

Contact: Diana Gonzalez

**REQUEST FOR NEW PROGRAM AT THE UNIVERSITY OF NORTHERN IOWA:
MASTER OF BUSINESS ADMINISTRATION PROGRAM IN SHANGHAI**

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

Executive Summary: The proposed program will respond to requests from business leaders in Shanghai to the University of Northern Iowa to provide this graduate program. This proposal was reviewed by the Board Office and the Council of Provosts and is recommended for approval. 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 communicated by business leaders in Hong Kong and Shanghai to UNI's educational partner, the Hopkins Group, a Hong Kong management and professional educational agency that specializes in delivering high quality American management education programs to place-bound working professionals in Hong Kong and the surrounding areas.

The Hong Kong Shanghai Bank Corporation (HSBC), a large global company, will offer a tuition subsidy to employees who participate in a UNI MBA. A tuition subsidy is not common in China so it demonstrates a commitment to the UNI MBA program. The Hopkins Group has already received applications from approximately 10 students interested in the Shanghai location.

- ◇ 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.

The opportunity to teach in the financial center of China fits the College's strategic focus to internationalize faculty and students. While teaching in China, faculty gain an important perspective that can be shared with students on the UNI campus. This strategic focus supports the state by providing graduates who understand the global environment and help employers be globally competitive.

- ◇ Relationship to existing programs at UNI. The proposed new location for the MBA program will not duplicate existing programs at UNI particularly because the request was initiated by UNI's educational partners, the Hopkins Group. Having a presence in Shanghai, the largest city in the People's Republic of China, will enhance UNI's reputation as an educational partner which has the potential to result in recruiting more international students from the region.

- ◇ 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 Iowa offers a program that is accredited by the Association to Advance Collegiate Schools of Business (AACSB) in Shanghai.

- ◇ Unique features. The value of a face-to-face, cohort-based MBA program delivered by UNI MBA faculty members is a key feature. The executive-style program will be delivered on evenings and weekends, which will allow working adults to complete the program in 24-28 months without disrupting their work schedules.

- ◇ Resources. MBA faculty have delivered a face-to-face, cohort-based, executive style program in Pella, Hong Kong, and Guangzhou, China. The proposed program will offer the same classes for the same credit hours as the MBA program offered in Hong Kong. It will be administered by UNI's educational partner, the Hopkins Group in Hong Kong.

- ◇ Student demand. A cohort will be established only if the number of admitted students will generate tuition revenues sufficient to cover expenses of the program. Additional revenues will be invested through the College of Business Administration.
- ◇ Duplication. No other postsecondary institution in Iowa offers a face-to-face program in Shanghai.
- ◇ Workforce need/demand. 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 office. Many part-time MBA programs currently offered in Shanghai are taught by local (Chinese) faculty, and many programs have a specialized curriculum that emphasizes finance or marketing. UNI's program will be taught by faculty who regularly teach at UNI, where the business school has achieved the highly selective, internationally-recognized AACSB accreditation.

Of significance to the proposed program in Shanghai, China needs more managers who have an understanding of managing in a market-based economy compared to its more traditional centrally-planned economy. As the Chinese economy has evolved and developed, the shortage of management personnel able to understand and master Western management skills in marketing, financial management, inventory control, human resources, and international business rules has become increasingly evident. An MBA from UNI can serve this market. The curriculum covers all areas of business, not just marketing or finance. The proposed program will prepare Chinese business professionals to advance in their careers. In China, having an MBA from an American university that offers classes in English is advantageous for career advancement.

- ◇ Consultation with representatives of other programs. UNI Former Dean Farzad Moussavi and Dean Leslie Wilson have traveled to Hong Kong and met with administrators of the Hopkins Group. The invitation to offer the program in another location occurred recently.
- ◇ 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 \$26,000. In Year Two, six classes will be offered at a total cost of \$78,000. In Year Three, three classes will be offered and the cohort will complete the program; the total cost will be \$39,000. Years Four, Five and Six costs will duplicate the cost in Years One, Two, and Three with the start of a new cohort.

The revenue will be derived from tuition and fees from enrolled students; the anticipated revenue from 20 students is \$165,000; the expenses for 11 classes is anticipated to be \$143,000; the anticipated revenue over expenses is \$22,000.

- ◇ Projected enrollment. The enrollment is expected to be 15-20 students in each cohort.

- ◇ Anticipated sources of students. The Hopkins Group contacted UNI with about 10 applications from students who want to enroll in the MBA program that UNI delivers in Hong Kong but cannot travel outside of Shanghai, China. They have assured UNI that there is sufficient demand to field a successful cohort. The contract with the Hopkins Group is structured such that revenues cover expenses; a surplus may be realized with sufficient enrollment.
- ◇ 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 Shanghai, China on evenings and weekends in an approved facility. E-Learning program will be used to communicate with students. Materials will be available online; other UNI-supported technology will be used as appropriate.
- ◇ Opportunities for internships. Student internships are not available in the program because the MBA program is a graduate program for working adults.
- ◇ Marketing plan. The Hopkins Group recruits qualified students and assists them with submitting all required application information, just as they do for students applying to UNI's program in Hong Kong.
- ◇ Evaluation plan. The program will be evaluated in a manner similar to the Hong Kong 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 and students.

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. The EBI survey is periodically administered to the Hong Kong participants and may do so to the Shanghai students in the future.

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

- ◇ Supplemental information. The invitation to offer a UNI MBA in Shanghai, China, and administered out of Hong Kong presents an exciting opportunity to respond to changing global market conditions. The invitation requests that the program begin in October 2016. Dr. Farzad Moussavi, Professor of Management and Bradford Chair in International Business, will teach the first class in the program. During his visit to Shanghai, he will meet with representatives from the Hopkins Group to facilitate the program. He will visit the classroom site and faculty accommodations to ensure that the arrangements are beneficial for students and faculty. Fall teaching schedules are currently being reviewed to identify another faculty member to teach the second class, to be offered at the end of 2016. For the entire program, schedules are reviewed and faculty assigned to minimize disruption to the campus program.

As a result of the relationship with the Hopkins Group, UNI can offer the MBA program in Shanghai with the assurance that contractual revenues will meet or exceed expenses. Having a presence in Shanghai, China will enhance UNI's reputation as an educational provider and enhance UNI's recruitment of international students.

- ◇ 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.



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May 19, 2016

Dear Dean Wilson:

We are proud to celebrate 15 years of success in delivering UNI's MBA program in this region of the globe. Steadily, the program has become better known and more popular. For the upcoming class in June, the class size is approaching 30. If we are to respond to the market, we must consider increasing capacity by adding a second section to every course we deliver.

I strongly suggest that we deliver the additional section of each course in a Shanghai location, rather than two sections in the same location. The reasons are compelling and rather urgent:

- We have received an invitation from a prominent group of executives to deliver our program to professionals who work in Shanghai.
- The banking giant HSBC (Hong Kong Shanghai Bank Corporation) has joined the list of corporate supporters offering UNI MBA tuition subsidy to its employees. Employer Tuition subsidy is not a common practice among Chinese employers, and this move by HSBC indicates an extraordinary level of confidence in and commitment to UNI MBA.
- Shanghai is the largest city in China, rapidly growing as the financial and economic center of Asia. Our presence in Shanghai will offer potential strategic advantages to UNI in its efforts to internationalize its students' experiences.
- Most, if not all major corporations have bases in Shanghai. Highly skilled professionals are constantly drawn to the city. Demand for graduate level business education is always high, and rapidly growing in Shanghai.
- We already have a good number of high profile individuals who are interested and wanting to join the UNI MBA program if it is offered in a Shanghai location. These include the Head of Transaction Management in Siemens, Senior Manager in Jaguars, (and some more that I will give you later). I believe there's no better testament than a strong class profile.



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of ISO9001:2008 managemen
system standards



- Our recent success in serving an additional cohort in Guangzhou gives us confidence that we can deliver the UNI MBA program in more than one location within the same structure and in identical fashion. This will not be an additional program but an additional section of the same collection of courses.
- The invitation from Shanghai represents a rare opportunity but requires immediate response. The market is too appealing and many universities are eager to enter. If we don't show strong interest right away, the invitation will surely be extended to another university.

Please let me know as soon as possible if we can process applications from Shanghai. As I indicated before, the window of opportunity will not be open for long. The applicants are highly qualified so they have other options, and the group inviting us has other universities pursuing it.

Sincerely,

Raymond LEUNG
Executive Director
The Hopkins Group



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of ISO9001:2008 managemen
system standards

May 23, 2016

Dear Dean Wilson:

I am so pleased to learn of the opportunity to deliver the UNI HK MBA classes in a Shanghai location. As the Founding President of UNI Alumni Association (Hong Kong Chapter) and an Alumnus, I could not be more proud of this development.

I am so glad this window of opportunity has opened up for UNI. Shanghai is the largest city and an economic powerhouse in China. Many outstanding professionals are drawn there, and it has already surpassed Hong Kong in many aspects. In fact, many alumni members from the HK Chapter are now working in, or frequently traveling to China. I myself was working in Shanghai just a few days ago. It is huge and vibrant, and it would be exciting to see UNI serve professionals there. I know many overseas universities are very eager to start programs there, but without a proper partner and local education license they are not able to do so. Now that Hopkins can bring UNI to Shanghai, I personally think UNI should take of this advantage right away, as I am sure such opportunity will not be there for long.

A solid presence would undoubtedly expand UN's name and reputation. Alumni too will significantly benefit from an expanded network. It would be wonderful if the UNI MBA offers its China program in both Hong Kong and Shanghai. I am sure most the HK graduates and alumni will be as excited as I am to hear UNI MBA is expanding to Shanghai.

If the program in Shanghai is delivered in the same way as the Hong Kong program. Again, I believe UNI should convert this opportunity right away. I came through the program that is now 15 years old! I am very confident that Hopkins will do as good a job in Shanghai. If UNI MBA can gradually increase its presence in China, it is without any doubt a marvelous achievement.

Yours sincerely,



Amy Yeung
Founding President
UNI Alumni Association (Hong Kong Chapter)

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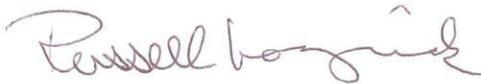
May 20, 2016

Lisa K. Jepsen, Ph.D.
Associate Dean
MBA Director
Associate Professor, Economics

To Associate Dean Jepsen:

I received your request for support for expanding the existing UNI MBA program to Shanghai, China. After reviewing the proposal, I am pleased to report that the College of Business at Iowa State University does not have any objections to the program expansion. If there are any questions, please contact me by email at laczniak@iastate.edu, by phone at 515-294-9692, or by mail at the address listed above.

Sincerely,



Russell N. Laczniak
Interim Associate Dean for Graduate Programs and Research
John and Connie Stafford Professor of Business



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May 23, 2016

Dean Leslie K. Wilson
College of Business
Administration University of
Northern Iowa
Cedar Falls, IA 50614-0123

Dear Leslie,

I received your request for support for expanding the existing UNI MBA Program to Shanghai, China. The Henry B. Tippie College of Business at the University of Iowa has no objection to the proposed program expansion. You have my best wishes for success with this exciting opportunity.

Sincerely,

Sarah Fisher Gardial
Henry B. Tippie Dean



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