

MBA's vs. Specialized Business Degrees: A Market-Based Approach to Program Development

The Business Master's Market – MBA vs Everybody

The business master's degree market is vast and multifaceted. According to the National Center for Education Statistics (NCES), 23% of all master's degrees conferred in 2021-22 were within the business field, making it the largest within graduate education.¹ This highlights the significant demand for business education at the postgraduate level. But with so many options available, which programs are students flocking to, and how can universities capitalize on these trends?

In this article, we analyze the business-focused master's degree market, covering both online and on-campus programs. We demonstrate how the Master of Business Administration (MBA) – in its many forms – is the undisputed driver behind the dominance of the business field in graduate education. We also describe some of the other common master's degrees in business disciplines and demonstrate how to find program opportunities in this varied and competitive field.

The Dominance of MBAs in Graduate Business Degrees

The following chart demonstrates various business CIP codes and the master's degree completions reported under them in 2019 and 2023, coming from both online and on-ground programs.²

Description	Master's Degree > All Completions > 2019 Completions	Master's Degree > All Completions > 2023 Completions
Business Administration and Management, General	110,506	104,527
Accounting	19,068	14,402
Organizational Leadership	6,194	6,794
Human Resources Management/Personnel Administration, General	4,829	5,051
Business Administration, Management and Operations, Other	5,566	3,515
Finance, General	5,020	3,384
Marketing/Marketing Management, General	2,078	1,930
Project Management	1,154	1,406
TOTAL	154,415	140,979

As shown, out of the 140,979 graduates reported under these CIP codes in 2023, over 104,000 of them stemmed from MBA programs. Throughout our previous research, we have seen many MBA programs reported under different CIP codes than the one mentioned above, meaning that lofty sum is likely an underrepresentation of the actual MBA market.



Overview of the MBA

There were 968 total MBA programs that reported graduates in 2023, including both online and on-campus programs; the median graduating class was 44 students, and the average was 108. These metrics portray a field with a huge amount of student demand. But what do these programs actually look like?

Throughout our research, we have seen many highly disparate MBA programs succeed. Throughout this section, we break down two of the largest buckets of programs in this space:

1. **The "Prestige" MBA:** These programs are highly ranked, hard to get into, extremely expensive, on ground, and widely considered one of the few pathways to some of the more exclusive business fields: top consulting firms, investment banking, private equity, etc.
2. **The "Flexible" MBA:** These programs are typically offered online for a low cost and offer many different concentration/pacing options, allowing students to earn their MBA in the way that best suits them.

In the following chart, we demonstrate the significant differences between examples of these two distinct versions of the MBA and how they are both highly successful pathways for a university to take:

	Harvard University (The Prestige MBA)	Southern New Hampshire University (The Flexible MBA)
2023 Grads	876	3,283
Modality	On-campus	Online & on-campus offerings
Total Tuition (No Fees)	\$152,820	\$19,110
Rank³	#6 in 2024; frequently top two	Unranked nationally
Time to Complete	24 months	Self-paced, minimum 12 months
Tracks	None – many electives	17 offered
Alumni Outcomes	Publishes annually. 2023 class had a: \$175,000 median starting salary \$30,000 median signing bonus \$40,000 median performance bonus	Doesn't publish
Career Services	Internship after first year, significant career advise-ment/recruiting opportunities/networking fairs throughout second year	Access to job board, resume/interview preparatory services

As shown, both of these programs have huge classes of students in their MBA programs, which differ in almost every way. These are just two examples of the largest program area in graduate education; as you can imagine, there is a vast array of programs between the two examples shown above.

Too Saturated or Ripe with Opportunity?

To be able to compete in a space with almost 1,000 established offerings, universities need to be creative and strategic with developing a new program or launching an existing one in the online format. There are many low-cost options currently in-market, and universities should price their program carefully and competitive to the existing regional and national competition, as prospective students are sure to shop around in their degree search.

Investment in career support, market-driven elective offerings, corporate partnerships, and proven alumni outcomes can help to justify a higher price point. Each year, we see new programs enter the market and immediately have success; however, this is not a guarantee in this competitive field, and universities must be strategic in the buildout and marketing of their MBA to keep their program viable.

We offer this research snapshot not to discourage universities from launching MBA programs, but to help them understand the landscape and how to approach creating a successful and sustainable program. There are still opportunities to seize in this market with a little creativity and future-forward thinking.



The Case For and Against Specialized Business Degrees

With almost 1,000 offerings nationwide, there is an MBA program for everybody, with concentrations available in all the major business fields – finance, accounting, human resources, strategy, leadership, and more. In what case, and for whom is a specialized business degree better?

Some conventional wisdom is that an MBA is only really worth the investment after multiple years of professional experience; many MBA programs require three or more years of experience to even apply. Even with a concentration, the MBA curriculum is broad, typically covering topics ranging from finance to accounting to marketing. Additionally, many students look to an MBA degree for career benefits beyond classroom learning, including networking and recruiting opportunities. Here are some examples of program areas where universities have had success in launching specialized business degrees:

Accounting

For many accountants, earning their Certified Public Accountant (CPA) license is a desired step in their career path, likely resulting in increased salary. Indeed reports that the average salary for accountants is \$61,480 per year, while the average salary for CPAs is \$92,795 per year. The requirement to sit for and earn CPA licensure varies by state, but 150 credits of prior education is the standard. Since bachelor's degrees are 120 credits, many go on to pursue a Master of Accountancy or MS Accounting degree to make up the difference and prepare for the CPA exam. This has resulted in a relatively large academic area at the graduate level.

While macro-level trends in the accounting field have resulted in a shortage of qualified workers and a pullback in enrollment in these graduate programs⁴, there is likely still opportunity for a university to launch a successful program in this space. Only 25% of the master's degrees reporting graduates in this space in 2023 were online; these programs outperformed their market share and produced 27% of total graduates.⁵ Some key indicators of potential program success include a strong undergraduate accounting pipeline and a need for accountants/a strong job market regionally.

Finance

Our research shows that students interested in MS Finance degrees prioritize career outcomes. While many programs in this space struggle and are outcompeted by better resourced and more widely known MBA programs, we have seen some highly successful degrees in this space. A key differentiator here can be structuring the degree to recent bachelor's graduates, who likely will not qualify for highly ranked MBA programs. As such, the most consistently successful programs in this space are frequently offered full time and on campus, in a way that can provide the greatest career services.

Vanderbilt University has a particularly successful degree, with 94 students (with an average age of 22) in their most recent class. They invest in recruiting/networking opportunities and publish an annual career outcomes report; these are key steps to take in fielding a competitive degree in this space.⁶

Marketing

There were 114 master's-level programs that reported graduates in the broad "Marketing" CIP code in 2023. The median graduating class was just 11, and the total graduates of these programs have decreased by 7% since 2019.⁷ This is one of the specialized business fields that we have seen struggle at the graduate level; it appears that students are increasingly unwilling to invest in a master's degree in this space. With this being said, some programs have found success. "Marketing" is an incredibly broad field, and certain program focuses may be more in demand, such as global marketing, marketing management, or digital marketing. A thorough labor market and industry analysis can help determine growth areas within a field.

Identifying High-Growth Areas for Program Development

As we have shown throughout this report, the graduate business field is dominated by MBA programs, which come in a wide variety of formats and options. Launching an MBA program in 2024 can be difficult; how can an institution find its niche in such a crowded field?

The answer lies in a research-driven strategy that analyzes regional and national trends in the labor and academic markets. By partnering with Elsmere Education, you gain access to invaluable data and insights on regional job market trends, student needs, and competitor programs. With our help, you can identify high-growth areas and develop programs that position your university for success.



Contact us today
to find out how
Elsmere Education can
help your university
identify opportunities
and empower the
next generation of
business leaders.

Sources

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