Important Characteristics
In An MBA Program:
The Perceptions Of Online MBA Students

Danielle N. Rydzewski, Georgia Southern University, USA
Jacqueline K. Eastman, Georgia Southern University, USA
Joseph Bocchi, Georgia Southern University, USA

ABSTRACT

This study examines characteristics important to online MBA students and alumni. The study looks at what characteristics are important in an online MBA Program and if the level of importance of these characteristics varies by demographic variables. The study focuses on availability, program quality, program length, cost, and courses in the curriculum. The results suggest that the importance of characteristics in a MBA program falls into three tiers. The most important characteristic is availability. The next tier of importance is quality, program length, and cost. There is no significant difference in importance among these three characteristics, but they are all significantly lower in importance than availability. The final characteristic is courses as this is rated significantly lower than the other characteristics in terms of importance. The research also examined if there were differences in importance characteristics by gender, age, years' work experience and income and found while the basic order rankings were very similar across the different demographic variables, there were a few differences among demographic groups. Women rated as quality, length, and courses at a higher level of importance than men did. Finally, those with more years work experience rated availability at a significantly higher level of importance than those with fewer years work experience.

Keywords: Online Graduate Education, MBA Programs, Online MBA, Program Characteristics

INTRODUCTION

Online education is becoming more common as technology advances. "Web-based classes are becoming popular in business schools as alternatives or supplements to traditional on-campus courses" (Rossin, Ro, Klein, and Guo, 2009, 87). As early as 2001 there were over 986 distance-teaching institutions in 107 countries as the convenience of the online atmosphere provides students who might not have the ability to attend a formal class the opportunity to gain education through online means (Sprague, Maddux, Ferdig and Albion, 2007, 157). "Online learning is growing, with enrollments increasing 33% per year as part of an estimated $2 billion business" (Bocchi, Eastman, and Swift, 2004, 245). Online courses offer the benefit of convenience while being flexible and provide anytime, anywhere learning (Bocchi and et. al, 2004). Thus, online classes are becoming more appealing due to the convenience of online programs.

The recession has also helped to increase the number of individuals participating in MBA programs. Online programs have given students the ability to keep working, while others hope that if they stay in school the economy may pick up when they get done with their degree (Yoon, 2008). For managers, online MBA programs have given them the opportunity to improve their education and careers, while still working for their company (Kathawala, 2001). Thus, online MBA programs have given non-traditional students the ability to gain their MBA degree without having to change their daily schedules.

The purpose of this exploratory paper is to look at what characteristics of an online MBA program are important to online graduate students in terms of availability, program quality, program length, cost, and course curriculum. The paper will examine these characteristics so that we can gain a better understanding of why individuals may choose an online MBA program. We do this through consideration of one online MBA program in-depth, the Georgia WebMBA program. Finally this paper examines if there are any differences in what characteristics are important based on demographic variables.

LITERATURE REVIEW

The main aspects for choosing a school for someone considering an online MBA program are accreditation, flexibility, and services (Gerencher, 1998). When choosing, students want to make sure that the school is credible, the program can fit into their schedule, and that the services provided by the program are worth the time and effort. We also propose that the cost of the program and the courses offered are also critical components. MBA program characteristics are also be looked by student demographics: gender, age, and income.

Availability

The time constraints of everyday life are a major factor in determining if one can take on an MBA program. Dash (2006) suggests that flexibility of online scheduling is a key factor in the growth of online MBA programs. Having classes online has given those who may not have the ability to travel to campus or have a set schedule, the opportunity to gain an MBA degree without having to change their current schedules. Online graduate education has attracted a variety of individuals that may not have been able to gain an MBA degree through the traditional classroom setting. Many online students say their main priority when it came to selecting a program was convenience (Kerkman, 2004).

"Selection differs from one student to another, but the major criteria is, first, the flexibility to enroll in the program and courses" (Abdou, Elmuti, and Kathawala, 2002, 14). "It is estimated that five of six online students are employed and would not be able to attend traditional classes," which has made online programs more appealing (Bocchi and et. al, 2004, 245). By offering an online MBA program, individuals are able to enhance their career opportunities and balance their non-work life making the program doable (Bonk, Kim, Lui, and Magjuka, 2005).

Quality

The quality of the MBA program is also an important factor that potential students look at when determining where they want to gain their degree. One major concern of gaining a web-based graduate degree is whether or not the quality is equal to that of a traditional program (Bocchi and et. al, 2004). Many experts say that there is no difference between online and traditional MBA's, and if any, "online distance learning is more rigorous than classroom learning, and draws more disciplined students" (Cowan, 2007, 1). Rossin and et. al (2009) state that research has shown no significant differences between online courses or campus-based courses.

Students want to feel that they are working towards a degree that will give them an advantage in the future. To help students feel more confident about an online degree, finding out if the school is accredited by a recognized accrediting organization, like AACSB, can be helpful (Gangemi, 2005). "Accreditation is the number one verification of the quality of a higher education distance education provider" (Abdou and et. al., 2002, 16). AACSB has developed specific standards for distant education students to insure that the schools are managing resources, advancing business and management knowledge, providing high-caliber teaching of quality and current curricula, cultivating meaningful interaction, and producing graduates who have achieved specified learning goals (Accreditation, 2009). A degree from a school with AACSB certification is looked at as a credible program for gaining an MBA online degree.

Length of Program

An online MBA programs also gives individuals the option to participate in an accelerated program, as the flexibility and reduced time constraints give students the opportunity to complete the program faster. Cornell

University had a 50% increase in applications for its 2008-2009 accelerated MBA program, a quicker, more condensed version of a traditional 2-year MBA (Dizik, 2008). While one-year online MBA programs are more time-consuming, they are cheaper than two-year MBA programs (Dizik, 2008).

Cost

The flexibility of the program is helpful to students choosing a program, but they still have to factor in the cost. The cost of an online degree can range from $5,600 to $115,000 depending on the university ("Should you Get an Online MBA Degree," 2008). The technology and preparation make the cost of an online MBA program about the same as a traditional program, even without the cost of a physical classroom. Finally, online instruction provides flexibility for students in that it reduces the often substantial transaction and opportunity costs one associates with traditional campus offerings (Terry, 2007, 222).

Courses

The course curriculum is another factor in choosing a certain MBA program. As students want to feel a sense of satisfaction in achieving their goal. Student satisfaction with online programs can be based on course rigor, fairness, interactions with professor and peers, and a support system (Endres, Chowdhury, Frye, and Hurtubis, 2009). The satisfaction that MBA students get from a course is considered to have multiple aspects like technology quality, high media richness, positive instructor attitudes, and high involvement and participation, to name a few (Endres, et. al, 2009). The multiple aspects that positively affect student's opinion on online course shows that when students choose a MBA program they are looking at a variety of different course structures that fit their needs.

Demographics

Past research on age, gender, and GPA have demonstrated little predictive power in determining whether the student would choose an online or traditional in-class course (Parnell & Carraher, 2003; Roblyer, 1996) as these variables have not proven to be useful in determining the type of student that will participate in an online MBA program. Sanders and Morrison-Shetlar (2001) did find though thought females had more of a positive attitude toward on online course compared to men. There has been little research conducted on demographic variables, particularly gender, that would be helpful to online MBA program research. This study hopes to add to that make a contribution in that area.

RESEARCH QUESTIONS

Based on the literature we will be looking into two research questions.

RQ1: Which characteristics are most important in an online MBA Program: availability, program quality, program length, cost, and courses in the curriculum?

RQ2: Does importance of characteristics vary by demographic variables?

METHODOLOGY

For this study, we examined the online students and alumni of the Georgia WebMBA program. The Georgia WebMBA program is now offered by six University System of Georgia universities: Columbus State University, Georgia College and State University, Georgia Southern University, Kennesaw State University, University of West Georgia, and Valdosta State University. A survey was conducted to determine how the Georgia WebMBA associates viewed the program. All past and current associates (approximately 325 in the ten cohorts) were invited by email to participate in an online survey at www.georgiawebmbasurvey.com; 105 surveys were completed for a response rate of 39.3%. Approximately one-third of the respondents were alumni and two-thirds were current students.

Sample

As Table 1 illustrates, we had a strong representation of males, at 67.6%. WebMBA alumni made up 34.3% of the respondents and 65.7% were current students in the program. Approximately three-fourths of the respondents were from the state of Georgia. The median age category was between 31 to 35 years old; almost three-fourths of the respondents were between the ages of 26 and 40. In terms of ethnic group, 81% of the respondents were Caucasians with the next highest being African Americans at 7.6%. The median income category for the respondents was between $50,000 and $100,000 a year. It is important to note, however, that there is a two-year work experience requirement for admission into the Georgia WebMBA program. The median category for work experience was seven to nine years, with ten years of work experience being the mode with almost 42% of the respondents.

Table 1: Descriptive Information on Sample Items

Gender:	
Male	67.6%
Female	32.4%
Age at Enrollment:	
18-25	14.3%
26-30	29.5%
31-35	23.8%
36-40	21.0%
Over 40	11.4%
Income at Enrollment:	
Less than $25,000	2.9%
$25,001- $50,000	33.3%
$50,001- $100,000	49.5%
$101,000- $150,000	11.4%
More than $150,000	2.9%
Georgia Resident:	
Yes	75.2%
No	24.8%
Years of Work Experience:	
0-1	1.0%
2-3	21.0%
4-6	15.2%
7-9	21.0%
10+	41.9%
Ethnic Group	
African American	7.6%
Caucasian	81.0%
Asian	5.7%
Hispanic	1.9%
Other	3.8%
Alumni Student Breakdown:	
Alumni	34.3%
Current Students	65.7%

Measures

To measure the importance of the five characteristics single item measures were created by the author. All the questions were scaled on a one (not at all important) to three (somewhat important) to five (very important) scale (see Table 2).

For the first research question, to determine if there were significant differences in importance, paired sample t-tests were used. For the second research question testing if the level of importance varied by demographics, independent sample t-tests were utilized.

Table 2: Measurement Items

Items/(Mean/SD)

Course Availability
The availability of online learning was a strong determinant when choosing an MBA program.
(4.63/.639)

Quality of Program
The quality of the online program was a strong determinant when choosing an online MBA program.
(4.33/.828)

Length of Program
The length of the course program was a strong determinant when choosing an online MBA program.
(4.21/.886)

Cost
The cost of tuition was a strong determinant when choosing an online MBA program.
(4.20/.934)

Course in Curriculum
The courses in the curriculum was a strong determinant when choosing an online MBA program.
(3.98/.930)

RESULTS

In looking at the mean scores of the five items measured by importance, the rank in terms of mean importance score was Availability (4.63 mean, .639 standard deviation(sd)), Quality (4.33 mean, .828 sd), length (4.21 mean, .886 sd), cost (3.98 mean, .980 sd), and courses (3.98 mean, .930 sd). Paired t-tests were then run to see if there were significant differences between the different ranked items (see Table 3). The results illustrate that the mean difference between Availability and Quality was significant (t 3.30, p = .001), but not between Quality and Program Length or between Program Length and Cost. Finally, the mean difference between Cost and Courses was significant (t=2.126, p = .036). These results illustrate that the importance items broke down into three tiers. The most important item was Availability. Then, the next tier was Quality, Program Length, and Cost. Our results suggest that the respondents saw all three of these items as being similar in terms of importance. The final tier in importance was Courses. It is important to note that even the lowest rated item in importance, Courses, still received a mean importance score of close to four on a one to five scale.

Table 3: Paired Sample T-tests

Pair	Mean Difference	SD	T	Df	Sign.
Availability/Quality	**.295**	**.909**	**3.30**	**104**	**.001**
Quality/Program Length	.124	1.034	1.23	104	.223
Program Length/Cost	.010	.904	.108	104	.913
Cost/Courses	**.219**	**1.056**	**2.126**	**104**	**.036**

We then looked at if there were significant differences in importance based on demographic differences looking at gender, years work experience, age, and income level upon starting the program. There were few demographic differences in importance (see Table 4). For years work experience, availability was more important to those who had more work experience (t 2.775, p = .007). This result makes sense given that those who are advancing in their careers may have more limitations in terms of continuing their education. The only other differences were in gender in which for females quality (t -2.223, p = .028), program length (t -2.128, p = .036), and courses (t -1.966, p = .052) were more important than they were for men. "Gender differences in computing have been a topic of concern and comment for 20 years (Arbaugh & Duray, A1-A6, 2001). Our research shows that there is a difference in what females feel is important in an online MBA program. There was no significant difference in importance on the characteristics based on age or income. Finally, it is important to note that rank order of items importance were similar for all the demographic variables.

Table 4: Independent Sample T-Tests (Equal Variances Assumed) Gender, Years Work Experience, Age, and Income

	Mean	SD	N	T	DF	Sign.
Gender						
Availability						
Male	4.61	.665	71			
Female	4.68	.589	34	-.529	103	.598
Quality						
Male	4.21	.909	71			
Female	4.59	.557	34	-2.223	103	**.028**
Length						
Male	4.08	.937	71			
Female	4.47	.706	34	-2.128	103	**.036**
Cost						
Male	4.15	.995	71			
Female	4.29	.799	34	-.713	103	.478
Courses						
Male	3.86	.961	71			
Female	4.24	.819	34	-1.966	103	**.052**

Years Work Experience (7+ years work experience versus under 7 years work experience)

	Mean	SD	N	T	DF	Sign.
Availability						
7+Years Work Experience	4.76	.498	66			
Under 7 Years Work Experience	4.41	.785	39	2.775	103	**.007**
Quality						
7+Years Work Experience	4.32	.914	66			
Under 7 Years Work Experience	4.36	.668	39	-.243	103	.809
Length						
7+Years Work Experience	4.21	.953	66			
Under 7 Years Work Experience	4.21	.767	39	.039	103	.969
Cost						
7+Years Work Experience	4.20	.948	66			
Under 7 Years Work Experience	4.21	.923	39	-.043	103	.966
Courses						
7+Years Work Experience	3.97	.960	66			
Under 7 Years Work Experience	4.00	.889	39	-.161	103	.873

Table 4 continued

Age (Those over 36 years old versus those under 36 years)

	Mean	SD	N	t	df	p
Availability						
Those over 36 years old	4.73	.520	59			
Those under 36 years old	4.50	.753	46	1.84	103	.069
Quality						
Those over 36 years old	4.30	.933	59			
Those under 36 years old	4.37	.679	46	-.394	103	.694
Length						
Those over 36 years old	4.14	.973	59			
Those under 36 years old	4.30	.756	46	-.197	103	.335
Cost						
Those over 36 years old	4.17	.931	59			
Those under 36 years old	4.24	.947	46	-.377	103	.707
Courses						
Those over 36 years old	3.93	.980	59			
Those under 36 years old	4.04	.868	46	-.606	103	.546

Income (Those over and under $50,000 annual income)

	Mean	SD	N	t	df	p
Availability						
Those over $50,000	4.72	.517	67			
Those under $50,000	4.47	.797	38	1.893	103	.061
Quality						
Those over $50,000	4.27	.914	67			
Those under $50,000	4.45	.645	38	-1.063	103	.290
Length						
Those over $50,000	4.21	.930	67			
Those under $50,000	4.21	.811	38	-.009	103	.993
Cost						
Those over $50,000	4.27	.931	67			
Those under $50,000	4.08	.941	38	1.00	103	.320
Course						
Those over $50,000	3.93	.942	67			
Those under $50,000	4.08	.912	38	-.812	103	.419

DISCUSSION

The results suggest that multiple factors are important to online MBA students as they require multiple needs to be addressed from an online MBA program. The research shows that availability, quality, program length, cost and courses in the curriculum are factors that vary in importance to students when choosing an MBA program.

In terms of availability, it was significant for all respondents and it was rated higher then the other factors. Having a program that can fit into the schedules the students is very important in choosing an MBA program whether it is online or on-campus. Individuals with over 7 years of work experiences rate availability higher than students with less then 7 years experience. The respondents felt that the quality, program length, and cost of the MBA program are equal important characteristics when choosing an MBA program. A way of determining the quality of an MBA program is by look for the AACSB accreditation. The research found that AACSB accreditation was significantly important when comparing online MBA degree programs. For females, quality and length were characteristics that were significantly more important when compared to that of men. Thus, having AACSB accreditation is a critical aspect when promoting the quality of the program to potential students.

Cost was considered important as we found those students that are time conscious are also cost conscious so the program has to address both factors. Students with over seven years of work experience rated cost significantly higher then those with seven years or less of work experience.

The courses in the curriculum, while considered to be important when choosing an MBA program was rated lower then the other characteristics. Females rated the importance of the program courses higher then males which shows that females are more likely to look at the courses offered in choosing an MBA program then men do.

In looking at targeting students for an online MBA program, it is important to note that availability followed by quality, length, and cost and then the courses themselves is the rank order of importance regardless of demographics. For targeting those who have more work experience, we would especially stress the availability of the program. For targeting women, we would especially stress quality, length, and courses as they saw those items as being more important than men did. Regardless of demographics, it is vital that online programs stress that they can address the multiple needs and issues facing online students today; having availability, while important, is not enough. The contribution this paper made is that we created items that others can utilize in measuring the determinants in selecting online education. Our results suggest the need to stress availability, quality (particularly in terms of AACSB accreditation), program length, cost and courses curriculum in promoting online programs. Additionally, our results suggest students want to achieve value for the time, effort, and money being spent on an online MBA program.

LIMITATIONS AND FUTURE RESEARCH

There were certain limitations that we encountered during the development process. A major limitation in the survey was that only respondents involved in online education were examined and data were obtained from only one online MBA program, the Georgia WebMBA. Future research could compare results from different online MBA programs. Additionally, comparisons could be made between on-campus and online MBA students. Looking at on-campus MBA programs and comparing them to online students will help to determine the differences between the students. Research could also examine how potential MBA students determine quality as this will help in developing and marketing online MBA programs. Finally, researching information on the perceived differences between online courses and on-campus MBA programs would be helpful for future research. Thus, this study hopes to spur further discussion and analysis on the critical factors in online MBA education.

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AUTHOR INFORMATION

Jacqueline K. Eastman (Ph.D., Florida State University) is an Associate Professor at Georgia Southern University and was one of the original faculty members in the Georgia WebMBA program.

Dr. Joseph Bocchi (Ph.D., State University of New York at Albany) is the Director for the Georgia WebMBA program and Senior Lecturer of Managerial Communications at the College of Business Administration, Georgia Southern University.

Danielle Rydzewski is a graduating senior, majoring Marketing, at Georgia Southern University who will be returning for her MBA after graduation.

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