from online to brick-and-mortar classrooms is quickly moving online programs from the margins of higher education straight into the mainstream, says Kathleen Ives, CEO and executive director of the Sloan Consortium, based in Newburyport, Massachusetts. The consortium is an alliance of institutions that want to promote online learning.

“When some colleges and universities first get into online education, they try to patch an online component onto the legacy system that has served their traditional students in the past,” says Ives. “They don’t ask, ‘How can we integrate the two?’”

Successful online education providers won’t just train faculty in the latest platforms and pedagogies, says Ives. They’ll also bring online and onsite education together into a single system. (See “Two Modes, One Experience,” page 24.) Moreover, emerging trends and best online practices promise to transform how business schools deliver higher education—both online and on campus—for good.

Driving Forces

Michelle Weise, senior research fellow at the Clayton Christensen Institute in San Mateo, California, is part of a team exploring disruptive innovators in the higher education market. She says that several forces have converged to raise online education’s profile so significantly:

Technological advancement.

Increases in broadband speed and innovations in learning platforms have allowed schools to offer more nuanced, interactive, and satisfying online experiences to student populations at all levels.

More “nonconsumers.” In their turn away from career-oriented training, colleges and universities have unwittingly left unattended a niche of nonconsumers, says Weise. These are people who are underprepared for the workforce or who seek lifelong-learning pathways that are briefer, more affordable, and more targeted.

Disruptive innovation.

Because disruptive providers aren’t hamstrung

by tradition, they’re more willing to experiment and take risks. Demand among nonconsumers has made room for the earlier online providers such as the University of Phoenix and Kaplan University, as well as newer organizations such as Capella University, Western Governors University, and Southern New Hampshire University’s College for America.

Emphasis on competency-based education. Over time, major employers will likely value competency-based learning over degree completion, which could have the greatest disruptive potential for higher ed, says Weise. “More companies want identifiable outcomes—they want to know that their employees will come out of school with specific core competencies,” she says.

She points to Udacity, a for-profit MOOC provider that has partnered with companies like Google and Facebook to create custom programs in areas such as big data and data science. She also mentions the emergence of computer coding boot camps, where students pay up to US\$20,000 to spend six to 12 weeks learn-



7.1 million
the number of college students taking at least one online course*

411,000
how many more students in the U.S. took at least one online course in 2013 than in 2012



ing multiple computer languages. Once students finish these programs, employers such as Google and Adobe hire them at six-figure salaries. “Employers are validating such nonaccredited learning pathways because they know these students have exactly the set of skills they’re looking for,” says Weise.

And what about MOOCs? Even with so many headlines focusing on MOOC providers such as Coursera and edX, experts don’t see them as game changers yet. “As they stand today, MOOCs aren’t a disruptive force in the way we define disruptive innovations,” says Weise. “However, they have the potential to be, and Udacity is the closest to figuring this out. Instead of just offering one-off courses, MOOCs need to bundle courses more strategically for the right set of nonconsumers—in this case, people who want to ‘skill up’ in a particular area.”

Even if MOOCs haven’t yet found their niche, Means of the Warrington College appreciates how MOOCs are changing the way educators think about their role in the classroom. “We’re having fabulous conversations about online pedagogy that we’ve never had before. MOOCs are pushing us to rethink what we do,” says Means. “They’re also great resources for our students so we don’t have to reinvent the wheel every time we teach. I’m really excited about that.”

Online Advantages

Many faculty are finding that well-designed online courses offer benefits to students that face-to-face courses cannot, says Ken Hartman, a principal analyst with Eduven-

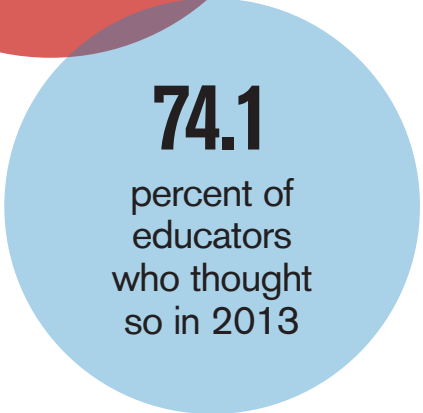
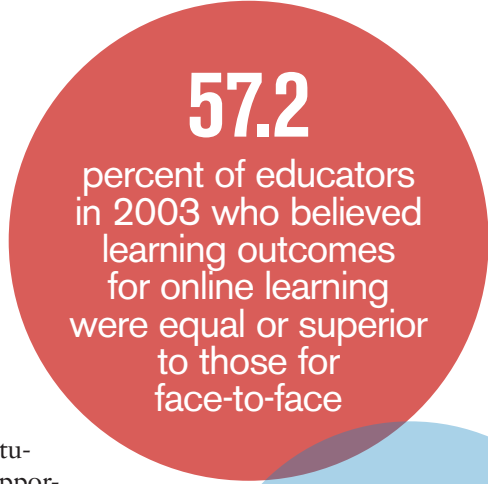
tures, a Boston-based consulting firm that works in higher ed. Online courses allow students more time and opportunity to reflect, engage with content, interact with classmates, and progress at their own pace. In online formats, faculty can use simulations, gamification, and social media more seamlessly.

That said, faculty also must do more online to actively manage students’ learning experience and keep them engaged. Hartman, Ives, and Means advise faculty to adopt certain best practices that have been shown to improve students’ online learning experiences:

Establish an ongoing presence. “It’s important for instructors to establish social presence in the class, whether they’re posting photos of themselves, uploading weekly video clips of themselves, or making sure they know something about each of their students,” says Ives. At the beginning of her own online classes, Ives asks her students to post introductions of themselves. When she interacts with them, she then can ask about their new baby or recent vacation. “Students need to feel recognized,” she says.

Think about engagement, not just content. Online education is about more than uploading recorded lectures and materials to a learning management system. “That’s an online filing cabinet, not an online course,” says Means. “Faculty need to think about *how* they want to teach this content online and what kinds of interactions they want students to have.”

For instance, to teach students how to use Microsoft Excel and Access, one Warrington College



professor asks students to check concepts on a handout as they hear it presented in each online lecture. Such an intellectual “scavenger hunt” helps them focus on what the professor wants them to learn, says Means. Means asks her own students to write blog posts in an assignment she calls “Muddy-Clear.” Students write about concepts from each week’s discussion that most confused them (muddy) or enlightened them (clear). They then hit the discussion boards to talk about the blogs. “Requiring them to reflect on what they learn deepens their understanding,” she says.

Embrace adaptive technologies. Hartman is a big believer in the power of self-paced adaptive learning. “Given what we know about how people think and learn, we’re seeing tremendous advances in adaptive assessment and learning, which allows students to progress at different rates, and only after they’ve demonstrated mastery of a competency,” he says. “You can’t do that very well in the face-to-face classroom. Online there’s no place for students to hide.”

* Source for the figures on these three pages: “The 2013 Survey of Online Learning” from the Babson Survey Research Group, the Sloan Consortium, and Pearson

66

percent of chief academic officers who say online education is critical to their institutions' long-term strategies—a 4.6 percent decrease from 2012.

Less than
25

percent of academic leaders who believe MOOCs are viable for higher ed

Try just one new tool. It's easy for faculty to feel overwhelmed by the avalanche of the new online tools as they hit the market. But Means stresses that innovative online teaching is not about trying everything—just one or two things at a time. “Sometimes faculty think, ‘I’ll never catch up, so I’m not trying anything.’ But I advise them to pick just one thing, and use it well. At the end of the semester, if it worked, keep it. If it didn’t, drop it.”

Join the community. Traditional higher education often fosters what Means calls an “isolationist attitude.” Although face-to-face faculty have their courses externally approved and evaluated, they often don’t talk to anybody else about how they teach. Online education has compelled educators to connect and collaborate. “It helps to talk about how to engage students in discussion or apply a concept,” says Means. “This mindset also spills over into their on-campus courses. Teaching content online helps them realize how they can better organize and present their material face to face.”

Lobby for support. One major challenge to online educators is one of resources, says Ives: Some schools don’t invest in the necessary infrastructure because they don’t appreciate the effort it takes to design and deliver online and blended courses. If schools want these programs to thrive, Ives stresses that they need to invest in instructional designers, dedicated tech support, and ongoing training to help faculty hone their online teaching skills. Faculty need that support, she adds, so they can focus less on “acting as their own

technology troubleshooters” and more on creating dynamic online classrooms, inspiring meaningful discussions, and integrating multi-media effectively.

Tool For Schools



The Sloan Consortium has created the Quality Scorecard to help administrators measure the effectiveness of their schools' online programs. Using the scorecard, educators can input information regarding different areas of their programs, from teaching to technology. The rubric then offers indicators of how well a school is performing in each area.

“Colleges also use the scorecard to help with accreditation,” says Kathleen Ives. “They can use it as part of their strategic planning.”

For information, visit www.sloanconsortium.org/quality-scorecard. To learn about the Sloan Consortium's conferences and webinars for online educators, visit www.sloanconsortium.org.

Who's Doing Online Right?

For schools looking around the industry to see these best practices at work, there are several good models. Ives points to Penn State's World Campus, where “the administration has made sure online is part of the school's mission and vision.” In addition, World Campus lets students know what they're getting into *before* they enroll. On its website, the school explains the nature of its online classroom and platform, interactions with faculty, and time commitment required. It also offers a student orientation webinar and a readiness assessment tool, which helps prospective students determine how prepared they are for the online classroom.

Weise is impressed by UniversityNow, a San Francisco-based startup that calls itself a social venture whose mission is to “make a quality college education available and affordable to people everywhere.” So far, UniversityNow has launched two regionally accredited online schools, Patten University and New Charter University. Patten University offers a competency-based MBA program with six concentration options, including finance, general management, healthcare, human resources, sales management, and strategic leadership. Under the UniversityNow tuition model, undergraduates pay US\$350 per month; graduate stu-

In 2007–2008, 148 business schools responding to an AACSB International survey collectively offered 314 online programs at undergraduate and graduate levels. By 2012–2013, the number of programs had more than doubled, with 293 schools reporting 696 online offerings. Of these, 317 were MBA programs.*

*Source: AACSB Business School Questionnaire

dents, only \$520 per month. That cost covers as many courses as students can complete in a term.

“At UniversityNow, they’re incorporating frequent online assessments to make sure students are graduating with the right kinds of learning outcomes,” says Weise. “They’re making sure students progress in the program based on mastery, not just based on time.”

Hartman likes Southern New Hampshire University, which has adopted a competency-based learning model, as well as Arizona State University, which provides students with a thorough introduction to the nature of online learning on its website and makes no distinction between its online and traditional degree on graduates’ diplomas. (See “Promoting Student Engagement” on page 26.)

Hartman credits the leadership of the presidents of these colleges—Paul LeBlanc at SNHU and Michael Crow at ASU—with building such deeply entrenched online programs. “Show me a college doing online learning well, and I’ll show you a college president who ‘gets it,’” says Hartman. “When I consult with schools, I always start with the president and trustees. Based on my discussions with them, I’ll know where they stand.”

Rethinking “Traditional”

While some schools are seeing their online programs flourish, Hartman cautions that the model might not be for every institution. His firm recently has seen the number of older adult learners in the market begin to flatten, after a long period of growth. That means that business schools should be certain that demand is there before they make the leap into online degree programs.


“There is no shortage of online MBAs today, and there are starting to be more providers than there are students looking for this option,” says Hartman. “The key will be for each institution to find its niche that targets a specific audience, such as the pharmaceutical or healthcare industries.”

On the other hand, Hartman also sees growth in the number of traditional 18- to 22-year-old undergraduates who want to take online courses. Many of these students want the flexibility of online classes so they

can work more hours and graduate earlier to offset the rising cost of tuition.

Weise stresses that the brick-and-mortar classroom will always have its place in higher ed. But as students ask for more flexibility, affordability, convenience, and skill-based training, the four-year undergraduate degree format might become less relevant. Even the most elite institutions will need to take care not to overemphasize the demand for traditional and costly educational experiences. “If they do,” she says, “they could be making more space for disruptive innovators to thrive.”

Ives advises other educators to pay close attention to developments in K–12 education, where teachers are starting to integrate online components. “Future growth in online education will be fueled at the K–12 level,” says Ives. “These students will be well-versed in technology, and if they believe a university doesn’t meet their expectations in that regard, they won’t go there.”

Whether schools are elite private institutions or regional providers, the evolution of online education promises to transform what they do and how they think about higher education. In fact, the industry may now be at a tipping point where the word “traditional” may well be dropped before the term “face-to-face.” Students and faculty alike are increasingly viewing online and face-to-face delivery as two equally feasible—and now conventional—pathways to the same educational outcomes. 



TWO MODES, ONE EXPERIENCE

To better link its online students to their brick-and-mortar peers, UMass Amherst is making a bold and unusual move: offering free tuition and stipends to all students accepted into its full-time on-campus MBA program.

BY TRICIA BISOUX

A business school located in rural northeastern U.S. faces a tough challenge. With so many high-profile schools concentrated in bustling urban centers such as Boston and New York City, how can a program in a smaller market compete? The Isenberg School of Management at the University of Massachusetts in Amherst has devised an unusual strategy. Starting this fall, all students accepted into its full-time two-year MBA program—a cohort of 44—will become MBA Fellows. That means the school will cover their annual tuition of US\$15,000, provide an annual stipend of \$8,600, and offer healthcare.

John Wells, Isenberg's associate dean, understands the collective gasp he might hear from other business school administrators at the thought. But hear him out. He explains that the MBA Fellowship is a strategic move to improve the school's visibility in the market—and, ironically, to support its much larger Isenberg Online MBA, which enrolls approximately 1,200 students. (To learn how three other schools approach online education, see the accompanying sidebars in this article.)

“Amherst is considered rural compared to Boston, so attracting students has been a challenge,” he says. “We’ve offered financial incentives in the past, but by giving on-campus MBA students full funding, we believe we will attract a higher caliber of student. We couldn’t offer free tuition to 80 or 100 students a year, but our on-campus program is small—a kind of ‘boutique MBA’—so we can afford to invest in the best.”



CREATING MEANINGFUL EXPERIENCES

*Washington State University College of Business
Pullman, Washington*

Program Snapshot:

- Fully online MBA and EMBA programs, five- to seven-week courses
- Three fully online undergraduate degree programs, 16-week courses
- Optional study abroad opportunities
- Optional weekly live sessions, with asynchronous lectures and interactions

Online since: 2009

Biggest trends: The college has experienced increased demand for customized education and concentrations, says Cheryl Oliver, assistant dean for online graduate programs. “We’re seeing a shift in demand toward programs where people can pick up customized ‘pieces.’” In addition, with some courses enrolling up to 500 students, the school plans to increase the involvement of section instructors. Rather than have section instructors just grade assignments and hold Q&A sessions, “we’d like to see them coach students on writing and communication, give them one-on-one in-depth feedback, and guide them through the experience,” says Oliver. “We want lead instructors to serve as subject matter experts and generate excitement about the topic.”

Faculty training: Faculty can earn certificates and other rewards for completing online training modules at teach.wsu.edu. In total, the modules take between 20 and 100 hours to finish. The school also holds face-to-face sessions every eight to 12 weeks where faculty share research about best practices in online teaching. The school also brings in representatives from companies to discuss the capabilities of web-based educational tools. For example, someone from Apple recently spoke to faculty about how to use iTunesU and the cloud-based teaching and learning platform iClass.

Best advice: Don’t try to replicate the in-class experience online. “We need to ask, ‘What’s going to help our students absorb this content, meet their learning goals, and engage in meaningful ways?’” says Oliver. “We don’t need to duplicate everything that’s brick-and-mortar.”



PROMOTING STUDENT ENGAGEMENT

*The W.P. Carey School of Business
Arizona State University
Tempe, Arizona*

Program Snapshot:

- Fully online MBA and MIS programs, a hybrid weekend MBA, and online certificate programs
- Ten core five-week courses in the MBA program, taken one at a time
- Electives in one of five areas of emphasis
- The option to earn an MBA jointly with degree in law or engineering
- A capstone course to help students integrate what they've learned

Online since: 2000

Student engagement. The school takes several steps to minimize online students' sense of distance from campus. First, before classes begin, students must attend a three-day on-campus orientation, where they are placed in small teams with peers from other industries. They work in these teams throughout the program.

Second, students take part in a Professional Development and Engagement Program (PDEP) throughout their experience, where they give and receive feedback on their interpersonal, professional, leadership, and teamwork skills. Finally, a student services office manages students' logistical and administrative questions, which streamlines issues that arise during the program.

Faculty training. The school runs an online certification training course to introduce faculty to Blackboard and other available computer resources, as well as online pedagogical approaches.

Best advice: Technology should "complement the atmosphere and minimize disruption for students," says Stacey Whitecotton, senior associate dean of graduate programs. To strike that balance, the school regularly surveys online students to discover what motivates them to learn and what causes them difficulty. With that information, faculty can avoid missteps as they experiment with the format.

The MBA Fellowship program is part of the school's plan to revamp its curriculum to more fully integrate its online and on-campus programs—as opposed to segregating them, as many schools do.

"When students discover that an online program is separate from the traditional MBA, it loses its luster. That's where the stigma against online programs came from," says Wells. "We're using technology to connect students in our online and blended MBA programs with our students on campus both synchronously and asynchronously. We're making a concerted effort to blur that line and remove that stigma, so that our online students feel as if they're having a 'true Amherst experience.'"

By the time the first cohort of MBA Fellows graduates, Wells hopes to see all Isenberg MBA students report higher levels of satisfaction with their courses, take top jobs, and earn higher salaries. He also hopes that the Isenberg School will differentiate itself in its crowded market and enhance its position in the rankings—which, in turn, will allow it to attract even better students.

Delivering the Program

Tuition and expenses for the 44 fellows will be at least partially supported by online tuition fees. Resident MBA students are often ten years younger than their online counterparts with less experience and fewer financial resources, Wells explains. Because online MBA students work full time and often receive tuition assistance from their organizations, they are more likely to be able to afford the tuition. By

investing in the on-campus fellows, the school hopes to provide its online students with richer interactions and elevate the learning experiences of everyone involved.

To bring online and on-campus students together, the school will use platforms such as Fuze, an online meeting platform, and Blackboard Collaborate. The school also has introduced a consulting practicum and plans to hold a case competition. In each, online and on-campus students will team up to solve business problems. "Faculty

will hold synchronous discussions that mix in-residence and online students, so each can learn with—and from—the best," says Wells.

The school has pilot-tested its integrated approach in a strategy class, where online students were included in the delivery of the on-campus course. "Our online students don't want to wonder how old the video lecture is that they've been viewing," says Wells. "What they liked the most was that this was a live class covering current topics."

Instructional Support

The Isenberg School plans for modest growth in its online programs, which means the need for more ongoing support for its faculty. It employs a full-time online learning specialist who consults with faculty on course design. If one professor discovers an approach that works well online, the specialist introduces that technique to other professors.

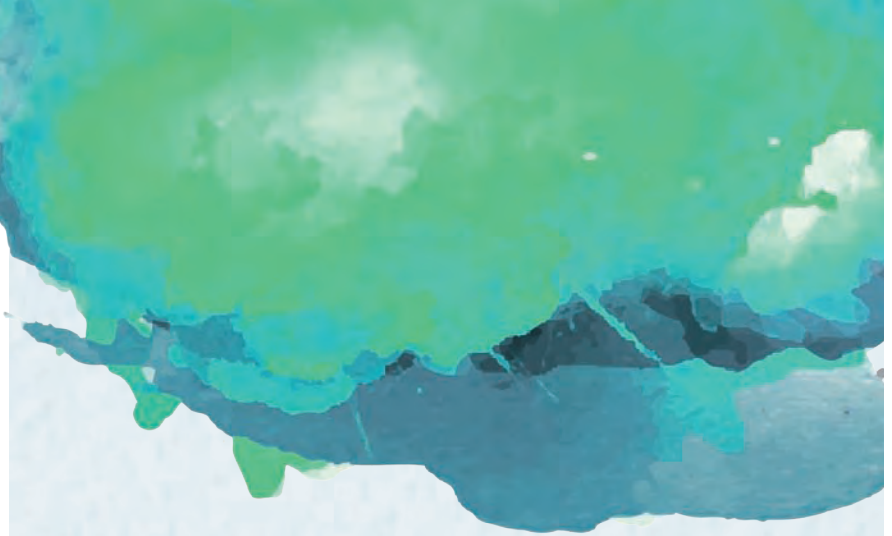
The school takes full advantage of faculty training courses offered through the e-learning department at the university's Center for Continuing Professional Education, which supports online education at UMass Amherst across all disciplines.

The school uses a small core of scholarly academics to lead course design and instruction. These faculty manage a larger group of affiliated faculty, comprising adjuncts and practitioners, to teach sections of the larger courses.

Big Aspirations

The introduction of the MBA Fellowship already has been paying “big dividends,” says Wells. The number of applications to the full-time Isenberg MBA program went from 220 in 2013-2014 to 320 for the upcoming academic year; the number of students accepted into the program increased by 22 percent, from 36 students to 44 students. Their average GMAT score has increased by approximately 20 points.

Through the MBA Fellowship and its curricular revision, the school wants to develop a different kind of “blended” program, which connects students online who already have significant experience with high-quality less experienced students on campus. “We don't think of our



PREPARING FOR MOOCs

*CENTRUM Católica Graduate Business School
Pontificia Universidad Católica del Perú
Lima, Peru*

Program Snapshot:

- Two annual cohorts of 30 students, 80 percent of whom are Peruvian
- Plans to increase to four annual cohorts in 2015
- Three weeks of on-campus courses followed by asynchronous online courses
- Delivery in Spanish

Online since: 2006

Course structure. CENTRUM's Virtual Managerial MBA uses Moodle2 as the learning management platform and Adobe Connect for live sessions. Instructional designers coordinate with faculty to develop content, design learning activities, and teach courses. The program also uses professional tutors and advisors to help students meet their learning objectives.


Once-weekly live sessions are complemented by asynchronous discussion forums, team projects, simulations, and other assignments.

Faculty training. New online faculty take two eight-hour courses—the first introduces them to effective pedagogical approaches, course planning, content development, and learning activities, and the second introduces them to the learning management platform. Thereafter, faculty take regular training sessions on topics such as student motivation and assurance of learning.

Next challenge. Dean Fernando D'Alessio says that the school's next goal is to support “the internationalization and the massive delivery of our programs,” by developing MOOC versions of several courses offered through the Virtual MBA. The school is exploring possibilities for offering certification or credits toward a degree to students who complete MOOCs through the school.

college as having 44 students in its resident MBA program and 1,200 in its online program,” says Wells. “The way we view it, we have 1,244 students in our MBA program.”

Succeeding in online delivery, he emphasizes, is a matter of providing students with exceptional educational experiences, which is

what the MBA Fellows program is designed to support. “Business schools all have access to the same technology. But to use that technology well, we also must invest in our staff, our resources, and our students,” says Wells. “What matters isn't the technology. What matters is execution.” 



Ethics & Enterprise

Jesuit business schools want to bring their socially oriented missions to the foreground of business education.

Ethics and social responsibility have become important components in many business programs, but perhaps nowhere are these topics so foundational to mission and curriculum than at Jesuit institutions. Today, Jesuit schools are intensifying their efforts by joining forces and sharing resources, says Gregory Ulferts, director of graduate business programs at University of Detroit Mercy's College of Business Administration in Michigan.

Ulferts also is the executive director of the organization that is helping Jesuit business schools globally integrate their efforts: the International Association of Jesuit Business Schools. IAJBS is an alliance of 176 recognized Jesuit universities and institutes, as well as more than 400 additional business programs—many of them at Catholic universities—that participate at an associate member level.

The IAJBS allows its members to “find common ground and vision. As a group, we're able to achieve more change than we could if we worked individually,” says Ulferts.

At the association's 2009 World Forum conference in India, IAJBS member schools agreed to add global sustainability to their ethics-based mission statements, but they didn't have a common definition of sustainability, says Ulferts. “One person would talk about it in relation to the environment, while someone else viewed it in relation to people. Our first task after that 2009 meeting was to make sure we understood what we wanted to do in that arena.”

After much discussion, Jesuit business schools now view global sustainability not just in terms of protecting the environment, but as a path to taking care of communities. Ulferts points to several ini-

tiatives and programs around the world that support this expanded perspective:

■ Ateneo de Manila University in the Philippines has created a program to promote small business development, including its social incubator ACSENT, which is described on page 33 in the section “A Culture of Social Enterprise.”

■ Sogang University in South Korea, Fu Jen University in Taiwan, and Sophia University in Japan send students to work with students at Universitas Sanata Dharma in Indonesia to help communities hit by the tsunami in 2004. One student from each university works on a project team, and each team works with a community group.

■ The Xavier Institute of Development Action and Study (XIDAS) in Jabalpur, India, has partnered with government to help small villages where the water supply has dried up. Students and faculty come to an agreement with the village, survey for water, and drive a three-inch pipe to a water source. Villagers roll out wire to an electrical source as far as a half mile away so they can run electricity to operate the water pump.

Once a water source is established, the villagers are given 20 plants, most of which are mango trees that bear fruit quickly. As part of their agreement with XIDAS, villagers commit to planting and cultivating their plants. Because they can access electricity only at night, they also must commit to rolling the wire back up each day. So far, the program has been established in more than 40 villages, which now have access not only to clean water, but also to their own food supply. They also have the capacity to take their fruit and vegetables to the city to sell to

generate income. The cost of the entire project per village is only about US\$2,500.

■ Because there is not yet a Jesuit business school in Africa, ESADE in Spain, the University of Namur in Belgium, and Georgetown University in the U.S. are all partnering with schools in Africa to help develop business education on the African continent. IAJBS is collaborating with them on the project.

The association's next step is to explore ways to engage in its efforts the approximately 14 million alumni who have graduated from Jesuit schools. For instance, to bring students and alumni together, the association is planning a student case competition on ethics and social responsibility. The IAJBS also is in the process of setting up global student and alumni associations. “We want to do more to mold our network and remind our alumni to get involved with our various activities around the world,” Ulferts says.

All Jesuit business schools “share a common purpose,” Ulferts adds. “The strength of IAJBS is our ability to find common ground—common thinking—around the world. I'm proud of our strong network. Together, we can make a difference in the world.”

The following two articles describe in more detail how two Jesuit institutions—Santa Clara University in California and Saint Louis University in Missouri—have designed programs to more deeply engrain ethics, social responsibility, and sustainability in business education. These programs are just a sampling of ways that Jesuit business schools are working to expand their missions to effect social change beyond their own campuses.

For information about IAJBS, visit www.iajbs.org.

Incubating for Impact

BY THANE KREINER

Social entrepreneurship is the focus of our efforts at Santa Clara University's Center for Science, Technology, and Society (CSTS). It's that mission that inspired us to create our Global Social Benefit Incubator (GSBI) program, through which we work with entrepreneurs on their home soil to help build sustainable, scalable enterprises that serve the world's poor.

Since its inception in 2003, the GSBI has worked with more than 200 social enterprises that provide base-of-pyramid markets with essential goods and services. Products of GSBI enterprises have included "elephant pumps" that allow a village to manually pump clean water, high-efficiency "rocket stoves" for cooking, affordable prostheses, and ready-to-use therapeutic food.

Through GSBI, we have impacted the lives of nearly 100 million people in 55 countries. We aim to better the lives of one billion of the world's poor by the year 2020. To reach our goal, however, we can't just incubate promising social enterprises; we have to *incubate incubators*.

Plans with Potential

We look for entrepreneurs at social enterprises that already have proven business models, strong local connections, and in-depth knowledge of local needs—they just need more business training and funding to flourish. We then draw on our access to Silicon Valley executives and a global network of more than 120 Jesuit universities to provide these entrepreneurs with individualized mentoring and a structured curriculum. Promising entrepreneurs come to our campus for an intensive two-week boot camp that we

hold every August as part of the ten-month GSBI. They then continue to connect with their mentors online once they return home.

The GSBI program is delivered through the efforts of 12 CSTS staff—many of whom are entrepreneurs or venture capitalists—as well as an advisory board of 12 executives and six SCU faculty. We also work with approximately 70 mentors, all executives with extensive experience in Silicon Valley. GSBI is supported by organizations such as the World Bank, Skoll Foundation, and the Acumen Fund, which help identify promising enterprises and invite them to participate in our curriculum.

About 25 percent of the GSBI's budget comes from the university—the rest, from the support of corporate and individual donations.

When we decided to scale the GSBI to other campuses and organizations to amplify its impact, our original plan was to "incubate incubators" by replicating the GSBI at other Jesuit universities. But replication doesn't account for geographical and cultural context. We have learned that we must tailor the program to the needs of the entrepreneurs and the capabilities of the nascent incubators. So far, we have worked with partner programs at the Escuela Superior de Administración y Dirección de Empresas (ESADE) in Spain; Villgro, an incubator in India; and Ateneo de Manila University in the Philippines.

Recognizing Differences

After Alfred Vernis, an associate professor at ESADE, came to Santa Clara two years ago to observe our boot camp, he immediately started thinking about how ESADE could implement the GSBI.

After returning to ESADE, Vernis worked with students in his social

entrepreneurship class to assess the program's potential in Spain, where the construction sector was on the brink of collapse and the unemployment rate was rising fast. Vernis drafted a proposal that focused on creating jobs for the country's least-employable populations, including minority groups, battered women, and the disabled.

Months later, ESADE's Momentum Project was born. Similar to the GSBI, the Momentum program works with social enterprises from outside the university system, selecting ten per year. It uses the same curriculum to train entrepreneurs, and it pairs them with experienced mentors.

But the GSBI and Momentum differ in important ways. For instance, while Santa Clara's GSBI focuses a great deal on off-grid energy, Momentum is largely interested in job creation. In addition, at the GSBI, we match participating enterprises with our impact investment partners, such as Accion and Hub Ventures; ESADE, on the other hand, draws on its relationship with BBVA, the second largest bank in Spain. BBVA funds both the incubator and the social enterprises that go through it, offering low-interest loans via the Momentum Social Investment Fund. The bank has lent more than US\$3.3 million dollars to date.

Momentum also takes a different approach to mentoring. Because the GSBI works with social enterprises overseas, its social entrepreneurs meet face-to-face with mentors during its on-campus boot camp. Because Momentum's social entrepreneurs and mentors live in the same country, they meet for four days a month over the course of three months.

Of the mentors Momentum assigns to each enterprise, one

comes from BBVA. Another mentor is typically a veteran of the relevant industry and an ESADE alum. As a final departure from the GSBI model, Momentum's mentor teams include ESADE students as well.

Hands-On Development

GSBI's relationship with ESADE has been primarily a passive one—after observing our work at the GSBI, Vernis and colleagues executed the adaptation themselves. But our relationship with Villgro in Chennai, India, has been far more hands-on.

Villgro was launched in 2001 by Indian social entrepreneur Paul Basil, who believes that rural artisans and farmers are best positioned to find solutions to agricultural problems. In 2011, Villgro received a grant to create its Social Entrepreneurship and Enterprise Development (SEED) program. SEED offers six-month programs that help early-stage social entrepreneurs refine their business models and raise their first rounds of funding. Although we originally thought the GSBI model would work in India as it had in the U.S., we soon realized that it would be impractical to ask SEED entrepreneurs to attend a two-week intensive training session in a faraway city, as GSBI participants do.

Says Basil, "For many of our entrepreneurs, it's extremely costly to travel to Chennai and remove themselves from their work and families for a two-week period."

A solution to this dilemma could be our GSBI Online platform (see "Taking GSBI Online" on page 34). Created to meet the overflow demand for our GSBI program, GSBI Online aims to allow more social entrepreneurs to receive training and interactive mentoring.

SEED assigns mentors to pro-



Kirsten Petersen, a 2013 MBA graduate, trains Ugandan women to install and repair solar systems through Solar Sister, a startup that provides solar lighting to Ugandan villages.

vide strategic guidance and fellows to work with its entrepreneurs and help them hone their execution. The fellows are mid-career professionals who have worked in large corporations and want to transition to social enterprise, says Basil.

SEED is a work in progress—the first cohort started in September 2012. Villgro has no alumni community from which to recruit mentors and investors who can help select, guide, and fund promising enterprises. But, as Villgro's CEO, Basil can draw from a wide professional network of government officials, service providers, executives, and investors.

A Culture of Social Enterprise

Ateneo de Manila University in the Philippines launched its incubator shortly after Rudy Ang, dean of the AM School of Management, and colleagues visited Santa Clara to observe the GSBI. The Ateneo Center for Social Entrepreneurship (ACSENT) has become an incubator aimed at promoting social entrepreneurship among young professionals in the Philippines.

But so far that has proved challenging in a country unaccustomed to the idea. "People come to us and say they want to be social

entrepreneurs, but most of them don't really understand what that means," Ang says. "They often think, if I start a business and hire poor people, I'm a social entrepreneur. We try to explain that the product or service itself should improve the lives of the poor. That's been a struggle."

Like SEED and Momentum, ACSENT has a large pool of potential mentors, many drawn from its faculty, and it also has the support of the larger university, which has made the social entrepreneurship program a priority. "This is a matter not just of intellect but of heart," says Ang.

It may be years before ACSENT demonstrates a significant impact on the lives of the poor. As we help them adapt the GSBI for their needs, we're also looking at ways GSBI alumni enterprises can offer their products and services in the Philippines. If a social enterprise has achieved meaningful social impact in, say, India, its same products or services might be able to benefit the poor in the Philippines.

Scaling Up

So far, we have been pleased with GSBI's success rates. Ninety-five percent of more than 200 enter-

Taking GSBI Online

Creating physical incubators for social enterprises at Jesuit schools around the world is only one aspect of Santa Clara's expansion of its GSBI program. In 2004, the school began experimenting with online delivery of its incubation services as well. GSBI representatives started by asking social entrepreneurs to complete exercises with their mentors online before they came to the program. In 2011, SCU added to those exercises follow-up work that participants would complete after their two-week residence on campus.

In 2012, SCU piloted GSBI Online, using funds from the World Bank, with a cohort of social enterprises in India that were recruited by the World Bank. It has since done a second online cohort for enterprises in Africa and has recruited for a third.

As in the traditional GSBI program, each entrepreneur participating in GSBI Online is assigned to work with a Silicon Valley executive mentor. However, unlike the traditional program where local mentors also are assigned, online participants are asked to find their own in-country mentors to contribute knowledge of the local context. The in-country mentor is introduced to the GSBI mentor so they can better collaborate as they assist their entrepreneur.

"We don't have the same kind of depth of connections online that we do when we meet the entrepreneurs in person," says Thane Kreiner, program director. "We're now exploring how we can scale GSBI Online and standardize the curriculum. We want to work with early-stage entrepreneurs in a kind of MOOC format, so that they can come into whichever incubator makes the most sense for them."

To read more about GSBI Online and enterprises in its current cohort, visit www.scu.edu/socialbenefit/entrepreneurship/gsbi/online.cfm.



Author Thane Kreiner (at far left) at GSBI startup eHealthPoint, which provides rural Indian villages with clean water, medicines, diagnostics, and telemedical services.

prises started by GSBI alumni are still in operation. For 50 percent, revenues are growing faster than expenses, which means that they are having impact on their local economies. Among this group of small enterprises, 28 percent are focused on off-grid energy, 20 percent on communications technology, 18 percent on economic development and training, and 12 percent on health-care. The rest operate in sectors such as education, water quality, and microfinance.

And because social entrepreneurs value social impact more than financial returns, there is potential for open source social enterprise franchises. In-country incubators such as ACSENT could play a vital role in such a strategy.

We know that replicating social enterprises will require adaptation. For instance, McDonald's is opening two vegetarian restaurant franchises in India—in that way, the global company is adapting its product to the local context. Can we do the same? That is, can we

reach the massive markets of the global poor more rapidly by franchising social enterprises that are adapted to the local context?

We don't yet know, but it seems like an experiment worth trying, especially with its potential to benefit a billion lives. A network of incubators adapted from the GSBI could provide a global-scale learning laboratory for practical social justice. The great news is that there are many more Jesuit universities and other organizations ready to incubate social entrepreneurs who will, in turn, build sustainable ventures that serve the planet's poor.

Thane Kreiner is executive director of the Center for Science, Technology, and Society at Santa Clara University in California. He also is an executive and entrepreneur who founded two biotechnology firms in Silicon Valley. The GSBI now has 11 partners in India, Mexico, Israel, the Philippines, Taiwan, Spain, Italy, and Colombia. It currently is finalizing an agreement in Hong Kong.

Experiential Ethics

BY NITISH SINGH
AND THOMAS BUSSEN

Now that the likes of Bernie Madoff, Enron, and WorldCom have dominated headlines, the secret is out—white-collar crime could be anywhere, at any time. Public outrage at the billions stolen has fed politicians' appetites for stronger penalties, for both individuals and the companies employing them.

The most well-known iteration of this legislative upheaval is the Federal Sentencing Guidelines for Organizations (FSGO). Post-Enron amendments to the FSGO reward organizations for good behaviors and punish for bad behaviors. In addition, organizations now are being held accountable not just for their compliance programs, but also for their ethical cultures.

In response to this trend, we recently offered for the first time “Reclaiming the Human Spirit: Prison Experience and Learning from White Collar Offenders,” a semesterlong MBA elective at Saint Louis University's John Cook School of Business. The course educates students about corporate fraud issues and heightens their ethical awareness. It combines online training, class discussion, and field immersions that take students out of the classroom and into the world of white-collar crime. The course goes beyond teaching MBA students about the causes and nature of white-collar crime. It gives them a newfound appreciation for the realities of life during and after prison.

Course Structure

The course was made possible by support from Douglas W. Burris, Chief U.S. Probation Officer of The Eastern District of Missouri—St. Louis and the Federal Probation Office in St. Louis. The probation office allowed students firsthand

looks into the way the federal correctional system works, from the first charges against offenders, through their sentencing and incarceration, to their probation and unsupervised release.

Coordinating site visits required a small class size—our first class had only eight students, including an accountant, insurance broker, banker, management analyst, a JD/MBA, a healthcare/MBA, and two full-time MBA students. The group was diverse, but they all recognized how prominently regulation, ethics, and compliance will feature in their professional lives.

We were able to support the fluid structure of the course by using a “flipped” format. Students learned the fundamentals of the course on their own time by watching previously recorded videos on business ethics, international ethics, and fraud prevention. Class time was devoted largely to discussion, and our field immersions brought students experiences that no in-class or online lecture ever could.

Students completed two papers, a quiz, and a presentation, and they were graded on their ability to connect the lessons of their site visits and classroom experiences to the learning goals of the class.

Class Discussion

We asked students to explore white-collar crime from an organizational perspective. Class discussion centered on the so-called “fraud triangle,” which holds that three factors must be present for most white-collar crimes to occur: the pressure to break the law, the opportunity to do so, and the rationalization of the wrongdoer to justify the behavior.

Students learned about common pressures that precede employees' bad behavior, such as decreases in

pay or work hours, the perception of mistreatment, or ethically complacent organizational cultures. Students then learned ways to reduce the opportunity for wrongdoing by better identifying, preventing, and responding to violations.

Students also gained a more nuanced view of the U.S. justice system. Classroom discussion focused on the sheer number of imprisoned individuals—nearly 1 percent of the U.S. population is currently in prison. Students wrestled with difficult ethical questions: How should punishments differ for different crimes? Is financial crime less dangerous than violent crime? Does prison deter white-collar offenders more than other criminals? They explored the role of rehabilitation and the ethical implications of punishing one offender to prevent others from committing similar acts.

The Prison Immersion

A highlight of the course was the tour of Greenville Federal Prison in Illinois. As students walked the prison grounds, many were struck by the fact that white-collar offenders, once imprisoned, are treated no differently than violent offenders. Student and insurance broker Karl Steinage said that he thought “the best way to deter white-collar crime would be for more people to tour prisons and see the consequences of corporate malfeasance.”

Despite the real dangers of life inside a federal prison, students were almost uniformly impressed by the rehabilitative facilities at Greenville. Students saw the football-field-sized manufacturing plant where men are paid to make U.S. military uniforms. The students toured the building where the men make cabinetry for Habitat for Humanity and learned that these offenders earn carpentry degrees that vastly

improve their post-prison employment opportunities. They also sat in on classes where offenders can improve their résumés, learn skills, and earn GED credits.

Students then visited the female minimum-security side of the prison, where there are no perimeter walls; the women walk freely throughout the grounds. As if to further emphasize the parallels with a college campus, housing is dormitory style. Many students were shocked when, upon entering the dormitory, they were met by a long row of cages housing playful Labrador puppies, which the women care for and train to become aids for the handicapped. During a recent dormitory visit, many of the inmates were eager to introduce the class to their dogs and talk about their lives. They “could be my friends, sisters, mothers, or aunts,” said student Scott Schumaier.

Halfway House Insights

A few weeks after the prison experience, students visited a halfway house, where they sat in on interviews with recently released offend-

ers. These offenders ran the gamut, from young men with mental illnesses to elderly individuals attempting to reintegrate into a whole new world; from sophisticated white-collar offenders to naive men and women who could rightly be categorized as victims themselves.

One released offender, a former lawyer and community activist, authorized his employees to defraud investors, though the offender did not profit himself. Today, he cares for the children of his extended family, expresses remorse for his actions, and seems beaten by his experiences. The reverse rags-to-riches story led students to question how far any of us are from making such destructive, life-changing decisions.

One prison official admitted that for ex-convicts with families to feed and few opportunities for employment, returning to a life of crime is sometimes unavoidable. After seeing the hard work that many prisoners put in to return to society only to be given no opportunity to succeed, student Jason Pride said that as a future employer he would consider hiring ex-offenders.

What We Learned

Early on, these students often asked, “Why would any good person commit a crime?” After the field visits, students had a better understanding and a bigger dose of empathy. “It is easy to forget that criminals are people who deserve to be treated with dignity regardless of the poor decisions that they have made in the past,” said JD/MBA student Morgan Taylor.

For students in this blended-experiential MBA class, white-collar crime is no longer theoretical. They learn how to reduce violations in their organizations. More important, they better understand why some break the law and how stark the consequences of those actions can be.

“When you look at someone as a human, you are more likely to feel an obligation to them and their situation. No longer will I ever write someone off...just because they have been found guilty of a crime,” Schumaier said. For our university, that response may be the best part. **Z**

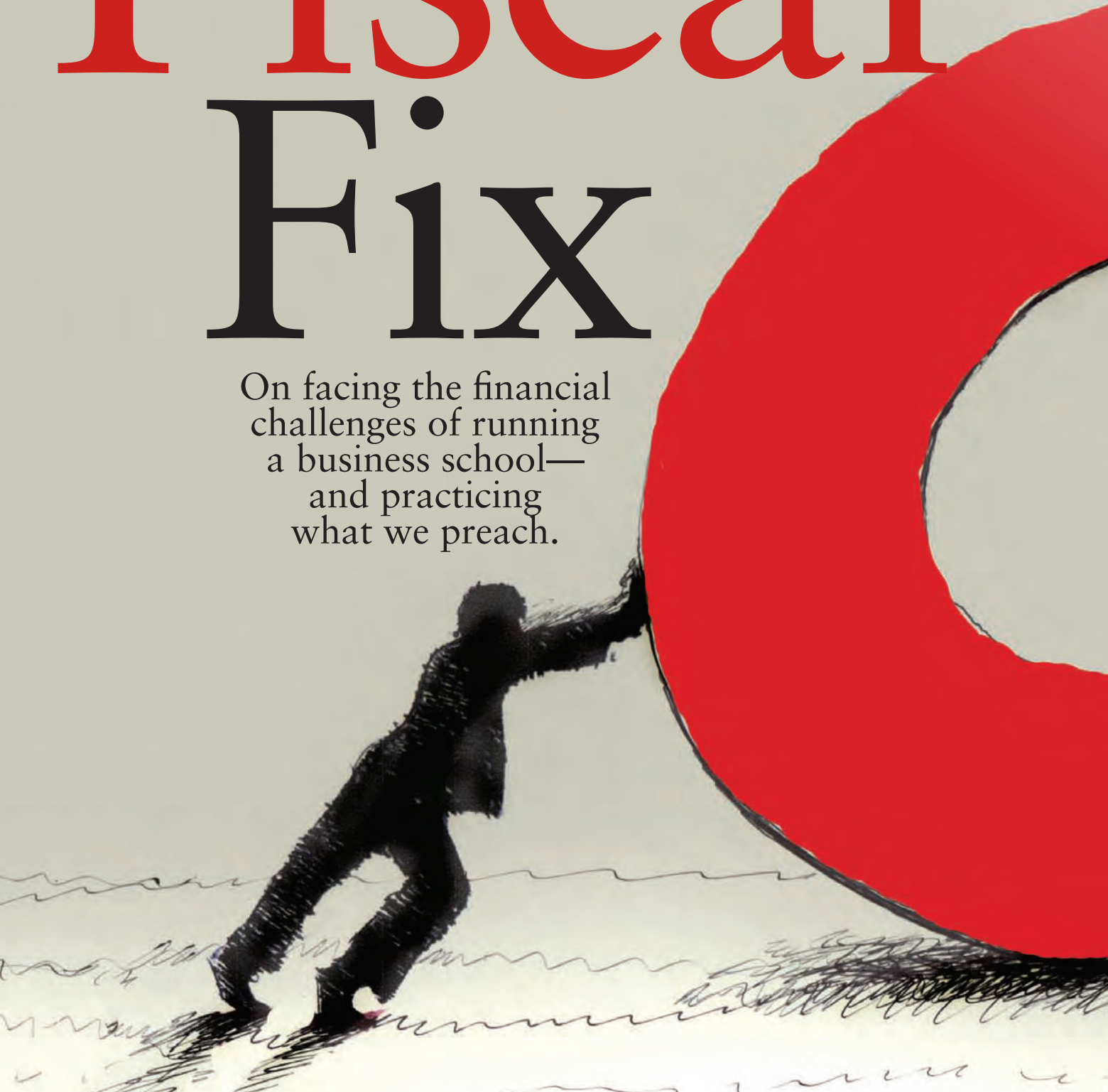
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Nitish Singh, an associate professor in business, created the “Reclaiming the Human Spirit” course and serves as director of program innovations and program lead for the Cook School’s certificate in corporate ethics and compliance management at its Boeing Institute of International Business. Thomas Bussen, a compliance consultant and practicing attorney, directs the course and serves as co-representative for Saint Louis University’s certificate in ethics and compliance management. The authors wish to acknowledge the support of Kenneth Parker, associate professor of theology and director of SLU’s Prison Program, which provides educational offerings to the staff and inmates of Missouri correctional institutions.



Students in SLU’s “Reclaiming the Human Spirit” course on their field trip to the Federal Correctional Institution in Greenville, Illinois.

The Fiscal Fix

On facing the financial
challenges of running
a business school—
and practicing
what we preach.





BY MARK ZUPAN

Professional school is getting costlier each year. But as students confront the problem of rising tuition, universities also are coping with fiscal issues that bring into question the value of professional education itself. Business schools used to be viewed as “cash cows” that our universities counted on to help underwrite their programs. But since the economic downturn, the milk we are capable of providing has begun to run dry.

Fortunately, business schools also are well-positioned to reverse this trend. We can draw from our research and curricula to diagnose the causes of our fiscal challenges and identify remedies. We have long been teaching our students how to reach effective solutions. Now, we must apply those lessons to our own institutions.

Causes & Effects

At the University of Rochester’s Simon Business School in New York, we believe that the reasons for the fiscal challenges business schools face are multifold:

A hard-hit financial sector. Finance is the largest department—and accounts for the highest faculty salaries—at most business schools. The economic downturn hit the financial sector particularly hard, which in turn has cut into the ROI of a business degree and led to an appreciable decline in full-time MBA applications over the last five years.

More suppliers and greater capacity.

As the business higher education industry has grown over the last four decades, we have witnessed what the standard economic model predicts: heightened competition from an increasing number of suppliers and expanded capacity from existing suppliers. Nearly 700 business schools are now AACSB-accredited, compared to 147 in 1970. This fierce competition has pushed business schools to increase their competitive efforts, which has served to commoditize our MBA, EMBA, and BBA programs. This commoditization has only further eroded our operating margins.

Soaring faculty salaries. Business education is what economists term an “increasing-cost” industry. For instance, as our industry has expanded, salaries for research faculty have increased at rates that have outpaced increases in our net tuition—primarily because supply of newly minted PhDs is failing to keep pace with demand. This trend is putting us in an ever-tighter budgetary vise, so that we’re shifting away from expensive research faculty toward clinical faculty, who now teach as many as half the courses at a majority of accredited business schools. In some cases, they teach even more than half.

The rankings. The media rankings have set in motion an arms race among business schools to attract the best students.

The average discount on tuition offered by flagship full-time MBA programs at top private U.S. business schools is now 52 percent. That rate jumps to 56 percent at places such as Harvard and Stanford. Schools simultaneously are striving to decrease their intake each year so they can improve the quality of student profiles they report to media rankings outlets.

Reductions in public funding. The ironic truth is that many public business schools are now public in name only, subject to a morass of constraints imposed by politically motivated regents, legislators, and governors. Witness the attempt by UCLA's Anderson Graduate School of Management to break free of its public chains, even though in doing so the school forsakes any future claims on state funding.

Declining corporate support of education. At the Simon Business School, gone are the days when Kodak could underwrite at least 30 new EMBA students each year and give students every Friday off for classes. For the last two years, Simon's EMBA program hasn't enrolled a single student from Kodak.

These five forces have created a perfect fiscal storm. It's a toxic combination, and the casualties are piling up:

■ Thunderbird School of Global Management in Glendale, Arizona—a perennial top-tier school with a strong reputation for international business—tried to sell its campus facilities to Laure-



We can employ the best practices we teach to articulate, execute, and constantly improve on our value proposition, ensuring the financial sustainability of the enterprise. I believe achieving these goals will take a threefold effort. First, we must offer programs that play to the strengths of our business schools or universities, respond to market demand, and contribute net revenues. Second, we must take more innovative approaches to revenue generation. And, third, we must seize opportunities to commercialize university

knowledge and promote venture creation for our regions.

Through the steps outlined above, the Simon School has been able to achieve, for the first time in its relatively young history, four consecutive years of an industry norm 5.5 percent draw on its endowment. We have begun to pay down debt associated with past building projects and restructuring plans. Even so, we realize that we must stay mindful if we are to successfully execute our strategic plan while improvising as market dynamics continue to unfold.

Distinct and Different

Addressing our fiscal challenges through effective strategic planning and execution is consistent with AACSB's mission-based approach to accreditation. It begins with schools differentiating themselves as unique brands.

Schools can focus on a functional area (Northwestern's

ate Education, a for-profit venture. The sale was intended to obtain an infusion of cash in the wake of a US\$8.7 million operating loss last academic year. However, the school recently pulled out of that agreement, and it is now in talks with Arizona State University regarding the formation of a merger or partnership.

■ George Washington University in Washington, D.C., parted ways with its business school dean, following a reported \$13 million operating loss.

■ Yale University's School of Management in New Haven, Connecticut, has lost \$20 million over the last 15 years.

■ The Wharton School at the University of Pennsylvania in Philadelphia has been turning over admissions directors as applications to the full-time MBA program have dwindled. The school has had five directors in the past ten years.

What can business schools do?

Kellogg School of Management and marketing), an industry sector (Vanderbilt's Owen Graduate School of Management and health-care), geography (London Business School and London), delivery method (University of Phoenix and online learning), delivery time (Santa Clara's Leavey School and its part-time offerings or Rotman and its early morning part-time program), or overall thematic approach (the University of South Carolina's Moore School of Business and international business).

At Simon, we have adopted a five-year strategic plan to differentiate our school through a thematic emphasis on business analytics. We also focus on developing critical thinking and problem-solving abilities through our Frame, Analyze, and Communicate (FACT) model.

In addition, we have launched a new brand positioning statement, "Toughen Up." We have sought to position Simon not as a Darwinian environment where only the fittest survive, but as a school that prepares business leaders to work with the very best in a competitive global marketplace. It is a call to action to our faculty, staff, and alums to keep raising our game as we train students for professional success. "Toughen Up" conveys to students that their success requires focus, creativity, and hard work.

In Step with the Market

Business schools also must be ready to change as the market changes. We've developed the Simon School's five-year plan to respond directly to several trends:

■ *Specialized master's degrees.*

Like many schools, we're seeing higher enrollments in specialized



master's programs than in full-time programs, so we've developed specialized programs that follow shorter, more focused formats that are attractive to working professionals. Our part-time MS in medical management, for instance, has grown in step with the expanding healthcare sector and the advent of the Affordable Care Act—so much so that we have added a full-time option on our main campus and are considering a part-time variant at our New York City Extension Center location. We also offer MS options in finance, accounting, marketing, medical management, pricing, management, and business analytics.

■ *Degree programs for working professionals.* Our part-time Professional MBA is a cohort-based program that allows students to complete their coursework in two and a half years; each year, it enrolls more than 40 students, nearly all of whom complete their studies. That's compared to only about 70 percent of students in our non-cohort-based part-time version of this program.

■ *Programs for undergrads.* In partnership with our undergraduate college, we have restarted an undergraduate business major and plan to graduate at least 120 students annually by 2019. The initiative is designed to encourage students to obtain the best of both educational

worlds in business and liberal arts. The business major also will hedge against declines in our graduate business enrollments, open more channels with recruiters, enhance the pipeline of students to our graduate programs, and support our fundraising efforts.

■ *More joint and multidisciplinary programs.* Four years ago we started a Technical Entrepreneurship and Management (TEAM) program in partnership with the Hajim School of Engineering and our university's Center for Entrepreneurship. We are in discussions with our counterparts at our medical program to develop an analogue to TEAM in the biomedical engineering space, as well as with our Eastman School of Music to launch a possible joint program in music and entertainment management.

We have taken these steps while remaining cognizant of the number of programs we can effectively manage. We already have shut down certain programs and will continue to evaluate our offerings for impact, strategic fit, and profitability.

More Roads to Revenue

By constantly revising our program mix, we hope we will continue to attract new students, which will lead to enhanced tuition revenues. Improved fundraising has been another part of our fiscal success. The Simon Business School has set the goal to raise \$85 million as part of our university's overall \$1.2 billion major capital campaign. To date, we have secured 12 new endowed professorships as part of the campaign, and we have quadrupled our annual private sector scholarship support.

A key step forward has been the



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establishment of the campuswide George Eastman Circle (GEC), our unique annual giving fund. GEC membership requires individuals to make a five-year unrestricted commitment of at least \$1,500 annually and has gradations up to more than \$50,000 per year. Donors who make this commitment receive networking opportunities, as well as invitations to hear speakers such as David McCullough, Maureen Dowd, and Bill Clinton. Nearly 500 alums, friends, faculty, staff, and even students now support Simon through this philanthropic vehicle. Through the GEC, the Simon School has doubled contributions to its annual fund.

Such giving augurs well for future philanthropic support, given that donors who give at least \$1,000 annually to an organization for five consecutive years are more likely to make major gifts to that organization in the future. Fund structures like that of the GEC make philanthropy a habit of the heart.

Throughout our strategic planning and advancement activities we have sought to cultivate a sense of ownership among our alums and friends. Just as people wash cars they own and not the cars they rent, so too are people more inclined to "take care of" a school that is integrated into their own identities.

Finally, we also expect to raise money for the school by commercializing university ideas and supporting venture creation in our region. Universities are idea factories, integral to the socioeconomic success of their communities, and business schools are uniquely well positioned to drive this value generation on campus.

The Simon School's partnerships with the schools of medicine and engineering, mentioned above, will promote entrepreneurship on campus. Supported by a seven-figure gift from an alum, we have started a student venture capital fund that teaches our students what it takes to succeed as entrepreneurs and venture capitalists—and allows

our school to take equity positions with promising ventures, particularly those with ties to our university and region. We also offer elective entrepreneurship courses that focus on commercializing university-generated knowledge. By having a stake in this process, a business school can generate significant returns to universities open to such market opportunities.

The Bottom Line

While the financial climate presents a future of hard work for business schools, opportunities await institutions that practice what they preach. Like Dorothy with her red shoes in "The Wizard of Oz," we have had the power all along. Now we need to apply it. Z

On June 30, Mark Zupan stepped down as dean of the University of Rochester's Simon Business School, where he has served since 2004. After a sabbatical, he will return as a professor of economics and public policy.

Can You See Me Now?



In the competitive, crowded business school market, it takes something a little different to catch the attention of potential students and remind alumni what's special about their alma maters. These four schools have used innovative videos and websites to connect with stakeholders—and to set themselves apart.

BY SHARON SHINN

► **Bringing Business Back**

Sometimes management can seem like a dull and stuffy major, particularly to a teenager first thinking about college. So when the College of Business at the University of Central Oklahoma in Edmond was developing a new recruiting tool aimed at 16-to-18-year-olds, it wanted something that would make them see business—and the business school—in a whole new light.

“Three years ago, we gathered focus groups composed of students and alumni,” says Koshia Silver, former director of public relations and communications at the UCO College of Business. “The consensus was that the College of Business felt outdated both figuratively and physically.”

To give itself a fresh makeover, the school invested more than US\$1 million in building renovations and launched a new campaign: “Let *business* take you there.” Central to the school’s campaign was a music video called “#BusinessBack,” based on a popular Justin Timberlake song. It’s anything but dull and stuffy: It features students and professors dancing in lounges and classrooms. Among the UCO staff who make humorous appearances are the College of Business dean Mickey Hepner, assistant deans Suzanne Clinton and Lisa Miller, and associate dean K.J. Tullis.

Says Silver, “With the video, we were able to take our viewers on a journey. We made the video funny enough to keep viewers engaged, but still offered valuable takeaway information in the lyrics.”

The video was created during the summer break of 2013 and released once classes resumed in August. Decals placed at all the college’s entrances and exits promoted the “#BusinessBack” video and encouraged students to join the conversation about it on Twitter. To heighten anticipation the week before the launch, the university used social media channels to release bits of information and screen shots of the music video. During this same week, the school hosted its annual Business Bash event, where representatives from each department staffed booths and answered questions about various majors.

All the effort paid off, as the video was viewed more than 2,800 times by June 2014.

Response from the targeted demographic was largely positive—which certainly wasn’t a sure thing, Silver admits. “This definitely was not your typical and safe business ad, so we were a bit worried about the type of feedback we might receive,” she says. But a wide range of stakeholders loved it, as evidenced by the answers given to a survey that asked how individuals viewed the school before and after seeing the video. Some respondents said the video made the school seem hip and “super awesome.” Wrote one incoming student, “I was dreading school, but after seeing that video I’m excited.”

That kind of enthusiasm is a pretty good return on a promotion that, at US\$3,000, wasn’t particularly expensive. In fact, given how many times the video has been watched, it cost about \$1.07 per view. “This is comparable to the price of direct mail and other promotional pieces,” says Silver.

The school is already considering its next campaign. “This video allowed us to break the mold, and I think our students will expect us to do something similar in the future,” she says.

Her advice for other schools thinking about a video shoot? “Really consider your target demographic. What attracts them? What will make them want to find out more information? Our world is more diverse and technological now, and it is our job to keep up.”

See the video at www.youtube.com/watch?v=KqarMOnlobk&feature=youtu.be.

► **Accreditation Celebration**

Earning accreditation from AACSB International is something many business schools like to promote to their constituents, but the College of Business at the University of Arkansas in Fort Smith went about that promotion in its own distinctive way when it received initial accreditation in June 2013.

In addition to releasing the usual press announcements, the college developed a campaign suggesting that accreditation meant its students would have splendid future prospects. The promotion was tied to a 1986 song by Timbuk3 titled “The Future’s So Bright, I Gotta Wear Shades.” The school printed and distributed 500 shirts with the “Future’s So Bright” theme on the front and AACSB and university logos on the back. It also distributed sunglasses that displayed both the AACSB seal and the university logo.

The whole campaign was built around a two-minute video recasting the Timbuk3 song as a celebration of AACSB accreditation. The school hired a local aspiring

Students at the University of Arkansas in Fort Smith model the branded sunglasses that were part of the College of Business's "Future's So Bright" campaign.



performer to record the song and participate in the video, which also featured recent alumni, faculty, and current students. The whole promotion cost \$3,200.

The goal was “memorability”—creating something that stakeholders would remember and talk about for months—says Steve Williams, who stepped down as dean in December 2013 after seeing the school through the accreditation process. He admits that some faculty and administrators were worried by the unconventional approach, so he made sure to involve them in preliminary discussions and planning sessions, which allayed most concerns.

And even the doubters were won over by the finished product, he says. “It was a big hit with everyone, from the business community to the university administration.”

To increase the impact of the entire campaign, the school held events like “T-Shirt Tuesdays,” where the classes with the most students wearing the promotional T-shirts received candy bars. “Students still wear their sunglasses and shirts,” says Williams.

His team has discussed making another video—but not right away. “This isn’t the kind of thing you want to overdo,” he acknowledges. His other suggestions:

- Choose an opportunity with a high possible payoff. Or, as Williams says, “Pick your shot.”

- Involve multiple constituents, particularly students. “We were surprised at how our ideas evolved and crystallized as we brought more people into the mix,” he says.

- Have fun. Says Williams, “We had a blast, and everyone loved the outcome.”

See the video at www.youtube.com/watch?v=4VDu8QAq_1g&feature=youtu.be.

► **Claiming the Center Spot**

Columbia Business School wanted to create a branding campaign that would highlight its location in New York City, one of the world’s most vital hubs of business. So in the fall of 2013 it created a new tagline—At the Very Center of Business—as part of an overall strategy designed to showcase the school’s strengths as defined by four key pillars: knowledge, access, community, and impact.

The heart of the campaign was a two-

minute video called “The Center.” Featuring circle-based imagery like a traffic roundabout and the human eye, the video reinforces the idea that the school is located at the core of the business world. To make sure all its target audiences got a chance to view the video, the school posted it in multiple places on its website, shared it across social media platforms, highlighted it in press releases, and used it in digital advertising.

As a result, awareness and recognition of the video and new tagline skyrocketed on launch day, says Iris Henries, the school’s associate dean and chief marketing and communications officer. The number of views has exceeded expectations, and both analytics and anecdotal evidence suggest the video has been well-received.

Henries notes that video has become an increasingly important part of the way the school tells its story. “It’s a medium that can be successfully promoted and easily shared across multiple channels. It’s also one that engages people through both sight and sound.”

Other schools considering a video should first define their goals and understand what motivates their audience, she suggests. Next they should craft a clear message. But most important, schools considering this marketing medium should ask themselves the right questions before proceeding, Henries says. “What do you want your audience to know? How should they feel? If, after answer-



In Columbia’s video, circular images like this busy traffic roundabout reinforce the idea that the school is at the center of business.

ing those questions, you believe a video is the right format to tell your story, focus on executing it really well.”

See the video at www.youtube.com/watch?v=ZWnlles1wWA.

► A Community of Entrepreneurs

What’s the meaning of entrepreneurship? And can a business school shape how the world views and values entrepreneurs?

Babson College in Babson Park, Massachusetts, considered those questions as it undertook a recent campaign to position itself as the “educator, convener, and catalyst for Entrepreneurship of All Kinds.” Internally, says chief marketing officer Sarah Sykora, everyone understood that “Entrepreneurship of All Kinds” encapsulated the idea that entrepreneurship is relevant in all types of organizations at all levels, but administrators knew that outside constituents might not understand the expression without a little context. Boston-based ad agency Connelly Partners pitched the idea of a crowdsourced micro-site that would invite visitors to submit their own definitions of entrepreneurship.

Thus was born the website define.babson.edu. Launched in January 2012, the site encourages visitors to submit videos, photos, or text blocks that contain their personal definitions of entrepreneurship. Users don’t have to be affiliated with Babson to participate.

Administrators knew that, if they wanted the site to be a success, they would have to seed it with a few examples before it went live. “In 2011, we did beta launches at events where we knew attendees would be highly engaged, and we



focused on gaining user-generated text definitions,” says Sykora. The school also created a video that introduced visitors to the notion of providing their own definitions of entrepreneurship.

In addition, the school drove stakeholders and other interested entrepreneurs to the define.babson.edu site through a multimedia ad campaign that consisted of radio, print, and out-of-home ads—such as those on street furniture or in airports. More than a year after the launch, the school still points users to the site through paid advertising as well as social networks.

By the close of 2013, the site had drawn more than 180,000 unique visitors from 180 countries. And define.babson.edu also had achieved another mark of success: For the campaign as a whole, the American Marketing Association named the school’s marketing team the Higher Education Marketer of the Year in 2013.

Even so, the school has continued to tinker with the basic formula. By analyzing metrics of the website, says Sykora, “we found common themes in user-submitted definitions, and we used these


Visitors to define.babson.edu can read definitions of entrepreneurship that have been sorted by categories such as “now” and “everywhere.” They also can upload their own definitions in text, video, or photographic format.

themes to rework the layout of the site in late 2012. The homepage initially displayed a list of definitions of entrepreneurship in order of their submission. Now, we’ve redesigned the site around eight common themes, and we curate the best definitions to show users upon their visit to the site.”

Babson also is priming the conversation about entrepreneurship through its related website, entrepreneurshipofallkinds.org. That site includes articles, interviews, and videos about dozens of entrepreneurs and shows how they operate in a wide range of industries.

A marketing campaign that relies on websites to build community might be unconventional, Sykora acknowledges. But she thinks that’s why it works. “In a competitive and quickly evolving industry, there is a great need to differentiate your school with unique and meaningful positioning,” she says.

“For us, this site serves well as a brand awareness tool, because it’s about the cause of redefining entrepreneurship,” she adds. “This concept is applicable to people with entrepreneurial mindsets around the world, and, therefore, it has been a natural way for us to engage them.”

See Babson’s video about defining entrepreneurship at www.youtube.com/watch?v=PfD7_hClcmM. 

Reputation in the Information Age

TODAY'S 24/7 ONLINE

media and social networks have the power to send information around the world in a matter of minutes—and many business leaders and policymakers still are uncertain about how this 21st-century reality could affect their institutions' reputations. That's the topic of a white paper from Saïd Business School's Oxford University Centre for Corporate Reputation in the United Kingdom and the University of San Diego School of Law in California.

"The effects of information networks and 21st-century instant communication work in surprising and often counterintuitive ways," says Rupert Younger, center director at Oxford. "These effects can distort markets and

damage the reputation and health of businesses and governments. But they also provide particular challenges and opportunities in terms of how reputations can be created, sustained, and rebuilt."

The paper covers reasons why people post extreme views online, the positive and negative impact of networks, the kind of content that influences an institution's reputation, and the psychological "herding" tendency that can unduly influence online ratings of products and services. It also suggests ways to counteract biased information and guard against the threat it poses to reputation.

These suggestions include adopting strategies to embrace, not fight, what the authors call "the democratization of information"—that is, how large groups can use information networks to influence change. To



"The effects of 21st-century instant communications provide particular challenges and opportunities in terms of how reputations can be created, sustained, and rebuilt."

—Rupert Younger, Oxford University

their stakeholders to do good works.

In general, "private and public leaders [should] attempt to harness the power of 'yes and' rather than 'yes but,'" the authors recommend. "For example, businesses could focus their risk management efforts not on regulatory requirements and negative possibilities, but on the potential for positive outcomes."

Contributors to "How Reputations Are Won and Lost in Modern Information Markets" include Twitter co-founder Biz Stone; senior executives from companies such as Experian and Millennium Management; journalists from Reuters, CNBC, and *The New York Times*; and academics from Stanford, Oxford, MIT, and the University of San Diego. The paper is available at www.sbs.ox.ac.uk/sites/default/files/CCR/Docs/whitepaperfinal.pdf.

that end, the authors encourage business leaders and policymakers to engage with the public and build trust on these networks, rather than maintain distance for fear of losing control of their messages.

The paper outlines several recommendations to leaders charged with the reputations of their organizations. First, they should do more to manage today's lightning-speed information cycle, rather than simply react or fall victim to it. Second, they can counteract biases both by welcoming discordant views and by responding quickly to misinformation. Finally, they can invest in socially driven initiatives and incentives at the business and government levels that support the desire of

Patience Pays Off For Startups

ALTHOUGH SMALL STARTUPS might be eager to get their products to market to raise much-needed cash, they might do so to their future detriment, say Sreekumar Bhaskaran of Southern Methodist University's Cox School of Business in Dallas, Texas; Sinan Erzurumlu of Babson College in Babson Park, Massachusetts; and Karthik Ramachandran of the Georgia Institute of Technology's Scheller College of Business in Atlanta.



**Sreekumar
Bhaskaran**



**Sinan
Erzurumlu**



**Karthik
Ramachandran**

Conventional wisdom holds that startups should launch quickly, starting with the first viable version of their offerings, so they can raise the capital needed to further develop and refine the product for a second launch. But if their first versions prove faulty, they can lose a great deal of goodwill.

The authors cite one startup's hasty launch of an orthopedic implant. Convinced by the entrepreneurs of the product's benefits, doctors used the implant only to cope with post-surgical patient complications. Even though the firm's second version addressed the initial problems, the firm's reputation had suffered. Its founders eventually were able to convince doctors to give the product a second chance, but only after issuing apologies and losing potential sales.

Although cash levels are always of concern to a fledgling company, it is in a startup's best interest to delay a new product's launch until it has developed a better, later version, the authors emphasize. That's true even if the first version is fairly strong.

"What may seem to be immediately profit maximizing may lead you to bankruptcy sooner," says Bhaskaran. "'Failing forward' is not the best strategy for startups."

"Sequential Innovation by Start-ups: Balancing Survival and Profitability" is under review. A working version is available at ssrn.com/abstract=2325530.



STEM and Stereotypes

GENDER BIAS AMONG hiring managers in STEM fields is alive and well, according to research by Ernesto Reuben of Columbia Business School in New York City; Paola Sapienza of Northwestern University's Kellogg School of Management in Evanston, Illinois; and Luigi Zingales of the University of Chicago Booth School of Business in Illinois.

In one experiment, the researchers asked nearly 200 participants, both male and female, to play the role of hiring managers. These participants first completed computer-based behavioral testing to determine how deeply they held stereotypes about the ability of men and women to succeed in math and science. Then, they were asked to "hire" one of 150 other participants to perform a mathematical task—correctly adding up as many two-digit numbers as possible in four minutes. The job candidates already had completed a test of their aptitude in the task. In some cases, candidates revealed their scores to the hiring managers; in others, they did not.

When the hiring managers had no information other than the candidates' gender, they all were twice as likely to hire a man as a woman. And when candidates were able to reveal their scores? Women were still only half as likely to be hired. In both cases, bias often led individuals to hire someone whose score was lower than that of another candidate.

This kind of outcome leads not only to a less diverse workforce but also to a potentially less capable one, says Reuben. "Leaving your personal experiences out of the process will likely land you the best candidate. Otherwise, you are hurting your company."

"How Stereotypes Impair Women's Careers in Science" was recently published in the *Proceedings of the National Academy of Sciences*.



**Ernesto
Reuben**

Categorization Affects Consumer Predictions

ALTHOUGH HUMANS ARE wired to predict the future—whether it's what the weather will be, who will win a sporting event or election, or how a stock will perform—they rarely get better at it over time. Even so, consumers often will make major decisions based on their own predictions, according to Aaron Brough, assistant professor of management at Utah State University's Huntsman School of Business in Logan, and Matthew Isaac, assistant professor of marketing at Seattle University's Albers School of Business and Economics in Washington.



Aaron Brough

Brough and Isaac found that consumers often make bad predictions because they are distracted by how possibilities are categorized, and the size of those categories. The pair conducted a series of experiments. In each, participants consistently made worse predictions when a possibility appeared in a large grouping. For instance:

■ Participants whose lottery tickets were the same color as the tickets of many other gamblers believed they were more likely to win than those whose tickets matched only a few others'. When betting on their likeli-

hood of winning, the first group wagered 24 percent more, on average, than the second.

■ They were more likely to predict that a team would win the NCAA basketball tournament if that team's mascot was similar to the mascots of other teams.

■ They were more likely to act to prevent an IT security threat when they perceived that their actions were among many preventative behaviors, compared to those who viewed their actions as more isolated.

If consumers are aware of this tendency, they can avoid "category size bias" and improve their forecasting accuracy. Moreover, such awareness also could help policymakers make their messaging to consumers more effective, says Brough. For instance, a message that aims to encourage more widespread use of seat belts in cars could be more effective if it includes "car accident" in a list of many preventable causes of death, rather than on its own.

"Judging a part by the size of its whole: The category size bias in probability judgments" is forthcoming in the August 2014 issue of the *Journal of Consumer Research*.

UPCOMING & ONGOING

■ SOCIAL INDEX

Patrick O'Sullivan, professor of business ethics at Grenoble Ecole de Management in France, has released the second Social Progress Index, a tool to help policymakers measure the social strengths and weaknesses of their countries across 54 indicators in areas such as its citizens' access to food, shelter, and safety; healthcare; education; and a healthy envi-

ronment. For information, visit www.socialprogressimperative.org/data/spi.

■ CHINA STUDIES

The University of San Francisco School of Management recently launched its China Business Studies Initiative to promote scholarship dedicated to the globalization of Chinese businesses. The initiative kicked off with a one-day February conference on the

future of Chinese multinationals. Further goals include creating more opportunities to bring together leaders from business, government, and academia to reduce distrust and create greater understanding between China and the U.S.

■ DIGITAL POLICY

The Georgetown University Center for Business and Public Policy in Washing-

ton, D.C., has launched its Evolution of Regulation and Innovation Project. Headed by Larry Downes and John Mayo of the McDonough School of Business, the project will produce research in areas such as communications regulation, high-speed digital infrastructure, and emerging industries such as wearable technologies, 3D printing, and unmanned (drone) aircraft.



Feel Sad, Indulge Less?

WHEN PEOPLE ARE sad, the negative emotion might deter them from eating unhealthy foods, according to a study by Anthony Salerno, a doctoral candidate, and Juliano Laran, an associate professor of marketing, both of the University of Miami School of Business in Florida; and Chris Janiszewski, a professor at the University of Florida's Warrington College of Business Administration in Gainesville.



Juliano Laran



Chris Janiszewski

In five experiments, researchers exposed participants to advertisements that included either indulgent words or images (of pizza or chocolate cake, for example) or neutral words or images (of washing machines or electric cars). They then asked participants to write about something that made them feel sad. Then, at the end of the study, they were offered indulgent foods like M&Ms or chocolate chip cookies.

The researchers found that those who were exposed to the indulgent advertisements and then asked to recall a sad topic consumed less of the post-experiment treats; they also were more likely to link those treats to future health problems. Those exposed to neutral information before writing about a sad topic ate more.

The researchers believe that the participants' sadness highlighted the negative consequences of indulging and encouraged them to indulge less. This research can help better people's understanding of "the link between advertisements and their emotional state and how this impacts their eating behavior," says Laran. "For marketers of products encouraging a healthy lifestyle, this work offers more data regarding [influences] that help or hinder one's ability to eat healthy."

"Sadness and Its Context-Dependent Influence on Indulgent Consumption" was slated to appear in the June issue of the *Journal of Consumer Research*.

Crowdfunding and Fraud

As crowdfunding becomes more popular, the possibilities for fraud grow. For that reason, so far the U.S. government has not allowed funders to purchase stakes in the companies. However, England and Australia already have legalized equity-based crowdfunding, and the United States is soon to follow. In 2012, the U.S. Securities Exchange Commission passed the Jumpstart Our Business Startups (JOBS) Act to ease some federal regulations on entrepreneurial ventures. In July 2013, the SEC approved Title II to the JOBS Act, which adds provisions for equity crowdfunding.

Funders could be better protected if governments put mechanisms in place to make entrepreneurs accountable for committing fraud, demonstrating incompetence, or making false promises, according to a recent book chapter by Ajay Agrawal, associate professor of strategic management at the University of Toronto's Rotman School of Management in Canada; Christian Catalini, assistant professor at the MIT Sloan School of Management in Cambridge, Massachusetts; and Avi Goldfarb, professor of marketing at Rotman. They also recommend that governments develop resources that provide funders with information about the startups seeking funding.

That said, Agrawal also points out that the level of concern over equity crowdfunding could be somewhat misplaced. "It feels like we are being far more protective of people making mistakes buying small amounts of equity through crowdfunding than we are of people making mistakes buying other goods and services on the Internet that are sometimes fraudulent, of lower-quality, or overpriced."

"Some Simple Economics of Crowdfunding" can be purchased online at www.nber.org/papers/w19133. The paper appears as a chapter in the book *Innovation Policy and the Economy 2013* by the National Bureau of Economic Research in Boston.



Ajay Agrawal



Avi Goldfarb



Christian Catalini

technology

Tapping Tech's Potential

Educators gather to discuss the implications of online technologies in emerging markets, and the daunting—but necessary—task of using them to their fullest potential.

BY TRICIA BISOUX

ON APRIL 6, the symposium “Tapping the Potential of Technology” convened more than 50 educators and executives at INSEAD’s Singapore campus to discuss how technology might transform educational delivery in emerging markets. The symposium was sponsored by the Global Business School Network, a consortium dedicated to helping business schools in emerging markets develop faculty, design programs, and build capacity.

As panelists described their experiences with and predictions for the potential of online technologies in emerging markets, one question prevailed: How will schools bring educational opportunities to those who need them most?

“A GRAND EXPERIMENT”

Educators from several schools described their programs’ approaches to online course delivery:

- Soumitra Dutta, dean of the Johnson Graduate School of Management at Cornell University in Ithaca, New York, described Cornell’s partnership with Queen’s School of Business in Canada. The Cornell-Queen’s Executive MBA program connects students in 27 different cities across Canada, Mexico, and the U.S. in a single learning experience. Students meet face to face with professors on either the Cornell or Queen’s campus for one-third of the program. Then, they return to their home cities to work together in small groups. Faculty teach students from studios in Canada or New York, not only lecturing but also asking questions directly to individual students or teams. Faculty can see student teams on individual screens; students meet in tech-enabled rooms where cameras move to the person who is speaking.

This approach has important strategic implications for the school. “We’re using this model to expand to more markets in Latin America,” Dutta said. “We’re engaged in a grand experiment to see how technology can infuse through everything we do.”



Panelists present on the topic “Models of Management Education for the 21st Century” at GBSN’s April tech summit in Singapore. They included (at front, left to right) Balagopal Vissa of INSEAD, moderator Christopher Chia of the National University of Singapore, Soumitra Dutta of Cornell University, and Walter Baets of the University of Cape Town.

- Tomas Hult, director of the International Business Center at Michigan State University’s Eli Broad College of Business in East Lansing, talked about the college’s partnership with Tampa-based Bisk Education, which specializes in helping schools design online learning modules for working adults. Since August 2012, the college and Bisk have worked together to develop 19 two-credit courses featuring recorded lectures of no more than 18 minutes each. Bisk assesses each market to help the college determine where demand is greatest and forecast possible enrollments. Hult explained that the school spent US\$1.3 million to develop these courses; today, the courses are accessed by executives around the world and generate about \$500,000 in monthly revenue.

- Walter Baets, director of the University of Cape Town Graduate School of Business in South Africa,

described the “GSB Solution Space,” an online innovation hub that uses cases and tutors to help “students work with real people to find real solutions to real problems.” Baets said that he hopes that this model might one day be franchised to other schools to help meet Africa’s need for business education.

Baets pointed out that, with mobile phones so widely used in African countries, business schools everywhere could reach larger student groups using mobile technology. The problem, Baets noted, is that the communications infrastructure in emerging markets can be unstable, often breaking connections, which slows the pace of progress.

“SHOULD 100 MILLION GO WITHOUT?”

As emerging markets grow and new providers—with new approaches—appear, business schools will need to work more closely with businesses, said Sandeep Sander, CEO of the human asset solutions company SanderMan Ste. Ltd. of Singapore. “I think ‘co-innovation’ is a very important word,” he said. “Our clients have discovered that every time they do something ‘co,’ their chances of success increase.”

Attendees also heard Rajen Makhijani, an associate partner with Dalberg, a global strategy consulting firm based in Singapore and Mumbai that focuses on base-of-the-pyramid innovations. If business schools used available technologies more purposefully to expose their students to concerns in emerging markets, he suggested, students could better see beyond the typical career paths in the financial, nonprofit, or startup sectors, to consider careers that better serve the bottom of the pyramid.

“Should we give a fantastic learning experience to 500 and let 100 million go without?” Makhijani asked. “Or can we provide experiences to those 500 so that they go out and provide something similar to the 100 million?”

“THE FORGOTTEN MIDDLE”

Near the end of the day, participants broke into small groups to discuss technological challenges that their schools faced. They referenced the lack of time, funds, and coherent business strategies for online programs; the lack of standardization across platforms and providers; the copyright issues surrounding ownership of online content; and the threat online education poses to faculty’s current job descriptions and compensation models.

Dutta stressed the importance of involving profes-

sors in developing new models of faculty governance. “You haven’t taken e-learning seriously if you haven’t thought through these issues and gotten faculty buy-in to the program. E-learning represents a fundamental shift in faculty management,” Dutta said.

Baets of UCT raised the point that business schools offer programs that primarily serve two ends of the market: introductory programs for undergraduates and advanced programs for seasoned executives at large firms. That leaves a third group—which he calls the “forgotten middle”—without many options. This “middle” consists of nonexecutives, many of whom work for small, local companies of two to 50 people. These small companies form the basis of emerging economies, Baets argued. To serve this group, he added, schools must offer more skill-building programs that fall between basic and degreed education.

Tunji Adegbesan, a founder and the CEO of Gidi Mobile Ltd. in Nigeria, described his product, gidimo, as “Africa’s first dedicated mobile learning platform.” As one way to reach that forgotten middle, gidimo incorporates e-learning modules, from college and certification prep platform gigiPrep to discussion forum gidiChat. The goal, said Adegbesan, is to bring mobile learning and personal growth to young Africans under 30.

“How are we going to create 100 million jobs in Africa in the next five years?” Adegbesan asked. “Technology can help people achieve their life goals. The mobile learning we’re building doesn’t replace traditional learning, but it’s more than many already have.”

“WHAT SHOULD WE KEEP?”

Many speakers at the symposium expressed a similar sentiment throughout the day: If business schools want to expand their programs into emerging markets, they need to adopt new business, faculty development, and curricular models.

“I don’t think we have a clue where we as business schools add value. Where do we need a faculty member in front of a class? What should we keep in the school and what can we deliver virtually?” Baets asked. “We still do a lot in the classroom that we shouldn’t be doing.” He and other attendees agreed that business schools need to rethink traditional course delivery before they can take greatest advantage of information technology, both on their campuses and in markets around the world.

Online Programs Proliferate

THE MARKET HAS seen a flurry of business schools introducing new online degree programs to meet demand for more flexible educational options. It's clear that online business degrees have become more rule than exception:

■ In May, Baylor University's Hankamer School of Business in Waco, Texas, launched a fully online version of its MBA program. The core content of the 12-month program will focus on ethics and values in business, and concepts will be integrated across multiple courses.

■ This fall, the College of Business and Economics at Longwood University of Farmville, Virginia, will offer a part-time online MBA focused on the commercial real estate industry. The program is expected to take students two years to complete.

■ Quinnipiac University's School of Business in Hamden, Connecticut, introduces an online master of science in business analytics in fall 2014. The 33-credit program will include seven core courses and four electives.

■ This fall, Samford University's Brock School of Business in Birmingham, Alabama, will offer its MBA in an online format, and the curriculum will include team-based projects. Students in the online MBA program have the option of choosing one of five concentrations in accounting, entrepreneurship, finance, international business, or marketing.

■ In fall 2014, the University of South Florida in Tampa will add two online programs to its curriculum:

a 32-credit-hour MBA with a sports concentration and a 16-hour graduate certificate in business foundations.

■ Villanova Business School in Pennsylvania will launch two online programs in fall 2014, including a master of science in analytics and master of business administration. The analytics program, which includes ten courses and a practicum project, will be delivered asynchronously. The 21-course, 48-credit online MBA will kick off with an on-campus leadership challenge and include a weeklong trip to an emerging market.

■ California State University Channel Islands (CI) will offer its first fully online degree, a bachelor of science in business, this fall. The program will be offered in partnership with Cal State Online, CSU's distance-learning arm, and through the Smith School of Business & Economics and CI's Extended University. Like CI's on-campus bachelor's degree in business, the online program integrates liberal disciplines such as biology, history, and the fine arts.

Train Faculty to Teach Online

The Sloan Consortium (Sloan-C) has created the Sloan-C Advanced Online Teaching Certificate to help educators refine their existing distance learning courses and degree programs in five primary areas: learning effectiveness, scale, access, faculty satisfaction, and student satisfaction.

The program begins with a three-week asynchronous course in which participants develop course revision plans. Then, students attend three syn-



chronous sessions that focus on teaching strategies, assessment, and the use of multimedia and social media. Finally, participants present their final revised course for peer review.

For information, visit sloanconsortium.org/institute/advanced-certificate-program.



8 Steps to ‘Social’ Success

USING SOCIAL MEDIA and using it well are two different things, says Andrew Stephen, an assistant professor of business administration and the Katz Fellow in Marketing and Business Economics at the University of Pittsburgh’s Katz Graduate School of Business in Pennsylvania. When a business school uses social media correctly, it can deliver value to stakeholders, says Stephen, whose research focuses on how complex social interactions can affect the market. But without a defined social media strategy, schools can end up simply generating content that stakeholders don’t really need.

In March, Stephen gave a presentation titled “S.O.C.I.A.L.” at AACSB International’s B-School Communications and Development Symposium. In his presentation, he offered eight suggestions to business schools that want to use social media more effectively:

1. Emphasize interaction. “When we talk about engagement, we really mean interaction,” he says. Schools need to define their goals for social media, and then identify which audiences to target. Then, they must decide what type of social interactions to encourage to reach those goals.

For example, says Stephen, when Delta Airlines wanted to reduce costs and gain efficiency in its call center operations, it created @DeltaAssist on Twitter. An @DeltaAssist agent can do in 14 minutes what it would take a call center agent 90 minutes to accomplish.

2. Use social media to support FAQs. “Many schools just push information out through social, like advertising,” he says. “It should be a two-way street. Schools could use social media to answer admissions questions or engage with students and alumni.”

3. Share responsibility. A small staff doesn’t have to take full responsibility for finding content. Ask the community to share its news. If someone has appeared in an article, published new research, written a blog, or won an award, ask them to circulate that news to those responsible for social media feeds.

4. Look beyond Facebook, LinkedIn, and Twitter. “Companies are using other ‘consumer-facing’ networks like Instagram, Tumblr, and Pinterest,” says Stephen. “Why not business schools?”

5. Share content that’s relevant—to stakeholders. Content that’s important to the school isn’t necessarily important to its audiences. “Content that’s irrelevant doesn’t work,” Stephen says. Schools should discover what information their audiences would find most valuable, and then provide it.

6. Make connections. Schools can use social media to keep their communities connected to their brands, link alumni with current students, or even remind alumni of fond memories of years past.

For instance, the Ritz-Carlton monitors Twitter for tweets that mention an experience at one of their hotels. It then responds with a “thank you” and retweets those messages with the #RCMemories hashtag.

7. Think about next steps. Schools already active on social media should define their next goals. Perhaps they now share posts but lack two-way conversation with their audiences. They could brainstorm about ways to develop more interactive content, whether it’s starting up a real-time Q&A for admissions on Twitter or networking more actively with alumni on LinkedIn.

8. Borrow from business. Just like companies, “schools are marketing a brand. They’re in the education service business,” says Stephen. “When we start thinking b-schools are different from other service providers, we get less creative about how we use social media.”



Bitcoin Comes to MIT

TWO STUDENTS AT the Massachusetts Institute of Technology in Cambridge have raised more than US\$500,000 for an unusual project. This fall, they plan to give \$100 in bitcoin—digital-only currency that supports peer-to-peer payments without need for a central bank—to all 4,528 undergraduate MIT students.

The goal is to create an ecosystem for digital currency at MIT, say Jeremy Rubin, a sophomore studying computer science, and Dan Elitzer, founder and president of the MIT Bitcoin Club and a first-year MBA student at the MIT Sloan School of Management. The pair hopes that the MIT Bitcoin Project will inspire academics across campus to study how students use their bitcoin and how the currency might spark academic and entrepreneurial activity—establishing MIT as a global hub for bitcoin-related research.

“Giving students access to cryptocurrencies is analogous to providing them with Internet access at the dawn of the Internet era,” says Rubin.

The project was funded largely by alumni and representatives of the bitcoin community. In addition to providing bitcoin to students, the funding supports infrastructure and informational activities related to the initiative. These have included helping campus merchants set up to accept bitcoin payments and sponsoring an event in May that featured presentations and workshops on the bitcoin phenomenon. Rubin and Elitzer also are collaborating with MIT’s Big Data Living Lab to seek approval from the Institutional Review Board to use human subjects for studies of bitcoin use, including allowing students to opt in to the virtual currency experiment.

To read more about MIT’s bitcoin club and project, visit bitcoin.mit.edu/.

Social Media Boosts Student Engagement

DOES USE OF social media in the classroom detract from student engagement? Faculty at Audencia Nantes School of Management in France assert that use of social media platforms such as Twitter and Scoop.it actually increases student engagement with content.

In one course, a professor used Twitter to encourage class interaction during student team presentations—while other team members presented, one monitored tweets with a chosen hashtag that included questions and comments from the rest of the class. Of the 80 students in the course, 95 percent reported that the flow of tweets between the presenters and class made discussion more dynamic.

One hundred and twenty students in Audencia’s management, organization, and law courses have been using the free Internet publishing platform Scoop.it to post articles, videos, and other relevant content. Some also chose a single company to study and then created a “wall” on Scoop.it where they posted their insights. Although only 2 percent of these students noted they were familiar with



Audencia students created this digital content wall on Scoop.it to support their analysis of how Yahoo’s leaders are managing change.

Scoop.it before the class, 84 percent said they preferred the use of this digital approach to facilitating course conversation over more traditional measures.

Audencia faculty are exploring ways to use digital sharing tools more expansively to support a wider range of content-sharing among students and faculty. The school is in discussion with Blackboard to see if it can provide this kind of system. Administrators also are considering developing an internal solution.

NEWSBYTES

■ COURSERA CEO



In April, Rick Levin, former president of Yale University in New Haven, Connecticut, was named the

new CEO of the MOOC platform Coursera. Levin led Yale's first online education initiatives, including partnerships with Stanford and Oxford universities; and the introduction of Open Yale Courses, which offer the public free access to recorded lectures of many of Yale's introductory courses.

■ MOOC-LINGUAL

In other news from Coursera, the company has launched its Global Translator Community (GTC), which will allow course participants to translate materials into their native languages. GTC was developed because more participants were providing subtitles to lectures on their own. Students interested in becoming translators can access the GTC portal at www.coursera.org/about/translate, where translation projects and supporting partner language services companies are listed.

■ CROWD CAMPAIGNS


The Haas School of Business at the University of California, Berkeley, has launched two crowdfunding platforms, including an internal one to raise funds for school organizations and

efforts and an external one to support startups launched by the Haas community. The school already has raised US\$100,000 for its student-managed Socially Responsible Investment Fund; \$20,000 for Young Entrepreneurs at Haas, which helps area high school students visit colleges in the region; and \$25,000 for PlushCare, a startup that connects patients to physicians via email, phone, or online video chat. The platforms can be found at crowdfund.haas.berkeley.edu and indiegogo.com/partners/berkeley-haas, respectively.

■ ETHICAL APP

The Markkula Center for Applied Ethics at Santa Clara University in California has created a new iPhone app called "Ethical Decision Making: A Practical Tool for Thinking Through Tough



Choices." The free app guides users through a step-by-step process, including getting the facts and identifying the players. Then, they are presented with questions that represent classic ethical approaches. Visit www.scu.edu/ethics/ethical-decision/ to view a demo or download the app at the iTunes App Store. 



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your turn

By Charlotte Larkin and Steven S. Shwiff

Online Education: Hype vs. Reality

POLITICIANS, PUNDITS, and professors all have weighed in with their expectations about online education. Some claim it will cut the bloated budgets of American universities, others that it will transform education entirely. We believe these grand claims obscure the real benefits of online education—and could cause actual harm to the educational system.

We never should confuse education with the tools that educators use. A chalkboard isn't education, and neither is a computer. We always have known what it takes to learn: well-prepared teachers, motivated students, and a social system that values educational attainment. When teachers, students, and the social system are all in balance, education occurs—no matter how it's presented.

While claims about the Internet's transformational abilities seem to us to be greatly overblown, we believe that the Internet does indeed offer real opportunities for changes within education. Unfortunately, many of these opportunities are being wasted by politicians motivated by budget savings, teachers worried about job security, and technologists dazzled by new hardware and software. How do we get beyond the hype and the narrow agendas?

We must realize that online education can't be successful unless we deal with two sets of challenges: understanding how learning occurs and understanding how institutions work.

What We Know About Learning

To understand how learning works, we first must consider what constitutes an effective classroom, which means we must recognize the role of the teacher. There simply is no substitute for a well-prepared and motivated teaching professional. Videos, podcasts, tweets, and interactive learning software are limited alternatives that are most applicable in situations where the goal is rote memorization—not true learning. Such tools could play future roles in the educational experi-



ence, but by themselves they do not produce educated students.

Second, we must acknowledge that without motivated and prepared students, learning cannot occur. Today's online education requires discipline and learning habits that most of today's Millennials do not have. They are not good at self direction; they need constant coaxing and encouragement, which online learning does not provide. At the same time, high school graduates too easily are distracted by the very technology they are supposed to be using to learn.

Third, we must admit that in some countries, including the U.S., public secondary education does not adequately prepare students to be good at reading, writing, and math. It certainly doesn't prepare students to research data, challenge assumptions, and synthesize information from a host of sources while they work without supervision. Without these skills, students will not succeed at online learning.

Fourth, we must pay attention to how learning actually occurs, whether online or face-to-face. The classroom experience falls into two broad categories: drill/practice and critical thinking. Most subjects

encompass some areas ideally suited for the drill/practice context, which also makes them ideally suited for online learning. When students can link classroom or online learning with electronic textbooks and their associated web pages, the professor can spend less time on this rote activity and more time on developing students' critical thinking skills. This is the area where we believe online education can be truly transformational.

What We Know About Institutions

Once we understand what factors will influence the success of online learning, we must deal with institutional realities that could threaten that success.

First, we must update the learning model of higher education, which has changed little in the past 100



years. We still have 15-week semesters, core curricula, course requirements, and courses of study that are based more on faculty specialties than the best interests of the students. Online learning has merely been superimposed over this basic framework.

As a result, our universities are experiencing growing tension between those who care more about how things are taught (often educationalists and technologists) and those who care about what is taught (usually discipline-specific faculty). Both groups must work together to apply technology in the classroom and realize the promise it represents.

Second, we must deal with well-intentioned stakeholders—such as politicians and accreditation agencies—who are inserting themselves into the debate about online education even though they are the farthest removed from any classroom and are the least familiar with educational technology. For instance, some politicians insist that the goal of a college student should be to get a job upon graduation; they see universities more as job training centers than places of higher education. Accrediting bodies require compliance with course and program objectives that can reduce academic content and rigor to a few simplistic goals. These groups can play meaningful roles, but they also can hamper the successful use of online educational tools.

Educational Experiments

So what do we do next? Despite the hype, no one currently knows the best way forward. We believe the answer is to encourage educational entrepreneurship. We must incentivize educationalists, technologists, and professors to experiment with online, face-to-face, and blended classrooms. Some approaches will fail, and some will be more successful in certain disciplines. But unless we inspire these three groups to take risks, we will not enjoy the full potential of these new educational approaches.

We believe the classroom of tomorrow can leverage technology to create a more personalized learning experience, but this will bring many changes. We'll no longer expect large groups of students to move at the same pace through a defined semester; instead, we'll see a more customized and collaborative learning process that's enabled by technology. While this new model is still evolving, it's clear that it will be partially mapped and paced by students. This will change the relationship of the professor with the student, as well as the function of the professor.

Collaboration between students and professors is likely to determine how faculty will choose content and practice methods and how students will demonstrate mastery of content. While students still will require specialized face-to-face time with professors, especially to learn critical thinking skills, the timing of these sessions will depend on how much progress the student is making. Thus professors and students together will mix the learning ingredients to produce a new educational environment.

The administration and accreditation of education also will have to change. As more learning takes place off-site, the role of nonteaching staff will need to be reassessed. As students and faculty increasingly rely on technology, educational technologists must be on hand to facilitate the use of that technology. At the same time, to reflect the new educational paradigms, accrediting bodies and university administrators will need to change the formulas they use to assess learning outcomes.

Finally, we will need to address the challenge of online cheating. It's rampant in online education, and it threatens the educational process. We must find and implement solutions, or all the value of online education will disappear.

Once we address these issues, we expect the 15-week semester, the standardized curriculum, and the lockstep pace of education to become relics of the past. The current rigid model will be replaced with a new system in which learning is viewed as a continuous stream, resources are widely available, opportunities for learning are plentiful, and individual students drop in and out of the learning process. When students, faculty, and educational technologists forge new relationships, high-quality learning will occur. [Z](#)

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EDITED BY: Dilip Soma, Janice Gross Stein, and Joseph Wong

PUBLISHER: University of Toronto Press, US\$22.95

WHEN DEVELOPING LIFE-CHANGING inventions for base-of-the-pyramid consumers, innovators must consider the barriers that might prevent intended consumers from adopting the new products. These include transactional costs (such as lost wages if an individual must take a day to travel to a free clinic) and cultural norms (such as gender dynamics that keep women from participating in microloan programs). For instance, writes Soman in a chapter he contributed to the book, a no-frills air-conditioned train car launched by Indian Rail didn't appeal to low-income customers because its name, Garib Rath, translated to Chariot of the Poor—and the poor aspire to join the middle class. The book, written by University of Toronto professors from a variety of disciplines, offers fascinating insights into its central premise: that innovating for the Global South requires “finding ways to bridge the gap between supply and demand so that simple fixes to simple problems are in fact adopted, used and sustained by those who could benefit from them.”

QUEST: LEADING GLOBAL TRANSFORMATIONS

AUTHORS: N. Anand and Jean-Louis Barsoux

PUBLISHER: IMD, US\$19.20

TODAY'S GLOBAL corporations are setting out on seven separate but deeply interconnected quests as they seek to create global presence, generate value, develop leaders, devise global solutions, maintain agility, co-innovate products, and promote sustainability. The authors, both of IMD, gather insights from many of their colleagues

to prepare executives to embark on these journeys. Every page is packed with timely observations and brief anecdotes about companies that have struggled to carry out their own quests, sometimes succeeding and sometimes failing. Yet the payoff is worth it, they reason: “In the future, great changes to society will most probably be pioneered by corporations. They are not going to come about because of acts of genius

alone, but because of incremental advances at epochal scale happening within companies all the time.”

BEAUTY QUEEN

AUTHOR: Deborrah Himself

PUBLISHER: Palgrave MacMillan, US\$26

ANDREA JUNG'S tenure as CEO of Avon is the heart of this book, but Himself uses the story of Jung's rise and fall as a case study to explore universal themes of leadership. Himself, a former Avon executive who now teaches at Thunderbird and Aalto University, describes how the confident and glamorous Jung revitalized an aging company. But as the company expanded globally, acquired other firms, and dealt with allegations of ethical violations, problems arose that were beyond Jung's scope. “How can companies find their perfect leaders? And how can they make sure that this perfect leader remains well-suited to the top job as strategies, com-

petitors, and other factors change?” Himself asks. She considers the value of a strong COO, the importance of culture, and the effects of gender politics before looking at common traps that CEOs can fall into. The book is both a business biography and a collection of key leadership lessons.

THE RISK-DRIVEN BUSINESS MODEL

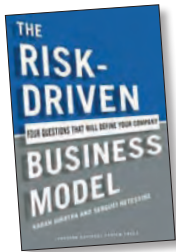
AUTHORS: Karan Girotra

and Serguei Netessine

PUBLISHER: Harvard Business Review Press, US\$30

TO AVOID INVESTING money in making pieces that consumers might not want to buy, online furniture maker MyFab displayed a range of possible designs and asked customers to vote for their favorites; only the popular designs were manufactured. According to INSEAD professors Girotra and Netessine, this was a “business model innovation”—it reduced risk by changing the *when* of decision making. “Every business model, without exception, imposes a number of key decisions on the business,” they write. Business leaders





might achieve greater efficiencies in their business models if they change any of the four W's: what

their objectives are, when they must make decisions, who should make the decisions, and why. Girotra and Netessine examine business model innovations (BMIs) delivered by companies from Blockbuster to Zipcar and point out a surprising discovery: BMIs might not be as flashy as new product introductions, but they can give companies an even greater competitive advantage—at a much lower cost.

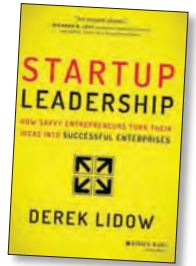
STARTUP LEADERSHIP

AUTHOR: Derek Lidow

PUBLISHER: Jossey-Bass, US\$27.95

“**ENTREPRENEURS**, not ideas, lead their enterprises to success,” writes Lidow, who teaches entrepreneurial leadership at Princeton. The bad news is that most entrepreneurs don’t have the leadership skills to take their enterprises through all the four stages of entrepreneurship. The good news is that Lidow believes anyone can develop the five tools that entrepreneurial leaders require: They must be self-aware, adept at understanding how the

enterprise works, and able to build relationships, motivate others, and lead change. Leaders will fail unless they understand their strengths and weaknesses—and the motivations that drive them. “Your strongest motivations arise from the things that are the source of your happiness or that protect you from your primal fears,” he writes. Part therapy session and part business class, the book takes a uniquely personal look at the entrepreneur’s journey. [Z](#)



Don't Miss

SOCIAL ENTREPRENEUR Aaron Hurst, founder of the pro bono consulting service Taproot, believes society is evolving from the Information Economy to *The Purpose Economy*, which is “centered on the need for individuals to find purpose in their work and lives.” Since today’s workers no longer expect to stay with one employer for decades, he believes that they’re seeking purpose, not longevity, in their careers. “Purpose comes when we know we have done something that we believe matters—to others, to society, and to ourselves,” he writes. “There is evidence in almost every industry and throughout our culture that this shift is already under way.” (Elevate, US\$25)

EXECUTIVE PRESENCE is “a precondition for success whether you’re a cellist, a salesperson, or a Wall Street banker,” writes Sylvia Ann Hewlett, who leads the Center for Talent Innovation think tank. She cites studies and delivers anecdotes showing that leaders must project a certain image that includes “a heady combination of confidence, poise, and authenticity,” or boards won’t hire them and people won’t follow them. Top executives must possess gravitas and emotional intelligence; they must be able to communicate; and they must look the part. Only then will they be judged on what they can deliver. (HarperCollins, US\$26.99)

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THE IDEA

Three courses where students manage real money in equity, hedge, and fixed income portfolios—and defend their investment strategies to professional investors

LOCATION

The School of Business at Ithaca College in New York state

FINDING THE NEXT CLASS

To attract talented students to the track, the school offers short workshops on investment basics to freshmen and sophomores. Offered the spring of students' sophomore year, the fixed income course enrolls about 18 students, and they must apply to get in.

Mulugetta reviews applications with current students to choose the next class. Given the work they've put into managing the fund, it makes sense that students have a say in "hiring" their replacements, says Mulugetta. Outgoing students advise the incoming class on their strategies and recommendations. Successful students can progress to the equity fund course the spring of their junior year and to the hedge fund course in the fall of their senior year.

THREE COURSES

The idea to offer students an immersive, long-term, real-world investment experience began in 2008 with a two-semester course on equity trading called "Real-Time Portfolio." Created by Abraham Mulugetta, professor of finance and international business, the course includes a US\$100,000 student-managed portfolio funded by an anonymous donor.

Last year, a gift from the same donor led to the creation of an introductory course with a lesser risk fixed income portfolio and an advanced course with a higher risk hedge fund. Throughout each course, each student team analyzes one industry sector, using Bloomberg terminals and financial software in the school's Center for Trading and Analysis of Financial Instruments. Teams present their findings to the class, which votes on the next move—it takes a two-thirds vote to buy or sell a stock.



BOARD OF INVESTORS

Twice a year, students in all three courses defend their investment strategies to an advisory board of approximately 13 investors, often alums, and three professors. In the spring, board members travel to Ithaca to hear presentations; in the fall, students travel to Wall Street in New York City. While there, students visit the New York Stock Exchange and Wall Street firms.

The board has been instrumental in student learning in the course, says Mulugetta. Board members challenge students' choices, introduce them to Wall Street, and give talks on investment topics.

INVESTMENT VISION

The courses now attract not only finance majors but also majors in music, communications, and history. The comprehensive, progressive nature of the courses builds excitement about investment among students and alumni alike, says dean Mary Ellen Zuckerman. So far, the students consistently have beaten the market.

The donor, a successful investor, has offered additional funds to expand the program further, including a second hedge fund section and supporting courses that do not include portfolios.

"The donor and Professor Mulugetta have a vision," says Zuckerman. "In these courses, investors challenge students, students ask questions, they all talk to each other—everyone gets a phenomenal education about what it takes to work on Wall Street." 