

BACKGROUND AND REQUEST

OHIO STATE UNIVERSITY

Master of Business Operational Excellence (MBOE)

EXECUTIVE SUMMARY/RECOMMENDATION

This program clearly meets Regents' standards for graduate degree programs. The Regents' Advisory Committee on Graduate Study voted unanimous approval for the new program. There were no serious concerns raised in the review.

Request: The Fisher College of Business at Ohio State University seeks approval for a Master of Business Operational Excellence degree.

Program Purpose/Mission: The proposed Master of Business Operational Excellence degree will be an innovative program that builds on established strength. The program will prepare high-potential managers for leadership in the emerging continuous improvement environment found in leading service and manufacturing companies. Building on faculty strength in operations management (e.g., MBA operations management program ranked 6th in the world by the Wall Street Journal in 2006; undergraduate operations management program ranked 4th in the U.S. by US News and World Report in 2007) and the reputation developed through fifteen years of growth in the Center for Operational Excellence (28 corporate members), this program is expected to attract top students employed by leading organizations from around the world. The program will be a professional, terminal degree program, and will be marketed as such. Upon completion of this master's degree program, graduates will be prepared to manage continuous improvement programs in service, office, or manufacturing settings. The program is designed to be attractive both to students and to executives from the organizations that will fund their studies. The combination of a unique curriculum in operational excellence and the opportunity to earn a master's degree in a first-class program in one year is expected to be compelling.

Enrollments: The proposed pilot will be launched during December 2008 with enrollments of 15 to 20 students. It is expected that the steady state class size will be 40-50 students, with 30 to 40 students enrolled in year 2 and steady state achieved in year 3. The marketing channel will be different from other Fisher College programs in that executives will be targeted to nominate high potential managers to attend the program with company support. Those nominated will then apply and, if accepted, have fees and expenses paid by their employers. The program will be pre-sold to organizations to ensure that seats are filled, thus mitigating the risk associated with offering an ambitious new program.

Curriculum: The proposed curriculum requires a minimum of 48 credit hours, which meets the requirements of The Ohio State University and the AACSB for a Master's degree. The core of the curriculum will be five existing courses: MGT 840 (Lean Enterprise 1), MGT 841 (Lean Enterprise II), MGT 810 (Six Sigma Principles), MGT 811 (Six Sigma Projects) and MBA 870X (Data Analysis for Managers). These classes account for 20 credit hours. The remaining credit hours will be achieved via new classes: (1) Managing Innovation; (2) Planning for Operational Excellence; (3) Managing for Critical Thinking; (4) Value Stream Management; and (5) Capstone Course and project.

Faculty, Facilities and Resources: Fisher College's Associate Dean for Executive Programs will be responsible for program administration and the Chair of the Department of Sciences will be responsible for program content and faculty. Faculty will approve program content and admissions via the MBOE Committee, consisting of three faculty appointed by the chair of Management Sciences. Regular faculty will be supplemented by distinguished lecturers with particular expertise. Grade book responsibility will remain with Fisher College faculty. It is anticipated that most faculty compensation will be earned as overload teaching (i.e., over and above assigned teaching responsibilities), thus obviating the need for additional faculty hires. The on-campus portion of the program will be delivered in the facilities of the Fisher College of Business. The six building Fisher College of Business is a state-of-the art business campus and, as such, is expected to help attract top students. The MBOE program is sequenced in order to utilize FCOB facilities during the low demand periods of summer quarter and "breaks" in the academic calendar year. Therefore, current physical capacity will be sufficient to accommodate the MBOE program even if growth outstrips projections. An important part of the MBOE program is the off-campus learning that will be accomplished at the students' work site through distance learning. Students will be required to have easy access to a computer that is compatible with the distance learning programs in use.

Evidence of Need: The proposed program is unique in its focus on operational excellence and applicability to both service and manufacturing environments. Other successful programs that focus on operations do exist at several top universities including MIT, Northwestern, and the University of Michigan, University of Wisconsin, and Stanford University. Those programs are aimed at manufacturing practice, have an engineering emphasis, and generally are offered to full-time graduate students. The proposed OSU MBOE degree program will be different in its application to processes of all types rather than exclusively manufacturing and its emphasis on achieving operational excellence through management. It also will be different in

targeting working managers through a blended program of on-campus and distance learning experience. There currently are no known Operational Excellence programs available in the United States, so this program will expand the options available to all students in North America including those in Ohio.