

The University Senate of Michigan Technological University

PROPOSAL 23-06 (Voting Units: Academic)

Master of Business Administration Degree Spin-off from Master of Science in Business Administration Degree

Approved by SBE Faculty January 6, 2006

Amended January 23, 2006

Approved by GFC February 7, 2006

The proposal is to create a Master of Business Administration (MBA) degree as a spin-off program from the existing Master of Science in Business Administration (MSBA) in the School of Business & Economics at Michigan Technological University.

1. General Program Description and Characteristics

The Master of Business Administration (MBA) is a professional masters degree which prepares students to develop a managerial perspective and aptitude. It has traditionally prepared students with non-business undergraduate degrees to work in management and business. The MBA will require 36 credit hours beyond the bachelor's degree (24 credit hours of core courses and 12 credit hours of electives) and be a coursework only (Plan D) degree. It could be completed in one calendar year (three semesters including summer semester).

2. Rationale

The purpose of the Master of Business Administration to be offered by the School of Business & Economics (SBE) is to provide students with technical and/or non-business degrees with a general understanding of business functions and business skills. The target market for the proposed MBA is students with Bachelor's degrees in engineering and the sciences, and in particular students completing their degrees at Michigan Tech. Students with technical undergraduate degrees who choose to work in business after graduation will have a competitive advantage in the job market if they have the business knowledge and skills developed by an MBA. An MBA which can be completed in one calendar year (three semesters including summer semester) offers an attractive opportunity as a fifth-year masters program for students completing their technical undergraduate degrees.

There are two reasons for spinning off an MBA from the existing MSBA program. The first is that an MBA has more name recognition than an MSBA with both employers and prospective students. The second is that the MBA is a general business degree that is more appropriate for our target market of engineering and science undergraduates than the MSBA degree, which is typically a specialized degree which prepares students in specialized areas of business or management such as operations management. Our existing MSBA program, which was reinstated in 2004/5 in order to meet a demand for a one-year graduate business program at Michigan Tech, was designed with both a core of general business courses and also sets of specialization courses. Although it successfully enrolled 25 students in the first year, and 50 in the second year, we learned that our students were more interested in the general business curriculum than in developing specializations. We are therefore seeking approval to spin off an MBA, which would expand the general business offerings currently offered under the MSBA, and offer more choice in electives by removing restrictions required by MSBA specializations.

3. Discussion of Related Programs within the Institution and at Other Institutions.

Related programs in the School of Business & Economics include the MSBA and the MS in Operations Management (not currently offered). If the MBA is approved, we would continue to offer the MSBA to students already enrolled or accepted into the MSBA program. Students enrolled in the MSBA would be given the option of transitioning to the MBA.

AACSB accreditation policies (see below) now emphasize mission-driven programs, which enable business schools to develop programs that serve their market niches. MBA programs come in a wide variety of formats from full-time traditional MBA programs requiring over 50 credits of coursework and two years to complete to Executive MBA programs designed for busy professionals, to fast-track MBA programs (which we are proposing) with under 40 credits of coursework which students could complete in one calendar year (three semesters). The fast track programs usually require completion of prerequisites or foundation courses in business and economics prior to taking MBA core courses. AACSB-accredited business schools at technological universities such as Rochester Institute of Technology, Lehigh University, Clarkson, and Worcester Polytechnic Institute, as well as Michigan Universities such as Wayne State University and Grand Valley, now offer fast-track MBAs.

There are currently no AACSB-accredited MBA programs in Michigan's Upper Peninsula. All Michigan public universities in the Lower Peninsula have MBA programs; however, the closest in-state accredited programs are at Ferris State (279 miles), Grand Valley (282 miles) and Central Michigan (361 miles). The closest out-of-state accredited MBA programs are at University of Minnesota-Duluth, (220 miles) and University of Wisconsin-Oshkosh (260 miles).

4. Curriculum Design.

The MBA program will consist of 36 credits -- 24 credits of core courses and 12 credits of electives. All students will have successfully completed a set of prerequisites or their equivalents by the end of their first semester after admittance to the program, and before taking any courses that require the prerequisite. Core courses will cover topics in accounting, finance, economics, marketing, information systems, operations management, management and organizational behavior, business strategy and corporate social responsibility.

Elective courses will be offered in areas such as finance, natural resources management, operations management, entrepreneurship and human resources management. There should be flexibility for a student-selected concentration. At least 6 credit hours must be taken in the School of Business and Economics, and at least 6 credit hours must be at the graduate level.

The MBA will follow Plan D which is a coursework option.

5. New Course Descriptions

None are proposed at this time.

6. Additional Resources Required.

Two new faculty positions have already been allocated for the MSBA program; these positions will be used to staff the MBA program. SBE graduate faculty are already teaching core graduate courses listed above in the MSBA program. A challenge grant to support graduate programs currently has a balance of \$500,000 in the Michigan Tech Fund; an additional \$250,000 is pledged. These funds can be used for fellowships, graduate research, library

expenditure, computing, and other resources as needed. No additional resource needs are anticipated at this time.

7. Accreditation requirements.

AACSB will review the MBA program for accreditation in 2010, the next scheduled review date. The MBA will be considered accredited as soon as it is offered.

8. Planned implementation date: September 2006.

Attachment to MBA Proposal regarding Course Offerings for 2006/7:

If the MBA is approved in time to offer it in Fall 2006, the SBE would be in a transitional year in 2006/7 in which new graduate students could elect either the MSBA or MBA curriculum. Therefore, the SBE will offer core courses that can be utilized for either degree, along with courses that could be used either as MBA electives or for designated MSBA specializations.

The sequencing of fall and spring courses is designed to have students complete the business basics of accounting, finance and operations, as well as a strategic overview of business in the fall, before taking the spring roster of courses. Summer courses for 2007/8 have not been scheduled, but we would offer several core courses as well as electives.

In 2008/9, the SBE will consider a revised MBA curriculum that takes advantage of innovations being offered in other fast-track one-year MBAs at technological universities.

The following is a model set of courses which would allow students to complete the MBA in one calendar year (three semesters).

MBA Prerequisites (completed prior to enrollment):

- Accounting I (BA2300 or equivalent)
- Calculus (MA1150 or equivalent)
- Economics Principles (EC3001 or equivalent)
- Economics Decision Analysis (EC3400/BA3400 or equivalent)
- Statistics (BA2100 or equivalent)
- Quantitative Problem Solving (BA2110 or equivalent)

MBA Core Classes

Fall	BA5300	Accounting (3credits)
Fall	BA5400	Finance (3 credits)
Fall	BA5610	Operations & Quality Management (3 credits)
Fall	BA5790	Corporate Social Responsibility (1 credit)
Fall	BA5710	Business Strategy (3 credits)
Spring	BA5200	Information Systems (3 credits)
Spring	BA5700	Management & Organizational Behavior (3 credits)
Spring	BA5800	Marketing (3 credits)
Spring	EC5300	Managerial Economics (2 credits)

MBA Electives

Spring	BA5650	Project Management (3 credits)
Summer	BA5670	Business Process Simulation (3 credits)
Summer	BA5720	Entrepreneurship I (3 credits)
Summer	BA5640	Global Operations & Logistics (3 credits)

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