

## **Invitations, Timing, Circumstances Spark Campuses Away From Home**

A timely invitation, a chance discovery of an unpublicized opportunity, a faculty connection in an under-served area. Those are the sorts of circumstances that have prompted a variety of business schools to extend degree programs beyond their home countries.

While the missions of many schools contain a commitment to internationalization, relatively few have established branches outside their homelands single-handedly. Most have undertaken the internationalization process through partnerships, alliances, joint ventures and exchanges with institutions abroad.

“Newsline” talked with educators at some of the schools that offer degrees in other countries strictly on their own. Why have they done so and what does it entail? What makes the campuses work? How do they know if they are succeeding?

### **The Schools**

The “Newsline” sampling of schools with multi-country campuses indicates that there is no firm prerequisite other than the willingness to take on the challenge.

For ESCP/EAP, an institution composed of two French business schools that merged in 1999, the commitment to multicultural campuses was begun in 1973 by the administrators of EAP. Master’s degrees in management are offered not only at the campus in Paris, but also in Oxford, Madrid and Berlin.

Duke University’s business school much more recently established the “Fuqua School of Business Europe,” in Frankfurt, Germany, to grant EMBA degrees to young managers whose companies cannot release them for protracted periods of schooling.

Barcelona and Singapore are the overseas EMBA campus locations of the University of Chicago’s business school. Barcelona opened in 1994 and Singapore in September 2000. “They are the same EMBA degrees that we have offered at the Chicago campus since 1943,” said William Kooser, associate dean for EMBA programs.

Ohio University established an independent EMBA program in Bangalor, India, after completing 23 years of providing full-time degrees in partnership with the Mara Institute of Technology in Malaysia. “From 1975 to 1998, we had an annual contract that permitted us to put on the ground a full-time BBA program and augmented that with an executive MBA and, eventually, an MBA,” said John Keifer, director of the Center for International Business Education and Development at Ohio.

After an unsuccessful, two-year effort in Sydney, Australia, the University of Rochester now has an independent EMBA degree program in Bern, Switzerland, its third international effort. The first, still functioning, was begun in Holland, in 1985, in partnership with Nyenrode University, according to business dean Charles Plosser.

And, Webster University, formerly a small, all-women's Catholic college, in suburban St. Louis, Mo., entered Europe through Geneva, Switzerland, in 1978, offering a variety of master's degrees in management disciplines, until it launched its MBA program in the early 1980s. Now, Webster, coed and non-denominational, offers MBA and BBA degrees at campuses in Geneva and Laiden, The Netherlands, Vienna and London. The school more recently entered the Asian market, offering both degrees in Thailand, and an MBA only in Shanghai, according to Dean Benjamin Ola. Akande.

### **Why Do It?**

The importance of the international part of the mission grows stronger for a school when some other motivation enters the picture, educators said.

The driving idea for ESCP/EAP's campuses in four countries was the conviction, even 28 years ago, that eventually Europe would operate as an economic union, said Kenneth Casler, director of communications. The school believed it had to start providing future managers with a multicultural experience. Only by actually learning and working in countries other than their own, Casler said, would students from such culturally different countries as France, Britain or Germany, actually learn what it takes to manage a business within a "European" economy.

Another motivating force is the identification of a market niche in some other part of the world that nobody else is serving, such as Ohio University's experience in Bangalor, India. Or there may be an interesting invitation from a company or government, such as that extended to Duke by Deutsche Bank in Frankfurt. Or, a school might discover that independent campuses in international locations are a way to forge a unique identity, such as Webster has done.

While most business schools must deal with the commitment to internationalizing faculty and students, starting and sustaining a campus in another world region is at the very highest end of commitment. It takes a facility, faculty, staffing, marketing and the ongoing support of leaders at the home campus.

Some of the schools "Newslines" talked with began their overseas ventures after learning of some opportunity they felt would be advantageous. It seemed to be a match of coincidental timing, coupled with connections and motivated by a school's determination to try something different in the international scheme of things.

The University of Chicago's initial move into Europe was provoked, Kooser said, in 1990, when the school was approached by a Spanish contingent suggesting that the school open a campus in northern Spain. "One of our deputy deans investigated," Kooser said. The dean came back saying the location wasn't right, but the idea was.

He put together a committee that said, "This makes sense to help us reach out to the business community in Europe, make our name more well known in Europe and provide a base for a number of operations, not only an MBA but alumni support and non-degree education," Kooser recalled.

Chicago wanted a European-wide program, not one tied to a specific city or country. "We wanted easy in and out access, good airport, good infrastructure, and we wanted the city or country to want us to be there," Kooser said. Barcelona was the place.

"Most Europeans know of Barcelona, think highly of it and view it as a European city, as opposed to a nationalist city. It had everything we could want, and we were provided some solid financial support from one of the major banks in Spain," Kooser said.

The success in Barcelona encouraged Chicago to seek another cosmopolitan location in Asia, Singapore. "It was much the same thing. We wanted a central location for all of Asia," Kooser said. "If you draw a circle from India to Japan to Australia, Singapore is almost dead center in that circle. It is easy to get in and out and has put on a concerted push to attract western universities to build up its own educational infrastructure. So we were provided some help in negotiating some of the bureaucracy of Singapore."

Ohio University's decision to go into India was prompted by a faculty member's brother who worked for the "Times of India," Kiefer said. The connection with someone who knew the developing country intimately provided the opportunity to meet people and discuss the possibilities of doing a business program there. The discussions eventually led Ohio to create its own site for an MBA program in Bangalor, India, in 1998. The campus is now recruiting the fifth class.

In Geneva, Webster found a doorway into Europe through a faculty member. "Periodically, the government of Geneva gets concerned that the United Nations might move some or all of its facilities somewhere else," said James Evans, associate vice president for international programs. "There was a sense among the civic leaders that they needed English-language higher education, but the University of Geneva was not interested in moving in that direction. They were looking for an American institution that might come in and provide services to the ex-patriot community in Geneva. One of the people who taught for us was there that summer, heard about the opportunity and brought it to us, and we said, 'Why not?'"

### **The Presence of A Market**

"There has been rapid growth in demand for MBAs outside the U.S., and I think in the last three to five years, domestic applicants to MBA programs in the U.S. have been pretty flat," Rochester's Plosser said. "In tight markets like we are experiencing in the U.S., a lot of schools are now considering ways of tapping into those overseas markets that don't necessarily bring students to the U.S., but look at ways to reach out to them."

Duke's Fuqua School had made international inroads with its Global EMBA (GEMBA) using Internet technology. But it found a new market when Deutsche Bank, based in

Frankfurt, invited Fuqua to establish an “American-style” EMBA program right in Germany, said Donna Spinella, assistant dean and director of cross-continent MBA programs for Fuqua.

“For a number of years, Duke had a productive relationship with several major firms in continental Europe, specifically in Germany,” Spinella said. “The decision to go to another continent at all was partly a reflection of the fact that we realized sometimes the mountain needs to come to Mohammed. And also, quite specifically in response to requests from enterprises like Deutsche Bank, the German Stock Exchange and Glaxo Wellcome,” she said.

European companies wanted their junior management employees to receive Duke’s degree, but they didn’t want to send students to the U.S. and lose them for two years in a full-time program, or possibly for good, Spinella said.

ESCP-EAP’s master’s degrees in management are, on the other hand, aimed directly at the full-time student just out of undergraduate school. During the three-year program, each student is required to rotate through three of the four campuses—in Britain, France, Spain and Germany—spending nine months at each one. The courses are offered in the local language. The students also must intern at a company in that country. ESCP-EAP also offers a shorter master’s in European business degree, completed in one year, with six months spent in two different countries. Its English-language MBA degree is offered in Paris.

Chicago’s interest in having the European and Asian presence is essentially to extend its b-school reputation beyond the United States, Kooser said. “We felt that our corporate constituencies are increasingly international and global and we needed to be that way, too. We needed to have faculty spending more time abroad, learning what was going on in Europe, or Asia, and basically have a cross-fertilization,” Kooser said. “We provide our educational product to that part of the world and we learn more about what is going on in the business community in Europe or Asia by being there.”

Perhaps a more risky involvement is the one that Ohio has chosen in India, where only in the ‘90s did the government become interested in foreign direct investment.

“Part of working in India is trying to figure out the market there,” Kiefer said. The school aligned itself with Manipal, a deans’ school that offers medical and engineering training, just to gain some immediate recognition. But the school had no business program. “We’ve had to play it by ear,” Kiefer said, “to the extent we are trying to determine the right intake cycle and looking at the curriculum constantly to make sure it fits the market expectations in India.”

Much of the large enterprise is still state-owned. But India is globalizing by reducing investment barriers and starting to privatize its state-owned enterprises. They have looked to reorganize them along asset-based management models, Kiefer said.

## **Faculty and Staff**

For the U.S. schools interviewed by “Newsline,” there is 100 percent agreement that faculty for overseas ventures is the biggest challenge. Projects in which a school’s name is on the degree demand sending faculty of executive MBA caliber to remote sites at other world regions on a regular basis.

Most agree that persuading faculty to make this commitment is difficult. While some people are eager for the experience, it tends to be disruptive to the professional and personal lives of faculty members; and, over time, it can be a tough sell.

If a school doesn’t use its own faculty to staff these programs, it is faced with the challenge of recruiting a second local faculty. The issues raised, then, are about background, professional qualifications, and the comparative value of the home degree and overseas degree.

The Fuqua School of Business Europe gained some reputational insurance in Germany by rehiring its retired business dean, Tom Keller, to start up the campus in Frankfurt. He is completing his assignment, and the school is looking for a new permanent dean, Spinella said. Also on that staff in Frankfurt are administrators in marketing and in operations, both European, plus a technology person and a secretary.

“The faculty is all Duke-affiliated,” Spinella said. “Many are regular tenured faculty. Having enough faculty to staff these programs is probably the number one problem on everyone’s mind.” A team of faculty is required to deliver the EMBA program in Europe, even though they may not all be there at the same time. The team works together on the syllabus, works through all of the materials, the exercises and the assignments long before the class begins. Then one of the team members flies to Frankfurt to teach it.

“In some ways we’ve got the same thing in both places, pretty closely. And shaded and flavored differently depending on the faculty member’s own way of delivering things, but everyone is learning the same stuff at the same time, basically,” Spinella said.

Any non-Fuqua faculty are from comparable institutions, she said. “They are all faculty whom I suspect we would hire away if we could. So they certainly meet the standards of our faculty here. And since they all have to work together as a team, people who are not on the faculty here all of the time are always working with someone who is.”

Chicago sent a deputy dean, right below the dean, to be responsible for getting Barcelona up and running, Kooser said. The deputy dean hired a staff of seven, including a program director from Barcelona, to manage the program and figure out the lay of the land, while the deputy dean maintained the connection between Chicago and Barcelona. Kooser himself had a similar responsibility with Singapore’s campus.

Does the faculty tire of the travel and disruptions? Because Chicago does not use any outside MBA faculty for this program, “We worried about it,” Kooser said. “But in Barcelona we have not found that to be the case. Our program is structured so that the

faculty member makes two one-week trips to Barcelona. It is not that we are sending them for three or five months. We have a large enough faculty that we can rotate the assignments so that a number who wanted to go get the chance. If somebody says he or she doesn't want to go one year, that is just fine." Surprisingly, some of the Chicago faculty prefer Barcelona as their teaching location, he said.

The hardship of teaching overseas has to be taken into account, Kiefer said. But Ohio University, like other schools, just designs a compensation package to allow for the inconvenience. For some faculty it might be an overseas bonus, for others it might be more time off, or an extended travel compensation that allows a faculty member to make side trips to Asian cities on the way to and from the campus.

The size of the enrollment at the India campus so far only warrants a four- to five-week stay for the faculty member teaching a particular course. To save the taxes and living expenses of a U.S. staff member in India, Ohio hired an Indian national to run many of the day-to-day operations.

"The Center for International Business Education and Development in Ohio handles all the records for the students and the admissions process," Kiefer said. A team of faculty goes on site to do extensive interviews as part of the admissions process, but record keeping is handled at home.

It is too early for some of the schools to know if the travel to overseas campuses will become tiresome. "We found that the standard of living improved while we were in Malaysia," Kiefer said, "so early pioneers had a very different experience than those who went later in the program.

"If it ever became a burden in the sense that people didn't want to do it, we'd stop," Kiefer said. "There's no point to do these programs unless they benefit your faculty."

"The real choice you have to make operating overseas," Plosser said, "is are you going to teach with your faculty or somebody else's? That is the most expensive question. If you say, 'We will put our name on it, but we don't care who teaches it,' then basically you are franchising your name.

"Both in our programs in Europe and Australia, we felt very strongly that we want the bulk of that teaching to be done by our faculty," he said. "It is our degree and we are not going to farm it out to some lesser quality faculty without very careful monitoring and control mechanisms," Plosser said.

Part of the difficulty that Rochester had in Australia before that campus folded, was trying to deploy the faculty at two distant locations, Sydney and Nyenrode, on opposite sides of the world, as well as in New York, Plosser said.

"I think the real issue, fundamentally, that schools have to face, whether they have a partner or don't have a partner, is who and how are you going to staff the program,

whose faculty are you going to use? Where will they come from? How do you get them there?"

About two-thirds of the faculty in Bern are Rochester's; the other one-third is made up of Rochester-trained people, Plosser said. "We have, over five to 16 years, developed a small cadre of about five people. Some were Ph.D.s of ours; some we hired over there and they have proven successful in meeting our standards for course content as well as teaching talent. They give the programs more local flavor." All of the management of the Rochester programs is handled in New York by the associate dean for executive programs.

Concerns about having enough faculty willing to travel in the future is always an issue, Plosser said. His school has been overseas long enough that faculty know international teaching is part of their obligation. In recruiting new faculty, the topic is discussed. Some consider it a plus, and some do not; but it is never a surprise.

"We use it as an attraction when it is appropriate," Plosser said. "It is a portfolio problem. You have to make sure everybody doesn't have to do the same thing. But you also have to have enough faculty who are willing to do the range of activities that the institution has to do. That's a little more difficult for small schools than it is for big schools."

Webster University employs both its U.S. faculty and local faculty in its European locations, Evans said. "We have a pretty vigorous faculty exchange program. When people move from the U.S. to Geneva, we also have people coming from Geneva to teach in the U.S., or another campus in Europe or in Asia."

"The presence of the United Nations in Geneva, with so many more internationals there, gives us access to some of the top minds in the world who have credentials from outstanding world institutions," said Akande, Webster's business dean. "It is a unique availability of adjunct faculty."

Webster's unabashed internationalism is a recruiting tool for faculty who select the school in significant degree because of the international aspect, Evans said. "In our modular systems, for a two-month period a professor could go teach an international marketing course that the professor has taught for eight years in the U.S. and now go teach it in Thailand, China or Geneva. It's an attractive proposition, valuable to the individuals but also paying dividends to the institution," Evans said.

Campus directors for Webster are usually recruited in the United States as an employee of the main school. They then hire their staff from the nationals in their location, or from among the ex-patriot Americans.

ESCP/EAP clearly has an easier time with faculty travel, Casler said. Most of the faculty members are native to the country where they teach. And, when faculty do have to travel to another campus, the flying time is nowhere near as long as an overseas trip.

## **Getting Connected**

Partnerships in overseas locations are attractive because they give schools a built-in knowledgeable resource. When going solo, schools have to find someone who can be their liaison and tour guide.

“You definitely have to go where there is not only a market for what you have but also a support structure to help you understand how this thing is going to live and breathe when you are there,” Spinella said.

For Fuqua, it was corporate supporters who said, “We’ll help you get started, we’ll help you learn who to talk to.” “You have to have people on the ground to make the introductions, make the connections,” Spinella said. “It is really good to have those connections on the ground, which can be people at other universities. You need a friend.”

In India, Ohio had the faculty relative at the “Times.” For Rochester in Bern, it is a Rochester Ph.D. student who acts as local program director.

Webster’s Evans said, “Doing business in the U.S. is relatively seamless. We are subject to different accrediting bodies, but those are not nearly so complicated as trying to figure out how to set up a corporate entity in another country, or enter an educational system in another country. You also have to establish your name in a place where you don’t have a name, you have to establish the value of an American credential in communities that are proud of their own national credentials. You have to face the suspicion that you are some kind of a carpetbagger. It’s a big job.”

## **Facilities**

Fuqua in Europe is in part of a hotel, the Steigenberger Esprit. The school occupies one of the longer legs of an H-shaped building, completely converted to very closely mirror the on-campus conference center in Durham, N.C. Architects and technology people traveled back and forth to set it up specifically to Fuqua’s standards, with multiple ports for computer and phone lines, rooms with extra task lighting and book shelf space. One part of the open space of the H is occupied now with a large classroom that replicates a Durham classroom. “It is the style that you don’t find in European classrooms, with banked floors, theater seating, everything wired nine ways to Sunday to accommodate the technology we use in this program,” Spinella said. When Fuqua isn’t using it, the hotel can rent the space out to other clients.

Rochester’s Bern program is set up in a corporate training facility owned by a Swiss bank corporation.

Webster began teaching in rented quarters but has since purchased land and built its own facility in Geneva. “It was a huge undertaking when we did this,” Evans said. “We were only about 10 years away from being a private, Catholic women’s college in 1978. It was a big leap for us to go to Geneva.”

Chicago's Barcelona and Singapore sites are rented. In Barcelona classes are taught in a renovated 100-year-old building with only the facade intact. In Singapore, the classroom facility is a 118-year-old home, with 23,000 square feet of renovated space.

### **Legal structures**

Each of the independent campuses faced its own legal issues. Having a local law firm is essential to work through the paperwork and bureaucracy.

In Barcelona, Chicago could establish a branch of the big university; but in Singapore, it had to create a single new entity, Kooser said.

Webster set up a close version of a 501C3 enterprise in Geneva, a foundation that provides education as a not-for-profit. In other European locations, Webster found similar models.

"In London, we ran into a different problem," Evans said. "As a foreign entity, we were not eligible for what the British call charity status, so we created a company — limited by private guarantee." Courses were offered under the corporate structure of a company, but with the understanding that because the directors of the company were senior administrators of Webster University, there were no shares. "They had liability only and no benefits," said Evans.

Because of the multiplication of MBA programs in London, Webster has since partnered with Regents College and no longer operates independently there, although it still offers a Webster MBA.

In Thailand, Webster works with a foundation that established a private university under Thai law. The students at the campus in Thailand are students at Webster; but legally they are students of Webster University Thailand, a recognized Thai, private university.

### **Effective Marketing**

Determining how to market a program in another country is a challenge. Spinella said Fuqua is not yet sure how aggressive its marketing should be. "Marketing in the U.S. is not the same as marketing elsewhere in the world," she said, "and we are not just marketing this in Europe to Europeans. We really are marketing it all over the world. But we are much more focused in Europe and the U.S. We are targeting a lot of the people who might go to a daytime program. But they are working executives at the same time. We are working through what will be the best combination of different marketing techniques to use."

Both Chicago and Rochester said they take a two-pronged approach, with mass marketing to go after individuals through advertising, direct mail and information sessions at GMAC Forums. The second prong is to talk with companies so that they are aware of the program and are willing to support their employees.

“The specific executions of our marketing could be different in Chicago, Barcelona and Singapore,” Kooser said. “The advertising will be slightly different, the companies different, the way we talk about the program may be slightly different; but the overall strategy is pretty much the same.

“One thing we found overseas is the decision to attend a program such as ours is 85 to 90 percent an individual decision,” Kooser said. “It is not a company saying ‘You will go’; it is a student saying, ‘I’d like to go, will you help me pay for it?’ Our goal really is to make sure the companies are aware of our program, and know of its quality, so the Chicago program makes the approved list. We very much have to get to the individual who is making the decision, even though 70 to 80 percent of students are financially supported by their companies.”

“In some cases,” Plosser said, “companies are sending people. We want to make sure we are making the companies aware of the program and what value we offer to them. But at the same time, we are also marketing to individuals because you want individuals pushing their companies to do things.”

For the four campuses of the ESCP/EAP, local marketing is done in each country to make sure the message is shaped to appeal to the local audience, Casler said. Marketing efforts aimed at other European countries, and on a smaller scale to Asia and the United States, are created in France. This approach apparently works because, despite the competitive European marketplace, ESCP/EAP’s courses are fully enrolled, Casler said.

### **Patience**

There is no overnight success for an overseas campus. A school has to be willing to stick it out for a couple or three years. Schools have to recognize everything is going to take longer.

“To set up a satellite program in a community 40 miles away is a much simpler proposition than one halfway round the world,” said Akande, whose school has had practice in setting up domestic satellite campuses in 19 different states.

“If an institution is used to periods in which its initial investment is paid back in a matter of months or a year,” Akande said, “they are going to find themselves hard pressed if they move into running programs overseas. If they recognize and plan for the fact that lead time is going to be a bit longer and if they see, and have as part of their educational mission, the wealth this network brings to the people in the institution, then they can go forward.”

Some compared the experience to what a corporation must go through when it expands overseas. The complications increase considerably.

“If you are going to go in,” Kiefer said, “you have to give yourself at least three years to determine whether or not what you are doing makes sense from the standpoint of the

college. And that should allow you to have sufficient time to see what kind of market response there is to the offer you make.”

But Rochester did not need to wait that long to discover that its timing in Sydney was off. The school set up an MBA program in the late 1980s, just when the economy of Australia was going bust, Plosser said. Within two years, Rochester had to pull out.

“With Australia, our timing was incredibly bad. We entered the market at a time when the Australian economy went into a tailspin,” Plosser said. “Companies were cutting back and it was not a time to be venturing in with new programs of the type we were offering. When companies get tight, usually the first thing that goes is education money. The situation was exacerbated by the fact that we were an expensive, private institution, new in Australia. At the time, the country had no other private universities. It was very difficult for us to make significant inroads to make that program a success. It probably would have required far more resources and investment of our time than we were prepared to make to turn it into a success. We pulled the plug about 1991, after two classes.”

### **Measuring Success**

Fuqua’s Spinella sees a solid future in Europe. “It is a good, sensible proposition,” she said. “We went in there as part of a bigger, broader, longer-term mission. So, for us it is not just, ‘We are going to try it and if we don’t really like it, say, see ya.’ We have made a commitment. If things radically change, if there is a tremendous, deep, long-term recession in Europe, we may need to change our minds. But that doesn’t seem likely. Economies in Europe appear strong. I wouldn’t see why we would not retain our commitment to this program there.”

Similarly, assuming a strong economy, Chicago expects success in both locations. “The target number of students was 84, for the first year; that is capacity,” Kooser said. “To hit target in year one is pleasing. Response has been very, very solid. We are in pretty good shape for the coming year.” Target enrollments are the same at each campus because the faculty basically design their courses to deal with that size class.

For Ohio University to maintain itself in India, the program has to justify itself financially, Kiefer said. “So far we’ve made our breaks in terms of our enrollments and costs; but at some point, you have to, from a monetary standpoint, ask yourself whether or not this is something we want to do, or ought to be doing. Although you are never going to make yourself wealthy doing these programs, by the same token you don’t want to cheat the college of other opportunities it may have just to stay with the program. You ideally want a program with a certain strength. You want a good response. The market has to be increasingly receptive to it, otherwise, to me, there is no point.”

Plosser said the Bern operation is increasing in size, yet, “I think the jury is still out regarding how successful these types of operations will be for the long term. Will technology replace the need to have physical teaching going on?”

"If over a period of time, you can't attract enough students to pay the light bills, you are not going to be able to make a financial or educational go of it," Webster's Evans said. "A program has to be of a certain size for the students to have the benefit of their fellow students. It is basically an enrollment-driven issue. Students have to see the value in what you are offering because then that eases the question of recruitment of future generations of students. Your satisfied customers are your best sales people."

### **Any Advice?**

"It would be easy to put the cart before the horse with programs like this," Spinella said. "There's a lot to do if you decide to have a campus in another place. Where is the best place to do it? Technology is an enormous piece of this program. If you don't have good technology, it won't fly. It is easy to start thinking of all the tactical stuff before you really have the strategy planned out."

"If you were going to come up with a program like this, you would start with the strategic idea but you could get so quickly consumed by tactical stuff, you might lose sight of what you wanted to do," she said.

Fuqua's experience with its GEMBA program gave the school a track record with technical aspects of distance learning, Spinella said. That allowed confidence that the infrastructure could work if the strategy was sound.

"I would worry about losing sight of the vision for why you want to do this in the first place," she said. "If you just want to keep up with the Joneses, I think you are in it for the wrong reasons, because it is very hard work."

Ultimately, the board of trustees, senior faculty, senior administrators and alumni have to support the ideal of globalization, or any program will be a flash in the pan.

"If the market goes bad, but the school has made a commitment and takes the strategic view and understands going in what the ramifications of that decision are," Spinella said, "then a school may go through some rough years and still know how to make the most of it, how to learn from it."

Evans at Webster said, "I don't see any reason for an institution to do it unless they are going to be committed to it as part of their mission. If the idea is to set up a campus somewhere else and make a lot of money, I think there are easier ways to make a lot of money."

Plosser's view is that the biggest danger lies in compromising the quality of what is being offered under a school's name in some way. "It's easy to make it work if you water down the quality of the product. That inferior product may be better than what students could have gotten otherwise, but it may be far inferior to the product you are offering domestically. You have to be very careful about diluting your currency," he said.

Doing an independent program is much more difficult than a partnership, Kooser said, "because you have to learn everything, and in some cases, reinvent the wheel; but you also end up with greater control over the end product.

"Having a partner simplifies the approach tremendously," he said. "You've got people on the ground who know the regulations, who know the key players, the educational infrastructure, perhaps a facility, marketing assistance. But you end up with a different kind of program than if you were offering your own degree, with your own faculty. Not that one is better, they just are different."

Serendipity and specific circumstances have prompted these business schools to try out a different version of the "long-distance" campus. Whether or not others jump in will depend on the signs of its long-term success.