Sergio Olavarrieta
University of Chile
Graduate School of Economics and Business

TRENDS IN POSTGRADUATE MANAGEMENT EDUCATION
4 Major Trends

- Strategic Focus and Scope
- Customer Value Propositions
  - Learning: Faculty and Delivery
  - Service & Convenience: Infrastructure and Location
- Accreditation, Quality and Rankings
- Financial Model
Trend 1: Strategic Focus & Scope

Multiple Segments

- Executive Ed/Undergrad/Grad, Hybrid programs (Biz Law, Design Management, Innovation)
- Geographic
- Sought benefits
- Disciplines
- Socioeconomics & Price points
- Work experience

<table>
<thead>
<tr>
<th>Geogr Levels</th>
<th>Local</th>
<th>National</th>
<th>Global</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergrad</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grad</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Executive Ed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hybrids</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Trend 2: Value Propositions

Seal/ Key Benefits
- Thinking, Tools vs Mixed
- Status vs Tradition
- Focus (Mktg, Fin, Innovation, etc.)

Services
- Content vs. Experiences
- Full vs Partial Service

Convenience
- Single vs. Multiple locations
- Tuition/ Price
- Length

Drivers/ Resources
- Learning Objectives
- Faculty & Method
- Locations & Staff
- Network/ Alumni
- Brand
Trend 2: Value Proposition: Learning... Delivery & Faculty

- Participant Focused vs Instructor Focused
- Content vs. Experiential
  - International Study Tours
  - Simulations
  - Experimentation
- Technology Enabled
- **Faculty Challenges!!!..... Ph.Ds scarce and not trained to teach**
Trend 2: Value Proposition: Service & Convenience

- Facilities
- Locations
- Technology
- Class size
Trend 2: Value Propositions …
Different Schools

SCHOOL A
- Status
- Service
- High Convenience

SCHOOL B
- Thinking
- Experience
- Low convenience/
  Single Location

SCHOOL C
- Tools
- Content
- High Convenience/
  Internet
Trend 3: Accreditation, Quality and Rankings

- Increasing costs (direct, mental, growth)
- Impossible to meet all standards and to satisfy all of them
- Strategy is needed in order to choose and opt among Trade Offs!!!!!
Trend 4: Financial Model

Constraints:

- Lower state funds and scientific funding
- Resources needs and Increased costs (infra, faculty, methods, mktg)
  - Complex internal stakeholders
- Size for economies of scale
Some Strategic Responses and BSchool Moves

Scope Expansion:

- Multi Segments
  - From undergraduate to graduate to graduate (Many schools)
  - From Graduate to Undergraduate (UAI, ESAN, etc.)
  - From Executive Ed to Graduate (Dom Cabral)

- Geographic Expansion:
  - National
    - Tec Monterrey, ESAN
  - International
    - IESA, INCAE, UAI (Miami), U Chile o FSU (Panama)

- Multibrands:
  - IAE- U. Austral (Argentina)
  - INALDE – U. La Sabana (Colombia)
  - U. Sergio Arboleda / PRIME Business School
  - IEDE- U. Andrés Bello-AIEP (Chile)

- Mergers / Acquisitions
  - Euromed / Bourdeaux
  - Higher Ed Global Groups (Laureate)
Some Strategic Responses and Biz School Moves

Infrastructure (Hard/ Soft):
- Infra Master development plans, Real Estate & Tech investments
- Marketing
- Services, Processes, Prof. Staff.

Faculty:
- Mixed Faculty / Careers
  - Ph.D. Research / Mixed / Teaching focus
  - Clinical Professors & Adjuncts
- Training and Alignment
  - Internal PH.D. Faculty development
  - Teaching methods, participant centered
  - Cross curriculum faculty alignment
  - Delivery measurement

PARITY or ADVANTAGE?
Focus vs. Growth
Summary:

- Scope and Value decisions
- Stakeholders, Accreditation/ Ranking requests
- Align and pick resources: Parity, Advantage, Growth
- Faculty challenges: size, competencies, training and alignment
- How do we finance it ??? Growth, Efficiency, Consistency