

CONCEPT PROPOSAL

**MASTER of ARTS
in
LEADERSHIP**

**with a
CONCENTRATION
in**

**BUSINESS
LEADERSHIP**

November 13, 2000

Date: 11/13/00

To: Department of Business, Accounting and MIS

From: Milo Schield

Topic: Proposal for a concentration in Business Leadership within the MAL program

The following is an update of the proposal that Amin, John and I proposed in December, 1994. On Friday, 12/01/94, the MAL committee voted to approve this idea. This proposal was approved by the department for submission to the MAL faculty. However, at a faculty retreat in January, 1995, the MAL faculty voted (a straw vote?) not to pursue a business track within the MAL program.

Attached is an updated copy of the proposal they accepted. This proposal does not contain the detail necessary to submit courses to Academic Affairs. It should contain enough information to make a decision on whether to pursue this idea further.

This program is much bigger than a single course submitted by an individual faculty member. It is a comprehensive, integrated program that will require a great deal of work by the entire department in order to succeed. If the idea is not a good fit at this time, we should not feel compelled to go along. This activity is not currently an essential part of our departmental strategic plan.

However, we believe that this new program should have significant benefits for everyone -- the MAL, the department, the school and our undergraduate majors. We recommend approaching this matter in three steps:

- I. At this meeting, we request that the department
 - 1 Approve the **academic** merit of the idea embodied in this proposal
 - 2 Authorize the preparation of detailed course proposals
 - 3 Appoint individuals to be responsible for designing the various courses.
 - 4 Appoint a coordinator to integrate these courses into a unified program.
 5. Send departmental representatives to work with Norma Noonan, MAL Director.

- II. At our next department meeting, the department would review the course and approve submission of the courses to Academic Affairs.

- III. After approval is received from Academic Affairs, then the department would examine the administrative and resource issues prior to giving final approval to this program.

SITUATION

Augsburg's MAL program has a solid conceptual model of leadership; the specifics have been fine-tuned during the 5 years since it first started. The MAL has survived changes in content and administration; MAL graduates are very pleased with the quality of this program. The program is a visible sign of Augsburg's emphasis on the liberal arts.

PROBLEM

The program enrollment has not reached the original target levels and currently has around 50 students attending classes. Class sizes currently range from 5 to 16 with an average of 10 students per class. These class sizes are smaller than would be optimal. The program has minimal overhead and is not able to make further reductions in fixed costs. The MAL program cannot increase its contribution margin to the college without larger enrollments.

OPPORTUNITY

By adding some additional courses within the existing program, enrollments in the MAL may be increased. In the past, the Business Department has proposed a graduate program in business -- an idea that has been strongly supported by some members of the Board of Directors. Augsburg has existing business faculty with terminal degrees who are qualified to teach graduate courses. Many Augsburg graduates are enrolled elsewhere because they want some graduate courses in business.

RISKS OF THE STATUS QUO

If enrollments are not increased, the MAL program may not be funded by the college. Unlike the day program and Weekend College, the MAL program is not considered a core program. As such it must stand on its own financially. Augsburg is under increasing budgetary constraints -- if there is no increase in MAL enrollments, the program may have difficulty diverting scarce budget dollars from the needs of the core programs.

PROPOSAL

To increase enrollments in the MAL, a new track in Business Leadership should be added. This track is not a mini-MBA: it does not have either the breadth or the depth, it does not require prior education in business, and it is not designed to train business professionals on how to become better professionals within their particular discipline.

This track presents business leadership as a liberal art -- the art of effective leadership within a business environment.

This track requires four courses in business leadership and the completion of a thesis or leadership application which is business-related. These courses may be taken by graduate students in other programs.

AUDIENCE

The Business Leadership track is designed for those individuals who want to take the some higher-level business courses as part of a graduate program which focuses on leadership.

GOAL

The goal of this proposal is to provide additional options to prospective students and thereby to satisfy the needs of a wider audience.

**BENEFITS TO
THE COLLEGE**

The success of this proposed concentration can have substantial benefits to the college:

1. The MAL is maintained as a viable program. Larger enrollments result in increased revenues, decreased costs per student and improved contribution margins to the budget.
2. The college benefits potentially since this program could results in new sources of gifts and endowments from the business community.

**BUSINESS
LEADERSHIP**

The proposed business leadership concentration involves five core courses in business: Accounting and Finance, Management, Marketing, Information Systems/Data Analysis, and International Business.

Unlike traditional courses in each of these areas, these courses focus on leadership: how to relate the specific area to the business vision or strategic plan, how to assess the risks and opportunities inherent in a given situation, and how to communicate the opportunities to be gained in following a proposed course of action.

**INFORMATION
SYSTEMS and
DATA ANALYSIS**
[MAL/BUS 570]

The information systems portion of this course focuses on computers as tools for managing. Students are introduced to advanced spreadsheets, databases, presentation software, networking and telecommunications as tools for leadership and as resources to be managed.

The data analysis portion of this courses focuses on reading and interpreting data. After reviewing descriptive and inferential statistics from large samples, students will evaluate data and evaluate inferences made from data. Unlike a traditional course in statistics, this course focuses on the elements of business leadership: how does data relate to the business vision or strategy plan; how does data indicate the level of risk in a business enterprise, and how does one communicate the meaning of data to others.

**ACCOUNTING
and
FINANCE**
[MAL/BUS 572]

This course focuses on reading and interpreting financial statements for both public and managerial purposes. Students will analyze the nature, sources and effects of risk using a spreadsheet with a risk-simulation module. The course will focus on common business decisions such as evaluating the current sources, uses and needs for capital, making relevant forecasts given varying amounts of capital, raising capital (stock or loans), allocating capital and communicating with investors and financial institutions.

MANAGEMENT
[MAL/BUS 574]

This course focuses on the management aspects of leadership in a commercial environment. The creation and revision of the business vision are related to the design and revision of the strategic and operational plans. The analysis of risk and the process of decision-making are related to the choice, monitoring and measurement of outcomes. The persuasive elements of leadership are related to business evangelism and to the managerial tasks of assigning, delegating, monitoring and controlling the actions of others.

MARKETING
[MAL/BUS 576]

This course focuses on the marketing function -- identifying, evaluating and satisfying customer desires as part of a business exchange. The course will focus on common business decisions involving product, pricing, promotion and place in relation to organizational leadership.

**INTERNATIONAL
BUSINESS**
[MAL/BUS 578]

This course focuses on the international aspects of business as viewed from both an economic perspective and a business perspective. This course can also serve as a capstone course for the business-leadership segment.

**THESIS or
APPLICATION
PROJECT**

The thesis or application project must be business related for students enrolled in the Business Leadership concentration. The application project is highly recommended.

A **common** set of requirements for an application project involves critical thinking and ethical analysis applied to some actual business situation (normally involving strategic planning). Students must explore the past, present and future of a firm or an industry from a number of relevant perspectives.

1. Students must present possible explanations for the current situation (normally a problem) and must make and justify a disputable assertion about which cause is most fundamental,
2. Students must make and justify a disputable assertion about the nature and extent of managerial responsibility.
3. Students must present several relevant actions that might be taken in a specific situation and must make and justify a specific and disputable recommendation involving some change either in this business or industry or else by management within a given firm.
4. Students must forecast the behavior of this business under at least two hypothetical scenarios assuming their recommendation is implemented, and finally assess any ethical aspects of the situation, the recommended action or the consequences of the recommended actions.

FACULTY

All faculty should have or be working toward the terminal degree in their field (Ph.D. or CPA). Faculty should have at least 6 years of teaching experience and at least 6 years of experience in business as an executive, consultant or manager. Moreover, they must teach their business courses as an integral part of the leadership model on which the MAL program is based and as an integral part of the business leadership concentration.

**PROPOSED
FACULTY**

Milo Schield, Ph.D., CMA. Has taught Decision Making and Critical Thinking in the MAL program for many years

Stu Stoller, CPA, MA. Has run his own business, consulted with a wide variety of business (small, medium and large), and is actively involved in helping business make financially-related decisions.

Fekri Meziou, Ph.D. Has been a marketing manager for a large business.

Magda Paleczny-Zapp, PhD.

**COMPUTER
LITERACY**

Students must be computer literate. Students must be familiar with word processing and with a spreadsheet.

**COMPUTER
ACCESS**

Students will have access to a modern computer classroom with the hardware and software commonly encountered in business including CD-ROM and multi-media.