

# Expanding Professional Programs

## Accepted Recommendations

- Definition of professional program
  - May be offered at the graduate certificate, master's or doctoral level
  - Program must support the mission of the unit(s) offering the program;
  - Must be aimed at meeting the needs of a progressively specialized, highly skilled, and highly educated workforce who desire additional qualifications;
  - Addresses demonstrated economic development demands of North Dakota and beyond;
  - Curriculum is focused on partial disciplinary content mastery and on professional skill development (master's); on content mastery of the entire discipline, research-based problem-solving, and professional skills mastery (doctoral); Seeks input from advisory boards to design programs, ensure the relevance of curricula and educational experiences;
  - Serves and attracts additional students beyond those currently enrolled at NDSU; Admission standards are clearly defined and program is distinct from any other graduate program in offering unit;
  - Is financially viable and generates revenue that exceeds costs;
  - Follows the mechanisms of the curriculum approval process in the units offering the program.
- Students are not eligible for assistantships or tuition waivers; to the extent allowed by federal regulation, students are eligible for financial aid;
- Program must have exit strategy if enrollment falls below viability;
- Annual budget process will be used to assess and provide for program costs and revenue;
- Programs are responsible for providing budget analysis for program.

## Issues to be resolved:

- Whether differential tuition may be assessed and how to set differential tuition levels
- How to provide seed grants to start programs

## Task Force on Expanding Professional Programs Final Report

### **Committee Members:**

- Fariz Huseynov, Associate Professor, Accounting and Information Systems (Co-Chair)
- Carla Gross, Associate Dean, School of Nursing (Co-Chair)
- Margaret Fitzgerald, Dean, Human Development and Education
- Cindy Rott, Budget Director
- Chanchai Tangpong, Professor, Management and Marketing
- Claudia Tomany, Dean, Graduate School and Interdisciplinary Studies

The task force was charged with providing a plan for expanding the provision of professional master's programs that are self-supporting and meet the needs of NDSU students. The committee was challenged to:

- Collect information on funding models for professional master's programs at peer and aspirational institutions and provide a recommendation on the funding model appropriate for NDSU.
- Propose a definition of a "professional" programs in contrast to traditional master's programs.
- Seek input from relevant stake holders, both on and off campus.

### **Process**

The group met weekly, beginning on August 19, 2016. A comprehensive literature review was conducted following the first meeting to determine how other universities were defining, designing, and funding "professional" programs. Analysis of the literature revealed common themes that could be used to develop a framework for NDSU that includes a definition, delivery mechanisms, timelines, and financial models/resources. In addition, the group developed an example of a proposal (Executive MBA) and discussed the possibility of developing an interdisciplinary Leadership/Administration Professional Program that may develop into a Leadership Academy in the future. Feedback from relevant stakeholders in industry and on campus indicates a market need for both programs.

The task force was informed of another program that has been delivered at NDSU and proposals that have been submitted on campus that may be adapted to fit the Professional Program Framework. For example, the NDSU Educational Leadership Academy which has already been implemented could possibly be sustained using this framework. Two proposals that were brought to our attention could also be adapted to this framework to develop proposal in the future: Master of Natural Resource Management and the Professional Master's Degree in Color Technology/Coatings and Polymeric Materials.

### **Professional Master's or Doctoral Program Framework**

#### **Definition of "Professional" Programs:**

Professional Master's or Doctoral Program includes the following attributes:

- Rationale must be provided explaining how the program offered is tied to the mission of the offering units;

- Meets the needs of a progressively specialized, highly skilled, and highly educated workforce who desire additional qualifications;
- Addresses demonstrated economic development demands of North Dakota and beyond;
- Curriculum is focused on partial disciplinary content mastery and on professional skill development (master's); on content mastery of the entire discipline, research-based problem-solving, and professional skills mastery (doctoral);
- Programs can be designed to offer doctoral or master's degrees or graduate certificates;
- Serves additional students beyond the resources provided through state appropriation
- Seeks input from advisory boards to design programs, ensure the relevance of curricula and educational experiences;
- Demonstrates financial viability through generating revenues that meet or exceed costs;
- Admission standards are clearly defined and program is distinct from any other graduate program in offering unit;
- Programs are flexible and responsive to changing market needs;
- Follows the mechanisms of the curriculum approval process in the units offering the program.

### **Delivery Mechanisms & Timelines**

- Cohort based (may not be offered every year);
- May be offered through alternative modes of delivery and alternative schedules (e.g. on-line, weekend, evening, summer cohort, alternative locations, blended, hybrid etc.);
- Professional master's programs should offer at least 30 credit hours and professional doctoral programs should offer at least 60 credit hours which can be completed in accelerated, regular, or part-time modes.

### **Financial Models & Resources**

- Financial model should demonstrate payback period to the central administration, enrollment break-even point, and potential revenue surplus;
- Financial viability review will be conducted after the completion of each cohort;
- "Self-supporting" means that the program covers all related costs, including but not limited to instructional costs, general program operating costs, and expected revenue distribution to the central administration;
- Distribution of revenue: for example, 20-25% of the revenue will return-to-aid university's functions; 20-25% of surplus will return to the college and the remaining amount will be distributed among the units offering the program;
- Rationale must be provided explaining how revenue surplus will be used to support the mission and/or strategic plans of the university and/or department e.g. research, graduate students, programing, IT, library, etc.;
- Students are not eligible for traditional graduate student positions e.g. GTAs, GA or RA that provide tuition waivers;
- Tuition rate may differ from program to program and is market driven;
- Prior to approval program should conduct an analysis of market demand and competition;
- Units are encouraged to seek external funding for initial investment.

### **Example A.: Executive-MBA as Professional Master Program**

### ***Program Parameters***

- Cohort Based
- 36 credits (6 credits are foundations; they could be 12 of 3-credit courses or whichever way that the program curriculum is designed)
- Instructional Cost = \$15,000 per 3-credit course; Total Instructional Cost = \$180,000
- General Operating and Administrative Cost (e.g. marketing, traveling, staff etc.) estimated 15% percent of the Total Instructional Cost = \$27,000
- Total Cost per Cohort = \$207,000
- Revenue Distribution to NDSU estimated at 20%

### ***Prices in the Market (no Executive MBA program in the NDUS system)***

- University of Mary (executive online, not accredited by AACSB) =
- University of St. Thomas (executive) = \$87,000 total until program completion
- University of MN – Twin Cities (executive) = \$108,000 program fee

### ***Financial Scenario Analyses of E-MBA at NDSU***

At Instructional Cost of \$15,000 per 3-credit hours; total cost of \$207,000 per cohort offering

Tuition Revenue per Student to Program Completion (Price)	Tuition Revenue per Student after 20% distributed to NDSU	Enrollment Number to Reach the Break-Even Point	\$ Surplus (Deficit) per Cohort if Cohort Size of 10	\$ Surplus (Deficit) per Cohort if Cohort Size of 15	\$ Surplus (Deficit) per Cohort if Cohort Size of 20
\$20,000	\$16,000	13	(47,000)	33,000	113,000
\$25,000	\$20,000	11	(7,000)	93,000	193,000
\$30,000	\$24,000	9	33,000	153,000	273,000
\$35,000	\$28,000	8	73,000	213,000	353,000
\$40,000	\$32,000	7	113,000	273,000	433,000

### ***Surplus distributions between the College and the Units contributing to the Program***

- 25% of surplus goes to the College
- 75% of surplus is distributed among units involved based on the credit-hour contribution to the program offerings

### ***Rationale for Retaining Surplus***

The surplus retained will be used to support the followings:

- PhD program;
- Support faculty research through teaching reduction, research grant, etc.;
- Reinvest in the E-MBA program to ensure its cutting edge;
- Strengthen the undergraduate program by funding student engagement activities, providing scholarships, and fund undergraduate research.

### **Example B: Leadership/Administration Professional Master's Program**

The program would include a core curriculum that all students complete then divide into courses designed for specific tracks e.g. human resources, education, business, health care, and engineering. Such a program will allow departments to share some faculty resources and promote interdisciplinary collaboration and scholarship. Eventually, a prestigious Leadership Academy could be developed that could become a hallmark of NDSU. The departments who choose to be involved will need to collaborate to develop a detailed proposal.