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Don’t Tweet for Me, North Korea

North Korea has a Twitter account. North Korea. Twitter. Now, there are two terms you don’t expect to find in the same headline. When I first read that news story, it took a moment for it to sink in. The account was created August 12 at www.twitter.com/uriminzok (“uriminzok” means “our people” in Korean), and it now has more than 10,000 followers.

Not surprisingly, the tweets from Pyongyang don’t veer into frivolity—they are focused solely on nationalistic concerns. The same is true for content on North Korea’s newly created YouTube channel. But the fact that the regime is tweeting and YouTube-ing at all seems like a milestone. We all know that technology has changed us, but North Korea’s 140-character missives make it abundantly clear that the way we work, interact, and even think is being inescapably altered. Technologies viewed as novelties five years ago, and as luxuries just two years ago, are now taken for granted.

What does this mean for business schools? We explore that question in this issue. First, we talk to two managers at Google about how the tech titan is working with higher education to design better products for learning. We learn how Virginia State University is forgoing printed materials for electronic textbooks and course documents in its core curriculum, and how Pepperdine University and IE are developing their own best practices for blended learning formats. This issue also includes an article on London Business School’s efforts to prepare students to lead virtual teams, as well as perspectives on what professors should know about using social media and teaching online courses.

Finally, we talk with Shai Reshef, founder and president of the University of the People, the first tuition-free, online global university. Reshef envisions a world where the Internet will make a college education possible for every individual, no matter where they live and no matter how disadvantaged their circumstances.

The stories of the educators and institutions featured here are just a sampling of the ways that technology is transforming higher education. But schools must actively develop pedagogies to harness it appropriately, these educators say. Only then will learning be enhanced, not overwhelmed, by everything the latest mobile and collaborative tools have to offer.

I’ll write it again, just to see the words in print: North Korea tweets. And while those tweets are unlikely to start a revolution any time soon, the technologies that make them possible are a different story. Whether they support social networks or smartphones, crowdsourcing or cloud computing, Twitter or tablets, these tools will be an integral part of the world that’s waiting for business students. It’s a world that I’m sure will be generating amazing news headlines for years to come. 

Suzie Bisson
Applications Up—and Down

The economy continues to send mixed signals about recovery, as measured by the results of the 2010 Application Trends Survey report recently issued by the Graduate Management Admission Council. While several types of MBA programs experienced growth in the number of applications for the incoming 2010–2011 class, almost as many programs experienced declines. Nontraditional programs—EMBA, online, and flexible programs—overall fared better than traditional full-time two-year programs.

The report found that, across all graduate management programs, approximately half reported an increase in application volume for the incoming class, and about 40 percent reported a decline compared with 2009. Among traditional MBA programs, significantly more (49 percent) saw a decline in applications than saw an increase (41 percent).

On the other hand, 59 percent of EMBA programs reported a bump in the number of applications, and more than 60 percent of master-level programs in finance, accounting, and management did as well. Sixty percent of online MBA programs also reported a surge in application volume. More full-time one-year MBA programs (49 percent) saw increases than decreases (43 percent), while flexible MBA and part-time MBAs held steady with virtually no difference between the number of programs reporting increases and decreases in applications. The full report can be found online at www.gmac.com/gmac/researchandtrends/surveyreports/applicationtrendssurvey/.

Accounting for the Future

The American Accounting Association and the American Institute of Certified Public Accountants (AICPA) have formed the Pathways Commission to study possible higher education paths that might be taken by people seeking to enter the accounting profession.

The commission was formed in response to a series of educational challenges facing the accounting profession: a shortage of qualified instructors with accounting doctorates, the need to revise accounting curricula regularly in light of fast-paced business changes, budget constraints at universities that threaten to make the cost of education prohibitive, and the need for specialized training to meet the profession’s demands.

The chair of the committee, Bruce Behn of the University of Tennessee in Knoxville, points out that the accounting profession is involved in all aspects of business, from producing and interpreting reports to verifying financial and operational information. “Having accurate data is essential for our free enterprise capital market system,” he says. “We need to ensure that accounting professionals are prepared to meet the information needs of the public, organizations, lenders, and the capital markets.”

In addition to Behn, the other academics on the six-person commission are Judy Rayburn of the University of Minnesota in Minneapolis;
Jerry Strawser of Texas A&M University in College Station; and Melvin Stith of Syracuse University in New York. The other members are William Ezzell of Deloitte LLP and Leslie Murphy of Murphy Consulting Inc.

“Interest in accounting as a career is the highest it’s ever been. We need to make sure the educational infrastructure remains solid and able to meet the profession’s evolving requirements,” says Barry Melancon, AICPA president and CEO. For more information, visit www.pathwayscommission.org.

**Boosting Inclusiveness**

Ernst & Young recently released a report outlining the steps that undergraduate business schools can take to improve inclusiveness. The report, which is based on discussions and interviews with deans, faculty, and administrators at undergraduate business schools, identifies four key action areas: institutional commitment and accountability, curriculum development, student recruitment and development, and faculty recruitment and development. The full report is available at www.ey.com/us/campus_inclusiveness.

Quoted in the report is Steve Reinemund, dean of business at Wake Forest University Schools of Business in Winston-Salem, North Carolina. He notes that it’s much better for individuals to make mistakes and learn about other cultures in an academic setting than in a business one. “Creating a classroom and campus that represent the marketplace is absolutely essential for developing the future leaders of business,” Reinemund adds. “The marketplace is looking for students—both majority and minority—who are prepared to lead in a multicultural environment. If we’re not preparing them, we’re doing a disservice to every graduate that we put out of this school.”

The global professional services firm also recognized five faculty members for their impact on diversity and inclusiveness efforts at their business schools. The professors honored with 2010 Inclusive Excellence Awards were Araya Debessay, accounting and MIS professor at the University of Delaware in Newark; George Gamble, professor of accountancy and taxation at the University of Houston in Texas; William Wells, senior accounting lecturer at the University of Washington in Seattle; Stevie Watson, assistant professor of supply chain management and marketing sciences at Rutgers State University in New Jersey; and Ingrid Fischer, associate professor and chair of accounting and law at SUNY at Albany. Winners were chosen for their ability to create positive change by leading diversity councils, supporting diversity faculty, mentoring students, and incorporating cultural competence into the curriculum.

**Supporting the Startups—and the Economy**

As economies around the world struggle to recover, business schools are pitching in to support local businesses.

- The Eccles School of Business at the University of Utah in Salt Lake City recently unveiled The Foundry, a program created to foster economic development in Utah through an entrepreneurial practicum launched in May. The Foundry, which provides participants hands-on business training and other assistance, currently consists of 49 entrepreneurs in 15 startup companies. Foundry companies range from food service providers to software developers, and their owners all receive practical training as they grow their businesses alongside one another.

  “We are convinced that there is no more impactful force for economic progress than the development of savvy, civic-minded entrepreneurs,” says Taylor Randall, dean of the Eccles School of Business. “The Foundry helps us fulfill our fundamental promise to contribute to the development of the region’s economy by developing the leaders of the future.”

In addition to offering participants office space and basic business training, the Foundry partners with the Utah business community to bring in individuals with expertise in patent and intellectual property rights, organizational strategy, finance, public relations, marketing, and Web development. The Foundry draws on local business resources to create a “just-in-time” curriculum, with YouTube videos on mobile devices supplanting traditional lectures. Educators work closely in the background to address knowledge gaps, and the program employs a peer-driven coaching model, in which founding members coach one another.
Though the majority of the current participants are either recent graduates of or students at the University of Utah, the Foundry is open to students at all Utah universities, as well as interested members of the community.

The Entrepreneur Assistance and Education Program (EASE) was launched in 2007 by the Bryan School of Business and Economics and the Nussbaum Center for Entrepreneurship at the University of North Carolina in Greensboro. It matches small business owners who need accounting and marketing assistance with undergraduates and graduates who have technical expertise in those areas.

Since the founding of the program, interns have counseled more than 35 small business owners. Working at a rate of $25 per hour, they’ve spent more than 1,100 service hours identifying business needs and designing plans of action. The situation is a win-win, says Sam Funchess, president of the Nussbaum Center: Business owners receive immediate and affordable assistance in key business areas, while students hone the skills they’ll use in full-time jobs.

So far, the program has created 22 jobs and generated an additional income potential of at least $1 million annually for the Piedmont Triad region. Those results have been impressive enough to catch the attention of the University Economic Development Association, which has named EASE one of three national finalists for its 2010 Award of Excellence in the business assistance and entrepreneurship category. The award will be given in November.

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Market Intelligence for Your School

Find out how your programs are doing in the marketplace with two annual surveys from the Graduate Management Admission Council. Program and career services directors who participate can get free custom benchmarking reports.

Program Evaluation

Out of 28 variables, the top drivers of value and their relative importance to members of the class of 2010 are:

- Curriculum relevance: 16%
- Teaching methods: 14%
- Faculty knowledge: 9%
- Curriculum comprehensiveness: 9%
- Student talent level: 6%
- Other 23 variables: 46%

Source: 2010 Global Management Education Graduate Survey of more than 5,000 b-school students who provided opinions about their programs, the value of their education, and their job search and career plans. Data above show relative scores on Pratt index.

Career Services

Percentage of employers who rated MBAs more competent than others at the same job level in:

- Managing strategy and innovation: 86%
- Strategic and systems skills: 85%
- Knowledge of general business functions: 82%
- Managing decision-making processes: 79%
- Learning, motivation, and leadership: 74%

Source: 2010 Corporate Recruiters Survey of more than 2,300 employers in 57 countries, including a third of Global Fortune 500 companies that work with business schools around the world. The survey details hiring trends and market demand for graduate business students.

GMAC invites you to survey your graduating students or corporate recruiters, and get a free benchmarking report comparing your program with aggregate data from five other programs of your choosing. The deadline is January 14, 2011. Visit gmac.com/surveys. Sign up today!
Headlines

‘Come for an MBA; Leave with a Business’

Entrepreneurs who want to start their own businesses can simultaneously pursue an MBA degree in the new full-time MBA Entrepreneur Fellow program at the College of Business Administration at the University of Tennessee, Knoxville. Fellows in the program learn entrepreneurial skills and also receive funding to pay for their educations, which allows them time to develop their businesses. The three fellows in this inaugural year will graduate with the MBA class of 2011.

Each participant receives a $30,000 scholarship—$10,000 for each of the program’s three semesters. Each must make satisfactory progress toward launching or growing a business idea to continue to receive funding. The inaugural year of the program has been funded by entrepreneurs Bob and Phylis Baron and Wayne Basler. Bob Baron is CEO of Baron Services Inc., and Basler is president of AFG Industries.

“The goal of the Entrepreneur Fellow program is to recruit MBA students who have an entrepreneurial drive and will work on early-stage, technology-enabled businesses while completing their degrees,” says Tom Graves, director of operations for UT’s Anderson Center for Entrepreneurship & Innovation. “Through coursework, applied-learning experiences, faculty collaboration, and mentorship, aspiring student entrepreneurs develop the skills and connections they need to successfully launch their new ventures.”

Adds Amy Cathey, executive director of UT’s full-time MBA program. “Starting businesses in this region is good for our community, university, college, program, and students. We hope to grow the number of MBA fellow scholarships available so that even more students can take advantage of these opportunities in the future.”

Testing for Reasoning Skills

The Graduate Management Admission Test (GMAT) has added a new section designed to measure a test taker’s ability to evaluate information from multiple sources. In the new integrated reasoning section, examinees will be asked to use multiple sources, such as charts and spreadsheets, to analyze information, draw conclusions, and discern relationships between data points.

The overall length of the GMAT exam—three and a half hours—will not change when the new section is introduced next June. The integrated reasoning section will be 30 minutes long and replace one of two essays that are part of the GMAT’s analytical writing section. Because the verbal and quantitative sections will not change, tests still will be scored on the same 200-to-800-point scale. Test takers will receive separate scores for the essay and the new section.

The changes to the GMAT exam are being made in response to multiple surveys of business school faculty conducted during the past four years by the Graduate Management Admission Council, which owns the exam.
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NEW APPOINTMENTS

- Sunil Kumar has been appointed the next dean of the University of Chicago Booth School of Business in Illinois. His term will begin January 1. He is currently the Fred H. Merrill Professor of Operations, Information and Technology at the Stanford University Graduate School of Business in California.

- Bob Wood has been named dean of the Franklin P. Perdue School of Business at Salisbury University in Maryland. Wood comes to Salisbury from Tennessee Tech University, where he served as associate and assistant dean of its College of Business, as well as professor of finance. He takes over from Richard Hoffman, who served as interim dean for three years and has overseen the design and groundbreaking of the school’s new $56 million home.

- Norman Wright is the new dean of Utah Valley University’s Woodbury School of Business in Orem, Utah. Wright most recently led the College of Business of Al-Faisali University in Riyadh, Saudi Arabia, through its start-up stage. He also has served as dean of the School of Business and Entrepreneurship at the American University of Nigeria.

- Henley Business School in Berkshire, England, has selected John Board to be its new dean, effective October 1. Board most recently was director of the ICMA Centre—the business school for financial markets at Henley Business School. He also has been instrumental in developing a range of finance degrees, including those in capital markets, regulation and compliance, investment banking, and Islamic finance.

- Hsi-Peng Lu has been named the new dean of the National Taiwan University of Science and Technology (Taiwan Tech). Lu is a tenured faculty member of the department of information management, and he has held previous positions as dean of student affairs, department chair of information management, director of the EMBA program, and director of e-commerce research.

- Philip S. Nitse became the first permanent dean of the Steven L. Craig School of Business at Missouri Western State University in St. Joseph, effective July 1. The school received AACSB accreditation earlier this year. Nitse, who has 19 years of sales and management experience, specializes in competitive intelligence, e-commerce, and marketing.

- In August, Nancy A. Bagranoff became dean of the University of Richmond’s Robins School of Business in Virginia. Bagranoff most recently was dean and professor of accounting at Old Dominion University’s College of Business and Public Administration. She also is president of the American Accounting Association. She succeeds interim dean Robert M. Schmidt, who has led Richmond’s business school since June 2009.

- Jose V. “Zito” Sartarelli has assumed his new role as the Milan Puskar Dean of the College of Business and Economics at West Virginia University in Morgantown. Sartarelli comes to the school from Johnson & Johnson, where he served as pharmaceutical group chairman for Asia-Pacific, Japan, and Latin America. He also held previous positions at Bristol-Myers Squibb and Eli Lilly.

- Austan Goolsbee, the Robert P. Gwinn Professor of Economics at the University of Chicago Booth School of Business in Illinois, has been appointed chairman of President Obama’s Council of Economic Advisers. Goolsbee has been a member of the Council since Obama took office in 2009; he also serves as staff director and chief economist for the President’s Economic Recovery Advisory Board.

- Professor of economics Ashish Vaidya has been named provost and vice president for academic affairs at California State University, Los Angeles. He was formerly dean of the faculty at California State University, Channel Islands, and previously had been director of the MBA Program and founding director of the Center for International Affairs at CSUCI.

- Sandra Richtermeyer is the new chair of the Institute of Management Accountants, a professional associa-
Headlines

Professor of economics Hamid Beladi has been named the inaugural IBC Bank Senior Faculty Fellow at The University of Texas at San Antonio College of Business. The fellowship was established this spring by IBC Bank to support faculty excellence. Beladi, a researcher in the field of international trade theory, edits three academic publications, including the *International Review of Economics and Finance, Frontiers of Economics and Globalization,* and the *North American Journal of Economics and Finance.*

Amelia Baldwin is the new Neal Pendergraft Professor of Accounting at the University of Arkansas’ College of Business in Fort Smith. She was formerly an associate professor of accounting at the University of Alabama-Huntsville.

Stepping Down

Citing a desire to return to teaching and research, James B. Thomas has announced plans to resign from his position as the John and Becky Surma Dean of the Smeal College of Business at Pennsylvania State University in University Park. Thomas, who has served as dean since 2006, will return to the college faculty as a professor once a replacement is named. Under Thomas’ leadership, Smeal restructured its undergraduate and MBA programs, added masters’ degrees in supply chain management and accounting, expanded global programs, and implemented an honor code.

In January, Barbara E. Kahn will step down from her role as dean of the University of Miami’s School of Business Administration in Coral Gables, Florida. Since Kahn was named dean in 2007, she has launched a new PhD program, overseen a new emphasis in healthcare management, revamped the undergraduate program, and initiated global outreach programs, including the Global Business Forum. When she leaves Florida, she is returning to the Wharton School at the University of Pennsylvania.

Richard M. Durand, the Robert and Arlene Kogod Dean of American University’s Kogod School of Business in Washington, D.C., has announced he will retire in June 2011. During Durand’s tenure, which began in 2005, the Kogod School opened a new donor-funded addition; created four new degree programs and revamped four others; and expanded study abroad opportunities and interdisciplinary education.

Grants and Donations

The University of Technology in Sydney, Australia, has received A$25 million from Chinese business leader Chau Chak Wing. Of that, A$20 million will go to support the new Faculty of Business building designed by Frank Gehry, and A$5 million will create an endowment fund for student scholarships. In recognition of the gift, UTS will name the new construction the Dr. Chau Chak Wing building. The building, which is part of the university’s City Campus Master Plan, is scheduled to be completed by the end of 2013 for $150 million. Ross Milbourne, vice chancellor of UTS, believes the Gehry-designed building will be an iconic touchstone that will “immediately and significantly advance our strategic aims, particularly with regards to our internationalization agenda.”

Honors and Awards

Kishore G. Kulkarni has received the Extraordinary Service to the College Award for 2010 from Metropolitan State College of Denver in Colorado. Kulkarni is professor of economics and chief editor of the *Indian Journal of Economics and Business.*

Anita McGahan is the recipient of the 2010 Irwin Outstanding Educator Award given by the Academy of Management Business Policy and Strategy Division. McGahan holds the Rotman Chair in Management at the University of Toronto’s Rotman School of Management in Canada. She also holds a cross appointment to the Munk School of Public Affairs.

Delores Conway has been recognized as a Woman of Influence in the
July/August 2010 issue of Real Estate Forum. Conway is faculty associate dean of master’s programs and professor of statistics and real estate economics at the Simon Graduate School of Business at the University of Rochester in New York.

The Tampa Bay Business Journal in Florida has named Rebecca J. White BusinessWoman of the Year in the education category. White is professor of management and the James W. Walter Distinguished Chair of Entrepreneurship at the University of Tampa. In the year that White has been at UT, she has revised the entrepreneurship curriculum, started a series that brings successful entrepreneurs and advisors to campus, and partnered with the young professionals of Emerge Tampa Bay.

William Rabel has been named the 2010 recipient of the “Excellence in Teaching Award” from the American Risk and Insurance Association. Rabel is the Bickley Endowed Professor in the Culverhouse College of Commerce at The University of Alabama in Tuscaloosa.

NEW PROGRAMS

Audencia Nantes School of Management in France introduced a European Career Track for its full-time MBA program in September. MBA students with sufficient language skills will be able to undertake internships in Germany, Italy, or France as part of their studies. The career track has resulted from the pan-European net-

“How did UC Irvine’s Merage School become the Number 1 MBA program for placement in the US?*

Innovation is the key.”

– Dean Andrew J. Policano
The Paul Merage School of Business
University of California, Irvine

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❖ for the world’s leading companies,
❖ for the world’s leading business schools.

Join us at the Merage School and live our vision:

Innovation to shape the world;
Personalization to shape you.

*Financial Times 2010; MBA employment three months post graduation
HEADLINES

SHORT TAKES

In short last year by Audencia, HHL-Leipzig Graduate School of Management in Germany, and MIP Politecnico di Milano in Italy. The schools intend to expand the network by adding more partners over the next three years.

Grenoble Ecole de Management in France and ESCA Ecole de Management Casablanca in Morocco have strengthened their partnership to jointly establish a new Euro-African Campus for Management. The goal of the new campus is to draw students with high potential and train them to be respectful of the environment, focused on African business, and open to globalization opportunities. Programs will include an MSc in business development, a doctorate of business administration, and an advanced management program. Research projects will focus on African businesses and their unique characteristics.

The Rotterdam School of Management at Erasmus University in the Netherlands has partnered with Wetsus, Center of Excellence for Sustainable Water Technology, to launch a new water specialization track in its EMBA program. The program targets international businesspeople in the global water business and will cover issues of water quality, distribution, availability, and related technology. Participants will attend the first two terms of the EMBA Program at RSM. The third term, which specializes in the water business, will be modular in format and will take place at Wetsus in the Dutch city of Leeuwarden.

OTHER NEWS

Grenoble Graduate School of Business (GGSB) in France has opened a new recruitment office in Cairo, Egypt, to expand its presence in the Middle East. The project is supported by cooperation between GGSB and the Cultural Office of the Egyptian Embassy in Paris.

Pace University in New York has concluded a fund-raising effort that resulted in $101,096,941 in cash and pledges since the campaign’s inception in 2003. Among the donors were entrepreneurs Helene and Grant Wilson, who pledged $5 million to launch the Wilson Center for Social Entrepreneurship. The school also received gifts from more than 6,000 first-time donors, as well as 16 single gifts of more than $1 million each.

In response to the change in Pennsylvania legislation regarding the number of accounting credits required to sit for the CPA exam, changes have been made in the master of accounting degree offered by Temple University’s Fox School of Business in Philadelphia. The Fox MAcc now will provide accounting majors with an opportunity to earn credits at the master’s level and allow MAcc students to sit for the CPA exam while they are enrolled in the full-time program.

Columbia Business School in New York has launched an initiative to help MBA and EMBA candidates improve their networking opportunities with the school’s entire com-
munity, including alumni, faculty, staff, and executives in residence. The Columbia Career Network will create a schoolwide inventory of all the times alumni are on campus to provide expertise and support, which in turn will make students more aware of the opportunities they have to interact with alumni and industry leaders. The network kicked off in October when incoming MBA and EMBA students visited with alumni, peer advisors, faculty, and other professionals from a wide range of industries.

The University of Southern California in Los Angeles has been designated as an International Safe Community by the World Health Organization Collaborating Centre on Community Safety Promotion. With this designation, USC will join a network of over 200 communities that have met the organization’s standards to promote safety and health initiatives designed to protect individuals in the surrounding communities from harm, whether they are at school, work, or home. To achieve the designation, the school had to meet six indicators set by the WHO: It had to collaborate with all sectors responsible for safety promotion in its community; develop long-term safety programs that prepare citizens for emergencies and disasters; create programs that target vulnerable groups and environments; collect data on injuries; evaluate their programs, processes, and results; and participate in national and international Safe Communities networks.

Indiana University’s Kelley School of Business has formed the Institute for International Business (IIB) to house its international activities and reach out to other programs on the Bloomington campus with a global focus. The institute, which will be home to the Center for International Business Education and Research (CIBER), will focus on securing government and private sector grants to support international business programs. One special interest will be social entrepreneurship in emerging markets within the Middle East and Latin America. For example, the institute will be working to foster small business development by women in those areas.

Duke University’s Fuqua School of Business in Durham, North Carolina, has opened the Center for Energy, Development, and the Global Environment (EDGE) with the goal of preparing businesses to meet the global demand for energy, resources, and improved quality of life. EDGE, an educational, research, and outreach initiative, will focus on key challenges facing business leaders, such as how to transform current industrial systems to sustainable ones and how to create partnerships that will facilitate those changes. Rick Larrick will serve as the center’s faculty director, and Daniel Vermeer will be executive director. The center launched in September with an event that brought together 60 MBA students from U.S. universities and representatives from 30 companies to discuss profitable strategies for reducing energy use and carbon emissions.
Google began with a mission: to create the ultimate search engine to help users tame the unruly and exponentially growing repository of information that is the Internet. And most would agree that when the word “Google” became a verb, that mission was largely accomplished.

Based in Mountain View, California, Google now has branched into nearly all aspects of the Internet experience, including many related to education. Among these is the Google Apps for Education suite, which includes Gmail, Google Talk, Google Calendar, Google Docs, Google Sites, and other tools that provide professors and students a central platform through which to interact, communicate, and collaborate.

In 2006, Google replaced Google Video with its acquisition of YouTube. That acquisition led to the creation of YouTube EDU in 2009, which gives schools the opportunity to create dedicated online channels for their courses and content. Today, the site has more than 300 educational channels.

BizEd spoke to Jeff Keltner and Obadiah Greenberg, senior managers leading the way in Google’s cloud computing and YouTube EDU divisions. Both emphasize that business schools shouldn’t watch and wait for a company like Google to write the future. Rather, Google’s technology will be shaped by educators’ creativity and willingness to experiment, they say, to see what works and what doesn’t.
Jeff Keltner has worked on the team responsible for developing the Google Apps for Education suite since July 2006. Now, as part of the Google Enterprise team, he works with large organizations and higher education institutions to drive adoption of the company’s technological tools.

“We don’t know what the future classroom is going to look like,” says Keltner. “We want to work with schools in a continual evolution to discover what it could look like.”

What have been some of the most innovative ways you’ve seen educators use online technologies?

Even the basic ways can be transformational. For example, some students and professors use Google Docs to collaborate on group projects and engage in an interactive writing and research process. Others use forms in Google Spreadsheets to do research and conduct surveys. We’re perpetually surprised by the creativity of our users and the ways they’re taking advantage of these tools. My sense is that the best is yet to come.

Many business professors are experimenting with mobile technologies. In what ways do you expect universities to employ mobile in their curricula?

I recently saw a professor ask students to send in 20 examples of a concept they were working on—he created a work cloud of all the responses they sent from their mobile devices. Other professors are conducting real-time quizzes on mobile devices. That gives them instant feedback, so they know what students don’t understand and focus more time on those topics. They’re also using mobile technologies to connect with students through instant messaging or online office hours. We’re going to see schools continue to develop these techniques over the next few years.

How do you think Android, Google’s open-source operating system for mobile devices, will fit into these uses?

One way is through Android App Inventor, which enables people without traditional computer science backgrounds to create Android applications. Some schools are using Android as the basis for “intro to computing” courses, while others are using it to teach students about everything they can do on a mobile device.

Another great example that has immediate application for both businesses and business schools is Moderator. This is a tool that allows users to submit questions or ideas to a group. Some schools have used it to moderate Q&A sessions in class or in larger settings. Businesses, including Google, use it to collect feedback and ideas from users.

We want to create new applications that take advantage of the unique capabilities of mobile devices. For instance, a mobile phone knows so much about the user and its physical location. At some schools, people can access walking directions to buildings on campus using Google Maps on their phones. Professors can design activities that take advantage of the contextual and time awareness that mobile allows.
Factories don’t look the same as they did 50 years ago because of technology; many classrooms do, despite it.

What do tablets like the iPad mean to Google’s product development?
The iPad is so much more versatile than any device we’ve had before. Its browser and screen allow richer Web-based and client-based applications, including video and media content. The iPad shows how powerful the Web is going to be. To take advantage of this, we’ve created a custom Gmail experience for the iPad based on the combination of a touch interface and the larger screen. We anticipate that Android-based tablets will come out in the near future.

Because of the cost savings, many business schools are turning to cloud computing, using online software like Google Apps and storing their data on servers maintained by companies like Google. But many educators have concerns about the security, privacy, and accessibility of cloud computing. How do you respond to their concerns?

One of the most critical conversations we have with schools—or any organization considering cloud applications—is about security. I often compare cloud computing to flying. I have friends who still prefer to drive rather than fly. They don’t feel safe in an airplane because they can’t “turn the wheel” if something happens. But statistically, we all know that flying is much safer than driving.

It’s a cultural shift to let that control go. But we explain that, because of the scale of our operation, we can write our own operating and filing systems and customize our hardware to our specifications. This allows us to control that environment. This scale doesn’t make sense for most organizations.

In addition, we’ve received the SAS 70 Type 2 certification, which spells out how we manage our data centers. We recently received certification through the Federal Information Security Management Act, which shows that the federal government trusts us to handle its confidential, but not classified, data. Each year, a third party also audits our security practices to show that what we say we’re doing is what we’re actually doing.

We just released a white paper that outlines our security practices in a little more depth. We can’t disclose everything, but to assuage security concerns, we are opening up the curtains a little to show people how we do it.

How do you advise educators to keep up with the constant barrage of new technologies?
Just talk to your students—I never fail to be impressed when I talk to students. They always know something new about technology. They’ve found a new startup or they’re using a new site. Sometimes they’re doing something I hadn’t thought of with our own tools! Students will point professors in the right direction, because they’re doing it for fun and they love it.

You’ve said that higher education institutions have generally been slow in adopting new technologies. Have there been areas of higher education where adoption has been more rapid?
Smaller schools often have more luck because their communities are more unified, and they have more cohesiveness among their faculty. Other schools are successful because they’re willing to go bold and celebrate their adoption of new technology. And, at others, having a champion—just one professor who gets it—is critical. That professor’s students go to their other classes and talk about the cool things they’re doing in Professor X’s class, and it builds from there.

What do you think it will take to drive more professors to experiment with technology?
Educators must be willing to accept failure. Schools that build a culture where professors are encouraged to try something new and screw it up a few times in order to get it right—they will be the most successful adopters of technologies. Cole Campese, director of education technology services at Penn State, is a great example. He put a live Twitter feed at the back of his class just to see what would happen. He experiments, and some of the things he tries work, and some don’t. But the only way a professor can figure out what works is by trying five things that don’t. That’s just part of the process.

What challenges do you see ahead for business schools?
The challenges I see are not technology-based, but culture-based. Education is one of the lowest adopters of technology of any industry, except maybe healthcare. There are examples of professors who are embracing new technologies and finding new ways to educate. But because of tenure and other factors, most professors aren’t the first to want to change the way they do things.

So, one of our biggest concerns is the willingness of the educational community to take advantage of what’s out there. We can put keyboards into the classrooms, but if we don’t rethink what we do to take advantage of that technology, the technology itself doesn’t really help. Factories don’t look the same as they did 50 years ago because of technology; many classrooms do, despite it.
YouTube EDU is just more than a year old. What trends have you seen in that time?

For me, the most exciting trend continues to be how schools are posting video of all the lectures that make up a semester’s class. That allows anyone in the world to audit courses in their interests at leading institutions. Many schools want to use YouTube for marketing, but I think viewers get the best idea about what it’s like to go to a certain university when they learn from the school, not just about it.

What’s also interesting is to see how these schools are going about the capture and delivery of these courses. It can be expensive. Some schools are recording a few courses with multiple cameras and editing; others are capturing content at a little lower quality, but on a much bigger scale. Schools are looking for that right balance between quality and quantity.

What features are schools asking for, as they develop their video channels?

Many schools already have accessibility requirements on their own campuses, so many of our partners have been asking us to provide a captioning feature for the hearing impaired. Earlier this year, YouTube launched a feature called Auto Captions, which provides a speech-to-text conversion that automates the captioning process. It allows the content provider to download the automated caption as a transcript, edit it, and then upload the corrected text. Our technology automatically synchronizes the text to the spoken word.

Once schools have those captions in place, we also offer a feature called Auto Translate. That allows content providers to translate captions into about 50 languages, which opens up content to a worldwide audience.

What have you found most interesting about the ways schools have used the site?

We’re seeing really innovative and savvy videos that take advantage of real-time, real-world trends. For example, there was a lot of buzz about the movie “Watchmen” before it came out last year. A physics professor at the University of Minnesota, who was a consultant for that movie, helped create a YouTube video called “The Science of ‘Watchmen,’” which was released when the movie came out. The video became a hit. It showed that an educational video can span interests and genres.

These videos also allow students at one university to watch lectures by professors at another.

Certainly, students are using this as a supplementary tool to hear new perspectives on topics they’re studying or see
Viewers get the best idea about what it’s like to go to a certain university when they learn from the school, not just about it.

Can business schools gauge how many people their videos are reaching and where they’re located?
Some of it is anecdotal, coming from the schools themselves. For example, one professor at Berkeley teaches a popular course called “Physics for President.” He told me that he has received messages from people in 80 different countries. We also offer tools to help schools gain a sense of the geographies that people are visiting from.

Do most videos on YouTube EDU come from the sciences?
It’s not surprising that we have a lot of material from computer science, physics, and engineering—these disciplines were the early adopters. But we’re seeing more from the humanities. Yale recently began providing courseware in literature and philosophy, and Harvard put up its famous justice series, which was also broadcast on WGBH of Boston.

How many business schools have channels?
There are approximately ten U.S. business schools listed on YouTube EDU, with many more European business school channels. This does not count channels that have business school content mixed into the main channel, which is ideal to build a large audience. Because engineering schools were early adopters of Webcasting, they have the most content. But business schools are probably the most prolific, given their strong brand identities, marketing savvy, and video production budgets.

What kind of content attracts the most viewers?
Business content dealing with finance, leadership, management, and entrepreneurship are popular, indicating a hunger among viewers to improve their workplace skills. If I were running a business school’s online media program, I would focus on a series of short lessons featuring local and visiting experts on these topics.

Do you see a future at YouTube EDU where viewers could audit not just a course, but a full degree program?
I love the idea of adding more curation to our content, so that viewers could follow a guided curriculum. But we would have to work closely with our partner schools, because educators have the strongest sense of what a guided curriculum should look like.

However, we did do something lightweight along those lines last summer. We offered a series of blog posts called YouTube Summer School, which included courses on subjects such as art, physics, and biology. We’ve also seen third parties doing this. For example, Grockit, an online learning community, has started using YouTube EDU videos in its lessons. Another organization, Academic Earth, uses YouTube videos in this manner. Because of YouTube’s open format, people can do this type of thing on their own sites if they choose to.

Have you hit any obstacles along the way in YouTube EDU’s development?
If I do see an obstacle, it’s reaching the schools that are still realizing the potential of online video in their classrooms. However, new schools come on board every day, working with their faculty members to develop the infrastructure to produce more video content. Some schools are still turning the ship, but it’s happening.

What trends in online video content should business schools prepare for?
One exciting trend I’ve seen comes from an educator named Salmon Khan, who has been very interesting to watch. He started the Khan Academy in his own home, creating short tutorials on various subjects. To date, he has produced well over 1,000 videos on YouTube. To me, this is an interesting trend that takes best advantage of YouTube—the viewer can isolate a particular ten-minute topic, rather than having to work through an hour and a half video to find a solution.

The Khan Academy shows that it’s not just schools that can reach out directly to worldwide audiences—individual teachers can as well. There are teachers who will embrace that and those who won’t. But for those who do, the benefits are tremendous.
Before the arrival of the Internet, learning most often happened when students and teachers met face-to-face in a classroom. Even with all the new options available today, face-to-face learning is still a powerful approach to education that promotes spontaneity, fosters a sense of community, makes it simpler to resolve conflicts, and allows students to carry out time-based activities.

But with so many different methods of learning available today, face-to-face learning is often only one component of education. In fact, 125 AACSB-accredited business schools offer some form of online learning, and many combine on-site instruction with online education to create blended learning programs. A growing number of interactive collaborative tools have made blended learning easier to use and, therefore, more attractive to many schools.

Online education can take many forms, but it’s most commonly divided into three modalities: multisite synchronous, remote synchronous, and asynchronous learning. The challenge for business educators is to determine which blend of modalities works best for their own programs. Before we describe how blended learning works at our school, Pepperdine University, we’ll take a look at the various permutations and examine how each one suits certain aspects of teaching and learning.
Today’s online learning modalities offer vast improvements over computer-based training of the past, which was largely text-based, self-directed, and passive.

Many Modalities

In **multisite synchronous** learning, small groups of students gather at a particular physical site and use videoconferencing to engage with their professor and other small groups at additional sites. This modality is excellently suited for programs offered at multiple campuses across town or around the globe. The professor may teach from the same site all the time or alternate sites from session to session.

Programmatically, multisite sessions provide students an extraordinary level of flexibility, opportunity, and choice, while reducing travel costs and lowering the consumption of fossil fuels. At the same time, they offer schools the ability to expand dramatically into new regional markets. However, videoconferencing systems and network infrastructure can be expensive to implement and resource-intensive to maintain.

A **remote synchronous** modality enables students and professors to meet in real time, whether they’re at home, at work, or even traveling in another country. Participants attend classes by using a computer, a broadband Internet connection, and online collaboration tools, such as those listed in the sidebar on page 31.

As with multisite learning, remote synchronous education offers students a great deal of flexibility and reduces their consumption of natural resources. It also allows professors to shorten or eliminate their commute times and open their calendars to professional travel that might otherwise conflict with class schedules. There are several other benefits: Desktop conferencing and collaboration technology rarely requires additional infrastructure investments, is relatively inexpensive, and is readily available wherever students or professors happen to be.

The **asynchronous** modality, which is not determined by time or place, provides the most convenience and flexibility. It enables teams and individual students to complete assignments and participate in activities and online discussions according to their own schedules. While asynchronous learning usually takes place over an extended time period, it works best when anchored by concrete guidelines, hard deadlines, constructive feedback, and frequent assessment. New Web 2.0 tools, such as those listed in the sidebar, make asynchronous learning much more engaging through interactive, collaborative, audiovisual, and social media.

All three of these online learning modalities offer vast improvements over computer-based training of the past, which was largely text-based, self-directed, and passive. Today’s technologies not only allow a high level of active learning and student interaction, they are congruent with technologies currently in use in the workplace. Thus, students not only hone their 21st-century professional skills, they also are well-positioned to continue learning after they graduate.

The challenge with blending these modalities is that no single formula or “recipe” will apply across disciplines or programs. Every school must determine the best way to design its own blended educational environment and measure learning outcomes.

The Pepperdine Blend

At Pepperdine’s Graziadio School of Business, blended learning allows us to personalize business education, foster strong relationships among students and faculty, and prepare students to perform in the digitally interconnected business world. We have created a number of blended learning offerings for business professionals who work full-time while they complete graduate or undergraduate work.

Several of our four-unit information and process systems classes for MBA students are blended. One of these classes is anchored in face-to-face sessions that occur over four weekends. In between those sessions, students asynchronously view narrated presentations created online by the professor, using a very simple tool called Voicethread. Later, working individually or in teams, students create their own narrated presentations. Like blogs, Voicethreads allow others to post comments to the creator of the presentation, but these comments are either verbal or recorded as video. Students and the professor also can ask questions or give constructive feedback that has a more personal touch.

In addition, using online media such as Elluminate or Skype, students in the class collaborate on a group project. Key elements are then posted in an online portfolio site, which becomes a learning repository for the class. Students also participate in an online information security simulation.
and learn about cloud computing and search engine optimization. At the same time, they become familiar with the knowledge management tools many large and small businesses use today, such as Google Apps, Google Analytics, Yammer, and Delicious.

An undergraduate leadership class in the organizational theory department uses some of the same methods and technologies, but blends them differently. This two-unit class is anchored by two face-to-face weekend meetings. In between meetings, students watch narrated mini-lectures in Voicethread and engage in online discussions using a threaded discussion board in Blackboard. They also take two self-paced quizzes in Blackboard and receive immediate feedback on their scores and individual answers.

A trimesterlong decision science course allows students to gather for four hours per week for ten out of the 14 weeks of the class. During the fourth, seventh, tenth, and twelfth weeks, when students do not meet face-to-face, they work asynchronously to solve problems set by the professor. The teacher uses simple screen-capture tools such as Camtasia or Jing to prepare short videos about solving each of the problems; students can watch these as often as they like. Students also use the Internet to collect data they need to address complex real-world business problems. The students aggregate and share the data in different ways; many use Delicious, a social bookmarking Web service for storing, sharing, and discovering new Web bookmarks. They record their own solutions, also with the help of screen-capture tools, and the professor provides individualized feedback on each video.

An economics class uses an internal social network called Yammer to engage in hearty, asynchronous discussions. Because Yammer relies on a conversational style similar to that of Facebook, students find it easy to use. Discussions tend to be highly interactive as students ask each other questions, debate specific points, and expand on each others’ ideas. And because each post displays the author’s picture and name, students and professors develop a close sense of community, even when they do not meet face-to-face for weeks at a time.

These four examples demonstrate that blended learning can be personalized, interactive, experiential, and applied—and that no one type of blended learning will suit every professor, discipline, or school.

**Measuring Success**

Despite their versatility, blended learning techniques can be considered successful only if assessment measures prove that students are actually learning. Research suggests that they

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**Tools to Enhance Distance Learning**

**Multisite audio/videoconferencing:**
- Polycom, Tandberg, Cisco Telepresence, and LifeSize

**Synchronous desktop videoconferencing and online meetings:**
- WebEx, GoToMeeting, Skype, Elluminate Live, Adobe Connect, Elluminate VCS, Yugma, DimDim, ooVoo, Vidyo, and many more

**Asynchronous (and synchronous) collaborative spaces:**
- Google Docs, Spreadsheets, and Presentations;
- Microsoft Office Web Apps; Zoho; ThinkFree; OpenOffice

**Classroom capture:**
- MediaSite, Tegrity, CourseCast, Echo360, Camtasia Relay

**Screen capture:**
- Camtasia, CamStudio, Adobe Captivate, Jing

**Social media, networks, and bookmarking:**
- Voicethread, Slideshare, Ning, Twitter, Yammer, Socialcast, SocialWok, CubeTree, Delicious, Zotero, Digg

**Course and learning management systems:**
- Blackboard, WebCT, Angel, Desire2Learn, Sakai, Moodle
According to one report, students in online learning conditions performed better than those receiving face-to-face instruction. Recently, SRI International and the U.S. Department of Education teamed up to examine 93 different comparative studies conducted between 1996 and 2008 on online versus traditional classroom teaching.

In the comprehensive report, released earlier this year, analysts come to a striking conclusion: “On average, students in online learning conditions performed better than those receiving face-to-face instruction.” Online learning is no longer simply about access; it is no longer viewed as “better than nothing.” Like other disruptive innovations, it has improved dramatically over the years. (The full report is online at www2.ed.gov/rschstat/eval/tech/evidence-based-practices/finalreport.pdf.)

Another detailed study looks at how more than 10,000 faculty members perceive online learning. This study was prepared jointly by the Association of Public and Land-Grant Universities (APLU) and the Sloan National Commission on Online Learning. Some of the findings are paradoxical. For example, 70 percent of participating faculty believe the learning outcomes of online courses are inferior to those in face-to-face courses. However, more than 80 percent who have taught online or blended courses have recommended online learning to their students, and this holds true no matter what age the faculty members are or whether or not they have tenure. Even among professors who have never been involved with online courses, 40 percent have made the same recommendations to students. (More detail can be found in the full report at www.aplu.org/NetCommunity/Page.aspx?pid=1347.)

It seems that even professors who don’t have high opinions of online learning believe it has some value, probably because it offers students greater access to education. Those with some firsthand experience of its benefits realize it has a great deal to offer.

The study offers other important insights. Specifically, most faculty believe it takes more effort to teach online than face-to-face; and most are dissatisfied with the institutional support and incentives that exist for delivering online courses. These conclusions confirm our belief that successful blending requires much more than skillful faculty acting as “celebrity chefs.” To be effective, it requires consistent and unwavering support from the administration.

**Online in the Future**

As real-world business endlessly adapts to economic challenges and technological advances, business education will likewise evolve. We expect more and more business educators to acknowledge that learning can happen anywhere, whether in the formal classroom or the coffee shop; it should not be bound by time limits; and it must always yield measurable learning outcomes. In short, we expect business education to be driven more and more by blended learning.

Blended learning is also critical because it uses the same tools that will help executives stay competitive in global business. Thus, it is more important than ever that business schools develop their own personal “blend” so they can remain relevant to the students and businesses they serve.

Susan Gautsch is director of e-learning programs at Pepperdine University’s Graziadio School of Business and Management in Los Angeles, California. Charla Griffy-Brown is an associate professor of information systems and technology management and director of the Center for Teaching and Learning Excellence at the school. More information about Pepperdine’s blended learning programs can be found at sites.google.com/a/pepperdine.edu/aboutglean. 

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A business school must train its students to function well in a fast-paced, technologically demanding workplace where teams of people from multiple countries collaborate on projects with urgent deadlines. I’m convinced the best educational environment for achieving that goal is a blended learning program. Such programs, which deliver part of the education through face-to-face instruction and part through online interaction, are often promoted as offering more convenience to students and more efficiency to the school. But they also might do a better job than traditional classrooms when it comes to preparing students for conditions they will face in the real working world.

Advances in virtual-world technology promise that students’ online experiences will continue to become richer and more intense. Even so, a school shouldn’t use technology just to capitalize on an existing model by shuffling hundreds of students through a specific platform; the school shouldn’t simply push knowledge through Webinars, streaming lectures, or self-paced learning modules. The best programs employ technology to promote interactive, group-based learning—not only in the classroom, but also online, enabling seamless collaboration and challenging students academically every step of the way.

Blended learning programs help schools internationalize, diversify, expand—and actually improve management education.
Blended learning programs aren’t about dazzling new products, they’re about design.

Therefore, blended learning programs aren’t about dazzling new products, they’re about design. They succeed when there is an effective alignment of a school’s methodology, technology, and faculty. As a program director at IE Business School in Madrid, Spain, recently said, “At IE, we only ask one thing from our technology—that it works.” That should be the starting position for any school offering a program or a course that relies in part on technology.

**Seven Reasons to Blend**

While dozens of business schools already offer some online learning options, for those that don’t, I’ve found seven reasons to consider incorporating them into the curriculum. I draw on the experiences and observations of Rob Ayasse, a recent graduate of IE’s International Executive MBA program, as well as the input of other proponents of online education.

1. **A blended learning program suits the schedule of today’s busy professional.** Particularly in EMBA programs, students often are so rushed and overcommitted that they don’t have the time to take a year out to further their educations. A program that is partly online allows them to keep working at their jobs while investing minimally in travel. Ayasse needed a program that would allow him to take classes from Brussels, where he’s based, or Afghanistan, where he frequently travels. Because the IE program required only three face-to-face sessions, two in Madrid and one in Shanghai, he could easily make his schedule conform to the demands of the class.

   Administrators at schools that haven’t yet launched blended programs might worry that the student doing the online work isn’t the same one attending the face-to-face session. But at IE, since our entire model is based on collaborative learning, we don’t have a fear of substitution. In addition, we assess three areas in our final evaluations: teamwork, which counts for 30 percent of the grade; individual participation through forums and videoconferences, which counts for 35 percent; and the final case study exam, which also counts for 35 percent. Thus, students are assessed on every component of the program.

2. **A blended learning program can offer as much academic rigor as a traditional program.** Ayasse appreciated the range of readings, multimedia learning tools, and simulations employed in his class, as well as the “wide-ranging, highly interactive four-day online discussion of the topics.” But the critical value of the class, he says, was “the need to read the material, then synthesize it into well-written submissions for the online discussion. This process forces students to internalize information at a much higher rate, which fosters a deeper understanding of the material and leads to a far deeper exploration than a classical classroom setting could provide.”

3. **A blended learning program allows everyone in class an equal chance to participate.** This is not always the case in classroom sessions, where time is limited or particularly outspoken individuals might dominate discussions.

   In fact, Santiago Iñiguez, dean of IE, believes that students of sophisticated blended programs are forced to interact with their classmates more than students in face-to-face programs. He stresses that when students work online, they need to make a real effort to become known by their classmates, because otherwise they “don’t exist.” Students who attend a conventional classroom and merely sit in the back of the room don’t need to invest nearly the same amount of energy.

   Says Ayasse, “In every traditional class, you have those who are eager for discussion, and those who try desperately to hide, while the majority of people fall somewhere in between. In an online discussion, everyone is forced to participate actively, because there is nowhere to hide! It becomes immediately obvious—not just to the professor, but to all the classmates—if somebody has not read or understood that week’s case. Believe me, this in itself is a powerful motivator.”

4. **A blended learning program helps a business school globalize.** In a July 2010 article in the Harvard Business Review, Richard Barker noted that Americans make
up 70 percent of the class at most highly ranked U.S. schools, while 20 percent are students with close ties to the U.S.; only 10 percent are genuine outsiders. Top-tier European business schools have much higher diversity rates, with some admitting fewer than 10 percent from their home countries, but even they often express a desire to globalize at a faster rate.

In an effort to draw more international students to their programs, many universities have opened satellite campuses in other countries. But these remote locations often don’t do much to globalize a school, because 80 percent of the students still will be drawn from the local population, while only about 20 percent will be truly foreign. A blended program, which allows individuals to participate from anywhere in the world, is more certain to help a school attract a truly international student base.

5. A blended learning program can help schools diversify the classroom. Most business schools don’t want to simply ratchet up the percentage of students who come from other countries. They want to create a learning environment that reflects our business reality—which includes diverse workforces that face the everyday challenges of business integration. A blended learning program has the unprecedented ability to bring together multicultural student groups who are expected to interact seamlessly, as they will be required to do in the workplace.

Ayasse’s EMBA team comprised individuals in six cultures working in time zones that ranged from Hong Kong to Montevideo; they had to work collaboratively to develop two to three products a week. “It was a massive logistical challenge, but one that’s increasingly common in the modern age of global business,” he says.

Student teams aren’t the only ones who are dealing with those logistical challenges; professors have the task of overseeing the efforts of so many far-flung students. IE’s online campus, where professors coordinate forums and videoconferences with students, is open 24 hours a day. Professors arrange videoconferences for the times when most students can join at a reasonable hour and record the conferences so that students who miss them can view them later.

6. A blended learning program offers many possibilities for collaboration. Whether the collaborations are between universities and businesses, or among multiple universities, these partnerships leverage the strengths of different organizations all over the world without requiring expensive investments in travel.

In 2009, IE partnered with Brown University in Providence, Rhode Island, to launch an EMBA that places humanities at the center of the curriculum. The 15-month program includes five intense face-to-face periods in Providence and Madrid, coupled with periods of online learning. Courses integrate business concepts with concepts from the social sciences, life sciences, and engineering, with the goal of developing leaders who have fresh perspectives on global business.

7. A blended learning program can help the business school grow. As I’ve already noted, it’s difficult for young professionals to take a year or more away from work to pursue a graduate business degree, and I think it’s going to be even more difficult in the years ahead. At the same time, MBA programs are becoming more expensive, just as fewer employers are willing to pay for their managers to take these programs.

These factors make it unlikely that traditional MBA programs will continue to expand in the future. But blended learning programs—which allow participants to keep their jobs and schools to pull from a larger pool of candidates—will deliver growth to the business school.

The IE Approach

At IE, we are committed to blended learning. Our programs feature students from more than 30 countries for a mix that is 94 percent international. Most of our students are mature, with an average age of 36. We keep our classrooms small, capping them at 32 students, and we con-
We consider it important that our MBA faculty teach most of our blended programs.

Our methodology is based primarily on the case method, and we focus strongly on interaction and group-facilitated learning. We believe our asynchronous online discussions—which usually last several days—go into issues more deeply than a one-hour classroom discussion might, because students and professors can think about the contributions everyone else has made before crafting thoughtful responses. In programs like the IE/Brown Executive MBA, several discussions will be held in parallel, which creates further linkages across topics. Our faculty are skilled at driving online discussions and collaborations to help students achieve key learning objectives. These interactions are supported by digital learning tools from Blackboard and Adobe Connect that allow students to participate in videoconferences, send instant messages, access online documents, and communicate via VoIP technologies. We chose these platforms because they are user-friendly, widely used, and frequently updated. Professors can also mix in other technologies, such as simulators or wikis.

We believe these digital tools build strong communities across borders and time zones—even stronger than the communities that can be created in a face-to-face classroom. However, it’s not the technology itself we focus on, but the way this technology aligns with our curriculum and our faculty.

The Way Forward

Each business school needs to create its own “footprint” in terms of the business education it delivers. For most of us, that means adopting important new learning technologies, updating our curricula to keep them relevant, continuing to add practical value to our local business communities, and always maintaining our academic rigor.

One of our greatest challenges today is helping our faculty accept the idea of a learning environment that happens partially online and embraces constant student interaction. IE has a whole area dedicated to learning innovation, and we work closely with professors to make sure their traditional classes are replicated as well as possible online. The process is ongoing, and professors may attend seminars and receive other kinds of support throughout the year.

As the business world becomes increasingly complex and demanding, business education must become more responsive. I believe the time will come when an MBA will cease being a possible stop for a manager on a career route and instead become an integral part of the day-to-day journey. Business schools will have to make that journey with those young executives—and blended learning programs provide the best vehicles for traveling in style.

Paris de l’Etraz is associate dean of blended programs and professor of entrepreneurship at IE Business School in Madrid, Spain.
Virginia State University is using electronic course delivery to save money, save the environment, improve student retention, and prepare business graduates for the complex working world.

This fall, business students at Virginia State University needed nothing more than a computer, an e-book reader, or a mobile phone to gain access to the courses in our core curriculum—and all the required textbooks. That’s because we’ve created an online portal through which the content for nine of our integrated core courses can be digitally delivered, and where the textbooks are available for free download. The digital delivery is part of a complete curriculum overhaul that we launched this year to make sure our program is integrated, rigorous, sustainable, and as technologically sophisticated as the business world our students will enter.

I became dean of the business school in August 2009 and quickly realized that the program needed to be rebuilt from scratch. We also needed a branding strategy to set our school of business apart. I challenged the faculty to revolutionize the curriculum and asked members of the business community what skills and abilities they wanted to see in our graduates before hiring them. A year later, in August 2010, we have started our “revolution of excellence” and launched the integrated digital program.
VSU has many students who can’t afford to buy a textbook outright, and the high cost of textbooks affects our retention rate.

We believe our new curriculum will provide four benefits to our students. It will foster a better understanding of organizational interdependency between divisions; it will cut down on costs; it will reduce waste; and it will give our students the technological skills they’ll need to navigate the real-world digital landscape.

**Electronic Texts**

The defining characteristic of the new curriculum is its digital delivery. As one of America’s historically black colleges and universities (HBCU), Virginia State has many students who can’t afford to buy a textbook outright. They might borrow it, check it out of the library, or try to get by in a course merely by listening to class lectures. When these methods are insufficient, they withdraw or fail, so the high cost of textbooks affects our retention rate.

We reasoned that, if we can provide textbooks digitally for free, students can have access to all the reading material in a class and maintain that access for their entire undergraduate careers. If, during freshman year, they purchase a three-inch thick textbook that explains forecasting models, will they keep that heavy book for the next three years? Probably not. But when they have to write business plans in their senior year capstone course, they need to refer back to that book. With our digital model, students will be able to download and store all of their core textbook content on their hard drives, and it will always be available to them.

Digitally delivered textbooks also have other benefits. They can include just-in-time case studies, which means their information will not be quickly outdated, as is often the case with traditional textbooks. For instance, Enron provides a wonderful case study about ethics in the workplace, but the oil spill in the Gulf of Mexico is a more urgent and timely case to consider. When we bring current news stories into the classroom, students realize that they’re not just learning theories, they’re studying contemporary life.

In addition, because the books are delivered electronically, the material becomes more accessible. Faculty can create links directly to content that targets specific assignments. Students can download that material in PDF format and then access it on their computers, Kindles, iPads, and smartphones.

Finally, digital textbooks are environmentally friendly. We’re teaching sustainability and corporate social responsibility in the undergraduate program. What better way to model these ideas than by showing students a way to conserve natural resources?

Obviously, if a school is delivering a digital program, students must have computers. There are computer labs throughout the university that all students can use, but next year we will require incoming students to bring their own laptops. We can justify the expense of a laptop—which might cost less than $1,000—because we will be saving each student several thousand dollars in book fees over the course of the program. We will also work with our bookstore to develop a plan that makes these computers available and affordable to our students.

**Partners and Portals**

To deliver our digital curriculum, we’ve partnered with two companies. The first is Flat World Knowledge, which publishes free and open textbooks for higher education. Textbooks were vetted by our faculty on a case-by-case basis before we decided which ones should be adopted, then Flat World created a portal that allows our students to read the textbooks online.

Our second partner is GoingOn.com, which has developed an online learning environment where faculty can incorporate social learning pedagogies. Students can use the site to communicate with others in their teams and cohorts, and they can develop networks around classes and outside interests. A student might download a book from Flat World and post something about it online, and everyone else in the group will be able to share their different perspectives.
We hope this platform not only will enable student-generated content, but also will foster a sense of community in the business school. Like other social media, it will allow faculty and students to create profiles about themselves, and this will give them a better sense of who is in their classes, their clubs, and the school of business as a whole.

Because we are just launching our digital portal, we can’t yet deliver our entire program electronically. However, we’ve created a core curriculum that includes nine courses that span from the introductory freshman class to the senior year capstone course. Over the next three years, our goal is to reach 100 percent delivery of textbooks for 30 courses—the 17 in the core, as well as courses specific to certain majors.

But our digital education plans don’t stop with electronic delivery. For instance, our revamped curriculum includes a business communications course, where students learn how to sell themselves to potential employers. We will create a digital recording of students in practice interviews at the beginning of the class, before they’ve learned how to present themselves, and again at the end of the class, when they’ve mastered communication skills. These interviews become part of their ePortfolios, electronic records of their four years at Virginia State University. Students will be able to reference these recordings to benchmark their progress.

In addition to the videos, the ePortfolios will include letters of recommendation and copies of papers and projects that have been graded and corrected. As part of the digital initiative, papers will be submitted digitally and feedback will be offered the same way. Some instructors may opt to deliver their comments in an audio file so that students will be able to hear their tone of voice and better gauge the nature of the critique.

By accessing all this material, potential employers will be able to see a graduate as a three-dimensional individual. Not only will they know what’s on a student’s résumé, they’ll also be familiar with that student’s mannerisms, thought processes, and analytical progress over four years.

Challenges and Requirements
While we’re very excited about our digitally delivered curriculum, other schools that want to try something similar should be aware of the challenges. First, for schools with our budget, it’s an expensive endeavor. We’re looking at investing $250,000 in infrastructure, delivery, and maintenance costs. We expect to recoup that investment, but it’s a significant outlay at the outset.

Second, it must be a rigorous program even if it’s delivered digitally. Putting the textbooks of our core courses online was only one part of our curriculum redesign. We also developed an integrated, team-taught core curriculum with the goal of breaking down disciplinary silos. In addition, we partnered with local business sponsors and mentors who are providing students with real-world experiences, as well as real-world business problems to solve. These changes were just as crucial as committing to digital delivery.

Third, the program won’t succeed without the support of key members of the administration. If they’re lukewarm, the dean will have too many battles to fight. I’ve had the full buy-in of our administrators, because they see the future and want to move our students in that direction.

Finally, it requires a supportive faculty, starting with a faculty champion. At VSU, our leader has been Andrew Feldstein, an assistant professor of marketing. He culled through potential vendors and helped articulate the digital curriculum to other faculty. Our department chairs immediately embraced the vision, and then the rest of the faculty did as well. Today, I see MIS professors talking to accounting professors who are talking to marketing or management professors as they discuss how to integrate the curriculum and engage our students. If deans don’t have that interest from and interaction among faculty, they’re sunk.

At Virginia State University, we have had the perfect combination of factors—an incredibly supportive administration, an enthusiastic faculty, a persuasive champion, and a revamped curriculum we could all believe in.

It has been a massive undertaking to make such dramatic changes in a year’s time. The joke has been that I’m wearing the wheels off my roller skates. But the effort has been worth it, because our students are poised to graduate with the 21st-century skills they need to be successful throughout their careers.

Mirta M. Martin is dean and professor of management at the Reginald F. Lewis School of Business at Virginia State University in Petersburg.
Researcher and scientist Roy Amara once said, “We invariably overestimate the short-term impact of new technologies, while underestimating their long-term effects.” That statement, now known as Amara’s Law, could have been written specifically about academia’s attitudes toward social media. Many professors are talking about Facebook and Twitter, but few really know what long-term impact they might have on the classroom.

Much of academia is still living in the world of Web 1.0, where a few content creators talked to the many. Web 1.0 resembled the way a professor lectures to a class. But the emergence of Web 2.0, where everyone can share with everyone, has changed the equation. Web 2.0 encourages individuals to contribute their own voices to the conversation. It’s driven by social media, a broad term that encompasses a suite of technologies that enable online activities such as social networking on Facebook or LinkedIn, sharing photos and video on sites like Flickr and YouTube, writing blogs, or creating wikis.

The 20-somethings coming into business classrooms today have been using social media applications for most of their lives. And as a 40-something professor, I know I can reach these students more effectively if I use the same tools in my teaching.
Creating and maintaining a blog is a quick, effective way to promote ongoing discussion and keep the subject matter fresh.

As a business professor, you might not be comfortable “friending” your students on Facebook or “tweeting” ideas after hours, but it makes sense to jump in and experiment with these new media. Adapting them to your own classroom strategies might be easier than you think.

**The Me in Social Media**

“The future is here, it’s just not widely distributed yet.”
—William Gibson

Social media tools may seem peripheral to you, but they are already widely distributed to your students. One of the best books I’ve read on social media and how corporations are learning to use it is *Groundswell*, by Charlene Li and Josh Bernoff. Li and Bernoff write that organizations should follow the POST process: They should get the right people, define their objectives, create a strategy, and choose a technology—in that order.

It’s no different when a professor is choosing a tool to use in the classroom. The questions are simple: Who are my students? What is the learning objective? How can I meet that objective? Once you’ve answered these questions, you can choose the best technology to accomplish the objective you have in mind.

Business professors often try to engage students in learning objectives in one of four ways: discussion, collaboration, research, and community building. The following approaches can help professors promote these activities effectively outside the classroom:

**Discussion** — Most professors calculate student participation as part of the final grade. However, many students are reluctant to raise their hands, particularly if a course is not taught in their native languages or if their cultures discourage engaging with the professor. Blogging can be an excellent way to increase everyone’s level of participation, because it allows students to collect and process their thoughts before sharing them. Many blogging sites can help you easily create and manage a blog, including two of the most popular, Blogger.com and WordPress.com.

For example, my course on emerging markets has a one-week international travel component—this year we went to Malaysia and Singapore to compare and contrast the two markets. Instead of using a textbook to help students prepare, I posted current articles from *The Economist* and the business press on a blog and had students comment on the articles and respond to other students’ comments. Students also could post links to other articles that offered different perspectives. One student even posted links to entertaining videos on YouTube about how to experience Singaporean street cuisine.

Just e-mailing articles to students or handing photocopies out in class does little to increase participation. Creating and maintaining a blog, on the other hand, is a quick, effective way to promote ongoing discussion and keep the subject matter fresh.

**Collaboration** — In qualitative business courses like organizational behavior, marketing, and international business, students often are placed into teams to research topics and present their findings to the rest of the class. In the past, students might have set up meetings to discuss the topic, exchanged notes, and prepared their presentations. But what if they were able to work together 24 hours a day through a collaborative wiki?

Unlike blogs where people can comment on content but cannot change it, a wiki is a single online document or workspace where any team member can add to or edit the infor-
information. Its power is based on "the wisdom of crowds"—the idea that, if enough students edit and contribute to the document, the final product should be much better than one created through multiple, separate drafts.

Free software to create and manage a wiki is available from multiple sources. To find the best tool for your course, search online for "free wiki software." A detailed list of wiki software is also available at en.wikipedia.org/wiki/List_of_wiki_software.

I teach a technology entrepreneurship elective where the entire class must work together to identify a technical product or service that doesn’t yet exist and establish how to take this product or service to market. In one class, students chose to create a universal key with biometric security that could open every lock in a person’s life. While teams of students were assigned the lead on particular elements of the project, everyone worked together on the final document.

Instead of sending various drafts around, we created a wiki that kept a single, current version for all the students to edit. Better yet, I could observe the process: I received automatic updates when changes were made and saw which students made the most substantive edits.

**Research** — The quantity of information available via Google and other search engines is impressive, even if the quality is often less so. But the information landscape now is growing to include access to information as it's created. For example, Twitter allows writers to send out short entries, or “tweets,” of up to 140 characters, generating a steady stream of information on current topics. On Twitter, students can follow traditional print and media sources, as well as more scholarly posts like the *McKinsey Quarterly* and *Knowledge@Wharton*.

Anyone can go to Twitter and type in a search term without creating an account, just to see what others are posting on that topic. For example, I recently took a small team of students to South Korea for a global consulting project. My students could read my own blog on Korea, www.koreality.com, but I also wanted to expose them to a wider range of information. I asked them to type “Korea” in Twitter’s search engine and re-tweet useful tweets or links to the other students. I did the same when I traveled with another student group to Singapore, blogging at www.singaporeality.com about topics ranging from the country’s healthcare system to its restaurants.

**Community Building** — Social networking sites are a big part of students’ lives, with many students posting information on Facebook that they wouldn’t want their professors to see. But you also can use social networking sites to create a sense of community.

If Facebook doesn’t seem appropriate, try Ning.com, where you can create a course-specific social networking group. Although the formerly fee site recently began charging for its services, a professor can set up a private social network on Ning for as little as $2.95 per month. Once you’ve set up the group, you can send invitations to students to join and limit access only to those in the course. On Ning, students can post items related to the course that wouldn’t be of interest to their broader network of Facebook friends. And you don’t have to wade through the pool of less-focused ideas that students post to their personal pages.

Ning also can be a great place to experiment with other social media tools. Use Ning to try your hand at writing blogs or Twitter-like messages. Post content in multiple formats to see which ones work best to engage students in discussion.

A colleague of mine used Ning in an organizational behavior course to poll students’ attitudes on various issues related to employee evaluations. Students could see the responses of the other students and write comments, which generated a back-and-forth discussion that an in-class show of hands never could.

**Mistakes to Avoid**

"Chaos is the score upon which reality is written."

—Henry Miller

By now, I hope you have decided there is a place for one or more social media tools in your courses because you believe they will enhance the learning process. You could continue using the same syllabus you used five years ago, but you’re not. It’s no different with technology. Staying technologically current is good for you, and it’s good for your students.

In fact, I’m convinced that students now expect professors to use technologies that go beyond PowerPoint and Blackboard. And they likely will appreciate the fact that you are looking for new ways to reach them in and out of the classroom.

But as powerful as social media can be, they also present some pitfalls. By keeping the following suggestions in mind, you’ll keep the technology under control and your students on task:

**Focus on your strategy, not the technology.** Like blackboards and textbooks, Web 2.0 tools are aids to the learning process. Use them to enhance the course, not just to say you use them. For instance, outside of class, use social
media to increase the level of discussion and collaboration on new or tangential topics. This will help you free up in-class time for more central topics.

Don’t drive the bus—take a seat in back with your students. Don’t create a blog post and then just sit back and wait; continue to be a part of the conversation. Respond to students’ comments. Ask “Have you considered this idea?” or “How does your comment relate to this link?” Encourage responses to your response to their responses—and so on. Social media is about having a conversation, even if you are the professor.

On the first day of class, I share with students this quote by Marshall McLuhan: “I don’t necessarily agree with everything I say.” I tell them that I will try to provoke them. I want them to be comfortable posting their opinions, especially when more objective information might not be available.

Participate, but don’t officiate. Social media tends to lower inhibitions—students will write things about others that they would never say face-to-face, even when each post is attributed to its writer. Set guidelines for what is appropriate and what isn’t. Make it clear that students should challenge ideas, not attack other students’ motives or intelligence. Writing “a better choice might have been” is, well, a better choice than “only an idiot would have reached that conclusion.”

Also remind them of the level of discourse expected. Using a Twitter feed to post what they had for lunch does not move the discussion forward, unless the comment is meant to highlight a facet of customer service, marketing, or pricing strategy.

On the other hand, you also should avoid being too restrictive. Most blog sites allow you to approve comments before they are posted to the broader audience, but I strongly recommend against that. You risk giving students the impression that they can post ideas only if you approve of them—or worse, that by posting their ideas you automatically agree with them. Let them post whatever they want. If a comment is completely out of bounds or confrontational, you can easily delete it. Otherwise, let students respond to potentially offensive comments themselves.

The You in Social Media

“Users create knowledge, but only if we let them.”
—John Thackara

At the 1939 World’s Fair in New York City, then-mayor Fiorello LaGuardia encountered a new technology called television. He reportedly commented that he doubted Americans would have the time to sit in front of a box in their living rooms.

It would be just as easy to dismiss Web 2.0 as a fad that will diminish or disappear in the years ahead. But I think its rapid adoption is a clear signal that the digital generation of students would be unable to imagine life without a Facebook page. Like television, social media applications promise to have staying power if only because this generation of students—these multitasking students—would be lost without it. Former Apple and Microsoft executive Linda Stone coined the phrase “continuous partial attention,” which describes the way these students work. I don’t try to fight their need—and ability—to do several things at once. Instead, I use social media to extend the time I’m engaged with them, even when they’re not in class. I want to have their partial attention throughout the whole day since it is all but impossible to have their undivided attention for even a few hours.

If your goal is to help prepare students for business in the real world, then you must acknowledge that businesses are using social media in all kinds of ways. I know my students see the value in using social media as a complement to other course materials. Better yet, these tools are not time-consuming. Most weeks, I spend less than two additional hours posting articles to social media sites for my courses. I am reading those articles anyway, and the time I spend to cut and paste them into a blog is small. Reading student comments might add another hour per week.

Social media might not be for you, and they might not suit every course. But if you’ve read this far, then I’m guessing you think Web 2.0 might help you engage your students in the material on a deeper level. As John Munsell said, “If content is king, then conversation is queen.”

Allen H. Kupetz is the executive in residence at the Crummer Graduate School of Business at Rollins College in Winter Park, Florida. Some of the many social media tools he uses can be found at http://web.rollins.edu/~akupetz/main.htm.
Tackling a Touchy Subject

Had a hard day? Feeling the weight of the world? Have a soft touch? These phrases aren’t just idiomatic—they represent how people link tactile characteristics such as weight, texture, and hardness to emotional perception. In fact, these emotional perceptions can be so strong that what people touch can unconsciously influence how they make decisions, say Joshua Ackerman, an assistant professor of marketing at MIT Sloan School of Management in Cambridge, Massachusetts; John Bargh, a professor of psychology at Yale University in New Haven, Connecticut; and Christopher Nocera, a doctoral candidate at Harvard University, Cambridge.

Ackerman, Bargh, and Nocera conducted six experiments to see whether what people were holding would affect how they evaluated a job candidate. In one experiment, they asked 54 people to evaluate a job candidate—some filled out their evaluation forms using light clipboards, while others filled them out using heavy clipboards. The researchers found that those holding heavier clipboards gave the candidate higher ratings overall than those holding lighter clipboards.

Heaviness didn’t always lead to more positive ratings in all areas, however: Heavy-clipboard holders evaluated the candidate as less likely to get along with co-workers. They also rated the accuracy of their own evaluations more highly than light-clipboard holders.

The researchers ran another experiment in which some participants sat in harder chairs while others sat in softer chairs. Those in harder chairs rated the candidate as more stable than did those in softer chairs.

The researchers speculate that the sensory experiences that people develop early in life influence their perceptions as adults. Common metaphors such as “having a hard day,” “making a weighty decision,” or “walking softly” can reinforce those perceptions. As a result, touching a hard or soft object can trigger certain processing patterns, Ackerman says. Even so, he adds that the sense of touch has not been as well-explored in behavioral research as other senses such as sight and hearing.

“I find it amazing that subtle actions like touching sandpaper or sitting in a hard chair can have such an influence over very important decisions, such as which candidate we’re willing to hire,” says Ackerman.

Their paper, “Incidental Haptic Sensations Influence Social Judgments and Decisions,” was published in the June issue of the journal Science.

An Argument Against Insider Trading

Some economists are arguing that the SEC’s criminalization of insider trading is misguided, going so far as to say that the practice actually benefits the market. Not so, say Robert Prentice, professor of business law, and Dain Donelson, assistant professor of business law, at the McCombs School of Business at the University of Texas at Austin.

The two co-authored the paper, “Insider Trading as a Signaling Device,” in response to recent
arguments in favor of legalizing insider trading, from economists such as Henry Manne, dean emeritus of the George Mason University School of Law, and Jonathan Macey, professor at the Yale Law School. These arguments hold that legal, limited-use insider trading activity would help top managers know whether or not their corporate plans were working. It also would create movements in stock prices that would signal the presence of corporate fraud.

However, Prentice and Donelson write that these benefits are not real for several reasons. First, they argue that managers don’t need to use insider trading as a window into their plans, because they already have access to inside information related to their companies. Second, not all insider trading affects stock prices. And, third, any signal caused by insider trading would be subtle at best—analysts would have too much trouble distinguishing its effects from the effects of other factors in the market.

The paper, which was published in the spring issue of the American Business Law Journal, was recently awarded the Outstanding Article from the Academy of Legal Studies in Business.

Eliminating Credit-Rating Contingent Regulation

A new paper argues that governments should abandon rating-contingent regulation, a practice that began in the mid-1970s. It refers to the way national governments rely on credit-rating agencies to regulate institutional investors.

The paper’s authors say that the problem lies with the agencies themselves, whose ratings measure the likelihood of an institution to default on its debt. “If the importance of regulation is too high, a rating agency will not provide any real information to investors,” says Marcus Opp, a professor at the Haas School of Business at the University of California, Berkeley. “It will simply inflate ratings.”

Opp co-authored the paper with Christian Opp, assistant professor at the Wharton School at the University of Pennsylvania in Cambridge; and Milton Harris, a professor at the University of Chicago’s Booth School of Business. The three of them argue that inflated ratings contributed to the economic crisis in 2008.

The Dodd-Frank Wall Street Reform and Consumer Protection Act passed by the U.S. Congress

Research Recognitions

S. Venkataraman, a professor of business administration at the University of Virginia’s Darden School of Business in Charlottesville, and Scott Shane, a professor of entrepreneurial studies and economics at Case Western University’s Weatherhead School of Business in Cleveland, Ohio, have received the Academy of Management Review’s “Decade Award.” They received the award for their 2000 paper, “The Promise of Entrepreneurship as a Field of Research,” which explored how entrepreneurial opportunities were discovered and exploited. The award honors the single article published ten years earlier that has had the greatest impact on management scholarship during the ensuing decade, as measured by the number of citations.

Michael G. Williamson, an assistant professor of accounting at the University of Texas at Austin’s McCombs School of Business, has received the Best Early Career Researcher Award from the American Institute of Certified Public Accountants. Williamson received the award, along with a $2,000 grant, in recognition of research that investigates the role that performance evaluation and reward systems play in promoting creativity, productivity, and risk taking in the workplace.

A professor at Babson College in Wellesley, Massachusetts, has received the 2010 Lifetime Achievement Award in Retailing from the American Marketing Association. Dhruv Grewal, Babson’s Toyota Chair in E-Commerce and Electronic Business, was honored for his work and research, which includes more than 95 journal articles, numerous research and teaching awards, co-authorship of two textbooks, and service on the editorial review boards of seven marketing journals.
earlier this year makes agencies liable for the quality of their ratings, but this may also be insufficient, the authors say. Problems will remain unless the relationship between ratings and regulation is severed, says Opp of Haas.

By eliminating rating-contingent regulation, governments allow agencies to evaluate the risk presented by institutional investors without any conflicts of interest. Under those circumstances, he says, “I believe the ratings would automatically become more informative.”

The paper, “Rating Agencies in the Face of Regulation: Rating Inflation and Regulatory Change,” can be downloaded at ssrn.com/abstract=1540099.

**UPCOMING & ONGOING**

- **Harnessing the Power of Networks**
  Jeffrey Bardzell and Shaowen Bardzell, both professors at Indiana University at Bloomington, have received a $686,000 grant from the National Science Foundation’s Division of Information and Intelligent Systems. The husband-and-wife team will use the grant to study two of the Internet’s largest, most creative, and most collaborative online communities: World of Warcraft (WoW), a gaming community with more than 11 million users, and Etsy, a site where hundreds of thousands of craftspeople sell their work.

  A better understanding of these models, say the researchers, could lead to the design of creativity-support software, as well as to lessons for professional scientific communities about successful networking and collaboration.

- **Solution for Emerging Markets**
  Dr. Reddy’s Laboratories, a pharmaceutical company in India, has signed an agreement with the Indian School of Business, Hyderabad, to form the Centre for Emerging Markets Solutions (CEMS). CEMS will be an interdisciplinary research unit at ISB to study the employability and training of young people in India and develop solutions for socioeconomic problems.

- **Center for CRM Excellence**
  Microsoft Canada and the University of Toronto’s Rotman School of Management in Ontario have created the Rotman Executive Programs Centre for Customer Relationship Management Excellence (CRM Centre). The initiative will focus on conducting research, building intellectual capital, and developing interactive CRM educational programs.

**The Downfall of ‘Loud’ Logos**

Consumers who wear expensive clothing or drive sports cars with logos prominently displayed to prove their socioeconomic status might be achieving the opposite result, according to a study by Young Jee Han, a doctoral student at the University of Southern California’s Marshall School of Business in Los Angeles; Joseph Nunes, associate professor of marketing at the Marshall School; and Xavier Dreze, associate professor of marketing at UCLA’s Anderson School of Management. “Loud” logos, they found, actually connote a lower price point to others.

The authors examined three categories of luxury goods—designer handbags, high-end vehicles, and men’s shoes. They then surveyed consumers in several shopping malls in southern California.

Through the survey responses, the authors identified four types of luxury-good purchasers: *patricians*, who purchase luxury items with “quiet” identifiers that only their wealthy peers can recognize; *parvenus*, who purchase “loud” luxury goods to signify their status; *poseurs*, who purchase counterfeit items because they...
cannot afford the real thing but wish to emulate the wealthy; and proletarians, who have no motivation to purchase luxury goods as a sign of status.

In their study, the authors write that, ironically, “While many parvenus believe they are saying to the world that they are not have-nots, they may also be signaling to patricians, the group they want to associate with, that they are not one of them.”

Marketers in the luxury goods category can use this study to develop better ways to distinguish their brands. For instance, to attract patricians, they can use subtle signatures to signify their brands, such as Gucci’s use of bamboo on its products, rather than highlighting their logos. And while marketers might not want their logos to be ubiquitous—which risks devaluing the brands—they could build their brands by creating marketing campaigns that have wide appeal and that send an aspirational message to those who cannot currently afford to purchase their products.

The paper, “Signaling Status with Luxury Goods: The Role of Brand Prominence,” was published in the July 2010 issue of the Journal of Marketing.
Don’t Ignore Virtual Teamwork

Twenty-first century leaders must understand the complex dynamics involved in leading virtual teams.

by Adam Kingl

While most business educators agree that students need to master the dynamics of successful teamwork, fewer are convinced of the importance of virtual teamwork. First, most educators assume the frameworks they teach in face-to-face leadership courses are equally valid for online groups. And second, practitioners are still in the experimental phase of using virtual teamwork, so they’re hesitant to declare any conclusions on the topic.

However, virtual teamwork will be a critical function in the 21st-century workforce—in fact, all of the students in our Emerging Leaders Programme (ELP) at the London Business School either currently work in at least one virtual team or anticipate doing so in the next five years. For that reason, we have developed approaches that focus on virtual teamwork, both in the classroom and in practical application.

Putting ‘Virtual’ to the Test

We have integrated a virtual emphasis into the ELP by highlighting existing applicable content and adding lessons that teach explicitly how to manage virtual teams. For instance, we added a virtual simulation that reinforces the program’s core themes of marketing, strategy, and teamwork.

Recently, we also experimented with requiring students to complete a competitive challenge, using both face-to-face and virtual methods. Before students arrived to the program, we asked them to submit pressing dilemmas that their companies face. We then identified two of these questions as most suitable for students to tackle during the competition. We chose the following questions because they were easily comprehended, did not rely on technical or industry-specific knowledge, and would have a great impact on the business:

1. How could an international news division bring to life its new brand tagline, “Never Stop Asking”?

2. How could newspapers make money selling to a Google generation used to reading content for free?

Students were split into two nine-person teams that incorporated a diverse set of expertise, nationalities, and industries. They had one week to brainstorm and refine solutions to each question. They were allowed—and encouraged—to take advantage of the “wisdom of crowds” by soliciting input from people outside the program.

There was one catch: Team A had to answer question No. 1 using face-to-face methods only, and question No. 2 using virtual methods only. For Team B, these requirements were reversed. When working virtually, students could use any tools or forums they wished, including video or teleconference, e-mail, or social networking sites.

We also constructed a simple custom Web site with the help of virtual consulting company How Might. The site allows teams to post, categorize, rank, and discuss proposed solutions. It also is accessible to external contributors, who can read the question and click through to review the team’s written work.

At the end of the week, the teams presented their conclusions to a panel of faculty and course facilitators, who scored the merits of each solution without knowing whether students...
used face-to-face or virtual methods. After the panel gave its feedback, we discussed what the students found to be the advantages and pitfalls of virtual teamwork, as well as the differences between working virtually and working face-to-face.

What Works, What Doesn’t
This exercise brought to light many things about the nature and requirements of leading a virtual team. In the two parts of our newspaper challenge, for example, our panel found that the quality of solutions did not depend on whether teams used virtual or face-to-face approaches. Instead, other factors played larger roles:

- Virtual teams that set too many rules or were too rigid about how and when participants contributed, generally were not as successful as those that were more flexible. Different time zones, for instance, required that teams set slightly longer deadlines.
- Virtual teams that produced solutions using customized online team rooms—designed specifically for virtual collaboration—scored better than those that used social networking sites such as Facebook. Social networking sites often offer no function to organize activities effectively, search information, engage in complex discussions, or rank ideas. There is little “click-through” capability. Facebook users either did not participate in brainstorming activities or did so unproductively, perhaps because interactions on the site tend to be largely superficial. The students weren’t accustomed to using it for this purpose.

Although virtual teamwork isn’t necessarily more effective than face-to-face teamwork, throughout our courses we have found that virtual teamwork that is well-facilitated and well-supported by the best platform for the purpose can be superior to face-to-face interaction, particularly for large or geographically dispersed teams. Once our students return to work, we encourage them to have conversations with their IT departments about how to create customized team rooms, rather than rely on existing sites with predetermined features.

A Different Set of Skills
Once students complete their virtual teamwork in our program, they come to several realizations:

Charisma, a traditional leadership trait, often doesn’t come through on virtual teams. Therefore, they must rely not on force of personality but on clarity, cultural sensitivity, and the ability to delegate. “Leading” in these interactions is less about exhibiting authority and more about emphasizing team accountability, reaching consensus, and being open to challenges.

Merit has more power than personality on virtual teams. As a result, those who are introverted or are not proficient in the language may thrive on a virtual team. If one of the objectives of great leaders is to bring out the best in everyone, then they should encourage at least some virtual work on very diverse teams.

Technology does not solve every problem. Virtual teamwork can fail if leaders do not attend to the fundamental problems of coordinating, engaging, and motivating individuals across time zones. It’s easy for team members to disengage when they’re not face-to-face, so students find they must convey a high degree of enthusiasm and clarity, and agree on who is accountable for what, from the start.

Assumptions are dangerous. If team members are from different cultures, countries, and time zones, leaders cannot assume that everyone shares the same understanding of how the team will work. For example, will everyone be in one virtual “place” at the same time, or will they contribute on their own time? Our students’ most important takeaway is that to lead a virtual team, they must focus on team maintenance before task maintenance.

Critical to the Curriculum
Attending to the dynamics of virtual teams in the business curriculum can be a challenge. Virtual teams can take more time to form, and they often need more time to complete tasks. To provide that extra time, we explore virtual teamwork during the ELP’s intermodal month—which falls between the second and third weeklong modules.

At London Business School, we believe it’s critical that students learn to work well on virtual teams. In virtual environments, students must know how to make the transition between succeeding as individuals and succeeding with and through other people. For that reason, we put virtual teamwork near the forefront of all of our lessons on leadership—otherwise, we do not serve our students’ aim to maximize their leadership impact in global business settings.

Adam Kingl is director of the Emerging Leaders Programme at the London Business School in the United Kingdom.
Ten Things to Know About Teaching Online

As many universities expand their virtual offerings, they’re assuming their faculty will know instinctively how to teach online, just because they do well in the classroom. But that’s a dangerous assumption, say Jamie Kretsch, an online instructor in Monmouth University’s department of computer science and engineering in West Long Branch, New Jersey; and Sue LeBeau, a New Jersey-based online education specialist and consultant.

The two partnered to present “Training the Trainers,” a seminar that explored the skills teachers need to teach online. The seminar was part of an annual teaching conference held by Cengage Learning, a provider of course technologies. The company’s offerings include Course360, a platform that allows instructors to create and customize online courses.

Most schools offer their faculty only rudimentary training in teaching online courses, says Kretsch. “They say, ‘Here is the learning management system, here’s how to put up a discussion, here’s how to post a quiz.’ But they don’t talk to faculty about what makes a great online learning experience. They don’t teach them how to design and present their content.”

To ensure faculty are ready to teach online courses, Kretsch and LeBeau recommend that program administrators prepare them in ten key areas:

1. **Knowing the tools.** First-time online instructors need to know how to use the features of their course management systems (CMS), for everything from making announcements to uploading content to creating wikis. Instructors may also need guidance on what tools not to use, says LeBeau. “I recommend that faculty work within a CMS rather than an external site where everybody can read what students post,” she says. “If faculty are teaching about advertising on Twitter, that’s different. But otherwise, if they want to use social media, it should be in a password-protected environment.”

2. **Having proper equipment.** Professors must have computers and connections that are up to the task, says LeBeau. “I once posted a 10-megabyte PDF file for a course I was teaching to instructors, and one of my students couldn’t download it because she still was using dial-up!” Without up-to-date equipment, she says, professors should not teach online. That includes having wireless-capable devices they can use to stay connected while traveling.

3. **Preparing for the course.** In face-to-face courses, professors can change the syllabus, improvise a lecture, or modify content along the way. But in online classes, on-the-fly changes can create chaos. “Online students often work ahead,” says Kretsch. “You need to have the guidelines set, and all materials prepared and posted, before the first learners enter.”

4. **Using multimedia.** Not every student can grasp a concept by reading about it, and not every instructor can convey a concept through text alone, say Kretsch and LeBeau. Using video, audio, and interactive media can enhance the online learning experience. “It’s much easier for me to record myself explaining a concept than it is to struggle with text,” says Kretsch. “After posting a video, I’ve often gotten e-mails from students saying, ‘Oh, that’s what you meant!”’

5. **Knowing students’ technology.** Professors should find out if any students are using older computers or dial-up connections. If so, professors may need to make adjustments—such as offering a text version of a video lecture—to allow these students to access the content more easily.

6. **Designing online assignments.** Professors should design homework that is well-suited to online environments. Writing an essay might be effective in the classroom but prove to be comparatively lifeless online, says LeBeau. Online students often learn more through interactive assignments, such as creating podcasts, starting wikis, or contributing to online discussions.

7. **Being available 24/7.** Kretsch and LeBeau emphasize that there are no set office hours in online teaching. Students expect professors to respond to e-mails and posted questions in a timely manner. That means that instructors should answer e-mails and check course activity several times every day, including weekends and holidays.

8. **Repeating, repeating.** Students often are surprised that online courses can take more discipline—and be more difficult—than face-to-face courses, say LeBeau and Kretsch.
So, students new to the process may need more handholding than others. Professors should post instructions multiple times in multiple places—via e-mail, on announcement boards, and in chat rooms. When teaching across time zones, instructors also must take extra care to avoid confusion. LeBeau keeps two clocks in her office, one set to Eastern time and one to Pacific. Kretsch specifies time and time zone when posting deadlines or scheduling calls to students.

9. Building relationships. In face-to-face courses, professors can see when students smile, frown, nod, or take notes. Online, however, professors are teaching blind, say Kretsch and LeBeau. By personalizing communications, professors can engage with students more effectively.

At the beginning of each course, LeBeau has students participate in an introductory discussion where they share something about themselves. She takes notes about who is getting married, who is pregnant, or who is in the military. “If students are taking the course from Afghanistan, I’ll take care of them differently. I’ll be more flexible with deadlines than I am with students who are on more regular schedules.”

LeBeau also stresses the importance of using the students’ names. “I don’t just write ‘Good job’ on an assignment,” she says. “I write, ‘John, you did a wonderful job.’ I ask them about their family reunion, recent honeymoon, or new baby.” Such personalized responses, she says, can make a big difference in a student’s learning experience.

10. Being present. In physical classrooms, students can ask teachers to expand on a point in real time, and they can turn to each other for help. But ill-prepared or distant online instructors can leave students adrift.

LeBeau refers to a time when she was asked to take over an online course midway through the semester. When she reviewed the course history, she saw that “the professor had been nonexistent.” She e-mailed a letter to students apologizing for the change. She let students know, via e-mail and an announcement, that she would be available during online Q&As, where they could ask her questions.

“Within a week, the whole demeanor of the class changed,” LeBeau says. “At the end of the semester, students sent e-mails thanking me for taking over the course. That change happened because, as the instructor, I was present.”

To access documents, PowerPoint slides, and blog postings from the “Training the Trainers” seminar, visit trainingthetrainers2010.pbworks.com. To view other presentations at Cengage’s 2010 Conference, visit www.cengage.com/academic/?site=3150&section=1. For information about Cengage’s Course360, visit www.cengage.com/course360.
FLEXIBLE E-PAPER IN THE WORKS

Technology company LG is planning to develop flexible, full-color electronic paper that some speculate could be used with the next generation of devices such as Apple’s iPad and Amazon’s Kindle DX e-reader. According to IDG News Service, LG recently made an SEC filing that outlines its plan to manufacture the e-paper, on which text would look as it does on a traditionally printed page. LG already manufactures displays used in the current generation of iPad and Kindle.

SIMULATION SUPPORT

Oklahoma State University’s Spears School of Business in Stillwater has received $79,200 in software from Simio, a developer of 3D object-oriented software. The software, Simio Academic Edition, allows students to build simulated business systems, incorporating people, products, layouts, rules, and regulations. For instance, students can simulate an airport to identify which gates are overutilized and determine how gate changes could decrease flight delays, explains Dursun Delen, associate professor of management science and information systems. The software will be installed in graduate research labs at OSU’s Tulsa and Stillwater sites; it also will be available to undergraduates in several open-access labs.

ENTREPRENEURSHIP ONLINE

The McGuire Center for Entrepreneurship at the University of Arizona’s Eller College of Management in Tucson now offers three new online certificate courses in entrepreneurship. The courses are open to the public through the noncredit arm of the university’s Outreach College. Each course targets one of three types of entrepreneurs, respectively: those who want to bring new concepts to market, those who want to launch lifestyle businesses, and those who want to grow existing businesses. The school plans to offer for-credit versions of these courses in the near future.

VIRTUAL LABS

This fall, computer manufacturer Dell began offering Virtual Labs, a product for higher education that allows students to access computer lab software from their own computers, tablets, or mobile devices. The company has designed three versions of the product. The Adaptable Virtual Lab creates virtual lab desktops; the Mobile Virtual Lab allows students to access lab work on their own PCs; and the Hosted Virtual Lab combines the features of the previous two while hosting computing on Dell’s own cloud servers. The Labs, according to Dell, will help schools provide students with 24/7 access to software without the need for them to visit a physical computer lab.

PLATFORM FOR iPAD PUBLISHING

XanEdu, provider of CoursePacks and custom textbooks, has launched an iPad publishing program in concert with several educational institutions and Harvard Business School Publishing. Using the XanEdu CoursePack Management System, instructors can publish materials that students can access on an iPad, and students can take and share notes.

MERCER LAUNCHES VIRTUAL MBA

In January 2011, Mercer University’s Stetson School of Business in Atlanta will launch a virtual Professional MBA program that will provide a platform for students from the school’s campuses in Macon, Atlanta, and Savannah to study as a single group. Faculty will rotate between the three campuses, while using virtual, interactive classrooms. Students will meet in person for four retreats, where they will study specific business topics.
In addition, institutions that identified as “moderate-to-heavy” users of social media reported spending less on marketing per student than those that identified as “light-to-non-investors”—$83 per student and $121 per student, respectively.

While most institutions (55 percent) spent as much on marketing in print publications in 2009 as they did in 2008, the study found that more than one-third of participating institutions allocated less to traditional advertising. Forty-two percent of moderate-to-heavy social media users spent less on traditional advertising in 2009 than they did in 2008.

For more information about the report, visit www.lipmanhearne.com.

USB Begins Pilot Study of E-Content

How effective is electronic content in academia? That’s the question to be explored through a new pilot research study at the University of Stellenbosch Business School (USB) in Bellville, South Africa. In partnership with South African e-book retailer kalahari.net, USB will track the experience of students using e-reader software to read free electronic content. This will include assigned content, such as MBA textbooks and other course materials, as well as content students choose themselves.

USB will conduct monthly focus groups and regular surveys of students to determine how their experience reading e-books differs from reading printed books.

The integration will include access to tools that manage course content, create assignments, capture lectures, and track and assess student performance. Scores for assignments, quizzes, and tests completed in McGraw-Hill Connect will post directly to the Blackboard grade book.

The integration will be ready for classroom use in early 2011. McGraw-Hill Connect will still be available as a separate product.

In its partnership with Follett, which operates nearly 900 campus bookstores at schools throughout North America, Blackboard will give students the ability to purchase and use digital textbooks directly in Blackboard Learn. Blackboard will also integrate Follett’s CaféScribe, an e-textbook and social networking platform that makes digital texts more interactive. It also allows students and faculty to read, highlight, and annotate its collection of 10,000 texts, as well as share notes and join study groups anywhere in the world.


Pilots at other universities focus on electronic devices, but that’s only part of the puzzle, says John Powell, director of USB. “As exciting as iPads, e-readers, and tablets might be, their usage is secondary to the objectives of this project.” This study aims to measure the true impact of electronic resources on student learning, regardless of what devices students use to access them.

Blackboard has partnered with McGraw-Hill Higher Education (MHHE) and Follett Higher Education Group to integrate a wider range of tools in Blackboard’s learning platform, Blackboard Learn. The partnerships will allow institutions to access the resources of all three companies in a single place.

Blackboard’s partnership with MHHE, a unit of The McGraw-Hill Companies, marks the first time Blackboard has enabled the full integration of a major educational publisher’s content and digital tools, says Ray Henderson, president of Blackboard Learn. Because this arrangement will allow faculty and students to use their Blackboard login to access the McGraw-Hill Connect suite of tools, it will streamline the workflow for users and eliminate the need for them to access two separate systems, he adds.

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Can a Free Online University Work?

A conversation with Shai Reshef, founder of University of the People

Shai Reshef founded the University of the People (UofPeople) in May 2009, billing it as the first online, tuition-free, global university. Reshef has extensive experience in online education—first, as chairman of the Kidum Group, a for-profit educational services company eventually purchased by Kaplan Inc.; and next, as chairman of the Netherlands’ KIT eLearning, a Kidum subsidiary and e-learning partner of the University of Liverpool in the United Kingdom.

Although Reshef sees great potential in this educational model, he notes that for his university to be sustainable, it will eventually have to charge modest application and exam fees of $10 to $100. Even so, he says, the courses themselves will continue to be offered free of charge.

The university now offers two degree programs in business administration and computer science. The school’s advisory council already includes leaders from businesses, nonprofits, and traditional academic institutions such as Columbia University, New York University, and the Harvard Kennedy School in the United States; INSEAD in France; and the H.R. College of Commerce and Economics in India.

So far, the University of the People, which is based in Pasadena, California, has enrolled more than 600 students from nearly 100 countries. But that’s far short of Reshef’s goal: He hopes to enroll 15,000 students within five years. Reshef’s passion for the enterprise is proportionate to the ambitious nature of his vision. But he believes that with the help of technology, volunteers, and like-minded partners, UoPeople will achieve its goal—reaching every person who wants an education but lacks the resources to obtain it.

Why did you think this was the right time for a free global university?

Several developments over the last few years have made an online tuition-free university possible. The first is wider access to the Internet and information. The second is open source technology—like the Creative Commons licensing project and MIT’s OpenCourseWare. The third and last piece of the puzzle has been the new culture of social networking, where people are willing to share knowledge and information, and help each other without getting paid.

How are your courses delivered?

We have no video, audio, or live courses. We want to make sure that students anywhere in the world will be able to study with us, even if they don’t have their own Internet connection. Many of our students use Internet cafés.

Each course is ten weeks, and each week runs Thursday to Wednesday. On Thursdays, students come to the course to read or download that week’s materials. They read the instructor’s discussion questions, which are the core of our study. After they finish their reading, they go into the discussion forums to talk about that week’s topic. The instructor supervises the discussion and ensures that each student participates at least five times. At the end of the week, students return to take an online quiz to show they understand the material; at the end of the ten weeks, they take the exam and receive their grade.

Have you run into any obstacles along the way?

In the beginning, I was very worried about finding enough material online to adapt to our use. We did not know how easy it would be to recruit professors or reach out to students without a huge marketing budget. But as soon as we announced the project, we received coverage in the media and had professors volunteer. We now have 2,000 professors who have volunteered to teach our courses—many more than we had anticipated.

You now have 600 students enrolled, but your goal is 15,000. Are you concerned about attracting that many students?

Just to be accurate, we need 15,000 students to be a sustainable university, but we are not planning on
stopping there. We will continue for as long as there is a demand for what we supply.

But we realize that we have not reached a point where even a fraction of potential students know about us. I have to assume that people in refugee camps in the Sudan are not reading publications like BizEd! We’re still far away from reaching our market potential.

The nonprofit World Computer Exchange has partnered with you to help promote your school and provide students access to more than 2,650 computer labs in 71 developing countries. How successful do you think that model will be?

We believe this collaboration will help us reach new students, but our plan is to test it in a few places first. The idea of having centers where students come and study—even though these centers are not a formal part of our school—is still something new.

Are traditional schools helping your project?

Universities help us tremendously. We recently announced our new dean of general studies, Geraldine Downey, who comes from Columbia University. The Yale Law School Information Society Project is working with us because we are implementing its theory of free access to information. The professors who work with us believe that what we are doing is right.

How do you compare your school to traditional universities?

If a student were to come to me and ask, “Should I go to the University of the People or to an Ivy League university?” then I have failed in this project. We are not an alternative to any existing university. We are an alternative to nothing—we are there for those who have nothing else.

You’ve said that you plan to pursue accreditation.

It is our intention to apply for accreditation whenever we can. But the students who take courses in our bachelor’s and associate’s degree programs study the same amount and the same material as they would in other universities.

Why did you choose to start with computer science and business?

Our main goal is to help people find jobs, and they are more likely to find jobs with degrees in these fields because those professions are in demand. If students find jobs, they’ll improve their social status and the standard of living for themselves, their families, their regions, their countries, and who knows? The world!

But more important, these two disciplines are culturally unbiased. The world probably needs more teachers than computer scientists, but being a teacher in the U.S. and being a teacher in Saudi Arabia are very different. If you want to take people from all over the world and put them in one class, you want to be teaching topics that are relevant all over the world. We want to create an atmosphere where everyone can communicate without getting into political arguments—one where students from two hostile countries might realize that their enemies are not that different than they are.

You were named one of Fast Company’s “100 Most Creative People of 2009.” What did you think of that?

Well, I don’t think I’ve invented anything! Everything I’ve used for this was already out there—the technology, the open access to information, people willing to volunteer. I just put it together and made it into a university. If it wasn’t me, someone else would have done it. But since it was so clear that someone should do it, I’m very glad it was me.

What can business schools do to help?

Spread the word. Volunteer to help—we are still desperate to find course writers for some subjects. We hope to use social networking so that volunteers and students can meet for discussions, which would be a good opportunity for graduate business students. We would love to have them.

For more information about the University of the People, its degree programs, and its advisory council, visit www.uopeople.org.
Your Turn

Building a Better Business Student

In the wake of the global financial crisis, the need to reshape business education has been a widespread topic of discussion. Experts suggest that, to get to the root of the problems in business, we need to take a close look at b-schools. Consequently, established programs have been retrofitted, and new programs are emerging. I serve as dean at the Johns Hopkins Carey Business School, which offers one of those new programs.

It’s laudable to want to change the way business is taught in order to change the way business is practiced. But we can’t just look at business programs; we have to look at business students. After all, they will be the purveyors of the new knowledge we create at our schools, carrying it into a business world sorely in need of productive innovations. Shouldn’t we focus as much on our concept of the business student as we do on our vision of the business curriculum?

Suppose the dean of a business school could somehow create the ideal student for the challenges of the 21st century. Imagine, if you will, a b-school dean in the mold of Mary Shelley’s Dr. Frankenstein. Of course, this doctor would have a PhD in management or marketing, not a medical degree, and his model creature presumably wouldn’t feature a bolted neck. How might “Dean Frankenstein” organize his business school to build the essential business student and create the perfect business leader of the future?

The first ingredient Dean Frankenstein would require would be intellectual flexibility. This attribute is a given in many other academic disciplines, but it is not readily associated with the study of business. Any bright student can master the bedrock topics of business education—the so-called hard skills, such as finance and accounting—which Dean Frankenstein could hardly overlook. But intellectually flexible students possess an even more critical skill: They can put together disparate ideas and data in an ever-broadening global context.

Consider the example of Leonardo da Vinci, the ultimate Renaissance man: an engineer, an artist, a botanist, an anatomist, a mathematician, and much more. Da Vinci had the ability to observe, grasp, and pull together ideas from a wide range of fields. In today’s terminology, we would describe him as someone who had fully developed both his right-brain and left-brain skills.

It’s truly a worthy goal to instill a bit of the Renaissance man into today’s business students. It’s up to b-schools to nurture our students’ intellectual flexibility so they can approach business problems from all conceivable angles. One way to achieve this would be through an integrated curriculum that provides the business essentials, but also broadens each student’s horizons with courses from the humanities and social sciences. For instance, at the Carey Business School, we require Global MBA students to attend a weekly program titled “Thought and Discourse Seminars,” in which they develop their skills in analytical thinking, persuasive communication, and creative expression as they discuss important business issues.

Next on the list of ingredients is what I would call cultural literacy. Successful businesspeople understand not only the material needs and desires of their customers, but also their culture, their history, their geography, and other factors. In short, they understand that customers are human beings, not merely consumers of whatever products a company is offering. Some might deride this as a “soft skill,” but I maintain that the soft skills can be the hardest to teach and to learn—and perhaps the most important.

In fact, I believe cultural literacy will become even more essential as more business is conducted abroad, particularly in emerging nations that are unfamiliar to executives more accustomed to the United States and Europe. At Johns Hopkins, we develop
this trait in our MBA students by sending them out on international projects during the January intersession of their first year. During that time, they work on business problems within communities in developing nations such as Rwanda, Kenya, and Peru.

The ideal business student should also possess outstanding communications skills. What good is a brilliant business innovation if its creator is unable to describe it in a comprehensive and engaging way? Speaking well and writing well are all-too-rare talents, and the student who possesses both has a decided edge. A b-school would do its students a service by adding a required class in composition to the course load. This might be particularly easy to arrange at b-schools attached to universities with strong humanities departments.

Another key attribute is leadership. The dynamic nature of today’s business world requires people who are unafraid to guide the way toward an uncertain future. The ideal student would have experience as a leader who has made a beneficial impact in a professional or academic setting, or both. Admissions officers could weigh these experiences along with GMAT scores, GPAs, and personal essays. B-school students could enhance their leadership capabilities in a number of ways—by guiding class projects, landing internships at top companies, and observing and learning from mentors.

A grasp of ethical conflicts is also critical. Of course, we should expect our students to arrive for the first day of school with a strong sense of ethics developed much earlier in their lives—the dos and don’ts of moral behavior. But in our classes, they must learn to understand the types of conflicts that arise in business dealings every day. Once they are in the business world, our graduates inevitably will be forced to consider taking actions that are not wholly ethical, even if they are within the bounds of the law. Will they possess the ethical frameworks to enable them to make these tough decisions?

Many business schools already offer standalone ethics courses or integrate ethics themes into several classes. Thus, their students learn to recognize the risks posed by ethical conflicts and know that they must examine the repercussions of any actions they take. I believe that our management courses must teach students that the proper response is always the most ethical one, and not just because that choice will help managers sleep better at night. History teaches us that corruption is the worst long-term strategy for any organization, whether that’s a national government or a multinational corporation. Therefore, we must teach our students how to navigate a business landscape rife with ethical hazards.

Dean Frankenstein has made an excellent head start on the ideal business student if he’s able to craft an ethical, optimistic leader with intellectual flexibility, cultural literacy, and the ability to communicate persuasively.

Finally, the perfect business student will possess optimism. I don’t mean the kind of optimism that can’t wait to make a killing on Wall Street, but the kind that sees business as an engine of positive transformation. The student lit by this personality trait understands intuitively that an innovative business method can do as much as a medical or scientific advance to create goodwill and progress in a needy corner of the planet.

Dean Frankenstein has made an excellent head start on the ideal business student if he’s able to craft an ethical, optimistic leader with intellectual flexibility, cultural literacy, and the ability to communicate persuasively. I’d also ask him to throw in creativity, tenacity, a spirit of collaboration, and confidence.

As the new century unfolds, the business landscape will continue to shift in ways that might not have been predicted just a few years ago. It’s up to business schools to make sure graduates are prepared to meet the challenges of the new century with assurance, openness, empathy, and hope.

Yash Gupta is dean of the Johns Hopkins Carey Business School in Baltimore, Maryland.
Even businesses that appear successful may be losing money on more than a third of their product lines. That’s because most managers still operate by an outdated mass-market paradigm, in which companies could thrive even if only a handful of products were profitable enough to subsidize the rest. Those days are gone, says MIT senior lecturer Jonathan L.S. Byrnes in *Islands of Profit in a Sea of Red Ink*. Top executives need to honestly evaluate the businesses they already have, discover what’s making money and what isn’t, and maximize profit by refining the relationships they have with suppliers and customers. In today’s “age of precision markets,” as he names it, companies must provide customer value at the individualized level; define what markets they won’t pursue, as well as those they will; and make sure they’re the best at something. Some might cling to the old ways of doing business. But, Byrnes predicts, “These managers will fail.” (Portfolio, $25.95)

Plenty of great ideas get shot down before they can be implemented. In *Buy-In*, John P. Kotter and Lorne A. Whitehead examine 24 common arguments people use to attack proposals and offer strategies for counteracting them. Actually, they write, the two dozen can be boiled down to four: fear mongering, delay, confusion, and ridicule. They present a fictional small-town meeting where an enthusiastic panel proposes a plan for acquiring new library computers—and various town residents offer a host of objections. The panelists respond with a “counterintuitive method… showing respect for all, and using simple, clear, and commonsense responses.” According to Kotter, of Harvard, and Whitehead, of the University of British Columbia, this approach can turn attacks to your advantage “by capturing busy people’s attention, helping them grasp an idea, and ultimately building strong buy-in.” Every reader will recognize the characters and the arguments described in the library story—and be delighted to learn ways to deal with both. (Harvard Business Review Press, $22)

**Peter Drucker posited that the true purpose of business is to create and keep customers, and in *Strategy from the Outside In*, Wharton professor George S. Day and Duke professor Christine Moorman wholeheartedly agree. They explore why a customer-centric philosophy, obsessively built around the buyer’s preferences and needs, is superior to an “inside out” strategy based on a company’s own strengths and goals. They suggest four imperatives for customer-driven companies: Deliver superior value to a distinct segment of the market; innovate new value by constantly tracking what additional products customers want; capitalize on the customer as an asset by finding ways to elicit greater loyalty; and capitalize on the brand by leveraging the benefits it delivers. “Outside in means standing in the customer’s shoes and viewing everything the company does through the customer’s eyes,” they write. Drawing on real-world exemplars such as U.K. grocery chain Tesco, they provide a blueprint for achieving this complex task. (McGraw-Hill, $32.95)

**In The Sustainable MBA, consultant Giselle Weybrecht presents a clear, straightforward education in sustainability to anyone who is interested in the topic but doesn’t know where to begin. She sketches its history, lays out the business case, and offers dozens of Web sites for readers looking for more information on tangential topics, from social entrepreneurship to the United Nations’ Millennium Development Goals. Then she gets serious. Most of the book is organized by business disciplines such as accounting, finance, marketing, and governance, and for each discipline, she explains why sustainability matters. For instance, Weybrecht explains that the accountant’s job is to “collect information to assist internal decision makers (management accounting) and to prepare financial and sustainability information for external stakeholders (financial accounting).” She has written an earnest, pragmatic book that offers deep value to everyone from the idealistic business student to the seasoned office manager and everyone else who has a hand in business. (Wiley, $34.95)

**Human resources professionals help their companies succeed by analyzing how well employees improve, produce, and contribute to the bottom line. Such data might be even more useful if HR managers employed the
Business schools have long been focused on internationalizing their campuses, but the phenomenon of globalized higher education in general gets a detailed and intriguing examination in Ben Wildavsky’s *The Great Brain Race*. Wildavsky, a research fellow at the Kauffman Foundation, looks at the grand historical tradition of “scholarly mobility,” from 12th-century Europe through today, and finds that it has not only created an elite academic class, but also enhanced the spread of knowledge throughout global populations. “The academic mobility made possible by our increasingly borderless academic world will, like other kinds of free trade, bring widespread economic benefits, along with valuable intellectual ferment and tremendous opportunities for individuals,” he writes. While some fear that “flourishing” universities in developing nations will pose a threat to Western nations, particularly the U.S., Wildavsky doesn’t agree. “Increasing knowledge is not a zero-sum game,” he emphasizes. “Intellectual gains by one country often benefit others.” Given the way he presents his case, it’s hard to argue. (Princeton University Press, $26.95)

Other business tools provide additional insights when applied in this new fashion. (Harvard Business Press, $35)

*Most people cherish dreams like losing weight, traveling the world, or founding a business. But they’re unlikely to succeed unless they set what leadership trainer Mark Murphy calls HARD Goals. The acronym stands for heartfelt, animated, required, and difficult. Murphy uses research about psychology, neuroscience, and behavioral economics to explain why humans respond to pictures, remember concrete rather than abstract concepts, and demonstrate more generosity when confronted with individuals rather than statistics. And that leads him to explain how, if you want to motivate employees to achieve a certain target, you have to get them emotionally invested and provide them with specific imagery of what success looks like. The problem is, most CEOs ask their employees to hit “29 percent market share” or obtain “significant results.” Writes Murphy, “Too many goals, especially those in the corporate or financial realms, are too abstract to turn into a picture. … If a 6-year-old can draw a picture of your goal, it’s specific. If not, it needs more work.” The book is a lively, entertaining—and, yes, motivating—read. (McGraw-Hill, $28)

Business frameworks that measure performance in other functional areas—and that use the language CEOs understand. In *Retooling HR*, USC professor John W. Boudreau takes tried-and-true business tools such as engineering performance optimization, portfolio diversification, and segmentation analysis, and he applies them to HR metrics. For instance, he discusses using bottleneck analysis as a way to measure return on improved performance (ROIIP). Identifying and removing bottlenecks on the assembly line can appreciably improve the manufacturing process, but such actions also can make teams function more smoothly, he points out. Boudreau suggests that executives work with their HR professionals “to answer questions like, ‘If I could improve only one or two work elements, where should I place my efforts?’”

Businesses that sell to the public often strive for market share. But if you are a manufacturer selling to other businesses, how do you know when to offer a discount? (Harvard Business Press, $15.95) Is it smart to offer a lower price to new customers than to loyal buyers? Should a consumer goods manufacturer reward its top retailers by giving them more business? How much should a company invest in maintaining a sterling reputation? The answers to these questions can have huge impacts on the strategies that corporations choose, but if they guess wrong, they might pay enormous financial penalties. It’s sometimes safer, simpler—and utterly fascinating—to first study consumer behavior in controlled laboratory experiments. Kay-Yut Chen, a behavioral economics researcher at HP Labs, and journalist Marina Krakovsky describe some of these experiments in *Secrets of the MoneyLab*. They report not just on HP research into how people perceive risk, fairness, and other factors that affect purchasing behavior; they also cite studies conducted by psychologists and academics for the past 30 years. The result is an engaging look at those irrational creatures called consumers. (Portfolio, $25.95)
Comic Relief

A professor at Texas Tech University in Lubbock is challenging the idea that a textbook can’t be both academically challenging and fun to read. With the help of colleagues, he has written Atlas Black: Managing to Succeed, a graphic novel—yes, a comic book—about the challenges of starting a business.

Jeremy Short, associate professor of management at the school’s Rawls College of Business Administration, led the project. Ironically, when he first thought of the idea, Short admits he wasn’t a big comic book fan.

“I was passionate about teaching management, but available textbooks were less than engaging,” he says. “I noticed that students really responded to storylines in television shows like ‘The Office’ and in movies like ‘Office Space.’ So I started to think about how I could make this topic more engaging.”

Short co-authored the book, released in 2009, with Talya Bauer, the Cameron Professor of Management at Portland State University in Oregon, and Dave Ketchen, the Lowder Eminent Scholar in Entrepreneurship at Auburn University in Alabama. Len Simon provided illustrations. Their goal was to produce a textbook that combined academic rigor with a compelling storyline and lively visuals.

Their protagonist, Atlas Black, is a fifth-year undergraduate about to graduate and face the demands of life after college. He sets out to secure funding to start his own business, while juggling the demands of his personal life, with the help of a professor and mentor.

Atlas Black is now required reading for undergraduate and MBA students who take Short’s management course; it also has gained a following at other business schools. In July, the co-authors released a sequel, Atlas Black: Management Guru? Short, Ketchen, and Jim Combs of Florida State University in Tallahassee are now working on a graphic novel about a family business trying to survive the recession.

While the graphic novel isn’t common in the classroom, Atlas Black has its predecessors, says Short. For example, Bound by Law is a graphic novel about public domain law by Duke Law School professor James Boyle. Short himself was assigned The Cartoon Guide to Statistics in graduate school.

Short has written a paper with Terrie Reeves at the University of North Carolina, Greensboro, about the use of this format in the classroom. Published in the December 2009 issue of Business Communication Quarterly, “The Graphic Novel: A ‘Cool’ Format for Communicating to Generation Y” cites past research focused on techniques that enhance learning and improve recall, such as the use of visual presentation, storytelling, and metaphor.

Graphic novels are powerful teaching tools because they employ these same techniques, says Short, who adds that his own students respond very positively to the storytelling format. “One thing that’s surprised me is the positive feedback we’ve gotten even from older MBA students. They really get into the story,” he says.

Critics might argue that educational comic books aren’t serious enough for higher education, but Short emphatically disagrees. “Some critics ask if this format ‘dumbs down’ the content,” he says. “No, it allows us to take it to a higher level.”

Both books are currently available at Amazon.com for $14.95 or from www.flatworldknowledge.com.

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—Jeremy Short