

**BOARD OF HIGHER EDUCATION**  
**REQUEST FOR COMMITTEE AND BOARD ACTION**

**COMMITTEE:** Assessment and Accountability

**NO.:** AAC 10-23

**COMMITTEE DATE:** June 8, 2010

**BOARD DATE:** June 15, 2010

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**MASSACHUSETTS COLLEGE OF LIBERAL ARTS**  
**PROFESSIONAL MASTER OF BUSINESS ADMINISTRATION**

**MOVED:** The Board of Higher Education hereby approves the application of Massachusetts College of Liberal Arts to award the **Professional Master of Business Administration (PMBA)**.

Upon graduating the first class for this program, Massachusetts College of Liberal Arts shall submit to the Board a status report addressing its success in reaching program goals as stated in the application and in the areas of enrollment, curriculum, faculty resources and program effectiveness.

Authority: Massachusetts General Laws Chapter 15A, Section 9(b)

Contact: Francesca B. Purcell, Ph.D., Associate Commissioner for Academic and P-16 Policy

## **BOARD OF HIGHER EDUCATION**

### **Massachusetts College of Liberal Arts**

#### **Professional Master of Business Administration**

#### **INTENT AND MISSION**

The Massachusetts College of Liberal Arts (MCLA) submitted an expedited proposal to offer the Professional Master of Business Administration (PMBA). The PMBA curriculum is designed as a “professional,” part-time graduate degree for working adults. Delivered in a cohort-style program with the same group of students completing all coursework together, it is a non-thesis program—with a capstone experience—that includes a culminating project in the professional area of interest or specialization. The PMBA is intended to be an applied program for business professionals. Applicants must have a minimum of five years of professional experience. The College developed the proposed program with working adults in mind; it can be completed on a part-time basis within two years.

Graduates will be prepared for positions in large and small organizations that call for in-depth working knowledge of a particular functional field, such as marketing, finance or human resources management or positions that require a breadth of understanding across more than one business function or management process in both the profit and non-profit sector. Graduates will also have the skills needed for leadership and management in many types of organizations, including the many cultural and arts organizations and social service organizations and agencies prevalent in the local economy.

The College Board of Trustees approved the Professional Master of Business Administration proposal on March 23, 2009, and the Letter of Intent was circulated March 20, 2009. The University of Massachusetts Boston offered support of the proposed program, noting its potential to meet professional needs of students, broaden curriculum offerings, and better meet the Commonwealth’s workforce needs. The University of Massachusetts Amherst opposed the proposal based upon the potential duplication of program offerings, noting that the Isenberg School has supported this geographic area with its part-time program in Pittsfield for almost fifteen years and that the full-time residential program attracts students throughout the Commonwealth. MCLA’s response distinguishes the proposed MCLA program from the UMass Amherst programs and is incorporated in the *Need and Demand* section below.

#### **NEED AND DEMAND**

Local, state and national data support the growing need for advanced business degrees. The Berkshire Economic Development Corporation notes in its 2006 report, “Berkshires Strategy Project,” a recognized need and a lack of opportunity for professional development for young professionals in the area. The Massachusetts Department of Workforce Development (“Regional LMI Profile,” Annual Profile for Berkshire County Workforce Area, March 2008; Massachusetts Employment Projections through 2014,” December 2006) and the U.S. Bureau of Labor Statistics (Occupational Outlook

Quarterly,” spring 2008) have both indicated a growth in occupations related to business and administration, on the state and national level, respectively. Growth in the Commonwealth for accountants and auditors, financial analysts and senior and middle managers is expected to increase by up to 14 percent within a ten-year period of time. U.S. Bureau of Labor Statistics projections through 2016 are much higher; the demand for accountants and auditors is anticipated to grow 18 percent, financial analysts by 37 percent, and management analysts by 22 percent.

Feedback from MCLA alumni in Berkshire County who have participated in other graduate programs designed for working adults was one of the factors in designing the PMBA. Ease of access, group support inherent through a cohort model, affordability, as well as proximity to faculty for course follow-up, advising, and networking in the Berkshires were qualities that alumni, as well as working professionals, found highly desirable.

Early work on the Compact for Education also indicated a need for undergraduate and advanced degree programs that would enable working adults to continue their education while balancing the demands of work, family and community. The need for advanced degrees exists across the major employment sectors in the Berkshires—health care, non-profit organizations, cultural and creative industries, and banking and finance, to name a few. The relationship between MCLA and the Berkshire employer community is a great plus in supporting students with career networking and advancement. The establishment of an advisory committee for the program provides deeper connections to the employer/business community.

There are eight MBA-granting higher education institutions located within 60 miles of Berkshire County. The only current in-state public option is the University of Massachusetts Amherst, which offers an alternative weekend MBA program with courses offered at the Berkshire Medical Center in Pittsfield, online, or at the Amherst campus. The program is open to students with no professional business background and costs approximately \$22,300. The other seven institutions offering MBA programs are either independent or out of state with high tuition costs and are designed as full-time programs.

The intentional part-time design and cohort model of the proposed program is unique in comparison to these other programs. Given that the median income in the Berkshires is lower than that of the surrounding region, the proposed program’s tuition—nearly 50 percent less than the least expensive current regional MBA—creates an affordable option for the area’s working adults and companies that may reimburse their employees’ tuition. The MCLA proposed PMBA program is tailored to working professionals in the field, with a primary emphasis on serving residents of Berkshire County residents.

A December 2008 survey of business department alumni conducted by the Department of Business Administration and Economics found that 65 percent of respondents who lived in the area were *very interested* in an MBA program at MCLA. Students who have graduated from MCLA’s fast track baccalaureate business degree program for adult learners have especially shown an interest in and inquired about a PMBA program in which they can enroll following the completion of their undergraduate degree. Working adult graduates from the traditional business, arts management, and sociology/social work majors have inquired about a PMBA program.

## ADMISSION AND ENROLLMENT

Applicants are required to have a baccalaureate degree with a GPA of 3.0 or higher from an accredited institution, five years of business or professional experience, a completed application with a personal statement, official transcript(s), two letters of professional recommendation, résumé, and completion of GMAT (which may be waived if the student has a graduate degree from a regionally accredited institution).

An undergraduate degree in business is not a requirement. Students coming into the program with non-business undergraduate degrees are required to complete five business foundational courses.

The proposed program intends to attract working adults within the region and MCLA graduates in business, arts management, and sociology/social work undergraduate programs that have expressed interest in an MBA program.

## PROGRAM ENROLLMENT PROJECTION

	<b># of Students Year 1</b>	<b># of Students Year 2</b>	<b># of Students Year 3</b>	<b># of Students Year 4</b>
New Full Time	n/a	n/a	n/a	n/a
Continuing Full Time	n/a	n/a	n/a	n/a
New Part Time	12	12	15	18
Continuing Part Time		12	12	15
<b>Totals</b>	<b>12</b>	<b>24</b>	<b>27</b>	<b>33</b>

## CURRICULUM (Attachment A)

The proposed program intends to provide students with a perspective on the integration of the functional areas of business, maximize the use of analytical skills and knowledge for decision making in a contemporary business environment, and provide knowledge and skills that can be utilized by industry professionals in both the public and private sectors. The proposed PMBA will require fifteen courses (45 credit hours) for graduation. Courses include five foundation courses, seven required core courses (including a capstone project in the professional area of interest or specialization), and three electives.

To meet the scheduling constraints of working adults, the proposed program will be offered as a hybrid program with each course meeting for eight weeks—a combination of once per week face-to-face and online. Some of the elective courses may be offered fully online.

MCLA has yet to make a final determination concerning accreditation standards that would be the best match for the proposed PMBA. MCLA states that it will follow the Association of Collegiate Business Schools and Programs (ACBSP) standards in terms of curriculum and academic support and processes, in order to assure that the program meets professional standards of expectations for graduate programs in business administration.

Graduates from the proposed program will have gained the following knowledge areas and skills:

- Strategic level understanding of the key functions of business
- Analytical thinking and problem-solving skills needed to formulate effective strategies for managing organizations
- Strategic use of information technologies in the design and management of the organization
- Effective communication strategies for organizations
- Ability to analyze domestic and global forces that affect organizational success
- Ability to identify and evaluate ethical dilemmas impacting business decisions
- Effective management of the financial resources of an organization
- Strategies for successfully managing group and individual dynamics in organizations
- Specific knowledge in an area through elective coursework to allow for individual preferences and career enhancement

Consistent with the liberal arts mission of the College, the degree program will be grounded in the strong liberal arts tradition that is at the core of MCLA's mission. The program integrates the liberal arts with professional studies and as such will focus on development of strategic management skills for all types of organizations, whether for-profit or not-for-profit, private or public.

#### *PMBA Advisory Board*

MCLA has established the PMBA Advisory Board, comprising leaders from diverse fields, such as financial services, the arts, health care, venture capital, industry, and recreation and tourism. The Board has an advisory role and will guide and advise regarding direction of the program. This body will have a deep understanding of the higher education and employment needs of the Berkshires. Advisory Board members may be in a position to provide internship and experiential learning opportunities for students and will act as guest speakers at classes and program events. The Advisory Board will meet twice a year and serve as the advisory council for the PMBA program.

The Advisory Board will:

- review the curriculum and provide suggestions where members determine an emergent need for the local economy
- assist in assessing the curriculum in meeting the skills needed for the workforce in Berkshire County and beyond
- facilitate employment of graduates

- serve as a resource for professional development opportunities for faculty
- provide guest lectures on topics within in their field
- provide course improvement ideas
- participate in program review and assessment process with faculty and program coordinator
- act as “ambassadors” for the program, nominating employees for admission and recommending the program to colleagues, employees and other qualified potential students.

Board members may also be invited to serve as observers for class project presentations—and contribute to the assessment of the projects.

### **PROGRAM GOALS AND OBJECTIVES**

<b>GOAL</b>	<b>Measurable Objective</b>	<b>Strategy for Achievement</b>	<b>Timetable</b>	<b>Responsible</b>
Increase enrollment.	Enrollment projections	Enhanced recruitment through business information sessions, alumni relations, online advertising, coordination of faculty, continuing education, division, admissions and VP of Enrollment Management.	Schedule of courses will begin in fall 2010.	Continuing Education in collaboration with the Business Department.
Increase marketing.	A full range of promotional materials.	Work with Registrar, Admissions Office, Department faculty and MCLA webmaster.	All promotion materials and web materials to be completed by July 2010.	Associate Dean for Continuing Education.
Identify external business practitioners to serve as mentors, and instructors.	A compilation of practitioners from various Berkshire County businesses and industries and beyond.	Departmental faculty in cooperation with appropriate College offices will contact and recruit practitioners	The initial list, to be completed by July 2010, and be added to throughout 2010-2011 academic year.	Continuing Education in collaboration with the Department Chair

Develop Program Advisory Board, consisting of external business practitioners.	Assemble an Advisory Board with written guidelines and recruit Board members	Department faculty in conjunction with appropriate College offices will assemble guidelines and recruit members	The guidelines to be completed during spring 2010. Members recruited in spring 2010, with first Board meeting in September 2010.	Academic Affairs in collaboration with the Business Department
Develop new faculty position in business administration and recruit new faculty member.	A description of new position and advertise for new faculty member.	Department faculty and appropriate College offices will meet to develop position description and recruitment strategies	Advertising, pending program demand and student enrollment. Initial projections call for a second year of program rollout.	Vice President for Academic Affairs.
Develop and conduct program review.	Produce a list of program goals, measurements and final report.	Follow DHE and MCLA guidelines to develop program review strategies and implementation plan.	Program review strategy will be finished in October 2010, with program review completed in May 2012.	Vice President for Academic Affairs.

## RESOURCES

### Faculty

The faculty teaching in this program initially will include existing MCLA undergraduate faculty members (fourteen full-time and part-time faculty members are listed in this proposal), as well as external business practitioners with expertise in the various functional areas of business practice. The program anticipates hiring an additional faculty member in 2011 with a finance and management background.

### Administration

The program was developed by the Business Administration and Economics Department in collaboration with the Office of Continuing Education. The program will be administered through the Office of Continuing Education. The Business Administration and Economics Department will provide oversight for advising and hiring of faculty to

teach in the program. The College intends to hire a part-time coordinator to manage the proposed program. The coordinator will also organize speakers and other events in collaboration with the faculty and will function as the liaison to the external advisory group, which will serve as an important source of community and professional input.

#### Library and Information Technologies and Physical Resources

The institution has committed the necessary and appropriate resources to ensure program quality. Funding from a U.S. Department of Education Title III “Strengthening Institutions” grant has been utilized to upgrade library acquisitions (including online) and facilities, campus computer labs, wireless Internet access, seminar classrooms, and faculty office space, and to implement the Blackboard Vista platform for online distance learning. The Center for Academic Technology provides support for faculty from incorporation of technology in teaching to support for fully online offerings. The College has committed resources in the overall operating budget to continue this support, including allocation in the Vice President’s budget for library resources.

#### **Budget (Attachment B)**

The College projects that the proposed program will be self-sustaining and anticipates no additional costs to the Commonwealth. The proposed program will be offered through the Office of Continuing Education. The only projected budget increase is for one full-time faculty member in year two of the program (fall 2011). Additional part-time faculty costs may be incurred as enrollment increases. The budget is based on 12 students enrolled in Cohort I and by year four adding a cohort of 18 students. The enrollment will be capped at 25 per cohort. Tuition and fees will start at \$300 per credit and increase approximately 3 percent per year to \$310 per credit in year two and \$320 in year three.

#### **EXTERNAL REVIEW AND INSTITUTIONAL RESPONSE**

The proposal was reviewed by Dr. Bill Koehler, Assistant Dean for Graduate and International Programs, College of Management, University of Massachusetts Boston; and Dr. Steven Shapiro, Director of the Risk Management Center, New York Institute of Technology. Both evaluators expressed strong support for the program, making minimal recommendations for improvement, such as suggestions to restructure curricula and re-estimate resource planning in the event that enrollment exceeds projections. The institution responded substantively to the evaluators’ concerns, pledging financial support of the program and providing a rationale of its curriculum design.

In addition to the two external reviewers, MCLA engaged the services of Dr. Richard Brandenburg to further review the program proposal. In response, MCLA further designed and differentiated the PMBA program to distinguish it from existing programs, included letters of recommendation for applicants, and established a PMBA advisory board.

#### **STAFF ANALYSIS AND RECOMMENDATION**

Board staff thoroughly reviewed all documentation submitted by Massachusetts College of Liberal Arts and external reviewers. Staff recommendation is for approval of the Professional Masters of Business Administration.



Upon graduating the first class for this program, MCLA shall submit to the Board a status report addressing its success in reaching program goals, as stated in the application and in the areas of enrollment, curriculum, faculty resources and program effectiveness.

## Attachment A: Curriculum

<b>Major Required (Core) Courses (Total # of courses required = 7)</b>		
<i>Course Number</i>	<i>Course Title</i>	<i>Credit Hours</i>
PMBA 640	Financial Management and Policies	3
PMBA 660	Managing and Leading	3
PMBA 650	Competing in Global Economies and Markets	3
PMBA 680	Marketing Strategies	3
PMBA 662	Sustainability and Social Responsibility	3
PMBA 661	Decisions in Operations and Project Management	3
PMBA 690	Strategic Management of Organizations (capstone)	3
	<b>Subtotal # Core Credits Required</b>	<b>21</b>
<b>Elective Course Choices (Total courses required = 3)</b>		
PMBA 642	Non-profit Financial Management	3
PMBA 665	Managing for Creativity, Innovation, and Change	3
PMBA 666	Managing Information in Organizations	3
PMBA 655	Doing Business in China	3
PMBA 667	Managing Financial Institutions	3
PMBA 668	Health Sector Management	3
PMBA 645	Financial Strategy	3
PMBA 695	Special Topics in Business	3
	<b>Subtotal # Elective Credits Required</b>	<b>9</b>
<b>Curriculum Summary</b>		
Total number of courses required for the degree		15
Total credit hours required for degree		45
<b>Prerequisite, Concentration or Other Requirements:</b>		
Foundation courses required if not taken in undergraduate degree:		
PMBA 601 Economic Theory (3cr)		
PMBA 604 Statistics for Managers (3cr)		
PMBA 608 Accounting (3cr)		
PMBA 602 Management (3cr)		
PMBA 606 Marketing (3cr)		

## Attachment B: Budget

### New Academic Program Budget: Expenses

One Time/Start Up Costs	Cost Categories	Annual Expenses			
		Year 1	Year 2	Year 3	Year 4
None	Full Time Faculty Salary + 35 %Fringe	No Additional Hiring	\$85,000 for new FTE faculty member \$ 29, 750 fringe \$114,750 (total)	No Additional Hiring \$114,750	No Additional Hiring \$114,750
None	Staff – Program Coordinator	\$10,000	\$10,000	\$10,000	\$10,000
	Part-time faculty	\$24,000	\$ 8,000	\$ 8,000	\$ 8,000
None	Instruction Materials, Library Acquisitions	\$2,000	\$2,000	\$2,000	\$2,000
None	General Administrative Costs	Already in place	Same	Same	Same
None	Facilities/Space Equipment	0	0	0	0
None	Field and Clinical Resources	n/a	n/a	n/a	n/a
\$1500 for brochures	Marketing	Included in college’s overall marketing plan	Same	Same	Same
	<b>TOTAL</b>	<b>\$36,000</b>	<b>\$134,750</b>	<b>\$134,750</b>	<b>\$134,750</b>

### New Academic Program Budget: Income

One Time/Start Up Support	Revenue Sources	Annual Income			
		Year 1	Year 2	Year 3	Year 4
None	Grants	none	None	None	none
None	Tuition/fees				
	Cohort I (\$300/cr)	\$64,800	\$43,800		
	Cohort II (\$310/cr)		\$66,960	\$44,640	
	Cohort III (\$320/cr) Cohort IV (\$330/cr)			\$86,400	\$ 57,600 \$106,920
None	Re-allocated Funds	none	None	None	none
None	Application Fee	\$1,200	\$1,200	\$1,500	\$ 1,800
	<b>Totals</b>	<b>\$66,000</b>	<b>\$111,960</b>	<b>132,540</b>	<b>\$166,320</b>

**Summary Income/ Expense Budget**

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>
<b>Income</b>	\$66,000	\$111,960	132,540	\$166,320
<b>Expense</b>	(\$36,000)	(\$134,750)	(\$134,750)	(\$134,750)
<b>Revenue Transfer</b>		\$33,000	\$10,210	
<b>Net</b>	\$33,000	\$10,210	\$ 8,000	\$31,570