

**SOUTH DAKOTA BOARD OF REGENTS**

**Academic and Student Affairs**

**AGENDA ITEM: 6 – E (2)**  
**DATE: December 11-12, 2024**

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**SUBJECT**

**New Program Request – USD – Executive Master of Business Administration (eMBA)**

**CONTROLLING STATUTE, RULE, OR POLICY**

[BOR Policy 2.3.2](#) – New Programs, Program Modifications, and Inactivation/Termination

**BACKGROUND / DISCUSSION**

The University of South Dakota (USD) requests authorization to offer an Executive Master of Business Administration (eMBA). The program, which will be offered in cohorts, will develop leaders through immersive, intensive, and transformative experience. The intention of the program is to provide knowledge and training that will significantly contribute to the current position held by the learner, as well as to support career trajectory and promotion. It will also benefit the strategic planning priorities of the organization.

The intent to plan and the requirement for a program review were waived by the Executive Director.

**IMPACT AND RECOMMENDATION**

A summary of the program proposal has been included as Attachment I. Additional information on this proposal is available from the Board office by request.

**ATTACHMENTS**

Attachment I – New Program Request Summary: USD – Executive Master of Business Administration (eMBA)

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**DRAFT MOTION 20241211\_6-E(2):**

I move to authorize USD to offer an Executive Master of Business Administration (eMBA), as presented.

**Full Proposal – eMBA Executive Master of Business Administration  
University of South Dakota**

**BOR Recommendation:** The Board of Regents Academic Affairs and the Executive Director support the program request. This program will increase the number of MBA-credentialed professionals ready to advance in leadership in the Sioux Falls area.

**Program Description:**

**Catalog Description:** The eMBA will identify needs, create value, and improve relationships across organizations' environmental, social, and financial practices. The program will develop leaders through an immersive, intensive, and transformative experience. The cohort-style program provides knowledge that enhances career trajectories and strategic thinking. Enrollment requires a special application process; eMBA completion requires five semesters, each with two eight-week courses.

**Website Description:** The eMBA offers an approach to identifying needs, creating long-term value, maintaining continuous growth, and improving stakeholder relationships across the environmental, social, and financial practices of organizations. This distinguished program will offer cohort-style learning and leadership development in an immersive, intensive, and transformative experience.

The intention of this program is to provide knowledge and training that will significantly contribute to the current position held by the learner as well as to support career trajectory and promotion. It will also benefit the strategic planning priorities of the organization. A special application process will be used for this program, which can be completed in five semesters, with two eight-week long courses completed in each. This program will increase the number of South Dakota residents possessing a graduate degree.

**Strategic Impact –**

**USD Strategic Impact:** One of the themes of the University's current strategic plan is Serving South Dakota with the following broad goals:

Goal 1: Address key statewide issues by leveraging USD expertise.

Goal 2: Collaborate with all constituents to improve the quality of life in South Dakota.

USD's priorities are to identify key statewide issues and establish teams to address them while also working to increase collaboration with stakeholder groups across the state. External partners are anxious to provide their employees with an opportunity to earn an eMBA. While executive leadership development initiatives can be offered internally by an organization, employer-supported formal training programs in partnership with a university represent a substantial investment by the company in the development of its employees viewed as potential senior executives, effective leaders, and change agents within the company, for the industry, and overall societal impact. The proposed eMBA is the solution that the school of business has created to meet the needs of industry to provide specialized leadership training and develop the business-planning capacity for the participants to thrive as modern decision-makers.

**BOR Strategic Impact:** The proposed eMBA aligns with the strategic plan goal of workforce and economic development. The availability of this graduate program helps to grow South Dakota's availability of skilled workers, the level of education needed to support a knowledge-based economy, and partnering with businesses to meet their needs. South Dakota's workforce will add approximately 32,000 new jobs by 2030; of those, many of them (38%) will require a minimum of an undergraduate degree, but preferably a more advanced degree such as a master's. This proposed program prepares professionals with management experience and training for advanced leadership positions in order to address current and future business industry challenges. The program will assist in meeting the demand for senior-level professionals in numerous fields as evidenced by the South Dakota Department of Labor forecast. Lastly, the proposed program will be a talent retention tool for many of the Sioux Falls companies.

Beacom School of Business currently offers an uncredentialed, executive education experience to serve the training and development needs of businesses and local governments. The school also offers its available stand-alone graduate-level certificates and the existing graduate programs--the MBA, MAcc, and the MSBA. Local employers have expressed interest in offering their employees the opportunity to earn a credential, and this proposed eMBA meets that need. Lastly, BSB also has a strategic priority of growing USD Sioux Falls. In the largest economic hub in the state and just 50 miles away from the Vermillion main campus, USD-Sioux Falls is poised for rapid growth. This trend is likely to bring more professionals into the state. The potential economic growth offers opportunities to expand BSB's academic programs, focused on working professionals, in the areas of business analytics, financial and trust management, and health services administration through certification, short executive education programs, and graduate programs offered in a hybrid course delivery model meeting at USD- Sioux Falls.

### **Program Summary:**

The classification of this program will be 52.0201 [Business Administration and Management, General]. This program is proposed to be located at USD-SF though courses may be offered in Vermillion, Sioux Falls, and online taking advantage of the hybrid/hyflex modality. Each course will run for eight weeks and students will be able to complete two courses per 16-week semester. Students accepted into the eMBA must be recommended and tuition-supported by their employer. USD requested and received authorization to offer a similar Professional MBA in 2009 but never activated the program. In Fall 2023, USD surveyed industry leaders representing about 26 companies based in the Sioux Falls regional area, as well as a review of peer/competitor/aspirant schools, and finally, current literature on graduate management education, all highlight a need for a specialized curriculum for executives in business performance.

Sioux Falls industry leaders identified the need for formal training of the next generation of executives in their businesses in artificial intelligence for business, business leadership, business analytics, finance, and operations and supply chain management. With this information, USD reinvented the previously approved pMBA program as an eMBA. Targeting this new program to work directly with SF companies to train seasoned managers and leaders.

The proposed eMBA, with a strong emphasis on analysis and strategy, caters to older and more experienced business professionals who have high level positions or *established leaders* the advanced business concepts targeted to enhance their management skills and strategic thinking. . This program will prioritize practical, real-world business acumen aligned with the foundations of academic theory. This degree emphasizes the application of knowledge in business settings,

ensuring graduates are equipped with directly transferable skills for the corporate world. An eMBA coursework focuses on refining skills through real-world management challenges, while MBA coursework covers general knowledge. Students will be expected to apply what they are learning during the program in real time at work. This intensity is designed to challenge and enhance the decision-making skills of seasoned professionals.

### Duplication and Competition:

No other South Dakota university currently offers an Executive MBA. Standard MBAs are offered at BHSU, DSU, and USD.

The Integrated Postsecondary Education Data System (IPEDS) for 2022-2023 reporting shows that South Dakota produced a total of 242 MBAs.

### Regental Universities<sup>1</sup>:

University	Traditional MBAs Conferred	Total Number of Master's Degrees Conferred at Each Institution
BHSU – MBA in Applied Management	6	60
DSU – MBA in General Management	2	149
USD – MBA in Business Administration (8 specializations + an accelerated MBA)	79	530

### Private SD Universities<sup>2</sup>:

University	Traditional MBAs Conferred	Total Number of Master's Degrees Conferred At Each Institution
Augustana University	44	190
Dakota Wesleyan University	55	68
University of Sioux Falls	56	109

### Total Sum of SD Findings:

University	Total Traditional MBAs Conferred in SD	Total Number of Master's Degrees Conferred (All SD Universities Listed Above)
Total	242	1106

<sup>1</sup> Integrated Postsecondary Education Data System (IPEDS) for 2022-2023

<sup>2</sup> Integrated Postsecondary Education Data System (IPEDS) for 2022-2023

The number of conferred traditional MBAs as reported by IPEDs was 242 for all of South Dakota. USD and BHSU are accredited by AACSB. The proposed eMBA, with its emphasis on analysis and strategy, will cater to older and more experienced business professionals and will be more flexible and accommodating than the traditional MBA.

### Competitor University Peers<sup>3</sup>:

Unlike the tables above, this table specifically reports eMBA (not traditional MBA) conferrals.

University	Total eMBAs Conferred	Total Number of Master's Degrees Conferred at Each Institution
Indiana State University	49	454
Montana State University	61	540

### Workforce Outlook/State Need:

The South Dakota Department of Labor and Regulation indicates that in the category of Management in the specific occupation of just Chief Executive Officer (CEO), the projections from 2022 to 2032 demonstrate there are a minimum of 76 openings each year, which is about 2% of the estimated 4,070 annual openings for just the role of Chief Executive Officer not considering other titles such as Director, Senior Administrator, Manager, etc. These CEO positions typically require a master's degree. This total includes the annual exits of about 36 individuals from those roles. Based on the O\*NET data, the role of Chief Executive Officer is the occupation that is required to determine and formulate policies and provide overall direction of companies or private and public sector organizations within guidelines set up by a board of directors or similar governing body; they plan, direct, or coordinate operational activities at the highest level of management with the help of subordinate executives and staff managers. Likewise, the occupation category of General and Operations Managers indicates an estimated 386 position openings or 9% of the 4,070 annual openings among just that role. Additionally, based on the O\*NET data, the role of General and Operations Managers, which excludes first-line supervisors, is the occupation required to plan, direct, or coordinate the operations of public or private sector organizations, overseeing multiple departments or locations and further duties and responsibilities include formulating policies, managing daily operations, and planning the use of materials and human resources but are too diverse and general to be classified in any one functional area of management or administration, such as personnel, purchasing, or administrative services, usually managed through subordinate supervisors.

According to the South Dakota Department of Labor, there are three broad divisions of industry types: non-agricultural, agricultural, and nonfarm. Considering the overall nature of business education, each of these three types, as well as federal, state, and local government, can benefit from the program proposed here. While some industry sub-divisions or sub-sectors in South Dakota are projected to experience a reduced need for workers moving from the year 2020 to 2030, other industries are expected to need upwards of 20% additional prepared workforce. For instance, the North American Industry Classification System (NAICS) code assigned to Management of Companies and Enterprises is 551. This sub-sector's needs will grow by 11.8% between 2020 and 2030, or an additional 605 persons by industry, according to a report published in 2016. Business preparation is important across all of those sub-sectors. In 2020,

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<sup>3</sup> IPEDS, 2022-2023

research indicated that minimal expected growth did not take into account the focus on employment projections by occupation, which indicates that by 2030, there will be 41,100 new jobs in South Dakota's economy or an overall increase of 8.5%. Those new jobs align with the nation's occupational employment increase, which is projected to increase by 7.7% for this same ten-year period of 2020-2030.

The participants for this program will be currently employed professionals specifically selected for their potential. Their employers can elect to move them into new positions or reassess their current status.

Using Data from the South Dakota Department of Labor and Regulation, the following demonstrates the number of current openings by very select position titles. The list is not exhaustive:

<u>Position Title</u>	<u>Number of Current Openings in South Dakota</u>
Healthcare Management Operations	631
Directors of Management	407
Healthcare Business and Finance Operations	201
Chief Executive Officer	106
Chief Financial Officer	62
Directors of Business and Financial Operations	34
Director of Community and Social Services	9

South Dakota is one of the top 5 states that have been categorized as a top payer for the Chief Executive occupation at an annual mean wage of \$350,100. The city of Sioux Falls is one of the top-paying metropolitan areas for Chief Executives, with an annual mean wage of \$384,800.

Market research indicates that leadership positions in South Dakota for the role of CEO range from approximately \$130,000 to \$360,000; Chief Financial Officer from \$150,000 to \$480,000; Vice President from \$100,000 to \$250,000; Manager or Director at \$80,000 to \$100,000, etc. Positions at this level seldom post a numerical value for salary, benefits, stock options, bonuses, or other fringe benefits. Instead, it is noted by the South Dakota Department of Labor and Regulation that the occupations in these categories typically require, at a minimum, a Master of Business Administration degree.

Sources:

- South Dakota Department of Labor. (n.d.). Office of Federal Contract Compliance Programs. Manage Training and Executive Development. Retrieved from <https://www.dol.gov/organizations/ofccp/manual/fccm/4h-site-filling-management-jobs/4h05-management-training-and-executive>
- South Dakota Department of Labor. (2018). South Dakota Occupational Employment Projections to 2026. Retrieved from [https://dlr.sd.gov/lmic/lb/2018/lbarticles/lbart\\_sept2018\\_occupational\\_projections.aspx](https://dlr.sd.gov/lmic/lb/2018/lbarticles/lbart_sept2018_occupational_projections.aspx)
- South Dakota Occupational Employment Projections to 2030. (2022). South Dakota and US Employment Snapshot for 2020-2030. Retrieved from [https://dlr.sd.gov/lmic/lb/2022/lbart\\_sept22\\_occupational\\_projections\\_2020\\_2030.aspx](https://dlr.sd.gov/lmic/lb/2022/lbart_sept22_occupational_projections_2020_2030.aspx)
- United States Bureau of Labor Statistics. (2023). Occupational Employment and Wage Statistics. Retrieved from <https://www.bls.gov/oes/2023/may/oes111011.htm#nat>
- Executive MBA Council. (2024). Industry Insights. Retrieved from <https://www.embac.org/research-in-context.html>
- South Dakota Department of Labor and Regulation. (2024). Occupation Profile for Chief Executives. Retrieved from <https://www.southdakotaworks.org/vosnet/lmi/profiles/profileSummary.aspx?enc=GValr/skVT9NzIXXkGevr77DE55OePj0IOO8zIPvGJLf428XALRFoiuq/TJYRMbv9q8a1EIZ5L GWjKaM6YQAsQc7gaOctQnVkm3b6mgwXSPV9DyzlqljpxttZ8Jlajz>

**Student Learning Outcomes:**

The program has identified five categories that are used to assess outcomes for all of its graduate programs. Using the following broad categories, students will be able to demonstrate meaningful use of knowledge and application of:

- Business disciplines and strategic integration.
- Analytical and critical thinking in business decision-making
- Communication and interpersonal skills for effective leadership
- Corporate social responsibility and ethical behaviors
- Competencies of executive business leadership

**GOAL 1. KNOWLEDGE:** Graduates will demonstrate knowledge of the basic business disciplines and strategic integration in business in a global environment.

Objective 1. Graduates will demonstrate knowledge of core concepts in business disciplines on a designated assignment.

Objective 2. Graduates will demonstrate an understanding of strategic integration in a global environment on a designated assignment.

**GOAL 2. ANALYTICAL / CRITICAL THINKING AND APPLICATION:** Graduates will employ analytical and critical thinking skills to make business decisions in a dynamic environment.

Objective 1. Graduates will employ analytical skills to perform systematic business analysis, identify problems, and suggest solutions on a designated assignment.

Objective 2. Graduates will employ critical thinking skills to analyze/identify the impact of the business environment on business decisions on a designated assignment.

**GOAL 3. PROFESSIONAL COMMUNICATION SKILLS:** Graduates will communicate effectively and professionally.

Objective 1. Graduates will demonstrate strong oral presentation skills on a designated assignment.

Objective 2. Graduates will be able to create professional-quality business documents for a designated assignment.

**GOAL 4. ETHICAL BEHAVIOR:** Graduates will recognize the importance of ethics and social responsibility in business.

Objective 1. Graduates will be able to apply ethical principles in identifying and resolving ethical dilemmas on a designated assignment.

Objective 2. Graduates will demonstrate an understanding of social responsibility in business on a designated assignment.

**GOAL 5. SPECIALIZATIONS:** Graduates seeking specialized eMBA degrees will demonstrate competency in their proposed specialization.

Objective 1. Health Services Administration: Graduates will be able to identify common industry problems and provide solutions based on health services administration best practices on a designated assignment.

Program accreditation is available through the Association to Advance Collegiate Schools of Business (AACSB).

**Projected Enrollment:**

ESTIMATES	FISCAL YEARS*					
	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Students new to the university	10	--	12	--	14	--
Students from other university programs	--	--	--	--	--	--
Students off-campus or distance continuing students	--	10	--	12	--	14
<b>Total students in the program (fall)</b>	<b>10</b>	<b>10</b>	<b>12</b>	<b>12</b>	<b>14</b>	<b>14</b>
Program credit hours (major Courses)**						
eMBA credits	150	150	180	180	210	210
Other Business Credits	--	--	--	--	--	--
Total Program Credit Hours	150	150	180	180	210	210
Graduates		10		11		12
<i>*Do not include current fiscal year.</i>						
<i>**This is the total number of credit hours generated by students in the program in the required or elective program courses. Use the same numbers in Appendix B--Budget.</i>						

USD will employ a cohort model for the eMBA, which means that a new class of students will be enrolled every two years and work completely through the program (two years) before the next group of students is enrolled. Traditional recruitment and marketing will not be used for this program as this program is only open to students working for organizations that will provide employee-tuition support.

#### Projected Revenue/Expenses:

	FINANCIAL HEALTH SUMMARY					
	1st FY26	2nd FY27	3rd FY28	4th FY29	5th FY30	6th FY31
TUITION & FEE REVENUES	132,750	132,750	159,300	159,300	185,850	185,850
PROGRAM EXPENSES	131,263	121,263	106,263	106,263	106,263	111,263
NET (T&F REVENUES LESS PROGRAM EXPENSES)	1,487	11,487	53,037	53,037	79,587	74,587
OTHER SUPPORTING REVENUES	-	-	-	-	-	-
NET AFTER OTHER SUPPORTING REVENUES	1,487	11,487	53,037	53,037	79,587	74,587

USD indicates there are no significant new resources required for the initiation of this degree program. Two tasks will require a one-time investment which will come from BSB cash reserves, and both are related to faculty development. Each faculty selected to teach in this program will receive:

- A stipend for new course development and
- Specialized educational leadership training in the delivery of curriculum to industry leaders by an experienced contractor.

This program will be limited to two eight-week courses each semester. Current faculty can be re-assigned to teach an 8-week course. Also, there will be opportunities for faculty to co-teach

courses. Delivery mode will be a combination of in-person and online methods. The USD Sioux Falls campus will be used for in-person sessions. Additionally, physical space for field-trip sessions may be hosted at a cohort members organization, at no expense to the Business School.