

# 2013-2014 Report to Schools



## Letter from the President & CEO Sangeet Chowfla

*Sixty years ago* the GMAT exam was offered for the first time to just over 1,200 students in five countries, with scores sent to a mere 54 programs.

Today, the graduate management education market is bigger, more global, and more diverse than ever, and GMAC delivers an average of **250,000 GMAT exams** each year to nearly **200,000 unique test takers** and sends almost **772,000 score reports** to more than **6,100 programs**. GMAC has grown beyond being a provider of the GMAT alone to a global organization that provides insights, research, and professional development to the graduate management education industry.

One year before that first exam was offered, a policy committee of just nine schools, the precursor to GMAC, was formed with a mission to help schools connect with talent and make objective decisions about a candidate's ability to thrive and succeed in a program. Today, along with our 212 member schools, GMAC is more committed than ever to that effort and to helping schools and students navigate their individual pathways to success.



This *2014 Brief to Schools* details how we do that and how our business is performing in today's very competitive and rapidly changing marketplace. These efforts are focused on four areas:

- **Grow the candidate pipeline** through the promotion of management education, candidate outreach, enhanced test preparation, on-campus presence, minority inclusion, and a focus on emerging markets, to deliver more qualified and motivated prospects to schools around the world.
- **Grow and diversify GMAC's portfolio of testing products** to meet the needs of existing and emerging markets, to address the ever-growing diversity of students and program types, and to build relevance for our products at regional and local levels.
- **Extend GMAC's value to schools** through research, professional development, products and services, and by expanding our efforts to strengthen the admissions community.

- **Manage our enterprise** to ensure we are effectively applying the people, resources, and market insights essential to align our business activities to best serve the needs of schools and students.

This report is intended to provide you with a depiction of the financial health of the Council and to deliver a sense of what we are doing to move the Council forward. All of those efforts return to our commitment to the vision of GMAC: To be the leader in connecting talent and aspiration with opportunity.

I have been president and CEO of GMAC since January 1, 2014, and in that time, I have been gratified by the extent to which the membership of GMAC and schools that use our services have given of their time and expertise to help the organization. I would like to draw your attention to the section of this report in which GMAC takes a moment to thank the dozens of admissions, career services, student services, technology, marketing, and communications professionals at schools, along with the deans and program directors and the many, many others who have generously met with us, traveled to attend meetings and conferences, and given of themselves so that GMAC can become a better and more focused organization. All of us at GMAC, and especially me as I have settled in to this new position, have learned from you and improved our own professional understanding of the work we do and its impact on schools and students. We have been made better by your efforts.

**Thank you.**

A handwritten signature in dark ink, appearing to read 'John W. /', with a horizontal line underneath.



As my term as chair of the board of the Graduate Management Admission Council comes to a close, I have an opportunity to reflect on what a wonderful year and experience it has been. My term began at last year's Annual Conference in Vancouver at the intersection of a remarkable past and a promising future. With Dave Wilson's retirement, GMAC witnessed the closing of an important chapter in its history. A chapter marked by steady growth in not just testing, but also in GMAC's

global presence, its organizational maturation, and in the growth — as a path to personal and professional success — of what has been called “the most successful education product of the 20th century,” the MBA.

And yet, as that past was being marked, a new chapter in GMAC's history was beginning. This chapter, while presenting at its opening both great challenges and rapid change, is in no way less promising than those successful years that came before.

And, so, it was in those circumstances — and at that intersection — that I began what has been a satisfying year of service.

Among the things that have contributed to that satisfaction has been the opportunity to work with Sangeet Chowfla and his

senior management team as they continue to adapt GMAC for this still-young century. No less gratifying has been the effort to marshal the talents and commitment of my fellow board members and their willingness to serve this organization and strengthen it as an asset to all of management education; wherever that education is occurring and for every student who looks to that education as an open door to a brighter future.

I leave my service as chair with a great sense of excitement and confidence in GMAC's future. My interactions with GMAC staff and with member schools are the basis for that confidence, grounded in the knowledge of the challenges — but buoyed by the opportunities — that lie ahead. I would like to congratulate my successor, Dean Alfons Sauquet of ESADE Business School, and of course wish him well while pledging to do whatever I can to help him. I would also like to thank all of the members of the board for whom I served for their many efforts and fierce dedication to this organization.

GMAC is a truly remarkable asset to management education and to each of our schools. From the GMAT exam to gmac.com and mba.com, from research to promotion, from helping us navigate our changing marketplace to helping us lead that change, GMAC makes a difference. I hope my time as chair of the board of this unique and valuable organization has made a difference, because I know it has made a difference to me.

*Dina*

**250,000**  
GMAT®  
exams

**6,100**  
programs

**200,000**  
unique test  
takers

**113**  
countries

**212**  
member  
schools

**771,000**  
score  
reports

**600**  
test  
centers

\*Three-year average data

# Growing the Candidate Pipeline



GMAC's main priorities are to promote graduate management education and attract a qualified and diversified candidate pool from around the world.

## Candidate Outreach & Engagement

Undergraduate outreach and building diversity in the business school classroom and beyond

Reaching out to test prep organizations as partners in growing the pipeline and fostering student success

Providing information, advice, and tips about the GMAT® exam via student blogs like Ask the Experts and the Official GMAT Blog

**490,000+** free GMATPrep® downloads

**282,000** global prospective students follow our social media channels

**2,071** GMAT fee waivers and **988** vouchers awarded

**364,680**  
candidates opted in to the GMASS® pool

More than **225** student and school events around the globe

## Student Products and Tools

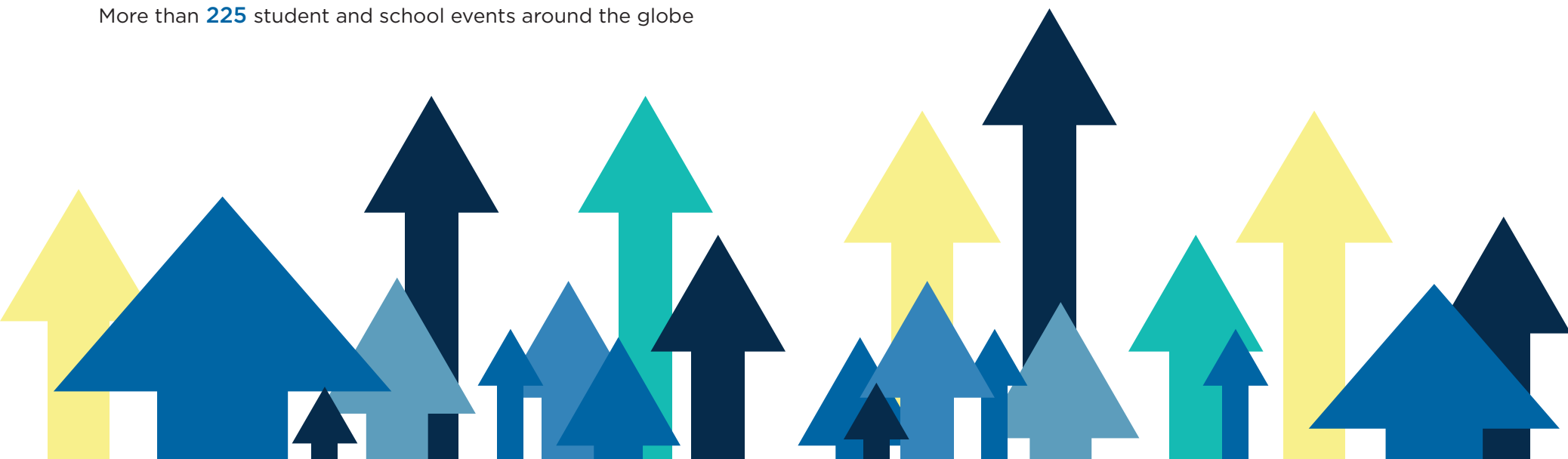
Preparing students with the new Official GMAT® Integrated Reasoning Prep Tool

The redesign of **mba.com** continues to attract

**1 million+**

unique visitors, generating more than **6.4** million page views, accounting for **55%** new visits in the first quarter

Launched mba.com School Finder Tool, and in the first quarter it was the **second most visited** area of mba.com





# Extend our Value to Schools

It's **GMAC's mission** to help schools discover, assess, recruit, and admit talent from around the world. That mission has encouraged GMAC to offer to schools and school professionals a portfolio of products that inform, enable and, most of all **connect** our industry, communities, and customers.

## Promote the Graduate Management Education Industry

Many Voices, One Vision Diversity blog, the PD to GO Professional Development blog, and the Giving Back blog highlight our commitment to the GME community

**31,994** Graduate Management News subscribers

**987** Management Education Quick Clips subscribers

**522** GMAC Member Newsletter recipients

**3,268** followers on school social media channels including LinkedIn, Google+, YouTube, and Twitter

**2,474** media articles about GMAC and graduate management education

## Professional Development

**3,000+**

graduate management professionals attended our **26** US events and **14** global events

In 2014, **three** new Admissions Institute events are scheduled for the US, Europe, and Asia

## School Products and Services

**548** schools use the GMASS® search service to target their best prospects from among the **364,680** prospective students in the data pool

**31** schools and organizations use GMAC's Reflect™ Self-Assessment and Development Tool

**3,463** events and **1,431,015** views on our Calendar of Events tool that allows schools to promote recruiting, application deadlines, and scholarship deadlines

More than **300,000** mba.com School Finder searches

**100** military-friendly programs with **38,147** visitors

**258** graduate management education jobs posted with more than **8,000** visitors

## Research and Market Intelligence

**68,792** survey respondents in 2013

**28,896** survey reports downloads

**200** custom research requests

**1,475** benchmark queries with **20,971** clicks

**8** core survey research studies

**26** custom topic surveys



# GMAC by the Numbers

Managing our enterprise so we can maximize our contribution to graduate management education.

## Promoting Transparency and Fiscal Responsibility

285,860 GMAT® exams

771,104 score reports

## Supporting our Communities

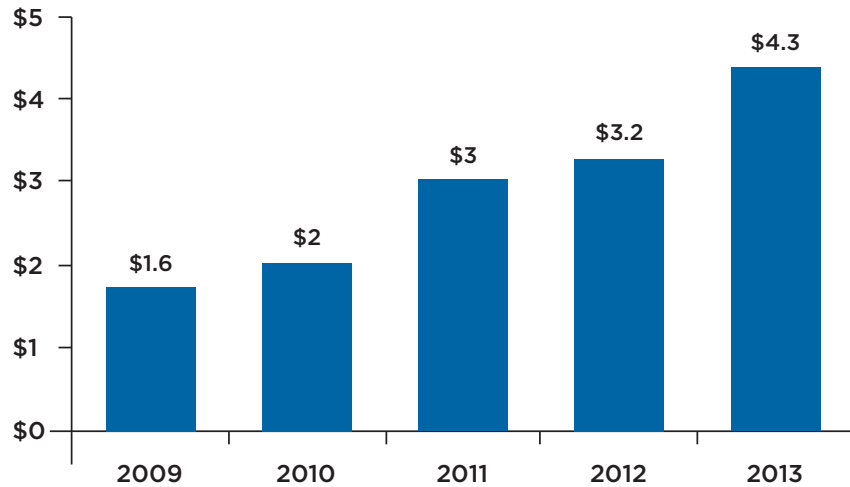
\$2.2 million awarded in GMAC MET Fund grants

\$700K to accrediting organizations and partners that support graduate management education and targeted student groups

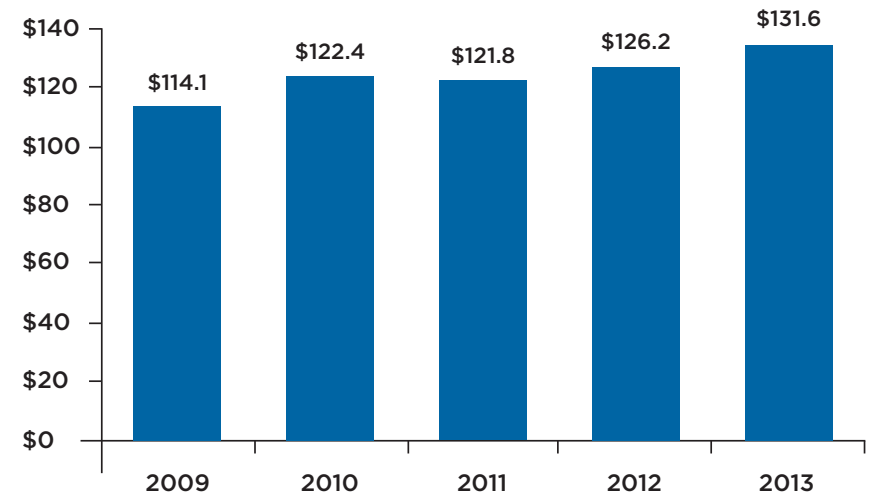
\$125K to charities and community causes

\$80K in funding for graduate management education research initiatives

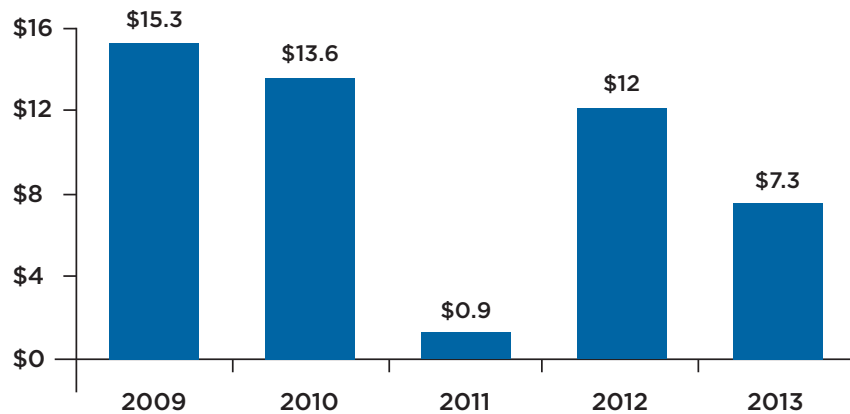
## Test Item Purchases



## Net Fund Balance



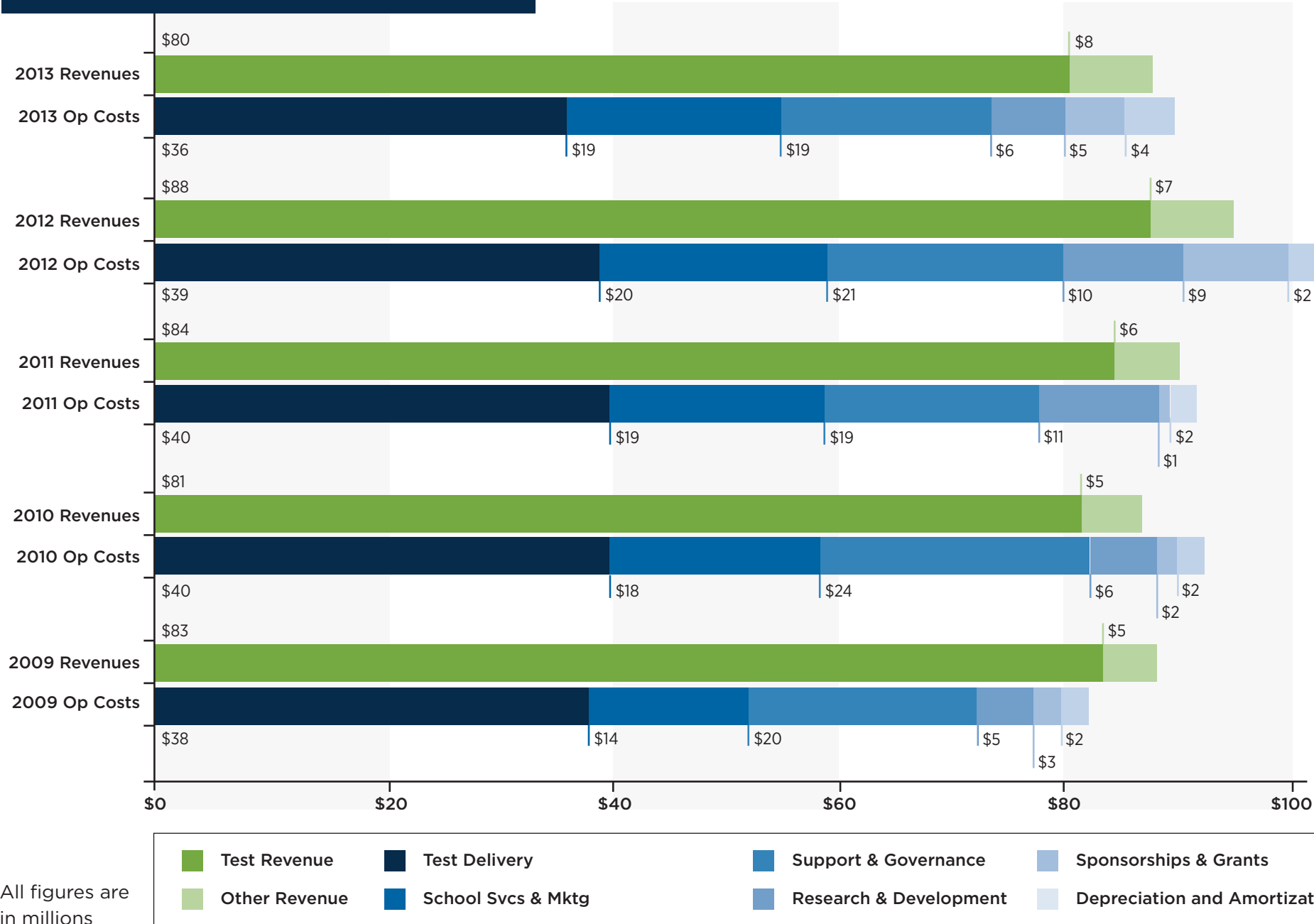
## Investment Income



\* All figures are in millions

\*\* The financial information presented here is a representation of GMAC's operating activities, which are supported, in aggregate, by GMAC's Independent Auditor's Report and related GAAP financial statements. This report is available upon request by Council Members. GMAC's IRS Form 990 is NOT represented here, as the Form 990 is a cash basis tax return and not GAAP financials.

# Operating Revenues & Costs



\* All figures are in millions

# A Tribute to our Volunteers

From our beginning 60 years ago, GMAC has benefitted from—and been guided by—the willingness of schools and school professionals to give of their time and effort. To all those who shared their ideas and energy with GMAC this past year, we say, **Thank You!**

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### **Sangeet Chowfla**

President & Chief Executive  
Officer, Graduate Management  
Admission Council

Thank you to the members of the following 2013-14 GMAC Committees. We couldn't do it without you. Visit [gmac.com/thankyou](http://gmac.com/thankyou) for a complete list of those that volunteered on the following committees:

- Africa Pipeline Advisory Group
- Annual Conference Advisory Group
- Board Committees
- Communications Advisory Group
- GMAT Ethics & Compliance Panel
- International Student Immigration Advisory Group
- Leadership Conference Advisory Group
- School Finder Advisory Committee
- Integrated Reasoning Advisory Committee
- Team MBA Advisory Committee

If you're interested in volunteering for a future committee, visit [gmac.com/volunteer](http://gmac.com/volunteer) to sign up.

# Connecting Talent and Aspiration with Opportunity

## Vision

GMAC will be the global leader in connecting talent and aspiration with opportunity.

## Mission

GMAC believes that business and management are critical to the economic and social well-being of people worldwide. We provide information and insights to improve decision making about the discovery and evaluation of talent. At GMAC, we do this to contribute to the effective use of human, natural, and financial resources throughout the world.

## Values & Commitments

- **Integrity**
- **Accountability**
- **Creativity**
- **Collaboration**
- **Excellence**



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