

BOARD OF HIGHER EDUCATION
REQUEST FOR BOARD ACTION

COMMITTEE: Academic Affairs

NO.: AAC 14-32

COMMITTEE DATE: March 11, 2014

BOARD DATE: March 18, 2014

APPLICATION OF LASELL COLLEGE TO AWARD THE PROFESSIONAL MASTER OF BUSINESS ADMINISTRATION

MOVED: The Board of Higher Education hereby approves the Articles of Amendment of Lasell College to award the **Professional Master of Business Administration**.

Authority: Massachusetts General Laws Chapter 69, Section 30 et seq.

Contact: Shelley Tinkham, Ph.D., Associate Commissioner for Academic, P-16, and Veterans Policy

BOARD OF HIGHER EDUCATION

March 2014

Lasell College Professional Master of Business Administration

INTENT

Lasell College, a New England Association of Schools and Colleges (NEASC) - accredited independent institution located in Newton, Massachusetts, has filed Articles of Amendment requesting authorization to offer a Professional Master of Business Administration (PMBA). The intent of the proposed program reflects the institution's overall philosophy of connected learning. The College believes that the deepest learning occurs when students are engaged in the actual work of the fields they are studying. The proposed Professional Master of Business Administration degree is intended for professionals who are seeking to build on their career potential with a broad degree covering a wide variety of business issues, and seeks to prepare students to lead in any area of business up to chief executive officer. The PMBA will be taught entirely online and is intended to provide increased flexibility and opportunity for potential students. With the addition of the proposed online PMBA, the College seeks to broaden its reach to experienced professionals not just in the local Boston market but beyond.

Lasell's proposed PMBA seeks to enroll a multi-generational population of students and will target entry to mid-level business professionals with a minimum of three years of work experience. A PMBA is characterized by enrolling students who have professional experience in their industries. MBA's cast a wider net and recruit both newly graduated undergraduate students as well as working professionals. Executive MBA's are pitched to higher level managers and executives who are often financially supported by their companies. The proposed PMBA seeks to provide students with the ability to immediately put into practice what they are learning in the classroom.

According to the Bureau of Labor Statistics, occupations classified as needing a Masters degree are projected to grow by 21.7% through 2020. Additionally, the Bureau projects a job gain of 3.8 million in professional and business services from 2010 to 2020. In Massachusetts, job growth in business and financial operations is projected to grow by 10.6% through 2016, with a projected total job openings of 52,370. The projected growth indicates a strong market for PMBA's.

The proposed program was developed by the faculty and Chair of Lasell College's Marketing/Management Department. The program was endorsed by the Lasell College Board of Trustees on June 10, 2013.

INSTITUTIONAL OVERVIEW

Lasell College was founded in 1851 by Edward Lasell, a graduate of Williams College, who became a professor of chemistry at his alma mater. While on leave, teaching at Mount Holyoke Seminary, Professor Lasell was impressed with the quality of scholarship exhibited by women. Within a year he established the Auburndale Female Seminary. Edward Lasell died of typhoid fever in the school's very first semester, and it was renamed Lasell Female Seminary in his honor. Adoption of the name Lasell Junior College came in 1932, and the College began issuing associate degrees, instead of diplomas, in 1943. In 1989, the College amended its

name to Lasell College and its charter to include both associate and bachelor degrees. In 1989, the College added baccalaureate programs in the fields of early/elementary childhood education, fashion/retail merchandising, and hotel travel/ tourism administration. In 1991, the College added three additional baccalaureate programs in business administration, human services, and interdisciplinary studies. In 1996, Lasell College was given approval to grant the Bachelor of Science in Exercise Physiology, and in 1997, the Bachelor of Science in Psychology and Bachelor of Arts in Sociology were approved. In January 1998, the College amended its charter to include in its mission the education of both men and women. The College received approval to begin awarding the Bachelor of Science in Criminal Justice and the Bachelor of Science in Legal Studies in 1999, the Bachelor of Science in Computer Science, the Bachelor of Science in Management Information Systems, and the Bachelor of Science in Sports Management in September 2000, the Master of Science in Management in 2002, the Master of Communication in 2008, the Master of Education in Elementary Education, Master of Education in Moderate Disabilities and the Master of Science in Sport Management, all in 2010. The College now seeks to offer the Professional Master of Business Administration.

ACADEMIC AND RELATED MATTERS

Admission Requirements

Courses will be offered year round in a cohort model and students will be recruited for fall and spring starts. The College is structuring the program as a closed cohort model; no students will be admitted during or after the first module.

The admission procedures and entrance requirements for the proposed program include the following:

- Possess a bachelor’s degree with a grade point average of at least 3.0.
- Two letters of recommendation from professional sources.
- A resume that indicates at least three years of business experience.
- Statements of self-evaluation and professional goals reflecting leadership competencies together with a discussion of how the degree fits with their personal and professional goals.

Projected Enrollments

PROGRAM PROJECTED ENROLLMENT

	FY 2014		FY 2015		FY 2016		FY 1017		FY 2018	
	Sept	Jan	Sept	Jan	Sept	Jan	Sept	Jan	Sept	Jan
New Students	20	18	20	20	40	40	40	40	40	40
Continuing		16	30	30	32	48	64	64	64	64
Total Students	20	34	50	50	72	88	104	104	104	104

Current Tuition and Fee Charges

Fee Description	Cost
Tuition	\$575 per credit hour; total Cost: \$20,700
Comprehensive Fee	\$80 per semester/session
Late Registration Fee	\$100
Replacement ID Card	\$25

Curriculum (Attachment A)

Students in the proposed program would take 36 credits over four semesters. The courses will be clustered into four 9-credit thematic modules that focus on critical competencies in business including finance, marketing, accounting, strategy, leadership and global business issues. Each semester is 15 weeks and the weeks are disaggregated out into three five-week components, each one covering a different competency. All courses are project-based and each component will end with a final project. There are no capstone, internship or research requirements for the program because the target student population is working professionals. Based on the program design, all students would complete the proposed program in four semesters or 18 months.

Courses will be delivered entirely online using the Moodle online learning platform. An orientation to Moodle will begin at the start of each semester to help students become acquainted with the system.

RESOURCES

Faculty and Staff

The proposed programs will be housed in the College's Graduate and Professional Studies Department. Lasell will utilize full-time faculty from their Marketing/Management Department, four full-time professors from their Accounting/Finance Department and are in the process of hiring two additional faculty members; one in the area of Finance and one in the area of Marketing.

Library and Information Technologies

Lasell College's Jessie S. Brennan Library contains more than 56,500 volumes and approximately 40 electronic databases with 32,492 full-text journals. In addition to its holdings, the Library maintains computers linked to the College's network and to the Internet. Off-campus access is also available. The Brennan Library is a member of the Minuteman Library Network, a consortium of 41 local libraries and is also a part of the Massachusetts Virtual Catalog Project, enabling Lasell College students to search 20 Massachusetts online library catalogs (either on or off campus).

Fiscal (Attachment B)

The College has detailed enrollment projection income and dedicated program expenses for the first four years of the proposed program.

EXTERNAL REVIEW

The proposed program did not require an onsite visit but was reviewed via distance from October 1-November 13th by a review team comprised of faculty members, Ben Branch, Professor, University of Massachusetts-Amherst and Larry Chasteen, Director, Online MBA Program, The University of Texas at Dallas.

The reviews noted that Lasell College was highly motivated and eager to proceed with the implementation of the PMBA program, but that more thorough analysis and planning were needed before a determination can be made about the College's readiness to offer the program. The reviewers made several recommendations, such as providing clarifications of faculty hiring plans, increasing the budget for salaries to hire terminally degreed faculty, rebalancing the program to give greater prominence to finance, accounting, and marketing disciplines, clarifying admission requirements and clearly defining the niche for this program and in particular distinguishing its niche from that of the existing MS in Management degree.

The College responded substantively to all suggestions. The College provided advertisements for hiring additional faculty members in finance and marketing disciplines and plans to have these faculty members in place as soon as possible. The College's faculty salaries are on par with similar institutions in size and in mission, however, the College did state they are constantly evaluating their budget to ensure they are offering competitive salaries to potential faculty candidates. Accounting and finance faculty were involved and continue to be involved in the evaluation process of the proposed PMBA program, and the College feels that three credit hours in accounting and three credit hours in finance is on par with similar programs. The Supply Chain Management course in module four was revised to reflect more of a marketing perspective. The College has a set of admission policies that they adhere to but they allow flexibility if an applicant has not been as strong academically in the past. For example, if a potential student has below a 3.0 undergraduate GPA but has shown evidence of strong professional work experiences, he or she may still be admitted. With the MS in Management degree, recent graduates and international students seem to benefit the most because there is an internship component. With the proposed PMBA there is no internship option, as students in the proposed PMBA will be working professionals who will be able to put theory into practice within their own work settings. The reviewers expressed that the College's response was adequate.

PUBLIC HEARING

The required public hearing was held on March 7, 2014 at the Department of Higher Education, located at One Ashburton Place in Boston, Massachusetts. No comment was offered in opposition to the proposed programs.

STAFF ANALYSIS AND RECOMMENDATION

The staff has thoroughly evaluated all materials submitted by Lasell College and finds that the proposal to offer the Professional Master of Business Administration meets the requirements for NEASC-accredited institutions outlined in 610 CMR 2.08. Recommendation is for approval.

ATTACHMENT A: CURRICULUM

Proposed Professional Master of Business Administration

Core Courses	Module/Credits
PMBA 701 - Organizational Competencies for the 21 st Century Manager 15 weeks (three, five-week modules, nine credits) <ul style="list-style-type: none"> • Organizational Development and Theory • Leading for Organizational Success • The Organization's Role in Social Justice 	One 9-credits
PMBA 702 - Quantitative Skills for the 21 st Century Manager 15 weeks (three, five-week modules, nine credits) <ul style="list-style-type: none"> • Quantitative Analysis and Decision-Making • Statistics for Managerial Decision-Making • Managerial Economics 	Two 9-credits
PMBA 703 - Financial Skills for the 21 st Century Manager 15 weeks (three, five-week modules, nine credits) <ul style="list-style-type: none"> • Accounting for Managers • Financial Analysis for Managers • Global Finance 	Three 9-credits
PMBA 704 - Strategic Skills for the 21 st Century Manager 15 weeks (three, five-week modules, nine credits) <ul style="list-style-type: none"> • Supply Chain Management Strategies • Strategic Management • Entrepreneurial Strategy and Value Creation 	Four 9-credits
Total = 36 credits	

ATTACHMENT B: FISCAL

Tuition Income	Year 1- Sept	Year 1- Jan.	Year 1- Sum	Year 2- Sept	Year 2- Jan.	Year 2- Sum	Year 3- Sept	Year 3- Jan.	Year 3- Sum	Year 4- Sept	Year 4- Jan.	Year 4- Sum
# of students	20	34	28	46	48	30	67	85	61	95	98	61
Comprehensive Fee	\$1,600	\$2,720	\$2,240	\$3,680	\$3,840	\$2,400	\$5,360	\$6,800	\$4,880	\$7,600	\$7,840	\$4,880
Tuition Income	\$103,500	\$175,950	\$144,900	\$248,400	\$259,200	\$162,000	\$361,800	\$459,000	\$329,400	\$513,000	\$529,200	\$329,400
Total Income	\$105,100	\$178,670	\$147,140	\$252,080	\$263,040	\$164,400	\$367,160	\$465,800	\$334,280	\$520,600	\$537,040	\$334,280
<i>Dedicated Expense</i>												
Faculty Wages	\$15,000	\$30,000	\$21,000	\$46,200	\$46,200	\$32,400	\$63,220	\$79,025	\$55,500	\$106,920	\$106,920	\$68,400
Full-time Faculty ZBenefits	\$1,200	\$2,400	\$1,575	\$3,690	\$3,690	\$2,700	\$5,043	\$6,304	\$4,995	\$10,338	\$10,338	\$6,840
Program Advisor	\$13,333	\$13,333	\$13,336	\$13,669	\$13,669	\$13,669	\$14,011	\$14,011	\$14,011	\$14,361	\$14,361	\$14,361
Admissions Counselor	\$0	\$0	\$0	\$16,666	\$16,666	\$16,667	\$17,167	\$17,167	\$17,167	\$17,682	\$17,682	\$17,682
Benefits for 2 Staff Positions	\$2,987	\$2,987	\$2,987	\$6,795	\$6,795	\$6,795	\$6,984	\$6,984	\$6,984	\$7,178	\$7,178	\$7,178
Supplies Office	\$166	\$166	\$167	\$200	\$200	\$200	\$240	\$240	\$240	\$288	\$288	\$288
Supplies Instructional	\$116	\$116	\$117	\$140	\$140	\$140	\$168	\$168	\$168	\$202	\$202	\$202
Professional Travel	\$500	\$500	\$500	\$600	\$600	\$600	\$720	\$720	\$720	\$864	\$864	\$864
Meals/ Entertainment	\$500	\$500	\$500	\$600	\$600	\$600	\$720	\$720	\$720	\$864	\$864	\$864

Lecture Series/speakers	\$166	\$166	\$167	\$200	\$200	\$200	\$240	\$240	\$240	\$288	\$288	\$288
Prof. Membership Dues	\$833	\$833	\$833	\$1,000	\$1,000	\$1,000	\$1,200	\$1,200	\$1,200	\$1,440	\$1,440	\$1,440
Printing General	\$166	\$166	\$167	\$200	\$200	\$200	\$240	\$240	\$240	\$288	\$288	\$288
Marketing	\$9,500	\$9,500	\$9,500	\$9,500	\$9,500	\$9,500	\$10,450	\$10,450	\$10,450	\$11,500	\$11,500	\$11,500
Recruitment	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$6,050	\$6,050	\$6,050	\$6,655	\$6,655	\$6,655
Total Expenses	\$49,967	\$66,167	\$56,349	\$104,962	\$104,960	\$80,671	\$126,453	\$143,519	\$118,685	\$178,868	\$178,868	\$136,850
Net Income	\$55,133	\$112,503	\$90,791	\$147,118	\$158,080	\$83,729	\$240,707	\$322,281	\$215,595	\$341,732	\$358,172	\$197,430