

The job market continues to improve for graduate business school degree holders as more employers plan to hire MBAs and specialized business master's talent than did so last year.

With support from partners EFMD and MBA Career Services Council and 158 business schools worldwide, the GMAC 2013 Corporate Recruiters Survey drew responses from more than 900 employers in 50 countries around the world, including adequate samples to report details for the Asia-Pacific region (with Central Asia), Europe, and the United States. Business school career services professionals can use the analyses to help guide job candidates as they begin their search for postgraduate employment by monitoring industries and job functions in demand, as well as by gauging trends across world regions and within the United States. Employers can use survey findings to calibrate their own company plans compared with those of other firms by region and industry.

Business school graduates can better navigate today's job market by understanding how company organizational goals and operational plans drive decisions about who to hire, what positions to fill, and where to place talent. Insights into company hiring plans, compensation trends, and regional demand are particularly important, as employment outcomes are a top factor driving a prospective student's decision to pursue a graduate management education.

This report, the first in a series of briefs based on findings from the 2013 Corporate Recruiters Survey, examines the hiring outlook for graduate business students and analyzes demand by industry and world region, salaries, job functions, and mobility in regional job placement. In addition to trends for MBAs as well as Master in Management and Master of Accounting talent, this year's study includes, for the first time, detailed findings for Master of Finance degree-holders.

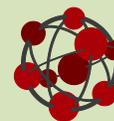
## Key Findings

- Not only are more companies planning to hire recent MBAs around the world in 2013 (75%, up from 71% that hired in 2012), but they expect to increase the average number of new MBA hires per company from 11.4 in 2012 to a projected 14.6 in 2013.
- Companies in Asia-Pacific are experiencing robust growth and planning for market expansion in 2013 and are creating higher demand this year for MBAs and master-level candidates, with a majority this year expected to offer starting salaries for new hires at or above the rate of inflation.
- European hiring projections reflect employer sentiments about the region's struggling economy. Although the hiring outlook for MBAs remains stable compared with 2012, hiring projections for all other types of candidates decreased slightly.

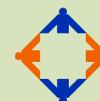
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This 2013 report is one of several summary briefs based on responses from 935 employers in 50 countries around the world, which include adequate samples to report details for the Asia-Pacific region (with Central Asia), Europe, and the United States. The survey methodology and demographic profile of survey respondents can be found online at [gmac.com/corporaterecruiters](http://gmac.com/corporaterecruiters).

### Our 2013 Survey Partners



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*The GMAC 2013 Corporate Recruiters Survey was conducted at 158 business schools worldwide through partnership with the European Foundation for Management Development (EFMD) and the MBA Career Services Council (MBA CSC).*

- The 2013 hiring outlook is positive in terms of the percentage of US companies that plan to hire MBA and business master's graduates. The Northeast has the highest demand for fresh MBA talent, with 92 percent of companies planning to hire recent graduates. The South will see the greatest increase in demand for non-MBA business masters compared with 2012 actual hiring results.
- MBA graduates continue to command higher starting salaries compared with other master's graduates in the United States, with a median base salary of US\$95,000, up from US\$90,000 in 2012. This is a salary premium of US\$43,000 over bachelor's degree holders, up from an average of US\$40,000 reported over the past six years.
- Hiring trends by industry in 2013 show that the greatest growth in demand for MBAs compared with last year is coming from the energy/utilities and health care/pharmaceuticals sectors—industries not traditionally sought by MBA talent.
- Compared with countries with high per capita income, a greater share of countries with medium per capita income plan to hire graduate management talent in 2013. A greater share of employers in these countries plans to increase base salaries.
- Of the employers that plan to hire MBA and business master's graduates in 2013, 33 percent plan to place some new graduates in jobs outside of the home region of the recruiter.

## Organizational Goals

Strategic hiring decisions are often signaled by organizational goals. Organizational goals that survey respondents identified as critical to their operations in 2013 illustrate a wide range of both efficiency and growth targets for the coming year (Table 1). Similar to past years, employers remain focused on finding ways to improve their performance and productivity. For example, firms that reported plans to improve performance, expand geographically, launch new products, and expand their customer base are more likely to hire MBA students in 2013 compared with companies facing economic challenges. Companies focusing on reducing costs and overcoming economic challenges showed a greater likelihood of hiring specialized business master's degree candidates, such as Master of Finance, Master of Accounting, and Master in Management. Employers that plan to diversify their organization are more likely than other firms to have hiring plans in 2013.

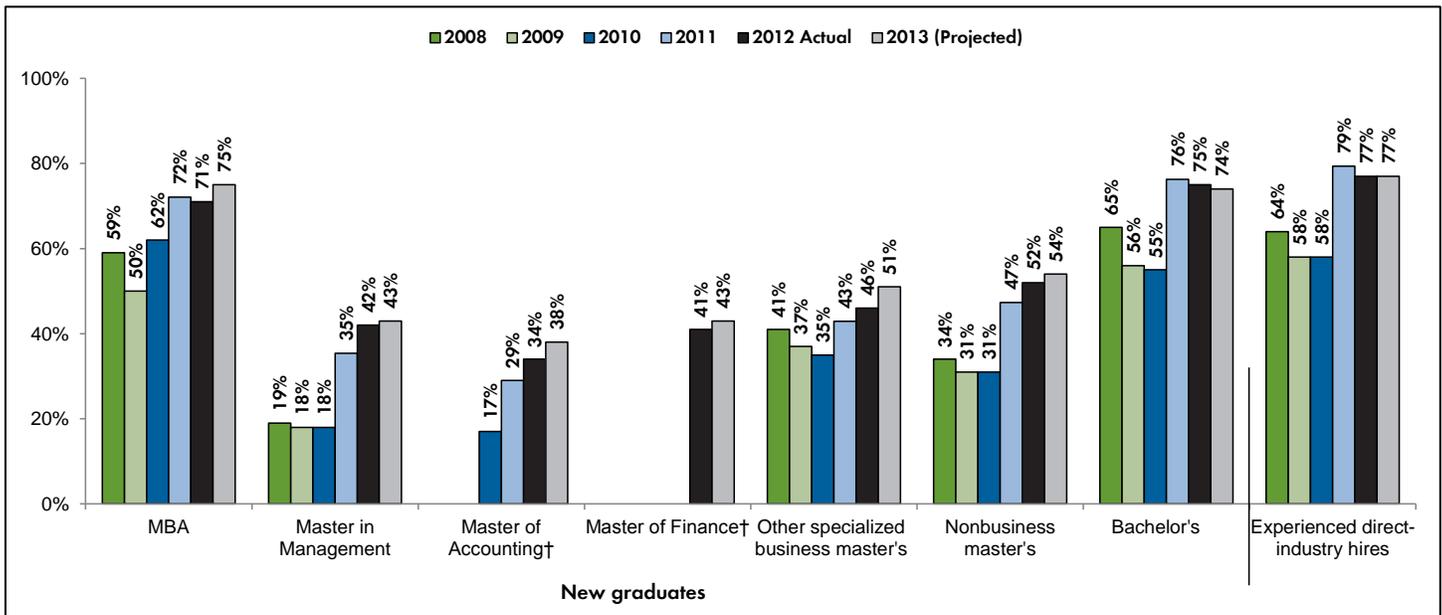
**Table 1. Employer Organizational Goals by Region, 2013**

	Category/Goal	Employer Location		
		Asia-Pacific	Europe	United States
<b>Efficiency</b>	Overcome economic challenges	34%	31%	30%
	Reduce costs	<b>41%</b>	<b>52%</b>	50%
	Improve customer service	39%	<b>46%</b>	44%
	Improve performance/productivity	<b>72%</b>	<b>68%</b>	<b>68%</b>
<b>Growth</b>	Expand geographically	39%	29%	37%
	Expand customer base	<b>52%</b>	43%	<b>61%</b>
	Complete or integrate a merger	9%	15%	16%
	Diversify the organization	26%	16%	34%
	Launch new product(s)/services	37%	40%	<b>51%</b>

## Hiring Trends for 2013

The hiring outlook for graduating business students in 2013 improved slightly compared with 2012. Overall, three quarters (75%) of companies have plans to hire MBAs in 2013, up from 71 percent in 2012 (Figure 1). Similarly, slightly more companies plan to hire recent graduates from master-level programs in management, accounting, and finance in 2013 compared with actual hires last year. Although demand for graduate management degree holders is improving and hiring of experienced candidates directly from industry looks to remain steady this year compared with 2012, the share of companies expecting to hire recent bachelor's-degree candidates has declined slightly.

**Figure 1. Percentage of Companies That Hired or Plan to Hire New Employees, by Candidate Type, 2009–2012 (Actual) and 2013 (Projected)**



**Source:** Data for 2008–2011 reflect reported actual hiring and are from Corporate Recruiters Surveys from 2009 through 2012. Actual 2012 and projected 2013 hiring data are from the 2013 Corporate Recruiters Survey.

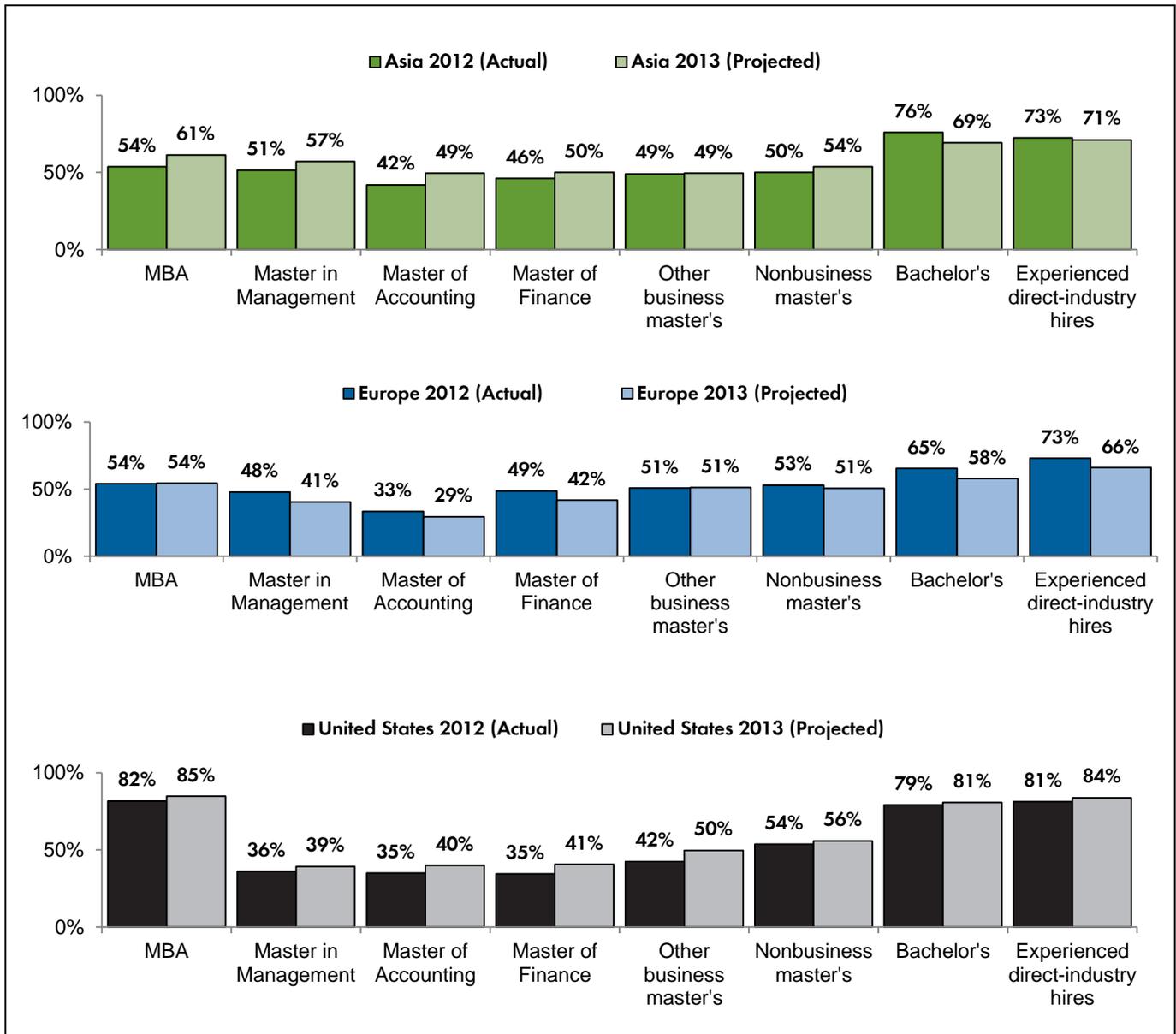
†Data for Master of Accounting not available prior to 2010; data for Master of Finance not available prior to 2012.

## Regional Hiring Trends

Employers in the Asia-Pacific region and the United States anticipate continued growth in hiring of all graduate management candidate types shown in Figure 2, whereas European firms project no change in demand for recent MBA graduates and slightly lower hiring levels this year for most candidate types compared with 2012.

See the *Compensation* section for detailed salary findings by candidate type, industry, and region.

Figure 2. Percentage of Companies That Hired or Plan to Hire by Candidate Type and World Region, 2012 (Actual) and 2013 (Projected)



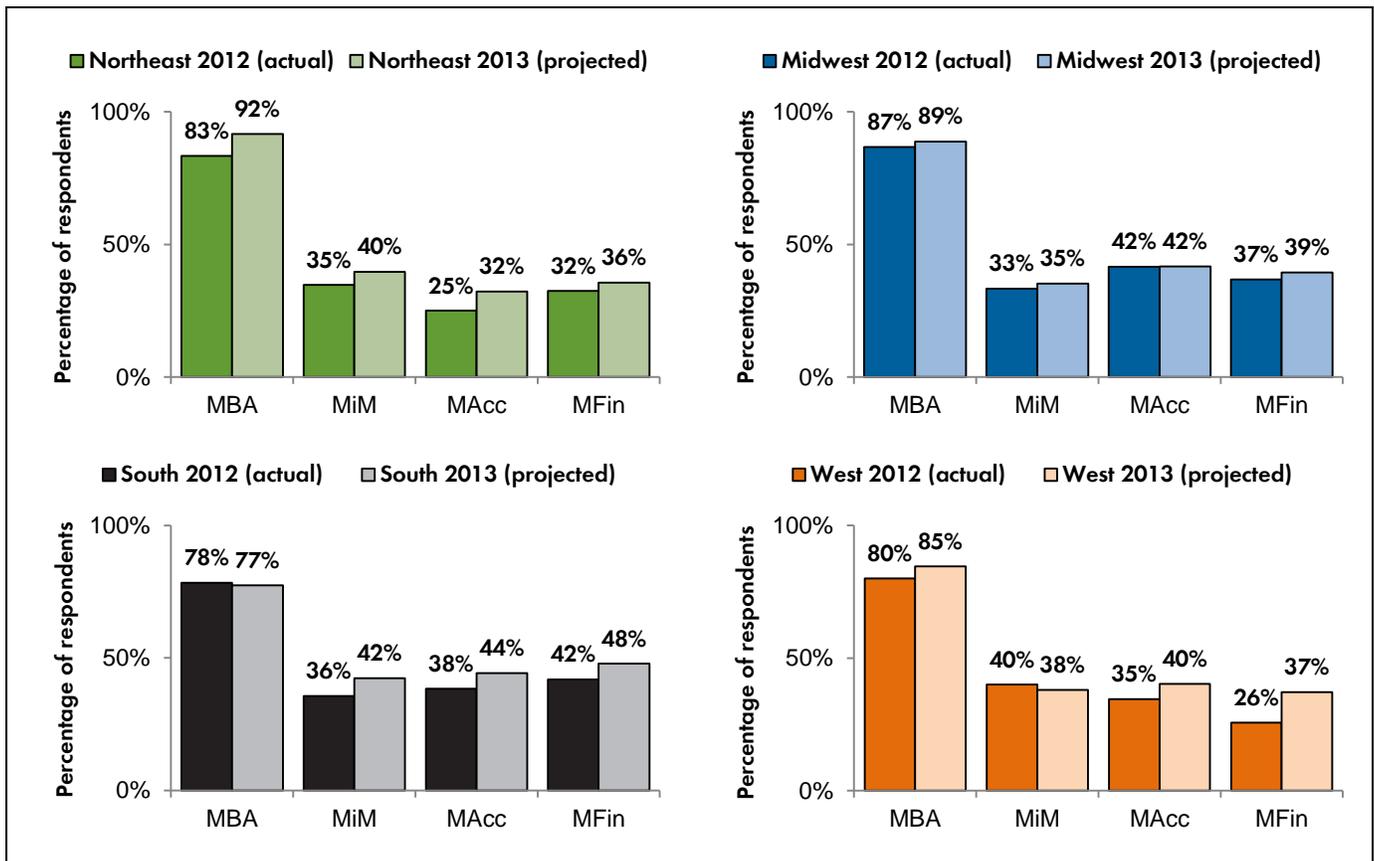
Note: 2012 and 2013 data are from the 2013 Corporate Recruiters Survey.

- Asia-Pacific:** Asia-Pacific companies show an increased desire to hire recent business graduates amid plans to focus on expanding their customer base while attempting to reduce costs. Three-fifths (61%) of Asia-Pacific companies plan to hire an MBA in 2013, up from 54 percent in 2012 (Figure 2). Demand for recent graduates of master’s programs in management, accounting, and finance is also expected to increase.
- Europe:** European hiring projections reflect employer sentiments about the region’s struggling economy and focus on efficiency in organizational goals. While the hiring outlook for MBAs remains stable (54% of companies plan to hire MBAs in 2013; the same as last year), hiring for all other types of candidates decreased slightly (Figure 2). Of the European employers who knew 2013 hiring plans, 24 percent were not planning to hire any type of business graduates in 2013, mostly due to a lack of available job openings.

- United States:** US companies show the greatest demand for MBAs worldwide, as 85 percent of firms plan to hire an MBA in 2013, up from 82 percent that did so in 2012. Organizational goals for US-based companies focus on both growth and efficiency in 2013. Three out of 5 companies (61%) plan to expand their customer base and half (51%) will launch new products and services, while 68 percent are geared up to improve performance and productivity and half (50%) look to reduce costs. Overall, 2013 will see growth, albeit conservative, in the percentage of US companies that plan to hire MBA and business master’s graduates.

**US Regions:** The greatest demand for recent MBA graduates within the United States will be in the Northeast (92% of companies planning to hire these candidates in 2013 compared with 83% last year; Figure 3).<sup>1</sup> Both the Midwest (89% hiring in 2013 versus 87% in 2012) and the West (85% hiring versus 80% in 2012) continue to see increasing demand for recent MBA talent. While demand for MBAs slipped slightly in the South (78% in 2012 to 77% in 2013), employers in this region reported notable growth in the demand for recent master-level business graduates.

**Figure 3. Percentage of US Companies That Hired or Plan to Hire by Candidate Type \* and US Region \*\*, 2012 (Actual) and 2013 (Projected)**



\*Program abbreviations: MiM: Master in Management; MAcc: Master of Accounting; MFin: Master of Finance.

\*\*US regions in this report are based on survey participant location and organized by regional classifications used by the US Census Bureau.<sup>1</sup>

## Industries and Job Functions

Hiring trends show that the greatest growth in demand for MBAs in 2013 compared with last year is coming from the energy/utilities and health care/pharmaceuticals sectors, industries that do not typically attract great numbers of MBA job seekers (Figure 4). Hiring projections for MBA talent in 2013 also increased in the consulting and finance/accounting sectors, and holds steady across other industries, except for manufacturing, where it has declined. Demand for business master’s candidates remained stable or increased slightly across most industries between 2012 and 2013.

The following discussion examines projected hiring demand by candidate type, job functions within regions that companies are likely to fill in 2013 (Table 2), regional trends, and how these trends are reflected in industry goals.<sup>1</sup>

**Energy/Utilities:** Demand for recent MBA graduates in this sector spiked in 2013 more than any other sector, from 69 percent of companies hiring MBA graduates in 2012 to 86 percent in 2013 (Figure 4). The most frequently cited organizational goals in the energy and utilities sector for 2013 are improving performance and productivity (77%) and reducing costs (57%). Following in line with these goals, the top job functions these employers plan to fill with graduate business hires include finance, business development, and accounting (Table 2).

**Health Care/Pharmaceuticals:** Demand for recent MBA talent among the health care sector jumped from 77 percent in 2012 to 89 percent in 2013. The vast majority of companies in this sector are located in the United States—a market reacting to recent changes in federal health care laws. The organizational goals cited by the majority of respondents in the health care/pharmaceuticals industry involve launching new products and services (76% of companies) and improving performance and productivity (64% of companies). These goals are aligned with the top functions that health industry employers seek to fill this year, which include business development, general management, and finance.

Figure 4. Company Hiring Worldwide, by Industry\* and Candidate Type\*\*, 2012 (Actual) to 2013 (Planned)

Industry	MBA		MiM		MAcc		MFin	
	2012	2013	2012	2013	2012	2013	2012	2013
C	69%	79%	39%	38%	24%	28%	34%	31%
E/U	69%	86%	ND <sup>†</sup>		ND <sup>†</sup>		ND <sup>†</sup>	
F/A	70%	75%	42%	48%	45%	54%	57%	61%
H/P	77%	89%	37%	37%	29%	31%	41%	36%
T	82%	84%	49%	50%	44%	43%	41%	44%
M	70%	63%	36%	31%	29%	33%	41%	41%
G/N	43%	43%	28%	32%	34%	26%	27%	33%
P/S	71%	70%	49%	48%	30%	37%	35%	40%

\*Industry abbreviations: C = consulting, E/U = energy/utilities, F/A = finance/accounting, H/P = health care/pharmaceuticals, T = technology, M = manufacturing, G/N = government/nonprofit, and P/S = products/services.  
 \*\*Program abbreviations: MiM: Master in Management; MAcc: Master of Accounting; MFin: Master of Finance.  
<sup>†</sup>Data not shown (ND) due to limited responses, N < 25.

<sup>1</sup>Data is only reported when sample size is greater than 24.

**Table 2. Percentage of Companies Filling Positions\* With Graduate Management Hires in 2013, by Job Function and Industry\*\***

Job function	Industry								
	C	E/U	F/A	H/P	T	M	G/N	P/S	
Accounting	29%	40%	52%	32%	45%	46%	46%	52%	
Consulting	83%	27%	33%	32%	45%	12%	32%	34%	
Business development	37%	50%	42%	56%	56%	46%	36%	52%	
Investment banking	21%	17%	56%	22%	32%	12%	21%	30%	
Finance	27%	53%	54%	56%	57%	63%	50%	58%	
General management	32%	30%	32%	54%	61%	51%	50%	60%	
HR/organization management	30%	23%	32%	42%	44%	37%	36%	50%	
Information technology	33%	20%	36%	36%	49%	37%	39%	44%	
Operations and logistics	27%	30%	31%	42%	48%	46%	36%	54%	

\*Color-coded scale indicates the percentage of companies hiring for each job function.

GREEN: Selected by 50% or more of companies; YELLOW: Selected by 33% to 49% of companies.

RED: Selected by fewer than 33% of companies.

\*\*Industry abbreviations: C = consulting, E/U = energy/utilities, F/A = finance/accounting, H/P = health care/pharmaceuticals, T = technology, M = manufacturing, G/N = government/nonprofit, and P/S = products/services.

**Consulting:** While most industries this year will focus on reducing costs, only 24 percent of consulting firms set this as an organizational goal for 2013. In contrast, 68 percent of consulting companies have plans to expand their customer base—more than any other industry. These expansion goals are reflected in the greater percentage of companies planning to hire MBAs in 2013 (79%), 10 percent more than in 2012 (Figure 4). The vast majority (83%) of consulting firms will be hiring business graduates this year to fill consulting roles, which explains the increased demand for MBAs and slightly lower demand for business master's candidates (Figure 4). There are other job opportunities in the consulting industry, however, as firms will be seeking recent business graduates to fill positions in business development (37% of companies hiring), information technology (33%), and general management (32%) functions.

**Finance/Accounting:** After a few weak years, hiring levels in the finance and accounting sector are expected to grow in 2013 for all candidate types. More than half (55%) of companies worldwide plan to expand their customer base. This trend is even more pronounced within the United States, with 62 percent of companies working to expand their customer base. The largest boost in demand within the sector is for Master of Accounting graduates with 54 percent of companies seeking to hire these candidates, up from 45 percent in 2012. Hiring will also be on the upswing for MBAs (75% of companies hiring), Master in Management degree-holders (48% of companies hiring), and master's graduates in finance (61% of firms hiring).

Companies based in the United States are fueling this increased hiring demand, especially for Master of Accounting graduates (56% of US companies hiring in 2013, up from 48% in 2012) and Master of Finance degree holders (58% hiring, up from 47% in 2012).

In Europe, demand varies across candidate type, with slight increases expected in hiring for MBAs and master-level degree holders in management and accounting, but a large decline is anticipated in hiring of Master of Finance candidates (65% of companies expect to hire in 2013, down from 71% in 2012). On a regional and global level, companies plan to place recent graduate business hires in investment banking, finance, and accounting functions in 2013.

**Technology:** In 2013, companies in this sector plan to improve performance and productivity (68% of companies), launch new products and services (64%), and expand their customer base (63%). Globally, demand for business graduates in the technology sector is stable; companies hiring these candidates expect to place them in business development, finance, and general management positions.

See the *Compensation* section of this employment report for detailed salary findings by candidate type, industry, and region.

**Manufacturing:** As with other market sectors, a majority of manufacturers worldwide have set corporate targets in 2013 to improve performance and productivity (74%), reduce costs (66%), and launch new products and services (56%). Demand for new MBA hires is projected to decline in 2013 both globally (Figure 4) and within the United States (86% of US companies hiring in 2013 versus 90% in 2012). In the United States, however, more companies plan to hire recent graduates of finance masters' programs (50% of companies hiring in 2013 versus 47% in 2012) and accounting programs (44% in 2013 versus 36% hiring in 2012), in keeping with manufacturers' goals generally this year to fill positions in finance and general management.

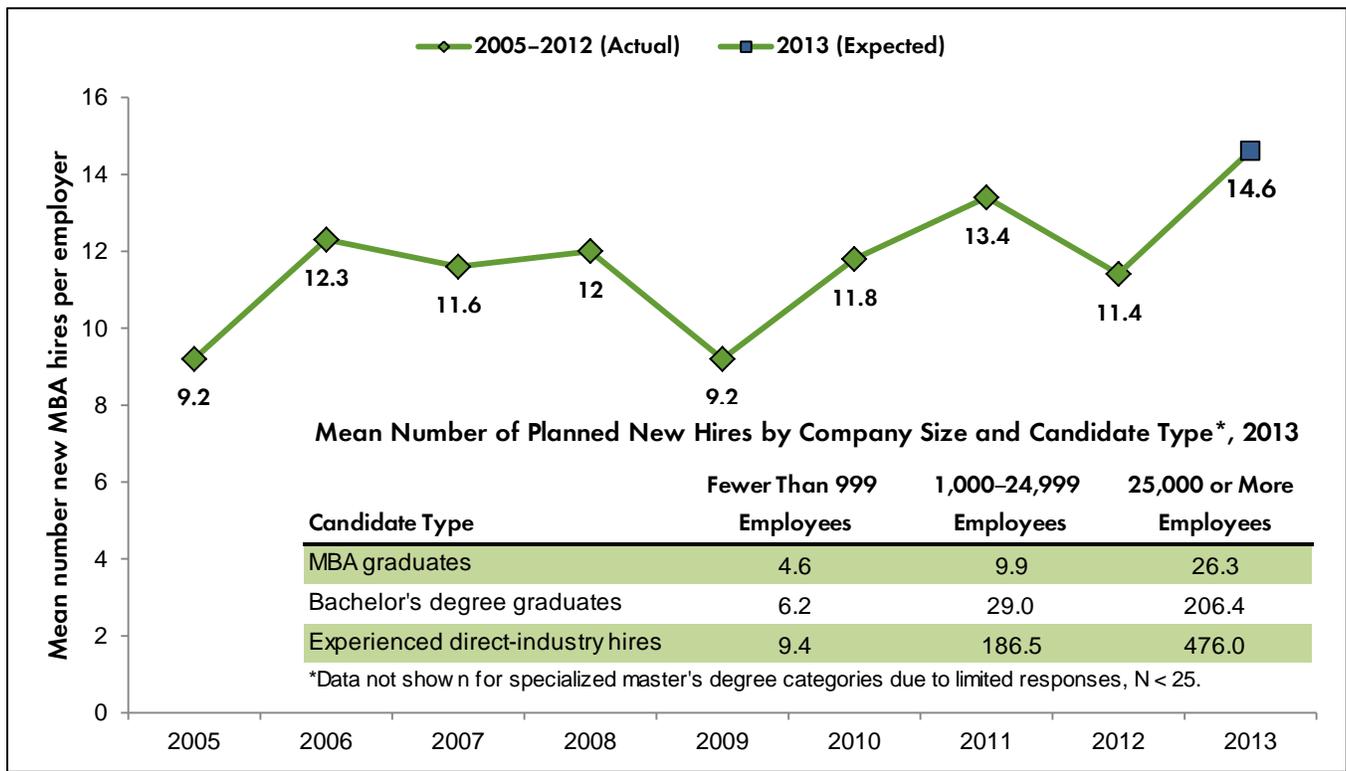
**Government/Nonprofit:** With uneven global economic recovery and many national governments implementing strict austerity measures and spending cuts, it is not surprising to see slow job growth in government and nonprofit sectors. More than half (58%) of employers within this sector indicated they plan to improve performance and productivity and 40 percent are striving to overcome economic challenges. Organizations and agencies that plan to hire are looking to fill general management and finance roles.

**Products and Services:** The share of companies in this sector planning to hire recent MBA and Master in Management graduates in 2013 is comparable with actual 2012 hiring; however, products and services employers this year are expressing increased demand for accounting and finance talent (Figure 4). The outlook for 2013 varies by region. In Asia-Pacific and the United States, where companies plan to expand their markets, hiring projections for all graduate management degree-holders are up. In Europe, where many companies are still faced with economic challenges, fewer companies will be hiring MBA and Master in Management candidates. Yet demand remains strong for master of accounting and finance graduates and more European products and services companies plan to bring these candidates onboard this year. Within the products and services sector, demand is high for filling most functions, including general management, finance, operations and logistics, accounting and business development.

## Headcount

Globally, the mean number of recent MBA graduates that companies plan to hire increased from 11.4 in 2012 to a projected 14.6 in 2013 (Figure 5). The mean number of recent MBA graduates that companies plan to bring onboard in 2013 varies by company size. Small companies (fewer than 1,000 employees) plan to hire an average of 4.6 recent MBA graduates in 2013, compared with an average of 9.9 MBA candidates per medium-sized company (1,000–24,999 employees), and 26.3 MBA candidates, on average, per large company (25,000+ employees).

Figure 5. Mean Number of New Hires: Recent MBA Graduates, 2005–2013



Source: GMAC, Corporate Recruiters Survey data from 2006 to 2013. Data for 2005–2012 reflect actual mean headcounts reported from independent Corporate Recruiters Surveys in 2006–2013.

## Compensation

When calculating expected annual starting salaries for recent MBA and management graduates, many factors need to be accounted for including a candidate’s program type, regional location, pre-degree salary and skill level, prior years of work experience, industry sector, job function, and job level. The compensation discussion in this report examines salaries by industry, world region, and candidate type, and features new analysis of regional salary differentials, based on global per capita income classifications used by the World Bank.

**US\$15,000**

Median signing bonus that 62% of US employers plan to offer newly hired business graduates in 2013

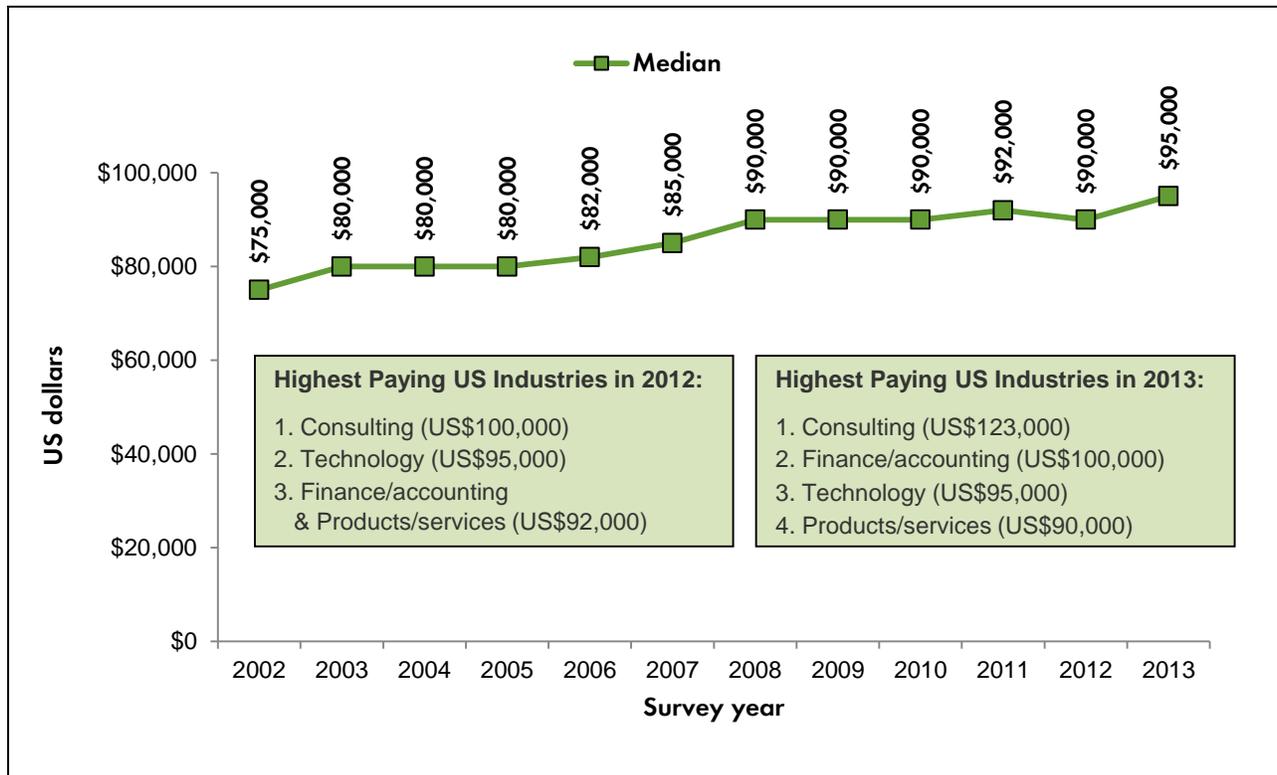
## Median Starting Salary

As displayed in Figure 6, the expected median starting salary in 2013 for MBA candidates newly hired by US companies increased to US\$95,000, up from US\$90,000 in 2012, an increase well above the current rate of inflation (US\$91,008).<sup>2</sup> The consulting, finance/accounting, and technology industries remain the highest paying industries for MBA graduates among US employers (see display in Figure 6).

<sup>2</sup> CPI Inflation Calculator, Bureau of Labor Statistics, United States Department of Labor, Washington, DC. [http://www.bls.gov/data/inflation\\_calculator.htm](http://www.bls.gov/data/inflation_calculator.htm), Accessed April 12, 2013.

Regionally within the United States, MBA median starting salaries vary, with the highest paid by employers located in the US Northeast (US\$100,000), and possibly explained by the higher cost of living and the prominence of finance and accounting companies located there. Median starting MBA salaries in the Midwest and West (each at US\$95,000) and the South (US\$92,000) are somewhat lower.<sup>3</sup>

**Figure 6. Expected Median Starting Salary for Newly Hired MBAs (US Companies), 2002–2013**



**Source:** GMAC, Corporate Recruiters Survey data from 2002 to 2013. Data for 2002–2012 reflect projected salaries reported from independent Corporate Recruiters Surveys in 2002–2013.

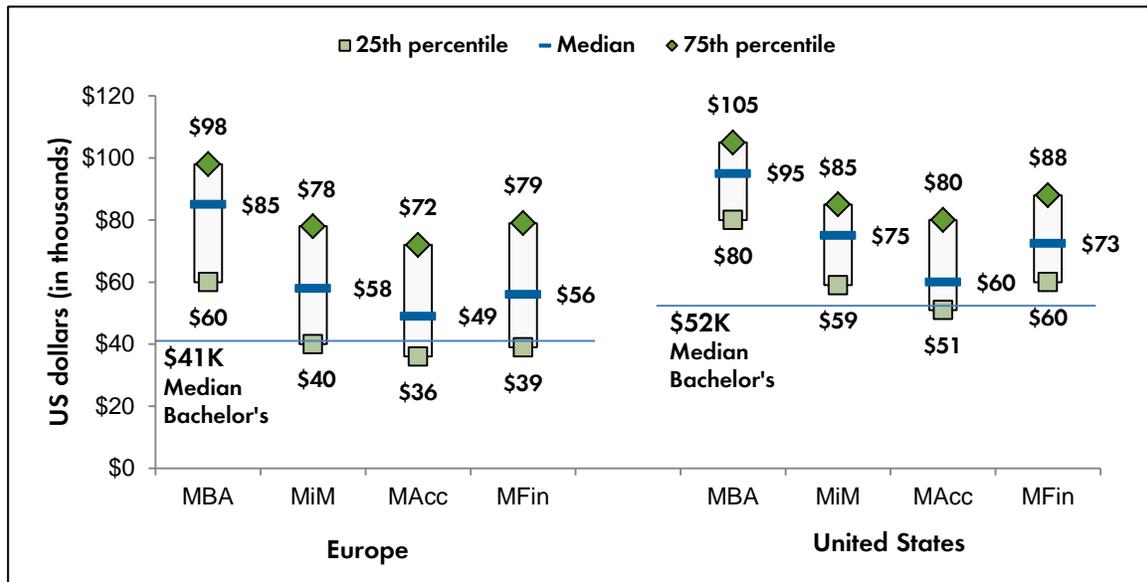
Figure 7 shows the expected median starting salaries, along with the 25th and 75th percentile salary levels, for business school graduates in 2013 by world region.<sup>4</sup> Among candidate types, MBA graduates—the group that traditionally has more work experience—continue to command higher starting salaries compared with other business master’s graduates hired by participating employers. Salary analyses for both the US and European markets show that median starting MBA salaries command a significant premium over those paid to bachelor’s candidates. In the United States, this premium is US\$43,000, up somewhat from the US\$40,000 reported for the last six years of available data. Similarly, in Europe, the median starting MBA salary is US\$44,000 more than that offered to a bachelor’s degree holder.

When compared with salaries offered to nonbusiness master’s graduates, recent MBA graduates in Europe command a US\$26,700 salary premium over nonbusiness master’s graduates and recent MBA graduates in the United States command a US\$25,000 premium compared with nonbusiness master’s.

<sup>3</sup> US regional divisions are based on census divisions used by the US Department of Commerce.

<sup>4</sup> Starting salaries for Asia-Pacific and other world regions not shown due to insufficient data.

Figure 7. Expected Median Starting Salaries for Recent Business Graduates, by Candidate Type\* and World Region



\*Program abbreviations: MiM: Master in Management; MAcc: Master of Accounting; MFin: Master of Finance. Data not shown for the Asia-Pacific region due to limited responses, N < 25.

### Benefits

Worldwide, the top benefits employers expect to offer their new business hires in 2013 include work/life-related benefits (paid vacation, family and sick leave, holidays, etc.), health benefits, and retirement plans. Employers in the United States were most likely to offer health benefits (96% of respondents) compared with companies in Asia-Pacific (61% of respondents) and Europe (69%) where national governments are more apt to provide for these costs.

### Changes in Salary for 2013, by Industry, Candidate Type, and Region

Survey respondents indicated the average annual starting salaries their companies expect to offer in 2013 and compared these with 2012 base salaries, while recognizing the effects of inflation.

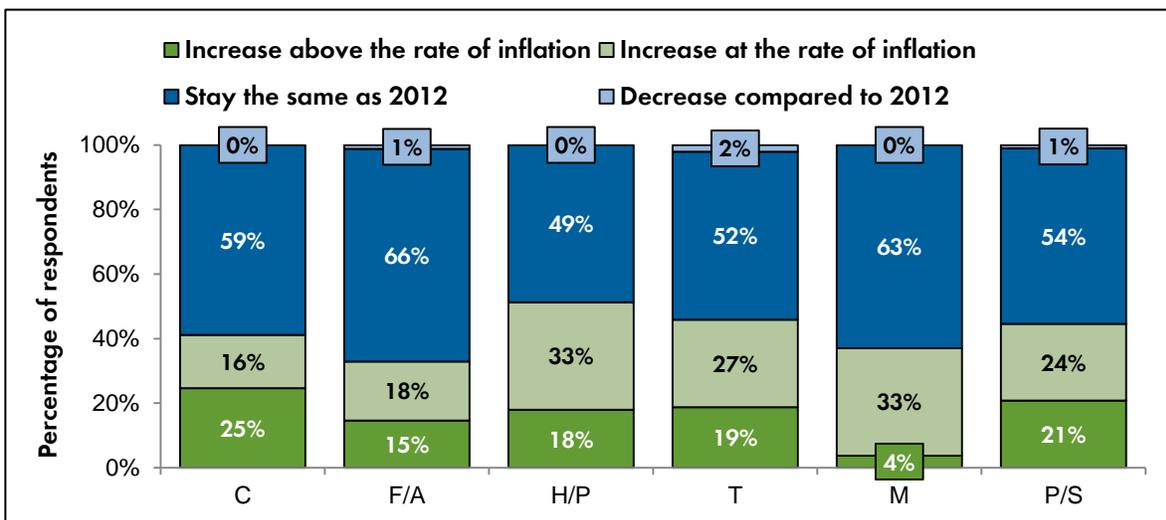
#### By Industry

The vast majority of participating employers across industries plan to keep MBA starting salaries at 2012 levels, without adjusting for inflation, but there are notable differences by industry (Figure 8).

Examining expected changes in base salary by industry sector shows a relation between the demand for MBA talent (see Figure 4) and the percentage of employers planning to increase base salaries. The increased demand in 2013 for MBA talent in the health care/pharmaceutical sector appears to be driving increased starting salaries for MBA hires in this industry. More than half of health care employers plan to increase base salaries above inflation (18%) or at the rate of inflation (33%) for MBAs in 2013—a greater share than seen in any other industry. A quarter (25%) of companies in the consulting industry, which has increased its hiring for MBA in 2013, is planning to increase annual starting base salaries above the rate of inflation.

On the other hand, two-thirds (66%) of employers in the finance and accounting industry plan to keep base salaries at 2012 levels even though there is an increased demand this year for MBA graduates. Even so, MBA graduates entering the finance/accounting industry can expect the second-highest starting salaries in 2013 (median US base salary of US\$100,000) compared with new MBA hires in other industries (see Figure 6).

Figure 8. Change in MBA Starting Salary, 2012 to 2013, by Industry\*



\*Industry abbreviations: C = consulting, F/A = finance/accounting, H/P = health care/pharmaceuticals, T = technology, M = manufacturing, and P/S = products/services. Data not shown for energy/utilities and nonprofit/government due to limited responses, N < 25.

### By Geographic Region

Analysis of expected starting salaries in 2013 for business school graduates revealed some variation by geographic region, presented here for regions where adequate survey data were available:

**Asia-Pacific:** A majority of Asia-Pacific companies plan to increase the starting base salaries for recent business school graduates at or above the rate of inflation in 2013 in keeping with increased demand for these candidates. Thirty-seven percent (37%) of Asia-Pacific companies plan to increase base salaries for MBA candidates above the rate of inflation this year compared with 2012, and 22 percent plan to increase salaries at the rate of inflation. Candidates with master-level degrees in management, accounting, and finance applying for jobs this year with Asia-Pacific companies can also expect to receive higher starting salaries compared with those offered in 2012, as a majority of employers plan to keep starting base salaries even with or higher than the rate of inflation for these new hires.

**Europe:** Slower growth in MBA projected salaries may signal employer cautiousness as European economies continue to struggle. Yet, nearly one-quarter (24%) of European companies hiring in 2013 plan to increase base salaries for MBAs above the rate of inflation and another 26 percent plan to increase salaries with inflation. At the same time, half (50%) of European companies planning to hire recent MBAs in 2013 expect to maintain 2012 salary levels.

Salary trends for master-level business graduates in Europe mirror those of MBA candidates with slightly more than half of European employers keeping starting salaries for master’s candidates in management, accounting, and finance the same as 2012 levels. About a third of employers plan to increase salaries at the rate of inflation for new master-level accounting and finance hires (30% and 31% respectively); 23 percent

will do so for management graduates. A smaller share of European companies will raise starting salaries above the inflation rate in 2013 for management candidates (17% of employers), accounting graduates (14%), and finance candidates (11% of companies).

**United States:** Efficiency goals may be the reason a majority (65%) of US companies expect to keep base salaries for new MBA hires in 2013 the same as 2012 levels. About a quarter (23%) plan to offer salaries that keep pace with inflation and only 11 percent plan to raise base salaries above the rate of inflation.

For slightly more than half of new hires with postgraduate management, accounting, and finance degrees, US companies will keep starting salaries in 2013 the same as 2012 levels. A very small share of US companies this year actually expect to offer lower starting salaries compared with 2012 for master's degree candidates from the following programs: management (2% of companies), accounting (2%), and finance (6%).

### Comparing Salaries by World Bank Economic Classifications

A broader depiction of the earnings potential for recent MBA and business master's graduates emerges when viewing salary differentials based on the per capita income levels of world regions where new hires are placed. These income distinctions stem from the World Bank national economic data that classify countries as low income, middle income, or high income.<sup>5</sup> Based on Corporate Recruiters Survey findings, participating employers fall into the middle-income and high-income ranges.<sup>6</sup>

As Figure 9 displays, starting MBA salaries in countries classified as high income are projected to average US\$94,500 in 2013 compared with median MBA starting salaries of US\$32,156 expected this year from employers located in middle income countries.

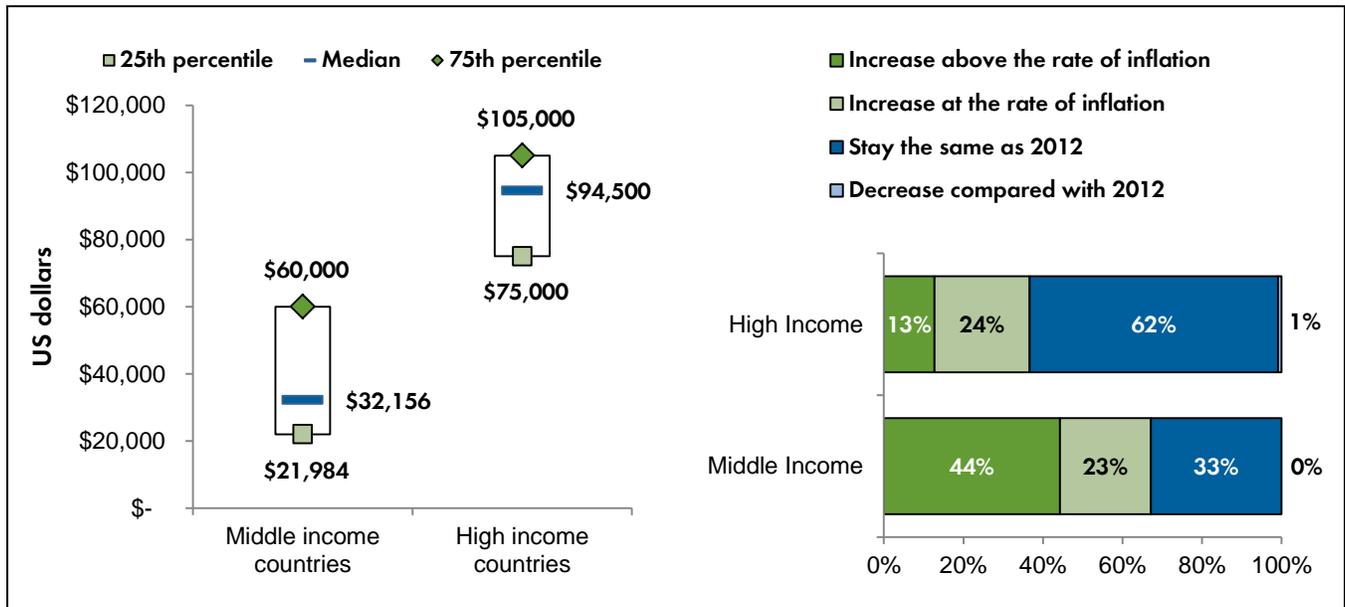
Although the median base MBA salary offered by companies in middle income countries is much lower than that offered by employers in high income countries, strong demand for MBA talent in middle income countries may be the likely driving force behind wage growth expected for new MBA hires in these locations. Forty-four percent (44%) of employers located in middle income countries plan to increase 2013 base salaries for MBA candidates above the rate of inflation compared with only 13 percent of employers in high income countries.

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<sup>5</sup> Low income, lower middle income and upper middle income World Bank Classifications classes were combined due to n size. Using these combined categories, 17 percent of participating employers represented middle income countries, and 83 percent of participating employers represented high income countries. Classifications data accessed April 12, 2013 <http://data.worldbank.org/about/country-classifications>.

<sup>6</sup> Middle income countries represented by companies participating in the Corporate Recruiters Survey include: Angola, Bosnia and Herzegovina, Brazil, China, Costa Rica, Ecuador, Egypt, Guatemala, India, Lebanon, Lithuania, Malaysia, Mexico, Nicaragua, Panama, Peru, Philippines, Republic of Moldova, Russia, South Africa, Thailand, Turkey, Ukraine, Venezuela, and Vietnam. High income countries represented by survey respondents include: Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Netherlands, Norway, Poland, Portugal, Singapore, Slovenia, South Korea, Spain, Switzerland, United Kingdom of Great Britain and Northern Ireland, and the United States.

Figure 9. Projected 2013 Median MBA Salary and Expected Change With 2012, by World Bank GNI Per Capita Classifications



While demand for MBA new hires is similar by country income levels (71% of companies in middle income countries and 75% of companies in high income countries), the demand for specialized master’s talent among middle income countries is noticeably greater than that of high income countries. Sixty-one (61%) percent of middle income countries were seeking Master in Management degree-holders compared with 39 percent of firms in high income countries. Quantitative master’s degree-holders were also in greater demand by firms in these markets, with 53 percent of companies seeking Master of Finance new hires, compared with 40 percent of firms in high income countries. Similarly, 48 percent of firms in middle income countries sought Master of Accounting new hires, compared with 36 percent of companies in high-income countries.

### Mobility and Job Placement

Regional job placement data provide insight into where graduate business students might work beyond company headquarters. A substantial share of companies plan to hire graduate business students with the intent to place them internationally (Table 3), although the majority of companies plan to place newly hired business students at job locations within their ‘home’ region. For example, 98 percent of US-based recruiters plan to place new hires in the United States, and about 1 in 5 US recruiters also expects to assign new hires to jobs located in Europe and Asia-Pacific.

Table 3. Top World Regions Where Companies Will Place Recent Graduate Business Hires in 2013, by Percentage of Companies

Rank	Home Region of Recruiter		
	United States	Asia-Pacific	Europe
#1	United States (98%)	Asia-Pacific (97%)	Europe (92%)
#2	Europe (23%)	Europe (25%)	Asia-Pacific (29%)
#3	Asia-Pacific (21%)	United States (24%)	Middle East/Africa (17%)
#4	Latin America (15%)	Middle East/Africa (14%)	Latin America (15%)

\*Percentages do not sum to 100 due to multiple selections.

Of the employers that plan to hire business school graduates in 2013, 33 percent plan to place new graduates in regions other than the home region of the recruiter. This pattern is seen both worldwide and on a regional basis. As one might expect, a significantly greater percentage of large companies (25,000 or more employees) plan to place recent graduates internationally compared with smaller-sized companies. In addition, companies that place new MBA, Master in Management, and Master of Accounting hires internationally typically offer a higher base salary to these candidates compared with employers that only place new MBA hires domestically. By industry (Table 4), technology, manufacturing, and health care/pharmaceutical companies are expected to have the highest international placement rates in 2013, followed by consulting and finance/accounting firms.

**Table 4. Percentage of Companies Placing Graduate Business Hires Internationally in 2013, by Industry\***

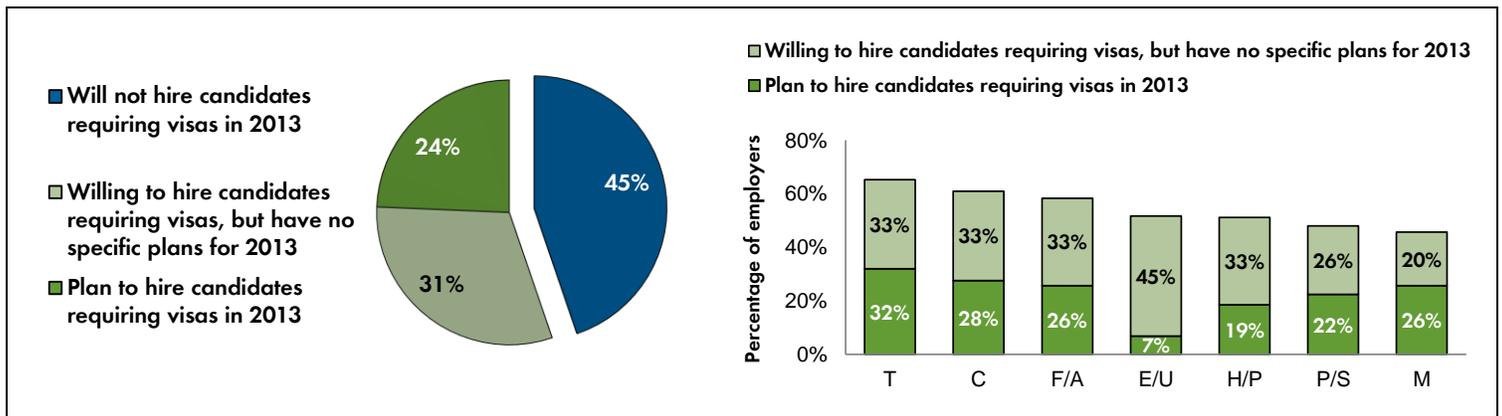
Industry	Percentage
Technology	45%
Manufacturing	42%
Health care/pharmaceutical	41%
Consulting	37%
Finance/accounting	31%
Products/services	24%
Energy/utilities	19%

\*Data not shown for all industries due to limited responses, N < 25.

### Visas/Work Permits

In 2013, 55 percent of employers that plan to hire graduate business students intend to hire (24%) or are willing to hire (31%) graduate business students who require a visa or work permit (Figure 10). The share of US companies planning to hire graduates in 2013 who require a visa is lower than in Asia-Pacific or Europe. By industry, more employers in the technology sector (32%) than in any other industry plan to hire recent business graduates in 2013 who require a visa and another third is willing to hire such candidates.

**Figure 10. Companies Willing to Hire Candidates Requiring Visas in 2013, by Industry\***



\*Industry abbreviations: C = consulting, E/U = energy/utilities, F/A = finance/accounting, H/P = health care/pharmaceuticals, T = technology, M = manufacturing, G/N = government/nonprofit, and P/S = products/services. Data not shown for nonprofit/government due to limited responses, N < 25.

## Conclusions

**M**ore employers plan to hire recent business school graduates in 2013, and on average, they plan to hire a greater number of management graduates in 2013 compared with actual hiring in 2012. Graduates of all participating graduate management programs continue to command a salary premium over new bachelor's degree hires, and that premium has grown compared with prior years. Meanwhile, MBAs continue to command higher salaries compared with nonbusiness master's graduates in the United States and Europe.

Regional variations in hiring and compensation are evident and reflect the diversity of company organizational goals based on regional economic trends. Survey respondents from Asia-Pacific and the United States expected more robust growth compared with other regions. European hiring projections appear to reflect concern about the region's struggling economy, yet the hiring outlook for MBAs in Europe appears stable, with approximately the same proportion of companies planning to hire in 2013, as did so in 2012.

More information about 2013 employer hiring projections and job outlook for graduate business students is available through a series of Statistical Briefs that summarize the data from the 2013 Corporate Recruiters Survey by program type, industry, region, salary, candidate selection criteria, recruitment strategies, and more. These briefs allow users to delve deeper into the survey data and supplement the Corporate Recruiters Survey Interactive Report, an online tool that allows users to customize the analysis by a variety of employer and candidate characteristics. Use of the Statistical Briefs and interactive tool is exclusive to graduate business programs and schools that participated in this survey research.

For a profile of survey respondents and detailed survey methodology, including the respondent profile, please visit our website at [gmac.com/corporaterecruiters](http://gmac.com/corporaterecruiters).

For question or comments regarding the study findings, methodology, or data, please contact the GMAC Research and Development Department at [research@gmac.com](mailto:research@gmac.com).

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<sup>i</sup> The list of states for US regions that appears in this report is based on survey participant location and organized by regional classifications used by the US Census Bureau. For purposes of this survey, the US Northeast includes Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, and Rhode Island. The US Midwest consists of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, Ohio, and Wisconsin. The US South consists of Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia. The US West includes Arizona, California, Colorado, Nevada, Oregon, Utah, and Washington.

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