

Contact: Diana Gonzalez

**REQUEST FOR NEW PROGRAM AT THE UNIVERSITY OF NORTHERN IOWA:
MASTER OF BUSINESS ADMINISTRATION – MASON CITY**

Action Requested: Consider approval of the request by the University of Northern Iowa to establish a new Master of Business Administration Program in Mason City in the College of Business Administration.

Executive Summary: The proposed program will provide an opportunity for individuals in the Mason City area to pursue graduate education. This proposal was reviewed by the Board Office and the Council of Provosts and is recommended for approval. No concerns were raised when it was presented to the Iowa Coordinating Council for Post-High School Education. The proposed program addresses the Board of Regents Strategic Plan priorities to “provide educational excellence and impact as well as economic development and vitality” and Goal #8 – “Iowa’s public universities and special schools shall be increasingly efficient and productive.”

Background:

- ◇ **Description of proposed program.** Graduate study in business at UNI provides a broad-based, integrated program which emphasizes the functional area of business to provide a balance between theoretical knowledge and practical business operations. The proposed program curriculum is designed to meet the needs of students with undergraduate backgrounds in the liberal arts, sciences, engineering, as well as those with degrees in business.
- ◇ **Academic objectives.** The proposed program has five student learning objectives that are measured through comprehensive assessment procedures:
 - ⇒ Graduates will demonstrate knowledge of current business practice and management techniques necessary to be effective in managing and leading the day-to-day operations of the organization, as well as scanning the business environment and strategically planning for the future.
 - ⇒ Graduates will demonstrate the critical thinking skills to address complex business issues, gather information, identify and evaluate a range of options, and make ethical, thoughtful choices among the alternatives.
 - ⇒ Graduates will demonstrate the ability to use appropriate quantitative and qualitative tools and concepts throughout the problem-solving process showing an appreciation for the interrelationships among the various business functions.
 - ⇒ Graduates will demonstrate the ability to effectively participate as a team member, facilitate group processes, and manage team projects.
 - ⇒ Graduates will demonstrate the professional written and oral communication skills necessary for effective management.
- ◇ **Need for proposed program.** The need for the proposed program was initiated at the request of community and business leaders in Mason City. UNI campus faculty will teach the program in Mason City in a face-to-face format. The closest face-to-face MBA program for the Mason City community is more than an hour away.

- ◇ Link to institutional strategic plan. The proposed program facilitates the professional development of middle-level managers and those aspiring to managerial positions. The program seeks to improve their dynamic capabilities to discern, describe, and solve business problems and manage resources for value creation.

The program challenges students with a curriculum grounded in core concepts, simple and complex tools, as well as analytical and theoretical frameworks for understanding business, its environment, and the requirements for achievement of successful outcomes. This is accomplished through high-impact learning, an applied approach involving cases, simulations, problems, interactions with executives, and other interactive approaches.
- ◇ Relationship to existing programs at UNI. The proposed new location for the MBA program will not duplicate existing programs at UNI given the 60-miles distance from the Cedar Falls campus. Having a presence in Mason City will enhance and strengthen UNI's relationship with North Iowa Area Community College (NIACC).
- ◇ Relationship to existing programs at other colleges and universities. There are a number of other universities in Iowa that offer MBA programs, including the University of Iowa, Iowa State University, Drake University, St. Ambrose University, Maharishi University of Management, University of Dubuque, Clarke University, Loras College, Mount Mercy University, Upper Iowa University. However, no other postsecondary in the immediate Mason City area offers a program that is accredited by the Association to Advance Collegiate Schools of Business (AACSB). UNI will partner with NIACC by delivering the program on that campus.
- ◇ Unique features. The value of a face-to-face, cohort-based MBA program delivered by UNI MBA faculty members. The executive-style program will be delivered on evenings and weekends, which will allow working adults to complete the program in 28 months without disrupting their work schedules.
- ◇ Resources. The Mason City MBA program will offer the same classes for the same credit hours as the on-campus MBA program. Faculty will travel to Mason City to deliver face-to-face instruction on Friday evenings and Saturdays. Working with the Division of Continuing Education and Special Programs, the program will use the eLearning program to communicate with students, make materials available online, and use any other UNI-supported technology as appropriate.
- ◇ Student demand. A cohort will be established only if the number of admitted students will generate tuition revenues sufficient to cover expenses over the extent of the program.
- ◇ Duplication. Although other universities in Iowa offer MBA programs, including the University of Iowa, Iowa State University, Drake University, St. Ambrose University, Maharishi University of Management, University of Dubuque, Clarke University, Loras College, Mount Mercy University, Upper Iowa University, no other postsecondary offers a face-to-face program within an hour's drive of Mason City.

- ◇ Workforce need/demand. According to a 2014 year-end employer poll administered by the Graduate Management Admission Council, 69% of employers hired people with MBAs, and 72% plan to hire MBAs in 2015 (poetsandquants.com). According to a Bureau of Labor Statistics career outlook report for 2015, many business occupations carry a wage premium for having a master's degree rather than only a bachelor's degree (bls.gov). In general, MBA graduates find work in a wide variety of positions, such as financial analyst, budget analyst, information systems manager, market research analyst, management analyst, and executive officer.
- ◇ Consultation with representatives of other programs. UNI Dean Leslie Wilson, Dean Kent Johnson, and Associate Dean Lisa Jepsen met with NIACC President Steve Schulz and Interim Vice President for Academic Affairs Donna Orton. The NIACC administrators were supportive about having the proposed program on the NIACC campus.
- ◇ Letters of support. The letters of support for the proposed program are included in Attachment A.
- ◇ Cost. The total costs for the proposed program will be dependent on the number of classes each year for the cohort. In Year One, the expectation is to offer two classes at a new cost of \$55,214. In Year Two, five classes will be offered at a new cost of \$70,321. In Year Three, four classes will be offered and the cohort will complete the program; the new cost will be \$5,000. Years Four and Seven costs will duplicate the cost in Year One with the start of new cohorts.

The revenue will be derived from tuition and fees from enrolled students; the anticipated revenue from 15 students is \$288,060.

UNI offers a similar cohort-based MBA in Pella. The Pella cohort began in August 2012 with 18 students; 16 graduated. Two students withdrew due to scheduling constraints; however, the classes they completed would allow them to transfer the credits to another MBA program.
- ◇ Projected enrollment. The enrollment is expected to be 15-20 students in each cohort.
- ◇ Anticipated sources of students. The College anticipates drawing students from an area approximately one hour's drive around Mason City. Students could reside in Mason City, Clear Lake, Charles City, Albert Lea, MN, Austin, MN, or other communities in Iowa.
- ◇ Articulation agreement. No articulation agreements are needed.
- ◇ Programmatic accreditation. The MBA is accredited by AACSB International, the primary accrediting organization on management education. Regional accreditation by the Higher Learning Commission covers offering the program off-campus.
- ◇ Off-campus delivery. The proposed program will be offered in Mason City on the NIACC campus.
- ◇ Opportunities for internships. Student internships are not available in the program because the MBA program is a graduate program for working adults.

- ◇ Marketing plan. Upon approval of the program, the University will advertise the program in the Mason City Globe Gazette newspaper, send personalized LinkedIn messages to potential students, run a targeted Facebook advertising campaign, mail letters to more than 500 area employers, and offer two informational sessions with the MBA Director and Dean of Continuing Education. A webinar will also be offered. Additional marketing will occur depending on the number of acceptable applications received.
- ◇ Evaluation plan. The program will be evaluated in a manner similar to the on-campus MBA program. Through the MBA Learning Assurance Program, the University is able to obtain the most accurate and unbiased information about the MBA program concerning the delivery of the competencies defined through the Student Learning Objectives. Data are collected through multiple activities at different levels from all participants and stakeholders on the educational process, including faculty, students, graduates, alumni, and business executives involved in the Capstone class.

Data collected internally are summarized at the MBA Office. The College works with two external agencies, Educational Benchmarking Inc. (EBI) and RichFeedback, to collect data on Student Learning Outcomes. EBI administers the MBA Alumni self-assessment; RichFeedback collects, scores, and summarizes data on student learning from student learning artifacts provided by the MBA faculty.

Internal and external data analysis reports are submitted to the MBA Policy Committee, a collegiate body of MBA faculty and administrators, which meets monthly each semester. The Committee reports the assessment results and recommendations to the Dean and MBA faculty. Discipline-level actions are developed in collaboration with faculty.

- ◇ Supplemental information. The population of Mason City and Clear Lake is approximately 44,000.¹ Albert Lea, MN has a population of approximately 18,000² and is 45 minutes from Mason City. The largest employers in Mason City are Mercy Medical Center-North Iowa, Mason City Community School District, Armour-Eckrich Foods, Cargill, Curries Company, Mason City Clinic, The Principal Financial Group Pension Center, Woodharbor Cabinetry, and Kraft Foods Group, Inc. Approximately 25% of the population aged 25 years or older has at least a bachelor's degree. The average household income is almost \$59,000. The area population seems large enough to support an MBA cohort. The area contains many employers whose workers could benefit from a professional degree; the demographics are favorable to supporting an MBA cohort.
- ◇ Date of implementation. Creation of the proposed program will become effective upon approval by the Board of Regents and will be included in the University's General Catalog. The anticipated implementation date is Fall 2016.

¹ Mason City Chamber of Commerce.

² 2010 Census.



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February 29, 2016

Lisa K. Jepsen
Associate Professor of Economics
Associate Dean
MBA Director
University of Northern Iowa

Dear Professor Jepsen:

On behalf of the Mason City Chamber of Commerce and its 650 member businesses, we offer enthusiastic support for offering UNI's cohort-based MBA program in Mason City. As a community, we understand the importance of raising educational attainment levels and the direct impact this increase has on household income.

An important aspect of this program is the on-campus presence. We believe this will be attractive to employers who offer tuition assistance programs as well as to employees seeking an MBA, but facing the additional barrier of a long commute to attend traditional executive MBA programs. We commend UNI and NIACC on working together to bring this program to North Iowa.

Our organization stands ready to assist UNI with this important program that will most certainly enhance graduate level offerings in our community. In fact, we have already distributed information packets to the young professionals enrolled in our *Leadership North Iowa* program.

Sincerely,



Robin Anderson, MA IOM CCE
President & CEO
Mason City Chamber of Commerce
randerson@masoncityia.com



March 7, 2016

Dr. Lisa K. Jepsen
Associate Professor of Economics
Associate Dean
MBA Director
University of Northern Iowa
1227 West 27th Street
Cedar Falls, IA 50614

Dear Dr. Jepsen:

On behalf of North Iowa Area Community College (NIACC), I want to share my support the of the establishment of an MBA program at our campus. We are proud to partner with The University of Northern Iowa (UNI) as a host site for this exciting opportunity for the citizens of North Iowa.

North Iowa Area Community College believes it is our responsibility to serve our citizens, and the opportunity to partner with UNI expands our service to the region. Hosting the MBA program on our campus will provide our alumni and other interested students the opportunity to continue to work in North Iowa and achieve their academic goals of completing a Master's Degree in Business Administration.

I look forward to working out the final details of our partnership and the opportunity to start this program in the fall of 2016. Please let me know what I can do to support UNI in the final stages of planning.

Sincerely,

A handwritten signature in blue ink that reads "Steven D. Schulz".

Dr. Steven D. Schulz
President