



The Impact of COVID-19 on the Hiring of Business School Graduates

Corporate Recruiters Survey 2020

October 1, 2020 | Webinar

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Panelists



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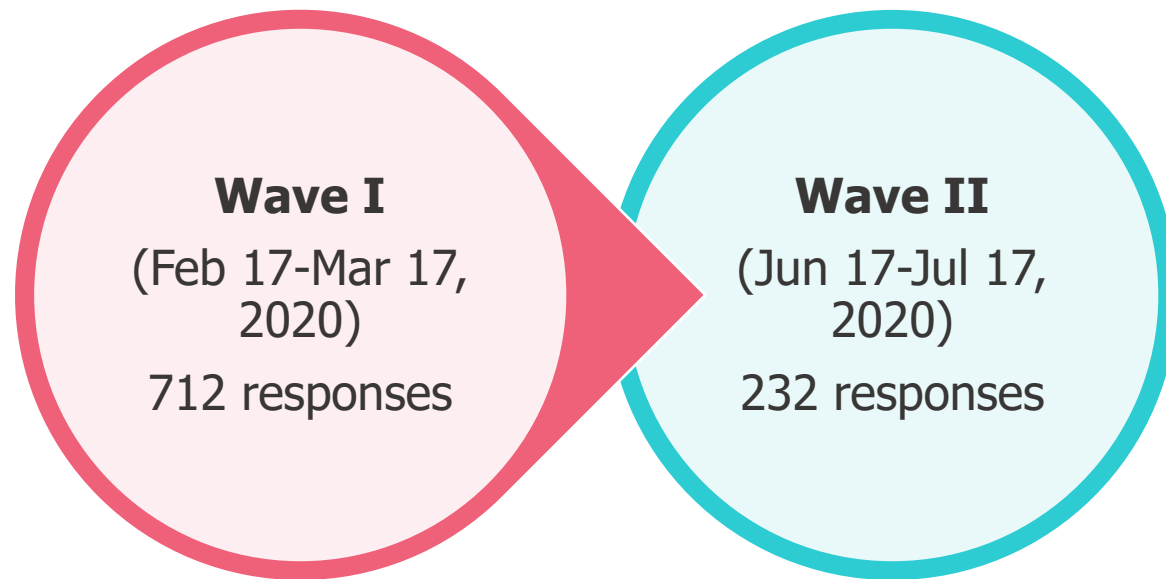


Sean Lynott
Senior Recruiter
T-Mobile



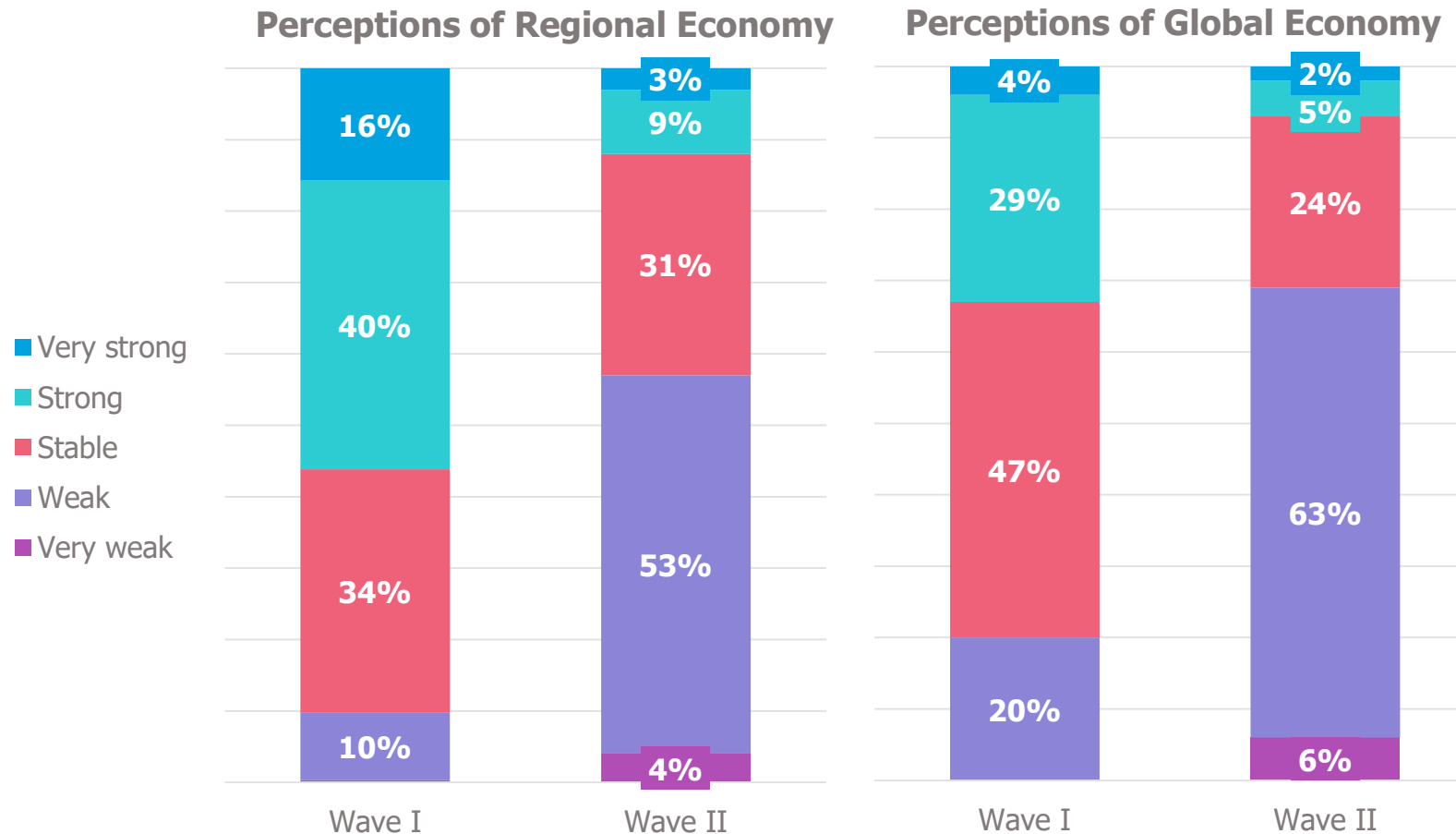
Andrew Toussaint
Senior Recruiter
Edward Jones

Two waves of data collection to compare the impact of COVID-19 on the graduating class of 2020





Perceptions of economic outlook have worsened as a result of COVID-19

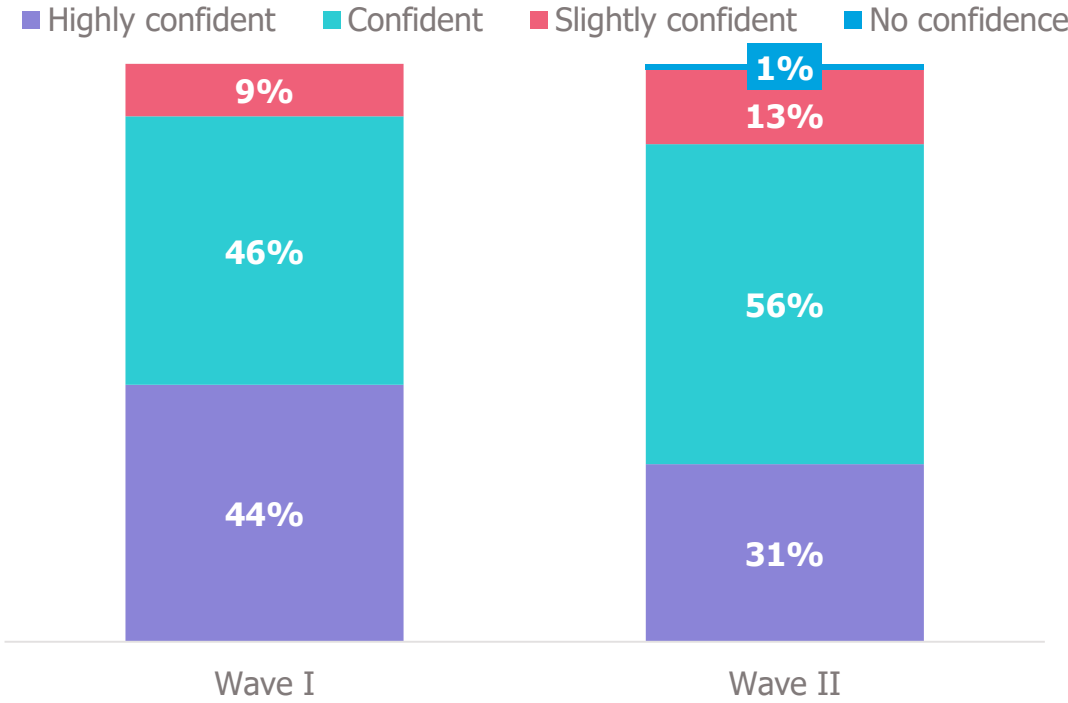


One-third of respondents perceived the global economy to be strong or very strong in Wave I as compared to only seven percent in Wave II. Perceptions of the regional economy were relatively stronger than the global economy.

Q: How would you describe the current state of the global economy and your regional economy?

Recruiters' confidence in b-school graduates remains strong

Confidence in B-Schools to Prepare Graduates to be Successful in Organization



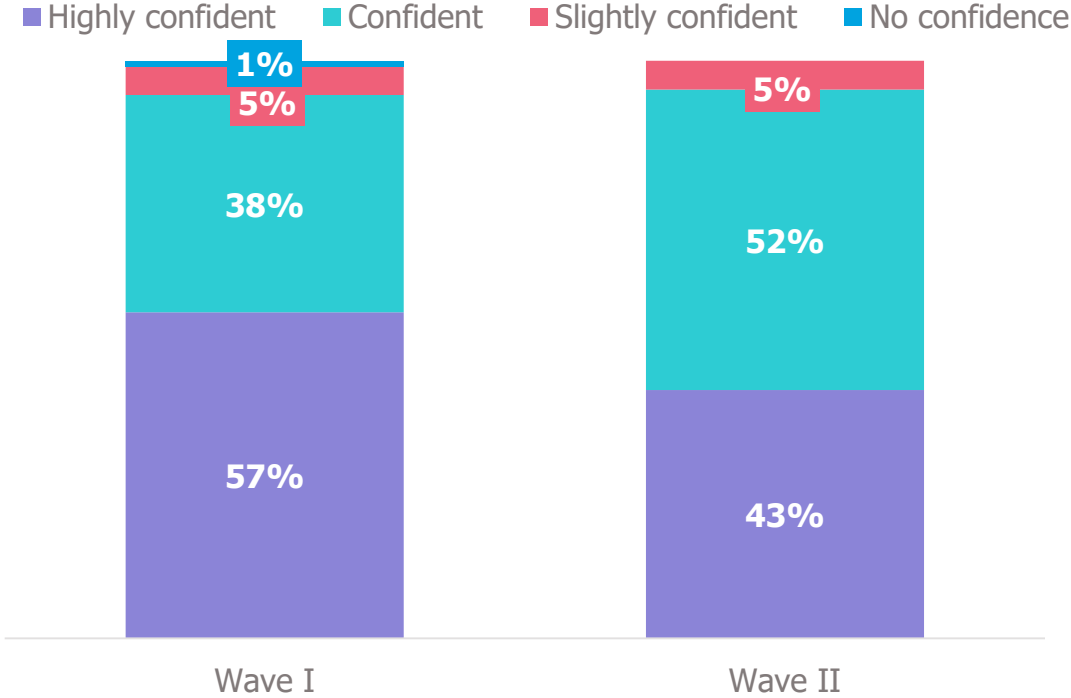
Ninety percent of respondents in Wave I and 87 percent in Wave II were highly confident or confident in graduate business schools' ability to prepare students to be successful in their organization.

Q: How much confidence do you have in a graduate business school's ability to prepare students to be successful in your organization?



Recruiters from Fortune 100 companies remain confident about skills of b-school graduates

Confidence in B-School Graduates to be Successful in Organization

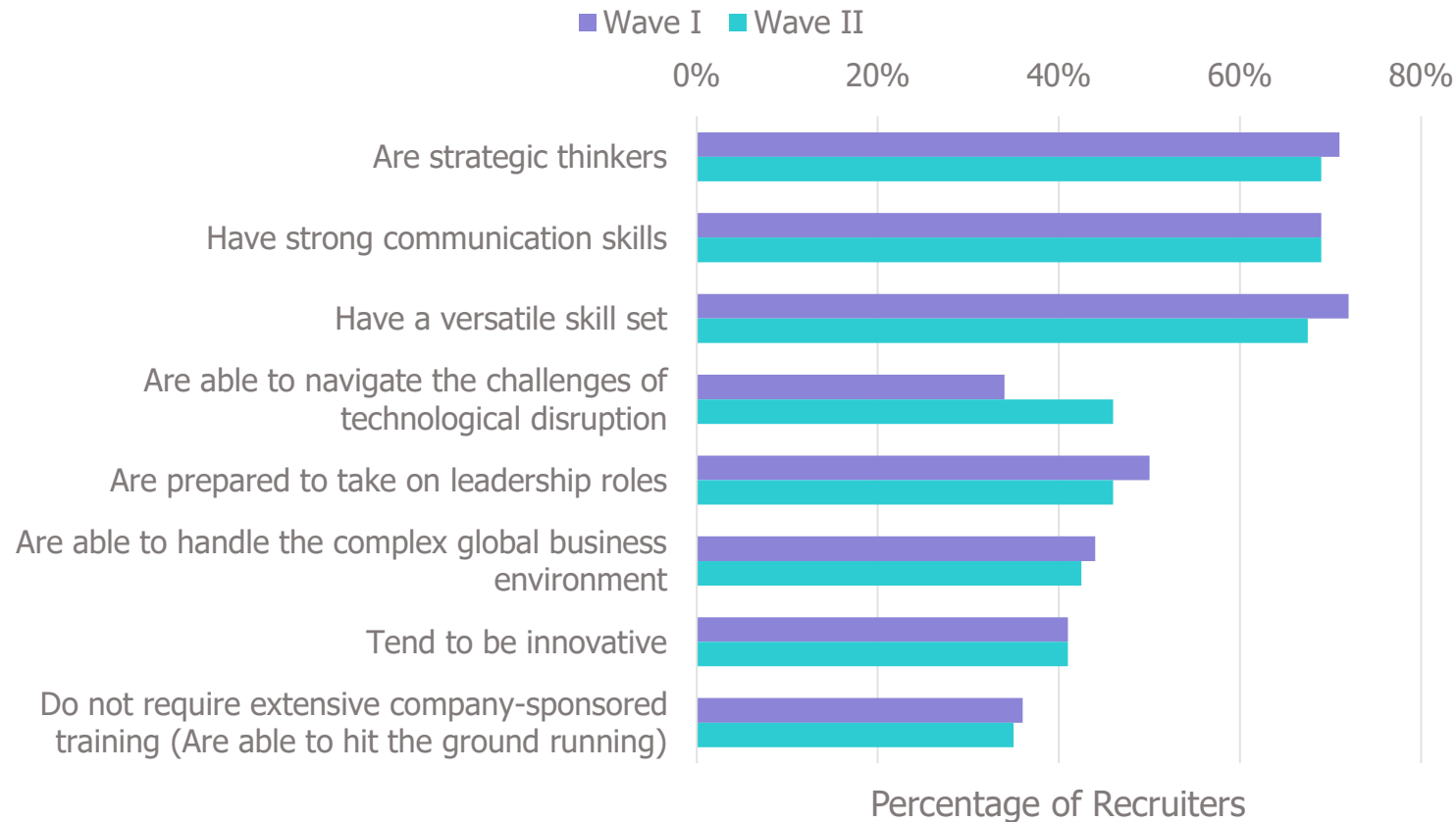


In Wave II, 95 percent of respondents from Fortune 100 companies were highly confident or confident in graduate business schools’ ability to prepare students to be successful in their organization as compared to 87 percent for all respondents.

Q: How much confidence do you have in a graduate business school’s ability to prepare students to be successful in your organization?

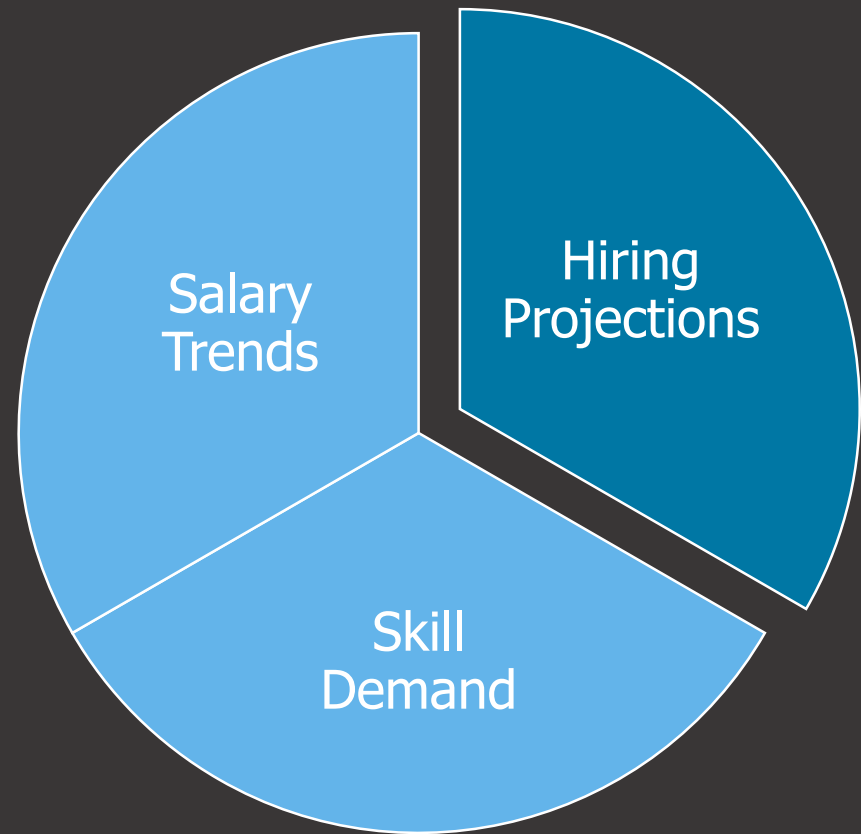
Top reasons for confidence in b-school's ability to prepare graduates to be successful remained same in pre- and post-COVID environments

Reasons for Confidence that B-Schools will Prepare Graduates to be Successful



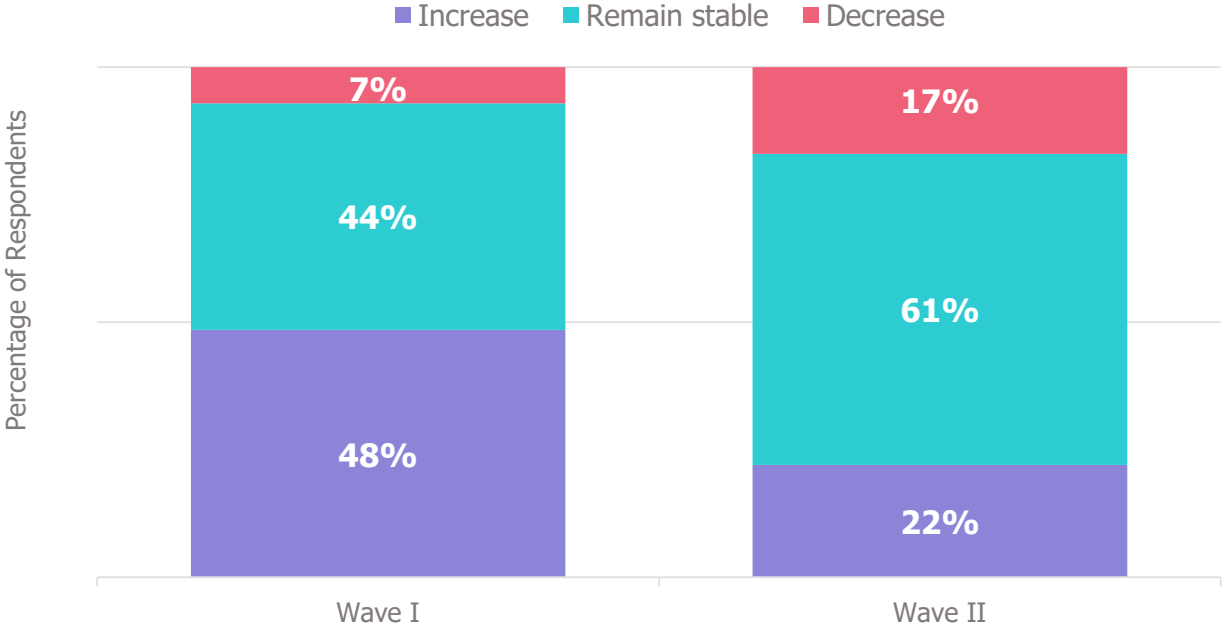
The top three reasons recruiters reported for confidence in b-schools' ability to prepare graduates for success in their organization were strategic thinking, strong communication skills, and versatility. These reasons remained the same in Wave I and Wave II.

Q: What are the reasons you have confidence in a graduate business school's ability to prepare graduates to be successful in your organization?



Majority of companies plan to keep their headcount stable in 2020—an indicator of caution in times of uncertainty

Organization Headcount Plans

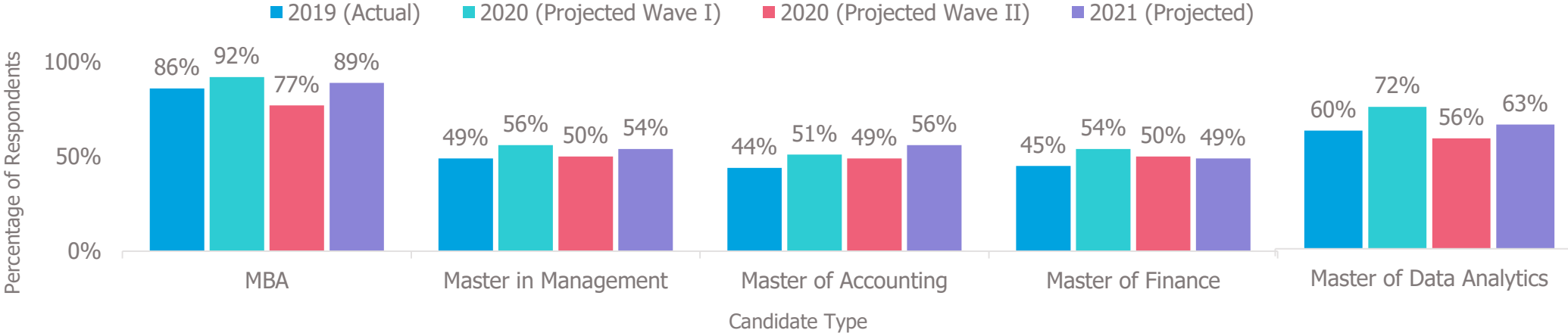


Seventeen percent of recruiters indicate decreasing headcounts as compared to 22 percent increasing it.

Q: Is your organization's headcount expected to increase, decrease, or remain stable in 2020?

While hiring projections in 2020 declined due to COVID-19, they are likely to rebound in 2021

Overall 2020 Hiring Projections vs. 2019 Actual Hiring, by Candidate Type



The percentage of recruiters planning to hire MBAs reduced from 92% in Wave I to 77% in Wave II.

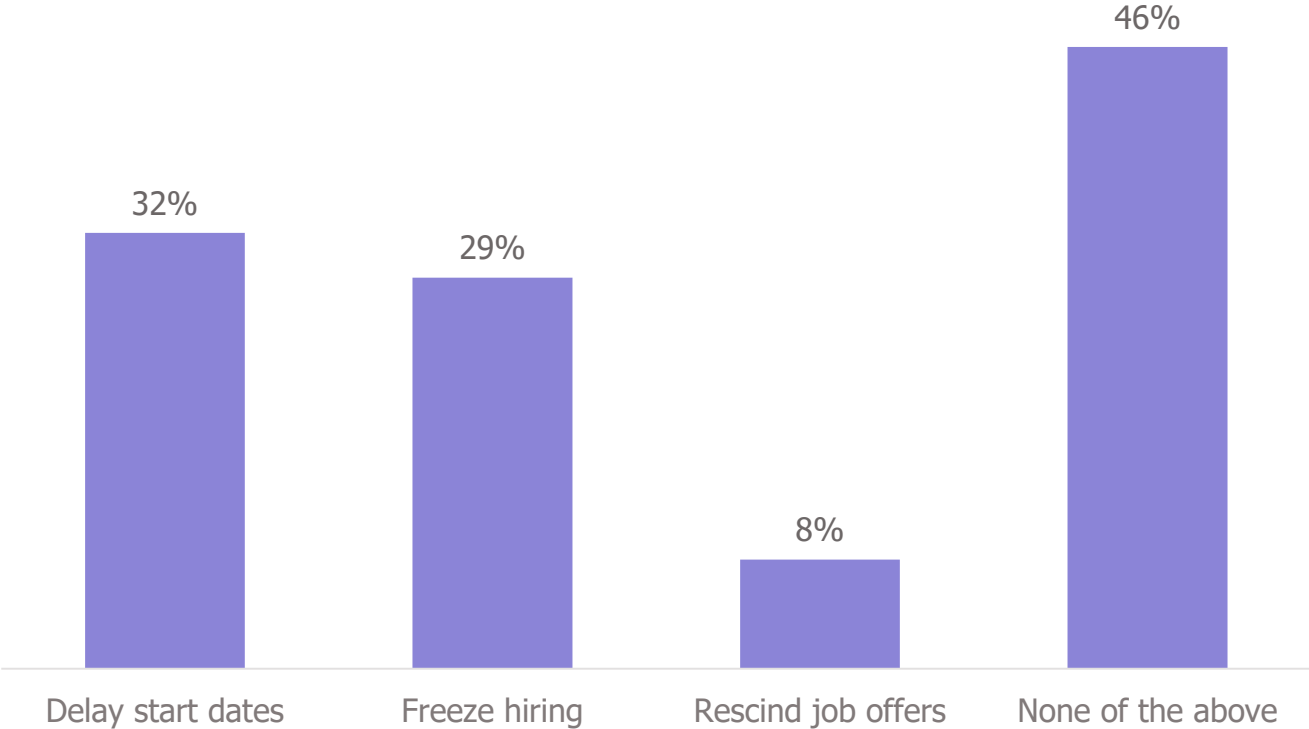
The percentage of recruiters planning to hire MBAs in 2021 (89%) is projected to increase to similar levels as in Wave I (92%).

The percentage of recruiters planning to hire business master’s program graduates has remained stable in Wave II, except for Master of Data Analytics.

Q: The following questions ask about your company’s full-time hiring plans for various types of job candidates.
 Note: 2019 Actual and 2020 Projected Wave I results are from Wave I. 2020 Projected Wave II and 2020 Projected results are from Wave II. Excluded those recruiters who indicated “Don’t know” or “Plans not finalized”

Recruiters respond to COVID-19 by delaying start dates rather than rescinding offers

COVID-19 Impact on B-School Hiring (Wave II)



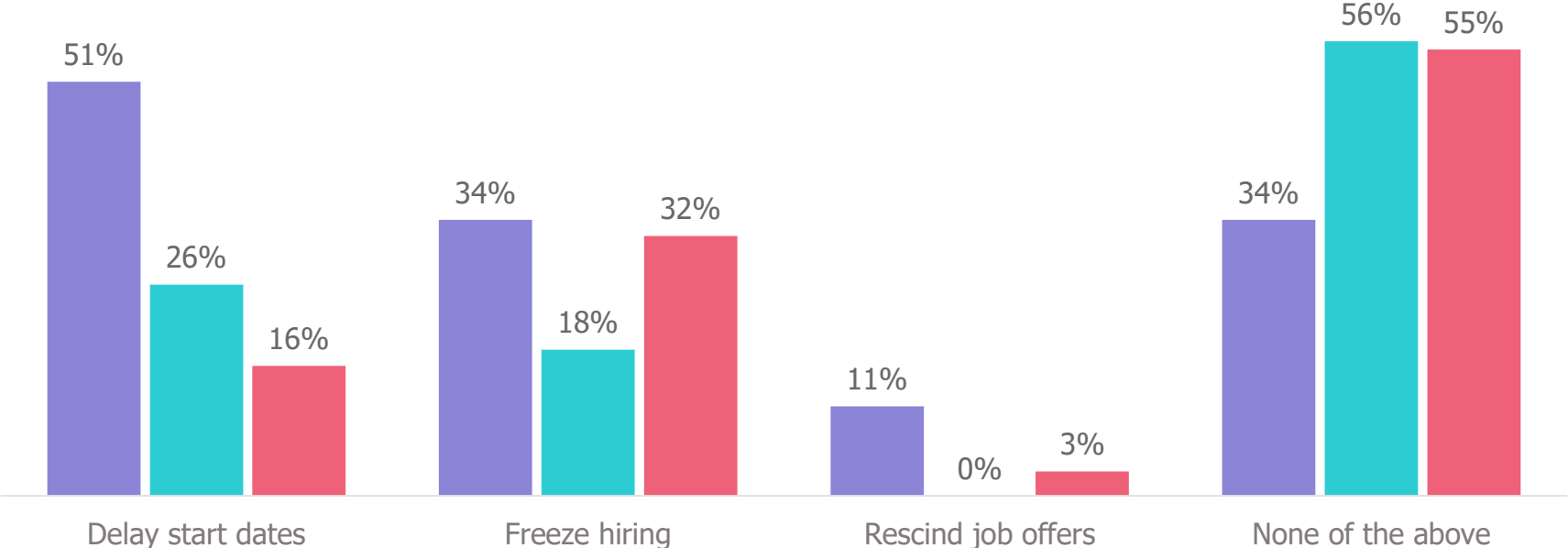
Only 8 percent of recruiters report rescinding job offers and one-third report delaying start dates of graduate-level business students from the class of 2020.

Q: Has your company had to do any of the following related to its hiring of graduate-level business students from the graduating class of 2020 as a result of COVID-19? Select all that apply.

Consulting recruiters are more likely to report delaying start dates than finance or technology

COVID-19 Impact on B-School Hiring

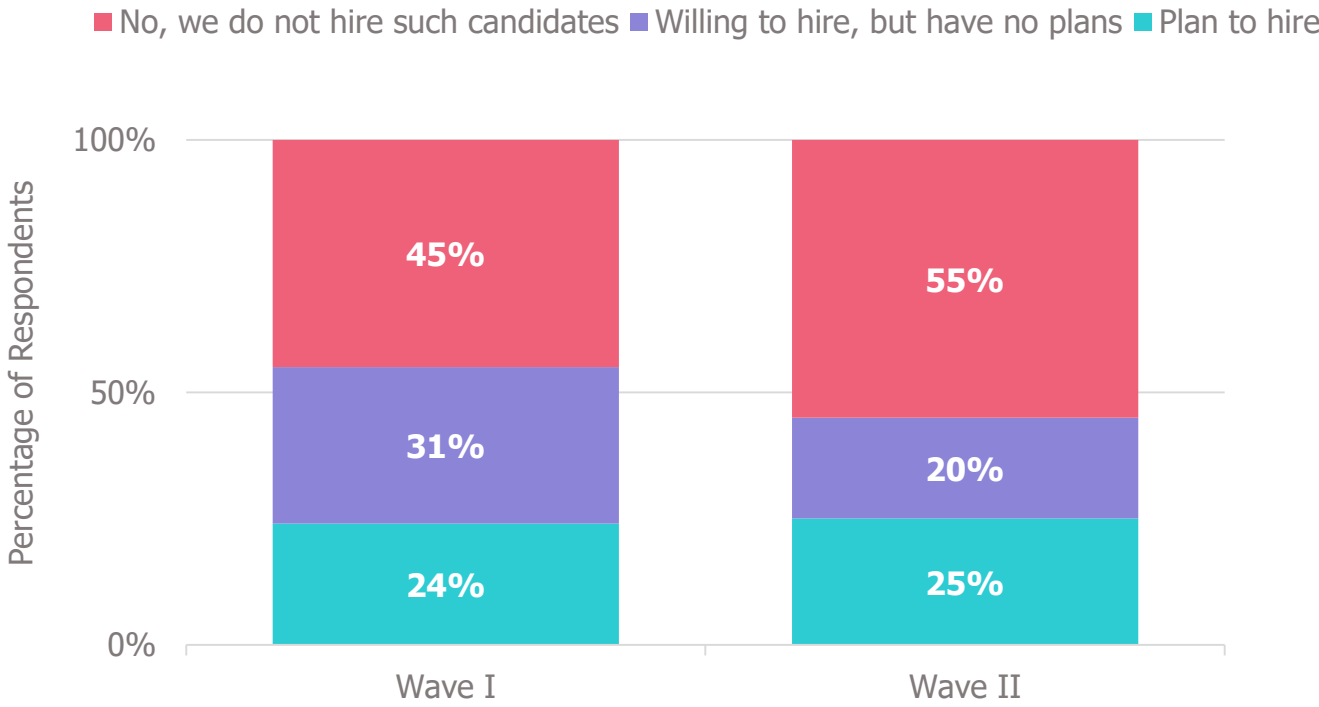
■ Consulting ■ Finance ■ Technology



Q: Has your company had to do any of the following related to its hiring of graduate-level business students from the graduating class of 2020 as a result of COVID-19? Select all that apply.

Plans to hire international graduates have remained stable

Plans to Hire International Business School Graduates in 2020



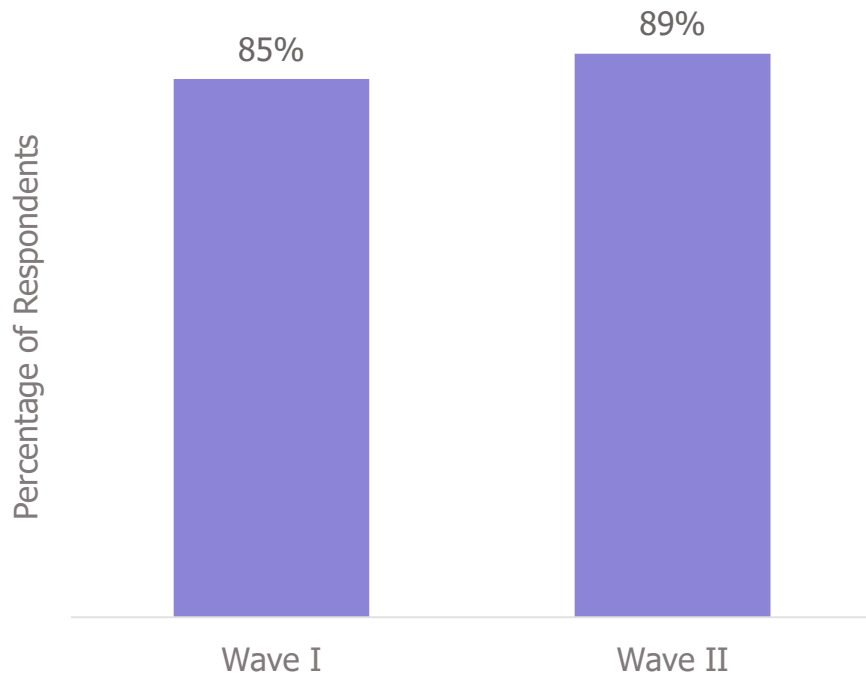
One in four recruiters in Wave II reports plans to hire international graduates from the class of 2020—the same as that in Wave I. Three in four recruiters report that they do not hire or do not plan to hire international graduates.

Q: Has your company hired or does it plan to hire business school graduates that require additional legal documentation or sponsorship from the graduating class of 2020?
Note: Excludes those indicating "Don't know"

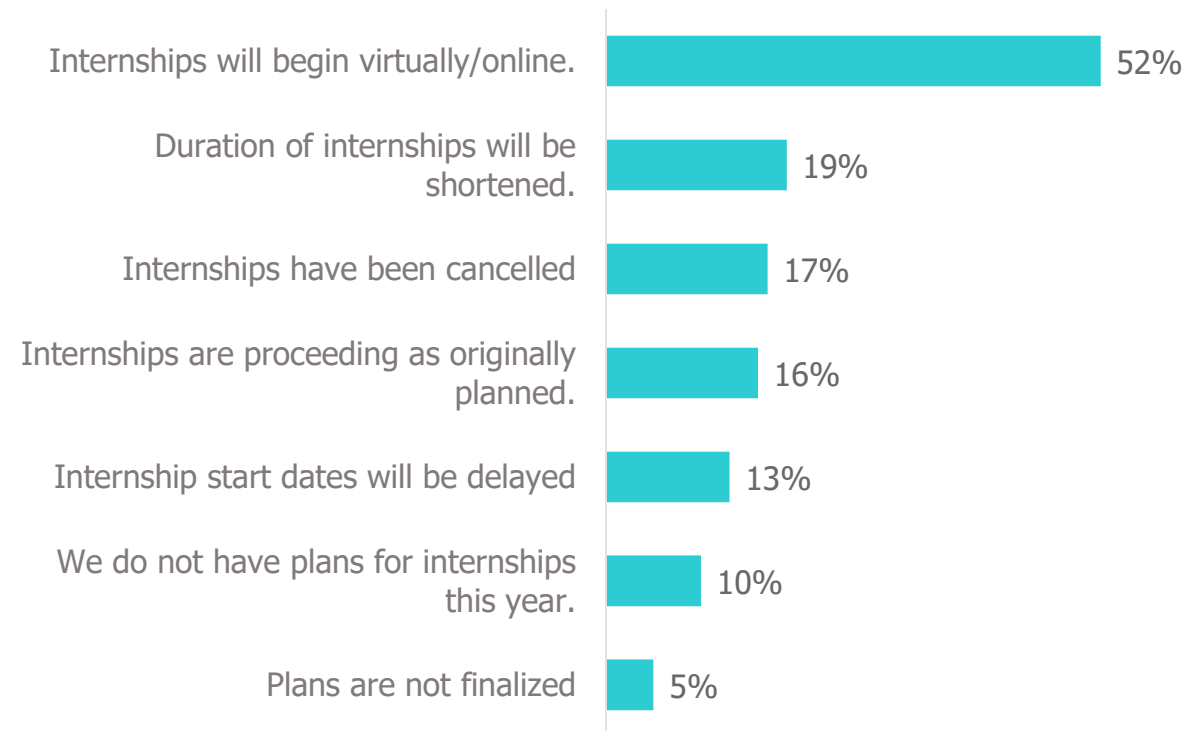


Hiring of b-school interns seems steady in Wave II as more recruiters adopt online/virtual experiences

Percentage of Companies That Plan to Have Business School Interns in 2020



COVID-19's Impact on B-School Internships

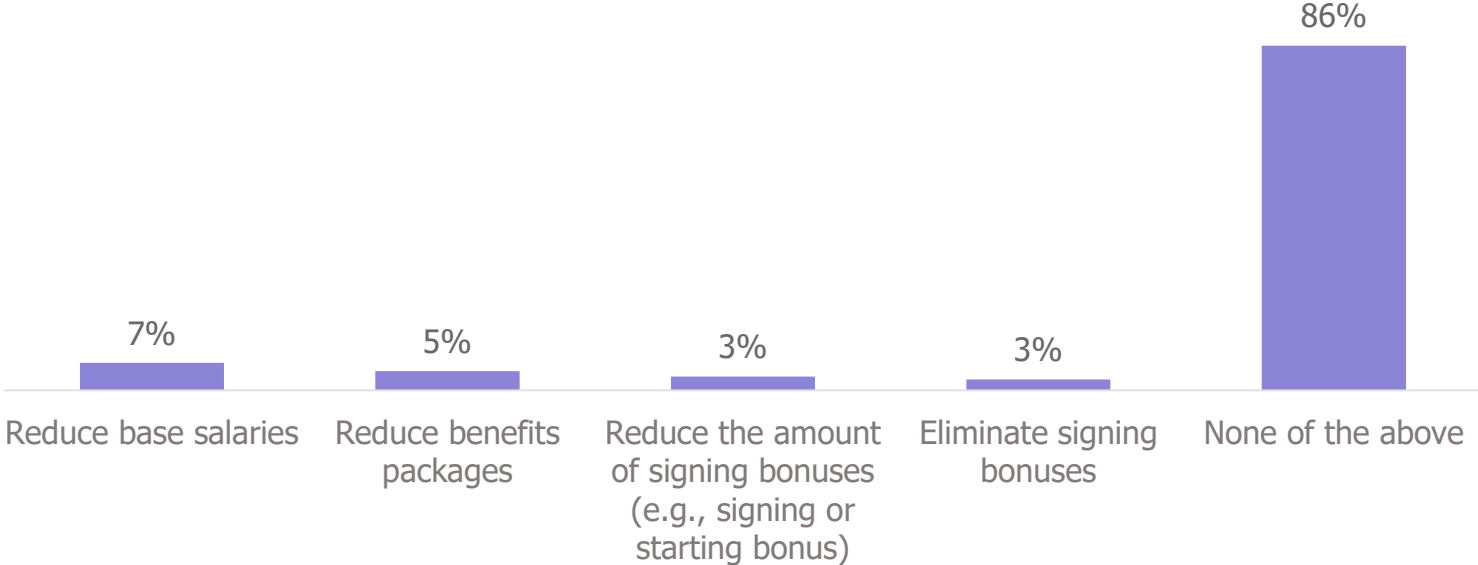


Q: Which of the following statements applies to 2020 internships for graduate-level business students at your organization? Select all that apply.
Note: Hiring excludes those indicating "Plans are not finalized".



For the class of 2020, most recruiters are honoring their compensation commitments

COVID-19's Impact on B-School Compensation

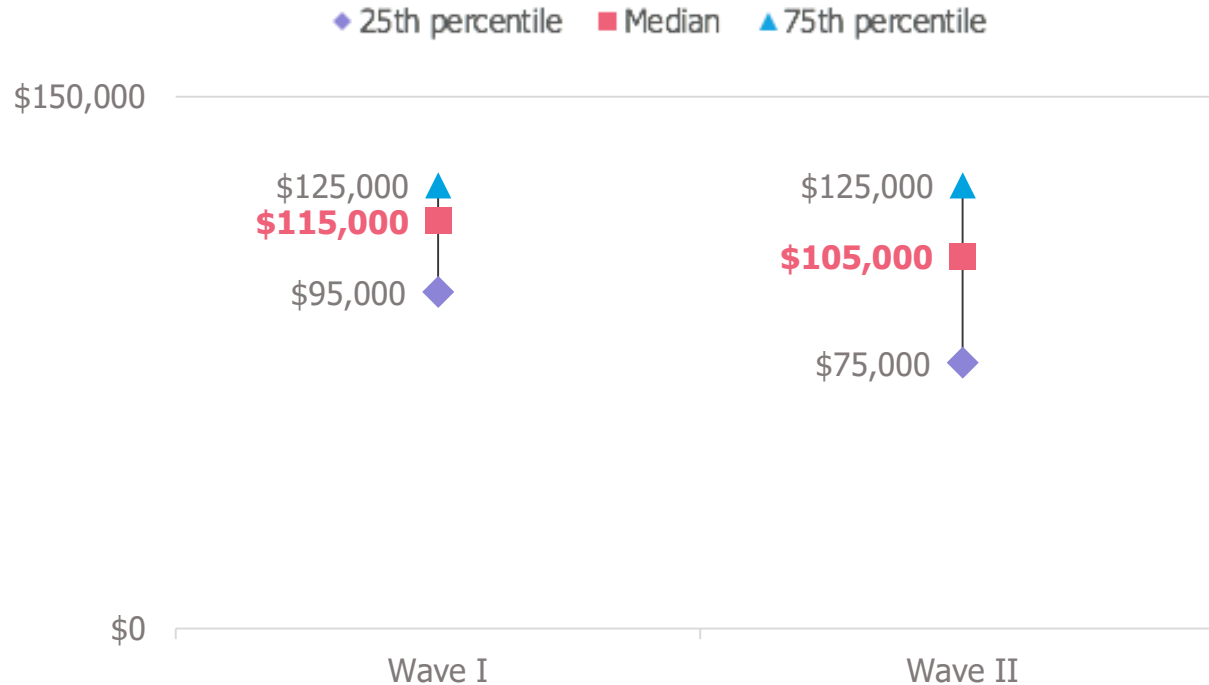


A vast majority of recruiters are not reducing salaries, benefits or bonuses for the class of 2020 as a result of COVID-19.

Q: Has your company had to do any of the following related to the compensation being offered to the graduating class of 2020 graduate-level business students as a result of COVID-19? Select all that apply.

Median base starting salary for 2020 MBA graduates softens but is still projected to be over \$100,000

Projected Annual Base Starting Salary for 2020 New Hires, by MBA overall

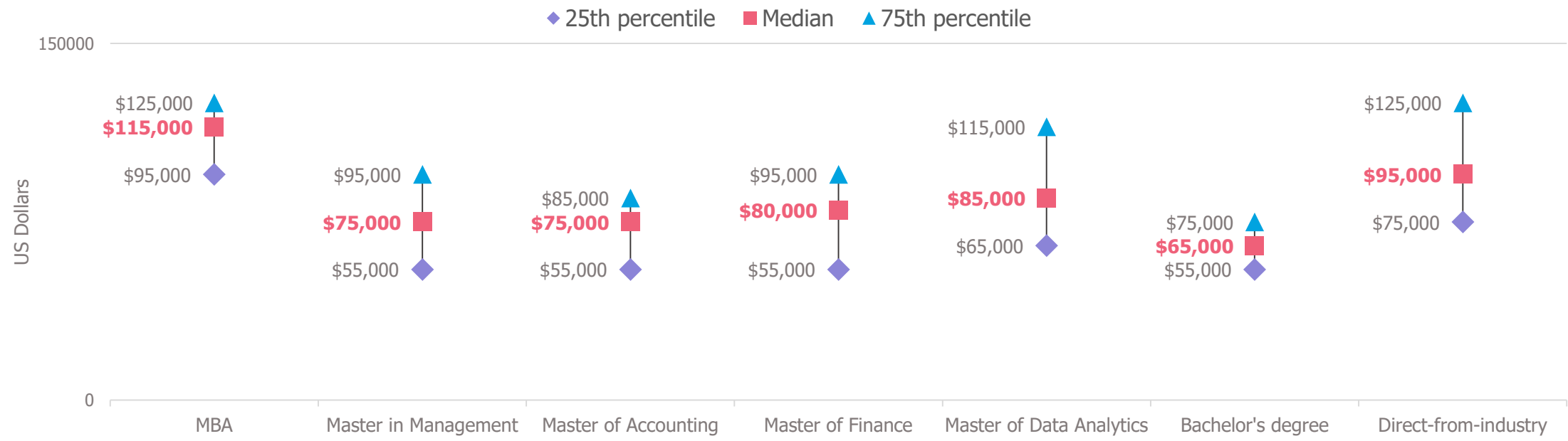


The median base salary for the class of 2020 is projected to decrease from \$115,000 to \$105,000 after the start of the pandemic.

Q: What is your best estimate of the average starting annual base salary that your company will offer to the following new hires in 2020?

Graduate management talent commands a salary premium

Wave I Projected Annual Base Starting Salary for 2020 New Hires, by Candidate Type

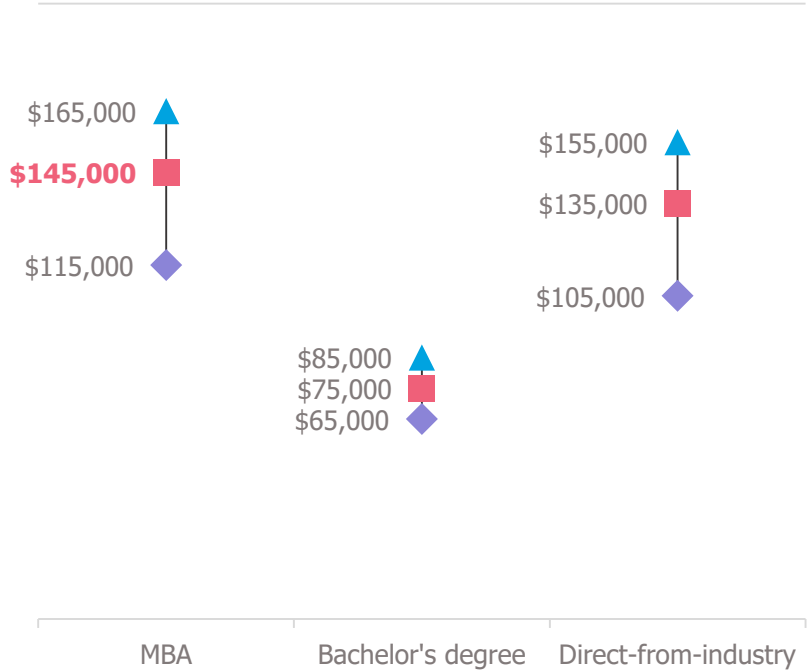


Q: What is your best estimate of the average starting annual base salary that your company will offer to the following new hires in 2020?

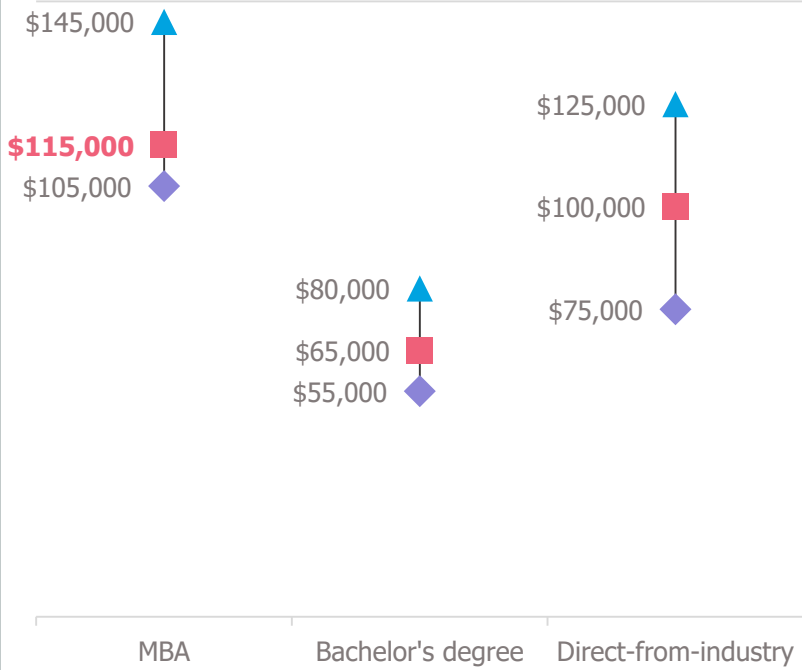
Salaries for big-three industries hiring MBA talent

Wave I Projected Annual Base Starting Salary for 2020 New Hires, by Candidate Type

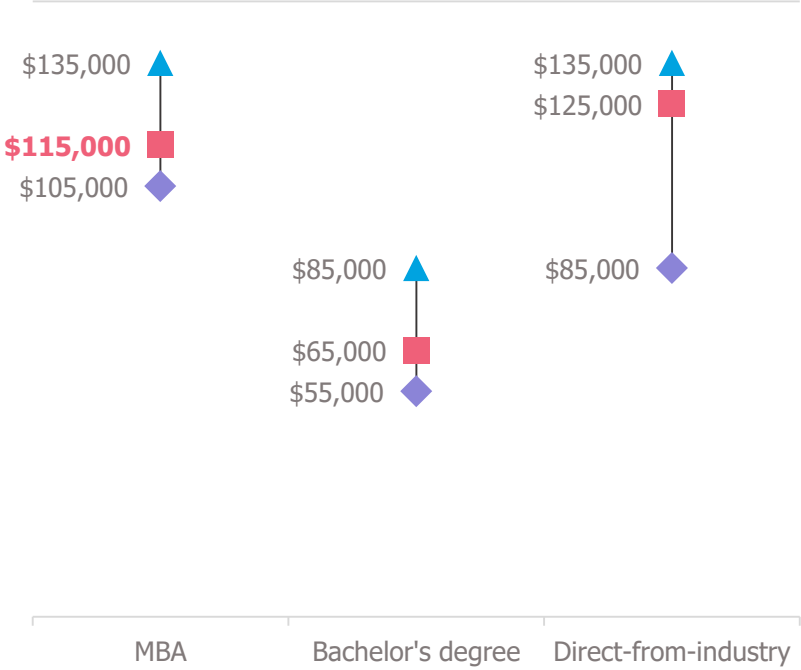
Consulting



Finance



Technology



◆ 25th Percentile ■ Median ▲ 75th Percentile

Q: What is your best estimate of the average starting annual base salary that your company will offer to the following new hires in 2020?

Key take-aways

- 1. Recruiters are expressing confidence in the skills of business school graduates**
- 2. Hiring projections for 2021 suggest a rebound**
- 3. While under pressure, MBA salaries are holding their premium**



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