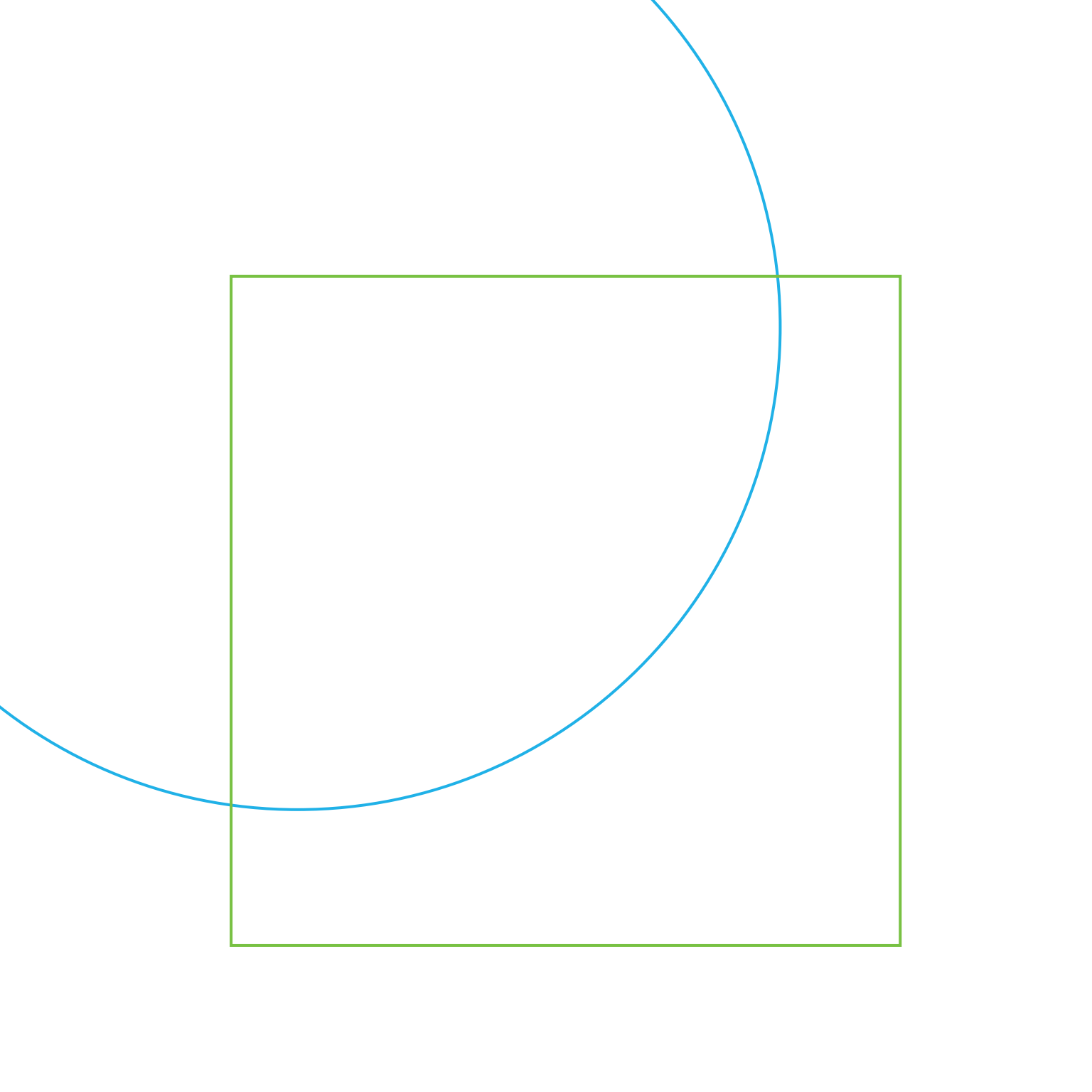


The Country Vignette Series 2019:

Pre-experience graduate management education in the Netherlands

Graduate
Management
Admission
Council™





The Country Vignette Series

The *Country Vignette Series* has been developed to illustrate how pre-experience business master's degrees have evolved over a 10-year period. Focusing on the supply of, and demand for, English-language taught master's programs in a single country, each vignette combines quantitative data — compiled from Graduate Management Admission Council™ (GMAC™) research on the entire market — with qualitative insights from domestic business schools.



Graduate management education in the Netherlands

Prior to 2002, higher education in the Netherlands was domestic. Although the traditional university system, anchored around the *doctoraal* diploma system, was viewed favourably among society and employers, such education was largely limited to the Dutch population and focused on providing long-cycle first degree education (roughly equivalent to a master's degree). Outside universities of applied sciences, there was no option for students to pursue something more akin to a bachelor's degree.

But over the past two decades in the Netherlands, higher education — and with it the country's leading business schools — has undergone huge expansion. The reforms following the Bologna Accord (1999) have harmonized higher education across the European continent. Today's business master's programs attract students from around the world, drawn to the Netherlands by good value, high quality, English-taught degrees delivered in a small country with a reputation for welcoming international students and businesses to its shores.





A complex higher education system

Higher education in the Netherlands is offered around a binary system that differentiates between research-oriented higher education (*Wetenschappelijk Onderwijs*, wo) offered by universities, and higher vocational education (*Hoger Beroepsonderwijs*, hbo) offered by universities of applied sciences. Bologna has aligned the type of degree awarded and helped create pathways between them (note: please refer to the appendix for additional detail).

- To enter research-oriented higher education, students must complete six years of preparatory secondary education to receive their vwo diploma. Prior to Bologna, students earned a doctoraal diploma after four years of study. This was a long-cycle degree qualification equivalent to a master's degree. Today, bachelor's degrees are awarded after three years of study, with master's requiring an additional year of study.
- To enter vocational professional education, students needed a havo diploma, earned after five years of secondary education. Following this, and after four years of study, students could earn an hbo diploma. The main change post-Bologna is nomenclature: an hbo diploma is now called a bachelor's degree.

Before Bologna, there was no formal route between research-oriented and higher vocational education. Students with an hbo diploma seeking to study at a university would have some of their prior studies recognised, but still needed to complete three of the four years required for a vwo diploma. When bachelor's and master's degrees were introduced into Dutch higher education, students with a bachelor's from a university of applied sciences seeking to enter a master's program at a university now only need to complete a 1-year pre-master program.

The uniqueness and complexity of the Dutch higher education system prior to Bologna — different institutional types, different degrees being awarded, and different routes to higher education — resulted in qualifications that were difficult to understand outside of the Netherlands. Furthermore, most programs were taught in Dutch. As a result, higher education served a largely domestic student and employer base.

English-language taught master's programs



The adoption of the Bologna Accord and the European Credit Transfer System (ECTS) created a rapid proliferation of degree programs at Dutch universities, many of which were offered in English. GMAC research shows that the number of English-language master's programs offered by business schools in the Netherlands rose from 38 in 2007 to 160 in 2017 — a heady 321 percent increase. msc programs accounted for the lion's share of growth and they proliferated from 20 to 139 in the decade, while those using standardised admissions tests, such as the Graduate Management Admission Test™ (GMAT™) exam, rose from 17 to 97 — a 470 percent surge, during the same period.

“Internationalization of Dutch higher education was sparked by the ECTS as it made it much easier for English taught programs to open up to foreign students,” says Arnoud Monster, executive director of recruitment and admissions at the Rotterdam School of Management, Erasmus University (RSM). “Homogenising the credit system across Europe made us more attractive. Students appreciated the opportunity to do a bachelor's degree in their home country and then a master's degree at a different university abroad. Flexibility has increased.”

Specialised programs



The rapid launch of master's programs in the Netherlands has provided opportunities for the country to take advantage of an increasingly mobile university student body and helped drive the creation of programs from data science to sustainability. Over the past decade, RSM has established 14 different MSCs, most of which are taught in English. "We already had these subjects [such as finance

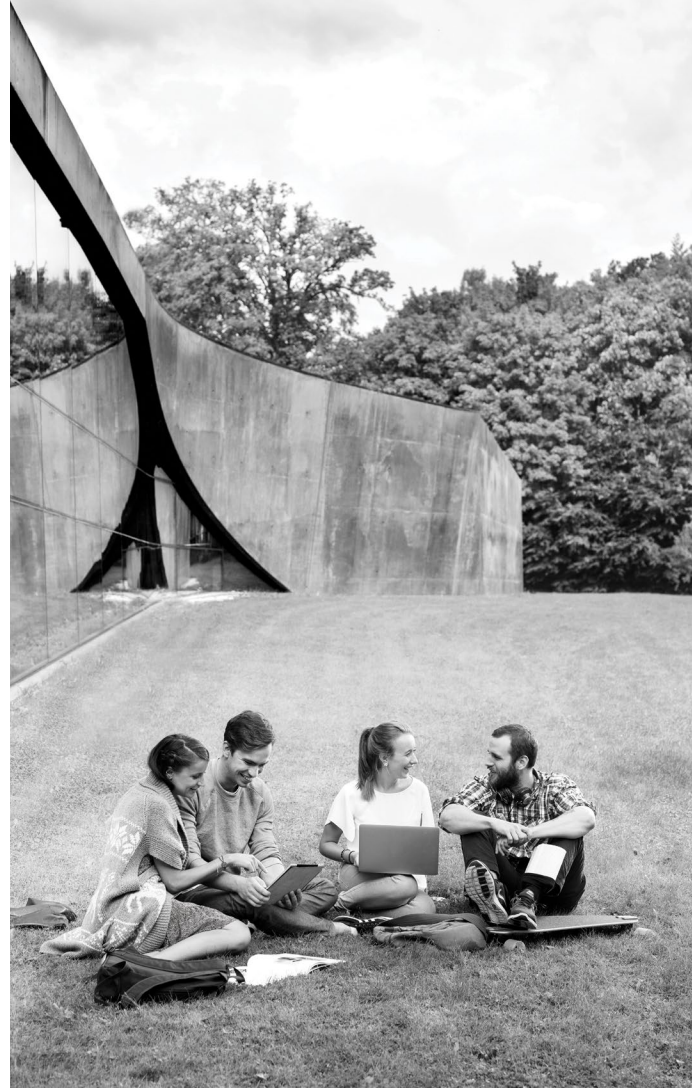
and investment] taught as specializations under the old diploma system but mostly in Dutch," says Monster. "We decided to separately accredit them as standalone courses. One advantage was that students could then earn a specialized MSc which makes their value and experience clearer to potential employers."

Globalization

Alongside an increase in the number of master's programs at Dutch business schools has come growth in the size and diversity of the student population. There are roughly 1,600 students across all pre-experience master's programs at RSM and the overall percentage of international (non-Dutch) students is 45-50 percent. A decade ago students were predominantly Dutch, and their numbers were in the low hundreds.

Business schools have also benefited from an increasingly positive perception of the Netherlands as a place to both study and work, with RSM ranked among the top-40 globally by the *Financial Times* newspaper this year. Monster explains, "The Netherlands is a very affordable study country for European Economic Area (EEA) students because they only pay a statutory fee of around €2,000 per year and the rest is sponsored by the Dutch government. Only those from outside Europe have to pay full tuition. It's therefore an affordable way to get high-quality education and be exposed to a very international classroom in a country where you can easily get by without the local language. It all makes the Netherlands extremely popular."

He adds: "It has become a little bit more customer-friendly for visas in the Netherlands, too. Ten years ago, visa costs were high and finding employment as an international student was not easy. Nowadays we have a 'search year' for international students which gives them a year after graduating to find a job in the country."



The anti-globalisation movement

However, there are headwinds against the international expansion of Dutch management education. A group of Dutch universities recently announced that they want to curb growth in number of international students, in part due to overstretched finances. Higher education budgets have not kept pace with the growing numbers of domestic and EEA students, both of whom qualify for subsidised places (only non-EEA students pay full fees). Between 2013 and 2017, the number of Dutch students enrolled in master's programs¹ grew by an average of 2.1 percent per year, a rate eclipsed by that for EEA students (10.2%) and non-EEA (12.1%). An increase in those eligible for subsidies coupled with flat budgets has therefore reduced the amount of funding received per student.

There are also concerns about the rise of English as a teaching language (and the associated marginalisation of the Dutch language). According to Nuffic, the Dutch organisation for internationalisation in education, 23 percent of bachelor's,

and 74 percent of master's, programs are exclusively taught in English. A group called Beter Onderwijs Nederlands (Better Dutch Education) attempted to sue two universities in 2017 to bring attention to this matter and stimulate public debate about what they posit is the rise of English teaching for financial motives. While their case failed, it brought attention to the issues and they are pushing government to clarify domestic policies.

Monster explains, "The issue has led to big debates about foreign students coming to the country. Some parties are afraid they are pushing out the Dutch students, while others question whether the Dutch taxpayer should pay for foreigners to have an education. This sentiment is visible across the world, not just in the Netherlands, but fortunately Dutch institutions and the minister for education have recently stated that we welcome international students to our country."

¹Source: https://www.vsnunl/en_GB/f_c_ingeschreven_studenten.html

Admissions and student selection



Changes to the student population have prompted Dutch business schools to shake-up their admissions requirements. With more students coming to the Netherlands from across the globe, a way to objectively compare those from different backgrounds, employment and education systems was required. For most schools this has come in the form of the GMAT exam, which has been growing in popularity among the top Dutch universities. “We favour standardised tests in our admissions process and student selection, especially for those with international backgrounds when it’s hard to measure their GPA [grade point average],” Monster says. “The GMAT is a tool we like to use. For non-Dutch applicants it’s very important; we have made it mandatory for students to take.”

The growth in student body has prompted changes to specific admissions requirements, too. “In 2017 we introduced measures to curb the growth of some of our programs,” says Gabi Helfert, executive director of msc

programs at RSM. “Two, in particular, had become so popular that our academic department couldn’t deal with the volume of applications so we introduced a minimum GPA requirement of 7.0 [on a scale of 1 to 10] for domestic applicants, and a GMAT score of at least 600 for internationals.”

Admissions requirements for specific programs have also changed, Helfert says. “We are increasingly introducing different requirements for different programs. For example, the number of credits needed for entry to most of our business master’s programs is 40. In some programs, however, we allow students who only have 20 credits to enter if they possess relevant alternative qualifications or experience. For example, this could be a background in entrepreneurship, or those with education in a discipline such as engineering or computer science. The admissions requirements are definitely getting more specific per program compared with how it was a decade ago.”

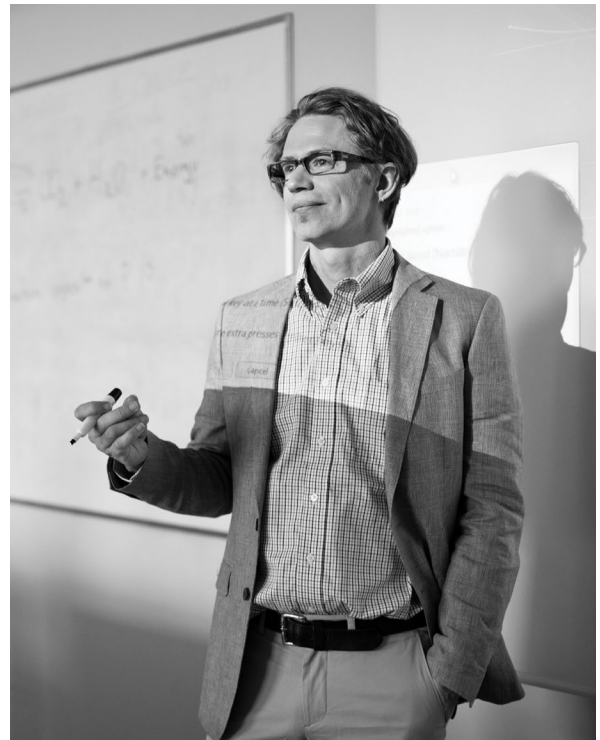
Zero-cost admissions for nationals

The most recent elections in the Netherlands have given a greater voice to student unions and one of the items on their agenda is the removal of barriers to graduate study. Starting with admissions for the 2019-20 academic year, Dutch universities cannot ask domestic students applying for publicly funded master's degrees to pay any type of direct or indirect application fee. This includes application fees, admission tests, language assessments, etc. While there is support for increasing access, universities are concerned about the increase in administrative overhead that will be needed to manage applications and evaluate applicant's higher order reasoning and language capabilities.



Pedagogy and faculty

The internationalization of Dutch management education has also prompted changes to pedagogy. While most business master's degree programs have integrated case studies into their teaching, it is being complemented by global exchange opportunities, immersions and consultancy projects. Schools hope these international experiences will better prepare their students for a workplace that is becoming increasingly international, with managers expected to lead global teams from a distance. RSM sends more than 200 master's students to 165 partner universities across the globe each year, a number that has increased over the past decade. In addition, the school is recruiting more international faculty as students and employers demand a management education with a more global focus. "What has changed drastically over the past decade is the composition of our faculty body," says Helfert. "In 2007, no more than 25-30 percent of professors were international. Now around 60 percent are, and we are seeing more of them progress from assistant professor to full professor."



Employment outcomes

Globalization and technological advances have changed employment outcomes for Dutch management students. There has been a surge in student interest in careers at technology companies alongside careers in industries that are, increasingly, placing technology at their core such as manufacturers, management consulting firms, and banks. This is evidenced in an increase in applications to rsm's business information management master's degree program and the school has now introduced a cap on student numbers.

Careers that consider more than just shareholder return have increased in popularity too as students want more emphasis on how business impacts society and the environment. "Our global business and sustainability program has grown in popularity. Established more than six years ago, it was a small program with around 30 students, but in the last two years it has grown to 120 students, and it's still growing," Helfert says. "Our students are now more interested in non-traditional business programs—and career paths—that encompass corporate social responsibility, sustainability and ethical issues."

The growth in interest in these areas is matched by job growth among the employers who hire from Dutch business schools. "In some programs students don't even have to look for a job; they get an offer while still studying," notes Helfert. "Aside from Business Information Management, a lot of our finance students have a job before they graduate, too. On average, 85 percent are employed within three months of graduation, with almost 100 percent by six months." A growing number of employers in the Netherlands will also now accept applicants who only speak English, or who are not native Dutch language speakers .



Looking forward



Providing students with the skills they need in fast-changing fields will be a challenge for business schools moving forward. Technology will play a greater role in all aspects of Dutch management education in the decade ahead, including the career paths students choose to pursue on graduation. Technology, meanwhile, will also shift the way learning takes place in the years ahead, adds Monster. “We will have more blended [face-to-face and online] learning than we have now. Some universities are working with mixed classrooms already, with some students participating physically in a class and others just beaming in via electronic media. With blended learning, we can tap into a lot of students who can’t afford to travel and live here. And I do think that this is going to be a strong trend in the future of management education.”

Case Study: Business analytics and management

One area seeing a huge growth in both student and employer demand in the Netherlands is business analytics. Rotterdam School of Management, Erasmus University, will launch a business analytics and management program in 2020. The one-year, program will be taught in English at the school's Rotterdam campus and European Union students will only pay €2,060 tuition.

Companies today are increasingly gathering and assessing vast troves of data on their customers and operations. Students focus on the tools and skills needed to analyse data and use it to generate meaningful insights that can be used to improve business decision-making. The program will be taught by domain specialists and will apply modern data science knowledge and skills to different management areas, such as marketing, supply chain management, finance, and accounting.

Career prospects for graduates look rosy, with the *Harvard Business Review* calling data science the “sexiest” career of

the 21st century. Businesses across all industries are using data to improve efficiency, and generate new products and service lines, from banking and retail to transportation and logistics. Marketing functions too are increasingly using data to create more effective and targeted advertising campaigns. As a result, those trained in the art of data science can expect to find plenty of career opportunities in fields such as finance, consulting and health care. In fact, according to IBM, in the United States alone the number of roles for all data professionals is forecast to reach 2.7 million by 2020.

“I would go so far as to say that any graduate who does not have qualifications in data analytics will have a hard time finding a job at all,” states Gabi Helfert, executive director of msc programs at rsm. “Digital and data are impacting all domains, whether in marketing or supply chain management, or finance. We see a huge demand from our employers for graduates who have these kinds of skills. We are adapting our curricula and the msc portfolio to cater to changing employer demand.”



Appendix: Higher education in the Netherlands

Higher education in the Netherlands is offered around a binary system that differentiates between research-oriented, university, higher education (*Wetenschappelijk Onderwijs*, wo) and higher vocational education (*Hoger Beroepsonderwijs*, hbo) offered by universities of applied sciences. Despite Bologna bringing alignment in the types of degrees awarded, this distinction remains and each has a different entrance pathway.

Secondary education

Secondary education starts when students are 12 years. While education is compulsory to age 16, students aged between 16–18 are subject to a basic qualification requirement which means that they must attend school until they have either obtained a diploma (basic qualification) or reached the age of 18.

There are two main types of secondary education. Which is chosen will impact when and which type of degree education can be entered:

- Entry to research universities requires the vwo (pre-university education). Lasting six years (three lower, three upper), the vwo diploma is awarded upon passing national exams in at least eight subjects.
- For entry to universities of applied sciences (which offer higher vocational education), students undertake general secondary education (havo) which lasts five years and is comprised of three lower years and two upper years. Students earn the havo diploma after national exams in at least seven subjects.

Both tracks allow students to study a broad range of subjects initially, with the upper years requiring selection of one of four subject clusters (culture and society, economics and society, nature and health, nature and technology).



Higher education

Three types of institutions offer higher education: government-funded, approved, and private institutions.

The country's 13 research universities (plus the open university) and 36 universities of applied sciences receive government funding and hence award legally recognised degrees. Receiving public funds limits the fees that can be charged to domestic, EEA, Switzerland and Surinam students. For example, the annual tuition fee for the 2019-20 year, for both bachelor's and master's degrees, is set at €2,087, while there are no controls on what students from other countries are charged each year. International student fees typically

range from €6-15K for a bachelor's to €8-20K for a master's degree. In contrast, approved institutions receive no funding (and hence can charge whatever they like to all students), but may still award recognised degrees. A final category, private institutions, do not award recognised degrees (unless the program has been nationally accredited) nor receive any public monies.

Universities award a bachelor's degree after three years (180 ECTS) of study; for universities of applied sciences, a bachelor's degree is earned after four years (240 ECTS). All students are then eligible for entry into a master's program, with most lasting one year (60 ECTS).

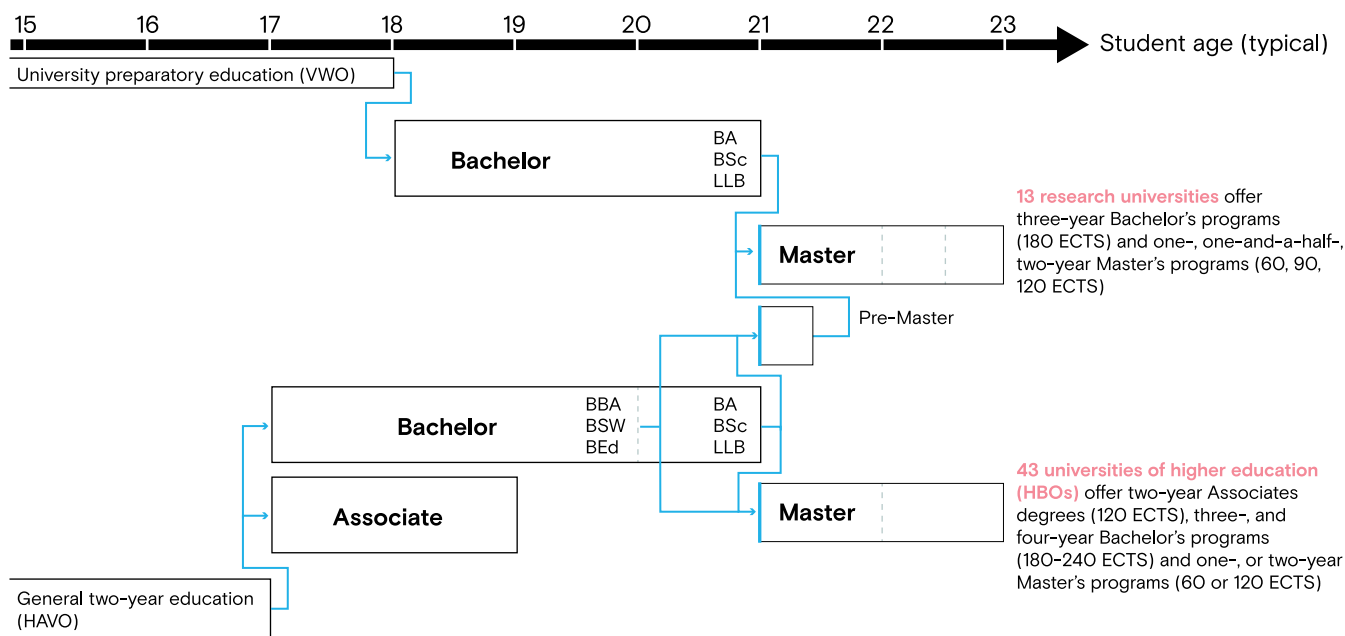
Market data based on desk research

| | 2007 | 2017 |
|---|------|------|
| Institutions offering business master's degrees | 11 | 24 |
| Programs offered: | | |
| All master's | 38 | 160 |
| ...of which MSc | 20 | 139 |
| ...of which Master of | 11 | 17 |
| MBA | 22 | 22 |
| EMBA | 3 | 11 |

GMAT score usage among Dutch master's programs

| | 2007 | 2017 |
|---|---------|---------|
| Master's program using the GMAT exam | 22 | 60 |
| Number of GMAT scores received | 1,619 | 7,030 |
| Top five source countries for master's students | Germany | Germany |
| | China | China |
| | Greece | Italy |
| | India | Greece |
| | Italy | India |

High-level diagram of Netherlands higher education



Notes

one ECTS credit is approximately equal to 0.5 US credits. A four-year Bachelor degree of 240 ECTS is therefore 120 US credits

Indicates a competitive entrance process that typically uses a standard assessment



For questions or comments regarding this vignette, please contact GMAC at masters@gmac.com.

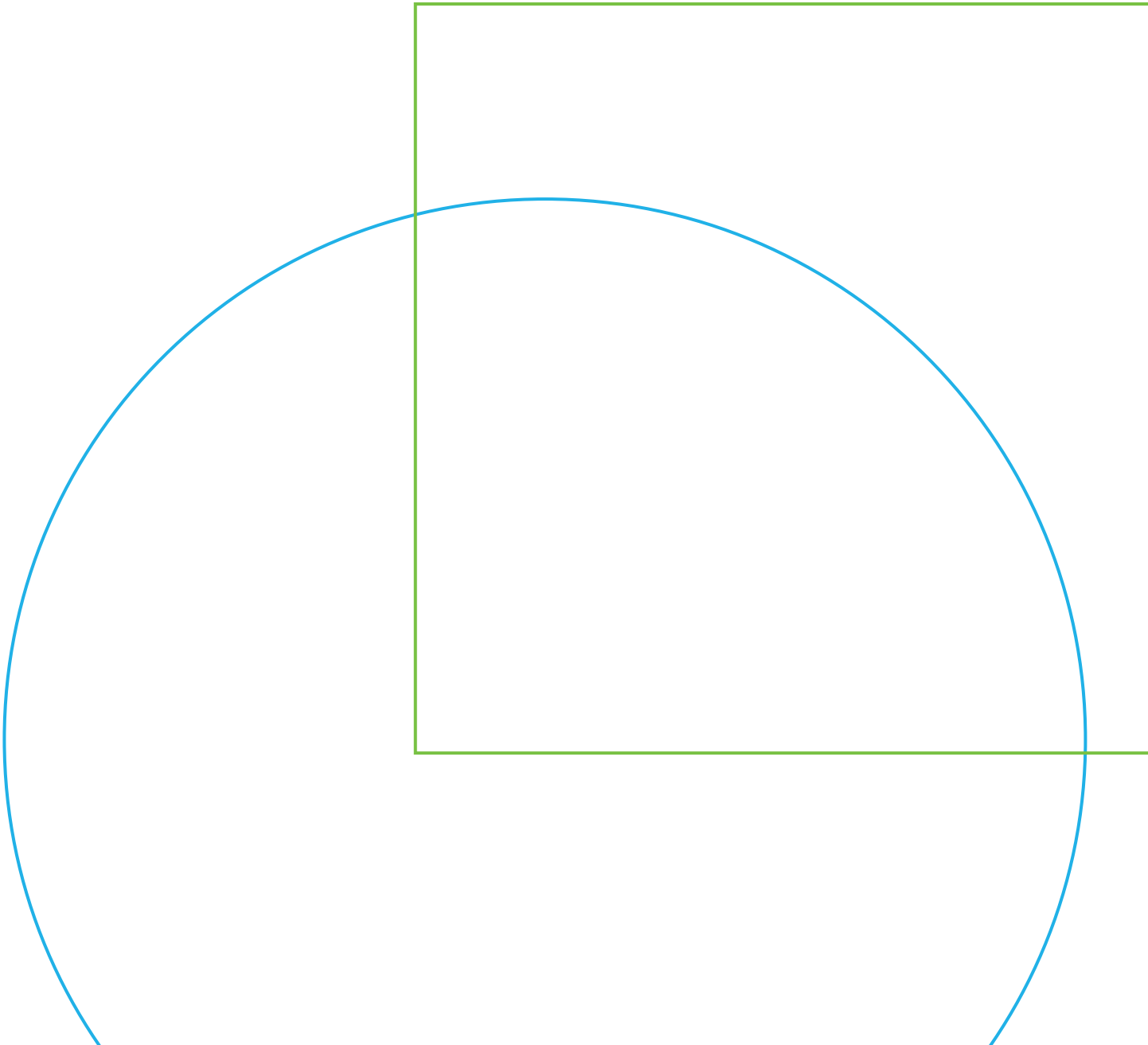
Acknowledgements

GMAC would like to thank the Rotterdam School of Management, Erasmus University, and GMAC staff for their contributions to the vignette.

About GMAC: The Graduate Management Admission Council (GMAC) is a global association of leading graduate business schools. Founded in 1953, we are committed to creating solutions for business schools and candidates to better discover, evaluate, and connect with each other. We work on behalf of the schools and the graduate management education community, as well as guide candidates on their journey to higher education, to ensure that no talent goes undiscovered.

GMAC provides world-class research, professional development opportunities, and assessments for the industry, designed to advance the art and science of admissions. Owned and administered by GMAC, the Graduate Management Admission Test™ (GMAT™) exam is the most widely used graduate business school assessment, recognized by more than 7,000 programs worldwide. Other GMAC assessments include the NMAT by GMAC™ exam, for entrance into graduate management programs in India, South Africa, and the Philippines, and the Executive Assessment, specifically designed for executive programs around the world. Our flagship portal for graduate management education resources and information, mba.com, receives six million unique visitors a year, and features the School Search search tool and GMASS™ search service, matching candidates and business schools.

GMAC is based in the United States with offices in China, India, Singapore, and the United Kingdom. To learn more about our work, please visit gmac.com.





© 2019 Graduate Management Admission Council (GMAC). All rights reserved.

No part of this publication may be reproduced, stored in a retrieval system, distributed or transmitted in any form by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior written permission of GMAC. For permission, contact the GMAC Legal Department at legal@gmac.com.

GMACTM, GMASTM, GMATTM, Graduate Management Admission CouncilTM, Graduate Management Admission TestTM, and NMAT by GMACTM are trademarks of GMAC in the United States and other countries.