



# TRENDS IN THE PROVISION AND POPULARITY OF BUSINESS SCHOOL PROGRAMMES

September 2020

# TABLE OF CONTENTS

<b>Foreword.....</b>	<b>page 2</b>
<b>Introduction .....</b>	<b>Page 3</b>
Methodology .....	Page 3
<b>Context: student enrolments by business &amp; management subject .....</b>	<b>Page 4</b>
<b>Subject and course selection trends .....</b>	<b>Page 10</b>
Most of the core Business & Management subjects remain in high demand.....	Page 10
Business schools are moving into new subjects to reflect the diversifying economy.....	Page 10
Economics and Law programmes are in demand .....	Page 12
Students show an increasing preference towards specialisation .....	Page 13
Opportunities to revive the popularity of the MBA.....	Page 13
Combination and conversion courses.....	Page 14
Executive Education and open programmes .....	Page 14
How subject choices vary by profile of students.....	Page 14
Keeping track of developments at secondary school level .....	Page 15
<b>Portfolio design &amp; management .....</b>	<b>Page 16</b>
Internal influences on portfolio management.....	Page 16
Competitor analyses.....	Page 17
Specialisation pathways.....	Page 17
Changes to course titles.....	Page 17
Working across faculty .....	Page 18
Responding to the employability agenda .....	Page 19
Degree apprenticeships.....	Page 20
Increasing flexibility in course content and delivery.....	Page 20
<b>Student recruitment .....</b>	<b>Page 21</b>
Growth opportunities in new and existing geographic markets.....	Page 21
Student decision-making.....	Page 22
Sources of information for students: traditional and new.....	Page 22
Recruitment strategy.....	Page 23
Transnational Education.....	Page 23
<b>Competitive challenges &amp; opportunities .....</b>	<b>page 24</b>
Covid-19 complicates an increasingly competitive environment for business schools .....	Page 24
In the short-term business school location is likely to be a bigger influence on students' decisions than programme offering .....	Page 25
Portfolio changes will be limited in the near future as the focus shifts to new modes of teaching delivery .....	Page 25
To respond to changes in students' interests business schools will need to improve their ability to work cross-faculty.....	Page 26
The employability agenda remains a key focus but the disruption caused by Covid-19 represents a significant obstacle .....	Page 26
The impact of a final Brexit agreement on enrolments from the EU.....	Page 27
<b>Adapting to the evolving market for business &amp; management education .....</b>	<b>page 28</b>

# FOREWORD

How are our business schools responding to the changing needs of employers and to the evolving preferences of future students? This report shares rich insights from those at the heart of course provision and student recruitment in a cross section of our member schools. Our business schools face the challenge of being business like in their approach to an operating environment which is both turbulent and highly competitive; they must do so whilst remaining grounded in the pursuit of academic excellence.

Significant numbers of students continue to choose degrees provided by our business schools at every level from undergraduate to postgraduate taught degrees and research degrees. But the data presented here suggest subtle shifts in the nature and relatively popularity of both topics and formats for business school degrees.

The influence of Brexit on the numbers of students joining member schools from the EU and, more recently, the impact of a global pandemic on student mobility will undoubtedly shape business school provision in the years ahead. Whilst demand for business education remains high, one limit on student number growth has been the physical learning spaces and on-campus accommodation available at our universities. In the space of a few months, the entire business school ecosystem has moved to a form of blended provision as a result of a global pandemic. Both staff and students have rapidly adapted to provision which features online learning and assessment at scale. Perhaps as restrictions on access to campus ease, some aspects of pedagogy will mean that the physical limits on campus and class size will be removed either temporarily or permanently. This report also reflects on growing interest in internship and placement opportunities as well as the trend toward specialist provision, particularly in postgraduate taught programmes. It also reviews growth in multi-disciplinary provision in the form of joint degrees either with other disciplines, other institutions, or both.

The Chartered Association of Business Schools is uniquely well placed to broker information sharing amongst member schools. This report, on a topic of pressing importance, is a great example of the insights to be gained from that sharing. We are privileged to represent business schools of different sizes, pursuing distinctive missions and housed in different types of universities. One generalisable truth tends to pervade our whole membership, however. It is that a vibrant business school, attracting a wide range of students to a contemporary portfolio of programmes, plays a vital role in the health of its parent university.

I am grateful to those colleagues who participated in the research and I am sure you will find the insights that they share a valuable resource as you shape your own course provision in a rapidly changing landscape.



**Professor Robert MacIntosh,**  
**Chair of Chartered Association**  
**of Business Schools and Head of**  
**School for Social Sciences,**  
**Heriot-Watt University**

# INTRODUCTION

This report presents insights into practices in course design, provision and student recruitment within Business & Management, and the popularity of specific subjects. The research is based on a series of in-depth interviews carried out by the Chartered ABS with senior staff within a range of UK business schools, including Deans and those responsible for student recruitment.

The project was commissioned in response to requests from Chartered ABS members for a detailed analysis as to the Business & Management subjects that are growing or declining in popularity and follows on from last year's detailed analysis of the number of leavers from specific postgraduate courses in UK business schools<sup>1</sup>. This largely qualitative report provides insights into portfolio design and management practices at both undergraduate and postgraduate level, and it is hoped that sharing this knowledge across the sector will prove useful in enabling decisions that are informed by the latest trends in students' preferences and the employment market.

All of the interviews were carried out before the escalation of the Covid-19 crisis. Participants were therefore asked a series of follow-up questions in the summer of 2020 to learn their views on the implications of the Covid-19 pandemic for portfolio management, student recruitment and the overall competitive environment for UK business schools.

The following topics are covered in this report:

- Factors shaping business school portfolios
- Working across faculty in the design and delivery of programmes
- Popularity of Business & Management subjects, including by nationality of student
- The emergence of new subjects in response to changes in the economy and employer needs
- Student recruitment
- The possible implications of the Covid-19 pandemic for the future of UK business schools

## Methodology

This project was designed and managed by Ramin Bokaian, Research Manager at the Chartered ABS. The findings are largely based on in-depth interviews with senior representatives from seven different business schools from around the UK, including from London, the Midlands, the North-West, the South-East, Scotland and Wales. Four of the participating schools are post-1992 institutions and three pre-1992. Achieving a diverse representation in terms of region and incorporation status was an important consideration in deciding which schools to invite to participate in the project. The selection process was also informed by data from the HESA Student Record with the aim of ensuring the participation of business schools with enrolments data by JACS principal subject area that broadly corresponded to that of the overall sector.

Each interview lasted for approximately one hour and used a standard discussion guide. Participants did not have advance sight of the guide but were informed of the broad topics that would be discussed during the interview. During the interview participants also received a hard copy of the enrolments data for their institution and the wider sector in aggregate to help guide the discussion and draw out their insights on the popularity of specific subjects by broad student domicile.

The analysis of the interview transcripts was carried out using a qualitative analysis tool with comments clustered by theme and sub-theme. Themes that were commonly expressed and deemed to be particularly insightful were explored further in a set of follow-up questions sent to the participants. The responses to the follow-up questions, including those related to the Covid-19 pandemic, are incorporated within the section on *'Competitive challenges & opportunities'*.

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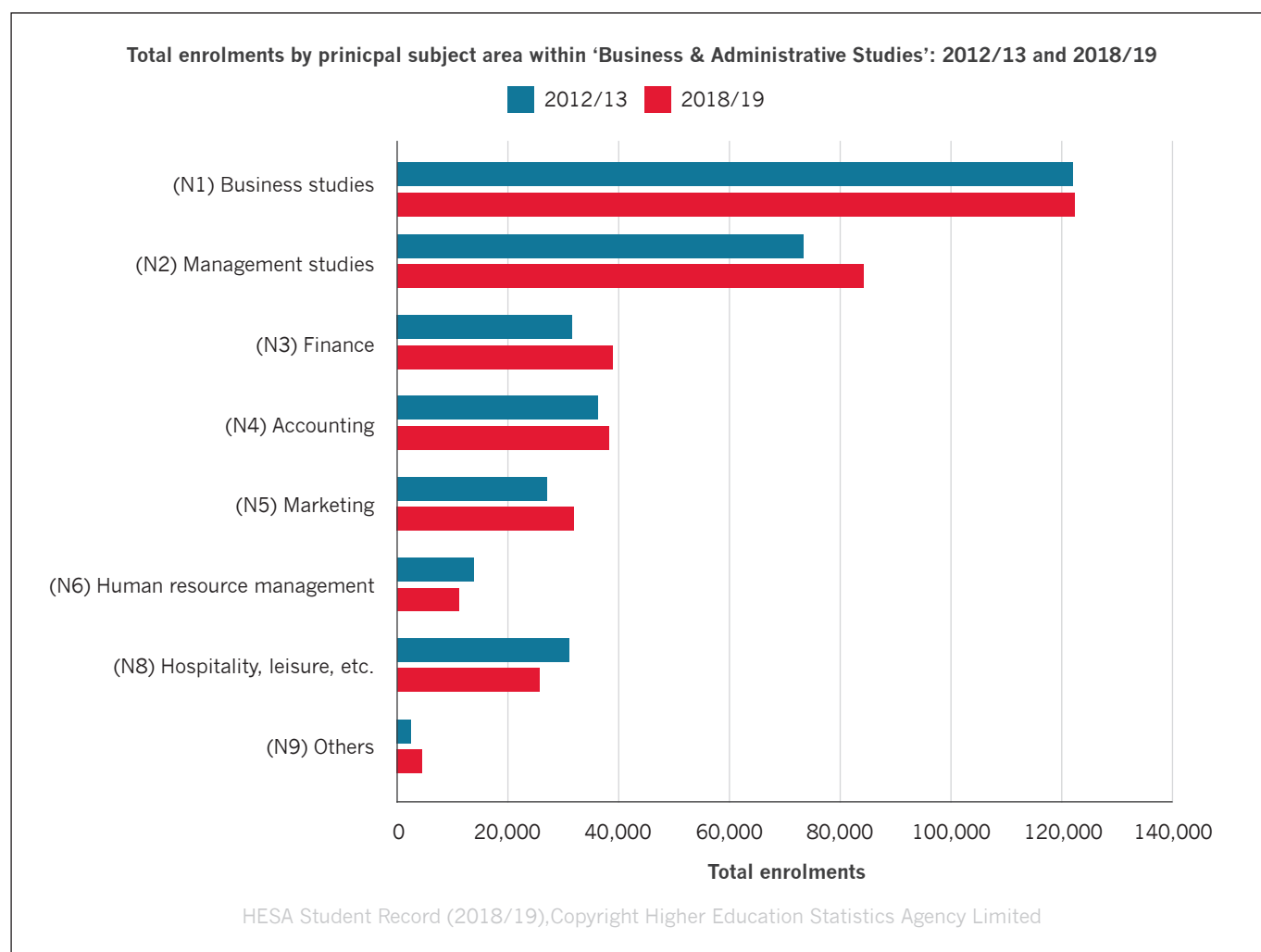
<sup>1</sup> 'Analysis of postgraduate qualifications in Business & Administrative Studies', Chartered Association of Business Schools, October 2019  
<https://charteredabs.org/wp-content/uploads/2019/10/Postgraduate-Qualifications-in-Business-Chartered-ABS-1.pdf>

## CONTEXT: STUDENT ENROLMENTS BY BUSINESS & MANAGEMENT SUBJECT

Before we explore the factors believed to be shaping the provision of courses within UK business schools, it is worth reviewing some longer-term data on enrolments by principal JACS subject area using the HESA Student Record<sup>2</sup>. The graphs below show in absolute numbers the change in total enrolments by domicile for the constituent subject areas within the JACS subject of 'Business & Administrative Studies' between 2012/13 and 2018/19. For a more detailed look at enrolments for specific postgraduate courses please see the Chartered ABS report on 'Analysis of postgraduate courses in Business & Administrative Studies'.

*Note: the data in figures 1 to 9 is based on enrolments in both levels of study combined (undergraduate and postgraduate) and all modes of study.*

**Figure 1: Total enrolments by principal subject area within 'Business & Administrative Studies': 2012/13 and 2018/19**



<sup>2</sup> HESA Student Record, 2012/13 to 2018/19. © Higher Education Statistics Agency Limited. Data extracted from the Heidi Plus Online Analytics Service in August 2020.

### Disclaimers:

Neither the Higher Education Statistics Agency Limited nor HESA Services Limited can accept responsibility for any inferences or conclusions derived by third parties from HESA Data or other information supplied by the Higher Education Statistics Agency Limited or HESA Services Limited through Heidi Plus.

While the Chartered ABS strives to make the information in this report as accurate as possible, the Chartered ABS makes no claims, or guarantees about the accuracy or completeness of the data obtained from HESA.

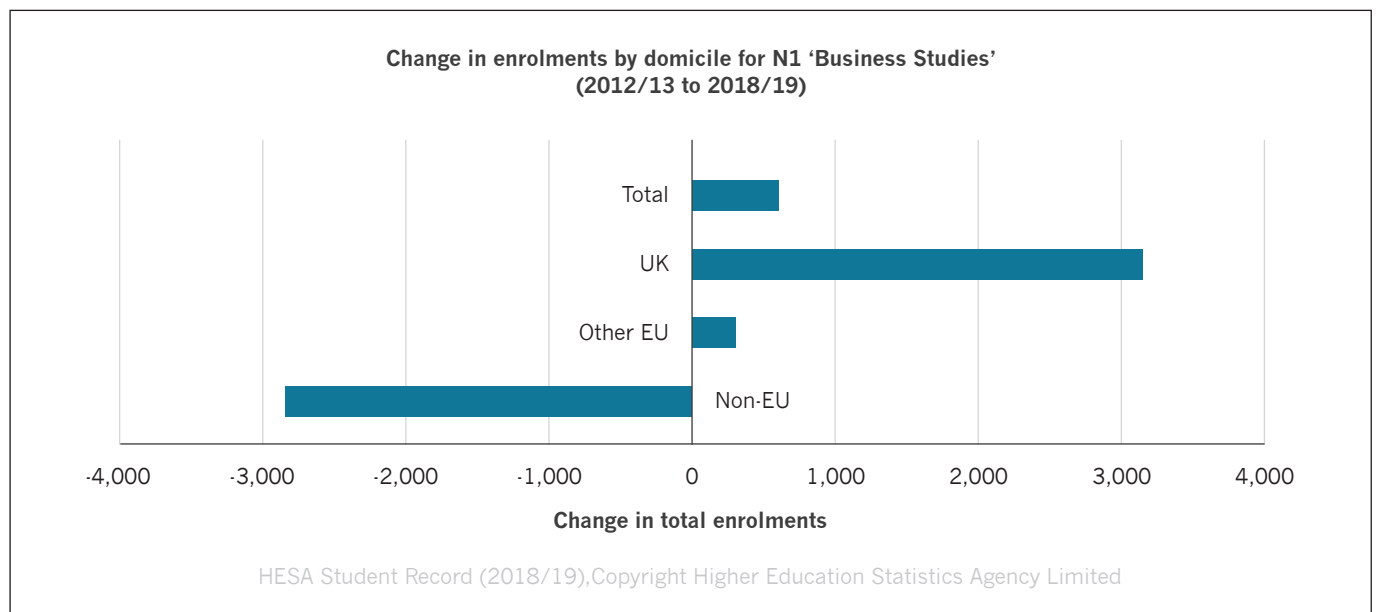
The bar chart on page 4 displays the total enrolments at both undergraduate and postgraduate level for each of the principal subject areas within *'Business & Administrative Studies'* in 2018/19 and six years previously. *'Business Studies'* remains the most popular subject with 122,405 enrolments but growth has been marginal since 2012/13. *'Management Studies'* is in second place with 84,325 enrolments, increasing by 15% over this period. *'Business Studies'* and *'Management Studies'* together accounted for 58% of all enrolments within *'Business & Administrative Studies'* in 2018/19.

*'Finance'* is now the third most popular subject with 38,920 enrolments, which is an increase of 23% compared to 2012/13. *'Accounting'* had 38,380 enrolments in 2018/19 and due to the strong increase for *'Finance'* it is now the fourth most popular subject within *'Business & Administrative Studies'* compared to third in 2012/13. However, enrolments in *'Accounting'* still grew by 5% since 2012/13. Enrolments within *'Marketing'* were 32,140 in 2018/19, which is a 19% increase relative to six years ago, and means it is now the fifth most popular choice of subject, up from sixth in 2012/13.

Enrolments within *'Hospitality, leisure, sport, tourism & transport'* have seen a significant decline, with the total of 25,725 being 17% less than in 2012/13, and it is now ranked sixth in terms of total enrolments having been overtaken by *'Marketing'*. Total enrolments within *'HRM'* were 11,180 in 2018/19 which represents a decline of 18% compared to six years ago, although it remains the seventh most popular subject choice. The miscellaneous subject area of *'Others in Business & Administrative Studies'* has the lowest number of enrolments but these have increased by 79% over the last six years, albeit from a relatively low starting point.

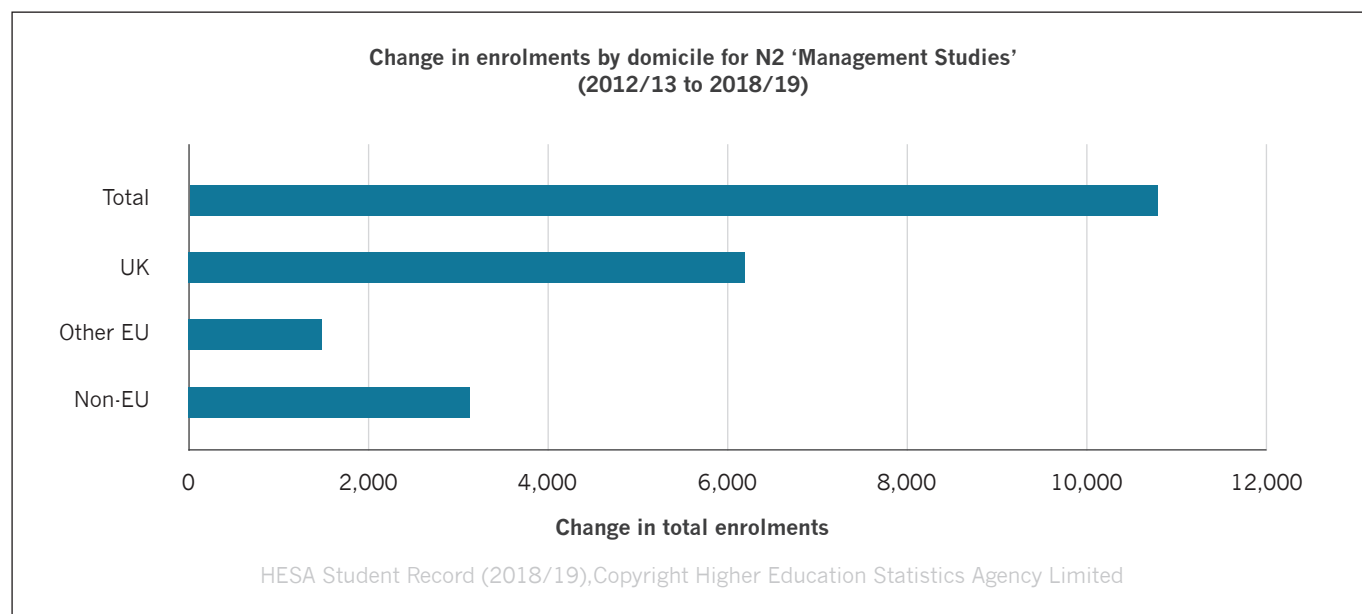
In the following graphs we will look at the change in enrolments by student domicile for each of the principal subject areas over the last six years.

**Figure 2: Change in total enrolments by domicile within N1 'Business Studies': 2012/13 to 2018/19**

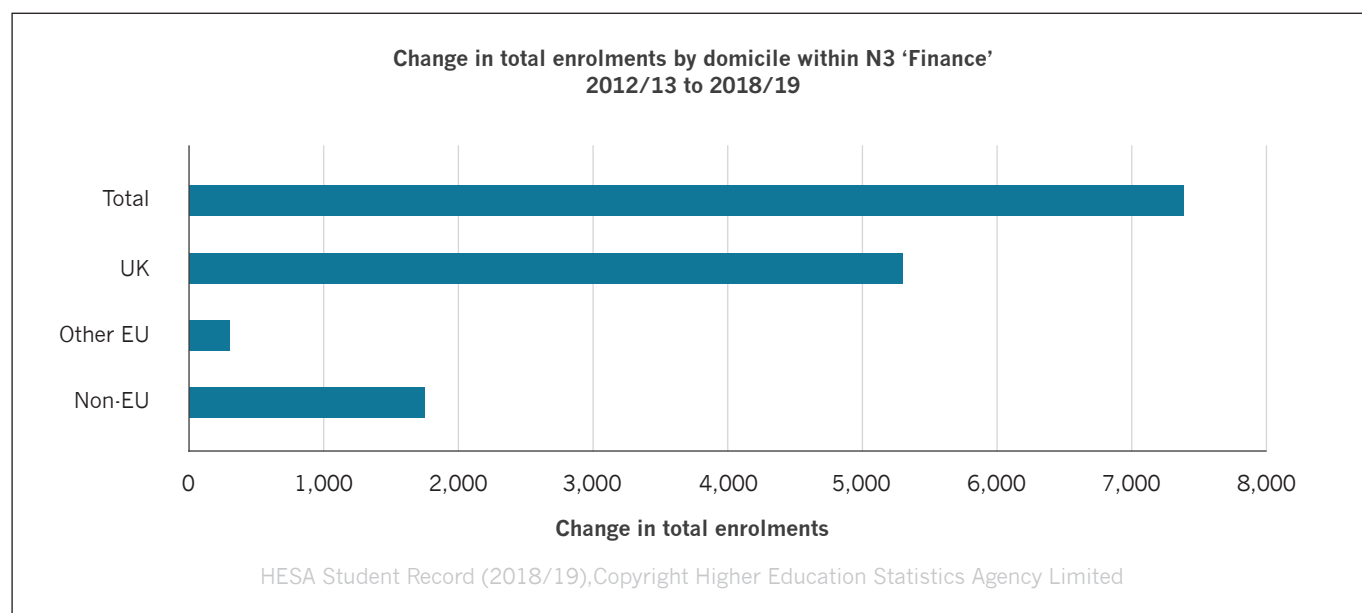


For the general *'Business Studies'* category total enrolments in 2018/19 were only 600 greater than six years ago which translates to a relatively unchanged picture overall. Growth in enrolments of UK students of just over 3,000 was offset by a similarly sized decline in enrolments from the non-EU countries, despite non-EU enrolments increasing in each of the last two years. Later in the report we will explore further students' preferences for generalist versus specialist courses, and how these vary by domicile.



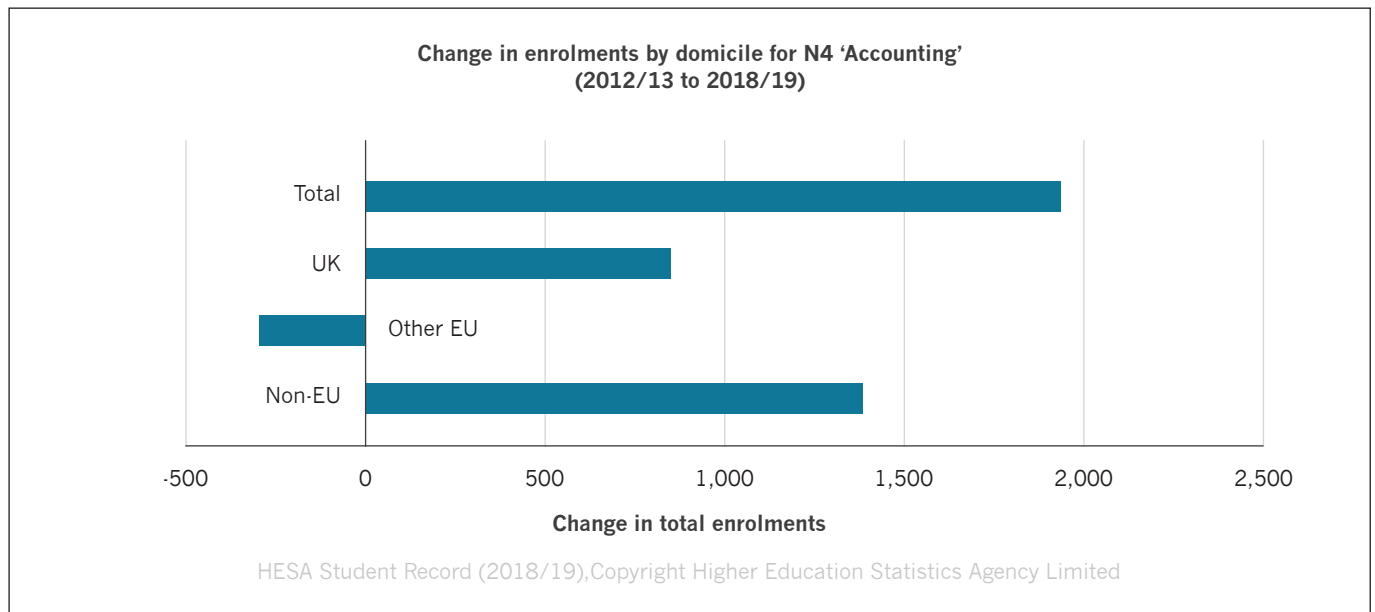
**Figure 3:** Change in total enrolments by domicile within N2 'Management Studies': 2012/13 to 2018/19

Total enrolments for the *'Management Studies'* subject area have increased by nearly 11,000 compared to 2012/13, which translates to growth of 15%. Increases are observed across all three student domiciles, but enrolments from UK and non-EU students account for 87% of the increase. In proportional terms enrolments from the EU saw the fastest growth, increasing by 24% during this period and in each of the last five years.

**Figure 4:** Change in total enrolments by domicile within N3 'Finance': 2012/13 to 2018/19

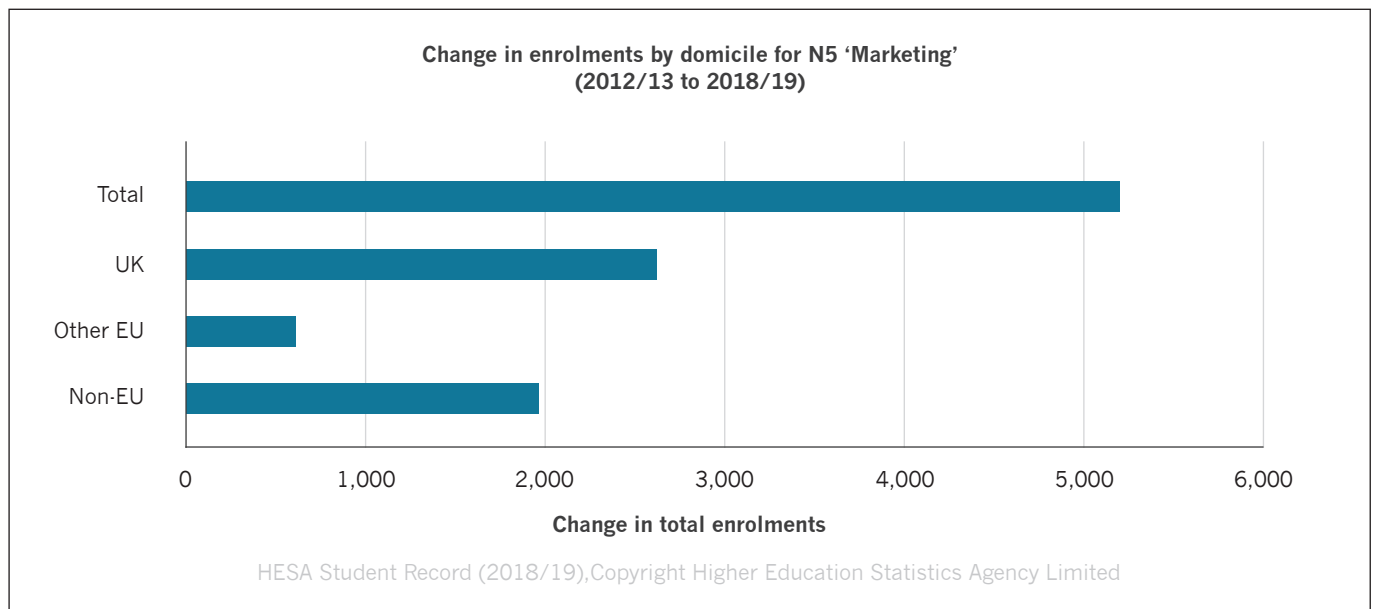
Within the *'Finance'* field overall enrolments grew by 7,400 since 2012/13, a proportional increase of 23%. UK enrolments account for 71% of the total increase and grew by 47% over the six year period. For UK students, enrolments in *'Finance'* have grown in each of the last six years. Students from non-EU countries increased by 1,800 which translates to growth of 10% compared to 2012/13, and enrolments from the EU increased by just over 300 (+15%).

**Figure 5: Change in total enrolments by domicile within N4 'Accounting': 2012/13 to 2018/19**



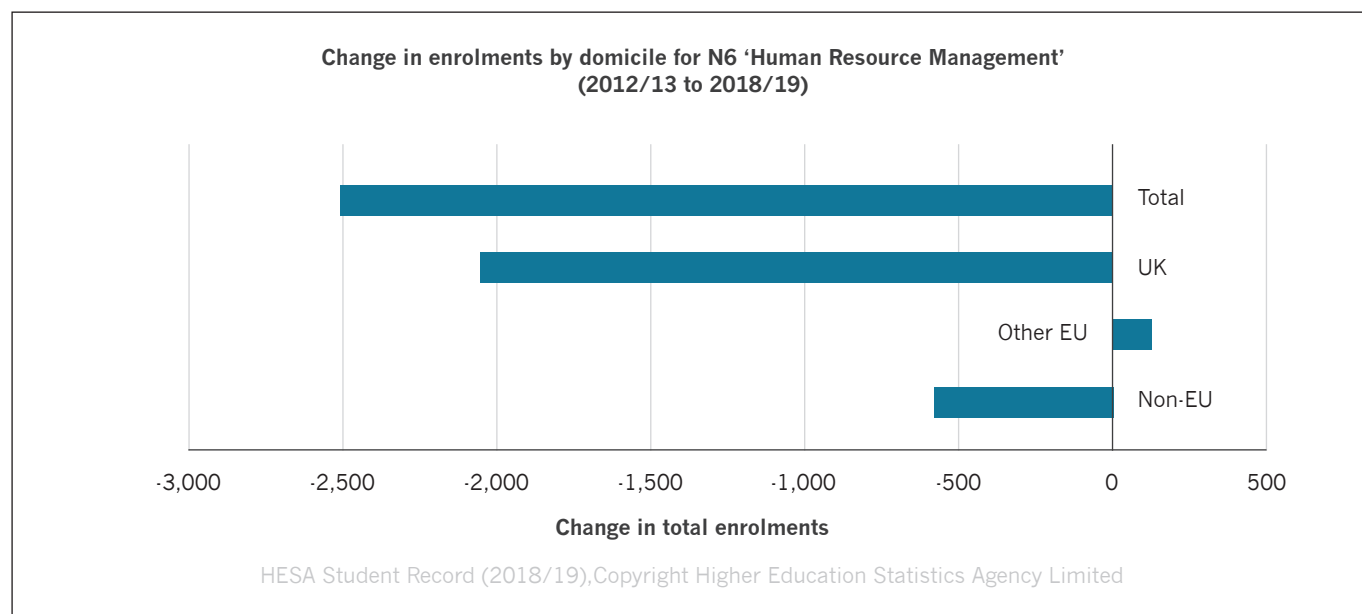
Since 2012/13 total enrolments within the 'Accounting' subject area have increased by just under 2,000 (+5%), with non-EU students comprising 72% of the growth. Although enrolments from the UK increased by 850 over this period, growth in proportional terms was relatively modest (+3%). Enrolments from the EU fell by nearly 300 (-18%) and have declined for six consecutive years in Accounting.

**Figure 6: Change in total enrolments by domicile within N5 'Marketing': 2012/13 to 2018/19**

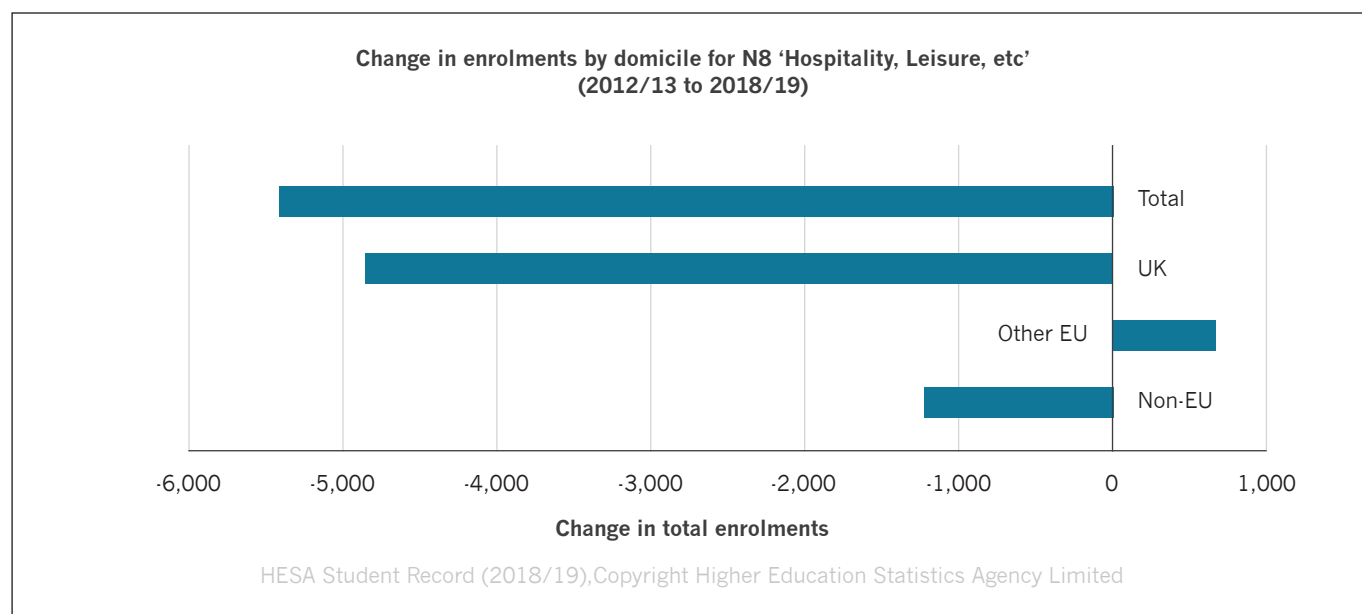


For 'Marketing' there has been strong overall growth in enrolments of over 5,000 since 2012/13 (+19%). There was growth across all three student domiciles but in absolute terms it was largest amongst UK students and non-EU students, with the former accounting for 50% of the increase and the latter 38%. In proportional terms the largest growth occurred amongst non-EU students (+27%), followed by students from the EU (+25%) and those from the UK (+15%). For students from outside of the UK, enrolments in Marketing have increased for six consecutive years and for UK students an increase has been seen every year since 2015/16.



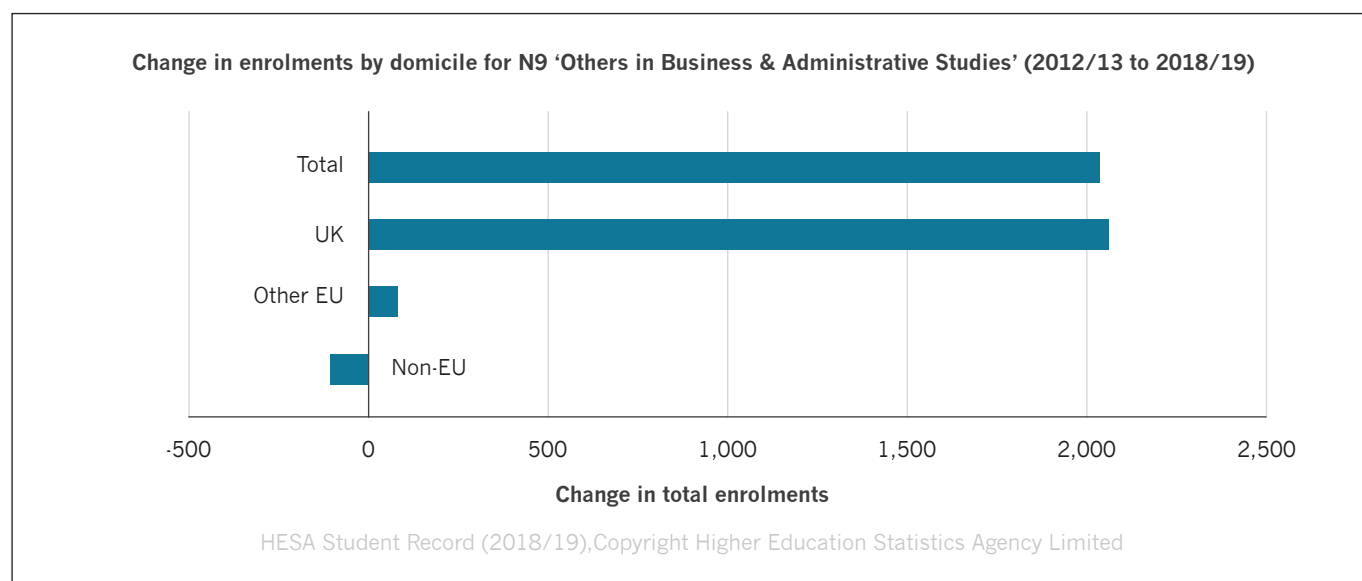
**Figure 7:** Change in total enrolments by domicile within N6 'Human Resource Management': 2012/13 to 2018/19

Compared to six years ago total enrolments in HRM declined by 2,500 (-18%). UK students comprise the bulk of the enrolments in this subject area and therefore account for 82% of the total fall. UK enrolments in HRM have declined for six consecutive years. In proportional terms enrolments amongst UK students declined by 21% and non-EU students by 18%. In contrast, enrolments from the EU expanded by 21% but as the increase is relatively small in absolute numbers (+125) it doesn't offset the decline in enrolments from the other two domiciles.

**Figure 8:** Change in total enrolments by domicile within N8 'Hospitality, Leisure, etc': 2012/13 to 2018/19

Within the subject area of 'Hospitality, leisure, sport, tourism & transport' overall enrolments have fallen by 5,400 (-17%) over the last six years. UK students again comprise the bulk of this decline (90%) due to having a high representation within the enrolments for this field. Enrolments from non-EU countries contracted by 1,200 which is a proportional decline of one-quarter. In contrast enrolments from the EU grew by nearly 700 (+22%) since 2012/13 and in each of the last four years.

**Figure 9: Change in total enrolments by domicile within N9 'Others in Business & Administrative Studies': 2012/13 to 2018/19**



Enrolments within the miscellaneous 'others' subject area are relatively small compared to other subject areas and had been in a gradual decline since 2012/13 until the current year when the overall total grew by 163% due to a three-fold increase in the number of UK students and a doubling in the number of EU students. Compared to six years previously, total enrolments in this category were greater by over 2,000 with UK students driving the increase.

As shown in table 1 below, there is a wide divergence in terms of enrolments by level of study within the 'others' category: at undergraduate level enrolments have grown nearly four-fold since 2012/13 whereas at postgraduate level they have nearly halved. The data for this category should be treated with some caution as institutions may not be consistent in the manner in which this JACS code is assigned to certain programmes. The increase in enrolments reflected in figure 9 may therefore be due to changes in the way that enrolments for certain courses have been reported rather than any real change in trend. However, later on the report will explore developments in the area of combination courses which either combine a Business & Management subject with another within the field or with a subject from an unrelated field.

**Table 1: Enrolments by principal JACS subject area and by level of study: 2012/13 to 2018/19**

JACS principal subject area	UG enrolments 2012/13	UG enrolments 2018/19	As % of Total (2018/19)	% growth 2012/13 to 2018/19	PG enrolments 2012/13	PG enrolments 2018/19	As % of Total (2018/19)	% growth 2012/13 to 2018/19	Total 2012/13	Total 2018/19	As % of total (2018/19)	% growth 2012/13 to 2018/19
(N1) Business studies	88,030	92,935	37%	6%	33,950	29,470	27%	-13%	121,980	122,405	34%	0%
(N2) Management studies	42,385	49,220	20%	16%	31,140	35,105	32%	13%	73,525	84,325	24%	15%
(N3) Finance	16,815	21,410	9%	27%	14,745	17,505	16%	19%	31,565	38,920	11%	23%
(N4) Accounting	32,435	33,515	13%	3%	4,020	4,860	4%	21%	36,450	38,380	11%	5%
(N5) Marketing	18,910	22,120	9%	17%	8,035	10,020	9%	25%	26,945	32,140	9%	19%
(N6) Human resource management	4,510	4,145	2%	-8%	9,200	7,040	7%	-23%	13,710	11,180	3%	-18%
(N8) Hospitality, leisure, sport, tourism & transport	27,350	22,390	9%	-18%	3,825	3,335	3%	-13%	31,175	25,725	7%	-17%
(N9) Others in business & administrative studies	990	3,760	2%	280%	1,605	870	1%	-46%	2,595	4,630	1%	78%
<b>Total</b>	<b>231,425</b>	<b>249,495</b>	<b>100%</b>	<b>8%</b>	<b>106,520</b>	<b>108,205</b>	<b>100%</b>	<b>2%</b>	<b>337,945</b>	<b>357,705</b>	<b>100%</b>	<b>6%</b>

# SUBJECT AND COURSE SELECTION TRENDS

The following sections are based on the in-depth interviews conducted with senior staff from seven different business schools around the UK. The first section will provide an overview of the key themes from the interviews in relation to the trends in popularity of Business & Management subjects, exploring students' preferences towards core subjects, such as Accounting & Finance and Marketing, as well as interest in new fields that reflect the changing economy, such as Artificial Intelligence, Fintech and Fashion. Consideration is also given as to the general tendencies in subject choices by students' nationality and regional background.

## Most of the core Business & Management subjects remain in high demand

When participants were asked about subjects within the field of Business & Management that were most popular, most commonly cited were Accounting & Finance, Finance in general, and Marketing. The popularity of the latter two subjects is borne out by the HESA enrolments data presented in the context section which showed that since 2012/13 enrolments in Finance had grown by 23% and Marketing by 19%. The consensus was that Finance and Marketing have further potential for the launch of new courses or to reshape existing courses to respond to the emerging niche areas within both fields.

Hospitality & Tourism is one of the few conventional Business & Management subjects to have recorded fewer enrolments in recent years, and it was felt that this may be due to the perception that the future employment opportunities after graduation are not attractive compared to other subjects. It was also noted that although HRM has seen fewer enrolments in recent years there remains demand for courses that offer Business Studies with a specialisation in HRM. It was commented that HRM in standalone form is not a course that prospective students feel immediately drawn to, particularly at undergraduate level.

The interviews revealed only a single example of business schools directly asking students the reasons why they had selected their course. One of the schools runs a survey of their pre-experience Master's students asking about what influenced their course selection, and the survey receives a good response rate. The more widespread use of such surveys across the sector could prove useful in enabling business schools to understand what is driving students' course selection decisions and what they are looking to achieve in terms of future employability and further study options.

## Business schools are moving into new subjects to reflect the diversifying economy

Changes within the economy and the move towards digitalisation offer rich opportunities for business schools to expand their portfolio into new areas. The interviewees revealed that their schools had successfully launched new courses in Aviation, Business Analytics, Digital Marketing, Fashion, and Real Estate, and that take-up from students had been strong. Business Analytics is connected to the increased activity within the 'big data' space and can also be combined with Logistics and Supply Chain Management where there is a lot of overlap. Artificial Intelligence, Coding, Cyber Security, Fintech and the Creative Industries were suggested as areas to watch, and one school had already launched a course in Fintech to respond to market demand. It was noted that as time goes on themes such as digitalisation and sustainability will become increasingly embedded within programmes as a matter of course which may make standalone programmes in these subjects less relevant.

Tables 2 and 3 below list the hard and soft skills most in-demand from employers in 2020 according to LinkedIn which looks at skills that are in high demand relative to supply<sup>3</sup>. Demand is measured by identifying the skills listed on the LinkedIn profiles of people who are being hired at the highest rates. The Chartered ABS has considered the potential overlap of these skills with existing business school programmes and an indication of the extent of overlap is given for each skill.

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<sup>3</sup> 'The Skills Companies Need Most in 2020—And How to Learn Them' LinkedIn, January 2020  
<https://learning.linkedin.com/blog/top-skills/the-skills-companies-need-most-in-2020and-how-to-learn-them>

**Table 2:** LinkedIn - The top 10 most in-demand hard skills in 2020

Rank in 2020	Skill	Overlap with Business School programmes
1.	Blockchain	No clear overlap at present but may have limited coverage in Fintech programmes.
2.	Cloud Computing	Business I.T
3.	Analytical Reasoning	Business Analysis, Finance, Management Studies, Strategy
4.	Artificial Intelligence	Business I.T
5.	UX Design	Business I.T, Digital Marketing
6.	Business Analysis	Business Analysis, Finance, Management Studies, Strategy
7.	Affiliate Marketing	Digital Marketing
8.	Sales	Marketing
9.	Scientific Computing	Perhaps limited overlap with Business I.T programmes but more likely to be the domain of Computing faculty.
10.	Video Production	Potential overlap with Digital Marketing and Marketing in general.

As can be seen in table 2, business schools are already offering programmes that are linked to the most in-demand hard skills amongst employers. Translating this into graduates who are more equipped to apply these skills in the workplace will depend on the relevance and practicality of the course content that students learn in their degree.

**Table 3:** LinkedIn - The top 5 most in-demand soft skills in 2020

Rank in 2020	Skill	Overlap with Business School programmes
1.	Creativity	Digital Marketing, Marketing
2.	Persuasion	HRM, Management Studies
3.	Collaboration	All
4.	Adaptability	All
5.	Emotional Intelligence	All

Due to the more generalist nature of soft skills there should be more scope to integrate training on these skills within business school courses although some skills may be more applicable to courses in certain subject areas. The key will again be the relevance of the training in soft skills to the challenges typically encountered in the workplace.

## Economics and Law programmes are in demand

The participants from business schools that offer programmes in Economics and/or Law commented that demand from students had been good, and Energy Economics was cited as a growing field. One of the schools had recently expanded their offering into Law in order to capitalise on the opportunity, but it can be difficult for business schools to differentiate themselves in the market for Law. It was also conveyed that a business school may lack the credibility to offer Law programmes if it doesn't have a Law faculty within the wider university. Programmes that combine Business & Law may represent an opportunity to recruit students who decide that a standard BA in Law isn't for them and who may opt to switch to an alternative course. Business schools operating within a university that has a Law school are likely to be better positioned to develop such programmes as there is the potential to leverage the expertise of their colleagues in the Law school.

**Table 4: Enrolments in Law (all levels of study) by type of institution**

Institution type	Count of institutions	Total enrolments in 2018/19	Average enrolments per institution	Average enrolments from the UK per institution	Average enrolments from the EU countries per institution	Average enrolments from non-EU countries per institution	% growth in total enrolments between 2012/13 and 2018/19
All institutions with enrolments in Law	112	79,755	710	510	60	165	12%
Institutions with a Faculty of Business & Law	18	11,150	620	510	30	85	5%

HESA Student Record (2018/19), Copyright Higher Education Statistics Agency Limited

Table 4 uses HESA data to show the number of enrolments in Law for all institutions with enrolments in this field (112 in total) and of these the institutions that are known to offer Law programmes within a Faculty of Business & Law (18 in total). The institutions with a Faculty of Business & Law have a slightly lower level of average enrolments in Law than the overall average for all institutions offering programmes in Law. What is particularly noticeable is that the institutions with a Faculty of Business & Law have on average a significantly smaller number of EU and non-EU enrolments which suggests a focus on recruiting students from the UK, perhaps from the local area.

Growth in Law enrolments has been strong over the last six years, increasing by 12% across all institutions offering these programmes which is higher than the 6% growth seen for all enrolments in UK business schools since 2012/13. Growth has been strong for both UK and non-EU students, increasing by 12% and 16%, respectively, over this period. This would indicate the potential for more business schools to venture into the market for Law degrees.

Demand for courses in Economics has been very strong in recent years, with total enrolments increasing by 22% since 2012/13. However, opportunities for business schools to expand into this market are likely to be limited given its relatively small size. Total enrolments in Economics in 2018/19 were 44,850, which is equivalent to 12% of the total enrolments in *'Business & Administrative Studies'* and 56% of the total enrolments in Law in the same year.

## Students show an increasing preference towards specialisation

*“Students are increasingly moving to subject specific Master’s programmes”.*

There was a consensus from the interviews that in recent years students are tending to select more specialised courses within Business & Management as these are seen as representing a clearer career path. Examples of such courses would include those related to Accounting & Finance and Finance more generally. It is believed that this may be a contributing factor to the declining interest in the more generalist Business courses, including

the MBA, but there remain students who prefer to keep their options open by undertaking a generalist degree. Furthermore, the international variants of the generalist Business Studies degree remain popular due to students’ recognition of the global nature of business and their interest in gaining work experience in different countries. One of the participating schools had seen an increase in overall enrolments for their Marketing Management degree by splitting this into several separate programmes, including Digital Marketing, PR and Branding. This was informed by data analysis which indicated that differentiation would help to reinvigorate their overall Marketing portfolio by capitalising on students’ interest in specialisation.

The HESA enrolments data in table 1 on page 9 shows a move away from generalist Business & Management courses and towards specialisation particularly at postgraduate level, with enrolments for the N1 ‘Business Studies’ subject area declining by 13% between 2012/13 and 2018/19, whereas at undergraduate level enrolments were 6% higher than six years ago.

## Opportunities to revive the popularity of the MBA

There was a general acknowledgement that the MBA has been declining in popularity due to a number of factors. Students have slowly been gravitating more towards specialised courses with a defined career path, and the recognition of the high costs – both in fees and the opportunity cost of giving up earnings – has driven a decline in demand for full-time post-experience degrees. Moreover, there was a reduction in the number of international students undertaking an MBA in UK business schools following the 2012 visa regulation changes. Despite a 15% decline in MBA graduates between 2015/16 and 2017/18<sup>4</sup>, it is clear that the MBA remains the flagship product for many schools and they are reluctant to let go of a core element of their brand.

Flexibility is seen as key in restoring the attractiveness of the MBA and will entail part-time and blended delivery, weekend delivery, as well as multiple start times throughout the year which will offer greater choice, particularly for international students. One of the representatives commented that their school had experienced success in launching a suite of premium MSc programmes that were positioned as being similar to an MBA but somewhat below the level of fees normally charged. This suite consists of MSc programmes focused on subjects such as International Business but with a variety of specialisations including Law.

*“International business programmes have become more popular as HE has become more of a global business”.*

Another school had worked with other faculty to offer specialised versions of the MBA – such as in Cyber Security and Engineering - but this presents the challenge of ensuring that the specialised content doesn’t dilute the core modules of a typical MBA and that it can be taught in a cost-efficient manner. There may also be a market to offer a pre-experience MBA to international students, especially those from India where it is valued as an entry level qualification for certain roles in the Indian jobs market.

<sup>4</sup> ‘Analysis of postgraduate qualifications in Business & Administrative Studies’, Chartered Association of Business Schools, October 2019  
<https://charteredabs.org/wp-content/uploads/2019/10/Postgraduate-Qualifications-in-Business-Chartered-ABS-1.pdf>

## Combination and conversion courses

There were mixed views on the popularity of courses that combine subjects in a 50/50 split. Examples cited of courses that had recruited well were Business & Marketing and Business & Finance. There was some scepticism about courses that combine Business with a non-business subject, although two schools had seen reasonable enrolments for courses that combine Business with Psychology, and another had recently experienced strong demand for its Psychology and Marketing course.

Enrolments onto conversion programmes are seen as becoming more common and enable students with an undergraduate degree in a field unrelated to Business & Management to undertake a Master's degree in a business subject. The student's original field of study may not always be suitable for a conversion with a business subject, but examples of backgrounds from which students have converted to a Business & Management course at postgraduate level include Engineering (converting to Project Management or Logistics and Supply Chain Management) and Law (converting to Business Studies). Conversion programmes may also appeal to international students who felt that their choice of programme at undergraduate level was influenced by their parents and have decided to choose a different subject for their postgraduate studies.

## Executive Education and open programmes

The Executive Education space is seen as holding further growth potential, partly driven by the opportunity to deliver degree apprenticeships for corporate clients, but also through shorter open programmes that do not lead to a specific award. For the shorter open programmes there is believed to be a market amongst public sector clients both in the UK and abroad, and one participant had observed increased bidding for such training contracts, which are usually highly tailored to the client's requirements. Two of the participants commented that their schools were planning to significantly strengthen their ability to win B2B contracts through the recruitment of dedicated business development resources. The subjects cited as being most in demand in the open programme format are leadership and management, coaching and entrepreneurship.

## How subject choices vary by profile of students

Students from China and India comprise 48% and 10%, respectively, of all non-EU international students enrolled in UK business schools. However, students from these countries tend to diverge in their preferred subjects. The observations expressed during the interviews were that generalist courses such as MBAs or a BA in Business Studies are preferred by Indian students (*"anything with business in the title"*) as they are happy to decide what to specialise in later on. Indian students also like Entrepreneurship courses and placements. In contrast Chinese students have a preference for more specialist courses and are perhaps less keen on the MBA. Courses in Accounting & Finance and Finance in general are very popular amongst Chinese students, and they are believed to rate UK professional bodies very highly. UK students are believed to be much more varied in their course choices with less of a concentration on a narrow range of subjects.

The data displayed below in table 5 on the proportion of students from each domicile enrolled in the constituent subjects within *'Business & Administrative Studies'* partly substantiates this viewpoint. In 2018/19, 54% of the non-EU students enrolled in UK business schools were in the Management Studies, Finance and Accounting subject areas compared to 42% of UK students. Non-EU students are also significantly less likely to choose subjects within the *'Hospitality, leisure, sport, etc'* and *'others'* categories.



**Table 5:** Enrolments by domicile in 'Business & Administrative Studies' in 2018/19 (all levels of study) split by principal subject area

JACS principal subject area	Non-EU	Other EU	UK
(N1) Business studies	30%	33%	36%
(N2) Management studies	24%	26%	23%
(N3) Finance	19%	9%	7%
(N4) Accounting	11%	5%	11%
(N5) Marketing	9%	11%	9%
(N6) Human resource management	3%	3%	4%
(N8) Hospitality, leisure, sport, tourism & transport	3%	13%	8%
(N9) Others in business & administrative studies	0%	1%	2%
Total	100%	100%	100%

HESA Student Record (2018/19), Copyright Higher Education Statistics Agency Limited

One of the participants commented that competition for students for Accounting & Finance programmes had become particularly intense in recent years and had been characterised by extensive efforts to recruit students from China. The Hospitality & Tourism subject area has a proportionately higher share of enrolments from EU countries than several other subjects. It is believed that EU students are attracted to these courses if they include the opportunity for paid work in the form of a placement, but this may change following any final agreement on the UK's future relationship with the EU.

### Keeping track of developments at secondary school level

It was pointed out that it is important to keep track of developments at secondary school level (e.g. A-Level reforms and curriculum changes) as these may require changes to the content and titles of undergraduate courses so that they are familiar to prospective students currently undertaking their A-Levels. To an extent, a business school's undergraduate portfolio should bear some resemblance to students' A-level preferences because many decide to study a similar subject at university, which is why so many students choose a Geography degree because they already have familiarity with this subject from secondary school.

# PORTFOLIO DESIGN & MANAGEMENT

This section will discuss the challenges involved in designing and managing a portfolio of business school programmes, including availability of internal resources, business school strategy, competitor analyses, and responding to the requirements of employers and government.

## Internal influences on portfolio management

Availability of resource, both locally and centrally, is naturally a strong influence in shaping a business school's course offering. The potential for future growth in enrolments for Business & Management programmes may be limited by available institutional capacity – particularly in terms of physical space, student accommodation and library resources – and several of the participants believed that their school's strategic focus would therefore shift from student numbers to quality of delivery.

There was acknowledgment from the participants that portfolio design and management is often framed by the top-down influence of the business school's strategy, whether that be to grow enrolments, achieve efficiencies in the delivery of programmes, or to create or maintain a high value brand. Some schools held ambitions to expand their portfolio whereas others were looking at making it tighter, more focussed and simpler to deliver. There was a consensus that an excessive number of courses is complex, operationally inefficient to deliver and can harm a business school's brand by confusing prospective students. However, the optimal number of programmes is likely to vary according to a business school's unique circumstances.

A strong over-riding theme from the discussions was that portfolio reviews and the approvals processes for new programmes should be evidence-based and reflect market demand rather than the interests of individual academics. Strategic and commercial imperatives now take precedence, and there is improved agility in responding to changes arising externally. Most of the participants didn't believe that it was necessary for their portfolio to reflect the subjects where their school's research performance was strong, but there was some acknowledgement that the two factors can go together provided there is student demand and also in the context of teaching informed by research.

Business schools apply a rigorous approval process for new courses which has become progressively more stringent, data-driven and commercially focused. One of the business schools allows each of its departments to develop smaller, niche Master's programmes that are piloted over a two to three year period to test their viability. This approach helps to mitigate financial risk because the new Master's programmes are costed on a marginal basis using staff that are already teaching on large undergraduate programmes and have hours available to teach on a Master's. Some of the participants acknowledged that their school's offering partly reflects historical legacy which is a compelling reason to conduct reviews to ensure programmes still meet market demand.

The danger of module proliferation was also highlighted in several discussions and one of the schools had recently implemented a review to rationalise the modules they offer. This resulted in a 90% reduction in modules offered at postgraduate level and more efficient course delivery modes which included the sharing of modules between courses. There is a continual need to refresh modules with new content to keep programmes relevant and retire those with declining interest amongst students.

## Competitor analyses

A further indication of business schools' stronger commercial focus and market-facing approach is the use of competitor analysis when reviewing their offering and the development of potential new courses. The primary objective is to identify subject areas with growing demand and space for a new entrant. For some institutions the scope of the exercise will vary by geography, as business schools whose potential pool of students tends to be based locally will examine competitors within a radius of one or two hours' travel time. Some of the participating schools create direct competitor groups using UCAS applications data so that they can identify which other institutions their applicants apply to. International offices, non-UK partner institutions and student recruitment agents are also viewed as a source of valuable intelligence, and during the course development process will provide senior decision-makers with data on what subjects are growing or declining in popularity based on the latest trends in applications, in addition to updates on the activities of competitors.

## Specialisation pathways

The interviews reveal that specialisation pathways – involving a concentration on a particular field, often in the final year – are a common route for business schools to expand into newer subject areas and diversify their course content. This was driven significantly by increased interest in specialisation amongst students, and the availability of pathways helps to give flavour to the more generalist Business Studies degree.

Specialisation is also used as a means to refresh a long-standing portfolio and also to reduce course proliferation by eliminating some standalone programmes and integrating these subjects as a specialisation pathway within a generalist Business & Management degree. This approach is seen as being much more resource efficient because the programmes will consist of a common core of modules but within a framework that allows some form of specialism through a pathway.

In contrast, because of small cohort sizes, specialist MBA programmes can be problematic in situations where around half of the modules are non-traditional to Business & Management as the resources required can only be used on those specific modules. If the programme has insufficient enrolments to cover these costs it may not be commercially viable for the course to go ahead or it may be forced to run at a loss. It was also remarked that the content of specialist MBA programmes runs the risk of becoming diluted if the programme content is too heavily skewed towards the area of specialisation and the traditional content on leadership and management is squeezed out. This can result in a programme that no longer resembles an MBA and may affect the credibility of the MBA brand.

For a more detailed examination of the variety of specialisation pathways available in Business & Management courses at postgraduate level please see the Chartered ABS report on *'Analysis of postgraduate qualifications in Business & Administrative Studies'*<sup>5</sup>.

## Changes to course titles

The respondents emphasised the importance of using research and analysis to ensure that course titles are understandable and market-facing, demonstrating that schools can speak business language. This is seen as an issue that can't be left to chance, and several had recently made changes to course titles at Master's level to make them more responsive to market needs or to ensure they are more closely aligned with the niche interests of different student groups. Course titles also need to be revised when making an existing course more specialised in focus.

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<sup>5</sup> <https://charteredabs.org/publications/analysis-of-postgraduate-qualifications-in-business-administrative-studies>

## Working across faculty

A varying set of experiences were evident when the participants were asked about instances of working with other faculty in the development and delivery of joint programmes. Collaboration can be made difficult by silo mentality, portfolio ownership and variations in faculty funding models, but there are examples of collaborative relationships that led to the successful launch of new degree programmes.

One business school had collaborated with its counterparts in the economics school to launch a new programme using standard university guidelines on cross-faculty collaborations. These guidelines advise that for such arrangements the administration of the course is split between the two faculties which meant that in this case the economics school was responsible for recruitment and the business school delivered the teaching. It was agreed at the outset that the surplus generated by this new programme would be shared equally between the two schools.

Collaborations can result from the opening of a new faculty within the university, with the business school contributing its own expertise to fields such as STEM and Art and Design. One of the participating schools had seen strong take-up for a Fashion degree that was launched in partnership with the university's School of Art & Design. Partnerships can take the form of joint research proposals or curriculum development in subjects such as AI, data analytics, blockchain, cybersecurity and the creative arts, which are of growing interest to both students and employers. As business school programmes often achieve a relatively large number of enrolments, this gives the business school some leverage in the relationship with the other faculty because the enrolments achieved through any joint programme will be relatively large compared to those typically seen in programmes run solely by the partner faculty.

The university's structure and overall culture is a very strong influence on the scope for collaboration in programme development and delivery. A very decentralised structure with individual schools essentially acting as separate institutions may make collaboration slower and generally more difficult. In the case of one of the participating schools, their university had introduced an initiative to achieve more commonality across the university, partly with the intention to make it easier to collaborate across faculty. This initiative had not yet finished but aimed to create a new university body whose responsibilities would include building cases to support the development of joint programmes. It was felt that such a body would make it easier to deliver joint programmes by issuing clear guidelines on responsibilities for administration, recruitment and delivery.

The student experience can also be very different when studying within two separate faculty as they may feel that they do not have any real 'home' within the university and staff are not always geared towards managing these situations. Foundation programmes run on a cross-university basis have led to enrolments for business school undergraduate degrees, although students are free to choose degrees with other faculty after they have completed the foundation year. One of the participating schools offered specific Business and Law progression routes as part of a cross-university Foundation year. The Foundation year proved particularly popular with international students and would also produce a pipeline of students for undergraduate courses.

## Responding to the employability agenda

Business schools are very much focused on ensuring that their programmes enhance students' employability or help them start their own business. There was a general acknowledgement during the interviews that employability is very high on the agenda of students and that business schools are responding to this in a variety of forms.

*"At postgraduate level they really want applied knowledge, they want the extra skills that will get them the job"*

This is perhaps leading students to choose courses in more specialised fields as these are seen as offering a more defined career path. Students are keen on access to industry and applied knowledge that will enable them to distinguish themselves and get a job. Students value careers advisers with industry experience, career fairs

with employers, and opportunities to work on live projects on behalf of companies. Several of the representatives commented that their schools were focused on delivering a quality placements offer and one had made it compulsory on all their undergraduate courses.

Placements are a strong driver for students, including international students, and postgraduate programmes with a placement are popular. It was remarked that in some countries the opportunity to undertake a paid placement or an internship can be perceived as just as valuable as the taught element of the course given the value a placement experience can carry in the employment market. In India there are certain roles that require an MBA as an entry level qualification so adding a placement opportunity to a pre-experience MBA enhances the appeal of the programme quite significantly. The chance to undertake placements of varying duration is also attractive to students. In general business schools have invested significantly in their capacity to arrange opportunities for workplace experience or international fieldtrips. It remains to be seen how this offer can be adapted in the face of the social distancing and travel disruption caused by Covid-19.

Another approach to enhancing students' employability is to adapt existing courses to include accreditations from professional, statutory and regulatory bodies (such as the ACCA) so that students obtain exemptions from those bodies and essentially receive added extras with their degree. UK professional bodies are often highly respected, particularly by non-EU international students, thus making degree programmes more attractive if they offer accreditations.

*"There's an increasing tendency to direct students to subjects that will almost guarantee an employment outcome".*

Business schools are also staying up-to-date with government plans for infrastructure projects in their local regions and developing courses that help develop the skills needed for these projects. One of the business schools had examined the government's plans for investment in their local airport and looked at aligning a series of research, teaching, and enterprise opportunities to those plans. This resulted in an undergraduate degree in Aviation Management which has seen very strong growth in enrolments since launch. Representation on committees consisting of companies and officials from local government is an important route to identifying skills gaps so that business schools can respond with new programmes that produce a flow of graduate talent with skills that are in demand.

## Degree apprenticeships

The consensus from the interviews was that degree apprenticeships pose both an opportunity and a threat to traditional providers of Business & Management degrees. It is believed that degree apprenticeships are attracting students that would normally enrol on a more generalist Business & Management degree because students may

*“We’ve seen pressure on Accounting and Finance enrolments because of the apprenticeships and alternative routes into the profession”.*

perceive that a degree apprenticeship in Accounting & Finance offers a clearer path into the profession. The big five accountancy firms in particular are viewed as a competitive threat to business schools’ Accounting & Finance programmes as some students may decide to go down the apprenticeship route with one of these firms rather than a business school.

However, a review of the degree apprenticeships offered by the big five accountancy firms suggests that these are largely, if not entirely, delivered in collaboration with universities as the accountancy firms do not have degree awarding powers at the present time. There could be an opportunity for business schools to deliver degrees to the employees of the large accountancy firms using their apprenticeship levy funds. Any such opening is likely to be limited to level 6 degrees due to the recent changes which mean that the Senior Leaders level 7 degree apprenticeship will no longer be funded using levy contributions.

Degree apprenticeships represent an opportunity for business schools due to the potential to deliver degree apprenticeships in volume for large corporate and public sector clients. Business schools will need to develop products that are eligible for funding by the levy, sometimes aligning parts of their existing course content with apprenticeship opportunities. As already mentioned, the recent eligibility changes are likely to restrict the degree apprenticeships market for business schools to level 6 qualifications only. One of the interview participants commented that offering level 7 courses in an online format may help lower the costs from the employer perspective as some had realised that once travel and accommodation costs are taken in to account apprenticeships are not as attractive as originally thought.

It was highlighted that it is important to monitor the drop-out rate for levy-funded programmes because some of the students, particularly at level 7, may not have a pre-degree and there is a higher risk they will underestimate the commitment required to complete the course. The market for degree apprenticeships in Scotland is believed to be more limited as they are subject to a cap.

## Increasing flexibility in course content and delivery

Most of the representatives commented that their schools had embraced innovation and change through the introduction of new modes of delivery such as online, blended learning and moving to weekend delivery. One of the schools had gone further in accommodating students’ requirements for flexibility by introducing multiple in-take points for some programmes throughout the academic year and a choice in the course duration. Non-traditional in-take points can be particularly attractive for international students given that the graduation timeframes of their education systems may not align with those of the UK.

# STUDENT RECRUITMENT

This section will discuss business schools' attempts at expanding into new geographical markets and enhancing their presence in existing markets. It will also look at the methods used to recruit students and how these have adapted to changing market conditions. The content reflects the environment before the Covid-19 pandemic which has led to an unprecedented set of new challenges for student recruitment.

## Growth opportunities in new and existing geographic markets

Following the UK government's announcement in September 2019 that the post-study work visa will be extended from four months after graduation to two years it was widely believed that UK business schools would be in a strong position to recapture market share in countries such as India where enrolments fell dramatically after 2012. However, the challenges resulting from the Covid-19 pandemic may limit the ability of business schools to capitalise on the more generous post-study work visa arrangement. At postgraduate level enrolments from India have grown for two consecutive years but remain 38% lower than the peak recorded in 2010/11. In contrast undergraduate enrolments from India have exceeded the high from 2010/11 but the undergraduate market for Indian students in UK business schools is much smaller than at postgraduate level, with 73% of all Indian students in UK business schools studying at postgraduate level.

In one of the interviews the view was expressed that although competitor countries such as Australia, Canada and Ireland had been successful in recruiting Indian students at the expense of the UK this was purely down to the visa situation and now that restrictions have been eased that trend may reverse. Indian students are attracted to the idea of working in the UK and this prospect will be enhanced by the lengthening of the post-study work period.

There is also believed to be a market in India for pre-experience MBAs as there are certain roles in India that require an MBA as an entry-level qualification. The increasing dependence on Chinese enrolments was noted during several of the discussions and one of the representatives felt that only the Indian market is large enough to offset any future

*"India's the only market of scale that can offset China".*

fall in enrolments from China. Nigeria and Saudi Arabia were cited as other potential growth markets, particularly for the MBA, although it was remarked that

managing the transition for students who don't have a background in the UK education system presents complications and can be very challenging.



## Student decision-making

Family and friends were cited as a big influence in prospective students' choices on which subject to study, with the views of the former being a very strong influence for international students as it can be the case that their parents are only willing to invest in certain subjects. There was a strong consensus amongst the participants that prospective students do not pay attention to TEF ratings and many are unaware of what the TEF is, although some concern was voiced that careers advisers at secondary schools in the UK place a lot of emphasis on TEF ratings when advising pupils but without really understanding the limitations of the TEF exercise.

It would appear that most business schools don't market their university's TEF rating unless it is gold. For the majority of universities that have a rating of silver there is arguably little distinguishable brand value that can be leveraged from their TEF rating. It remains to be seen whether business schools will market their subject-level rating if and when these are published. There was also a consensus that Chinese students are heavily influenced by business school rankings and mission group but this is much less the case for UK students who tend to be more focused on the employability angle.

The importance attached to university rankings by international students is substantiated by research by QS Enrolments who found that 20% of international applicants feel rankings are the most important factor in their study destination decisions, whilst 24% cite rankings as the most important factor in their university choice<sup>6</sup>. In addition, there is believed to be a preference for subject rankings, particularly amongst postgraduate applicants who are driven by passion for their discipline. Prospective international students to the QS survey expressed their belief that rankings are essential to a university's reputation which in turn carries weight in the employment market after graduation.

## Sources of information for students: traditional and new

Open days were mentioned by several participants as remaining an important source of information for prospective students but it was noted that social media is becoming a strong influence and that universities are yet to fully understand it and how to use influencer groups to their advantage. Students are also becoming more accustomed to channelling queries through chat bots. One of the schools noted that running career fairs in conjunction with local employers in specific sectors had proved to be particularly effective in helping maintain and grow their enrolments.

*"Students are increasingly informing themselves about the range of choices through social media and through websites".*

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<sup>6</sup> 'Demystifying the rankings white paper', QS Enrolments, 2020

## Recruitment strategy

The intensification of competition was remarked upon by more than one interviewee. As a result institutions are second guessing what approaches their competitors might take in terms of tariffs and looking to diversify their recruitment beyond the UCAS system, which may include directly targeting recruitment within local secondary schools. A business school with a higher proportion of students from a Widening Participation background found that the WP agenda resonates well when visiting secondary schools in less affluent areas. These visits demonstrate what people from economically disadvantaged areas can achieve through a university education.

Some business schools are becoming more focused in which countries they are choosing to recruit from on the rationale that a 'long tail' with few enrolments from lots of different countries doesn't represent an efficient use of marketing spend. Under this strategy business schools won't turn down applications from low priority countries if they receive them, but they will not recruit proactively from such countries.

The interviews didn't find much evidence that business schools prioritise recruitment to certain programmes but a participant did reveal that their school has a focus on 'protecting' programmes that are ranked highly and will invest more to hit their recruitment targets for these courses. Other influences on student recruitment are the uncertainty resulting from OfS policy and what they will deem acceptable practice, and the importance of having in place strong 'wrap-around' support as a means of convincing students of the quality of an institution's offer beyond the course itself.

*"It does play well when academics go and visit schools in more deprived areas and demonstrate what students can achieve".*

## Transnational Education

Plans for expansion within the TNE space are very much on the agenda for most of the schools who participated in the study. Their TNE ambitions consist of three modes: franchise arrangements to deliver programmes via local partners in other countries, the operation of overseas campuses, and top-up programmes in which a student obtains a degree from their home institution and a UK business school by studying with the latter for one year.

These TNE arrangements have been adopted as a means of income diversification and to find new markets for existing products. They would appear to have been successful to date and there is believed to be room to leverage these opportunities further, particularly in relation to recruiting more Chinese students on to top-up programmes. It was also felt that UK business schools could be more adept at retaining international students after they complete their undergraduate top-up programme so the student decides to stay on at the same school to undertake their Master's degree.

It was commented that TNE arrangements involving campuses outside of the UK can be very complicated because the nationality of the student may often be different to the country in which the campus is based, which is in addition to the campus being operated by a UK provider, and therefore requires significant central administration in relation to visas and other requirements.

Although the consensus is that TNE remains a growth opportunity it was noted that with overseas campus arrangements there is a replacement effect in that students who would otherwise have moved to the UK to study are simply studying at the provider's overseas campus instead. It remains to be seen what role TNE arrangements could play in enabling international students to study with UK business schools if they are unable to travel to the UK due to restrictions related to the coronavirus outbreak.

# COMPETITIVE CHALLENGES & OPPORTUNITIES

This section is largely based on the responses to follow-up questions that were received from the original interview participants in the summer of 2020, in addition to relevant material gathered from the first round of interviews carried out between November 2019 and January 2020. This section focuses on the impact of the Covid-19 pandemic on the competitive environment for UK business schools and the possible effect on demand for various Business & Management subjects. It also discusses the risks posed from the reliance on the Chinese market, the emergence of new competitors and the UK's final agreement for withdrawal from the EU. Also included are potential mitigation measures business schools can adopt to protect their market share, continue to respond to students' interests and maintain the focus on employability.

## Covid-19 complicates an increasingly competitive environment for business schools

Even before the onset of the pandemic, UK business schools faced a number of competitive risks, including alternative providers with degree awarding powers, online providers, and large companies delivering business education to their staff in-house. The coronavirus outbreak has highlighted starkly the UK business school sector's reliance on enrolments from China. The improvement in the quality of Chinese business schools and the possibility that they could deliver courses in English at much cheaper rates than UK business schools is a competitive risk that may not be too far on the horizon. China now accounts for 19 of the world's top 200 research universities in the QS World University Rankings for 2020, increasing from 12 in 2016<sup>7</sup>. While Chinese business schools have the potential to be a significant competitor for UK business schools, it was commented by one of the interviewees that obtaining a degree from a UK university will continue to carry strong appeal amongst Chinese students who see this as a means of enhancing their credibility with local companies in China who want graduates who are able to speak English.

It remains to be seen whether countries such as Australia and Canada will be able to continue to increase their market share of international students at the expense of the UK given the uncertainty as to how the pandemic may progress in these countries and whether there will be restrictions on the travel of foreign students. There is a further question as to the impact on students' ability to afford the costs of studying abroad given the economic crisis. In the follow-up discussions significant emphasis was placed on the importance of a strong online offer not only for teaching delivery but also for creating engagement with prospective international students.

Following the closure of their campus due to the pandemic, one of the schools participating in this study launched a pre-session course in a virtual classroom for prospective international students using a variety of technologies and e-books. This course was targeted at international students who were thinking about choosing to study at this particular institution but needed to improve their English first. This was successful in raising the business school's profile and encouraging enrolments despite the backdrop of Covid-19. Now is also an opportune time for business schools to utilise social media more effectively in managing interactions with existing and prospective students.

Should the requirement for social distancing persist into 2021 and beyond, it is almost inevitable that online and blended programmes will become a bigger share of the business school market than previously. Obtaining a competitive advantage in this environment will require strategic considerations as to which current or new programmes would compete best in a totally online marketplace. Business schools will also need to explore whether they have the capability to deliver blended learning programmes for part-time students, and the form this would take in terms of programme design and pedagogy.

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<sup>7</sup> 'Academic reputation tracking', QS Enrolments, 2020

### **In the short-term business school location is likely to be a bigger influence on students' decisions than programme offering**

One of the follow-up questions focused on whether the participants thought that certain Business & Management subjects would see decreased or increased demand as a result of the Covid-19 pandemic, including new and emerging fields. The consensus was that it was too early to make any judgement given that the full implications of the pandemic will not become apparent for some time yet. The view was expressed that student demand will become more sensitive to the geographic location of a business school rather than the specific subjects available, as students seek to avoid densely populated areas more susceptible to outbreaks of coronavirus. It was felt that Scotland may become more appealing as a location given the more limited extent of its coronavirus outbreak compared to England in particular.

In terms of subjects that might emerge as being more pertinent as a result of the pandemic, Data Analytics was mentioned as a field that was growing before the pandemic and may well continue to do so as government and industry realise the importance of data in being able to quickly identify and tackle systemic risks before they escalate to a level that becomes almost impossible to control. Existing Business & Management subjects may well be re-focused to reflect important lessons from the pandemic. These include Strategy, in the area of crisis management and managing uncertainty, and Logistics and Supply Chain Management in relation to humanitarian response. The only field within Business & Management that was cited as likely to experience a fall in demand was Hospitality & Tourism Management which already had declining enrolments before the pandemic and is likely to have even worse prospects now as travel-related jobs decline.

Although enrolments from international students are expected to decline, one of the participating business schools is expecting an increase in enrolments of UK postgraduate students for the 2020/21 academic year as the alternative of employment becomes less viable due to the contraction in the jobs market. The same school had taken the decision to cancel their full-time MBA programme for 2020/21 as it is very practically oriented (usually including company projects) and they were unsure if they could deliver it to the desired standard given the current challenges associated with social distancing.

### **Portfolio changes will be limited in the near future as the focus shifts to new modes of teaching delivery**

When questioned in the follow-up interviews about their plans for new courses in the immediate future, none of the schools expressed any plans for major changes or the imminent launch of programmes combining multiple subjects and the consensus was that single subject courses remain the focus. The contingencies necessitated by the pandemic had naturally led to a focus on teaching delivery and the blending of different methods, and plans for more novel programmes had been put on hold. Over the longer-term a number of new programmes were being considered, including Creative Industries, Digital Business Management, Engineering Management, Sport Management, and Technology Management.

## **To respond to changes in students' interests business schools will need to improve their ability to work cross-faculty**

The issue of working cross-faculty to launch new programmes that cover multiple fields was explored in more detail in the follow-up discussions. There was an acknowledgment that to adapt to changes in the economy and students' interests business schools will need to become more adept in this area. Fintech, Fashion and Engineering were cited as some of the many areas in which business schools may need to partner with colleagues in other schools in order to deliver programmes relevant to the evolving economy.

However, there are long-standing barriers to achieving this, including the different processes and timetables used by various schools within the same university, different entry requirements, and the potential for quite small cohorts in the case of programmes that require students to have proficiency in subjects that rarely go together (for example, Chemistry and Languages). Cross-faculty programmes can also leave the respective schools pulling in different directions with decisions made in one not taking into account the effects on the other. Selling a business school product with a different brand on it can lead to complex issues related to ownership, branding and marketing.

One of the interviewees compared successful cross-faculty collaborations to Mergers & Acquisitions in the private sector - there needs to be people in each faculty who are keen to drive through the process based on a common theme that appeals to the market and fits the research interests of the academics involved. On a similar point, it was suggested that cross-faculty courses need to be genuinely co-created and focus on course identity rather than faculty/school identity.

The student experience on cross-faculty programmes also needs to be given extra consideration so that the course operates seamlessly and is perceived by the student as a single university experience. Students need to have a clear point of contact for queries and there should be consistency in practices for assessment and moderation across both faculties involved. The interactions with students need to be co-ordinated, for example, ensuring that both schools hold their reading weeks in the same week, coordinating timetables more effectively so there are no clashes, etc.

## **The employability agenda remains a key focus but the disruption caused by Covid-19 represents a significant obstacle**

There was a consensus that business schools and universities more generally need to do a lot more thinking about the implications of the pandemic on the employability agenda. Given the likelihood of a significant worldwide recession, the opportunity to gain workplace experience through a placement may be more valued by students than ever before but there are significant doubts as to whether enough placements will be available to satisfy student demand. In a more positive experience, one of the interviewees commented that thus far in the pandemic they had been able to maintain their partnership arrangements with employers who had been happy to move placements and consultancy projects online.

There was no indication from the interviewees that employability in general had slipped down the priority list due to the pandemic and plans remained to expand activities further. One of the participating schools is considering running a comprehensive first year module focused on employability skills for all their Accounting, Finance and Management undergraduate programmes, along with a guest lecture series from industry experts and engagement between students and local small businesses.

The use of online platforms instead of in-person employability activities is likely to take on even greater importance in the era of social distancing, and such a platform has already been used successfully by one of the participating schools in relation to topics such as writing a CV and negotiating a pay rise. As the shift to online learning becomes an enduring situation, it is felt that business schools can do more to develop students' skills through collaborative online learning and community engagement.

## **The impact of a final Brexit agreement on enrolments from the EU**

There was a strong consensus that EU enrolments will decline significantly if the final agreement for the future relationship between the UK and EU stipulates that EU students must pay the same fees as non-EU students. One of the representatives commented that all UK institutions are preparing for the worst case scenario which assumes that there will be virtually no EU students in the UK a few years from now. However, business schools are also taking steps to mitigate this impact, including establishing campuses in EU countries. On the plus side, a suggestion was floated that Brexit could result in skills gaps which would serve as an impetus for demand in certain fields from UK students.

# ADAPTING TO THE EVOLVING MARKET FOR BUSINESS & MANAGEMENT EDUCATION

The importance of flexibility in adapting to the many changes affecting the market for Business & Management education was clear from the first round of interviews conducted for this project between November 2019 and January 2020 before the full impact of Covid-19 was known. Given the crisis subsequently caused by the pandemic, flexibility is now unavoidable if business schools are to satisfy the needs of students from different backgrounds, and to maintain and grow their market share in the face of a diverse set of competitors based domestically and abroad.

Demand for Business & Management education in the UK has been strong over the last six years, with most of the core subjects seeing significant growth in enrolments, and there is no reason to think that students are likely to lose interest in the near future. A potential risk, however, is that existing portfolios may lose their relevance if the programmes do not reflect the changes occurring within the global economy and the shift towards digitalisation especially.

Before long there may well be an expectation amongst both students and employers that new, overarching themes should be integrated within business school programmes as standard. It is promising that some of the core subjects taught by business schools have a degree of cross-over with some of the skills currently in-demand by employers. Relationships with government – both central and local – and with companies will also be useful in keeping up-to-date with the latest economic trends. The pandemic may itself offer opportunities to reshape course content in light of the need to better understand and mitigate systemic risks.

Whilst business schools have responded to students' preferences for specialisation by launching more specialised programmes at postgraduate level, there remains an appetite for generalist courses such as the MBA and International Business Studies programmes. The latter have proven to be very attractive to students in recent years and it is worth monitoring whether the pandemic leads to reduced interest in courses with a global focus. Programmes that combine Business with a non-Business-related subject seem to be quite niche at the moment, but there is the potential for increased demand if industries evolve in ways that require skills that cut across traditional boundaries.

Competing successfully in the current environment will require a more intense focus on evidence-based decision-making in relation to the approval of new programmes, the management of existing programmes, and student recruitment strategies. In order to tailor offerings to students' preferences, business schools may consider carrying out more detailed analysis as to what students are looking to achieve from a particular programme and how this may fit with the future career path they envision. The pandemic has many complex implications for the employability initiatives that business schools have spent a lot of time creating, and flexibility will again be required to manage students' expectations and maintain relationships with employers.

The contingencies resulting from Covid-19 will also make flexibility in course delivery and format essential, but the key will be to administer these approaches in a way that represents a seamless and high quality experience for each student. Online will also have a stronger role to play in creating engagement with prospective students. Being adaptable in approaches to Transnational Education will also be crucial to maximising student recruitment given travel constraints and the uncertainties surrounding the UK's withdrawal from the EU. Approaches will be needed to accommodate international students who would like to study in a UK business school but are reticent about travelling in the current environment. Furthermore, the implications of any final agreement on the UK's relationship with the EU may mean that establishing campuses in EU countries is an attractive option for UK business schools to recruit students from the EU from January 2021 onwards.





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