

A New Way of Working and Learning

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PROLOGUE

In July of 2018 the Executive MBA Council (EMBAC) brought together a group of business education associations, advisory boards, and steering groups, focused on the needs of business education students who are also full-time working professionals. The premise of getting the group together was to stimulate dialog between groups as a way of providing each other with broader insights. Over time this group has been informally referred to as the Working Professional Task Force (WPTF).

It's important to point out that each of the individual entities involved with the WPTF operate completely autonomously, and are formally organized independent of each other. However, the ongoing discussions between these groups has proven to be very valuable. For example, the premise and framework for the research contained within this report was the result of the collective thinking of these disparate groups.

While EMBAC served as the financial sponsor and project lead for this effort, we are thankful for all the voices involved in seeing this project come to fruition!



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1. EXECUTIVE SUMMARY

The relationship between employee and employer has been changing for some time. Gone are the days of the job for life, in many cases replaced by the self-employment of the gig economy. A world where technology has meant work can be completed anywhere at any time has challenged organisations to create new leadership models that work remotely, digitally and virtually. Add in a workforce that spans the generations as it has never done before with people working longer as they live longer and retirement is postponed, and you have a sense of the growing complexity that face organisations and business schools as they seek to find the best solutions to motivate, engage and develop people.

On top of all of this the last six months have seen a pandemic spread around our connected world disrupting work in a way that no technology has managed to do. All of this is the background for 'A new way of working and learning', the report commissioned by the Working Professionals Task Force.

Inevitably, the impact of the COVID-19 pandemic is at the forefront of business schools, employers and learners thoughts at present, but many of the changes it has brought about were already in the system. Uncertainty, digital transformation of companies, online and lifelong learning and remote working are not new, although the pandemic may have accelerated some of these trends.

The global financial crisis of a decade ago ushered in much change in learning provision – on-campus executive education has been declining, programs have been getting shorter and more delivery has involved technology over the past decade. If there are five words that sum up both the change that has been taking place and the change that is yet to come, they are flexibility, longevity, speed, skills and technology.

Flexibility is clear in both the ways that learners study and the approaches that employers want. While demand for traditional degree qualifications remains steady the mode of study and the qualifications sought has changed. Full-time MBAs are less popular and are being replaced by online study, diplomas, certificates and digital badges are on the rise and the stackable degree, studied in modules over long time periods, is frequently discussed.

For the employer, developing staff no longer always means people taking time off from their day-to-day work, but using a variety of digital tools to access learning, wherever and whenever is convenient. Employers also want to ensure that learning is relevant, dismissing one-size fits all approaches to work with providers who can tailor flexible approaches to their particular learning needs. Employees are playing a larger part in shaping their learning and in turn receiving more personalised approaches to maximise the effectiveness of the development they receive.

Many of these changes in approach are part of both individual learners and employers seeking a quicker return on investment for their education spend. Employers need individuals to quickly be up to speed on new technologies and skills, to learn something and then apply it in the workplace rather than continue learning for weeks, months or even

years before returning to the workplace and then putting into action something they studied some time ago. Individuals want to know that if they make an investment in their learning, they can recoup that spend through increased earnings or securing their employability. The just-in-time approach to supply chains is increasingly a feature of learning and development.

While speed is increasingly a feature of learning and development so is longevity. People are living longer with retirement postponed and to remain in the labour market they are having to upskill and reskill. Employers are also finding that the rapid pace of change of technology in particular also means that they need to update staff skills more frequently than before to ensure they are as effective as possible in their organisations, sometimes reskilling staff completely to take on new roles. Lifelong learning has truly arrived.

Longevity is also a feature of the relationship that employers and individuals want with learning providers. While both employers and individuals are open to new providers, especially those offering short courses online, the provider brand also plays an important part in choices of where to study. For the individual, where the qualification may not be a well-recognised traditional degree or the approach to learning is classroom-based, the brand of the provider provides credibility for a future employer. For employers, reputation built in the education space over many years remains a powerful signal when considering purchasing large development programs.

Although demand for technology skills will be strong, there will be similar demand for social and emotional skills, to provide individuals with the tools to do jobs that can't be done by computers. T-shaped learners will be more to the fore as individuals look to add creativity, critical thinking and problem solving skills to their personal mix and employers seek staff who can lead across generations, geographies and diverse workforces to deliver effectively.

In all of these changes, it is technology that is to the fore, whether that is driving the need for reskilling and upskilling, offering new approaches to learning for individuals, bringing new providers into the learning and development marketplace or simply transforming the way we lead our lives. The digital wrapper as part of learning will become a common feature, for some programs digital delivery will be the majority of the learning, for others part of a blend split between the classroom and the online world, and for some it will simply supplement studies before, during or after other aspects of learning.

A new world

The world of work was already changing ahead of the global COVID-19 pandemic. Knowing precisely how the pandemic will change work further is difficult to determine, although change may come more rapidly than would have been anticipated before.

For many, the pandemic has been an unexpected experiment, doing things that wouldn't have been considered just six months ago. The experience, especially of remote working, has often been a positive one with staff discovering that more could be done better than they might ever have been anticipated. Yet remote working is just one small part of changes in the world of work set out in this report.

Many individuals can't wait to get back to working the way they did before COVID-19, although around one in five are considering changing career, starting their own business or moving to a new employer. Almost a third want more flexibility in their work.

The pandemic may also have an unexpected impact with necessity being the mother of invention. Institutes of higher education will have achieved more in months than they would have done in years when moving to online learning. There may also be a further benefit for business schools from the pandemic, as the world becomes more complex, so the demand for school's services to help organisations deal with complexity will increase.

The pandemic will undoubtedly grow blended learning, but in doing so it raises other questions for business schools, specifically what value do they add when they bring people together in a classroom. Being clear about the value will be key to engaging successfully with organisations and learners.

Before the pandemic, globalisation was a theme for many businesses, building markets around the world and developing international teams. However, there was also growing 'nationalism' seen in trade wars between countries and domestic politics in some places. With countries locking down in the pandemic and borders remaining closed in some places, the nature of globalisation will be an increasing challenge for organisations, rethinking supply chains, employment and business development.

A new world of work

A large part of the change in the employment market is driven by increased longevity and a consequential need to work longer before retirement and to update skills to remain in employment. As people work longer, so another issue arises in the workplace, managing diversity and making the most of a workforce with different attitudes to their lives and careers whether they are 17 or 70.

Add to longevity with increased remote and distributed working, widespread digital transformation, virtual teams, a focus on wellbeing, organisational models that are shifting from silos to decentralised structures and a new relationship between business and society, and it's not surprising that organisations are seeking new approaches to managing, developing and leading people.

The impacts of digital transformation on the world of work are many and varied. Staff at all levels need to have a better understanding of technology, some will require detailed technical skills while senior executives will need to understand technology such that they can leverage it effectively for their organisation. Those working remotely may find growing ambiguity in their working lives, seeking greater engagement from managers and human resources specialists.

Transformation, in whatever form it takes, is also driving a demand for strategic and leadership agility and business model innovation among employers. The reshaping of the relationship between business and society has meant a focus on governance, values and sustainable business practice.

With large changes in the world of work, it becomes increasingly difficult for business schools to prepare students for careers. Rather than technical skills schools are having to focus more on 'soft' skills that can help graduates prepare for jobs that don't yet exist. T-shaped learners with broader tops to their 'T' including transversal skills such as problem solving, critical thinking and creativity are likely to become common.

Employers will seek to recruit staff who embrace digital transformation, bringing together technology and management skills and those who can challenge views by combining innovative and critical thinking.

The drive for digital transformation stands out among employers when asked what is driving their learning and development - the top choice is to introduce new technology, followed by improving productivity and efficiency, maintaining professional standards/competencies and building a workforce fit for future business needs.

A new way of learning

The global financial crisis moved much of executive education from the classroom to locations chosen by employers. Today, a growing amount of learning is blended and the pandemic is likely to accelerate that trend with technology offering greater flexibility allowing individuals the chance to study when it is most convenient for them.

Personalisation will be a growing feature for learners across content, delivery methods and using data to ensure individuals make the most of their studies. Adaptive learning, co-creation of content involving providers, employers and employees and fluid studies with learners moving between classroom and online to suit their needs will all be part of the new ways of learning. However learning takes place, there is likely to be an expectation of a high quality digital wrap around for most programs.

Not all managers have embraced online learning with some uncertain about the quality of the experience and the outcomes obtained, fearing a loss of control when individuals can drive their own development. The shift online has also meant that luxurious learning has tended to disappear with time and money both cut to deliver more efficient learning.

A new type of learner

While there is change across learning and development, some things remain the same. For many learners, the main motivation for study remains a desire to improve their earning potential, a feature that has appeared consistently as a top motivator across a decade of CarringtonCrisp research.

However, learners are increasingly looking for a rapid return on investment in their learning. The most popular approaches to learning are short courses, delivered digitally and leading to digital badges or certificates to recognise completion of studies.

The importance of return on investment is also clear when learners are asked about the most important considerations when choosing a learning provider – cost is the top issue. Add to the list flexibility and excellent technology to support learning, and it is no surprise that learners increasingly believe that a blended model combining face-to-face and online learning is an ideal skills development path. More learners believe online study provides a richer and more effective experience than face-to-face learning.

It's not just how learners want to learn that is changing, but also what qualification they want. Industry recognised qualifications (e.g. CPA, CFA, etc) are most popular and while a Masters degree is also sought by many learners, diplomas and certificates stand out ahead of an MBA or EMBA.

A new set of skills

With digital transformation across the world of work, inevitably there is a focus on acquiring appropriate skills. However, employers don't just want technical geeks, instead they are seeking staff who offer technical, emotional and social skills.

Employers prioritise digital transformation, equality and diversity, artificial intelligence, productivity and operational efficiency and data analytics and data-driven decision making in their learning needs. When looking for skills in the labour market, leadership skills are highly rated, but also considered to be widely available.

Interest in equality and diversity is not surprising as employers indicate that the skills required to manage a multi-generational, diverse workforce are important, they are least widely available. Crisis management is only considered important by two-thirds of employers, but is the second least available skill.

Leadership is also the most popular topic among individual learners followed by business development, digital transformation, productivity and operational efficiency, communication skills and innovation. Improved leadership is also the primary impact at work that individuals are seeking from their learning followed by better decision-making, more effective problem solving, better project management, meeting personal career objectives, mastering a particular skill and increased personal confidence at work.

Although leadership is a popular topic across both employers and individuals, it can mean many different things to different people and organisations. New leadership models are emerging through flatter structures, geographically dispersed groups of staff and the need to deploy stronger emotional intelligence. Leaders will need to develop teams with shared mindsets, who can build bridges and make the right connections to deliver higher performance.

A new style of business school

It has never been a case of business schools being the only providers in the learning and development marketplace, but now more than ever business schools need to be clear about the value they offer and the competition they face. Consultants, training companies and

professional bodies have always been part of the learning and development market, but now there are a host of 'alternative' providers, often with a technology led approach.

LinkedIn Learning is the most widely known of the 'alternative' providers followed by Future Learn and edX, with others such as Udemy, Coursera and General Assembly part of the growing landscape of competitors for business schools.

Which providers are used depends on a host of factors with reputation, focused content, understanding of a business sector and learning that enables staff to have an impact at work all to the fore. Business schools have certain advantages in the marketplace, starting with rigorous selection processes for candidates which mean recruiters can see the quality of potential staff which may not be present in open programs at 'alternative providers'. Many individuals also indicate that a business school would be their first choice for future learning having studied at a business school previously. Individual learners also highlight the great opportunities that business schools offer to build a personal network. Strong alumni relationships will be key for many schools seeking to build their lifelong learning offer.

Business schools may also be better at making connections across different topics, both within business education and across universities, something that 'alternative' providers will find more difficult.

Despite the advantages that business schools have in the learning and development marketplace, many employers believe that business schools need to change. Whether it is reinventing their MBA to make it relevant for the future, creating a specific lifelong learning offer or developing flexible approaches to taking a degree, all are anticipated as part of the business school of the future.

Employers are also seeking business schools that offer short, inexpensive programs to deliver relevant skills for those working, closer relationships with employers to develop relevant programs and clarity about how their offer positively impacts wider society not just business and industry.

Business schools will increasingly need to become learning partners for employers rather than just degree factories. Personalisation that delivers flexible, blended and tailored approaches to learning will be key with schools having to develop an agility that has not always been part of their make up in the past.

Business schools may consider different business models, whether that is a subscription approach to learning, partnerships across business and higher education and externally and a greater focus on lifelong learning rather than traditional degree delivery. For business schools, there is a clear need to decide who they want to be and what they want to deliver.

2. AN OVERVIEW OF THE MARKETPLACE

“In 40 years in academia, I have never experienced a faster pace of change. I am convinced that the future belongs to those institutions that are nimble enough to stay in front of the wave of change and, more importantly, help define what will be next in education.”

Rafael Bras, Provost, Georgia Tech

2.1 The Working Professional Task Force (WPTF) commissioned CarringtonCrisp to undertake research on the future of work and its potential impact on business education. Business education providers are already feeling an impact from lifelong learning and the WPTF wished to gain greater insight into the changing nature of work, the potential future organisation of work and the attitudes of the lifelong learner.

Specifically, the WPTF sought to examine:

- Better understand future models of work including what the importance of leadership, business acumen, organisational savvy, and decision-making competencies will be
- Consider how organisations may organise their resources in the future and how that might impact what business educators need to do to enable this future organisational dynamic
- Understand what the different learning preferences and segments might be in light of the future of work and how business educators may think about the different channels
- How business education can adapt its degree and nondegree content to better fit the personal and organisational needs in light of the future of work
- Explore the need for continuous and life-long learning in light of the evolving future of work requirements

To that end, CarringtonCrisp undertook three distinct pieces of work:

- Desk research to review existing studies on the future of work and the role of business schools in supporting this future
- Interviews with a selection of senior leaders in global business schools and employers
- Two online surveys – one with those responsible for commissioning learning and one with individual learners across three different age groups

This section provides an overview of trends in the learning and development marketplace and business school provision.

Key findings from the desk research

- Increased life expectancy will drive the lifelong learning agenda, potentially reshaping undergraduate studies, producing longer engagement with institutions for reskilling and upskilling and new business models in higher education.

- Growing demand for social and emotional skills, to carry out work that can't be done by computers.
- Demand for technical skills is strongest in technology fields where there are substantial shortages in some areas.
- The campus experience remains popular with Gen Z, but older learners are increasingly likely to consider online study for convenience, cost and career reasons.
- There is growing demand for short courses leading to diplomas/certificates with brand and reputation increasingly important in choice of provider as learners seek to gain qualifications recognised by employers.
- MBA applications are down overall, but in the USA online MBA applications are up at 50% of schools.
- There are a growing number of new providers entering the market, often technology-led, providing both traditional and alternative qualifications.
- Historically, some employers created their own corporate universities for their employees, but are now partnering with higher education institutions to deliver learning opportunities for their staff or developing programs that are available to audiences outside their own organisation.

2.2 Published in 2016, *The 100 Year Life* by Lynda Gratton and Andrew Scott brought into sharp focus many of the issues that were being discussed and the implications of increased longevity and a disrupted world. With longer lives comes lifelong learning and a growing need for people to upskill and reskill throughout their lives to remain employable.

2.3 At the same time, technology is rapidly changing the world of work, in terms of the roles taken by employees, the nature of employment itself and the tools used to do jobs. At the same time, people are living longer lives, with a growing number expecting to work into their 70s before retiring. The concept of having a number of different careers during a lifetime has replaced the historic idea of a job for life. And all of this was before the arrival of the COVID-19 pandemic, perhaps the biggest disruption in the world at present.

2.4 In February 2020, CarringtonCrisp released other research with EFMD and GMAC highlighting some of the trends among future workers and employers. Just under 2500 current students, faculty and employers completed the *See the Future* study. Among the student respondents, 41% expect to still be working in their 70s and 50% expect to change career completely at least once in their lifetime. Among the employer respondents, 84% believe that their future graduate recruits will need to be prepared to upskill and reskill throughout their lives to remain in employment.

2.5 Following the publication of *The 100 Year Life*, McKinsey produced a report in 2017 (*What the future of work will mean for jobs, skills, and wages*), which suggested that between 2015 and 2030, 250 million to 280 million jobs could be created through rising incomes on consumer goods with a further 50 million to 85 million jobs generated from higher health and education spending. The report stated that “While many of these new jobs will be filled by staff trained specifically for the roles, others will go to people shifting from occupations now in decline. It is suggested that as many as 375 million workers may need to switch occupations and consequently, need to learn new skills.”

2.6 It is not just technical skills that are increasingly in demand. In the same 2017 report, McKinsey commented that “Workers of the future will spend more time on activities that machines are less capable of, such as managing people, applying expertise, and communicating with others. They will spend less time on predictable physical activities and on collecting and processing data, where machines already exceed human performance. The skills and capabilities required will also shift, requiring more social and emotional skills and more advanced cognitive capabilities, such as logical reasoning and creativity.”

2.7 According to the LinkedIn Emerging Jobs Report, published in December 2019, the top 15 emerging jobs in the USA are:

1. Artificial Intelligence specialist
2. Robotics Engineers
3. Data Scientist
4. Full stack Engineer
5. Site Reliability Engineer
6. Customer Success Specialist
7. Sales Development Representative
8. Data Engineer
9. Behavioural Health Technician
10. Cybersecurity Specialist
11. Back End Developer
12. Chief Revenue Officer
13. Cloud Engineer
14. JavaScript Developer
15. Product Owner

2.8 While many of these jobs have a high technical component, the LinkedIn report commented “Demand for soft skills is likely to increase as automation becomes more widespread. Skills like communication, creativity, and collaboration are all virtually impossible to automate, which means if you have these skills, you’ll be even more valuable to organizations in the future.”

2.9 The focus on skills is clear in CarringtonCrisp’s report, Executive Education Futures, published in December 2018. In the study, employers identified the following learning and development priorities for their senior staff:

- Productivity and operational efficiency
- Business development: leading for growth
- Growth and scalability
- Strategic marketing and communication
- Business model innovation
- Managing a multi-generational, diverse workforce
- Creativity and design thinking
- Risk management

Many of these themes are repeated in the surveys carried out for this project and are detailed elsewhere in this report.

2.10 It's not only what people want to learn, but how they want to learn and what qualifications they want, much of which is determined by their job requirements and career aspirations. In a recently published report from LinkedIn, titled 'A New Era for Higher Education', respondents to a survey were broken down across the generations – Gen Z, Millennials, Gen X and Baby Boomers. While Gen Z respondents were most likely to seek a campus experience for their learning in the next 12 months, all other groups indicated they were most likely to study online over the same period.

2.11 Interest in online learning has been growing as the quality and breadth of the offer has been growing. Whether enforced online learning during the pandemic will grow the interest of current students for their future learning remains to be seen, but some online MBA providers are reporting increased applications at present. For those already working, online learning also offers considerable flexibility and the opportunity to take their learning and quickly apply it in their careers, rather than taking time off to study on campus for a degree and only being able to take that learning back to a career post-graduation.

2.12 GMAC data tends to support shifting patterns in terms of how people want to learn. Between 2018 and 2019 applications to graduate management programmes globally were down 3.1%. Among the total sample of responding programmes, slightly more programmes reported year-on-year application declines (52%) than growth (41%) or stability (7%). MBA applications were down 6.9% year-on-year, while applications to business Masters degrees rose 5.4% in the same period. The most popular Masters degrees were MSc Finance, MSc Data Analytics and the Master in Management.

2.13 Within the MBA market full-time programs have taken the brunt of application declines while online MBAs have been growing. Most US online MBA programmes either grew (50%) or remained stable (10%). In the UK, part-time MBAs backed by the apprenticeship levy have grown significantly in the last 18 months with several programmes having enrolments of more than 100 students.

2.14 Demand for traditional on-campus postgraduate study varies around the world. The GMAC data reveals that 56% of European graduate management programs reported an increase in international applications. In Canada, half of the responding programmes report international application growth, including 26% with significant increases. In China almost three-quarters of programs report domestic application growth with 43% saying they saw an increase in international applications.

2.15 Part of the shifting demand for learning and development is also about the qualifications themselves. The LinkedIn study found that although Masters degrees remained popular, there was also noticeable demand for diplomas/certificates as well as for short skills courses for an online provider and industry-recognised qualifications. Also, notable in the LinkedIn study is a continuing interest in studying at a business school – more than 55% of each generation see business schools as offering a great opportunity to build their personal networks and more than 40% of all bar the Baby Boomers say their first choice for future study would be a business school where they had previously studied.

2.16 Reputation and brand experience are important factors for those considering where to study and business schools have a considerable advantage in this respect. Learners have many choices today from a range of new private entrants to the online program managers (OPMs) working with universities and other providers to platforms such as LinkedIn Learning.

2.17 Among the challengers entering the business education market are [Jolt](#), with their Not an MBA programme run on micro campuses in Tel Aviv, London and New York with class sizes of just 14 and [Quantic](#), which describes itself as the mobile-first business school. Among individuals, acceptance of and interest in other providers is growing; the LinkedIn study found Coursera, Udemy, General Assembly and LinkedIn Learning all considered as providers by more than 1 in 5 of Generation Y.

2.18 Much of the innovation that is appearing today has been driven by MOOCs which first appeared in 2011. Seven years later, more than 100 million people have tried a MOOC and over 900 universities had launched 11,400 MOOCs. MOOC-based degrees now have more than 10,000 enrolled students.

2.19 There are also a number of examples of business working with higher education to deliver learning, either directly to meet skill demands or as a work-related benefit for individual staff. One example is the partnership between Starbucks and Arizona State University which provides for Starbucks staff to take an undergraduate degree tuition free. To date, 18,000 staff have enrolled and nearly 2,400 have graduated, with the scheme being extended to the UK in 2019. In the UK, KPMG partnered with three universities a few years ago to offer accountancy degrees; students have their study fees paid, guaranteed summer holiday jobs and a three year job with KPMG on graduation.

2.20 In an interview with the [Straits Times](#) in January 2020 the Singaporean Minister for Education, Ong Ye Kung, pulled together a number of the strands set out in this introduction. While he foresaw a growing university participation rate, it would not come primarily through more young people studying, but with “working adults who want to pursue higher qualifications”. The Minister further suggested that “Singaporeans will have to move away from the idea of “frontloading” education, that is, completing all their study before going out to work” instead interspersing study with work.

The Minister went on to comment “To keep on adapting and advancing, you have to embrace lifelong learning. The old assumptions for many professions, that you must achieve a certain stock of knowledge and skills to see through your career, will have to change. This means that you don't have to frontload education too much.”

3. WHAT EMPLOYERS THINK AND WANT

Key findings from the employer survey

- Upskilling and reskilling, adding social and emotional skills will be a focus of corporate learning.
- Flexible working is likely to be embedded in organisations as a result of the COVID-19 pandemic with business models evolving to ensure continued prosperity.
- Online and blended learning are likely to become standard approaches among employers with many using such approaches to save money when faced with cuts in budgets for staff development.
- Employer demand for learning and development will continue to be driven by regulatory requirements, but new technology and productivity are more important.
- Business schools are widely used by employers to meet learning and development needs, but employers question whether some schools are too theoretical, lack specific expertise and create limited workplace impact.
- Employers believe business schools need to offer more flexible approaches to degree study, develop short, inexpensive skills development programs and be clear about how their offer positively impacts wider society.
- Leadership development and communication skills programs are important for employers and are widely available, while managing a multi-generational, diverse workforce is also considered to be important but programs are least widely available.
- Digital transformation programs are highlighted as being in greatest demand over the next three years.
- Employers are open to new types of qualifications with microcredentials considered valuable in meeting development needs.
- Reputation of a provider and ability to create relevant content are key to employer choice of an organization to support their staff learning and development.

3.1 Two surveys were undertaken – one with employers and one with individual learners to understand more about the changing world of work and the responses required in terms of learning and development. A panel provider was used to generate the samples for both surveys with a specification requiring a particular geographic distribution of respondents in each survey.

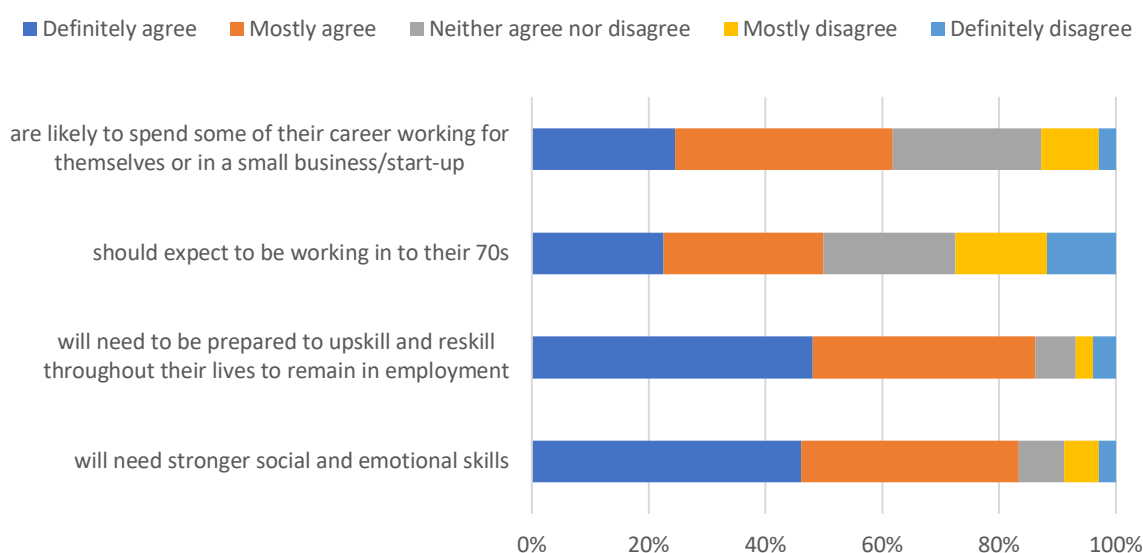
3.2 The employer survey went to 100 employers split geographically as follows: 25% North America (USA/Canada), 25% Europe, 15% India, 15% Hong Kong/China, 10% Africa and 10% Latin and South America. Analysis has been conducted for the total sample, but also for regional breakdowns where India and China have been grouped as an Asian sample and Africa and Latin and South America have also been grouped. A separate deck of slides has been provided with detailed graphs and tables for the groups analysed.

All respondents had to have one of the following roles and be working in companies with at least 500 employees: HR Directors, Learning & Development Directors, Talent Directors and Recruitment Directors. Typically, in many of the regions covered in the survey the majority of firms will have fewer than 500 employees, but smaller firms may have limited regular engagement with business schools and business education. Some of the views of smaller

firms were collected in the employer interviews. Among the respondents, 86% indicated that they can decide which programs staff in their organisation attend and which providers they use when seeking learning and development for employees.

3.3 The starting point for the study was to better understand how employers saw changes in their workplace. Provided with a set of four statement about the future of work, employers in the survey were most likely to agree (86%) that future employees will need to be prepared to upskill and reskill throughout their lives to remain in employment. In acquiring new skills, there is anticipated to be a focus on stronger social and emotional skills, identified by 83% of employers.

Figure 1: Employer perspectives on a series of statements about the future of work for individuals



3.4 The findings from the See the Future study, referenced earlier in this report are reflected in two further statements put to employers – 62% believe employees are likely to spend some of their career working for themselves or in a small business/start-up and half that employees should expect to be working into their 70s.

3.5 Across the world, employers in North America and Africa/Latin America were most likely to recognise the need for upskilling and reskilling throughout the life of an employee while those in Asia were most likely to identify the need for stronger social and emotional skills in their staff.

3.6 Inevitably, the COVID-19 pandemic is having an impact on the worlds of work and higher education. The research was commissioned in advance of the pandemic, but the timing of the employer and learner surveys meant that it was possible to add a question about the pandemic impact. Respondents were provided with six statements about the potential impact of the survey and asked for their views on each statement.

3.7 From a work perspective, the responses are very revealing with 44% of employers in the survey definitely agreeing that ‘I anticipate our organisation will embed flexible working as part of its future operations’, and a further 42% definitely agreeing that ‘I anticipate our organization will seek to develop a new business model to prosper in the future’. Of course, it is too early in most cases to anticipate what new business models might involve, but it is likely that many will seek to introduce more digital components into their business such that they are insulated from some of the impacts of the current pandemic.

However, 31% definitely agree that ‘I don't anticipate the COVID-19 pandemic having long term implications for our organisation’, although 17% definitely disagree. There are also just over 1 in 4 (26%) who definitely agree that ‘I anticipate it will be difficult for our organisation to recover from the impact of the pandemic’.

Figure 2: Employer views on the impact of the COVID-19 pandemic on their organisation



3.8 The move to digital is certainly clear in attitudes to learning and development post-pandemic. Just under half (46%) of the employer respondents definitely agree that ‘I anticipate online learning becoming the standard approach to developing people in our organisation’. Almost a third (32%) definitely agree that ‘I anticipate learning and development spend in our organisation being reduced for several years following the pandemic’.

At a time when employers will be coping with a new normal and many may be seeking to innovate their business model with smaller numbers of employees, a drop off in learning and development spend may bring further problems, slowing innovation and impacting customer service.

3.9 Around the world views vary about the impact of the pandemic. Almost half of North American respondents don't anticipate the pandemic having long term implications for their organisation, while only 15% of Africans/Latin Americans have the same perspective. Not surprisingly given this difference, 70% of Africans/Latin Americans anticipate their organization will seek to develop a new business model to prosper in the future; only 24% of Europeans share this view. Between a fifth and a third of all respondents in all regions definitely agree that 'it will be difficult for our organisation to recover from the impact of the pandemic'.

North American employers in the survey are most likely (62%) to anticipate that their organisation will embed flexible working as part of its future operations, but only 28% of Europeans definitely agree. More than half Latin Americans, Africans and North Americans anticipate 'online learning becoming the standard approach to developing people in our organisation'. Among North Americans more than half anticipate learning and development spend in their organisation being reduced for several years following the pandemic, but elsewhere a maximum of 25% definitely agree.

3.10 The nature of the recession that has been created by the pandemic is being hotly debated. While there are some signs that there may be a rapid recovery, the debt created by many national governments to ameliorate the impact of the pandemic on their populations will leave its mark on economic activity for many years.

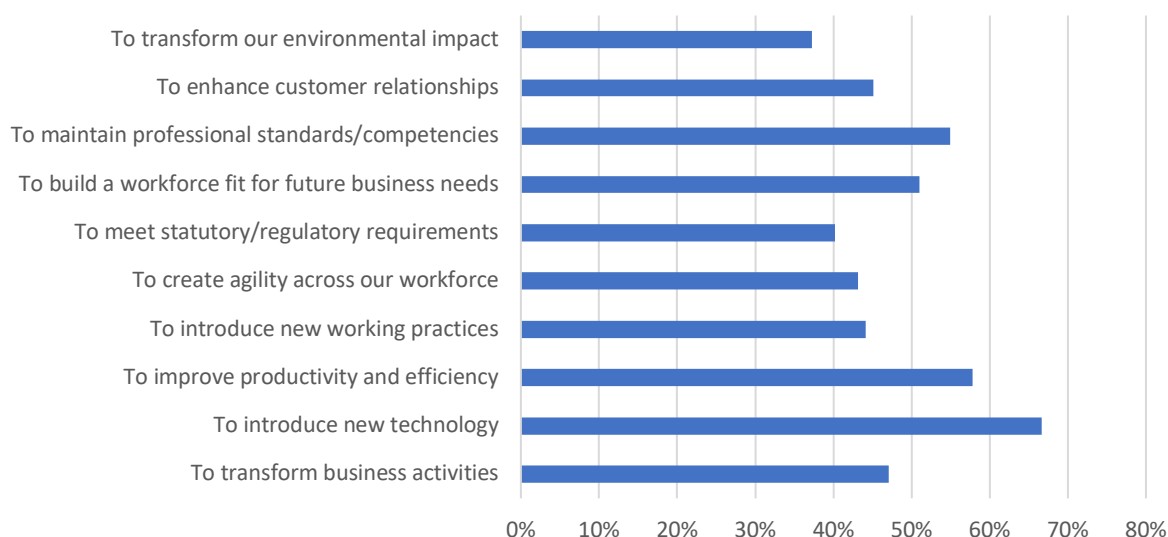
3.11 To try and understand better how the world of work is changing, employers were asked what had been driving learning and development in their organisations over the past two years. More than half the respondents identified four of the ten options offered:

- To introduce new technology (67%)
- To improve productivity and efficiency (58%)
- To maintain professional standards/competencies (55%)
- To build a workforce fit for future business needs (51%)

The introduction of new technology and improving productivity and efficiency may go hand-in-hand, and in making these changes there will be a need to build a workforce fit for future business needs. Maintaining professional standards/competencies will always be a requirement for organisations, but again may become a higher priority with rapidly changing technology that leads to new processes and requirements being adopted.

3.12 The introduction of new technology is the key driver around the world, however in Asia much learning and development has also been at the forefront of maintaining professional standards/competencies, while in North America improving productivity and efficiency is as important a driver as new technology.

Figure 3: Drivers of learning and development programs in organisations over the past two years



3.13 Given the drivers of learning and development in organisations, it is perhaps not surprising that the type of learning and development activity undertaken in the last two years was focused on industry certification, highlighted by two-thirds of respondents. However, beyond industry certification, the other most often used types of activity are perhaps more surprising with mentoring chosen by 63% of employers, coaching by 52% and degree programs by 51%. The pattern of responses suggests a personalized approach to learning and development aimed at making the individual as productive as possible within their career.

3.14 Employers were also asked where they went to get help with their learning and development needs. Just over half of those responding (53%) already use business schools to meet some of their needs, however, Professional/Industry/Trade bodies (67%) and Online providers (65%) are used more widely. Of course, it may be that there is some crossover between online providers and business schools with an increasing number of schools offering online provision even prior to the pandemic.

Among those not using business schools, four reasons stood out:

- Other providers offer programs which better meet our development needs (33%)
- Business schools are too theoretical and not sufficiently abreast of the real-world challenges we face (31%)
- Business schools don't have the specific expertise we are seeking (29%)
- We have not seen any real impact back in the workplace after investing in a business school program (27%)

Figure 4: Reasons given by employers for not using business schools to support their learning and development



Globally, there are some differences in the use of business schools for learning and development - schools are most likely to be used by Asian employer respondents (71%) and least likely in Europe (36%). However, in Asia online providers, professional/industry/trade bodies and consulting firms are also popular alongside business schools. Professional/industry/trade bodies are the most likely to be used in Europe and Latin America/Africa with online providers most likely to be used in North America.

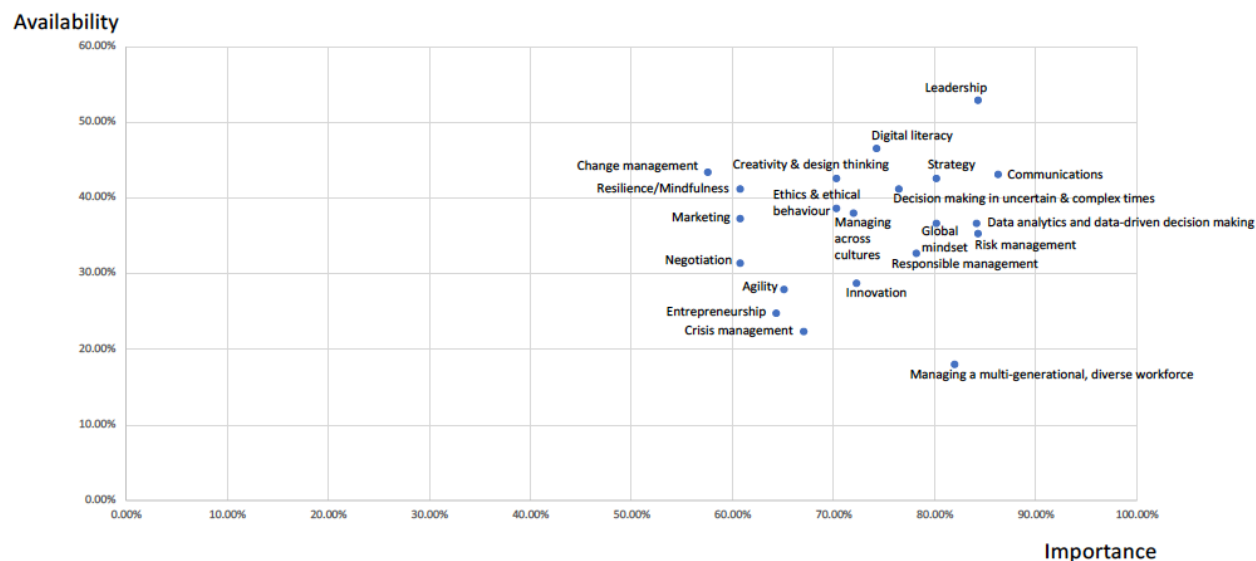
3.15 A further indicator of changes in the world of work might be drawn from a question which asked employers to identify skill importance and availability. Two skills stand out for different reasons. Leadership is considered to be important but widely available, while managing a multi-generational, diverse workforce is also considered to be important but least widely available.

Leadership has been a perennial requirement as individual careers have advanced and continues to be important. Employers suggest that leadership skills are widely available, perhaps a reflection of the many courses and programs in this field, however while leadership training is widely available, individuals with leadership experience may be less common.

3.16 The importance of managing a multi-generational, diverse workforce has been growing for a number of years. Different attitudes to work and employment across generations have made the task of making the most of teams more difficult, requiring

understanding and smart leadership. Teams have also changed in recent years in their international make-up and it has never been more important to ensure a focus on equality for all in the workforce.

Figure 5: Employer views of the importance and availability of skills



3.17 Communication is considered to be the most important skill, but is also in the top five of widely available. Again the importance of communication can be seen in managing a diverse, international workforce, but also communication is one of those skills that becomes ever more important as automation rises and the need for clear, customer interaction grows.

3.18 Change management is considered to be the least important skill, although 58% of respondents still consider it important, and it is in the top five most available skills. Given the digital transformation of work that is ongoing, it might have been anticipated that change management would have been considered more important by employers. Perhaps, change management is seen as too broad a topic, with employers interested in those with specific skills that can feed into a change management process.

3.19 Crisis management is only considered important by 67% of employers in the survey, but is the second least available skill. Given the current pandemic, it may be that employers will review this rating in the future – crisis management skills have been very much to the fore in recent months and their lack of availability may be responsible for some of the problems now faced by employers and governments.

3.20 A further indication of the changing world of work and the ways in which business schools might respond comes in a question about priority learning needs over the next three years. Five areas are highlighted by more than a quarter of responding employers as being important:

Digital transformation (28%)
 Equality and diversity (25%)
 Artificial intelligence (25%)
 Productivity and operational efficiency (25%)
 Data analytics and data-driven decision making (25%)

Given previous data about employer attitudes, digital transformation and equality and diversity are not surprising inclusions in the list of priorities. Artificial intelligence speaks to a specific skill need within digital transformation as does data analytics and data-driven decision making, both of which were highlighted in the LinkedIn Emerging Jobs report.

Figure 6: Topics identified by employers as priority areas for learning and development in the next three years

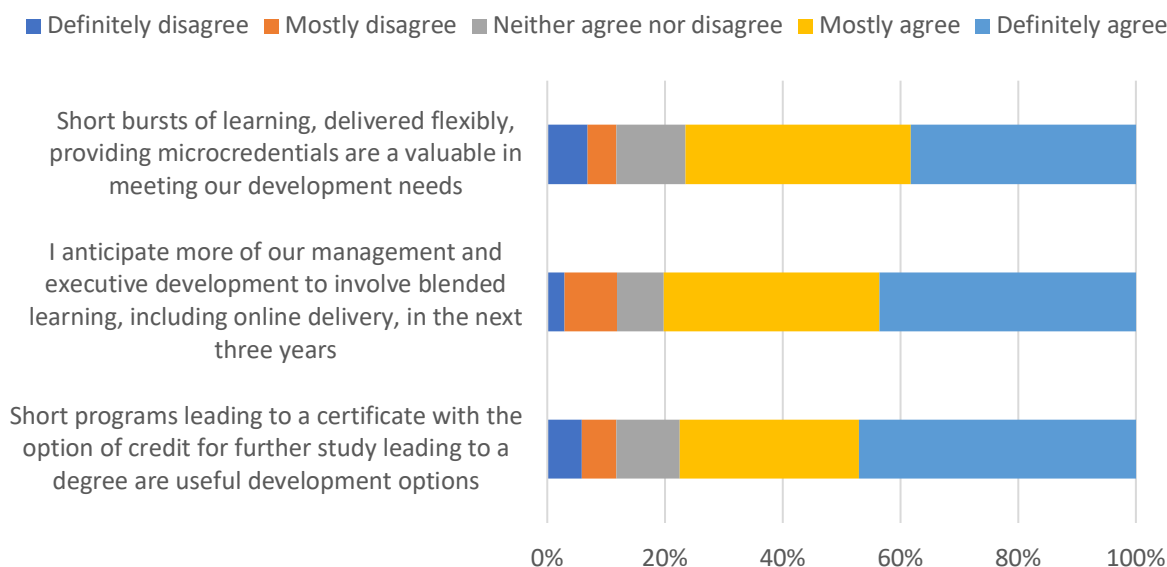


3.21 Beyond topics for learning and development, employers were also asked about the future approaches they are likely to take to learning and development, again providing clear indicators for business schools considering their provision in this space. Eight out of ten employers in the survey definitely or mostly agree that they anticipate more of their management and executive development to involve blended learning, including online delivery, in the next three years. Almost the same percentage, 77%, definitely or mostly agree that short programs leading to a certificate with the option of credit for further study leading to a degree are useful options.

Growing interest in stackable qualifications has also been found among prospective Masters students in CarringtonCrisp’s annual study, Tomorrow’s Masters. The flexibility of a

stackable approach, the quicker impact and enhanced return on investment make stackable approaches of interest to both employers and individual learners.

Figure 7: Employer attitudes to different approaches to learning and development



Just over three-quarters of responding employers (76%) definitely or mostly agree that short bursts of learning, delivered flexibly, providing microcredentials are valuable in meeting our development needs. Rather than the stackable degree, a further slicing of content to produce microcredentials that don't lead to a degree are also popular.

With the exception of Asia, more than 40% of respondents in all regions expect more of their learning to be blended in the next three years. There is also a noticeable difference between North America and Europe, with respondents from North America much more likely to consider a stackable approach to degree learning or microcredentials.

3.22 Further evidence of the future of work can be found from answers to a question to employers about what they would look for in future employees with two areas particularly highlighted:

- Embrace digital transformation, bringing together technology and management skills (46%)
- Challenge views by combining innovative and critical thinking (38%)

Employers across Europe and Asia indicate that embracing digital transformation, bringing together technology and management skills will be particularly sought in future employees. In North America, employees have who have completed an internship/work experience prior to seeking a full-time job is key. In Africa/Latin America, challenging views by combining innovative and critical thinking, having a strong entrepreneurial outlook and having a broad understanding of the issues facing global society are seen to be important for future employees.

3.23 For business schools seeking to work with employers, there is a need to understand not just about changes in the world of work and the skills that employers are seeking to

develop in their workforce, but also what employers look for in a learning and development provider. Provided with 12 considerations when deciding which provider to work with, those identified as most important by the respondents (ranked 1, 2 and 3) are:

- Reputation of the provider (32%)
- Ability to create content clearly related to my business needs and challenges (29%)
- Staff with a deep understanding of our business sector (27%)
- Learning that enables staff to have an impact at work (28%)

Least important is cost of provision, which was ranked 10, 11 or 12 by 41% of respondents. The importance of brand and reputation was highlighted earlier in this report and in many respects business schools have an advantage over new market entrants. Add in the accreditation of business schools by national and international accreditation bodies, academic rigour, alumni outcomes and history of provision, and business schools have a potentially important competitive advantage over other providers.

3.24 Finding out about learning and development providers and their offer is another key task for employers, with more than 40% of those taking the survey identifying five sources of information:

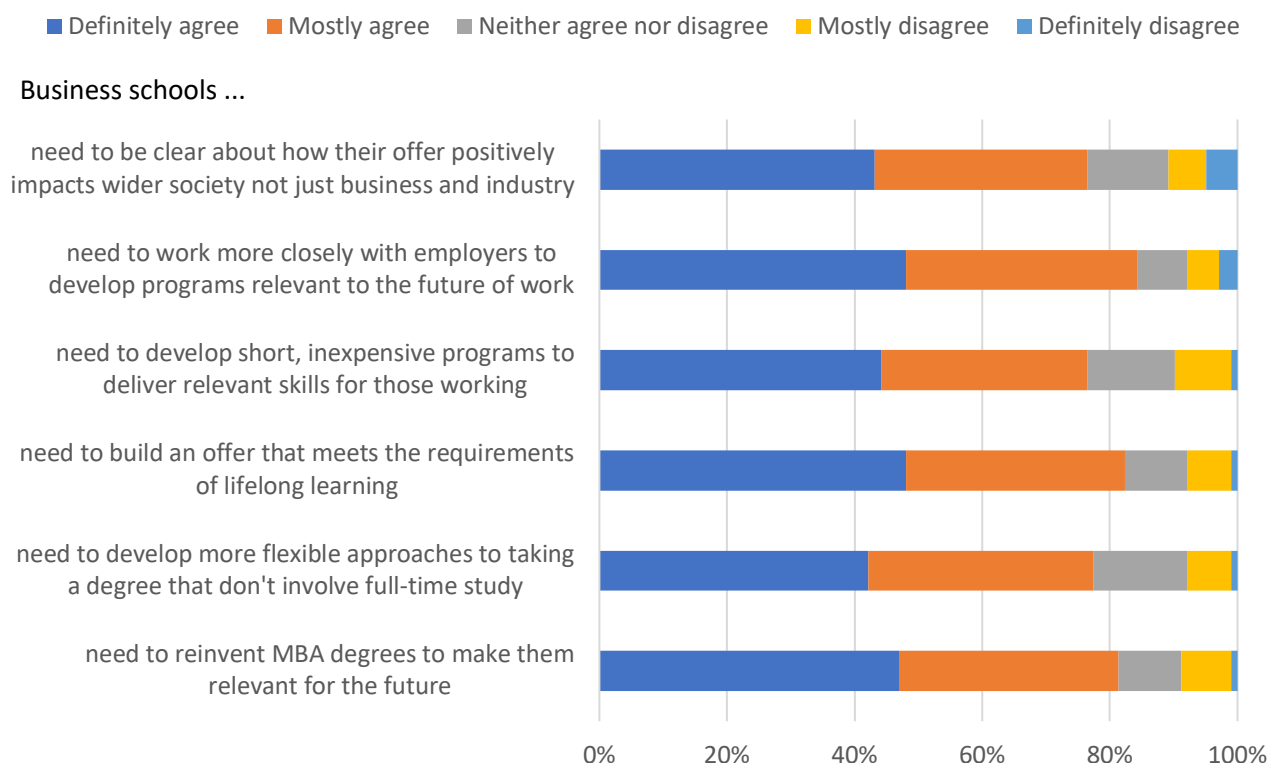
- Membership body in the executive education field (53%)
- Business school rankings (46%)
- Online search (45%)
- Social media (44%)
- Organisation I have previously worked at (40%)

For Asians and Europeans, a membership body in the executive education field is the most important source of information while for those from North America, social media leads the way while in Latin America/Africa it is recommendation that is most important. Business school rankings are particularly important in Asia, online search is also important in North America and Asia, and recommendation is important in Europe.

3.25 Despite the advantages that business schools enjoy compared with other providers, employers identified a number of areas for improvement. Specifically, 81% of employers in the survey believe that business schools need to reinvent MBA degrees to make them relevant for the future. Some schools will argue that reinvention of the MBA has been going on for some time, but the number of full-time MBA programmes closing continues to rise. It may be that the challenge for business schools is to better communicate the change in their MBA degrees rather than make more change.

Given the need to upskill and reskill identified by employers, it is not surprising that 82% of them also urge business schools to build an offer that meets the requirements of lifelong learning. Just over three-quarters (77%) also believe business schools need to develop more flexible approaches to taking a degree that don't involve full-time study, aligning clearly with earlier findings about growing use of blended learning.

Figure 8: Employer views on the future development of business schools



More than three-quarters of responding employers also believe that business schools need to develop short, inexpensive programs to deliver relevant skills for those working (76%), work more closely with employers to develop programs relevant to the future of work (84%) and be clear about how their offer positively impacts wider society not just business and industry (76%).

North American respondents were most likely to agree that business schools need to work more closely with employers to develop programs relevant to the future of work. In Asia and Europe, most employers were likely to agree that business schools need to build an offer that meets the requirements of lifelong learning. In Africa/Latin America, most employers agreed that business schools need to develop more flexible approaches to taking a degree that don't involve full-time study.

3.26 For any employer considering using a provider of learning and development, a key consideration will be outcome or, more precisely, the impact on their business. Understanding how employers measure impact may help business schools design relevant courses.

Individual impact is most likely to be assessed by measuring how effectiveness at problem solving is enhanced by taking a course, with other important measurements taken of improvements in leadership and communication skills, the successful introduction of new

tools/processes at work, increased personal productivity and better decision-making. At a corporate level, impact was most likely to be assessed by measuring customer satisfaction, productivity of the organization/growth/sales/reduced costs, financial performance of the organization and achievement of general organizational goals.

Across the world there are some differences in measuring impact. In North America, individual impact was most likely to be sought in more effective problem solving and better time management, while in Europe the focus is on delivering change and meeting personal objectives. In Asia, successfully introducing new tools and/or processes at work is highlighted. Across organisations, customer satisfaction is most likely to be used to measure impact in all regions bar Asia, where productivity of the organization/growth/sales/reduced costs is the main measure of corporate impact. Any measurement of impact is difficult given the other factors that may affect change in an organisation or individual performance, but having a sense of what outcomes a company is seeking when investing in learning and development is important when designing courses and programs.

4. WHAT LEARNERS THINK AND WANT

Key findings from the individual learner survey

- Individual learners understand they will need to learn new skills to advance their career with many doing so online during the pandemic.
- Business schools are considered by individuals often because of the opportunities to build personal networks or because they have had previous experience of studying at a school. However, there are concerns about the cost of study at business schools and learners would also like greater flexibility in their studies.
- Alternative providers are widely known among learners with around 3 out of ten having used or being prepared to use certain providers.
- Learners are keen to explore their potential, but also curious to find new ways to create value, leveraging their creativity.
- Individual motivation to study is led by enhancing earning potential, seeking particular skills, improving employability and building professional networks.
- Leadership skills are a priority for learners followed by business development, digital transformation, productivity, communication and innovation skills.
- Improved leadership is the most sought after impact from learning followed by better decision-making, more effective problem solving and better project management.
- Masters degrees and MBAs remain popular with individual learners, but industry-recognised qualifications and diplomas/certificates are similarly popular.
- While degrees remain popular, the approach to studying for a degree is changing with learners expecting to take a series of short courses often involving a blend of online and classroom delivery.

4.1 The individual learner survey was completed by 300 respondents split geographically as follows: 25% North America (USA/Canada), 25% Europe, 15% India, 15% Hong Kong/China, 10% Africa and 10% Latin and South America. The groups were further split by age such that one-third of the response came from each of the following groups – 25-35, 36-45 and 46-55. All respondents were required to have a minimum of an undergraduate degree and to have expressed an interest in future management learning to enhance their careers.

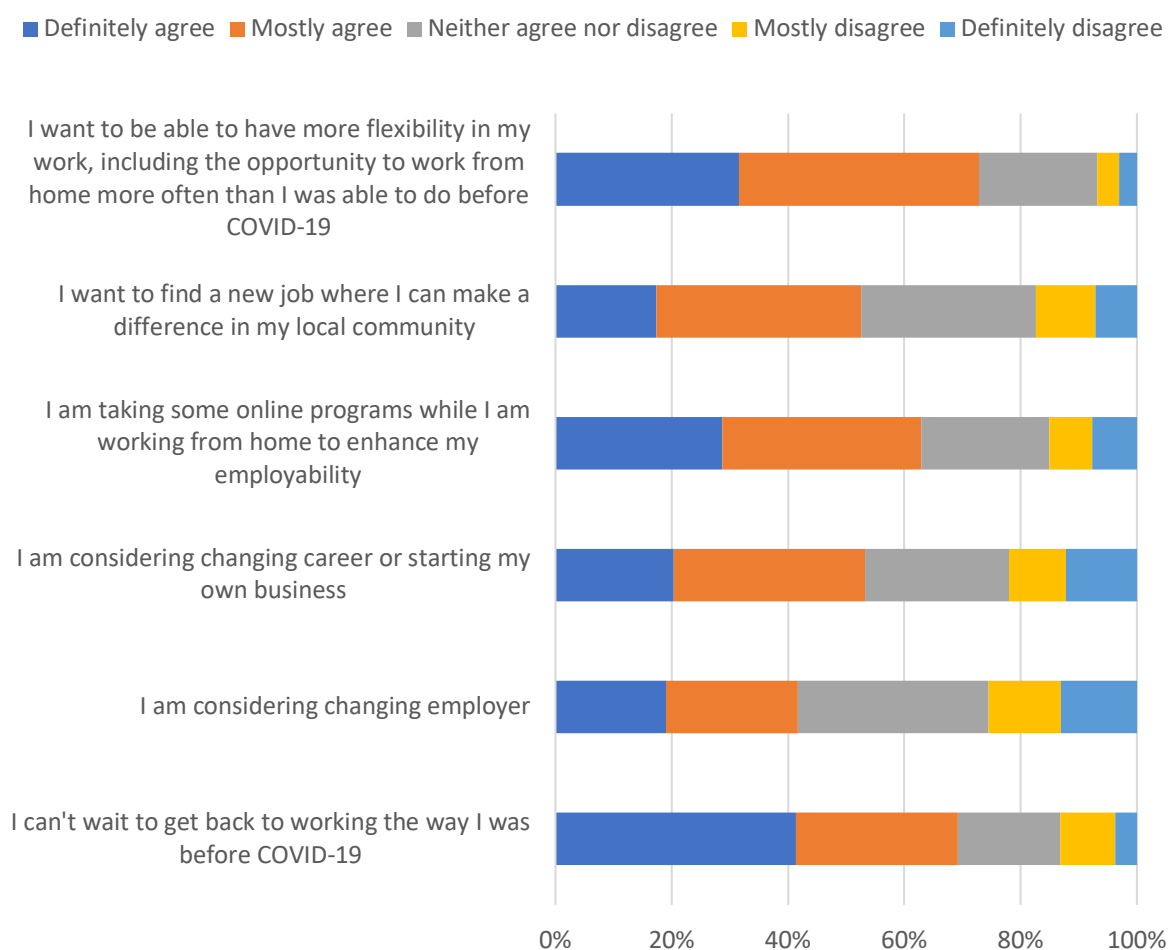
Analysis has been conducted for the total sample, but also for regional breakdowns where India and China have been grouped as an Asian sample and Africa and Latin and South America have also been grouped. Breakdowns have also been completed by the three age categories. A separate deck of slides has been provided with detailed graphs and tables for the groups analysed.

4.2 Among the respondents, 17% are studying for or have a Masters' degree, while 15% are studying for or have an MBA. Respondents were split 53% male, 46% female, while 43% consider themselves to be in management roles, while 13% are Directors.

4.3 Respondents were also asked how they would describe themselves with 45% (the largest group) indicating they were keen to explore their potential. Just under a third (32%)

indicate they are curious to find new ways to create value and they consider themselves creative.

Figure 9: The impact of the COVID-19 pandemic on individual learners



4.4 As with employers an understanding of perceptions of the future of work has to go hand-in-hand with expectations of the COVID-19 pandemic. Respondents were again provided with six statements about potential impacts of the crisis and asked if they agreed or disagreed with each statement.

Individual attitudes seem less certain than those of employers with 41% definitely agreeing with the statement ‘I can't wait to get back to working the way I was before COVID-19’; only 4% definitely disagree. One in five definitely agree ‘I am considering changing career or starting my own business’ and slightly fewer (19%) that ‘I am considering changing employer’. Changing jobs may also mean changing the nature of jobs and 17% definitely agree that ‘I want to find a new job where I can make a difference in my local community’.

Almost a third (32%) definitely agree that ‘I want to be able to have more flexibility in my work, including the opportunity to work from home more often than I was able to do before

COVID-19'. The experience of enforced working from home, although challenging for some, has also offered a much better quality of life for others who would like to make it a permanent part of their working lives. A number of tech companies have already indicated that they will make this offer to their employees either for an extended period or in some cases indefinitely. In order to make these career and lifestyle changes, 29% definitely agree that 'I am taking some online programs while I am working from home to enhance my employability'.

4.5 There are differences in attitudes to the pandemic by age and location. The youngest group, 25-35 year olds, are most likely to agree that they can't wait to get back to working the way they were before COVID-19, with numbers declining as people get older. The oldest group, 46-55 year-olds, are most likely to consider changing employer after the pandemic. Again those aged 25-35 are most likely to have been taking some online programs while working from home to enhance employability. With fewest responsibilities younger respondents seem to be keenest to want to make the most of their involvement in careers, growing opportunities for the future, while older employees, perhaps many with children, are more cautious about returning to the world before the pandemic while there is still uncertainty about health issues.

Despite these differences, those aged 36-45 are least likely to want to be able to have more flexibility in their work, including the opportunity to work from home more often than before COVID-19. This may reflect the difficulty of working with young children in the house at the same time or a nervousness about not being back in the office when redundancies maybe looming large. The youngest group are twice as likely as 36-45 year olds to agree that they want to find a new job where they can make a difference in their local community, again perhaps reflecting changes in society rather than specific attitudes to careers.

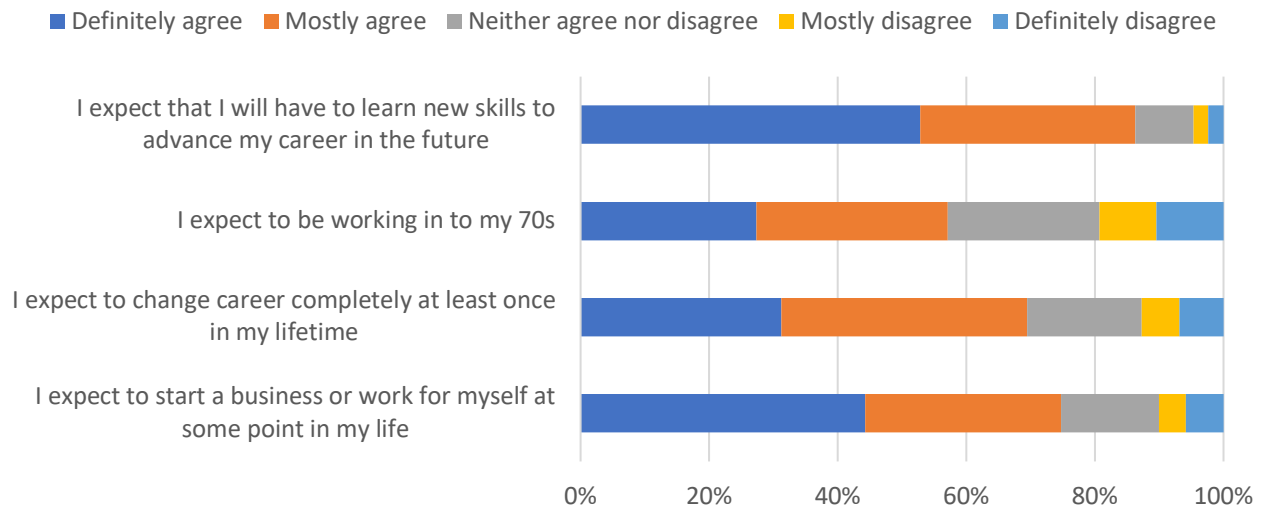
Around the world, more than half the respondents from North America and Latin America/Africa definitely agree that they can't wait to get back to working the way they were before COVID-19. Almost half of Latin Americans/Africans definitely agree that they are taking some online programs while working from home to enhance employability, with the next largest group being Asians at 30%. More than half the Latin Americans/Africans want to be able to have more flexibility in their work, including the opportunity to work from home more often than before COVID-19.

The future of work and business schools

4.6 Individual respondents were offered four statements on the future of work and asked to indicate if they agreed or disagreed with each statement. Most notable, just over half (53%) definitely agree that 'I expect I will have to learn new skills to advance my career in the future'. For a substantial group, 44% the requirement to learn new skills will be driven by their agreement with the statement that 'I expect to start a business or work for myself at some point in my life'.

A further 31% definitely agree that 'I expect to change career completely at least once in my lifetime', while that may not involve starting a business, there is an understanding among individuals that the jobs market is rather less secure than it used to be. Just over a quarter (27%) definitely agree that 'I expect to be working in to my 70s'.

Figure 10: Views of individual learners about the future of work

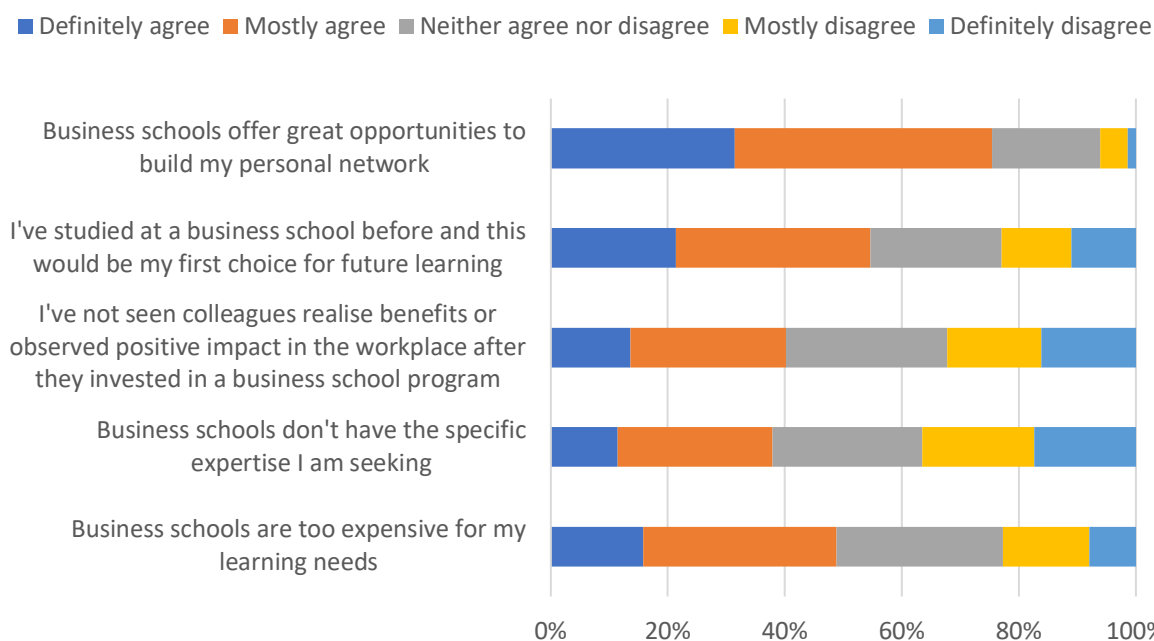


Not surprisingly, younger respondents tend to be clearer about the fluidity of the jobs market with just over half of those aged 45 and under expecting to have to learn new skills to advance their career in the future. Those respondents from Latin America/Africa are most likely to hold a similar view with over 70% agreeing. Just over half from Asia and nearly two-thirds of those from Latin America/Africa expect to start a business or work for themselves at some point in their life.

4.7 Given the expectation of many individuals that they will need to learn new skills during their careers, the question arises where will this learning take place? Business schools would seem to be an obvious answer, but if schools are to win market share in the lifelong learning marketplace, they need to be clear about learner's expectations.

Three-quarters of respondents to the survey agree that business schools offer great opportunities to build a personal network, but 40% also agree that they have not seen colleagues realise benefits or observed positive impact in the workplace after they invested in a business school program. There is also a concern, expressed by 46% of respondents, that business school are too expensive for their learning needs.

Figure 11: Views of business schools among individual learners



4.8 Despite these concerns 55% of respondents indicate that they have studied at a business school before and this would be their first choice for future learning. Building alumni communities where learning is a key feature alongside a focus on networking, fundraising and socialising will be important for business schools to build their lifelong learning offer. Using alumni profiles to demonstrate the impact of lifelong learning will also be key, building on the work that is already done to attract new students to degree programs through alumni success stories.

4.9 Thinking about the nature of future learning provision from business schools, respondents are most likely to definitely agree that schools need to work more closely with employers to develop programs relevant to the world of work (44%) and they need to develop short inexpensive programs to deliver relevant skills for those working (41%). Too often employers suggest that what they get from a business school is off the shelf rather than tailored to their needs – such an approach is unlikely to deliver growing market share of the lifelong learning space as more providers enter the market.

Across the age groups, more than 40% of respondents in all age groups strongly agree that business schools need to work more closely with employers to develop programs relevant to the world of work, with more than 40% of all those aged 36 and over, see the need for schools to develop short inexpensive programs to deliver relevant skills for those working. Although older learners may have greater incomes, cost is still a factor as they also tend to have higher outgoings to accompany their larger incomes.

More than 40% of those aged 46 and over believe schools need to develop more flexible approaches to taking a degree that don't involve full-time study. Older candidates are far less likely to return to a business school campus for a full-time degree. While some may

take programs for senior leaders, sometimes involving several weeks on campus, there is likely to be greater demand for a blended experience.

4.10 In seeking to understand attitudes to work and learning, individual respondents were asked how they might describe themselves. Offered 13 different options and the potential to choose up to four of these options, respondents were most likely to say they were keen to explore their potential (45%) suggesting they will want to engage in lifelong learning to make the most of their opportunities. Just under a third of respondents also (32%) indicate they are curious to find new ways to create value and they consider themselves creative. Providing courses and programs that allow learners to make the most of how they see themselves should feed into course design and content.

Figure 12: Motivation to undertake further study among individual learners



Respondents are least likely to describe themselves as concerned about our shared future (15%) and fascinated by the interplay of business, organisations and society (18%). Whether this will change post-pandemic and with greater interest in issues of diversity and equality remains to be seen.

Irrespective of age, respondents are likely to describe themselves as eager to explore their potential. Those under 35 are also likely to describe themselves as creative, while those over 35 are more likely to describe themselves as curious to find new ways to create value.

With the exception of Latin America/Africa all geographic groups are also most likely to describe themselves as eager to explore their potential. In Latin America/Africa they are more likely to indicate that they are curious to find new ways to create value. Europeans are likely to describe themselves as highly analytical as well as creative, while Asians are ambitious to achieve positive change.

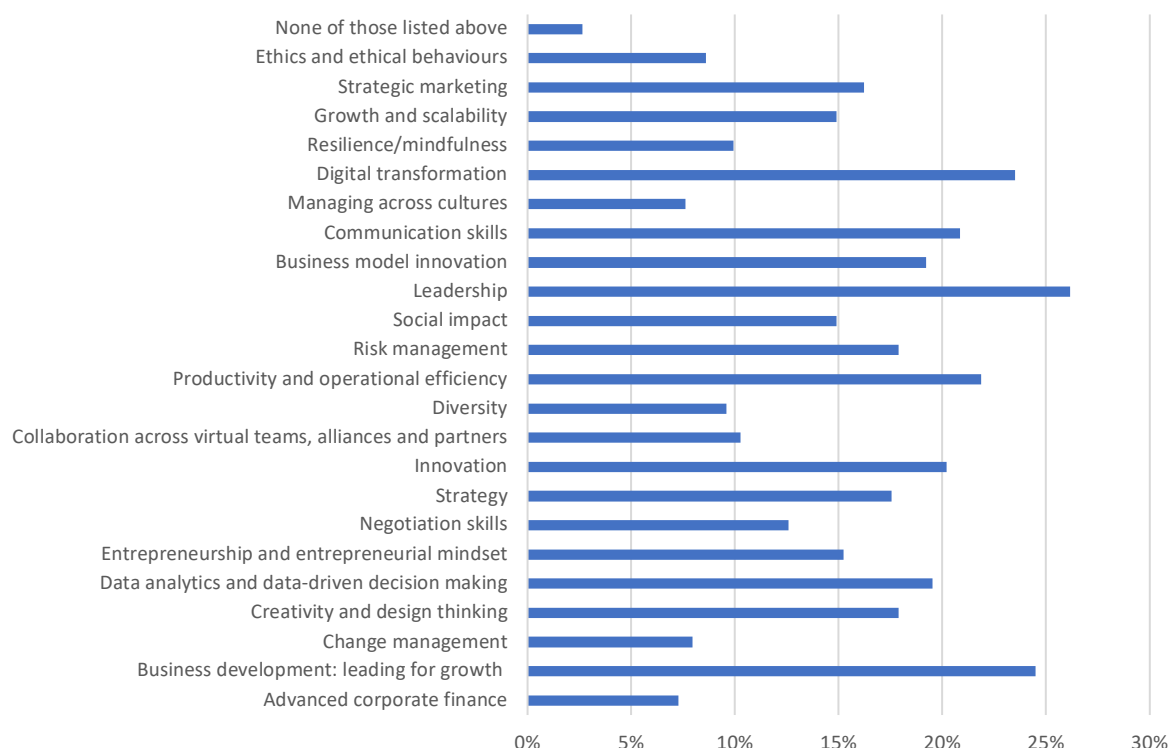
4.12 As well as exploring potential, there are many reasons that might motivate individuals to undertake further learning. In a specific question about motivation, learners in the survey indicated that their main reason for further learning is to improve their earning potential (36%), followed by those needing particular skills to support their career (29%), to improve their employability (27%) and to build their professional network (26%).

Improving earning potential is the main motivation among younger and older respondents, but those aged 36-45 prioritise enhanced employability. Fears of job insecurity may be greater in the middle age group, spurring further study to improve employability, protecting current status or opening up new opportunities.

Improving earning potential is also the main motivation across all regions bar Latin America/Africa where it comes behind having always planned further study and pursuing particular skills to support a career.

4.13 In order to drive earnings and employability, learners will have to decide what they will study and how. Provided with 23 different topics that a learner might consider studying, Leadership is the most popular topic, chosen by 26% of respondents. Other popular subjects are Business development (25%), Digital transformation (24%), Productivity and operational efficiency (22%), Communication skills (21%) and Innovation (20%).

Figure 13: Areas that individual learners might consider studying in the next five years



4.14 Leadership is the topic most likely to be studied by those aged 45 and under. Over 45, business development and digital transformation are more important. It appears that younger learners are preparing for future roles, while older learners are more engaged with topics that require their attention today.

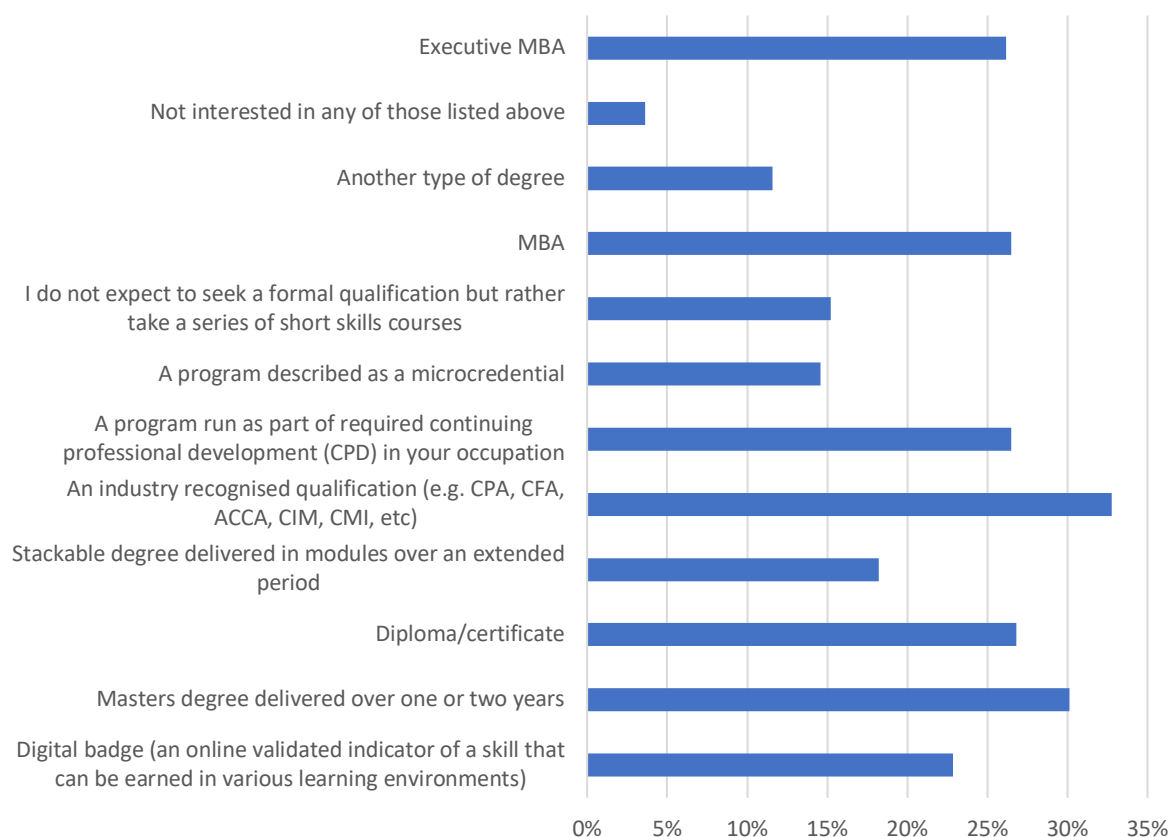
Leadership is also the topic most likely to be studied by those from North America and Europe. In Asia digital transformation and business model innovation are most likely to be studied. In Latin America/Africa, innovation, productivity and operational efficiency are most important.

4.15 In terms of how individuals learn, the most popular qualification sought in the next five years is an industry recognised qualification (e.g. CPA, CFA, etc), selected by 33% of respondents, followed by a Masters' degree (30%), diploma/certificate (27%), MBA (26%), EMBA (26%) and a program required as part of CPD (26%). Traditional formats of study remain popular, but other approaches are becoming more prevalent.

Under 35 there is a focus on professional competence with learners most likely to seek an industry recognised qualification (e.g. CPA, CFA, etc) in the next five years. Between 36 and 45 an Executive MBA is most popular.

In North America, a diploma/certificate is the most popular choice of the survey respondents, in Europe it is a Masters' degree delivered over one or two years, in Asia and Latin America/Africa an industry recognised qualification is preferred.

Figure 14: Qualifications considered by individual learners as part of any study during the next five years



4.16 Aiming to understand clearly how individuals might approach their future learning, respondents were provided with six scenarios and asked which they felt was most likely to represent their approach. Two options stand out:

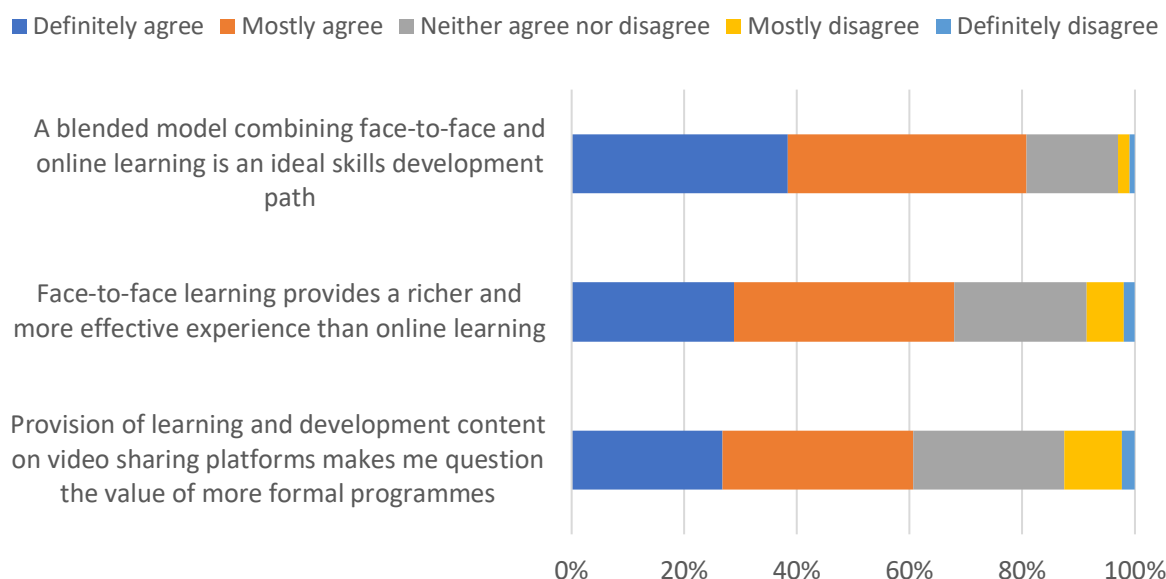
- Taking a series of short courses, delivered through digital tools with digital badges to recognize completion of the programs
- Taking short courses involving a blend of online and classroom delivery with a certificate to recognize completion

The common thread in both approaches are short courses and technology. Learners are focused on getting a quick return on their investment with rapid impact on their current careers. To do so, without interrupting their career, individuals understand that technology is likely to play some part in their learning.

The options chosen are similar across both age groups and nationalities, although respondents aged 46 and over are more likely than others to have a preference for taking part in a degree program delivered part-time using a mix of classroom and online learning. While technology plays a part still, they are less aware of new types of qualifications, perhaps falling back on language that they understand from their younger days at university.

4.17 In a further question, respondents were offered three statements about future approaches to learning. Just under 4 in 10 of the respondents (38%) definitely agree that a blended model combining face-to-face and online learning is an ideal skills development path. Just under three out of ten respondents (29%) definitely agree that face-to-face learning provides a richer and more effective experience than online learning and that provision of learning and development content on video sharing platforms makes me question the value of more formal programs (27%). There are clearly divides among the respondents between those who are content with online learning and those who prefer face-to-face study, but it is clear that there is a sizeable group who are prepared to use technology in their learning and believe it delivers a good experience.

Figure 15: Views of individual learners in future approaches to learning



Impact and information

4.18 Choices about what to study will in part be determined by the impact that individuals are seeking in their careers. Given the interest in leadership it's perhaps not surprising that the primary impact learners are seeking from their studies is improved leadership, chosen by 41% of respondents. The second impact sought is better decision-making, chosen by 40% of respondents, followed by:

- More effective problem solving (38%)
- Better project management (36%)
- Meeting personal career objectives (36%)
- Mastering a particular skill (35%)
- Increased personal confidence at work (35%)

Figure 16: Impact sought by individual learners from future learning and development



For those aged 45 and under, improved leadership again stands out as the most important impact that individuals are seeking from their studies. Over 45, respondents prioritise better decision-making and meeting personal objectives such as career change.

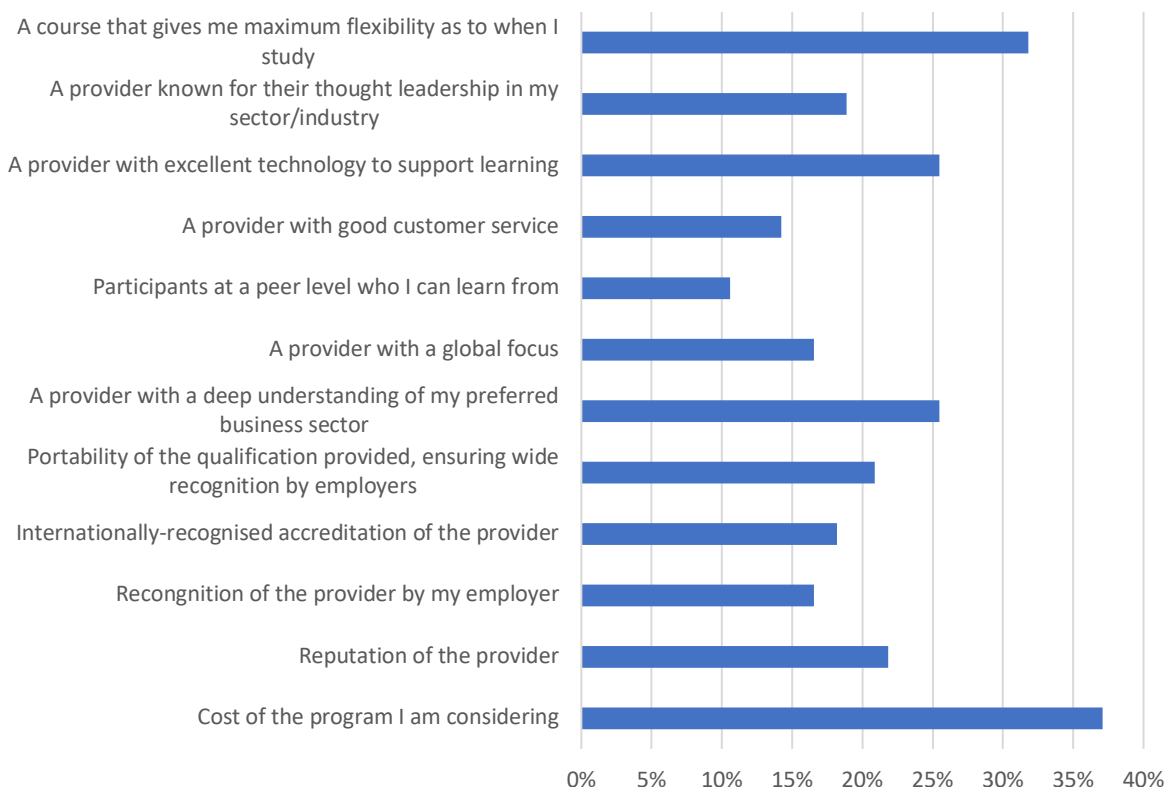
North Americans, Europeans and Asians all highlight improved leadership, although Asians also focus on better decision-making and better project management. Latin Americans/Africans focus on better decision-making and increased personal productivity.

Choosing a provider of learning and development

4.19 While content and impact will be key drivers for individuals when choosing a learning provider, other factors will also be considered. Asked about the most important consideration in choosing a provider, 37% of the individual respondents put cost as most important. Indeed, cost is the most important consideration across all age groups – among younger age groups money may be short, while among older age groups there will be a host of other calls on their income.

Cost is not the only consideration when choosing a learning provider. Also important are flexibility when studying (32%), excellent technology to support learning (26%) and a provider with a deep understanding of my preferred business sector (26%). Learners want to be able to study around other work and lifestyle commitments and focus on content that will drive impact specifically for them.

Figure 17: Most important elements for individual learners when considering a provider of learning and development



4.20 When learners in the survey consider study at a business school, the key requirements are flexibility of delivery, including face-to-face and online (45%), an embrace of digital transformation (42%), study that allows me to accelerate and transform my career prospects (37%) and a school that promotes diverse career development paths for its students (35%). Again flexibility that allows study to work around other commitments and career impact are driving learning choices.

For those aged 35 and under, career acceleration and transformation are the key consideration when choosing a business school, while between 36 and 45 the preference is for a school that that offers flexible ways of teaching & learning, including face-to face and online provision and this is shared by those from Europe, Asia and Latin America/Africa. Over 46, the preference is for schools that embrace digital transformation, bringing together technology and management skills and this is shared by respondents from North America.

4.21 Increasingly there are a host of providers other than business schools or working with business schools to deliver certain approaches to learning. Provided with a range of digital providers and asked about awareness, use and consideration of these providers, individual learners who took the survey are most likely to be aware of LinkedIn Learning (44%) and least likely to know 2U (52% don't know of this service). LinkedIn Learning is also the most likely to have been used among the services listed, 29% of respondents have used this service. Looking forward, 34% would consider using Future Learn and 33% would consider edX in the future.

4.22 Finding out about providers and programs most often means online search, used by 65% of respondents in the survey. Recommendation from a friend/colleague (48%) and business school rankings (47%) are also often used by prospective individual learners. The use of online search is common across all age groups with social media most likely to be used by those under 36, but still used by more than 40% of those aged 36 and over. Among those aged 46 and over, the alumni relationship becomes key with the option of returning to an institution where an individual has previously studied prominent among the information sources used to find out about learning providers.

Online search is particularly popular in Latin America/Africa, where business school rankings are also widely used (as they are in Asia as well). Recommendation from a friend/colleague is most likely to be used in Asia.

5. THE WORLD OF WORK

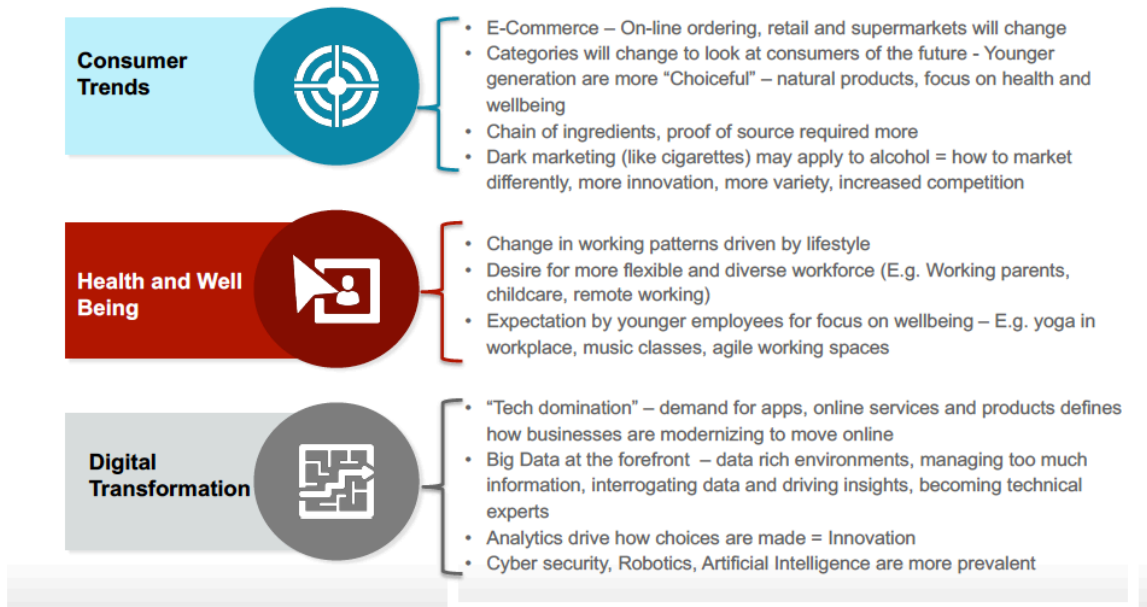
“The idea that we’re preparing kids to work as cogs inside of an organization might not be as realistic as it was in the past. If you look at Generation Z, 42% of them want to start their own business.... Today, five kids with laptops and some server space on Google or Amazon can start whatever they want.”

*Jaime Casap, chief education evangelist, Google
Wharton Reimagine Education conference, February 2016*

Key findings from the employer interviews

- Work and learning were already being disrupted prior to the pandemic.
- Senior leaders in some organisations are uncertain about blended and online learning, believing it is necessary to be in a classroom to learn effectively.
- The relationship between employee and employer is changing with reduced loyalty to an organisation.
- Strategic development plans are getting shorter to cope with the rapidity of change across society.
- Remote working requires new approaches to managing and leading people with a shift to decentralized models which in turn requires new leadership approaches and greater use of emotional intelligence. Flat structures mean an employee might not see their manager for weeks.
- Employees do not all need to be coders, but they do need to understand technology and the opportunities it offers for their employer.
- Diversity and inclusion are priorities for many organisations, ensuring that they match expectations of their customers and leverage the benefits of diverse workforces.
- Greater e-learning requires a strong library of digital content and ease of use for it to be effective. Content for a corporate can be delivered by third-parties including business schools.
- Adaptive learning is an important innovation, providing personalisation for learners backed by data on learning progression.
- Business schools have strong offers in leadership development, but employers have concerns about costs and need to produce more flexible and tailored approaches for learning. Employers are also uncertain about the breadth of provision from some business schools given the complexity of challenges that businesses face.

Key Industry Trends



Key Industry Trends



5.1 For employers, the changing nature of work is being driven by numerous factors. Set aside the impact of COVID-19 for a moment and work was already being disrupted, whether that was from technology, culture, online shopping, shifts in society or a host of other factors. Employers were already moving to new ways of working before the pandemic

arrived and with these changes come demands for new learning and development for their staff.

5.2 Personalisation of programs for learners supported by a data-led approach to learning to ensure each individual makes the most of their studies have become more common. Virtual learning is common and in some cases is even supplemented by AI-driven chatbots to provide advice on development needs.

“We do still operate coaching programs. We use it to accelerate people’s paths into leadership positions. And we’ve had mixed success with reverse mentoring programs too – getting our younger workforce to offer a different perspective of the world to our older or more senior members of staff. Sometimes it works, sometimes it doesn’t.”

5.3 In the finance sector, one employer described their shift to becoming a flexible employer, helping people balance outside interests with their work, suggesting they had a new level of maturity in how they look at people’s lives. Already a lot of their working spaces don’t have the number of desks required to accommodate everyone – we currently have 4 desks for every 5 employers and even before the pandemic were actively encouraging people to work remotely.

5.4 Some heavily regulated areas of work still encounter reluctance from senior management to move to more flexible patterns. However, the younger generations that are coming to the workplace will find themselves at some point in senior management positions, so there’s some inevitability to it.

“Introducing blended learning, despite its advantages, has not been straightforward with resistance from leadership who feel that you need to be present at a school in order to learn properly.”

5.5 The pandemic has forced a lot of long established assumptions to be thrown away. Over 85% of the workforce have been working from home – that would be unfathomable just a few months ago.

“We notice people no longer see jobs as careers - they’ll stay for shorter periods of time than the previous generation did. Their desire for learning goes beyond the role they’re in, it’s about the long-term view of what they’re interested in. And we’re seeing more and more boomerang employees.”

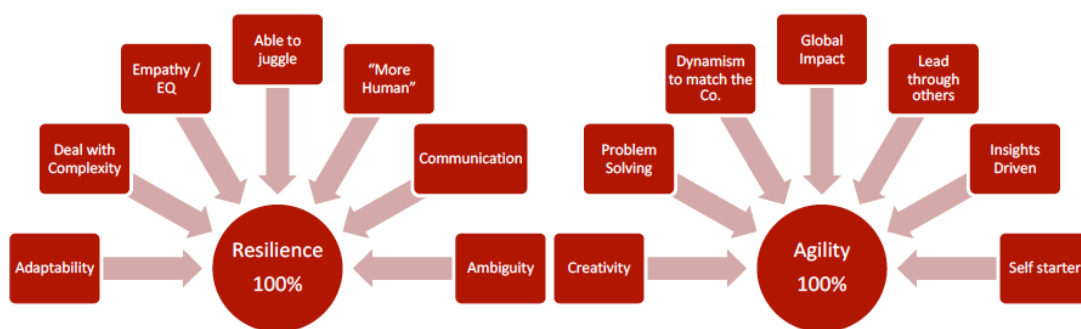
While technology is driving both organisations and approaches to learning and development, other factors such as cost efficiency, best use of time and staff demands are key components in the changing approach to learning and development.

5.6 It is not only courses that are getting shorter, but also planning horizons. One employer who works with leading business schools in the UK and Switzerland, has recently shortened the time period of its development plan from five years to three years to ensure it is up to date with the needs of the business and changes in society. Across society this

large construction firm was recognising a number of megatrends - the digitalisation of buildings, smart buildings, urbanisation, ageing population and environment and climate change, all of which needed to be part of future development programmes. Part of the changed approach to learning also came about because the company had feedback from a recent development centre which showed a very low breadth of strategic perspective, encouraging the employer to add more strategy earlier in a leadership career for their staff.

5.7 Remote and distributed working require new approaches to managing and leading people. New organizational models that have shifted from a centralized to decentralized to shapeshifting means that the traditional organization chart becomes a network of networks.

Most Important Skills for Leadership



The "Golden candidate" will have commerciality combined with deep technical expertise

Resilience, Agility and deep technical expertise were stated as most important in every interview

* Communication, Presentation skills and confidence were considered a given

5.8 While leadership remains a key skill for development, new leadership models are emerging through flatter structures, geographically dispersed groups of staff and the need to deploy stronger emotional intelligence. Alongside leadership, there are technical skills that are required and demands for new approaches to organisational culture. Digital transformation is to the fore, and while some require deep technical skills as suggested by the LinkedIn data earlier in this report, almost all staff need awareness of the opportunities that digital provides and the potential for implementation. As organisations, there is a greater drive to focus on diversity and inclusion, sexual harassment and issues of unconscious bias; one of the most frequently sought development programs is managing across generations to make the most of workforces with different attitudes to the world of work.

"Eight years on, our founder is still the CEO of the company and he is still holding a weekly meeting from his living room. Anyone in the company (over 3000 staff) can

attend via video link) and ask questions, he really does answer them all. It's a weekly update on numbers, projects and culture with good engagement levels."

5.9 Delivery of learning and development is also changing, inevitably with a greater focus on e-learning, blended approaches and digital content. While demand for face-to-face learning remains, especially for some topics, more often than not it is supplemented in some way by an online component.

Pre-pandemic the same financial sector employer had a big push to have big blended solutions in place with an emphasis on self-paced learning. However, this only works if your library of learning content is fit for purpose and at present there is too much duplication, too much outdated material and usability-wise it takes too many clicks to get to the content you're looking for.

5.10 A large outsourcing firm is seeing that flexibility and work-life balance has a huge benefit so more and more people are working remotely. However, although virtual classrooms exist to support those working remotely, they haven't been used that much to this point.

Changing Patterns & Trends in the Workplace



- Conscious and continuous learning - individuals being the protagonists of their own development
- Force rotations to ensure breadth of experiences and increase employability – push people out of their comfort zone in such a fast-changing world.
- "Improve always" – Personal development is about the HOW not the WHAT with individuals making their own decisions on how to achieve their objectives. One employer provides a 1k bursary to each employee to allow them to choose how to invest in their own development.
- Still a place for face to face learning but whole programmes are being delivered online – especially during Coronavirus, where delivery is virtual and unlikely to change back to the same level as before.
- Programmes will need to be almost totally accessible online to accommodate people moving around so much more.
- 70% of training is on the job – real learning is on the client site. (20% peers, 10% formal)
- A financial sector firm is conducting a piece of work around learning culture – could consider moving to a Google approach with ½ day per week spent on personal development to bring in fresh ideas (challenging for a revenue producing business).
- Biggest gap is that people don't know what they want – key to differentiation is getting experiences to market yourself differently.

5.11 Finding ways to drive more blended learning is especially important as management training needs to change with many in such positions getting into positions where they haven't really got the right training to do the job, instead falling back on old habits that have stuck.

5.12 There is strong demand at present for how the role of the manager changes in the current circumstances – how do you manage teams remotely, how do you manage

wellbeing, stress? Content often comes from third-party providers and is blended with high-brow content from places like HBR and TED.

“We don’t tend to send people on executive training - we have looked at it in the past, but haven’t done it due to ROI. At some point we were looking at building an executive learning program - it didn’t get off the ground, mainly due to cost.”

Employers are working with their employees in some cases to create content, while others increasingly outsource development of programs and materials, using a host of providers, both traditional business schools but also new entrants to the learning and development market. Adaptive learning is becoming a feature of many corporate approaches to staff development, adjusting programs to meet the knowledge and experience of the learner, and their progress through a program.

5.13 In finance, while employers have been successful at fostering technically brilliant people, they haven’t always been so able at developing people who are client-centric and have great soft skills – an equal measure of IQ & EQ. The challenge is to harness the strengths of all the workforce, as well as focusing on efficiency, also building an empathetic, resilient workforce.

5.14 Some employees are enlightened and get how technology can be used across many activities, but lots still shy away. In large quarries, driverless vehicles are now being used bringing a need for technology and programming skills that this construction organisation doesn’t have. Finding and recruiting these people is difficult as it is the technology and IT companies that tend to be more attractive for people with the appropriate skills. One new approach is a data analytics apprenticeship scheme to develop skills in-house. However, shortages across STEM fields exist with considerable challenges finding the right people in commercial, planning, estimating and project management fields.

5.15 Diversity in recruitment and in thinking are increasingly important in the financial sector. Banking, in particular, doesn’t have the cachet it perhaps had prior to the global financial crisis, making it harder to recruit, especially in technology fields given the competition elsewhere. Online assessment is increasingly the norm offering a blind process that really helps combat unconscious or conscious bias.

“You want people to arrive with an open mind to learn the business step by step, to accept that there might be areas they don’t know about. We want them to be flexible about their views of the world, future-looking, and advocates for positive change in the long term.”

5.16 Sometimes what looks like one business to the outside world, may effectively be two internally. A good example was provided by an entertainment business which relies on a mix of engineers and sales teams. While most technology and engineering staff work remotely, not visiting offices, the rest of the business is a more traditional office-based culture.

5.17 With so many working remotely, the environment in the business means there can

be a lot of ambiguity, meaning constant work on staff engagement strategies. Unlike other big technology companies, this business doesn't operate on a structure of bonuses but instead offers lots of benefits to their staff. Consequently, people stay for a long time, 6 to 7 years (a long time in tech!), but progressively get disgruntled because they haven't progressed unless they're on the tech side.

Changing Patterns & Trends in the Workplace



- Working from home is the norm – ideal to have employees in one location but hard to find people willing to relocate for work so requires compromise for flexibility and lifestyle.
- Companies have more distributed working models where relationships with colleagues are global - higher awareness of cultural differences and work styles
- Covid 19 has taught people very quickly to become more comfortable with remote working including the technologies required to stay connected.
- Companies may not be able to afford the infrastructure that they had before and won't need it – post Covid 19, there will be cost reduction, more self sufficiency and a change in "cultural entitlement" to create more collaborative and automated work places.
- Focus on agile working (multi-disciplinary teams, sprints, project-based) has changed the nature of the working environment creating spaces to come together and think differently – this has had a massive change for the business.
- Big shift in pattern towards flexible working – driven by lifestyles and a desire for a more diverse workforce – less "facetime" in the office enabled by more digitalization
- Business will become less formal, more empathetic, and more accepting of what working from home means (doorbells, children interrupting etc!) BUT need to build "Water cooler chats" and opportunities to stay connected
- Home working = people work longer – work is "in your face and space" – need to focus on mental health and well being more to replace normal "banter" and the "fun side
- "Departments are a thing of the past" – more agile development, constant moving, cross functional groups
- People will reconsider the standard working week in a more virtual community. Days of the week will merge and people may work at the weekends if it suits.

The company is structured very differently to Google and Facebook with a flat management structure that in part is to do with the cultural DNA of the company. It means an employee might not see their manager for weeks, as she/he might be sitting elsewhere in the world.

"There's a really inclusive ethos, internal budget and support for employee-led activities that honour any sub-culture or community of interest staff are part of, be it LGBT, black culture, Muslim – whatever it is. And lots of company-wide activities around entertainment, gigs, exercise and other clubs."

5.18 For many employers spoken to, business schools are good for recruitment and leadership development, especially for more senior staff, but there were often concerns expressed that schools are expensive. Personalisation was seen as something that schools need to do more of, including flexible, blended and tailored approaches to learning.

5.19 It's not just that cost of traditional approaches is a problem, but online and blended are cost effective ways to provide learning and allow learners to turn up when it suits them rather than starting a program but then dropping out because of other commitments.

"We work with universities in building a pipeline but purely for engineering and tech roles. We don't engage with business schools. The sorts of things we look for – that

ambiguity and ability to adapt to change quickly – I'm not sure that you can buy that through a degree programme.”

5.20 Business schools are an important supplier for some firms, but it can be difficult to get the balance right between an academic and commercial approach. Individuals like to have the academic badge, but it's not necessarily important for an employer who may value competencies and experience over academics.

“We've been very successful in building our employer brand on social media – and we're constantly experimenting there with promoting culture and values, so that we're building an audience of candidates with the right mindset.”

5.21 Better learning and development would bring huge advantages to some companies that are spending huge amounts of money on recruitment with weak internal succession planning. A new Finance Director might be hired costing tens of thousands in fees rather than training people internally to take a step up.

“Every time I look on a business school website, I can't find what I need or any information for custom programs; it's really frustrating how custom programs just say, 'give us a call to discuss'.”

5.22 However, one employer also questions how a single business school could provide the scale to deliver programs across their business and globally. Already much of their training is delivered by Microsoft at no cost. However, the value to the business is debatable with it being difficult to measure the impact of learning.

5.23 There's also a generational aspect, in that younger generations are naturally online. A flexible approach to learning can be more authentic than a forced classroom setting – users can pick up topics they're really interested in across a wide range of formats such as video, podcasts and even, gaming. Learners could be at the gym listening to a learning podcast. When done properly online gives employers a chance to deliver better learning and make it more accessible.

“The average age of our workforce is 32, so really young . When it comes to senior managers the places where you struggle is with those colleagues who find it difficult to be inclusive or those who don't have an active growth mindset. One of our values is 'no egos'. It's really effective.”

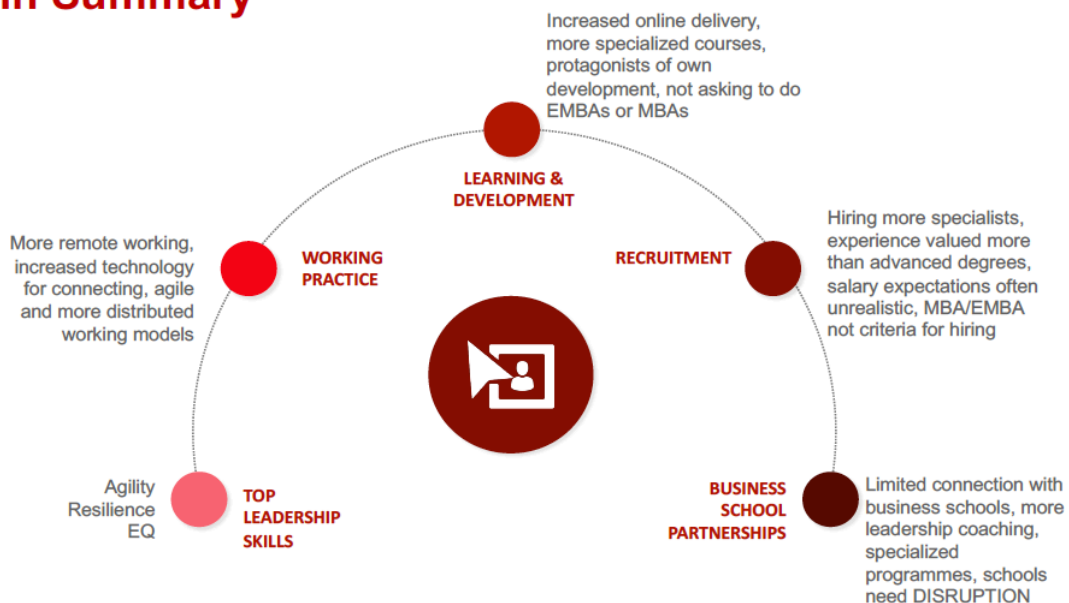
Changing Patterns & Trends in the Workplace



- "Older leaders struggle the most" as they need to let go, trust is essential – some leaders can be less open to influence as they consider themselves experts.
- Traditional leaders drive solutions, provide vision and "tell people what to do" – the pull between future leaders wanting a voice at the table and current leaders not allowing empowerment can create conflict.
- Generational challenges at bigger companies where leaders can be in their 40's and 50's; experienced in large scale transformational projects but not cutting edge and reliant on others in the team to be the technical person
- Graduate expectations have changed – e.g. more awareness of mental health and speaking up more vs traditional work ethics of keep your head down, work hard etc. Senior managers can still have that work ethic and its important to make that shift.
- Pace of change is faster than 10 years ago so the need to adapt and be agile is more important than ever. Test of leadership is staying calm and focused when so much is happening and for older generations used to being in the office, managing people from home in multiple locations is putting them out of their comfort zone. (Covid 19)
- Important to have learning for all stages of a career – the attention span for the younger generation is small! How do you balance a new workforce with practicality? Does the next generation have enough focus? Help them recognize critical thinking, patience and focus.
- Average age in professional services is 27 with partners typically in late 30s/early 40s – younger partners are helping "older" ones with technology for remote working and collaboration.

5.24 Beyond business schools, employers are using a wide variety of organisations to deliver learning from MOOC providers such as Coursera, to executive search firms/HR consultants including Korn Ferry, Tower Watson, Mercer and Gartner Group, specialist organisation like I4CP, the Conference Board and CCL, and a host of industry, trade and professional associations.

In Summary



Soundbites

Overall, there was consistency in all the interviews around talent priorities, the skills required and the way work will change in the future – regardless of the size or age of the organization.



6. THE WORLD OF BUSINESS EDUCATION

Interviews were undertaken with leaders at business schools around the world to better understand their perspective of how the corporate world is changing, what that means for learning and development and how that might specifically impact business schools.

Key findings from interviews with business school leaders

- Universities are not sufficiently agile to respond effectively to the changing demand they are facing from students, employers and across society.
- Understanding technology has replaced corporate finance as a must have for executives meaning business schools have to rethink their programs.
- Employer demand is also strong for programs covering strategic and leadership agility, business model innovation and governance, with the pandemic growing interest in programs on remote working and virtual collaboration.
- Companies are seeking to build more flexible structures and consequently teamwork has become an important requirement in development programs. In turn, these structures bring complexity to organisations with employers needing to build teams that deliver high performance.
- Higher education will have to become a learning partner rather than a degree factory, dropping product obsession and instead unbundling content delivering learning in a timely and relevant fashion.
- Schools have a competitive advantage over other providers being able to make connections, to deliver broad, overarching narratives.
- Business schools will need to develop deeper and stronger engagement with organisations to co-create a vision of the future.
- However, business schools should not try to do everything; successful strategy execution in part means deciding what you won't do.
- Schools will need to accommodate a fluid learning model with students seeking just-in-time solutions that deliver rapid learning and an opportunity to quickly apply knowledge.
- Different business models may emerge for business schools, perhaps even a Netflix subscription model, bring together networks of business schools. Schools may adopt business practices, experimenting with a minimum viable product which can be scaled if it succeeds.
- The shift away from campus delivery that began after the global financial crisis is likely to continue as a result of the pandemic with hybrid delivery becoming normalised.
- The pandemic will also impact business school models, deepening financial problems across the sector, and potentially pushing some schools towards closure.
- Schools will need to carefully consider what value they add when bringing people together on campus for programs.
- One of the greatest challenges for business schools will be to prepare students for jobs that don't yet exist, suggesting bite-sized lifelong learning may be a better solution than linear degrees.

6.1 It's no surprise that the world's leading business schools recognise that work is changing; this was the clear message from a series of interviews with those in senior

positions at business schools. Indeed, many suggested that change is perhaps greater than at any other time in history, although not that it is necessarily accelerating. The concern expressed by some of those interviewed is that universities are not sufficiently agile to respond effectively to the changing demand they are facing from students, employers and across society.

Perspectives on the corporate world

6.2 One common feature across the interviews was digital transformation, the idea that you can't separate a business from technology today and consequently, executives need to understand how technology works and be able to leverage it effectively to meet the needs of their organisation. It doesn't mean needing to be a coder, but it does mean understanding technology, being able to speak the language of technology and being able to communicate how technology can impact your organisation.

It used to be that executives needed to understand corporate finance and that became a mainstay of many business school programmes, today corporate finance should be replaced by technology. While an understanding of technology may be essential, it is also already mission critical for many employers to ensure their staff have the right behavioural skills.

6.3 Alongside digital transformation, there has also been a demand from employers for strategic and leadership agility and business model innovation, as well as growing demand for support with governance, ensuring greater capability among senior staff. Part of the interest in governance has been a need for Boards to have the right make-up, clarity of roles and the capabilities to add value and sustainability to an organisation. Of course, the pandemic has grown interest in remote working and virtual collaboration.

6.4 For many companies, there is a reshaping of their relationship with society, driving an understanding of what modern capitalism might look like and the value set organisation requires to deliver long run sustainability.

6.5 Companies are also seeking to better understand and leverage the different generations in their workforce. With individuals less defined by their career today, knowing that they can reskill quickly if they want to change, there is a new relationship emerging between individuals and the organisations that they work for. Companies may have an expectation that young people will leave, raising questions about how much to invest in their development and/or whether to develop a formal approach to boomerang careers with people leaving, but then returning with a more valuable skill set and experience.

“The difference between good and mediocre leaders is their ability to leverage diversity”.

6.6 Another common feature is the growing importance of diversity in the workforce, whether that is age, race or sex, and the need for leaders to be able to effectively leverage that diversity. To be a strong leader means understanding your biases and understanding yourself with MBA programs needing to help people become next level leaders. The focus and core of MBA programs may remain the same, but the context has shifted massively and business schools need to ensure this new context is part of their offer.

6.7 The shift to greater use of digital technologies was already happening in business prior to the pandemic; COVID-19 has simply accelerated this trend. One of the consequences of greater digital use has been a focus on more team-based work. Organisations have been moving away from top down models and operating in divisions/silos.

Previously, corporate models worked as systems that allowed those higher up in organisations to understand their business, but this has become harder as those systems don't exist or have failed. Instead companies need flexible structures which again promote teamwork with individuals drawn into teams as they are required for different projects.

However, such a shift in structures has met resistance from top executives as they feel they are giving up control. In most cases, companies are only just beginning to understand this new complexity in their organisation. They may have specialists who know a lot about a little, but they need staff with broader perspectives as well to be able to use specialist knowledge in different contexts. If you simply put high performers together, you don't always get high performance.

Management education will need to help organisations develop teams that have shared mindsets, people who can build bridges and chief executives who can make the right connections to deliver higher performance. Connecting the dots is often trickier than simply understanding functions and adds real value to an organisation.

“Too often traditional business schools are product-centred like a vinyl LP when the contemporary school needs to be more like Spotify.”

The challenge for business schools

6.8 Higher education will have to change becoming a learning partner rather than a degree factory. Product obsession will become irrelevant, degrees will be unbundled and learning will need to be delivered in a timely and relevant fashion in the format required by the learner not offered by the provider. Such changes will represent a quantum shift in the relationship between provider and learner.

For business schools there may be concern about what impact such changes may bring, but schools do have advantages over other providers. More than anything else, schools are able to make connections, to deliver broad, overarching narratives that can relate marketing to finance to organisational behaviour and many other topics, both within business education and more widely across higher education. Indeed, the problem is sometimes greater for corporates who are unclear exactly what it is they want, which is where consulting firms can step in and not only identify solutions, but also offer the learning and development to implement and effectively use these solutions.

As much as a business school may have a well-developed advisory board or strong alumni connections, it will be difficult for any individual to clearly tell you what their marketing team might look like 18 months from now. Part of the solution is for business schools to develop deeper and stronger engagement with organisations to co-create a vision of the

future; as one interviewee commented, “Industry needs shifting more rapidly than they know”.

“No longer can we sit back and say you should value us because we are a business school.”

6.9 A separate challenge that business schools may need to face is the nature of its own workforce where key roles may be missing. Ideally, schools would employ someone who might be called a systems integrator, someone who can shape the experience ensuring that it is not too esoteric or technical. In the past, schools used to be filled with maverick generalists, but over time these have tended to be replaced with specialists; today schools need more maverick generalists again.

6.10 For business schools there is a clear need to decide who you want to be and what you want to deliver. Non-degree learning doesn't simply mean executive education anymore, instead there are a host of alternative providers that learners can choose from. If for no other reason than cost, a learner may choose an alternative provider – short, online study is certainly cheaper than being on campus. However, schools who have invested heavily in their brand are often not competing with alternative providers being able to craft experiences that others cannot. Some organisations may turn to consultants for learning and development and again there is a distinction with business schools, as one interviewee commented, “We teach principles not reengineering your business.”

“Business is going to get more complicated in the next few years; are b-schools going to be the place where leaders look for solutions? If the answer is yes, it doesn't matter how we deliver, but if we have none of the answers people won't come and we can't keep teaching the same content as before.”

The [McKinsey Academy](#) already provides a host of learning and development opportunities for its clients while [Accenture](#) now provides courses on the Future Learn platform. UBS has taken things a step further creating its [UBS Academy](#) with a range of courses available for purchases by those working outside the organisation. Conde Nast, the global media company, has created its own [College of Fashion and Design](#) in London offering Bachelor and Master degrees as well as short and online courses.

6.11 For some business schools the pandemic has been the perfect storm, stopping them bringing people together from around the world, reducing executive education and limiting endowment returns. Part of the answer will undoubtedly be more blended delivery in the future. There may also be a silver lining for schools in that the greater complexity of the world beyond the pandemic will produce increased demand for school's services. The nature of business education may also change to a more fluid model with students dipping in and out of learning as they need it to support their career. Such just-in-time learning may occur because an individual has reached an inflection point in their life/career or they may not have some knowledge or skill that they can apply in the short term to an immediate problem they face at work. Logic would suggest that some sort of subscription model for business education might emerge, but with individuals seeking different experiences from different brands at different points in their career that may not happen.

6.12 Alternatively, a Netflix subscription model that offers a range of brands under the Netflix brand itself, may be a way forward if schools believe their brands are strong enough to succeed under the banner of another provider. The growth of an organisation such as Coursera almost as a clearing house for a range of top education brands, offering a variety of programs may be a better guide to the future of business education.

The Netflix model may not be entirely appropriate. While there is talk of ‘edutainment’, rigour and research remain important for thought leadership and innovation. However, other models may also come to the fore including those that involve more of an education-consulting blend.

6.13 It is clear there is unlikely to be a one-size fits all solution with the different circumstances – economic, political and social – having a significant impact on the approach that a school decides to take

“Research should have a purpose, recognising that schools will be held more to account for what it is addressing.”

6.14 Even if networks are not formalised under a Netflix like umbrella, collaboration may become a wider feature of business education provision. Such collaboration may extend within institutions to different faculties, to other universities or to draw in the best thought leaders from wherever they are found, be that education, private business, sport, the arts or somewhere else. Collaboration may also provide learners with the option to take a build-your-own approach to their education, pulling together different content from different brands, especially if there is some guarantee of the recognition and portability of different pieces of learning.

6.15 One of the consequences of a collaborative approach is that schools will increasingly want to differentiate themselves, seeking to be known for more than general management, but instead having a distinct specialism which will attract employers and partners alike. Without a clearly differentiated offer, there is a risk that a business school is trapped in the mid-market, squeezed at the top by exclusive niche brands and below by competitors offering low cost solutions.

6.16 For business schools, the changes taking place in the corporate world are also forcing schools to think about how they teach, how they think, what they are trying to impart to others and how they themselves operate. Notions of digital transformation where a company may innovate creating a minimum viable product that then enters a market and if it succeeds is scaled, but if not is binned, also need to be considered for business school teaching and operations. While fundamentals remain important in business education, there will be a growing focus on modern business practice and how organisations add value to society.

The nature of delivery is also changing. Whether for economic or practical reasons, there is a growing binary correlation between what individuals learn and what they do.

“Luxurious learning has largely disappeared with people and organisations wanting an immediate return.”

6.17 In the previous global financial crisis the lasting impact for business schools in the executive education space was a shift from on campus delivery to at client delivery. One school mentioned that before the crisis, 98% of delivery was on campus, today that is nearer 66%.

Alongside the location change, programmes got shorter and tended towards modular delivery. After this crisis, it seems likely that hybrid delivery will be normalised and there will be an expectation of a high quality digital wrap around for most programs.

“Can I apply next Monday, what you’re teaching me today? I don’t have time to wait and the world is moving so fast.”

6.18 It’s difficult to answer the question, what is the value proposition of a business school? Instead a school has to behave more like an Amazon, providing different solutions for different audiences in different ways at different price points.

Increasingly business schools will need to meet the customer where they are. One example provided by a school was the partnership they have with two other schools to offer a flexible route into a Masters’ degree via a short certificate-based program.

“If we can’t identify the relevance, we should close a program.”

This flexibility won’t drive a school in to every new market. One interviewee explained that their school doesn’t have the brand of someone such as MIT and thus had decided not to pursue the MicroMasters market. Some schools were deciding to give away their IP or partner with outside organisations to get scale or build revenue, but others are seeking to build competence so that they can deliver sustainably themselves into the future.

6.19 It’s likely that there will be growing segmenting of business schools as well as more partnerships between schools. One interviewee explained how 90% of their business is focused on leadership, analytics and innovation. At the same time they had entered a partnership with a group of other schools to build an online delivery platform, recognising that unless they wanted to become a tech firm, such a development would be unaffordable for them as individual schools.

Programmes

6.20 It’s not just the MBA which will have to change, but also undergraduate programs. An undergraduate degree will need to become more T-shaped, with the top of the T becoming broader. Employers still want mastery of a technical skill, as much as a demonstration of competence, as it is of mastery of the skill itself, but they also want students with broad perspectives. A separate CarringtonCrisp study with EFMD and GMAC,

titled *See the Future*, and published in early 2020, found 71% of employers believe that future graduate recruits in their organisation should not only learn about business in a business education, but consider adding arts, humanities and sciences to their studies as well.

6.21 The changing pattern of demand has been accentuated by the growth of lifelong learning and the technology that has both made it easier than ever before to participate in such studies and that has driven demand among learners. For business schools seeking to attract someone in their 40s back to campus or at least to a program offered by a business school, they need to find ways to engage with this audience. For many, subjects like behavioural science or data analytics simply weren't part of their MBA studies 15-20 years earlier, models of leadership have changed as well in the past two decades and sustainability was at best a nice to have rather than being mission critical. Business schools have plenty to potentially offer and reasons to engage with a 40 plus age group.

6.22 Business school delivery is also likely to change and the experience of teaching in the pandemic will accelerate such a change. A digital wrapper will become a feature of almost every programme. Already students find themselves directed to online resources as part of their learning, but this use of digital tools and content is likely to become more formal, either as an integral part of a programme to deliver a specific piece of content, to deliver to those studying remotely or to provide on-going learning and support in between the formal, classroom based elements of study.

“I think of three buckets – technology, cognitive and human skills like empathy, creativity and communication, it is these human skills that make us unique.”

However, in any new offer there is a need to be at the cutting edge and only a handful of schools have the faculty to deliver in such places. In part that cutting edge is delivered through research, but the nature of that research is also changing. Research needs to both borrow from new areas, perhaps outside traditional business education, and ensure it offers to solve problems that managers face.

6.23 The nature of business education is changing as a consequence of these new drivers in organisations. One interviewee explained how their MBA students all now have a coach and mentor, how their advanced management programme includes psychology as well as leadership and how change in program content was also becoming a feature of their undergraduate degrees. In research, the same school has identified a need for individuals to be broader in their work and outlook in order to create value rather than having ‘geeks who develop future geeks’ which leads to a business school losing its mandate in knowledge development and transfer.

“In essence, you want people to be professional geeks not social geeks.”

6.24 Some of the changes taking place in business education are being driven by individual learners. Fewer are willing to pay high fees as competition increases among providers and more are reluctant to disappear from the tech scene for an extended period of study given the rapidity of change in that environment. Consequently, courses have to be

shorter or more flexible and schools have to become more market oriented and conscious of the value they are trying to provide.

6.25 Alternative providers may also not have the rigorous selection processes for candidates that are used by business schools, conferring an advantage on graduates when looking for jobs. Employers will recognise that an MBA curriculum has valuable content and can see the track record of the institution, add in the selection process and employers have a reassurance of the quality of the graduates; someone such as LinkedIn Learning doesn't have that vetting process.

Pandemic

6.26 Any change to the world of work and business education will also need to have regard to the impact of the COVID-19 pandemic. Inevitably, there will be an economic recession. Historically, business schools have seen a counter-cyclical benefit in recessions with applications for MBAs rising. Initial data from a small group of leading business schools suggests that the same may happen again with application numbers rising in recent months, however others are less certain that this pattern will hold or translate into higher admissions. It may be that the trend of fulltime MBA degree programs closing continues and that any uplift in numbers comes in part-time, blended and online degrees.

“At the current time, the optimist in me says this is really exciting for us, while we still get an elite audience, digital will give us access into middle management in a much bigger way.”

Harvard Business School has just released details of its new MBA class starting in autumn 2020 and it is smaller than it has been for many years, resulting in a \$16 million fall in income compared with the previous year. While many universities have reported strong applications, they are waiting to see just how many students turn up on campus, especially among international student groups who may be unable to travel or uncertain about travelling.

6.27 Outbreaks of COVID-19 on campus are already leading some schools to abandon on-campus teaching and return to distance models, at least in the short term. Students may be prepared to use blended or wholly online learning in the short term, especially when they have a degree lasting three or four years, others may decide that studying nearer to home is a better option, delaying their studies or finding other approaches to continue their learning.

6.28 Institutions that were already under financial pressure may find that the impact of the pandemic is the tipping point that pushes them over the edge and they are faced with closure. For private institutions, mergers or sales may be an option, but it may simply be that closure is the only solution. For public institutions, their future will depend on the attitude of governments, and these will vary across the world.

6.29 One interviewee went as far as suggesting that while many industries have already been disrupted, health and education had largely escaped such change, but that the pandemic was now leading education to confront its clock tower mentality. A changing

revenue model would mean that over the next five years business education would have to rethink its future with a greater focus on skills certification and working out how to bring business into the classroom. Programs may change to have a greater project focus and there will be a shift in qualifications from degrees to certificates and badges. However, the degree is not about to disappear as it has a certain currency with employers, although it may be delivered in different configurations.

6.30 At the same time, students will increasingly behave more like consumers taking a transactional approach to their learning focusing on best value and greatest convenience. Institutions cannot take for granted the loyalty that used to exist in the higher education sector.

6.31 For employers, the pandemic impact will in many cases be accelerated digital disruption in their organisations. Resilience will become more important than ever, both organisationally and with employees.

6.32 The pandemic has in some respects been a forced experiment, many of the actions taken would not have been considered in 'normal' times. It may be that it takes two to three years to understand the impact of this experiment, but as one interviewee commented "There are 180 people in our team and we have seen how well we have worked over the past three months. We would never have tried this before, but it has proved that while we can't do everything remotely, some things can be done better."

6.33 While remote learning has come to the fore in recent weeks, it's not new. One interviewee identified how the CIO at their institution had set out ten years ago that the fundamental assumption that you need to come and sit in a classroom to learn was wrong. However, there is still a degree of satisfaction and success from traditional methods so the classroom isn't about to be abandoned forever. Indeed, removal from social networks during the pandemic may lead to a push back for greater social interaction and the flight to online learning will be delayed.

6.34 However, one institution in Asia explained how within a week of closing in March this year because of the pandemic they had moved fully online. Every single scheduled session has been delivered at the institution with near to 100% student engagement. In part the success was down to academics discovering skill sets they didn't know existed, but it also worked as students were already comfortable in online spaces, harnessing tools such as chat boxes to produce peer learning and support. The institution found no dip in productivity among its staff, with some embracing the flexibility to be online at 10pm rather than during the standard 9-5 working day as it suited their life.

6.35 The pandemic may also have an unexpected impact with necessity being the mother of invention. Institutes of higher education will have achieved more in months than they would have done in years. Not all the innovation may have worked as some would have wished, but lessons will have been learnt and it is likely that online delivery will be stronger and more widespread in the future than it would have been without the pandemic.

6.36 While the pandemic will undoubtedly provide a boost to blended learning, it raises a question for business schools about the added value they deliver when bringing people together to analyse and contextualise business issues. Face-to-face learning as a place to receive knowledge is largely redundant, but there will still be added benefits of face-to-face learning, but not necessarily in the way schools have known them in the past.

Students

6.37 Schools may also find a shift in the geographic distribution of students with some international markets such as China sending fewer students overseas or perhaps moving away from European and North American markets and instead turning to regional locations in Asia. Instead, schools in some markets will need to find ways to grow domestic admissions and as incomes come under pressure, it may become unsustainable to subsidise research through teaching. Greater delivery online will in time drive the cost of delivery down, but the scale of engagement with students and employers will need to rise. One area where engagement is already increasing is alumni – as one school commented physical events that previously attracted 200 attendees are now, without a geographical barrier, attracting 1000 participants.

6.38 Globalisation has not made the world a smaller place, instead schools have to expose students to management and culture in different parts of the world if they are to successfully connect with others elsewhere. The business schools that do best are those that have global connections, those that are able to build bridges whether through faculty, institutions or the organisations they work with.

6.39 Student expectations and needs are the biggest drivers of change for many business schools. Growth in Masters programs has come about not because employers are pushing for such courses, but because students pick up signals from employers that these degrees will be valuable to them, perhaps even more so than an MBA which is less of a differentiator than it used to be.

6.40 While the pandemic may have accelerated change in the economy, fundamental change was already taking place. It has become increasingly more complicated to prepare students for the world of work meaning business schools are challenged to graduate students for jobs that don't yet exist.

6.41 Part of the response to the changing world of work has meant moving from knowledge acquisition at business schools to skills training, providing more transversal skills such as problem solving, critical thinking and creativity. The driver for growing these skills has been technology again, which in some cases has meant jobs ceasing to exist and a consequent need for graduates to gain a competitive edge by offering skills that machines cannot provide.

“Human energy and adaptiveness are such that when you have to change you will.”

7. APPENDIX I - METHODOLOGY

The report has been produced from three pieces of research – desk research of publicly-available sources, interviews with business school leaders and employers, online surveys of individual learners and those in organisations with responsibility for human resources, learning and development and recruitment.

Interviewees were primarily sourced from existing contacts held by CarringtonCrisp with a small number found through networks such as LinkedIn. A topic guide was prepared for the interviews and circulated to each interviewee in advance of a telephone interview. Interviews were scheduled for 30 minutes. CarringtonCrisp is grateful to all those interviewees who contributed their time and insights to the report.

The following business schools were interviewed:

Duke Corporate Education	University of British Columbia Sauder
ESMT Berlin	School of Business
IE	University of Southampton Malaysia
INSEAD	University of Virginia Darden School of
Miami Herbert Business School	Business
Skolkovo Moscow School of Management	UNSW Business School
University of St Gallen	Yale School of Management

The following companies/individuals were interviewed:

Asahi Group Holdings	Kennedy Fitch
Asian Development Bank	KPMG (2)
Avegen	Leyou
Banco Santander	Merck Serono
Barclays	Parrish Partners
Capita	Prudential
Congenica	Roger Dubuis
Harry's	Skanska
Independent Career Coach	Spotify
Independent Leadership Coach	TM Forum
Johnson & Johnson	

A number of additional organisations have offered to conduct interviews but to date it has not been possible to arrange a convenient time.

Details of the approach for the two surveys are included in sections 3 and 4.