The State of the Business School During COVID-19

Thank you to the nearly 100 (n= 96) deans of a broad representation of U.S. business schools who participated in our latest survey of what is happening right now in the marketplace during the pandemic. The survey provides new data on timely topics such as:

• What pandemic responses will live on beyond the crisis?

• Will the online mandate disrupt traditional offerings and create new competitors?

• To what degree is net revenue being impacted?

• Will demand for OPMs increase along with demand for online learning?

• Are traditional business schools ready for competition in the online marketplace?
The Situation Has Led to Substantial Cuts

Quick Takeaway:
More than 75% of institutions have had to make staff and general budget cuts during COVID-19.

Where, if anywhere, were you forced to make cuts impacting your business school, due to the financial strain caused by the global pandemic?
Despite Staff and General Budget Cuts, Portfolios Remain Intact

Quick Takeaway:
In a seeming contradiction, deans appear to hope to “do more with less” rather than reduce the number of graduate programs in their portfolio. Many even report expecting their programs to grow.
Survey of Business School Deans

Going Online May Be Harder Than it Seems

Quick Takeaway:
In March, deans were more bearish on the OPM industry. Eight months later, they are more bullish. There are mixed points of view.

Now that you have more experience with online learning, how do you believe demand for OPMs will change?
Revenue Hit? It May Depend on Your Ranking

Quick Takeaway:
Deans of schools ranked in the top 100 business schools report expecting revenue growth, this year and next. Not so for those outside the top 100.

Compared to the last AY before Covid-19, what impact do you expect Covid-19 to have on your business school’s net revenue?
But, There is More Optimism about Durability and Survival

Quick Takeaway:
The number of business school closures predicted by deans due to COVID-19 is now less dramatic than it was in March. Programs ranked outside the top 100 report believing closures will be more prevalent.

What impact do you believe Covid-19 will have on the rate of business school closures across the country?
Lower Ranked Schools More Concerned About Competing Online

Quick Takeaway:
Top 100 ranked institutions are not concerned about struggling in the highly competitive online marketplace; while many outside the top 100 are.
Institutional Flexibility May be a Key to Adapting to a New Competitive Landscape

Quick Takeaway: Brands, product differentiation, price and marketing costs are the currency of online competition. Public and private institutions have different advantages and disadvantages.

Please select up to 3 factors that present the most challenge to your institution as you seek to compete in the online space.
A Market Shift to Non-Degree Programming

Quick Takeaway:
Nearly everyone is planning to increase focus on non-degree programs, making a crowded sector even more competitive.

Do you believe non-degree learning (credentials, upskilling) will become a more important part of your institution's graduate portfolio in the next 12 months?
Do you believe your historical competitors will change because of the growth of online learning?

No 8%
Yes, somewhat 76%
Yes, substantially 16%

Quick Takeaway:
Ninety-two percent of deans believe the predominance of online learning will shift the competitive playing field, in ways that are not yet clear for most institutions.
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