

Insights into EDUCATION

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Stephen H. Craft Stephens College of Business, University of Montevallo

Stephen H. Craft is professor and dean of the Michael E. Stephens College of Business at the University of Montevallo.

He is responsible for all undergraduate and graduate programs in business and accounting, and he operates as administrative head of the college.

Craft serves as a member of the President's Cabinet and provides counsel on a range of university-wide matters. Craft has spent his academic career at the intersection of management education and the liberal arts. He has served institutions large and small, public and private, residential and commuter, building programs for students from both privileged and less privileged circumstances.



J. Howard Finch Brock School of Business, Samford University

Howard Finch joined the Brock School of Business at Samford University as dean and professor of finance in July 2011. From 2000-2011 he held the Alico Chair in Finance at Florida Gulf Coast University, and from 1991- 1999 he was professor of finance at The University of Tennessee at Chattanooga.

Prior to his academic career he worked 5 years in sales. He holds a BBA from the University of North Georgia, an MBA from Mercer University, and PhD in Finance from the University of Alabama.



Bill C. Hardgrave Harbert College of Business, Auburn University

Bill Hardgrave serves as the chief academic and administrative officer for Auburn University's Raymond J. Harbert College of Business. Before coming to Auburn in 2010, he served as a professor of Information Systems at the University of Arkansas. While there, he founded and directed the Information Technology Research Institute and the RFID Research Center, which moved to Auburn University in 2014.

Hardgrave is widely regarded as one of the most influential researchers in the field of RFID, or radio frequency identification, and has been cited by the Wall Street Journal, CNN, Forbes and The NewsHour with Jim Lehrer, among others.

After graduating from Arkansas Tech University, Hardgrave earned an MBA from Missouri State University and a Ph.D. from Oklahoma State University. In 2014, Oklahoma State's Spears School of Business honored him as one of its 100 most influential alumni.



J. Michael Hardin Culverhouse College of Commerce, University of Alabama

Dr. J. Michael Hardin has served as the Dean of the Culverhouse College of Commerce at The University of Alabama since August 2011.

Hardin has a B.S. from the University of West Florida, a Master's from Florida State University, a Master's and Ph.D. from The University of Alabama and a M.Div. from New Orleans Baptist Theological Seminary.

He served as the senior associate dean and professor of statistics at the Culverhouse College of Commerce and is a fellow of the American Statistical Association (ASA). He specializes in business analytics, business intelligence, data mining and knowledge discovery, decision support, predictive modeling and research design.

He has authored or co-authored more than 85 papers in various journals and is the author of several book chapters dealing with database design and decision support systems. He is an instructor and consultant for the SAS Institute in the areas of data mining and time series analysis.



Eric P. Jack Collat School of Business, University of Alabama in Birmingham

Dr. Eric P. Jack was named Dean of UAB's Collat School of Business in 2013 and serves as the school's Wells Fargo Endowed Chair in Business Administration and Professor of Management. He received his bachelor's degree in industrial engineering from Georgia Institute of Technology, his MBA from Wright State Universitv and his doctorate in operations management from the University of Cincinnati. His research interests include operations strategy, flexibility, health care management. service operations, quality management, and supply chain management. Before beginning his academic career, Dean Jack served for 21 years as a U.S. Air Force officer where his responsibilities at various international locations involved facility planning, design, construction and maintenance. He was a member of Leadership Birmingham Class of 2014, and serves on the boards of ivialcovery Security LLC, The innovation Depot, Rotary Club of Birmingham, and United Way of Central Alabama.



Caron St. John College of Business Administration, University of Alabama in Huntsville

Caron St. John, PhD joined The University of Alabama in Huntsville as Dean, College of Business Administration, in 2010. Before joining UAH, she was the Associate Dean of Graduate Programs, Research and Outreach in the College of Business & Behavioral Science at Clemson University and Director of the Spiro Institute for Entrepreneurial Leadership. Dr. St. John has served as the PI or Co-PI on grants and contracts totaling over \$2.75 million and has published research in top-tier management journals including the Academy of Management Review. Strategic Management Journal, and Operations Management Journal. She received her undergraduate degree in chemistry from Georgia Institute of Technology (Ga. Tech) and graduate degrees in business from Georgia State University's Robinson College of Business Administration. Before pursuing an academic career, she was involved in new product and new business development with Celanese Corporation in Charlotte, NC

The Discussion

Q: How are colleges and universities addressing the current needs of the workforce in their undergraduate programs? How are they doing so for continuing and executive education?

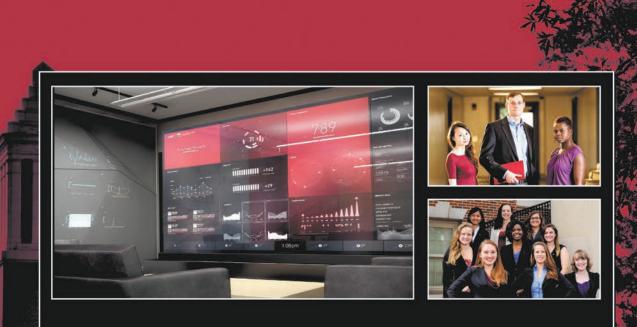
Eric P. Jack: On the undergraduate side, we're continually trying to understand what skills, knowledge and abilities are necessary for entry-level into the business community. We're trying to make sure students have the essential skill sets to be functional. Part of that process is for us to make sure all our students get internships. We just implemented this as a requirement for graduation, which means we need the partnerships in the business community to be able to help our students succeed. Initially, we're going to broaden the concept of internships, to say "an internlike experience." That means studying abroad, service-learning or special projects would also count. The second thing is trying to reach the working professionals where they are. People are leading very busy lives, so more flexibility with our programs is a way to help meet their needs. These flexible online programs are allowing people to complete their degree when they otherwise would not have been able to do so. On the graduate side, we need to focus on managerial perspectives and soft-skills necessary to be successful. These are seasoned professionals who have been in the workplace for at least three years or so and are now coming back to hone their skills. We can also offer certificates for continuing education. I see that space really changing, where the employers are looking for updated skill sets, and employees are looking for a shorter time of completion, with assurance that they have gained key skills and knowledge. And certificates are a way to do that. On the horizon, we face challenges with regard to the cost associated with things like executive education programs. Employers are beginning to pull back and ask questions about the cost associated with such programs.

Stephen H. Craft: When it comes to addressing the current needs of the workforce, the key is to get out of our buildings, go off campus and get into the business community. We have our faculty, department chairs and Dean out and engaged in the business community, listening to what employers are looking for in terms of skill sets. What you hear is a desire to have good, quality management education married with solid communication skills. The business community wants to hire graduates who can identify technical and managerial issues and translate those for nontechnical people. This aligns well with our mission at Montevallo where we have always emphasized small class sizes and high interpersonal skills in communication. Personal communications skills will need to become a high priority for some of the larger institutions as well.

J. Michael Hardin: I agree that it's very important for us to get outside our buildings to meet with business leaders, to listen to them in their offices with their people, and to find opportunities to engage them. It's also important to bring these business leaders on campus to speak to classes and provide students perspective on the real world. That engagement is critical. I was talking with the CEO of one of the major banks in the nation, and he said he doesn't care what kind of undergraduate degree you have. He cares if you can think critically, write clearly and communicate in a clear manner. He said, "I can teach you banking. I can't teach you those other skills." We offer specialized course work, but we also need to emphasize some of those soft skills. At our College, there's one professor who holds classes on Saturdays in a big stadium, and he always talks about the intangibles, all the little things that go into it. For our students, it's important to add those intangibles and not just teach coursework. As far as continuing executive

education, we're seeing new opportunities at various price points because there are needs at so many different levels. We're trying to adapt to these varied needs by finding delivery methods that will work for the busy executive. There's a lot more to sort out, especially as Alabama begins to see companies coming into the state and we begin to get more workforce development. The managers of all three of the major automobile-assembly plants in the state spoke at a recent conference that our College held, and those managers said that within the next three to four years, a bachelor's degree is going to be required for the people assembling automobiles at these plants. We, as educators, are going to have to adapt to this demand and think about what goes into those programs that will make our students career-ready.

J. Howard Finch: The challenge at the undergraduate level is to produce people who can think critically and have excellent communication skills, but also are wellgrounded in the basics of business. In particular, we're striving to try to teach our students how to understand markets. Markets are changing quickly. They're not



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following historical trends. So you take that individual who can hopefully speak well and think critically and handle variable problems, but also understands the basics of managing financially and managing human resources. That's a real challenge in education. At the graduate level – especially with continuing and executive education – it's easier to piecemeal that and focus in on one aspect. But at the undergraduate level, all our programs face the challenge of trying to develop that multi-faceted person who is ready to step into the workforce right out of school and make an immediate contribution.

Bill C. Hardgrave: There was an article in the Washington Post recently about the gap between how prepared students think they are versus how prepared employers think they are. The biggest gaps were in the areas of locating, organizing and evaluating information; critical thinking; and oral and written communication. We pay attention to these types of gaps. We try to listen to the business community and be responsive as much as we possibly can be without chasing fads. For example, business analytics is one of those things that we constantly heard about. Now, we require all our students to take six hours of business analytics. But content is just one piece of the puzzle of developing a well-rounded undergraduate. We spend a lot of time in those non-content or soft areas, to develop them both personally and professionally – things we might take for granted, like dinner etiquette or interviewing skills or one-on-one meetings. We now require a series of workshops and seminars during their first two years of their pre-business program before they can declare their major. Also, we are now requiring internships for our students in most programs because today's workforce demands some type of experience before graduating. As for continuing executive education, we have an executive MBA program that's really geared toward the executive who has been out of school for several years.

Caron St. John: Colleges and universities work hard to stay attuned to the changing needs of the workforce. We seek input from our advisory boards, accreditation agencies, alumni, and corporate partners on a regular basis. We adapt our courses and programs to reflect new knowledge, new technologies, new methods and new expectations. When distilled to its essence, employers want employees with strong analytical skills, excellent communication skills, the ability to think creatively and a strong work ethic. Within the College of Business Administration, we tackle these goals through our curriculum and through the extra-curricular experiences we establish for our students. We emphasize big data and analytical decision making in all of the functions of the business, from marketing and sales to operations and supply chain

management. We stress the importance of strong communications skills, with courses devoted to both written and verbal skills reinforced throughout the curriculum. We encourage students to think like an entrepreneur, to embrace and lead change. We include projects, independent studies, internships and coops, to encourage students to engage in the practice of business. Students are coached and mentored to assist them in understanding the expectations of the workplace, the importance of teamwork and how to present themselves in the most positive light.

Q: How is the education model adapting to a more digital world?

Craft: To some degree this is a matter of students voting with their enrollment. As we have offered more

online courses, we've seen more students flocking to it. It's very popular with the students, whether it's a targeted use of online allowing students to be away from campus for the summer yet still continue to earn credit hours toward their degree, or hybrid instruction in a regular term. We're making more of a commitment to online education, and I don't think that's going to go away. We're all going to be offering some sort of distance education, not just in business but across academia. The students have certainly bought into online education. What's less clear is employers' comfort level with hiring from a fully online degree program. While it appears that some employers are willing to hire from pure online degree programs in a few technical fields, it is far less certain that employers are ready to hire online degree graduates for managerial or executive positions. The Stephens College at Montevallo is focused upon student outcomes, so our strategy for online will be determined by what value the market places on online degrees when it comes to the hiring process.

Hardin: One area is, how do we use the digital data that we have within higher education for managing some of our objectives and goals? We're learning how to do that more and more by offering innovative blended and hybrid courses. But there is another area that sometimes gets overlooked because of the hype in online. When you look at how people are trained with technology in the military and other areas, you see the use of virtual reality simulations. We used to have simulations for business courses that were somewhat like Excel spreadsheets. But today, digital technology enables a whole new opportunity for simulations and training that put students in executive situations in ways we've never been able to do before. And I don't know that we've even really begun to explore how to do that

at the business level. It opens up new possibilities. Wouldn't it be fascinating to have Tom Hanks narrate a couple of lectures on World War II or about the space program? It adds entertainment value, and the world we live in wants that entertainment value.

Finch: We have to deliver shorter and more focused lessons. The days of going to class and showing an hour video is pretty much over for the YouTube generation. They don't have the focus. I was teaching a high school group last summer, and I had a one-hour Nova program on the financial crisis that fit right in with what we'd been studying. The students we're excited about the material and the content. But I noticed at about the 25-minute mark, they started falling away and looking at their phones. We lost them. So we're challenged with the education model to be more focused and shorter in the delivery of the lessons. Then the other aspect is the mobility of the content. Now someone can be anywhere on the planet and still have access to the content of our educational programs, as well as other people's programs. So it's a real challenge to make your programs relevant and produce them in a format so students can take advantage of learning wherever they are. The mobility of the content is a real adjustment we're having to wrestle with, and we're doing it with faculty who are oftentimes strongly wedded to former, more traditional models.

Hardgrave: Ironically, digital has made education delivery much more complex. We actually had a fairly simple delivery model: you walk in and lecture and then go back to your office. We have always assumed that lecture is the most effective way of delivering information. Digital is changing that, and it is making it more complex, because now we have alternative models. Our challenge and opportunity is to have a portfolio of delivery models. Some material will still be delivered by lecture, some will be pure online and some will be a blended combination of those. Also, there are different learning styles. Some students will learn better by lecture, some by online, some by blended delivery. So, it becomes a multi-dimensional model. I find it very exciting that we are at this cusp of change. When you think about how we have done this for years and years, that model cannot persist going forward simply because it is not the most effective and efficient to send a highly paid professor into a classroom to lecture to a group of students for all material in all situations. There will be elements of that, but that is not going to be the 100-percent model going forward. Fortunately, the idea of new models of delivering education is not new to us. We have been doing some form of distance learning since about 1995, starting with VHS tapes that were put in the mail. Overall, we look at technology as a complement to delivering a great education, not a substitute. We don't see a four-year, undergraduate degree being completely replaced by the digital world, but it certainly can complement and make us better at what we do.

St. John: The transition to a more digital world has been changing education for decades. Initially, it changed the way faculty and students communicate with each other. E-mail communications increased the frequency and speed of interactions between faculty and students. On-line learning management systems allowed faculty to store class materials in a central online location, provide video supplements, set-up chat rooms for discussion, accept turn-in assignments online and provide links to additional information. Now technology is changing the way we design courses and programs, and how we think about the educational experience in its entirety. It is influencing how we teach, what we teach, the way we interact with students, who and where our students are, and the way students engage with the class and with their peers. As an example, in most colleges of business nationwide, faculty members are rethinking how they use class time. Rather



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- Bill C. Hardgrave

than use class time for one-way instruction - delivering facts and information via lecture – why not provide that lecture content ahead of time in recorded segments? Then, precious class time can be reserved for those activities that involve direct student interaction: discussion of examples, problem solving, group work and case discussions. To have real-time interaction among students and between students and the professor, we no longer have to be in the same physical space. We have the ability to lead a case discussion in Huntsville and bring a student into the discussion from halfway around the world, real time. A class held in Huntsville at 7:30 a.m. can be arranged synchronously with a partner university in India at 7 p.m. We have the ability to offer entire degree programs to students in their home country with ongoing interactions with our professors and students here. Technology is creating opportunities and reducing the effect of time and distance.

Jack: I agree that there is a difference between using digital content and online delivery. The delivery mode is important in that it allows us to add some flexibility for busy people. But at the same time, our on-campus students are benefiting from those delivery models. In our case, about 35 percent of our credit hours are being delivered online. We offer a daytime option, an evening option and an online option. I've noticed that particularly in the summer semester, students are voting with their feet and the online classes are in high demand. Digital content is also impacting the textbook. What does the textbook mean today? The textbook producers are looking at this issue from a digital standpoint and making those options available to students. And students are beginning to get savvier. They don't want this big book that costs \$200 that they'll put on the shelf and never use again. The digital world is changing that. Also gone are the days of hour-and-a-half lectures. We have to find more engaging ways to deliver that content in shorter, more insightful ways, and then have breakout sessions about what we want them to do with that information. When you go into a classroom today, students have Google at their fingertips. So if you're just going to disseminate facts, what real value are you adding, if they can easily get those facts online? So the value added in teaching has to be about critical thinking, deciphering, accessing and challenging people in a real way to take that information and apply it in an uncertain environment. There is also the issue of measuring quality in this digital environment. We're in the process of getting faculty and courses certified for this online delivery. In the future that's going to be a differentiator. Lastly, does your school want to venture into online delivery by yourself, or are you going to partner with the third-party supply chains that now own the textbook, the digital content, the preparation and the deliverymanagement systems? The digital world is really changing the landscape, and we have to find ways to add value in that new environment

Q: What can businesses do to build mutually beneficial relationships with higher education institutions?

Hardin: Businesses can help by providing internship opportunities, speaking to classes, mentoring and job shadowing. We have a program called Culverhouse Connections, and one important aspect of the program is connecting mentors with students. Other ways to partner are to provide scholarships for students and provide project opportunities for students. I recently flew to Virginia with (Alabama Secretary of Commerce) Greg Canfield and others to visit the Rolls Royce facility. When Rolls Royce was going through the site selection process, the incentive package they were asking for was not typical of most companies. They said what they wanted wasn't necessarily tax abatement or some other monetary incentive. They wanted the states to put money into the universities. Rolls Royce created 11 endowed chairs at Virginia and 11 at Virginia Tech. Their

reasoning was, "We can go find the experts and bring them on staff. Or we can let the universities produce the experts and partner with them on industry-directed. university-executed projects." Businesses in Alabama must step up and realize that partnering with colleges and universities is the key to their future. They can't look at us purely as the supplier. They have to look at us as true partners. What attracts companies from, say, the United Kingdom or France or Germany is quality of life and education. They can't take their researchand-development supply chain all over the world, so they have to leverage those dollars. They can do that by partnering with strong research universities at a more

local level. We have not made that a part of our incentive packages in the state of Alabama, and we need to do that. Many of the students sitting in our classes today are the future work force for businesses. So if businesses don't pay any attention to the need for a true partnership and work in a synergistic way with colleges and universities, our future is not going to shine as bright as it should.

Finch: If I were a business leader or owner in Alabama, I would create an ongoing, specific partnership with each of the business schools. By that I mean rather than have an occasional intern or sponsor an activity, I would try to have a signature tie-in event. As an example,





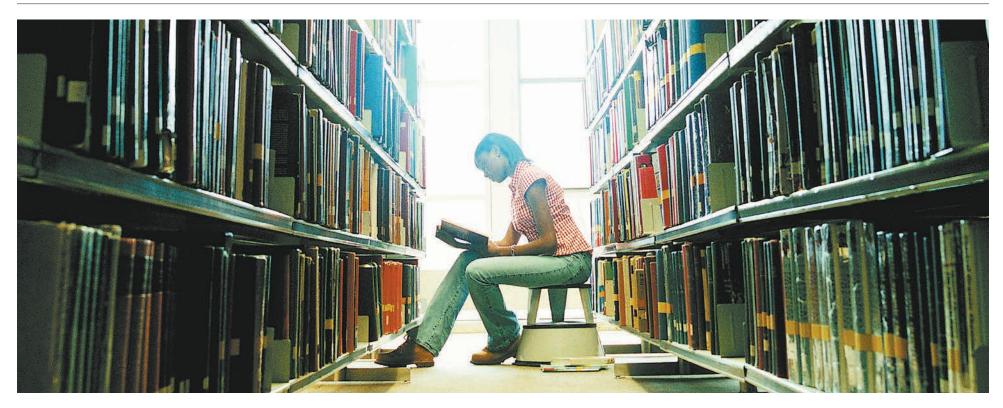
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Regions Bank sponsors our New Venture Challenge student business competition, which we have done each April since 2009. That's a regular tie-in with them that opens up the lines of communication and other opportunities for things like internships and job placement and shadowing. I think it's in businesses best interest to have a permanent tie, either in a sponsorship or in an engagement.

Hardgrave: Our philosophy is simple: we need companies engaged in all that we do. We don't sit in isolation from industry and, moreover, we view ourselves as a partner with industry. The key for a company is consistent engagement. It is not showing up every two years if you need to hire a full-time employee. Rather, it is regular and consistent hiring of full-time employees and interns, providing scholarships, working with the faculty, working with us on class projects, etc. With that said, I think most companies would engage, but we have historically made it too hard for them. We make it hard for them to find the "front door" of the college. In fact, we have an initiative in our business school called, "Finding the Front Door." Companies simply do not know we have the expertise that we have. Or if they do, and they need somebody in a specialty area, how do they even know who to call? And if they do call the university, they will probably be transferred several times and then give up. We just make it really hard to find the front door. So we have been very purposeful with our initiative to get companies engaged. One way to do that is to just do a better job communicating what we are good at. We are trying to get that message out. We use every available avenue at our disposal, including social media, to communicate more with the business community. We are also creating centers and institutes that sit at the intersection between the business school and industry. These things house that expertise. For example, we recently moved the RFID (radio frequency identification) lab to Auburn. Now if somebody on the outside needs an RFID expert, they know who to call. They can call the lab, and the lab serves as the conduit to others on the inside. It takes purposeful, active engagement, and it takes both sides. We need industry engaged, but we have to make it easier for them.

St. John: Many businesses are quite

good at doing this now. Most have realized that students have a lot of opportunities, and talent is scare. Organizations look for ways to become involved with business colleges, so they can meet students and identify recruitment prospects. They offer key employees to serve as class speakers and as student mentors. They may offer their

organization as a site for a company tour or a special team project. They might offer internships or co-ops. All of these methods put employers in contact with students, and give them an opportunity to assess what they see. For universities, this meets our needs as well. We are looking for opportunities to enrich the educational experience of our students by offering mentoring, projects and internships. By involving the professional community directly in our efforts, we illustrate the connections between theory and practice, and the relevance of what students are learning.

Jack: As part of our Capital Campaign at UAB, we will soon have a major announcement of a partnership with a financial institution in the area of financial literacy to address a big problem challenging our

community. So we recently created an institute for financial literacy and we are going to be moving forward with this business partner with outreach efforts focused on K-12 and their families. We're seeing something similar in the area of innovation and entrepreneurship, where we're taking intellectual property and starting new companies. Several donors have been very supportive of these priorities. We now have a lab at Innovation Depot where we're engaging with those 96 start-up companies. A newly organized student entrepreneurship club is interning at the lab. We're also looking at summer programs for students. These are examples of the business community having needs and looking for opportunities to partner. It's refreshing to foresee

the business community making those investments alongside us, and I see more of that happening. It also happens with individuals. One of our accounting grads – a female who graduated in 1976 and recently retired from the Federal Reserve – said it was a difficult world for her as a

female in accounting, and she wants to help those

coming behind her. She gave a significant endowment to set up a mentoring program for females in accounting. People across the business community have volunteered to be part of that mentoring program. These kinds of connections really translate into endowments, programs and partnerships going forward.

Craft: It's about internships, financial support for the institution, investing in your future workforce, hiring graduates, coming to campus and getting involved with students. I like the phrase, "finding the front door." We ran into a similar issue where we had calls coming in, so we formed the Stephens College Center for Professional Practice. That has become our front door. It takes our students and really prepares them to make a place for themselves in the business community. We teach them how to dress

for success and how to network. We vet their resumes multiple times and put them through mock interviews. We do social network audits where we ask them to look at everything they've posted online. We encourage each student to pull his or her credit reports. Anything that an employer might look at, we make sure our folks and the students have looked at together. The Center also is the focal point for bringing employers to campus and getting them engaged. We've had tremendous success. We've had nearly 100 percent internship placement for the past three years. We've established a remarkable track record in job placement. An advantage of Montevallo as a smaller institution is that we can have a career mentor working through the

Stephens College Center for Professional Practice touch every single graduate. We can give a lot of hands-on attention to our students. We can see what each student's needs may be and respond. For example, a couple of years ago we had a number of students who really wanted to do something in the area of sports marketing. So we brought a major sports designand-marketing firm to campus, they hired five students and return each year. That's the kind of customized opportunities we're able to provide through the front door we created by way of the Center for Professional Practice.

Q: What are some options in higher education that my business can use to help further the careers of my employees?

Finch: I think people respond to incentives. So a business owner who desires to have employees pursue higher education needs to give some thought to creating incentives. Things like tuition reimbursement, which has waned significantly in the last decade. It's something we all feel would be beneficial not only for our programs but also for the state and regional economy. Employee recognition for academic achievement. It's not uncommon for employees to finish degrees and not have any recognition at all from their employer. In some cases, fairly well-defined paths for promotion associated with academic achievement would incentivize employees. And employers can listen to their employees' needs for specified training, and then engage programs to provide customized executive education that are driven by those needs.

Hardgrave: One thing the digital age has provided is more options for those in industry to further their education and their careers. Our most popular graduate programs are the online MBA, online accounting, and executive MBA. Contrary to national trends of a decline in business graduate enrollment, our graduate enrollment this year is up about 17 percent. A lot of that has to do with the great recognition we have received over the last couple of years of our online and executive programs, which have received top-10 rankings. That's one suite, in addition to our traditional face-to-face, that employers can use for their employees to



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- Caron St. John

advance their careers. We have graduate certificate programs in accounting and information systems, so those who do not want a full degree can get a certificate. We also have non-degree certifications. And we recently started offering online undergraduate completer programs that can be added on for those who already have a degree in an area. We currently have a program in accounting, and one is planned in business administration.

St. John: Most universities offer special education and training programs for working professionals. At UAH, we have a long tradition of aligning our programs with the needs of the workforce in Alabama. We offer undergraduate and graduate degree programs during weekday evenings, specialized graduate certificate programs that are shorter than a full graduate degree, on-line programs, and shorter continuing education programs through our Office of Professional and Continuing Studies. That office and the College of Business Administration work with some employers to offer custom programs to a group of employees. For example, the College of Business Administration is offering our Graduate Certificate in Supply Chain Management to a group of U.S. Army Materiel Command employees who were nominated by their supervisors. We have created a special class just for these AMC employees, and modified the schedule to meet their needs.

Jack: We offer a bridge program in accounting for students with other undergraduate degrees who are looking for different careers and see accounting as that transition. What we're all talking about is a commitment to lifelong learning. You might have a degree, but you're going to need to come back and retool. Across industries, people are receiving certifications, and with that comes certification maintenance. What do you have to do to maintain your skill set on an ongoing basis? There is a role for business schools to play in helping people maintain. For example, we've set up a master's in information systems where, with three certificates in 30 hours of classes, you get a master's degree. We're making sure that people have those skill sets, whether it's information security, mobile computing, IT strategy, etc.

Craft: I think it will always make sense for employers to invest in human capital. Responsible companies should have development plans for everyone they employ. Our way of addressing that is through our MBA program, which costs just over \$10,000 and can be completed in as little as one year. We feel like that's a very strong offering for companies.

Hardin: We offer online programs, short courses, an executive MBA and other programs geared toward working individuals and career growth. This year we began to offer a new, online Masters in Marketing Analytics due to the high demand of this type of specialization in the business world. So, an individual working full-time can take these online classes to further advance their skills in a high-demand field. One of the aspects that we internally are going to have to resolve is how, as faculty, do we adjust to the changing demands of business. We all came up under one model of what higher education was about, but now we need to broaden that. We need to add more options to higher education, and we're going to have to learn new ways of managing higher education.

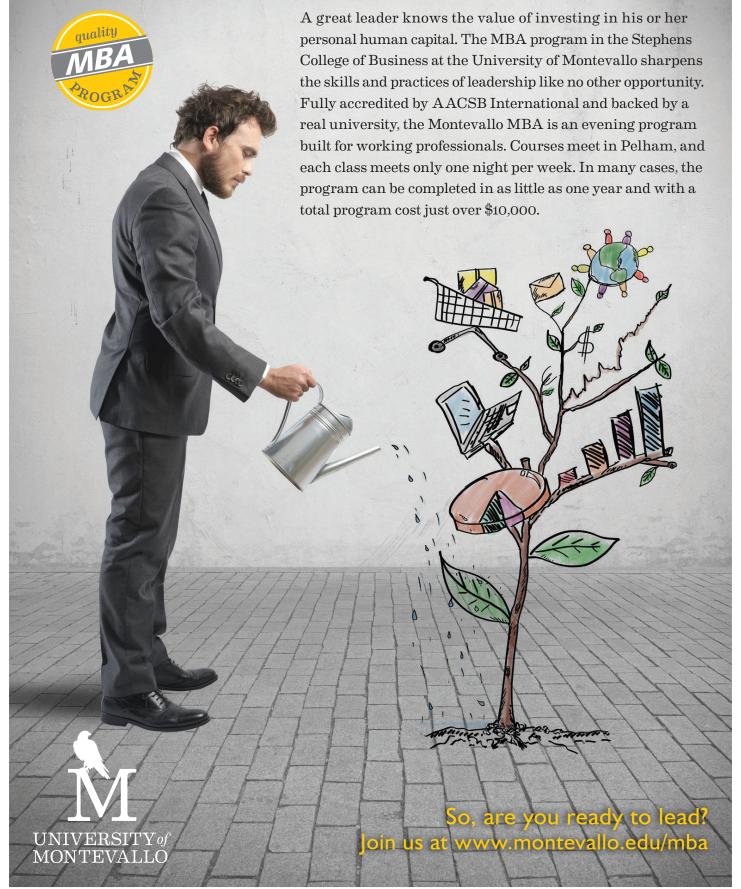
Q: What is the benefit for MBA degrees in today's business world? What is the future of MBA programs?

Hardgrave: The benefits are largely the same as they have been for many years: expanding one's knowledge base and providing opportunities for career growth. The MBA still provides a student with a larger, more integrated view of the organization and how business operates. So fundamentally it is still the same. However, some things have changed. One is accessibility. We have to get beyond the traditional face-to-face MBA programs. In fact, that is our smallest MBA program now. Our online and executive programs

are much larger than our traditional faceto-face. So accessibility in providing those alternative models is very important. Then there is scrutiny on value proposition. Students are being much more purposeful now. We do not see employers paying for this as much as we did before the recession. Subsequently, the students are bearing the brunt of that now, and they are doing their due diligence on evaluating the value of the degree. The website Poets and Quants wrote a nice article about our online program, describing it as a top MBA program for the price of a jeep. That's interesting to think about, and I believe students are putting more emphasis on the value proposition. But

what has really caused us to change the direction of our program recently is the growing realization from many disciplines that business knowledge is essential to their success. Historically, the feeder for MBA programs has been undergraduate business students. I think going forward, we will see less of that and more people coming from other disciplines. We recently launched our MBA Plus. It is an MBA for those who do not have an undergraduate business degree. It is an MBA, plus some other degree. I think that is the future growth area of MBA programs, because the population is so much larger from that set of students. Most disciplines are going to be in a business of some type. There are

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many professionals who have businesses but no business training.

St. John: The MBA is a general management degree. It is intended for someone who will lead an entire company or division, with responsibility for people. products, processes and money. MBA programs provide courses that focus on all the important functions of a business and the interdependencies among them. MBA programs stress the importance of strategy and leadership, and all the elements that must come together for an organization to achieve its operational, market and financial goals. MBA students come from all walks of life and all backgrounds. Many engineers and scientists pursue an MBA once they move into the managerial ranks. At UAH, our MBA incorporates a theme that runs throughout all of the coursework: management within high technology environments. This focus is consistent with our expertise and the interests of most of our students. Business schools also offer specialized master's degrees. For a while, some universities were creating specialized degrees under the MBA rubric, and it was diluting the purpose of the degree and its identity. But now the distinction is clearer, and both types of degrees are needed in the marketplace. The specialized master's degrees are intended to provide deep immersion in one particular area. In contrast to the general-management MBA, M.S. degrees often build on an undergraduate degree in the same area. For example, an accounting undergraduate may choose to pursue a master's in accountancy. At UAH, we offer specialized M.S. degrees in accountancy, information systems, and cybersecurity. Beginning this fall, we plan to offer three new M.S. degrees - in business analytics, supply chain and logistics management, and human resource management – contingent upon final approval by our accrediting agency. It is increasingly common to see students pursue multiple master's degrees. Some students choose to combine an MBA with a graduate certificate program or an M.S. degree. They want the specialized immersion to assist them with their current career path, but they want an MBA to prepare them for a leadership role.

Jack: The challenge for MBA programs is we take in people regardless of their major or undergraduate preparation, and give them a generalist set of skills to familiarize them with the language of business and what it means to run a business. So we need to find a vehicle by which we can partner with specific specialties – be it engineering or medicine or other areas - and increase that value proposition in a targeted way. The question we must ask is, when someone does not have a basic undergraduate business understanding, how much remedial work do we have to do to get them up to speed? What are the entry requirements for the MBA program? Is there a GMAT (Graduate Management Admission Test) score requirement? A work experience requirement? There are a lot of pressures to enroll students in the program while at the same time preparing them to participate in class with their peers it in a way that can add value.

Craft: We've dealt with the same issue. We draw students into the MBA program from a variety of fields. We've created something called The Business Summer Institute. We have three summer terms, and over those terms we offer the entire undergraduate business core online. Our largest audience for that is people who are preparing for the MBA program. It's people who need to be brought up to the same level with a comparable skill set to those who did major in business. That's important. One thing that hasn't been mentioned is that every school around this table is AACSB (Association to Advance Collegiate Schools of Business) accredited, which means we have very good, solid external validation of the quality of the work we're doing. That can't be said for everyone who is operating in this market and putting the words "MBA" or "business degree" out there. So one of the key issues of the value proposition is to make sure there is a real, substantial university behind the degree being offered. I think solid programs with a good value proposition are always going to find an audience. You have someone who has some technical expertise, and now they're at a point in their career where they're not just performing that technical function but they're also managing people and budgets. That's someone who is ideal for an MBA. As long as industry is growing, I think that demand will be there.

Hardin: Accreditation is very important, because we all work very hard to maintain our accreditation. Just like I don't think any of us would want to have brain surgery done by a physician who wasn't from an accredited medical school, do you really want your business run by people with MBA degrees that are not accredited? In terms of the future of the MBA, they started as degrees to help people without any business education. At The University of Alabama, we offered our first MBA program 70 years ago. Through the 1990s, an individual had six or seven years of work experience and then they got that MBA, and it really enhanced their earning potential. That has come under extreme scrutiny in the last five to 10 years and is probably no longer true. The data indicates that MBA applications have been declining since the recession, and we're seeing a decline in the number of two-year residential programs. A study done in 2007, "Rethinking the MBA,"

made a point that the idea of a generalist degree is probably waning. Even industry doesn't see the value in that. I don't know if I would turn my business over to a 28-year-old who just has a generalist MBA in strategy. So what you're

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seeing are more specialized focuses in the MBA program. We're sometimes guilty of trying to lump everything together and give one omnibus answer. In reality, we have to realize there is segmentation in the market. There are people out there who are already working, who could come back in the evening and do very well with a generalist MBA. So there are going to be markets for that. But each school is going to have to look at their core strengths, look at their strongest market for success and tailor their program to those core markets. It's going to be up to the school to make some of those decisions. We took an innovative approach to the MBA that is working extremely well for us, the STEM Path to the MBA. Those students majoring in science, technology, engineering and math can earn an MBA with one additional year of study. We provide students with the skills they need to succeed as leaders in the STEM

fields. I think you'll see more programs like this innovative approach to the MBA in the future.

Finch: I believe the MBA is the most misunderstood degree out there. You get a master's degree in something like English literature or sociology, and it's a very focused, in-depth analysis of the aspects of the field. But an MBA by design was a generalist degree. So a lot of the assumptions that people have is that it's a homogeneous market. But the market has changed so much through the years. The average age of our MBA students continues to fall. We have a lot of students who want to get an MBA right after they

> finish their undergraduate degree. That is a very different student than a physician or pharmacist who has found out that in order to be financially successful, they have to learn business in addition to the technical skills of their field. It's very different from the person who has been out there 15 or 20 years and realizes they have been caught in the shift of middle management and need a generalist degree to open up new career lines. So there is a lot of pressure on us as institutions to differentiate the product, which has historically been very homogeneous. It's a challenge for us to educate the population that not all MBAs today are the same MBA. Some programs and focuses are much more important to certain audiences than others.

Q: How have online courses and degrees shaped the world of higher education?

St. John: They have made education available to a lot of people who do

not have the ability to travel to a campus to take classes. When done well, online courses and degrees provide flexibility and access that is admirable. Online courses have also reset expectations within our regular in-person classes. Now students taking in-person courses want all their class sessions recorded, so they can go back to them to review. Online programs also raise the level of competition among universities, as universities use their online



programs to enter new markets.

Jack: Students as customers now have many more choices, and location is no longer a restriction to getting an education. Every qualified school will likely have an offering online. Customers have all these options. So what is the differentiation in that online space? We're trying to increase accessibility and availability, but what is the business model behind that offering? We have to go where customers are. If vou don't have that offering, others will, and customers are going to be choosing that. These are very delicate things we're dealing with. Where and how do we focus our school? Who do we partner with? Do we have similar offerings in the online space? Here in Alabama, high school graduation rates in the state are flat to down. So, if we're going to grow, we have to make the pie bigger. We're looking at a lot of different ways to do that, and I think the specialized MBA is a place where we can add some value.

Craft: Relatively speaking, we have it good in the South. There are parts of the U.S. where that pie is shrinking tremendously. We're fortunate we're not in that position. As far as how this is shaping education, it's all about us becoming smarter and more student-focused, and being prepared to deliver the format that best serves the students. We need to use technology in any delivery mechanism that adds value to the student.

Hardin: I think we miss the mark sometimes when we try to make online offerings a one-size-fits-all. We forget that we need different types of things at different points in our lives. In our society, most 18-to-22 year olds probably don't have the developmental maturity that someone much older has. Each person may require a different approach to learning. We need to answer the question, what is the best way to help students develop the way they should for their learning styles. Taking a master's graduate-level class online is different than having an introductory philosophy class or accounting class online for an 18-to-22 year old. So it comes back to segmentation of the market and how we're handling each one of our areas. I have reservations about just a pure online degree for a student who just graduated from high school. I don't think they need to spend more time in their basement on their computer. Corporate executives will tell you that students need to learn a lot of the other skills that can only be gained in a real classroom.

Finch: There are two aspects of online courses that have been brought much more heavily into focus lately. A concern that we all have is that the qualifications of the instructor on an online class are equivalent to those of an in-person class. That's not true for a lot of programs out there. And then ensuring that the depth and breadth of learning in an online class is equivalent to what has been a more traditional model. Those are real concerns that we all wrestle with. One of the ways we need to do a better job is in educating the populace on those issues. Because it's very difficult sometimes for the consumer of higher education to make those kinds of distinctions.

Hardgrave: Online has reduced the barriers of time and distance. We now compete globally for students. With traditional face-to-face classes, we knew the schools we were competing with and what our markets were. Now we compete with everybody in that space, which is a

great opportunity, but it presents some challenges that we haven't had to think about. We have had it easy in the past, from a strategic perspective. Now we are facing the same things that industry has faced for a couple of decades in that competition is now truly global. It causes us to change the way we approach what we teach and who we teach and who our audience really is for the programs we are putting together. Interestingly, from a faculty perspective, we have found that some of our best faculty who are great at lecturing in the classroom are not that great in the online space. And we have found some people who are great in the online space are not great face-to-face.

So you cannot assume that everybody who is a great performer for you in one area will be great in another area. Thus, online is shaping our strategic directions and impacting the day-to-day activities of getting faculty prepared for that environment.

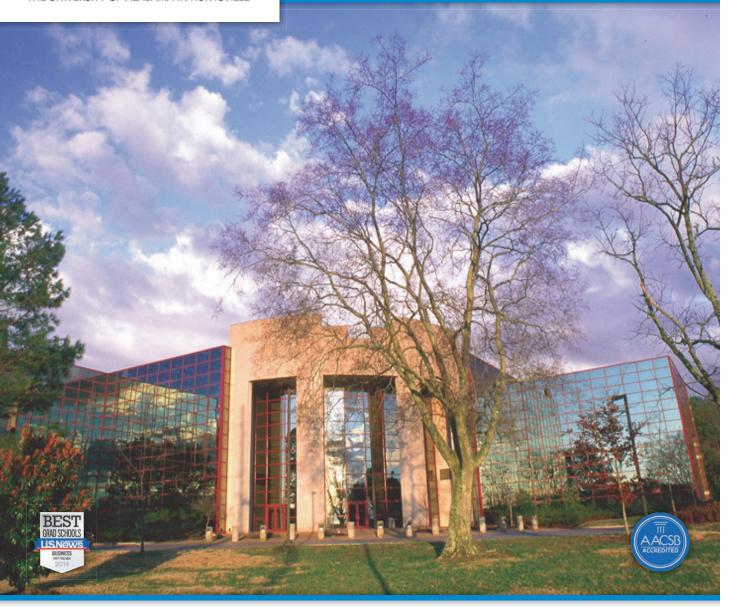
Q: What are some lower cost options my business could utilize in the education world to help career and talent development?

Craft: You need to be a savvy consumer. You need to kick the tires on the institutions and degree programs that you might consider. Higher education institutions sometimes make it difficult for

people to compare prices because there is the rack rate of what we're charging for tuition, but then some institutions lower the tuition and raise the fees. You have to be able to really delve into it to see the all-in costs. You might well find that a full degree with high long-term value at one institution is more cost effective than a short-term focused certificate somewhere else. It's going to become increasingly difficult to justify higher price points in a market that is segmented, where you have students pursuing the degree for different purposes. There is going to be some price pressure as you have more competition and more options available to the adult learner.







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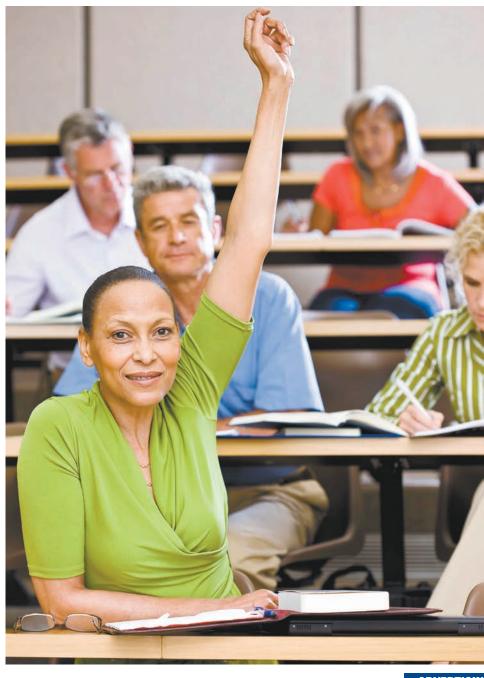
Hardin: One of the lower-cost options is for companies to contact us and see how we can help their business with tailored or specialized programs. It may not be a degree. It may not even be a certificate. But I think a true dialogue between the company and College can help create some lower-cost options. It's going to have to take a refinement of the end goal by the business owner and working with the College to determine the objective and implementation. With this in mind, we can create some options for the business. You can look at it as more of a consultant kind of thing. We can also focus on smaller units, like nano-degrees.

Finch: If I were looking at executive education opportunities for my business, I would pay attention to whether those program are demand driven or supply driven. Some are pre-packaged or certificate programs where they say, "This is what we have. We'll be happy to deliver it to you." And some will come sit down with you and give you what your people need. So if I were a business owner trying to pay close attention to lower-cost options, I would investigate those programs that are demand driven. That way, we can customize and give our people just what they need in the most streamlined possible format, and not an off-the-shelf, pre-packaged curriculum. We have experienced a lower demand for the MBA and a higher demand for customized executive education.

Hardgrave: Let me illustrate with an example. We have a faculty member who developed a blended delivery module for

one of our most popular supply-chain courses. Part of it is in the classroom and part online. We had our production studio handle it, so it was a very welldone module. Fast forward a year, and the Council of Supply Chain Management Professionals now offers that module for sale to their members. Keep in mind this is a learning model developed for the college undergraduate. Thus, the lines are really starting to blur between what you get in the classroom and what is available to industry. In this case, for the single module, it is a fairly low-cost option. So if a company wants to expand the knowledge base for a certain group, they can buy our module and another module from somebody else and another one from a different source, and so on. You can buy these pieces that you need and put together your own curriculum based upon the modules that are out there from a

variety of higher-education sources. Jack: I was reading an article in The Wall Street Journal recently that quoted (Harvard Business School Dean) Nitin Nohria about the challenges facing MBA programs. Schools have gone to places across the globe and set up programs, and now there is less of an incentive for those foreign students to come here. Dean Nohria foresees a 20 percent decline in enrollment. As Dean of business schools, we're all running businesses here, and when we take off our educator's hat and put on our businessperson's hat, we have to ask how do we position our services, and how do we capture the value for those services? We all have growth goals



in trying to do that. Clearly this means that price pressure in the marketplace is coming. The \$100,000 cost of an executive MBA is being challenged where people have options and they're not willing to pay

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have options and they're not willing to pay those prices. It's going to be interesting to see how we segment ourselves and the partnerships that we form in order to achieve our growth goals. Since each school is going to have a competitive offering going forward, there's going to be added pressure to also reduce the cycle time to completion along with the cost of completing these programs.

St. John: Professional development short courses are a great way to receive an intense overview of a topic, with a relatively small investment of time and money. Some professional associations provide excellent training opportunities via webinars and online courses.

Q: What are some emerging disciplines (fields of study) in business schools? How do those connect with the needs of businesses, such as having an engaged workforce and effective leaders?

Hardin: One of the most important disciplines for me, because it's my specialty, is business analytics. We are in the process of creating a business analytics lab where our students and faculty can partner with companies on projects to provide solutions to problems or provide a more efficient, cost-effective way of doing things. We've partnered with Lockheed Martin. Healthcare Business Solutions and SAS on creating the innovative lab. Businesses can come in and meet with our faculty and students to discuss a need or problem, and we will work with them on developing a solution based

on gathered data. Another emerging area is certainly supply chain management. Logistics is an important and critical field for businesses on a global scale. With this high-demand field of business analytics and supply chain management, we can and are creating a greater awareness of quantitative literacy, and we are making decisions and solving problems using data. We talk about evidencebased medicine. I think we need to have evidence-based business, where we're making decisions based on and driven by data.

Finch: For us, there has been a lot of interest and demand from students and employers in social entrepreneurship. That's teaching students business techniques and perspective to apply to a non-profit or mission-driven situation. It appeals to the generation of students who come to us now and have grown up doing service learning. Many of our students have multiple experiences with overseas mission trips. So the idea of studying business and taking those tools and techniques and applying them to a non-profit or mission orientation is very popular and is a growing area of our curriculum.

Hardgrave: Business analytics and supply chain are the two emerging disciplines that we are really emphasizing.

Business analytics is now a required class for our undergraduate program. We offer an undergraduate degree in business analytics, an undergraduate minor, and an MBA concentration. Supply chain has been our fastest-growing major for the last five years. There is great demand for those students with great starting salaries. Both programs come from an awareness of what is happening in industry and where industry is going. Overall, I think business schools have been slow to respond to new growth areas. For analytics, in particular, some business schools viewed it as a fad that would go away, but it is not going to go away. On the contrary, demand is going to get higher. In addition to these new growth areas, there has been a fundamental shift away from the generalist to the specialist. The most popular business degrees 20 years ago were business administration or management.

Now they are too broad.

Companies want to hire specialists. They want to hire supply chain, analytics, accounting, information systems, etc. They want a mile deep and an inch wide rather than an inch deep and a mile wide.

St. John: Many of our current disciplines are seeing significant changes. Most of the changes are being driven by three factors: big data and the opportunities it affords, digital everything, and globalization. Use of digital and social media, decision modeling, business intelligence and analytics, and concerns about cybersecurity permeate all our degree programs. Some of these areas are treated as new concentrations or degree programs, such as computational analysis, business analytics and cybersecurity. Others are becoming part of the

fabric of the existing disciplines, such as digital and social media marketing in our marketing major. These new areas are highly relevant for businesses. Leading businesses are showing us the way, and we are adapting our courses and programs to ensure students develop the knowledge and skills to meet new employer demands. For businesses that are struggling with these transitions themselves, our graduates can help.

Jack: I see three areas. First is innovation and entrepreneurship in a technology-driven world. It goes beyond the business school and embraces the wider mission at UAB. For example, we recently co-sponsored a seminar on the business of science. Many of those students who had once considered academia as a career when they started on that path towards a PhD in the sciences are now having to look at industry as a possible career choice. So what are some of the innovation and entrepreneurial types of activities that can be adopted to secure an alternative future for these student? To facilitate some options, we're offering a certificate in technology commercialization, a minor in entrepreneurship, as well as other options. Second, risk management is another huge area, not just for the banking industry, but also in several emerging areas such as forensic cyber security and

mobile platforms. The rate at which theft is occurring in the cyber space is huge. The analytics associated with responses to these threats is going to be an area where many skills will be needed to deal with these challenges. And thirdly, with my expertise in supply chain management, I see the manufacturing environment with increasing opportunities where companies need to employ a team member who can adapt to the challenges. Our students also have to learn to think differently about what it means to operate in a just-in-time, just-in-sequence kind of work environment as a team member without a traditional functional office. That's a whole different work environment for which we will need to prepare our students.

Craft: To some degree the answer depends on what level of preparation you're talking about. You want to be able to evolve with the market and the demand to serve the students without being trendy. There are some things that are very exciting on a short-term basis that can be appropriate for a certificate program. But you want to make sure that if someone is investing in a full-degree program, it's something that's going to be able to add value over a long-term career. We are evolving considerably in the areas of environmental sustainability as well as a focus on big data. And there's more of a focus on non-profit. We see a generation of employees and companies that have been developed specifically to blend social mission with a for-profit corporation. We've been addressing that very strongly.

Q: If I have a specialized training need, how could my company start a relationship with a school to build a talent pipeline?

Finch: I still strongly value one-on-one commutation. So the first thing I would encourage someone to do is to sit down with me and our director of executive education and have a discussion about the specific needs. Also, I think we would both benefit by having us at the university go to the place of business and talk to the people who would benefit from the specialized training. Sometimes when you talk to a supervisor or a business owner you're going to get one perspective, but if you talk to the employees you're going to get a different one. I would like to have those lines of communication open before we get to the specifics of the curriculum. We can be reached through email at hfinch@ samford.edu or by calling 205-726-2364.

Hardgrave: If somebody has a specialized training need, just contact me. We would be happy to sit down with that person. And we'll come to your place and learn more about what you do and what your needs are. We can be reached by phone at 334-844-4832 or by email at hardgrave@auburn.edu.

St. John: We are happy to have that conversation with you. It depends upon your specific needs. Are you interested in getting some specialized training for your existing workforce? If so, we can work with you to identify courses or programs that would meet your needs. Then, if you have one or two employees who need the training, they could take classes on campus during the day or in the evening, or take classes online. If you have a large group, then we can create a special program for you and offer it just to your employees on campus or at your facility. If you are interested in recruiting students to join your company, we can work with

you to design projects and internships that allow students to interact with your company and learn about it. Then you have an opportunity to observe students as they work and decide if they have the capabilities that you need. We can be reach by calling 256-824-6024 or emailing cba@ uah.edu.

Jack: We have established an office for innovation entrepreneurship. We have the Innovation Lab at the Innovation Depot. Lots of collaborative opportunities are emerging from those initiatives. For me, it's important to sit down with prospective partners and talk about mutually beneficial business models. What is going to work for you, what is going to work for us to incentivize our faculty to participate in this, and what are the opportunities for our students to be engaged with you? It has to work for all those constituents. We can be reached by email at ejack@uab.edu or by phone at 205-934-8800.

Craft: The director of our Stephens College Center for Professional Practice works with employers to provide the type of talent they need. Employers become partners and come back time and time again. For example, there is a firm in Florida that recruits heavily out of our accounting program. I was talking with the senior partner to thank him and ask why he comes back up to Montevallo year after year. He explained how his firm finds it hard to recruit accountants with strong interpersonal communication skills. He said Montevallo graduates can talk to people and present technical information to non-technical folks. Strong communication skills coupled with solid technical knowhow means that Montevallo graduates come back from a client with more business. I would encourage potential partners to contact Dr. Bill Hamer, Director of the Center for Professional Practice, at 205-665-6524 or through email at bhamer1@montevallo.edu.

Hardin: Call the dean's office. We will help connect you with the right department. We can be reached by calling 205-348-8935.

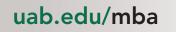


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