Master’s Market Update: A Sneak Peek

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Today’s Speakers

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Why explore the master’s market?
Steady graduate enrollment growth (8%) long-term with no signs of slowing through 2020.

Graduate Enrollment, 2013-2020 (Fall)

- 2013-2020 Graduate Enrollment: 8%
- 2013-2020 Undergraduate Enrollment (24 and under): 2%
- 2013-2020 Undergraduate Enrollment (25 and over): -23%

Source: Eduventures analysis of NCES IPEDS data.
Conferrals Are Up, Too

Master’s degree conferrals grew by 12% between 2013-2020.

Master's Conferrals, 2013-2020 (Fall)

2013-2020 Master's Conferral Growth: 12%
2013-2020 Bachelor's Conferral Growth: 11%
2013-2020 Associate Conferral Growth: 1%

Source: Eduventures analysis of NCES IPEDS data.
Demand is up. What could be wrong? A closer look reveals some cracks...
Graduate Enrollment Momentum is Slowing

**Graduate Enrollment Growth**
2004-2012 vs. 2012-2020

- **2004-2012:** 17%
- **2012-2020:** 8%

**Source:** National Student Clearinghouse’s Current Term Enrollment Estimates Report, Fall 2021.
While Previously Unscathed During COVID-19, Graduate Enrollment Declined in Fall 2021

Graduate Enrollment, 2019-2021 (Fall)

-10,802 enrollments

Source: National Student Clearinghouse’s Current Term Enrollment Estimates Report, Fall 2021.
The Graduate Enrollment Rate Has Fallen Over Recent Years

Index of Graduate Enrollment vs. Population Growth

- Graduate (Age 25-44) Enrollment
- U.S. Population Age 25-44 (bachelor's)
- Enrollment as % of Population

Source: Eduventures analysis of NCES IPEDS data.
Crack #4
Changing Prospect Preferences

**Anticipated Graduate Credential**
(Americans Aged 22-64 with at least a bachelor’s degree- Committed, Hesitant & Skeptical Prospects)

<table>
<thead>
<tr>
<th>Desired Credential</th>
<th>July 2019</th>
<th>June 2020</th>
<th>October 2020</th>
<th>October 2021</th>
<th>Change vs. 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Master’s</td>
<td>57.8%</td>
<td>53.4%</td>
<td>52.4%</td>
<td>50.0%</td>
<td>-13%</td>
</tr>
<tr>
<td>Doctoral/Prof.</td>
<td>4.5%</td>
<td>3.4%</td>
<td>4.2%</td>
<td>3.2%</td>
<td>-29%</td>
</tr>
<tr>
<td>Grad Cert/ Vocational</td>
<td>11.2%</td>
<td>14.6%</td>
<td>12.9%</td>
<td>18.5%</td>
<td>+65%</td>
</tr>
<tr>
<td>Noncredit/ Individual Courses</td>
<td>13.9%</td>
<td>16.2%</td>
<td>12.7%</td>
<td>13.1%</td>
<td>-6%</td>
</tr>
</tbody>
</table>

Source: Eduventures analysis of Adult Prospect Survey data.
A more complicated story. Why?
Master’s Market Pressures

A Red-Hot Economy Prior to COVID-19

Index of Median Wages of Households by Highest Education Attainment

Peak Wage=$117K
$100K
$112

$75K
$68K
$55K

1991=100

Wage Growth Following the Great Recession, prior to COVID, shaded yellow.
Master's Market Pressures

New Labor Market Tensions

Ten states hit record-low unemployment rates

Strong Hiring, Low Unemployment Point to Economy Making Post-Pandemic Pivot

'Lots of opportunities': Revived economy drives unemployment for less-educated Americans to record low

U.S. Inflation Accelerated to 8.5% in March, Hitting Four-Decade High

Consumer fears over inflation hit a record high in March, New York Fed survey shows

Inflation hits 40-year high of 8.5 percent due to war in Ukraine, rent hikes

Gas prices jumped 48 percent year-over-year, the BLS said

Is worker power on the rise?

April 9, 2022 | Podcast

Millions of workers left jobs this year, shifting the balance of power with employers

Can newfound worker power change the workplace for good?
The Age-Old Cost vs. Value Debate

40% of Master's Degrees Have a Negative Return on Investment, According to New Research

Only 25% of those with student loans went to graduate school—but they owe around 50% of all student debt

Graduates of Elite Master’s Programs Don’t Earn Enough to Pay Down Loans

Financially Hobbled for Life': The Elite Master’s Degrees That Don’t Pay Off

Columbia and other top universities push master’s programs that fail to generate enough income for graduates to keep up with six-figure federal loans

Master’s Degrees Are the Second Biggest Scam in Higher Education

And elite universities deserve a huge share of the blame.
A Boom in Cost-Efficient Degree Alternatives

Source: Eduventures analysis of NCES IPEDS data.
That was a lot.
But there is one trend we really want to focus in on...
Recall that Demand is Up

Index of Graduate Enrollment vs. Master’s Conferral Growth (2012=100)

Source: Eduventures analysis of NCES IPEDS data.
But Supply Is Far Outpacing Demand

Index of Graduate Enrollment vs. Master’s Conferral Growth vs. Master’s Program Growth (2012=100)

Source: Eduventures analysis of NCES IPEDS data.
What is Program Efficiency?

**Program Efficiency** is a measurement that considers both programs and conferrals, or supply and demand, when assessing market health.

**Absolute Efficiency**: the average number of degree conferrals per program in a field of study at one point in time (2020).

**Efficiency Over Time**: the change in average degree conferrals per program in a field of study over a period (2012 to 2020).

**2020 Absolute Efficiency**
21.2 conferrals per program

**2012-2020 Efficiency Over Time:**
-10%
Pop Quiz
As of 2020, about how many master’s programs were offered from U.S., Title IV participating schools?
As of 2020, about how many master’s programs were offered from U.S., Title IV participating schools?

Correct answer: 40,000
Question #2

How many master’s programs entered the market between 2012-2020?
Question #2

How many master’s programs entered the market between 2012-2020?

- 2,457 (4/121) 3%
- 5,673 (15/121) 12%
- 7,692 (39/121) 32%
- 9,298 (63/121) 52%

Correct answer: 7,692
Question #2

How many master’s programs entered the market between 2012-2020?

Master’s Programs, 2012-2020

<table>
<thead>
<tr>
<th>Year</th>
<th>Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>32,148</td>
</tr>
<tr>
<td>2013</td>
<td>33,997</td>
</tr>
<tr>
<td>2014</td>
<td>34,970</td>
</tr>
<tr>
<td>2015</td>
<td>36,229</td>
</tr>
<tr>
<td>2016</td>
<td>36,664</td>
</tr>
<tr>
<td>2017</td>
<td>38,171</td>
</tr>
<tr>
<td>2018</td>
<td>38,677</td>
</tr>
<tr>
<td>2019</td>
<td>39,093</td>
</tr>
<tr>
<td>2020</td>
<td>39,840</td>
</tr>
</tbody>
</table>

7,692 – an average net gain of more than 900 master’s programs per year!

Source: Eduventures analysis of NCES IPEDS data.
As of 2020, which field of study claimed the most master’s programs?
As of 2020, which field of study claimed the most master’s programs?

132 participated

- Health: 30 (30/132) 23%
- Business: 62 (62/132) 47%
- Education: 16 (16/132) 12%
- Computer Science: 24 (24/132) 18%

Correct answer: Education

Results from quiz during live webinar
Question #3

As of 2020, which field of study claimed the most master’s programs?

- Education – 7,843 (20%)
- Health – 5,091 (13%)
- Business – 4,278 (11%)
- Engineering – 2,178 (5%)
- Biological and Biomedical Sciences – 2,212 (6%)

Source: Eduventures analysis of NCES IPEDS data.
Which field of study saw the fastest master’s program growth between 2012-2020?
Question #4

Which field of study saw the fastest master’s program growth between 2012-2020?

<table>
<thead>
<tr>
<th>Field of Study</th>
<th>Percentage</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer Science</td>
<td>(56/129) 43%</td>
<td></td>
</tr>
<tr>
<td>Multi/Interdisciplinary Studies</td>
<td>(21/129) 16%</td>
<td></td>
</tr>
<tr>
<td>Health</td>
<td>(50/129) 39%</td>
<td></td>
</tr>
<tr>
<td>Legal Professions/Studies</td>
<td>(2/129) 2%</td>
<td></td>
</tr>
</tbody>
</table>

Correct answer: Multi/Interdisciplinary Studies

Results from quiz during live webinar
Question #4
Which field of study saw the fastest master’s program growth between 2012-2020?

Fastest Growing Fields by Program %, 2012-2020 (top 15)

- Multi/Interdisciplinary Studies: 70%
- Legal Professions and Studies: 59%
- Homeland Security and Related Protective Services: 52%
- Computer and Information Sciences: 48%
- Parks, Recreation, Fitness: 46%
- Health: 44%
- Communication/Journalism: 39%
- Engineering-related Technologies/Technicians: 36%
- Biological and Biomedical Sciences: 31%
- Mathematics and Statistics: 29%
- Architecture and Related Services: 29%
- Business/Management: 28%
- Philosophy and Religious Studies: 26%
- Agricultural/Veterinary Sciences: 24%
- Public Administration/Social Services: 23%

Source: Eduventures analysis of NCES IPEDS data.
Of those fields (top 15), how many saw conferrals outpace programs?
Question #5

Of those fields (top 15), how many saw conferrals outpace programs?

<table>
<thead>
<tr>
<th>Option</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>(41/112)</td>
<td>37%</td>
</tr>
<tr>
<td>Four</td>
<td>(42/112)</td>
<td>38%</td>
</tr>
<tr>
<td>Eight</td>
<td>(14/112)</td>
<td>13%</td>
</tr>
<tr>
<td>All</td>
<td>(15/112)</td>
<td>13%</td>
</tr>
</tbody>
</table>

Correct answer: Four
Of those fields (top 15), how many saw conferrals outpace programs?

Fastest Growing Fields by Program %, 2012-2020 (top 15)

- Multi/Interdisciplinary Studies: 49% Conferral Growth, 70% Program Growth
- Legal Professions and Studies: 53% Conferral Growth, 59% Program Growth
- Homeland Security and Related Protective Services: 26% Conferral Growth, 52% Program Growth
- Computer and Information Sciences: 29% Conferral Growth, 48% Program Growth
- Parks, Recreation, Fitness: 29% Conferral Growth, 46% Program Growth
- Health: 44% Conferral Growth, 60% Program Growth
- Communication/Journalism: 18% Conferral Growth, 39% Program Growth
- Engineering-related Technologies/Technicians: 29% Conferral Growth, 36% Program Growth
- Biological and Biomedical Sciences: 31% Conferral Growth, 51% Program Growth
- Mathematics and Statistics: 29% Conferral Growth, 93% Program Growth
- Architecture: 20% Conferral Growth, 29% Program Growth
- Business/Management: 3% Conferral Growth, 28% Program Growth
- Philosophy and Religious Studies: 9% Conferral Growth, 26% Program Growth
- Agricultural/Veterinary Sciences: 19% Conferral Growth, 24% Program Growth
- Public Administration/Social Services: 19% Conferral Growth, 23% Program Growth

Source: Eduventures analysis of NCES IPEDS data.
End of Pop Quiz
Recap: Program Efficiency

**Program Efficiency** is a measurement that considers both programs and conferrals, or supply and demand, when assessing market health.

**Absolute Efficiency**: the number of degree conferrals per program in a field of study in 2020.

**Efficiency Over Time**: the change in degree conferrals per program in a field of study from 2012 to 2020.

**2020 Absolute Efficiency**: 21.2 conferrals per program

**2012-2020 Efficiency Over Time**: -10%

*Source: Eduventures analysis of NCES IPEDS data.*
The Master’s Market Efficiency Map
(Broad Fields of Study)

Markets Providing Pause
Fields of study becoming less efficient over time with higher-than-average absolute efficiency.

Most Favorable Markets
Fields of study becoming more efficient over time with higher-than-average absolute efficiency.

Red Flag Markets
Fields of study becoming less efficient over time with lower-than-average absolute efficiency.

Markets on the Rise
Fields of study becoming more efficient over time with lower-than-average absolute efficiency.

Source: Eduventures analysis of NCES IPEDS data.
The Master’s Market Efficiency Map
(Broad Fields of Study)

Source: Eduventures analysis of NCES IPEDS data.
The Master’s Market Efficiency Map (Broad Fields of Study)

- **Large Cohorts, but Tightening Competition**
- **Best Opportunities**
- **Opportunity Passed?**
- **Small Cohorts, but Favorable Growth Conditions**

Source: Eduventures analysis of NCES IPEDS data.
Master's Market Update

Digs Deeper into Market Efficiency

2012-2020 Efficiency Over Time

Market Average = 21.2

2020 Absolute Efficiency

Market Average = 40

-50% -30% -10% 10% 30% 50% 70%

Source: NCES IPEDS
Figure 14. Field of Study Interest Among “Committed” Adult Graduate Prospects
(Education vs. Business, Computer Sciences, and Health Professions)

Source: Eduventures’ Adult Prospect Research, 2019-2021
Identifies Best Opportunity Markets

The following benchmarks were used to identify these programs:

- At least 1,000 master’s conferrals reported in 2020 (providing evidence of sufficient scale)
- At least 40 total master’s programs in 2020 (providing evidence of sufficient market development)
- Positive 2012-2020 conferral growth (to exclude shrinking program markets)
- At least a 10% increase in 2012-2020 program efficiency (to focus on the highest efficiency gains)
- At least 21.2 conferrals per program (to focus on above average absolute efficient programs)

Three out of 25 “most efficient” master’s markets.

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Family Practice Nurse/Nursing</td>
<td>216</td>
<td>14,743</td>
<td>68.3</td>
<td>146%</td>
<td>279%</td>
</tr>
<tr>
<td>Management Science</td>
<td>171</td>
<td>12,047</td>
<td>70.5</td>
<td>119%</td>
<td>862%</td>
</tr>
<tr>
<td>Computer and Information Systems Security/Information Assurance</td>
<td>168</td>
<td>5,838</td>
<td>34.8</td>
<td>75%</td>
<td>586%</td>
</tr>
</tbody>
</table>

Source: Eduventures analysis of NCES IPEDS data.
Concluding Thoughts

- The era of launch, launch, launch is behind us.
- Be real about new program opportunities.
- Review existing program portfolios.
- Go beyond high-level trends.
Additional Resources
Program Strength Assessment

Are you interested in learning about the demand for your institution, including your Master’s programs?

- Benchmark the strength of your program compared to peer institutions
- Determine opportunities to expand your portfolio of program offerings to strengthen the reputation of your institution
- Identify programs that meet market demand as well as programs that face current and future challenges in the market
- Create a focused and distinctive academic portfolio that students are excited about

encoura.org/PSA
Prospective Student Research

Find Out What Students Think of Your Institution

- The exact words – including frequency and sentiment – that students use when thinking of your institution
- Essential focus for your team’s resources and messaging
- Insight into Student Mindsets™ of your prospective students: behaviorally and attitudinally-based market segmentation of college-bound high school students

Deadline to Participate: September 16, 2022
Reach graduate and adult learners where they spend the majority of their time—on their favorite devices—whether they’re working from home, in an office, or on the go—with Encoura Digital Solutions.

**Evolve Your Digital Marketing Strategy to Reach Today’s Adults**

How you engage with graduate and adult students needs to evolve with emerging media trends and the changing labor market. As a team of experienced enrollment leaders, we work in tandem with your traditional engagement methods and provide targeted digital media strategies to help you navigate the ever-changing digital landscape.
The era of COVID-19 was, and remains, a challenge. Budgets were pressured. Energies were tapped. Attention was maxed out. But schools now have an opportunity to remaster their master’s program strategies by adopting a leaner and more objective mindset. The first step in doing so is understanding the full master’s market story.

• Why has the master’s degree been such a pillar of opportunity for colleges and universities?
• Which markets are bogged down by competition?
• Where might there be master’s program opportunity?
• How is efficiency trending across specific fields of study?