



Jobs Trends & Demand for Business School in China & Hong Kong 2012

This Data-to-Go report highlights 2012 hiring outcomes for MBA and graduate management degree holders in mainland China and Hong Kong SAR, as well as graduate management education (GME) demand trends within the country and the Asia-Pacific region.¹

Findings in this summary report are derived from several GMAC sources including:²

- GMAT test-taker data from **46,736 examinees** residing in China (44,464) and Hong Kong (2,272) in testing year 2012. In addition, as study destinations, a combined 16,515 score reports were sent to schools in China (3,498) and Hong Kong (13,017) by all examinees worldwide in TY2012.
- Survey responses from **2,189 residents of China and Hong Kong** who participated in the GMAC 2012 *mba.com Prospective Students Survey*.
- Survey responses from 744 programs at 359 schools that participated in the GMAC 2012 *Application Trends Survey*. Many programs reported that Chinese citizens were either the largest source country of, or represented the largest increase in, foreign applicants.
- Survey responses from **131 graduates of business schools in China** who participated in the GMAC 2012 *Global Management Education Graduate Survey*, a student exit survey.
- Survey responses on hiring trends from **36 employers in China** who participated in the GMAC 2012 *Corporate Recruiters Survey*.

Demand for GME in China & Hong Kong

Chinese residents represent the second-largest group of GMAT examinees in the business school pipeline, after the United States. They account for 52 percent of Asia-Pacific residents who sat for the test in TY2012. Growth from China has contributed to the 70 percent increase in GMAT testing in Asia-Pacific compared with TY2008.

MBA Hiring Trends

Demand for new MBA hires and other business master's degree holders by Chinese companies in 2012 is greater than demand reported last year.

Master's Programs Top Student Preferences

Top programs considered by prospective students from China and Hong Kong include master's programs in finance (54% of students), accounting (32%), and management (30%). Full-time two-year and one-year MBA programs were considered by 28 percent and 24 percent of prospective students, respectively.

Jobs Report for Business School Grads

Chinese business school graduates in 2012 reported large percentage gains in post-degree earnings compared with pre-degree salaries.

¹ Asia-Pacific is composed of 38 countries/regions as represented in GMAT data for TY2012. They include India and Australia and GMAT reporting regions of East and Southeast Asia, Central Asia, and Australia and Pacific Islands.

² Survey results do not necessarily reflect a statistically representative sample of employers, graduating and/or prospective students in China and Hong Kong. Because of this limitation, results should not be used to generalize about these stakeholders. Please use caution when comparing survey data, since they represent different source samples, regional groupings, survey years, and survey methodology.

Demand for GME in China and Hong Kong: GMAT Stats for TY2012

Worldwide, a total of 286,529 GMAT exams were taken in testing year 2012 (TY2012), which ran from 1 July 2011 to 30 June 2012. Test takers sent 831,337 score reports to more than 5,200 graduate-level management programs around the world. The Integrated Reasoning section was introduced on 5 June 2012. Historically, test volume rises just before changes are made to a standardized exam, as test takers opt for a familiar format at transition time.

China Is Second Largest Business School Talent Pipeline in World

Of the total GMAT exams taken worldwide in testing year 2012, Chinese residents represented the second-largest group of prospective students in the business school pipeline, after the United States. Some 46,736 Chinese residents (44,464 living in mainland China and 2,272 living in Hong Kong) sat for the GMAT exam in TY2012, representing 52 percent of the total 89,782 exams taken by all Asia-Pacific residents in the past testing year. Testing in mainland China and Hong Kong is up from the 11,287 and 1,995 exams, respectively, taken in TY2008.

Top Score-Sending Group Among Asia-Pacific Residents

Chinese residents who sat for the GMAT exam in TY2012 sent a total of 134,777 score reports, (129,491 from mainland China residents and 5,286 from Hong Kong residents), representing 46 percent of a total of 291,488 score reports sent by Asia-Pacific residents. Indian residents hold a close second place in the region, sending a total of 104,301 score reports, or 36 percent of the total score reports sent by Asia-Pacific residents.

Average Number of Score Reports Sent in TY2012

Chinese residents sent an average of 2.9 GMAT score reports per exam taken in TY2012 compared with an average of 3.2 score reports sent by all Asia-Pacific residents, led by India at 4.6. On average, residents of China sent 2.9 score reports and Hong Kong residents sent 2.3 per exam taken.

Score Sending Trends Worldwide and in Asia-Pacific

Top score sending-destinations worldwide for Chinese and Hong Kong residents in TY2012 were the United States (76% of score reports sent), Hong Kong (7%), Canada (4%), and the United Kingdom (4%), which collectively received 123,527 out of 134,777 score reports sent by Chinese residents in TY2012. Other Asia-Pacific destinations receiving score reports from Chinese residents included China (2%), Singapore (1%), and Australia (1%).

China and Hong Kong Among Top Asia-Pacific Study Destinations

Looking at study destinations separately, Hong Kong ranked third and China ranked fifth among the top 10 countries or regions in Asia-Pacific receiving scores from GMAT examinees in TY2012. Led by India (24,877 scores) and Singapore (15,404), a total of 63,199 GMAT score reports from prospective students across the globe went to schools in the region in TY2012, a 51 percent increase compared with TY2008. Schools in Hong Kong received 13,017 scores, 21 percent of the score reports sent to the region. Schools in mainland China received 3,498 score reports (6%) sent to Asia-Pacific countries, slightly fewer than fourth-ranked Australia, which received 4,066 score reports.

Finance Tops List of Undergraduate Majors for Chinese Business School Candidates

More than 33,000 residents of China and Hong Kong reported their educational background when they sat for the GMAT exam in TY2012, and nearly half earned undergraduate degrees in finance (7,671), accounting (5,885), or management (2,833).

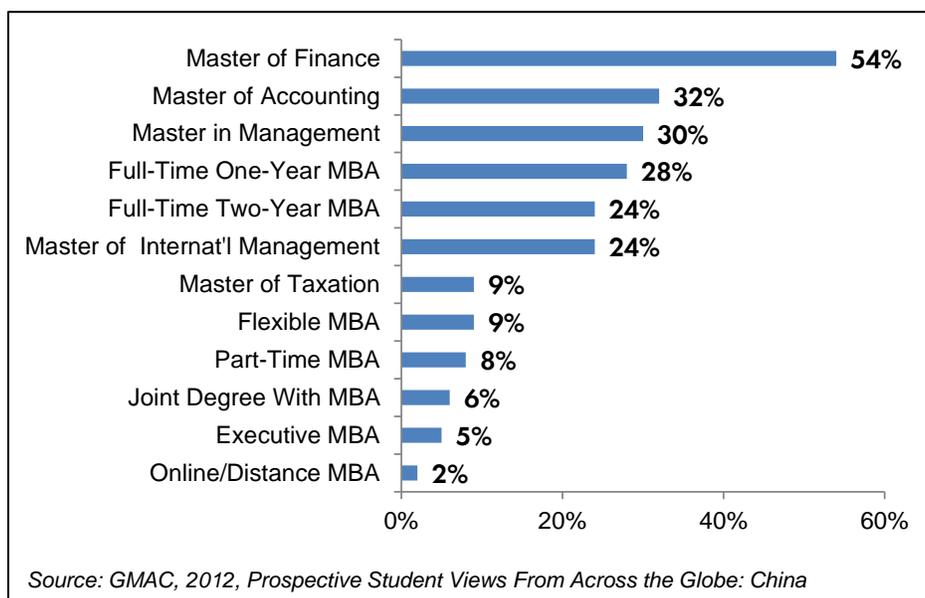
mba.com Prospective Students Survey

The 2012 *mba.com Prospective Students Survey* collected responses during the 2011 calendar year from more than 16,000 prospects who registered on the *mba.com* website, including 2,189 residents of China and Hong Kong. Select findings provided below, with details featured in the China data report of the *Prospective Student Views From Across the Globe* series, are available exclusively to schools that accept the GMAT exam.

Degree Programs Considered by Prospects From China & Hong Kong

In line with their undergraduate degree majors, the top programs that prospective students from China considered for graduate business school are master's programs in finance, accounting, and management. Figure 1 shows the breakdown among specific master's and MBA programs considered by prospective students in China and Hong Kong.

Figure 1. Programs Types Considered by Prospective Students in China & Hong Kong



Chinese Students Set Sights on International Careers

The vast majority (85%) of prospective students living in China and Hong Kong indicated they intend to apply to international graduate management programs. A desire to obtain better preparation for their career (60%), improved chances of having an international career (54%), and opportunity to develop an international network (46%) were top career reasons cited by all Chinese survey respondents for why they chose their preferred study destination.

Application Trends Survey: Foreign Applicant Trends

Data reported by admissions professionals in the GMAC 2012 *Application Trends Survey* refer to Chinese citizens overall. A record-breaking 744 graduate business and management programs from 359 business schools in 46 countries worldwide participated in the study examining trends in applications for the 2012-2013 incoming class.

MBA Programs See Large Share of Chinese Citizens Among Foreign Applicants

Chinese citizens accounted for the *greatest increase* in foreign application volume according to admissions representatives at 40 percent of all full-time two-year MBA programs and 28 percent of full-time one-year MBA programs responding to the survey globally. China also represented the second-most-often-cited citizenship group for the *greatest number* of foreign applicants among these MBA programs (37% of full-time two-year MBA programs and 22% of full-time one-year MBA programs), after India.

Chinese Citizens Are Greatest Share of Foreign Applicants for Master's Programs

Worldwide, specialized master's and doctoral programs reported a geographic draw of foreign citizens similar to that seen by MBA programs, with Chinese citizens accounting for the *greatest number* of foreign applicants in 2012 at 75 percent of programs. By world region, a greater share of US programs reported China as the largest source of foreign applicants (84% of programs) than did other regions.

Global Management Education Graduate Survey: Jobs Report, 2012

GMAC's annual *Global Management Education Graduate Survey* is a student exit survey that collected responses from 5,366 students in the class of 2012 from management programs at 136 business schools worldwide. These soon-to-be graduates offered their opinions about their educational experience, the value of their degree, their job search efforts, and future career plans. Of this group, 131 responses came from graduate business school students in China.

Industries Searched

Worldwide, the three most popular industries where graduating students conducted their job search were products & services, consulting, and finance/accounting. Table 1 shows country/regional variations in top industries where recent business school graduates conducted job searches. Compared with other world regions, Chinese schools had the highest percentage of students pursuing jobs in manufacturing (22%).

Industries that class of 2012 graduates of Chinese business schools searched for jobs include the following, in order of preference:

- Products & services (25%)
- Manufacturing (22%)
- High technology (18%)
- Consulting (13%)
- Finance/accounting (12%)
- Health care/pharmaceuticals (4%)
- Energy (2%)
- Nonprofit/government (2%)

Table 1. Graduates' Top Industries Considered for Job Search,* by School Location†		
China (% respondents)	Asia-Pacific (% respondents)	World (% respondents)
Products & services (25%)	Consulting (62%)	Consulting (56%)
Manufacturing (22%)	Finance/accounting (37%)	Products & services (44%)
High technology (18%)	Products & services (35%)	Finance/accounting (42%)

* Responses add to more than 100% due to multiple selections.

† Data is for class of 2012 respondents by school location, irrespective of citizenship.

Source: GMAC, 2012 Global Management Education Graduate Survey.

Student Job Search Success in 2012

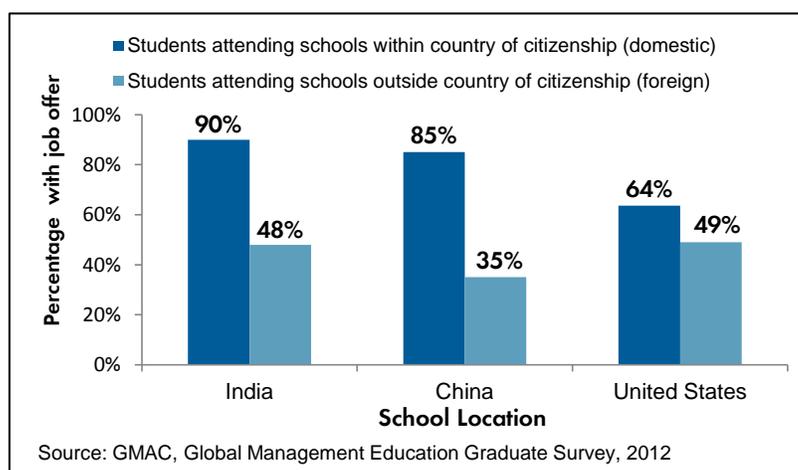
More class of 2012 Business school students than 2011 graduates were successful in the job market. Overall, 62 percent of all class of 2012 graduates surveyed globally had received or accepted a job offer at the time of the survey, 8 percent more than the class of 2011 surveyed last year.

Regional Job Outcomes, by Citizenship and School Location

Success in securing a job offer upon graduation varied depending on student citizenship and where students chose to attend business school.

- 85 percent of all Chinese management students attending schools domestically reported they had job offers at the time of the 2012 Global Graduates survey, the second-highest employment level among the groups shown in Figure 2 (vs. 90% of Indian students studying in India).
- Two-thirds (68%) of all survey respondents seeking employment while attending school within their country of citizenship received or accepted an employment offer, compared with 50 percent of students attending school outside their country of citizenship.
- Figure 2 shows regional variations in job offer rates between students who attended business schools in their country of citizenship (domestic) and those who attended school outside their country of citizenship (foreign).³

Figure 2. Percentage of Job Seekers with Job Offer, by Citizenship & School Location



³ In the regional analysis discussed, the terms “foreign” and “domestic” are country-specific terms. For example, a citizen of the United States attending a school in China would be considered a foreign student. The term domestic refers to students or applicants who are citizens of the country where the program is located.

Post-Degree Earnings for MBA Graduates at Chinese Business Schools

Graduates from full-time two-year MBA programs in China who had job offers reported salary increases of more than 71 percent from their pre-degree earnings, compared with the 81 percent salary increase over pre-degree earnings expected in 2012 for all full-time two-year MBA graduates worldwide. Here's a snapshot of the expected changes in pre-degree and post-degree earnings for MBA graduates with job offers in 2012 compared regionally:

- Indian schools: up 213 percent
- Chinese schools: up 71 percent
- US schools: up 75 percent
- European schools: up 65 percent

Demographic Profile of Chinese Graduates, Class of 2012

Table 2 presents a profile of class of 2012 graduates from Chinese business schools, including such demographics as age, gender, program type, years of work experience before enrolling in business school, undergraduate major, and industry of employment prior to enrolling in business school.

Table 2. Profile of Chinese Business School Graduates, Class of 2012		
		N = 131
Age	30 and younger	33%
	31 and older	67%
Gender	Men	73%
	Women	27%
Program type	Full-time 2-year MBA	20%
	Full-time 1-year MBA	18%
	Other MBA	60%
	Other business master's	2%
Work experience	More than 1 & less than 3 years	3%
	3 to 6 years	37%
	More than 6 & less than 10	37%
	10 or more years	23%
Undergraduate major	Business	31%
	Science	41%
	Multiple majors with business	7%
	Multiple majors without business	7%
	Social science	8%
	Humanities	7%
Industry of employment before enrolling in program	Consulting	6%
	Energy/utilities	4%
	Finance/accounting	11%
	Health care/pharmaceuticals	2%
	Manufacturing	26%
	Nonprofit/government	1%
	Products & services	28%
	Technology	22%

Source: GMAC, 2012, *Global Management Education Graduate Survey*

2012 Corporate Recruiters Survey

In 2012, a total of 1,096 employers worldwide that hire graduate management students responded to the GMAC *Corporate Recruiters Survey*. Respondents represented more than 800 companies in 40 countries worldwide. The following hiring data was submitted by 36 Chinese employers regarding their hiring plans for recent Chinese MBA and master's graduates.

Hiring Trends

- **Chinese companies:** Employer demand for new MBA hires in 2012 (86% of Chinese companies planning to hire) exceeds both the global average (79% of companies) for MBA hiring and the Asia-Pacific regional average (80% of companies). A greater proportion of Chinese employers plan to hire MBAs in 2012 compared with those that reported hiring MBAs in 2011 (70%; Table 3).
- **MBA Hiring in other regions/countries:** Demand for MBAs among Chinese firms is the second-highest globally in 2012 after Indian companies (88%), but well ahead of US companies (79%) and European companies (67%) that expect to hire recent 2012 MBA graduates.
- **In the Asia-Pacific region** as a whole, 80 percent of employers reported plans to hire MBAs in 2012, 9 percent more than companies that hired MBA graduates in 2011.
- **Global employer demand** for new MBA hires is up in 2012. More companies worldwide plan to hire recent MBA graduates in 2012 (79% of companies worldwide, up from 72% of companies that hired MBA graduates in 2011).

Table 3. Percentage of Companies That Hired (2011) & Plan to Hire (2012), by Candidate Type				
Candidate Type	Chinese Employers (n = 36)		All Employers (n = 1,096)	
	Actual Hires, 2011	Projected Hires, 2012	Actual Hires, 2011	Projected Hires, 2012
MBA	70%	86%	72%	79%
Master in Management	68%	80%	35%	41%
Master of Accounting	58%	70%	29%	35%
Other business master's	65%	65%	43%	47%
Nonbusiness master's	70%	67%	47%	52%
Bachelor's	70%	83%	76%	77%
Experienced industry hires	82%	94%	79%	82%

Source: GMAC, 2012, *Corporate Recruiters Survey*

Hiring of Master's Graduates Outpaces Other World Regions

In 2012, the percentage of Chinese employers that planned to hire candidates with master's degrees in management and accounting was double that of employers globally. Some 80 percent of Chinese companies planned to hire recent master in management graduates (vs. 41% of global employers) and 70 percent planned to hire recent master of accounting graduates (vs. 35% of global employers).

Talent Mobility: Geographical Placement of New Hires

Reflecting the global nature of today's business environment, many employers responding to the 2012 Corporate Recruiters Survey reported they plan to place new MBA hires outside the parent company's home region. This was true of most of the Chinese companies that responded. They plan to place new MBA and graduate management hires in Central and South Asia (74% of companies), the United States (42%), and Western Europe (19% of companies; Table 4).

Table 4. World Regions Where Chinese Employers Will Place New Business Hires in 2012*	
Placement location	Percentage of employers
Central and South Asia	74%
United States	42%
Western Europe	19%
Canada	19%
East and Southeast Asia	13%
Eastern Europe	10%
Africa	10%
Mexico, Caribbean, and Latin America	6%
Australia and Pacific Islands	6%
Middle East	3%

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

Source: GMAC, 2012, Corporate Recruiters Survey

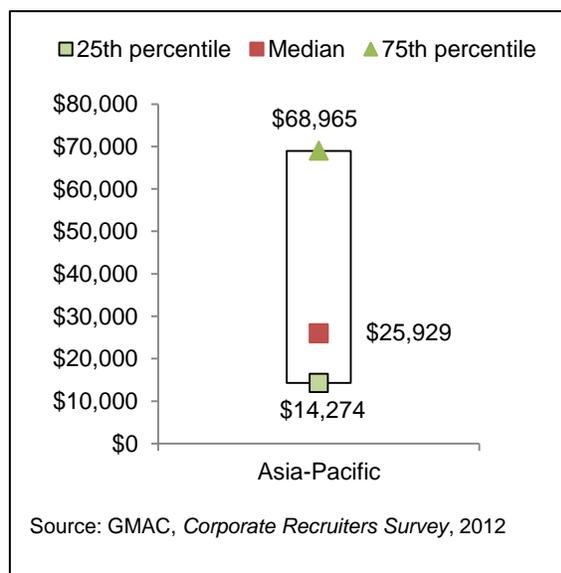
Regional Salary Expectations for MBA Graduates

Specific salary data from Chinese employers were not available due to limited response rates for salary-related questions in the GMAC 2012 Corporate Recruiters Survey. Worldwide, companies are keeping salaries for MBA graduates at a premium compared with bachelor's degree hires. In the United States, for example, this means the salary premium for new MBA hires (who expect to earn a median of US\$90,000) is US\$40,000 more than the salary increase afforded to recent bachelor's graduates. The median salary that employers in the entire Asia-Pacific region expect to offer 2012 business school graduates is US\$25,929, but the range of salaries is wide, due primarily to salary disparities as reported by employers in Australia, China, India, Indonesia, Japan, Philippines, and Sri Lanka.

Inflation and Regional Starting Salaries

Companies in the Asia-Pacific region indicated MBA starting salaries would be increasing for 2012. Nearly a quarter (23%) of Asia-Pacific employers planned to raise starting salaries for their new MBA hires above the rate of inflation, and another third (33%) planned to increase salaries at the rate of inflation.

Figure 3. Median Starting Salaries for New MBA Hires, Asia-Pacific, 2012



Positions for Hire in Asia-Pacific Region

Specific data on positions that Chinese companies expected to fill with recent MBA and business master's hires were not available in the 2012 Corporate Recruiters Survey due to insufficient responses. Across the Asia-Pacific region, however, MBA graduates in 2012 were expected to be in high demand. More than half (54%) of Asia-Pacific companies that responded to the survey planned to hire MBAs for positions in marketing and sales and business development. Need is also great to fill general management (41%), operations and logistics (39%), and consulting (39%) positions. Nearly one-third (32%) of Asia-Pacific companies also planned to hire MBA graduates for human resources and organizational management jobs.

Desired Traits, Skills, Abilities Chinese Employers Seek in Business School Grads

Survey respondents were asked to define specific leadership and management skills they seek in recent business school graduates. These skills were ranked along a continuum that presented two ideal candidate profiles: employees who can manage tasks and solve problems and those who can lead and inspire people. The skills and traits that Chinese employers value most among their new graduate business hires are managerial skills including: managing tasks (70% of companies), accomplishing goals (70% of companies), and controlling work flow (57% of companies) shown in Table 5.

Seeking New Hires With Integrated Reasoning Skills

Beyond leadership and managerial traits, employers seek job candidates with specific strengths in analysis and reasoning, who can integrate and organize information from various sources and use their analytical skills to make judgments and solve problems. To gauge this need, all survey respondents were asked to indicate the importance of the four key skills measured on the recently introduced Integrated Reasoning section of the GMAT exam.

Like their global counterparts, Chinese employers agreed with the importance of all four skills to their business functions and operations:

- Make judgments based on information from multiple sources (100% of Chinese firms agreed)
- Synthesize information presented in graphics, text, and numbers (97%)
- Organize information to see relationships that solve multiple, interrelated problems (100%)
- Combine and manipulate information to solve complex problems (100%)

Table 5. Leadership & Managerial Skills Employers Seek in New Graduate Business Hires, by World Region	
Leadership-Management Continuum	Percentage of Chinese Employers
Innovate	53%
Implement	47%
Effect change	43%
Control work flow	57%
Enhance effectiveness	57%
Improve efficiencies	43%
Manage people	30%
Manage tasks	70%
Take risks	43%
Minimize risk	57%
Ask why	53%
Ask how	47%
Inspire others	47%
Solve problems	53%
Set goals	30%
Accomplish goals	70%
Facilitate direction	57%
Plan details	43%

Source: GMAC, 2012, Corporate Recruiters Survey

Additional data or information about the topics discussed in this report can be found in the following GMAC resources including:

2012 Application Trends Survey Report

gmac.com/ApplicationTrends

2012 Corporate Recruiters Survey

gmac.com/CorporateRecruiters

2012 Global Management Education Graduate Survey

gmac.com/GlobalGrads

GMAT statistics for TY2011-2012, GMAC, 2012

gmac.com/Profile

2012 mba.com Prospective Students Survey Report

gmac.com/ProspectiveStudents

Prospective Student Views From Across the Globe, Vol. 4, Issue 1, 2012 China Data Report

gmac.com/InteractiveResearch

For questions or comments regarding the data, findings, or methodologies used in any of the surveys, please email research@gmac.com.

To contact the GMAC Hong Kong or India offices, please send an email to apac@gmac.com.

© 2012 Graduate Management Admission Council® (GMAC®). All rights reserved.

The Graduate Management Admission Council (gmac.com) is a nonprofit education organization of the world's leading graduate business schools and owner of the GMAT® exam, accepted by more than 5,600 graduate business and management programs worldwide. GMAC is based in Reston, Virginia, and has regional offices in London, New Delhi, and Hong Kong. The GMAT exam—the only standardized test designed expressly for graduate business and management programs worldwide—is continuously available more than 250 days a year at more than 550 test centers in more than 110 countries. More information about the GMAT exam is available at mba.com.

The GMAC logo, GMAC®, GMAT®, Graduate Management Admission Council®, and Graduate Management Admission Test® are registered trademarks of the Graduate Management Admission Council in the United States and other countries.