

The global MBA: a comparative assessment for its future

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Abstract

There is increased interest in online MBA programs across the globe. This paper attempts to review and assess online MBA programs and what lessons other universities and students can learn from them. It attempts to compare between the online and the traditional MBA. In addition, a thorough evaluation of the strengths, weaknesses, opportunities, and threats of the online MBA is made. The evaluation considers point of views from universities, professors, and students that combined together will assess the future and growth of "global MBAs".

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Overview

Since the online MBA is growing, this means there are merits for those programs over the traditional MBA. The online MBA programs are accepted by new customers that were not willing to pursue their MBA degree in traditional classes. In other words, students who want to pursue an MBA degree without going to the campus would be willing to apply for an online MBA. An example is if he/she has family issues, and it is difficult to leave the family, or to relocate them (Larsen, 1999; McCallister and Matthews, 2001). Another example is seeking the MBA for career improvement without leaving the job (quitting or just temporary leave), because of the need for the monthly salary, or because of its responsibilities (Larsen, 1999; McCallister and Matthews, 2001). It is an opportunity/cost trade off, whether to lose the monthly salary and leave the job for the sake of a full time/part-time MBA. Also, where he/she is living, national or international, affects the size of the potential market for the online MBA.

In general, the online MBA suits more the executives who need to improve their careers within the same organization, or disabled and elderly people who cannot easily move and go to campus. The traditional MBA will still have its students who want to change their career or improve their education, and have the ability to sacrifice a monthly salary.

The selection criteria

The online MBA has different formats to let the student choose from. Generally the online MBA could fit into three major categories (Ryan, 2001):

1 *Self-paced independent study*. The student set the schedule and study at his/her own pace. The materials can be reviewed for as

long as the student needs it. Feedback from online quizzes takes the form of preprogrammed responses. There is no one to whom the student can direct questions. This form of study requires the highest self-motivation.

2 *Asynchronous interactive*. The student participates with an instructor and other students, although not at the same time. The student attends the class whenever he/she likes for any amount of time. This approach offers support and feedback from the instructor and classmates. It is usually not as self-paced as independent study.

3 *Synchronous learning*. The student attends live lectures via computer and asks questions by e-mail or in real-time live chat. This format is the most interactive of the three and feels the most like a real classroom. Flexibility is more limited because of the set lecture schedule. There are limited course offerings in this format due to high delivery costs.

Affected by the above motivation to go for an online MBA, the criteria of university selection are specified. Selection differs from one student to another, but the major criteria is, first, the flexibility to enroll in the program and courses, as in the University of Phoenix, which offers online courses in six-week increments (*Kiplinger's Personal Finance Magazine*, 1997). In the case of the traditional MBA, courses are generally only offered in the Fall and Spring semesters.

The second criterion is the adequate time to complete the courses (Larsen, 1999; Gerencher, 1998). The third criterion is the services and quality offered (Gerencher, 1998). This criterion is discussed later in the article considering its threat to the online MBA.

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The fourth criterion of selection is the price. The online MBA prices are comparable with the traditional MBA. It is about the same, although it differs based on one's choice of the university (Gerencher, 1998).

Table I shows a sample of leading US universities that offer the online MBA program, its cost, and the mean features (Smith, 2001; Larsen, 1999) – Adapted.

Although the examples given in Table I are from the US market, the online MBA has a global offering. Some examples of the UK-based business schools that offer MBAs by distance learning are Brunel University, Durham University, Henley Management, Kingston University, Leicester University Management School, Open University, Oxford University, Surry European Management School (SEMS), and Warwick University (Career Dynamo, 2001b). The Web site also specifies Warwick online MBA as

the one with the highest reputation, as well as being the most flexible.

In addition, the Asian part of the world has part in this competition. City University of Hong Kong, Birla Institute of Technology and Science (India) and Open University of Hong Kong are examples of the top business schools that offer MBAs by distance learning rated by Career Dynamo (2001a).

The fifth criterion is the accreditation (McCallister and Matthews, 2001; Gerencher, 1998; Wood, 2000). Accreditation is defined as any form of independent review of educational programs for the purpose of helping to establish that the learning offered is of a uniform and sound quality (Phillips, 2001). Accreditation is used to evaluate the quality of the education as determined by the accreditation body. According to Charlotte Thomas, career and education editor of educational power-publisher Peterson's,

Table I

A comparative analysis to a sample of US universities that offer the online MBA program

MBA program	Cost	Features
Colorado State University	\$416 per credit	Videotapes of classes sent each week Threaded discussions and chats
Drexel University	\$31,500 for 16 courses in advanced level Includes tuition, residencies, fees, and books 21-months program	No foundation courses online Three-on campus weekend residencies Executive mentors, enterprise resource planning as unifying theme
Duke University	\$89,700 Includes computer, printer, lodging, and meals for residential sessions	Global executive MBA Five residencies required on five continents
Indiana Wesleyan	\$280 per credit hour 46 credit hour average to completion	One course delivered on each of three-day on-site sessions Live chats
National University of San Diego	\$925 per class 12 classes	Courses each last two months CD-ROM, Internet, and Intranet
Notre Dame University	\$26,130 that includes all books, course materials and room and board	Two required weekends, and one 12-day trip
Ohio University	\$32,000. Includes lodging for residencies, laptop computer, and software	Nine major learning projects Three one-week residencies Intranet real-time meetings Electronic tutorials
Suffolk University	\$1,845 per course \$120 technology fee per course 11-16 courses	EMBA Slide shows, video clips, threaded discussions, and chat rooms
University of Missouri at St Louis	\$595 per credit nonresident 48 credits Includes books, software, and meals	Meets one weekend per month on campus 23 months of 12-week classes Learning teams
University of Phoenix	\$485 per credit 51 credits	Classes offered one at a time five- to six-week classes Computer conferencing Business plan project
University of Wisconsin-Whitewater	\$708.50 per credit nonresident tuition \$40 technology fee 36-credit minimum	Learning Space software CD-ROM presentations Threaded discussions

“Accreditation is the number one verification of the quality of a higher-education distance education provider” (Thomas, 2001b; Abernathy, 2001).

Accreditation by internationally respected bodies, such as the AACSB, is an important selling point of programs at reputable schools (Wood, 2000). Some universities that offer the online MBA are accredited by local bodies, but until now the AACSB accreditation body did not give any accreditations for the online MBA. The accrediting agencies have a challenge in which it should develop specific standards for distance education students (Thomas, 2001a).

The sixth criterion is the reputation of the university (Gerencher, 1998). Many online institutions do not offer classes, rather they award degrees based on the candidate’s previous life experience (Online Business Education, 2001). This would be of concern for those universities, and also it could affect negatively other online universities due to the stereotyping. An example of a bad reputation is a university offering what is called a “diploma mill”, which is the name that is given to any university that operates primarily to make money or issue degrees/credentials without any thought to insuring that an education occurs (Phillips, 2001).

And the seventh criterion is the ability to compensate for the lack of face-to-face experience (Larsen, 1999), which is addressed later in the paper noting the studies held to examine that feature of the online MBA.

Strengths

Strengths are the competitive advantages that the online MBA programs have against the traditional MBA type. Those competitive advantages are the large dissemination of the online MBA globally, its mass customization just to fit specific needs, and the fact that it both benefits and is benefited by the technology.

Global implications

Internet MBA programs provide services in countries where traditional correspondence courses do not work well. Mail service and even express mail are difficult in some areas of the world where Internet service is more reliable (Natesan and Smith, 1998, cited in Smith, 2001). In other words, the online MBA is better in this regard than the traditional and the other long-distance MBA programs. In that sense, the online MBA offers a quality MBA program to the masses from all over the world that cannot afford to come to the USA (Clayton, 2000). For example, the University

of Southern California’s Marshall School of Business offers a postgraduate Advanced Management program to jumpstart MBAs for executives living in Japan (Larsen, 1999).

Another example, Oakland University, began in January 2001 an online MBA program for students in Lebanon. The MBA program officials expect that the program will eventually attract applicants from beyond Lebanon, especially from Jordan and Saudi Arabia, and from the territories administered by the Palestinian Authority. The MBA will combine distance courses with Beirut-based seminars. Students will travel to Michigan for the last portion of the program, in which they will meet their instructors and local business leaders. Officials at the Michigan College say that the program is the first online MBA to be offered by a US institution to any Middle Eastern nation other than Israel (Cohen, 2001). Also, given the global reach of the Internet, Nova Southeastern University has picked up students in a number of foreign countries; the MBA program has attracted people from Singapore, Hong Kong, Vietnam, Guam, Jamaica, and China. Faculty are drawn both locally and from countries such as the UK, Chile and Canada (Marshall, 2001).

The growth of “distance learning” programs gives students a wider choice of schools without regard to location. Jocelin Kagan, who runs a corporate-communications firm in Johannesburg, South Africa, has been enrolled in the MBA program of Henley Management College, in Henley-on-Thames, England, since 1998. Kagan, who meets with a group of seven other Henley students in Johannesburg, used to get her coursework via textbooks. Recently, she has begun to enjoy the efficiency and convenience of getting her coursework online. “E-learning crunches time down enormously”, says Kagan, who will graduate in May 2002 (Schneider, 2001).

“Global” can mean reaching others from across borders, also it means reaching the students locally who have a handicap. DeSales University and a technology foundation are teaming up to develop what they believe will be the nation’s first online MBA program for students who are deaf or hard of hearing (Mangan, 2001).

Mass customization or supply location

“Because many distance-learning programs are business-related, employers are willing to foot the bill for continuing education” (Schulhof, 1999). Universities can use mass customization in the MBA programs to customize the MBA degree just to fit a group enrolled from a company. From another

point of view, the online MBA can supply the education into the customer's location, as it is now common for online providers to offer additional services to their corporate customers (Aron, 1999).

For example, The Banco Nacional de Mexico (Banamex), was sending its executives to Harvard and Yale, but now they allow their employees to complete their MBA in cooperation with the National University that offers an online MBA. They report that the advantages are their people can complete the course without leaving their work or their home, it is a very comparable education, and they are satisfied with the results. In addition, they decreased the costs, since it costs three times as much to send one person to Harvard, which does not include the cost of temporarily replacing them at work. Lately, Banamex and the university worked out an arrangement in which Banamex supplied the computers and the server, while the National University oversaw the technology links that placed the program directly into the site (Donoho, 1998).

Another example is Ohio University, which is prepared to offer a corporate MBA program directed to companies interested in sending as many as 30 students to cyber school at a time. According to its director, Ohio University program will assign projects to MBA candidates which their employers need accomplished. In addition, at an employer's request, the university provides regular reports on students' progress (Aron, 1999).

Some of the reputable companies, such as Intel and PricewaterhouseCoopers, are now customers of the online MBA. E-learning company Conquest Corp. and Babson College in Wellesley, Massachusetts, have partnered to create a customized two-year MBA program for Intel. The program will combine e-learning and classroom training online and collaborate via threaded discussions and chats. In addition, Babson faculty will hold classes once a month at Intel's locations (Swanson, 2001). In addition, PricewaterhouseCoopers has a custom employee MBA program it created several years ago with the University of Georgia which also includes online and classroom instruction. "The tailored curriculum lets consultants quickly put learning into action", says the director of PricewaterhouseCoopers' learning and professional development group (Swanson, 2001).

Technological improvements

In addition to the above, the online MBA also benefits and is benefited by the technology as

a result of the competition would be between companies to offer a better product. From the technological point of view, the severe competition between businesses may produce a more powerful Internet, which is faster and of better quality to deliver the information. Also, more quality software is being produced and will continue to be produced due to the competition between the online software companies.

Another possibility is that virtual reality may be used to deliver the MBA education. In that case, the student will interact with the other students and with the instructor. For example, the reaction of a student presenting a topic to the class, and the responses of the instructor and the students will appear to each other in the class, as if it is a presentation in a traditional MBA class. Currently, the Webcam (Internet camera) could be used to deliver the reaction of the students to each participant in that class.

Technological improvements through current mergers between the educational institutions that offer the online MBA and other companies specializing in the technology sector are resulting in better quality online MBA. The University of Cambridge offered a new executive online MBA, to begin in the fall 2001, which is a joint effort of the university's business school, the Judge Institute of Management, and FT Knowledge, a division of London-based Pearson PLC (a company that also publishes *The Financial Times*). FT Knowledge will handle the technical aspects of putting courses online and delivering them, as well as the marketing of the program to potential students internationally. Cambridge will determine what is taught, and all the content, and lectures are to be done by Cambridge academics (Blumenstyk, 2000; Abernathy, 2001).

Success examples

Some universities are famous because of achieving a good reputation in the online education arena, and especially the online MBA. The University of Phoenix has the largest online enrollment for US colleges. Its private, profit-making program enrolls 9,500 students in a variety of undergraduate and graduate majors, including an electronic MBA (Welcome, 1999, cited in Smith, 2001).

The largest nonprofit distance education MBA program in the USA is thought to be at Colorado State University. The program served 375 students from 44 states in the spring semester of 1999 (Ruoff, 1999, cited in Smith, 2001).

As schools aim to better adapt to their students' lifestyles, online learning has

proven a sound and even revenue-building solution. At Indiana University, the Kelley School of Business' Direct online MBA program, which was launched in August, 1999, has 60 students enrolled so far, including an officer on an aircraft carrier in the Pacific. In the fall 2001, it plans to accept 120 students (Schneider, 2001).

Weaknesses

Admissions and enrollment

A weakness that has not yet been well researched by the universities is the required admission criteria to be accepted by the university. Will some universities change their admission criteria, will they require the GMAT, or will a new type of exam be needed other than the GMAT to reflect the new requirements, such as the computer skills?

A study conducted assessing enrollment and attrition rates for the online MBA (Terry, 2001) implies that online courses enroll more students, but suffer from higher attrition rates than traditional campus courses. The sustained higher enrollment across several business courses is a positive sign for the future of Internet-based instruction. On the other hand, attrition appears to be a problem with some of the online courses. Courses in the disciplines of accounting, economics, computer information systems, marketing and management appear to be very conducive to the Internet format, as attrition rates are comparable to the campus equivalents. Courses in business statistics and finance, with attrition rates in excess of 30 percent, do not appear to be very well suited to the Internet instruction format. This study concludes that courses requiring extensive mathematics are difficult to convert to an Internet instruction format.

Monetary requirements

The online MBA programs are cheaper than the traditional MBA. This is not the case if we are talking about a quality program. The universities need money to be able to finance the equipment needed, such as fast computers, software and, of course, 24/7 technical support for the whole system. In addition, the number of students enrolled in a single class are the same as the traditional one (20-30 students), because the instructor has to contact each one, and monitor student participation and level during the course.

For the students it is also costly, since they need a desktop computer or a notebook, with multimedia and printer. Besides, the computer should be in compliance with the

university's technological requirements. For example, a student should not use a Pentium 133MHz, with one giga bytes hard disk and 16MB rams, while the university's requirements are Pentium III 500MHz, and 64MB ram. If used, the less robust system would be unfair for the user and an unfair advantage for the other participants, because that would be an obstacle to participate, creating an interaction gap. That raises the issue of who can afford a compliant computer, multimedia, printer, and good Internet connection. It appears that the online MBA will mostly be monopolized by the western European and the north American population, and the minority rich in the rest of the developing countries. Also, currently, the universities that offer the online MBA did not offer scholarships to online students.

Another monetary concern is whether the MBA would be offered completely online, some courses of the program online, or parts of some courses online. In the case when some courses of the program are online and some are on location, the students will pay for the living expenses, apartment rental expenses, in addition to the normal fees, which is not cost-effective. Some universities require the students to travel to the university for meetings at the beginning and end of class, but this is not cost-effective for the international students.

Opportunities

Actually, what universities should do is actively pursue the online education market opportunities. These opportunities are confirmed by the surveys and statistical studies conducted through reputable firms. Dun & Bradstreet (1996) cited in Smith (2001), estimated that \$40 billion is spent annually by corporations and government on training, and a growing portion of that training is accomplished through distance education. According to research, the overall online-education market will explode from its current \$1.8 billion (with about 700,000 students) to \$5.5 billion (2.2 million students) by 2002 (Fisher, 2000).

This is supported by the history of the online education, because, since 1890, more than 130 million Americans have studied via distance learning, including Franklin Roosevelt, Walter Cronkite, Barry Goldwater, and Charles Schulz (Abernathy, 2001). Also, the above studies are backed by the change in the lifestyle of people, since "Nine out of 10 people just don't have the time or money to spend an extended period of time

on campus”, says Charles Hickman, vice president for academic affairs at Quisic, an e-learning company in Los Angeles, that is planning an online MBA (Clayton, 2000).

InterEd, an Idaho-based research firm that studies the use of technology in higher education, projects that enrollment in virtual MBA programs will jump from 5,000 in the year 2000 to more than 50,000 in two years (Dash, 2000). As a result, MBA program administrators see distance learning as a means to expand their student population (Smith, 2001).

Second- and third-tier universities

The second- and third-tier universities have the opportunity to do better in the market and acquire a large market share by competing with the first-tier universities in that new field, especially since not all of the top universities are going into the market. An example is the University of Berkeley’s Haas School of Business, which does not offer online MBAs and is not planning to. Because Haas admits only 11 percent of its applicants, it is seen as an elite university, and that is part of its value to students (Gerencher, 1998). On the other hand, online education can be seen as a threat to second- and third-tier universities, since distance learning MBAs delivered online can offer access to prestigious schools that have not been available in the past (Wood, 2000).

Another opportunity is that different universities can form a consortium, even if not second- or third-tier. Distance learning consortia are defined and explained by Rees, 2001:

Distance learning consortia are associations or partnerships between institutions of higher learning that are created to provide distance education courses and resources to students. Most consortia are designed to provide students with greater course selection and more exposure of a variety of faculty members. Some consortia also offer the additional value of centralized support services.

Threats

Threats are just warnings that should be taken care of, otherwise they would be weaknesses and blow up the online MBA. In other words each participant should adapt to the changing environment, and implement solutions to those threats.

The changing professor

There is a big difference between instructing a room full of students and interacting with virtual students. To really teach online, the

professors cannot just tape their lectures and send them off (Thomas, 2001b). The American Association of University Professors attributed the online courses as more time-intensive than the traditional classes, because they require instructors to answer students’ questions individually, in writing (Dobbs, 2000).

Adapting to the changes from the live to online instruction needs some modifications from the professors to beat the problems that are inherent to that type of instruction. John Dory, Professor of Management at Pace University, New York, has said (Greco, 1999):

The faculty needs to become two new things. First, we can no longer emphasize individual teaching content and styles as much. We need to become a coaching team that works as one. Second, we have to move from being the center of learning to being the facilitator of learning.

Some of the difficulties that face the professors due to the change from the live to online instruction are summarized in Table II.

Faculty benefits can be identified as:

- staying current and alert about the electronic education;
- enhanced ability to use technology;
- excitement of doing something new and different;
- greater employment security because of expanding market; and
- professors do not need to go to their office, they can control the course from anywhere.

The changing materials

The traditional MBA uses the textbook as the main source for the syllabus content, but the textbooks are outdated by the time they appear in the bookstore (Goldman, 2000). As a result, online classes can use other materials such as articles published in academic or professional sources, or even what is published in the newspapers and magazines. Or the online instructor could combine the principles in the textbook with the current practices, and deliver that mix as a combined coherent material online.

The changing classroom

Changing from the traditional classroom to software is a huge change. Students can communicate with the instructor and with each other by e-mail, bulletin boards, chat rooms (Larsen, 1999; *Kiplinger’s Personal Finance Magazine*, 1997), and news groups (Larsen, 1999). In the online MBA, the feel of the physical classroom is created by software used to give the same benefits and the information needed by the students, as the

Table II

Some of the difficulties that face the professors

Faculty problems	Potential solutions
Time learning technology	Technical assistance, workshops, training materials, experts to set up course designs and post it on the Internet as taken from professors
Frustrations with malfunctions of technology	Technical assistance, assistance in getting courses back online, e-mail messages to students concerning problems
Earlier preparation, largely done the semester before teaching	Release time for the professors the semester before the class for preparation
More time in written communication with students	Reduced class size, graduate assistant help
Less time for research	Consider Internet course development as scholarship for tenure and promotion purposes and for merit
Online class setup funding	Professors preparing to deliver their class online should be given grant for that based on the extra effort that will be consumed to adapt the new class to the current changes
Added monetary cost for home office	Stipends for home office, laptop computers provided by colleges

Source: Smith (2000, adapted)

traditional classroom. As an example of software is the one used by Arbough in research in 1997 (Arbough, 2000a, b, c), which is the Learning Space software. It consists of five modules. The schedule module, is simply a table of contents for the course. The media center module, is a shared knowledge base that stored lecture notes, articles, book chapters, summaries, and presentations. The course room module is an interactive environment that allows participants to work in teams and discuss course material with the entire class. Profiles module contains description for the participants as their work experience, contact information, and the like. The assessment manager module is used to develop and administer examinations.

The changing student

The requirements for the students to enroll in an online MBA would be: self-motivation, self-discipline, organization (Larsen, 1999; McCallister and Matthews, 2001), and superior analytical skills (Larsen, 1999). These requirements may differ from the traditional MBA, but they are assumed so the student can positively interact with the new challenges he/she will face when enrolling.

One example is the Athabasca MBA program. The students read the course material online, then regroup into teams and discuss the case among themselves and with “teacher coaches”. Students are evaluated on their participation, just as they would be in a regular MBA class, but the discussion does not happen in real time. Instead, students can log on whenever they feel like it, read the electronic messages that have already been

posted, and add their own contributions (Carpenter, 1998).

In addition, the changing student patterns can occur in terms of the gender. Based on a research conducted in 1997, by Arbough (2000c), the participation for men was at a stable and moderate level through most of the course, but dropped off at the end; whereas women had a high level in the beginning of the course, dropped to a moderate level in the middle, and had a slight increase toward the end.

Quality

One argument against the online MBA is that the quality of the online MBA education is not as high as the traditional MBA (McCallister and Matthews, 2001). The conclusions of other authors on distance education suggest that the lecture model may not be as effective in virtual classrooms as it is in physical ones (Ahem and Repman, 1994; Gibson and Gibson, 1995; Plater, 1995; Thach and Murphy, 1995, cited in Arbough, 2000a, b, d).

Early programs had a reputation for snap courses that lacked the team interaction that is an important part of business school (Lankford, 2001). A study conducted analyzing the face-to-face versus distance education (Ponzurick *et al.*, 2000), indicated that consistent course structure can be developed across delivery formats but that some pedagogical adjustments may be required for the distance education format, particularly in the areas of class participation and course-related activities. Another study conducted analyzing the face-to-face versus distance education (Ponzurick

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et al., 2000) indicated that MBA students in a distance education environment tend to have a lower level of satisfaction with the distance education course than do their counterparts in the traditional face-to-face instructional environment. Students also perceive the level of effectiveness of a course taught via distance education to be less than that of the same course taught using the traditional

face-to-face method. Although the level of satisfaction and effectiveness of the distance education course were perceived as lower than the traditional face-to-face approach, students elected to take the distance education because of convenience.

Live presentation and participation skills, are a major part in an MBA study, but in the current situation, the online MBA will not help the students with limited presentation skills. Students who are not able to participate face-to-face effectively, can use the online MBA and talk freely without any fear, because personally no one sees them. That is good for the online MBA class, but it is a disadvantage to the students, since the purpose for pursuing an MBA study is to improve the managerial knowledge, as well as skills. And every manager and executive

Table III

A comparison between the content in traditional and electronic marketing planning courses

Traditional course	Electronic course
Two examinations	Competitive team simulations
Two written case analyses	Two written case analyses
Team-written marketing plan	Team-written marketing plan
Team presentation of marketing plan	Graded discussion participation

Table IV

Comparison between online and traditional MBA

Comparative dimension	Online MBA	Traditional MBA
Price	The same for both the online and traditional MBA Depends on the university	
Delivery status	Wholly delivered online Part online, and another with attending traditional class Online with meetings Online with the help of other resources as CD-ROMS	Attending traditional classes
Skills needed	Computer skills is a must, especially the one dealing with the Internet	Computer skills are an advantage Communication skills
Tools used in education	Special software, general software, computers, multimedia	General software usage (e.g. Microsoft Windows, and office), computers, multimedia, projectors
Major skills gained	Professional in Internet communication (e-communication)	Live presentation and negotiation skills Live interaction with international students, and the US culture
Accreditation	Not yet gained much acceptance	A lot of recognized accreditation bodies accept the traditional MBA worldwide
Global effects/impacts	Open to the whole world, no matter where the student is. Never stuck with visas and the like. Suitable for people with limited time	Affected by the traditional admissions, live attendance Stuck with visas and the like
Educator's view	Creates more education jobs, because of expansion Instructors do not have to be in the university to give classes Professors should adapt to the continuous change	Limited job market for professors Instructors have to be in person in the university to give classes Traditional class preparation
Student's view	Education can be reached from anywhere, any time, adopting the latest electronic technology	Students attend traditional classes
Recruiter's view	Not yet popular to accept the online MBA	Traditional MBA is the most widely accepted MBA type

has to be involved in live – and not just through the computer – discussions and tough negotiations, which will not be given by the online MBA.

MBA reengineering

Distance learning and traditional learning may differ, but the goal should be to achieve the same learning results with either method (Imel, 1998, cited in Pozurick *et al.*, 2000). In order to do that, some changes should be made to the content of the traditional MBA in order to adapt it for the online mode.

The e-commerce, Internet, telecommunications, and network communities are the main components of the necessary retooling and reengineering of MBA programs (Zeleny, 2000). The business schools have to invest heavily in the software, hardware, and the technical support that is needed for the online MBA.

Table III is a comparison/contrast of the content in traditional and electronic marketing planning courses (Smith, 2001).

The online MBA acceptability

Since the distance MBA graduates have been on the market for only short period of time, it is difficult to assess accurately how they are going to compete for jobs and salaries (Carpenter, 1998). A survey conducted by *Business Week* of corporate recruiters found that an overwhelming majority has not even considered applicants who earned their MBAs online. Of the 247 companies which answered the survey, all but a handful said they had not considered hiring an MBA with an online degree (Dash, 2000).

Conclusion

In summary, to better evaluate the online MBA, Table IV highlights the similarities and differences between online MBA and the traditional MBA.

The analysis conducted by this paper assessing the online MBA against the traditional MBA, concludes that the online MBA is fast growing in business education. This growth is supported by the competitive advantages the online MBA has, and the potential of the opportunities for students, professors and universities. Universities have to be careful in offering these programs, as it requires a substantial up-front investment and continuous technical support. Well-known universities can capture bigger share of the “global student,” and caution will have to be exercised so as to maintain standards.

Finally, the opportunities will develop for business student/managers to continuously enhance their skills and able to keep up with recent theories and ideas in the field. The online MBA will considerably grow and universities that will not change and enhance it in some maneuver may lose students to their competitors. In addition, the online MBA is not necessarily a competitor to the traditional MBA, but it may take part of the market share of the traditional MBA. Generally, the potential customers of the online MBA are different than those of the traditional MBA, and it may not affect the enrollment.

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