

Market Intelligence

Graduate  
Management  
Admission  
Council™

# African American Candidates

2023 Diversity Insight Series



February 2023



---

# Table of Contents

Introduction ..... 4

Connecting with African American Candidates ..... 6

The Journey to Business School for ..... 10  
African American Candidates

Educational Attainment and Business Studies ..... 18

Study Formats ..... 22

Work Experience and Skills ..... 26

Financing Plans ..... 32

Population and Geography ..... 36

Demographic Profile ..... 37

---

# Introduction



One of the primary purposes of business education has been the betterment of business as a whole. Through research and analysis, and especially through teaching, business schools around the world work to collect and disseminate knowledge that will help inform the next generation of business leaders.

Promoting diversity at business schools has proven itself to be an integral part of the bettering of business. One study by consulting giant McKinsey found that companies that appear in the top quartile for racial and ethnic diversity are 35 percent more likely to have financial returns above their respective industry medians.<sup>1</sup> The evidence is clear- to create successful leaders (and therefore successful businesses), business schools need to ensure diversity in their classrooms.

To support schools in this effort, the Graduate Management Admission Council's (GMAC) Diversity Insights Series pulls data from our latest Prospective Students Survey (PSS), in addition to Graduate Management Admission Test™ (GMAT™) test-taker data and outside research, to better inform educators about how to reach a diverse group of candidates and craft more inclusive outreach programs.

In this research report, we'll be examining data on Black and African American candidates, exploring topics including motivations for pursuing graduate management education (GME), where they are in their candidate journey, and how they plan to fund their education.

## Who are under-represented populations?

Throughout this report, we will refer to under-represented populations in the GME pipeline. The term “under-represented population” (URP) refers to U.S. citizens who belong to racial or ethnic groups that appear in higher education at lower rates than one would expect for their population. These groups include:

- Black or African American
- Hispanic American or Latino
- Native Hawaiian or Pacific Islander
- Native American or Alaska Native

We will also discuss “non-URP” candidates – in other words, U.S. citizens whose representation in tertiary education is proportional to or over-represented compared to their population. These racial or ethnic groups include Asian Americans and non-Hispanic White Americans.

<sup>1</sup> <https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/why-diversity-matters>



---

## Who are African American and Black candidates?

Before we dive into the data, it is worth defining the population we'll be examining, as the terms "Black" and "African American" refer to different but significantly overlapping populations.

The term "African American" usually denotes descendants of enslaved Africans who are from the United States. While some Black immigrants from Africa may also identify as African American, studies show they generally prefer to identify with their nation of origin.<sup>2</sup>

In this brief, as is common across research of this kind, we will be using the terms "African American" and "Black" interchangeably to refer to Black candidates resident in the United States.

It is also worth noting that our data includes responses from candidates who identify with other racial or ethnic categories in addition to being Black - for instance, Hispanic American and Latinx candidates. When we discuss our findings, we will not be addressing the way that these additional categorizations effect candidates' experiences, such as their immigrant experience or multiracial ancestry.

## Why is it important for business schools to reach African American candidates?

According to Pew Research, the Black population of the United States has grown by 29 percent since 2000, reaching 46.8 million in 2019.<sup>3</sup> In 2020, Black Americans accounted for over 12 percent of the overall population, making them the third-largest racial group in the U.S.<sup>4</sup> One of the most important reasons for business schools to sharpen their recruitment efforts for Black candidates is to make their programs more representative of the country at large.

While underrepresented compared to their overall population, African Americans also make up a significant portion of the GME pipeline. Nine percent of all U.S. bachelor's degrees between 2017 and 2020 were awarded to Black Americans, growing year-on-year to reach a cumulative total of 3.1 million.<sup>5</sup> The total African American GME-age population (those within the 20-34 age bracket) is estimated to be at least 365,000.<sup>6</sup> Clearly, to overlook Black candidates' needs would be to neglect a huge amount of promising talent.

The benefits of increased recruitment of Black Americans goes beyond the classroom. As mentioned above, diverse companies generate better profits, so addressing observed imbalances in GME recruitment can have positive outcomes for commerce when these students graduate back into the workforce.

Now is an especially important time for this effort, as the ongoing effects of the Covid-19 pandemic have intensified these imbalances. Almost one in four African Americans (23%) were laid off during the pandemic compared to just 15 percent of white Americans, and they were also more likely to have cancelled or changed their education plans as a result.<sup>7</sup>

Clearly, greater understanding of this segment is needed to repair the damage caused by the pandemic and deliver better programs, better leaders, and better outcomes for business.

<sup>2</sup><https://dr.lib.iastate.edu/entities/publication/926881b2-e802-40c6-8e97-93b655de3e0f>

<sup>3</sup><https://www.pewresearch.org/social-trends/fact-sheet/facts-about-the-us-black-population/>

<sup>4</sup><https://www.census.gov/library/stories/2021/08/2020-united-states-population-more-racially-ethnically-diverse-than-2010.html>

<sup>5</sup>IPEDS data

<sup>6</sup>U.S. Census Bureau data – table 21

<sup>7</sup><http://stradaeducation.org/wp-content/uploads/2020/06/Public-Viewpoint-Report-Week-9.pdf>

# Connecting with African American Candidates

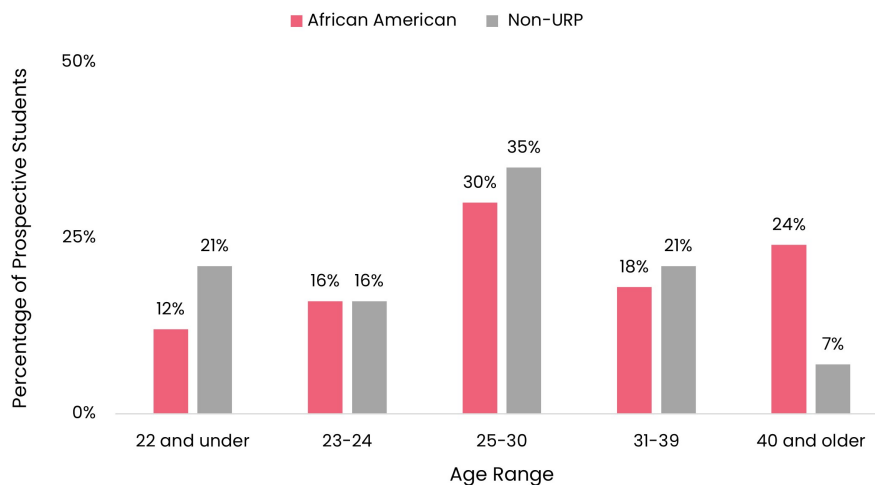


At first glance, the differences in student preferences between African American and non-URP candidates are difficult to parse. According to GMAC's Prospective Students Survey data, African American candidates are much less likely than their non-URP counterparts to begin pursuing graduate management education (GME) before the age of 22 (12% vs 21%), and they tend to be older overall; 24 percent of African American candidates are over 40 compared to just 7 percent of non-URP (Figure 1).

However, a closer look at their responses illuminates this data and offers potential paths for recruiters to explore to not only reach Black candidates at younger ages but also cater more closely to the segment's overall desires.

**Figure 1: Age range of prospective students**

*African American vs. Non-URP prospective students, 2021*



Data from the 2022 GMAC Prospective Students Survey

## What Attracts African American Candidates to GME?

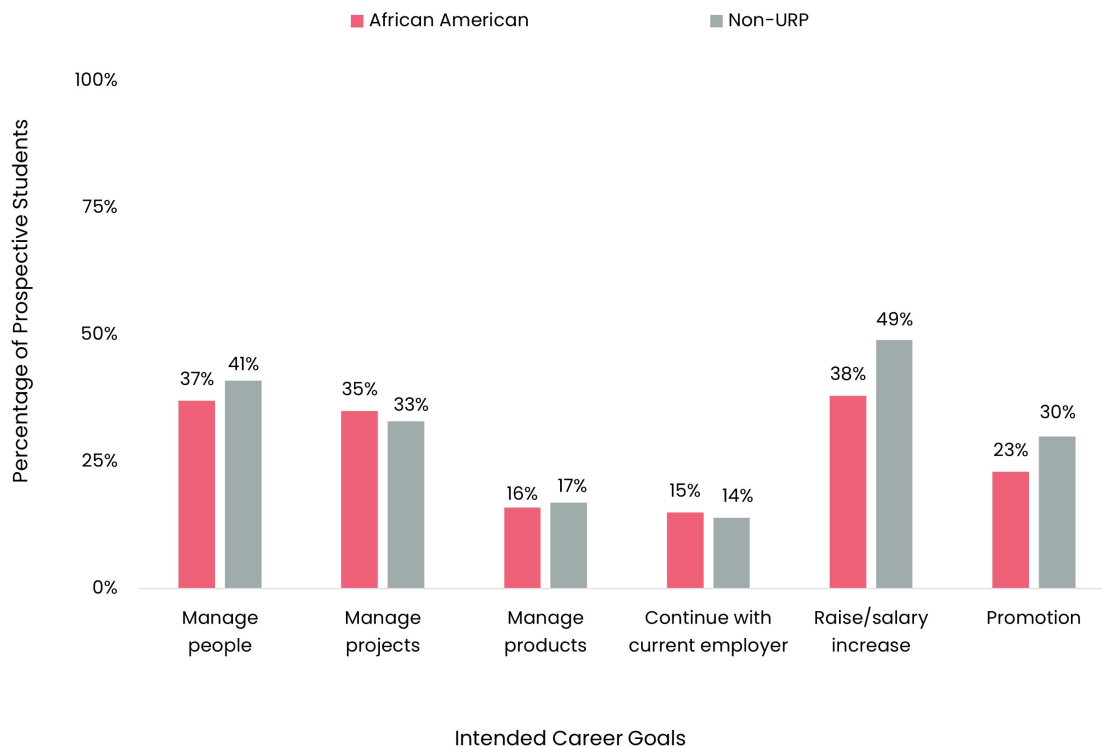
Generally speaking, the most popular reason for most students to pursue GME is to advance their career; African Americans' intended career goals broadly align with those of the general population:

1. Secure a raise/ salary increase
2. Manage people
3. Manage projects
4. Promotion
5. Manage products
6. Continue with current employer

While these rankings remain the same, African Americans weigh each factor differently to non-URP candidates. For instance, Black candidates are over 10 percent less likely to say their main objective is to secure a salary increase and are also less likely to aim for a promotion or a role managing people after GME (**Figure 2**). They are, however, slightly more likely to want to manage projects (**Figure 2**).

**Figure 2: Post-GME Career Goals**

*African American vs. Non-URP prospective students, 2021*



Data from the 2022 GMAC Prospective Students Survey

## A highly entrepreneurial group

One possible explanation for this difference is that African Americans are more likely to pursue entrepreneurship than their non-URP counterparts.

Almost one in three Black candidates say they want to become an entrepreneur or be self-employed post-GME compared to just under one in five non-URP. This is a significant gap even when compared to other URP segments – for instance, Latinx candidates express entrepreneurial ambitions at a rate of 23 percent, still almost 10 percent less than Black candidates.<sup>8</sup>

This is in line with trends seen across the U.S. when it comes to Black entrepreneurship. The number of U.S. Black-owned businesses grew in all sectors of the U.S. economy between 2017 and 2019, to total more than 134,000.<sup>9</sup> However, funding remains an area of difficulty for Black entrepreneurs, with 75 percent of Black-owned businesses struggling to pay their expenses compared to 63 percent of white-owned companies.<sup>10</sup>

Access to funding opportunities and investment networks is a key area in which business schools can compete for top African American talent; recruitment professionals would do well to highlight these strengths in promotional materials and messaging.

## Career switches are highly desirable

As well as being more entrepreneurial, African American candidates are also more likely to want to change job functions or occupations after GME (**Figure 3**). This would somewhat explain why they might not expect to re-enter the workforce at a higher salary or level of responsibility than they experienced before enrollment. They are, however, usually aiming to stay within the same industry as they were pre-GME.

## Finding work outside the United States is a strong motivator

Another popular motivator for students to pursue GME is the geographic mobility it offers, as attending business school in a different country or region can offer students networking opportunities and even visa routes to help them secure job placements.

African American candidates broadly align with non-URP students in this area, as they are equally interested in working within their country of citizenship (18%) and traveling internationally for work (23%). However, they show slightly greater interest in working outside their country of citizenship (16% vs 12%) and living outside their country of citizenship (13% vs 11%) than non-URPs.

<sup>8</sup>GMAC Research Latinx research report

<sup>9</sup><https://www.census.gov/library/stories/2022/02/increase-in-number-of-united-states-black-owned-businesses-between-2017-and-2019.html>

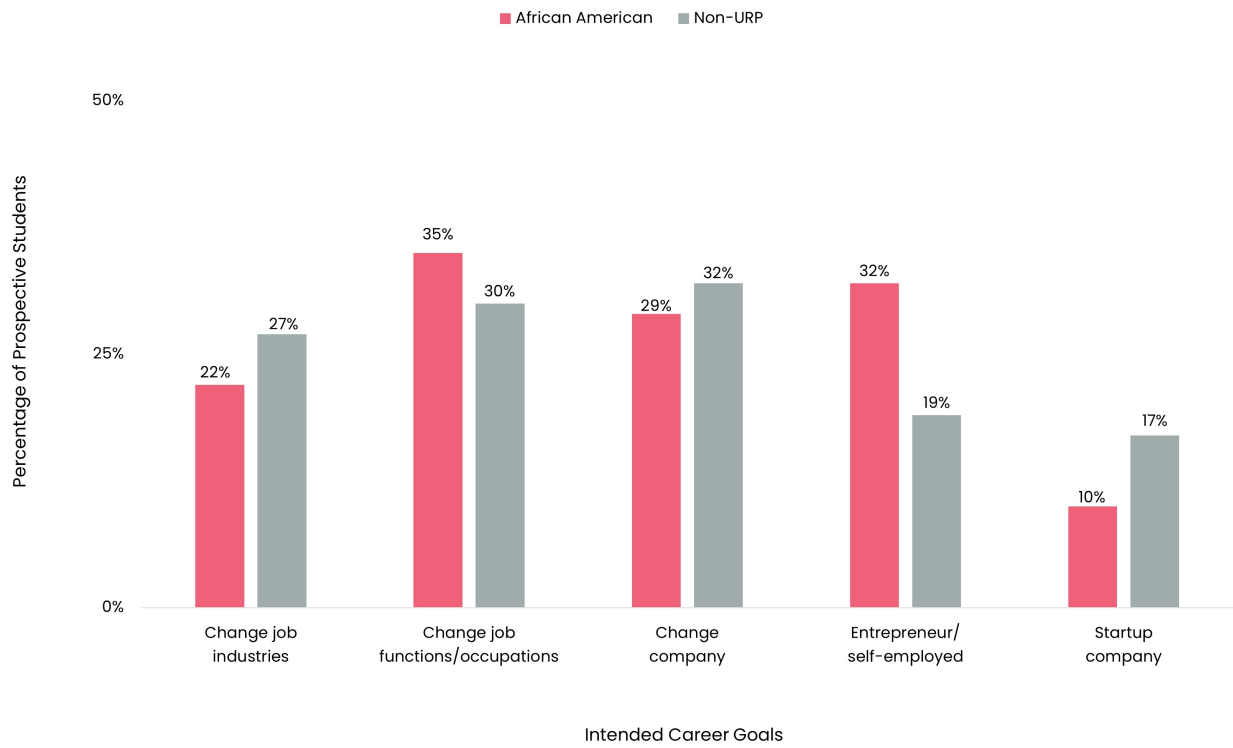
<sup>10</sup><https://www.brookings.edu/research/black-owned-businesses-in-u-s-cities-the-challenges-solutions-and-opportunities-for-prosperity/>





### Figure 3: Post-GME Career goals

African American vs. Non-URP prospective students, 2021



Data from the 2022 GMAC Prospective Students Survey

# The Journey to Business School for African American Candidates

When asked about where they are in their GME application journey, African American candidates are revealed to be a decisive segment.

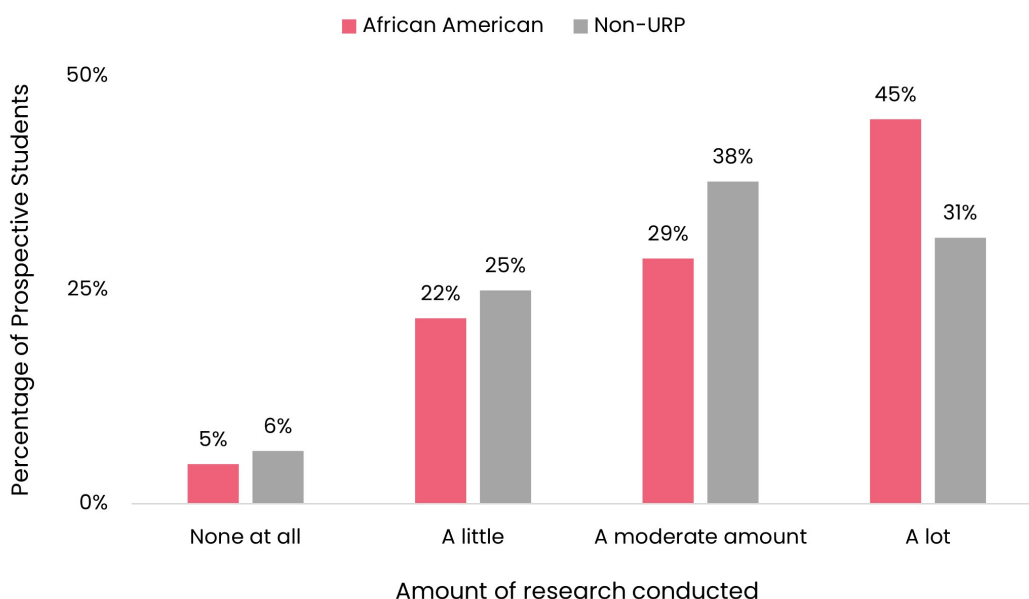
## African American candidates are already well-researched

African Americans are twice as likely to already have enrolled or graduated from graduate school than non-URPs (both 6% vs 3%) and are also more likely to be in the active application phase; 39 percent of Black Prospective Students Survey respondents were actively applying, compared to 32 percent of non-URP.

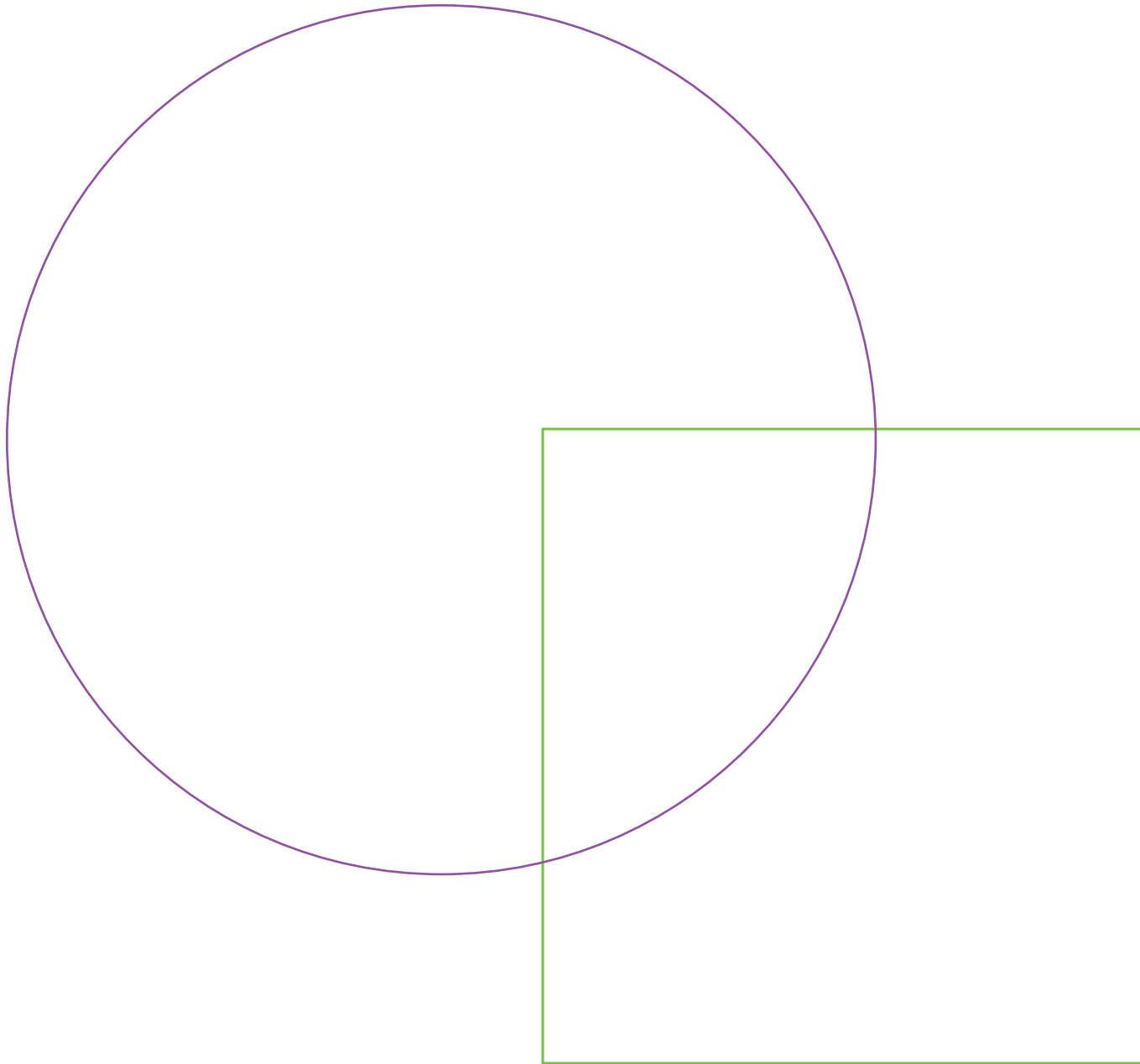
This suggests that African American candidates enter the pipeline at a later stage of research than the average non-URP. Less than half of Black candidates (47%) are still in the consideration stage when taking the GMAT - compared to 60 percent of non-URP - and 45 percent say they have already completed a lot of research (Figure 4). They are also less likely to report having done no research on potential programs.

Figure 4: Amount of research conducted on GME

African American vs. Non-URP prospective students, 2021



Data from the 2022 GMAC Prospective Students Survey



## Personal connections are valued as highly as school channels

When it comes to where these candidates go for their information, the top resource for program information is school websites, followed by mba.com, which 39 percent of candidates say they use in the research stage (Figure 5).

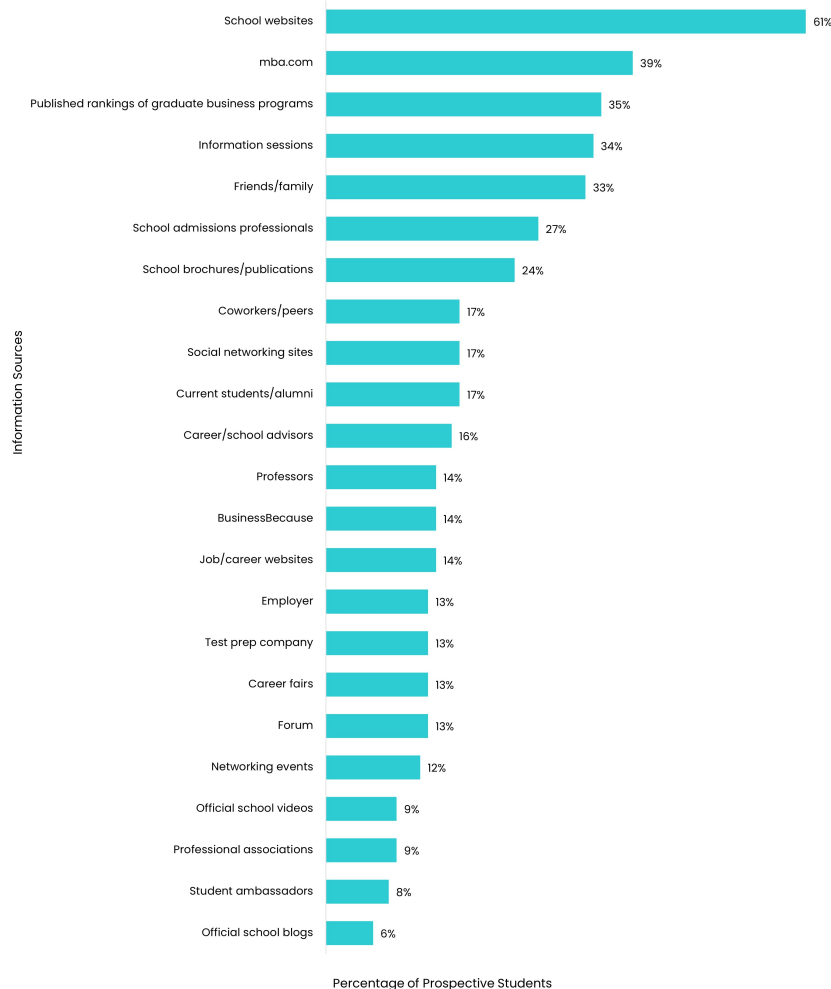
The use of school websites is common across different groups of students, with 61 percent of Latinx students also opting to use school websites. However, the two groups differ when it comes to use of published rankings and mba.com, as neither of those sources are in US Latinx prospective students' top six information sources.

Interestingly for school recruiters, rankings and university information sessions rank on about the same level as information from friends and family, while student ambassadors and school blogs are at the bottom of the pack (Figure 5).

This is a key area for recruitment professionals to probe, as historic educational inequality has a direct impact on these information channels.

**Figure 5: Information sources used for GME research**

*African American prospective students, 2021*



Data from the 2022 GMAC Prospective Students Survey



---

We already know that African Americans are underrepresented in higher education, a problem that stems from historic inequalities including fewer resources available to schools with mostly minority students.<sup>11</sup> On average, Black students are less likely than their white counterparts to have significant numbers of family members who have been educated to a college level, which not only will impact their level of familiarity with GME, but their access to information about it through their personal networks.

Humanizing the research process is key to breaking down some of the imbalances here. Barbara Coward, founder and principal of MBA 360 Admissions, says that one of the key barriers she sees facing Black candidates is the difficulty of seeing their own story in schools' communications.

"The class profiles published after each new cohort are a major barrier," she says. "Even though there are some improvements from year to year, the percentage of Black and African American students is so small that it creates the perception that the odds are not stacked in your favor.

Ways that business schools might combat this perception and improve their reach with Black candidates is by tapping into current students' connections or offering application support for friends and family of alumni.

"A story of someone who was admitted who looks like you or comes from the same background will move the needle more than any percentage bump year-over-year," says Barbara. "Relatable stories rather than numbers inspire and drive action."

## **What is the timeline for enrollment for Black candidates?**

The decisiveness shown in African American candidates' level of research is mirrored in their projected enrollment timelines, which tend to be shorter than non-URP candidates (**Figure 6**).

Forty-one percent planned to enroll within the next six months compared to just 34 percent of non-URP (**Figure 6**). This continues a trend we observed in 2020, which saw plans for imminent enrollment among African Americans climb from 37 percent in 2019 to 42 percent.

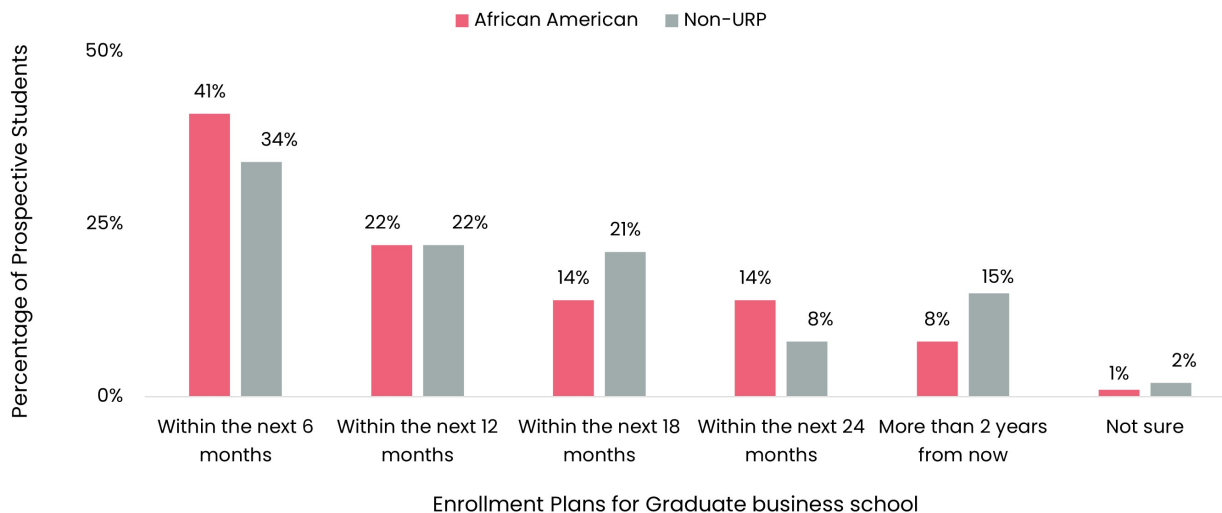
This is perhaps also reflective of external findings that, despite being more likely to postpone their education plans during the pandemic, African Americans were more likely to enroll in education and training programs afterwards.<sup>12</sup>

<sup>11</sup><https://www.brookings.edu/articles/unequal-opportunity-race-and-education/>

<sup>12</sup><http://stradaeducation.org/wp-content/uploads/2020/06/Public-Viewpoint-Report-Week-9.pdf>

**Figure 6: Enrollment timeline for GME**

*African American vs. Non-URP prospective students, 2021*



Data from the 2022 GMAC Prospective Students Survey

### **African American candidates consider early, apply later**

Interestingly, considering what we know about the lower numbers of young African Americans in the GME pipeline, and the comparatively high number of candidates aged 40 and over, most Black candidates first consider pursuing GME at similar times to their non-URP counterparts.

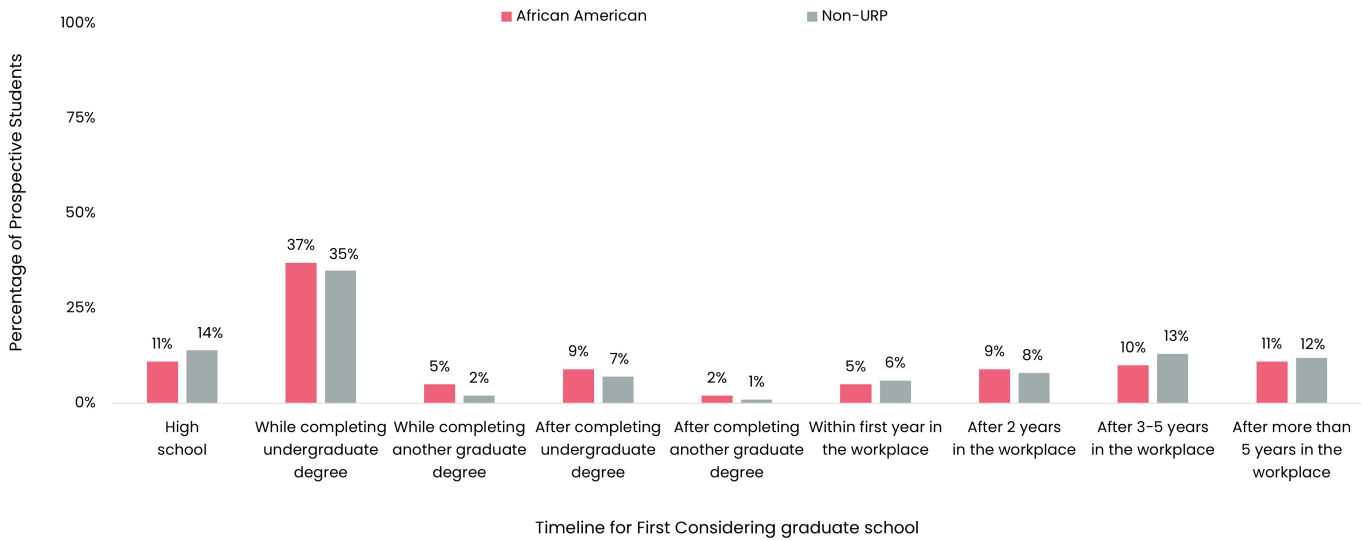
The most popular first exposure to GME is while completing an undergraduate degree, and in fact, African Americans are slightly more likely to first consider business school either during or immediately after undergraduate or graduate matriculation.

However, the higher numbers of older candidates within the African American applicant segment suggests that there are barriers to enrollment in the usual five-to-ten-year timeline after graduation – perhaps when it comes to gaining either requisite work experience or tuition funding, both of which will be discussed in greater detail below. It is also possible that the value and relevance of a graduate degree is not as apparent to this segment of the population during the undergraduate experience. This certainly presents an opportunity for admission recruiters to message to this segment on their individual campuses.

In addition, in conjunction with the fast turnaround between test-taking and enrollment shown above, recruitment professionals might consider agile communication strategies to respond more quickly to diverse talent, as well as messaging tailored toward program decision-making rather than higher-level information gathering.

**Figure 7: Timeline for first considering graduate business school**

*African American vs. Non-URP prospective students, 2021*



Data from the 2022 GMAC Prospective Students Survey

### Long-term planning is the most powerful trigger

As might be expected given what the previous findings show regarding when Black candidates first consider pursuing GME, the most popular application trigger is simply that they had always planned to pursue a GME degree at this point in their careers.

Interestingly, however, they report this trigger at greater rates than either non-URP candidates or Latinx candidates (60% vs. 50% and 51% respectively). This aligns with the overall trend that African American candidates show higher levels of research and longer consideration timelines before pursuing graduate school.

Indeed, while this trigger was significantly more prevalent than for non-URPs, many other popular triggers held less weight for African American candidates. For instance, they were slightly less likely to say that they wanted to apply for a job but lacked the requisite skills (32% vs 36% of non-URPs), and significantly less likely to report that it was a convenient time to go back to school (26% vs 37%) or that they had the financial resources to apply (10% vs 26%).

They were also less likely to report parental guidance as a factor. Just 10 percent of African American candidates said that their parents had suggested they apply, compared to 14 percent of Latinx and non-URP candidates. As touched on above, Black students are less likely to have parents who had enrolled in college: the Postsecondary National Policy Institute (PNPI) estimates that 41 percent of African American students are first-generation college students compared to 25 percent of white and Asian students.<sup>13</sup> Given that college campuses are key sites of intervention for all potential GME candidates, it is not surprising therefore that fewer African American parents suggest GME to their children.

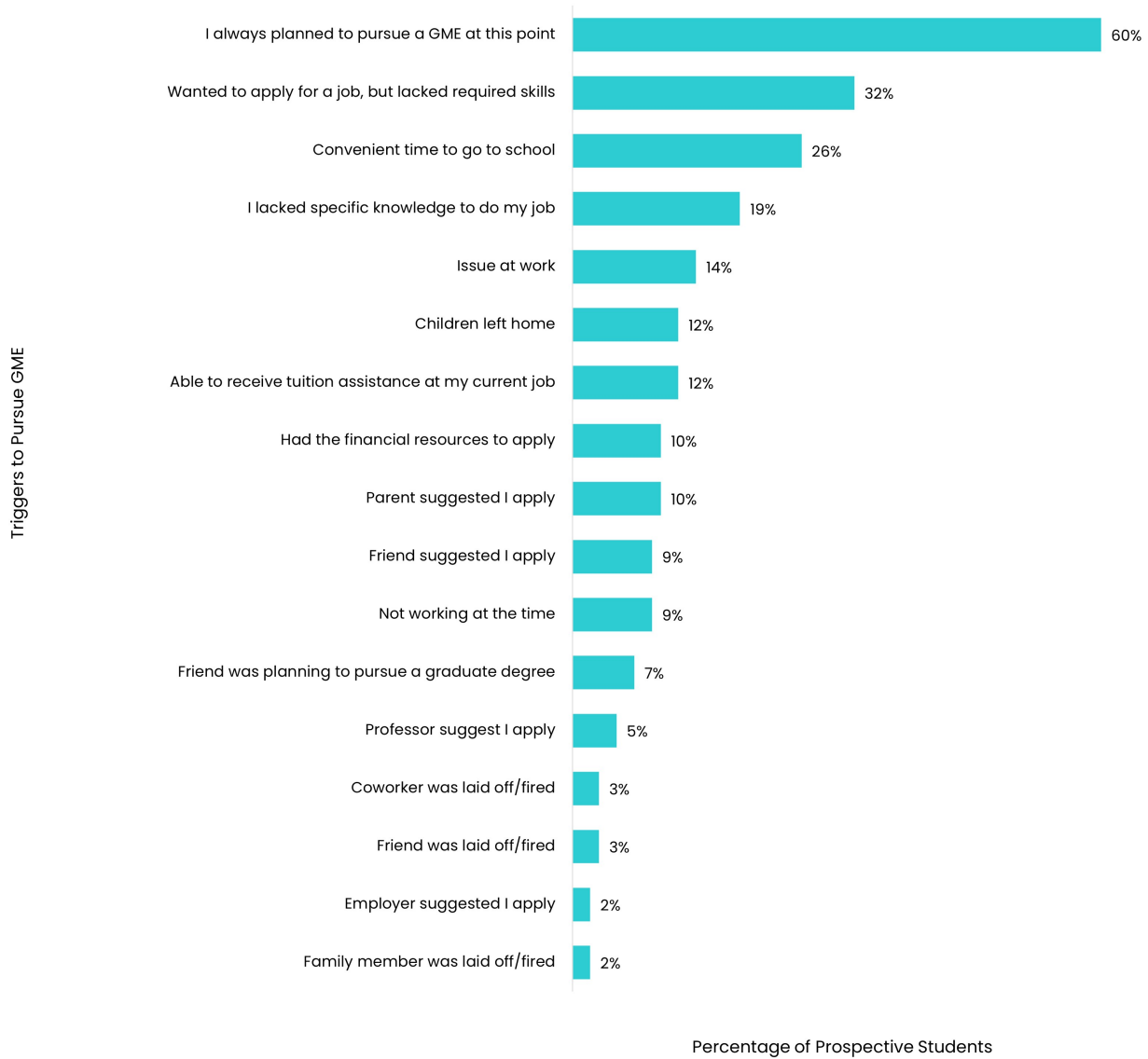
One trigger that proved more powerful for Black professionals than both non-URPs and Latinx candidates was a recent issue at work. Fourteen percent of Black respondents reported this as a trigger, compared to 12 percent of Latinx candidates and 10 percent of non-URPs. Outside data supports the severity of this issue, as nearly 60 percent of women and men of color have experienced the “emotional tax” of coping with discrimination in the workplace.<sup>14</sup>

<sup>13</sup><https://www.idsnews.com/article/2021/11/black-college-students-share-struggles-success-stories-us-dept-education#:~:text=According%20to%20PNPI.ORG%2C%20among,students%20to%20be%20first%20generation>

<sup>14</sup><https://www.catalyst.org/wp-content/uploads/2019/02/emotionaltax.pdf>

### Figure 8: Triggers for pursuing GME

African American prospective students, 2021



Data from the 2022 GMAC Prospective Students Survey





# Educational Attainment and Business Studies

As is seen elsewhere when looking at overall candidate behaviors, African American candidates broadly align with non-URPs on study preferences; however, there are a few key differences.

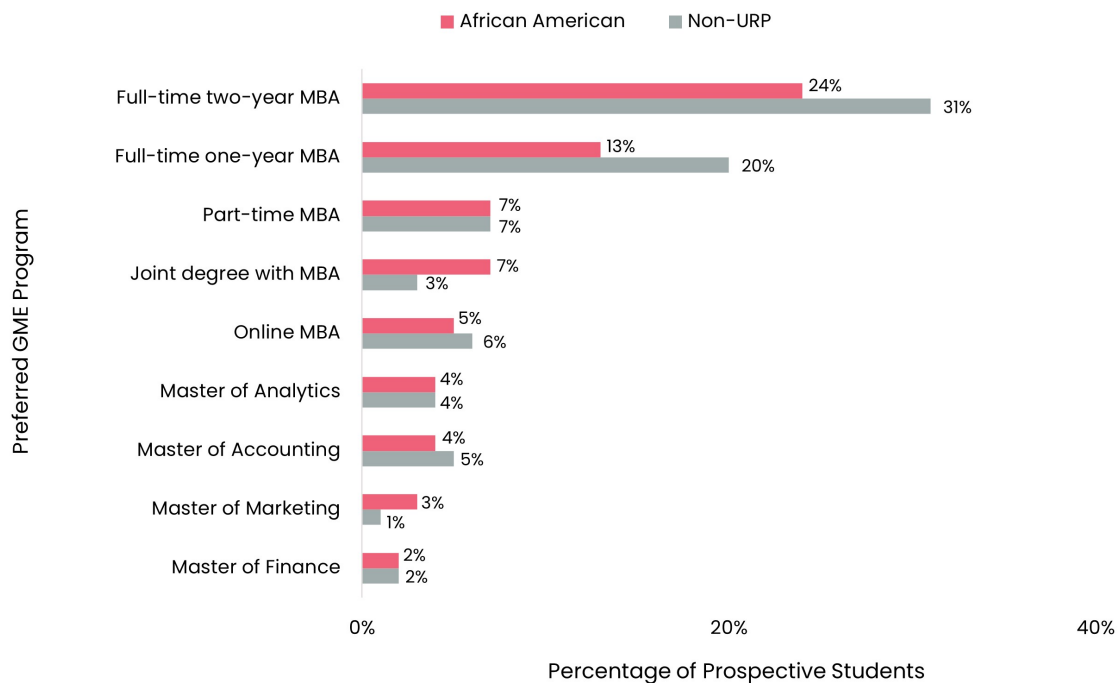
## African American candidates are more degree-agnostic

While the ranking that emerges in African American candidates' program preferences aligns with that of non-URPs, the proportions are less heavily weighted towards MBA programs.

For instance, while nearly a third of non-URP applicants are aiming for a place on a full-time two-year MBA program, just under a quarter of Black candidates are doing the same, and they are also 7 percent less likely to plan to apply for a one-year MBA (Figure 9).

**Figure 9: Preferred GME program**

*African American vs. Non-URP prospective students, 2021*

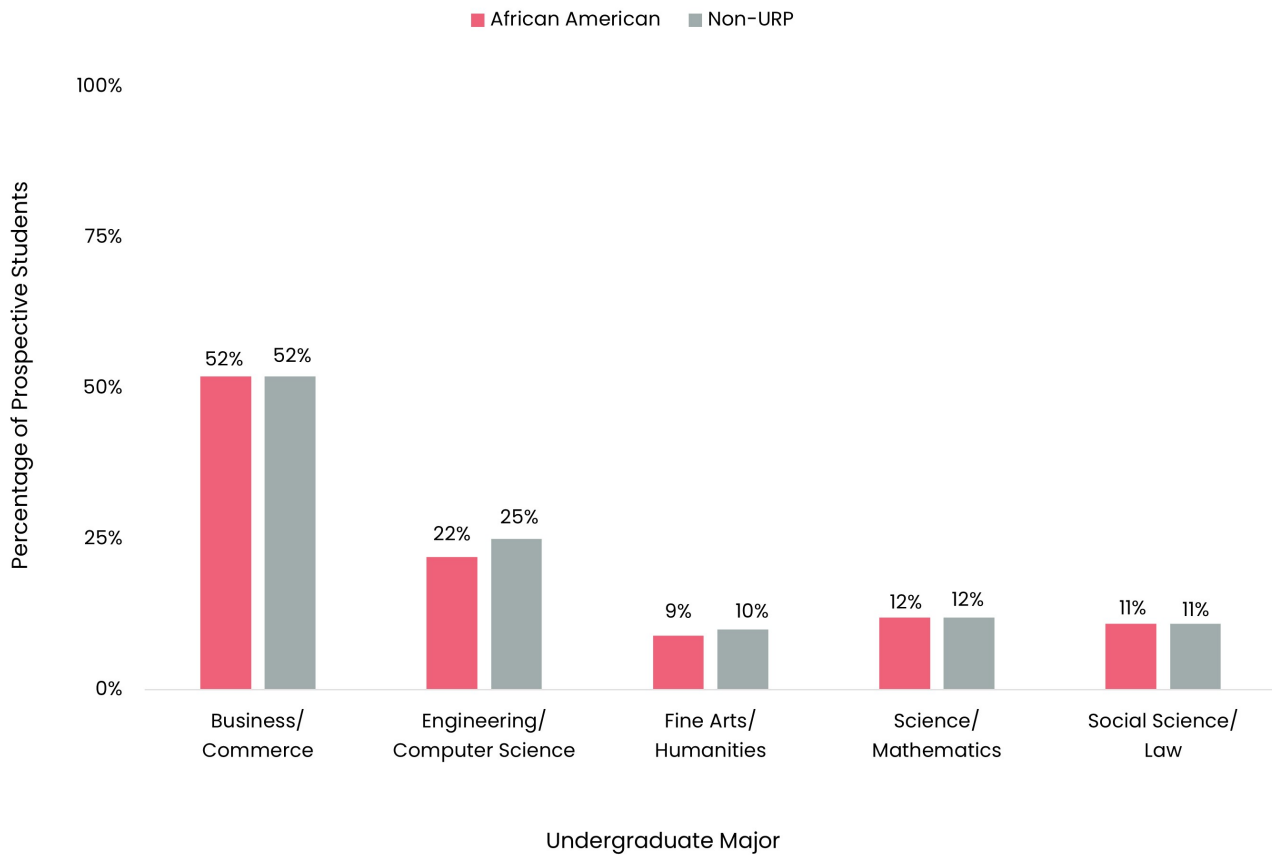


Data from the 2022 GMAC Prospective Students Survey

They also closely align with non-URP students where it comes to undergraduate majors. Fifty-two percent of African American candidates studied business and commerce subjects at undergrad, an equal proportion to non-URPs (**Figure 10**). They also studied the humanities, science and mathematics, and social science and law at the same or similar rates to non-URP students.

**Figure 10: Undergraduate major of prospective students**

*African American vs. Non-URP prospective students, 2021*



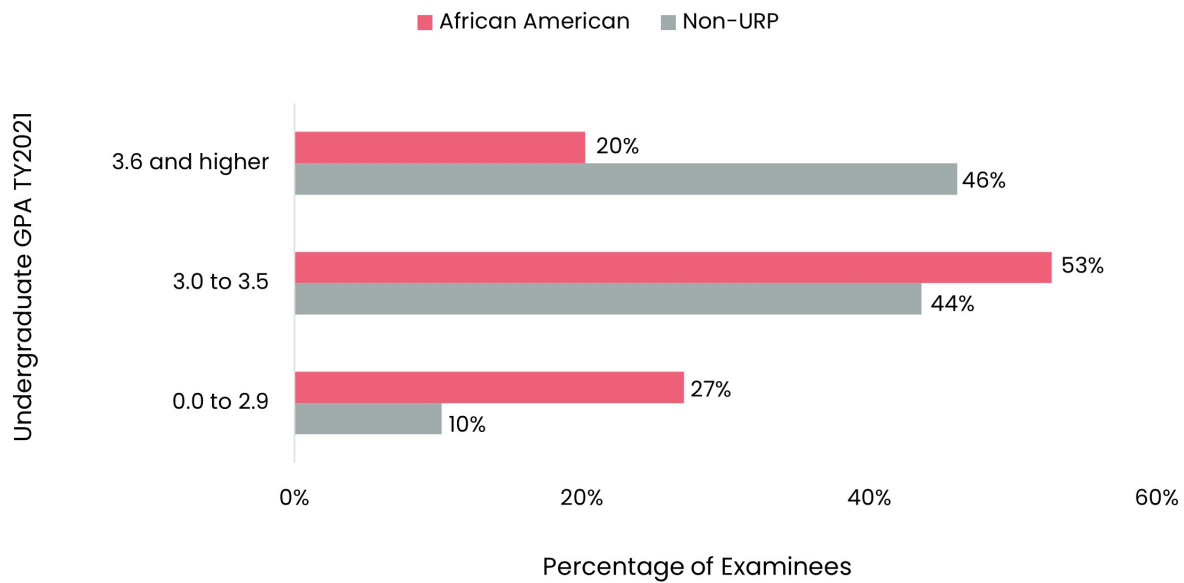
Data from the 2022 GMAC Prospective Students Survey

## A mixed result for GMAT and Undergraduate GPA Performance

Real discrepancies appear when it comes to undergraduate GPA and standardized testing. Based on self-reported data from their undergraduate studies, African American candidates are less than half as likely to report their undergraduate GPA as over 3.6, and twice as likely to report a GPA of less than 2.9 (Figure 11).

**Figure 11: Distribution of Undergraduate GPA**

*African American vs Non-URP GMAT examinees, testing year 2021*



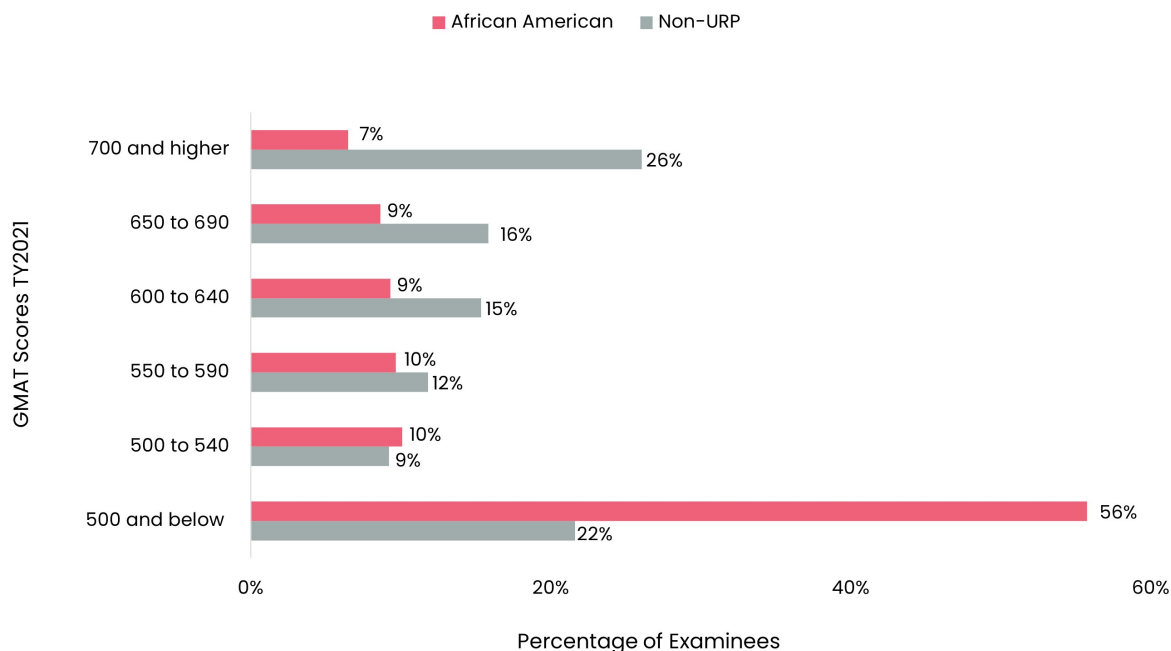
Data from GMAT Examinees Data, testing year 2021



An examination of GMAT scores paints a similar picture. Over half of Black candidates score lower than 500 on the GMAT compared to just 22 percent of non-URP, and non-URP are almost four times more likely than Black students to score over 700 (Figure 12).

**Figure 12: Distribution of Total GMAT Exam Scores**

*African American vs Non-URP test takers, testing year 2021*



Data from GMAT Examinees Data, testing year 2021

A holistic approach is necessary when evaluating Black candidates’ applications, analyzing other measures of aptitude in addition to standardized measures, such as academic and professional references.

It is important for schools to develop and test these well-rounded methods of assessing candidates, as the fluctuation we can see in URP candidates’ performance since 2020 is likely to echo in the GME pipeline for years to come. A study by the Campaign for College Opportunity examining outcomes for Black and Latino students in Los Angeles shows that Covid-19 reduced first-time enrollment in community colleges by a massive 40 percent among Black students, an effect that is likely to be seen elsewhere in the country thanks to the disruption to teaching caused by illness and lockdown.<sup>15</sup>

<sup>15</sup><https://collegecampaign.org/wp-content/uploads/2022/02/FINAL-2022-SHE-Los-Angeles-web.pdf>

# Study Formats



As we've discussed above, African American candidates follow similar trends to non-URPs when it comes to the programs they're pursuing, though they are less single-mindedly committed to the traditional MBA. More obvious differences emerge when we examine their study format preferences.

## Willingness to pursue hybrid formats remains strong

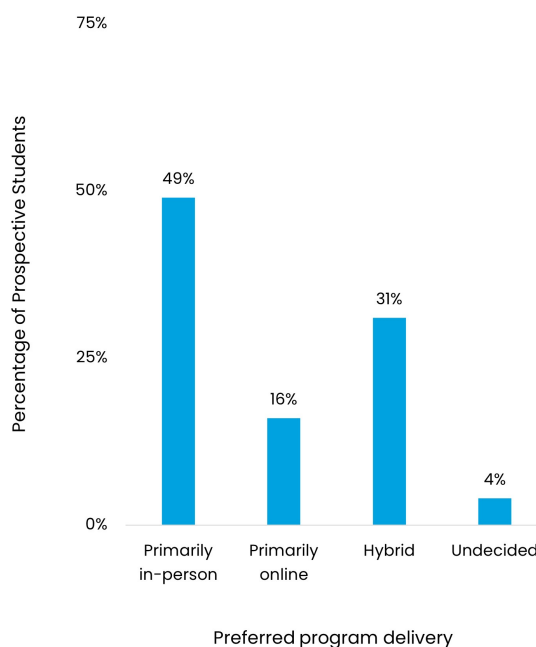
In 2020, we saw that African Americans showed greater willingness to consider the adjustment of online learning than non-URP candidates (32% vs 26%). This trend has held strong in testing year 2021, with 31 percent of Black candidates reporting willingness to study hybrid formats compared to just 16 percent of non-URPs (**Figure 13**).

There is still a distinct preference for primarily in-person teaching, with just under half of respondents choosing this option, though once again this preference is weaker than in non-URPs, 64 percent of whom want to study primarily in person.

Black candidates also see overall more value in online degrees than non-URP students. While they are about equally likely to disagree with the statement that online degrees offer the same value as in-person programs, they are more likely to agree that they do offer the same value, and almost half as likely to strongly disagree (**Figure 14**).

**Figure 13: Preferred GME program delivery**

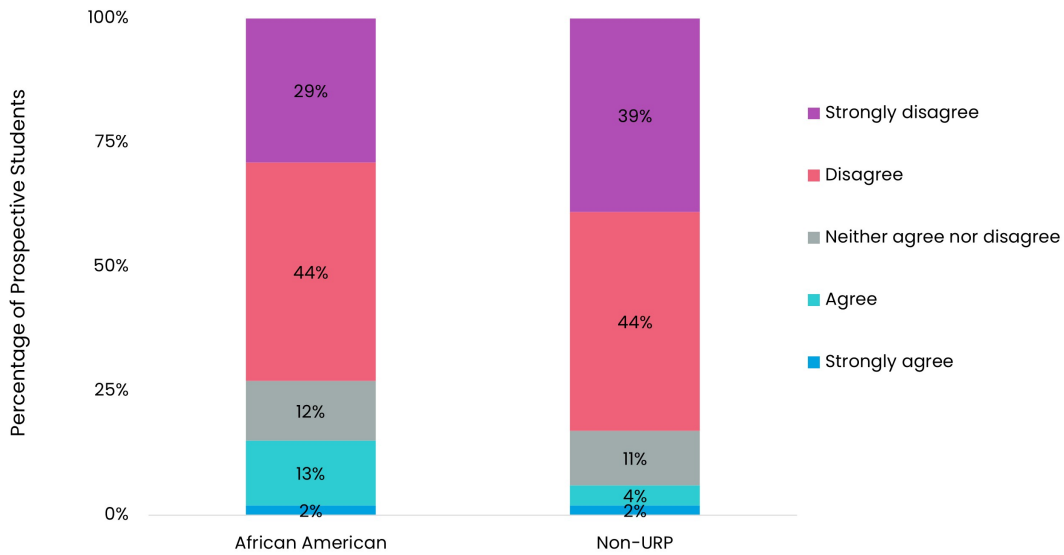
*African American prospective students, 2021*



Data from the 2022 GMAC Prospective Students Survey

**Figure 14: Percentage of agreement to phrase ‘Networking opportunities gained through an on-campus graduate business degree are the same as those gained through an online degree’**

*African American vs Non-URP prospective students, 2021*

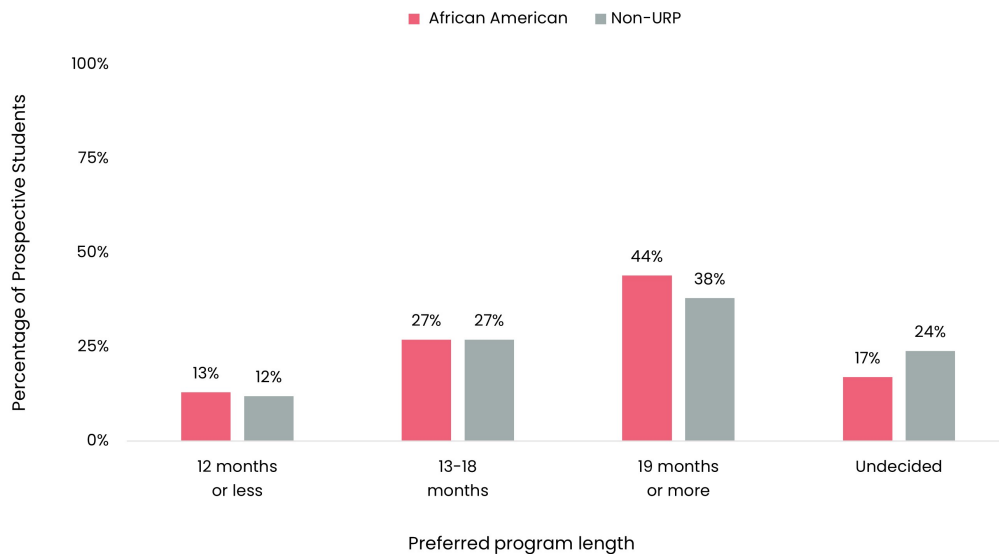


Data from the 2022 GMAC Prospective Students Survey

Perhaps in alignment with these broader preferences, African Americans showed slightly more interest in longer programs than non-URPs, with 44 percent desiring programs 19 months or longer vs 38 percent (**Figure 15**).

**Figure 15: Preferred GME program length**

*African American vs Non-URP prospective students, 2021*



Data from the 2022 GMAC Prospective Students Survey

These insights reflect broader trends in the workplace in the wake of the pandemic, as a study by Future Forum found that employees of color were more likely to prefer hybrid and remote work arrangements compared to white employees. Specifically, 86 percent of Latinx and 81 percent of Black knowledge workers said they preferred remote and hybrid work compared to just 75 percent of white workers.<sup>16</sup> The same study also found that job satisfaction among Black workers increased when they were able to choose hybrid work arrangements.

There are many potential reasons for this, a prominent one being the more controllable environment offered to workers of color when they elect to work remotely. When one in four Black employees has experienced racial discrimination at work in the last 12 months,<sup>17</sup> it is unsurprising that they would opt for remote and hybrid work - and would seek this out in their GME plans, too.

While this is certainly an argument for offering hybrid program formats and making such options known to candidates, it is also an incentive to consider ways of re-motivating Black candidates to pursue on-campus education.

McKinsey research has found that Black employees already face significant barriers to advancement in the workplace,<sup>18</sup> a problem that will only be compounded by proximity bias as decision-makers knowingly or unknowingly award promotion opportunities to the employees they see in the office each day. Offices are becoming more racially segregated in the era of remote work, which is likely to accelerate inequality, and business schools could play a role in combating this discrimination.

For instance, educators might consider curriculum changes to keep up with this changing workplace, training all students in how to spot, respond to, and eradicate workplace discrimination. Recruiters, on the other hand, might focus on in-person networking opportunities and on-campus events for Black candidates in different sectors and functions.

## Curriculum preferences

Leadership/change management and strategy courses top the list of African Americans' most desired curriculum topics, along with cutting-edge courses like data analytics. As we would expect from this segment's desired outcomes, they show greater interest in entrepreneurship and international business management than most non-URP – 45 percent vs 42 percent and 40 percent vs 34 percent, respectively (**Figure 16**).

Healthcare management, real estate, and sustainability topics all sit at the bottom of candidates' lists; however, African Americans are 7 percent more likely to express an interest in healthcare management or human resources than non-URPs (**Figure 16**).

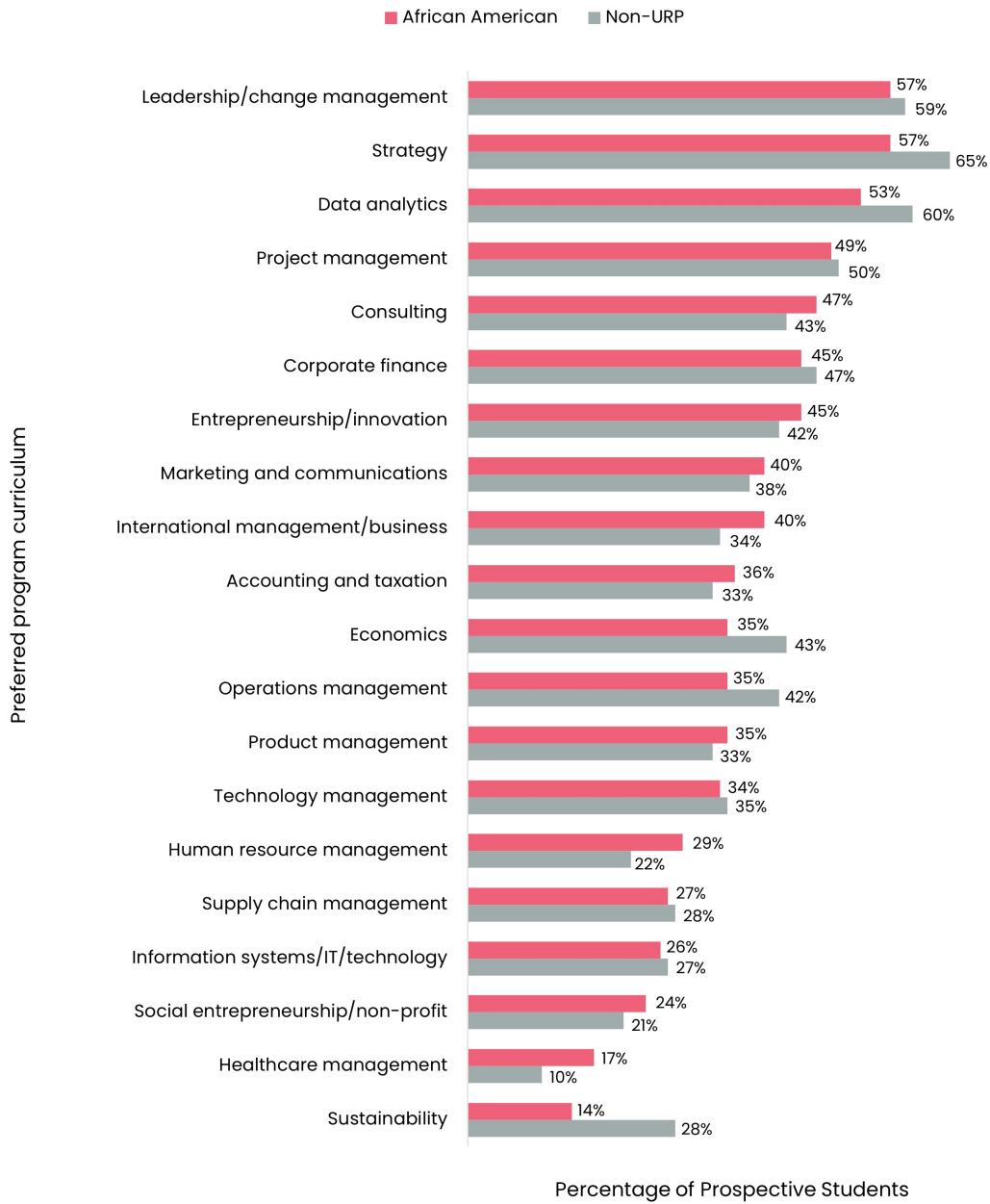
<sup>16</sup><https://futureforum.com/2022/01/25/leveling-the-playing-field-in-the-new-hybrid-workplace/>

<sup>17</sup><https://news.gallup.com/poll/328394/one-four-black-workers-report-discrimination-work.aspx>

<sup>18</sup><https://www.mckinsey.com/featured-insights/diversity-and-inclusion/race-in-the-workplace-the-black-experience-in-the-us-private-sector>

**Figure 16: Preferred GME program curriculum**

*African American vs Non-URP prospective students, 2021*



Data from the 2022 GMAC Prospective Students Survey

---

# Work Experience and Skills



Black women achieve degrees at consistently higher rates than Black men,<sup>19</sup> and as shown in Figure 26 on page 37, they make up more than half of the African American GME candidate pool. Schools therefore need to look further than just creating a diverse class, instead finding meaningful ways to secure long-term career follow-through for graduates. Studies have shown that for graduates of a high-ranking U.S. MBA program, women's success after graduation correlated strongly with their centrality to their school network – specifically within networks of other women.<sup>20</sup>

Schools should also promote networking and alumni opportunities among their African American graduates and particularly among women to translate short-term learning into long-term success. Given what we already know about the power that word of mouth and personal connections have for African American candidates, this could also have a positive long-term effect for recruitment.

<sup>19</sup><https://nces.ed.gov/fastfacts/display.asp?id=72>

<sup>20</sup><https://www.pnas.org/doi/10.1073/pnas.1721438116>

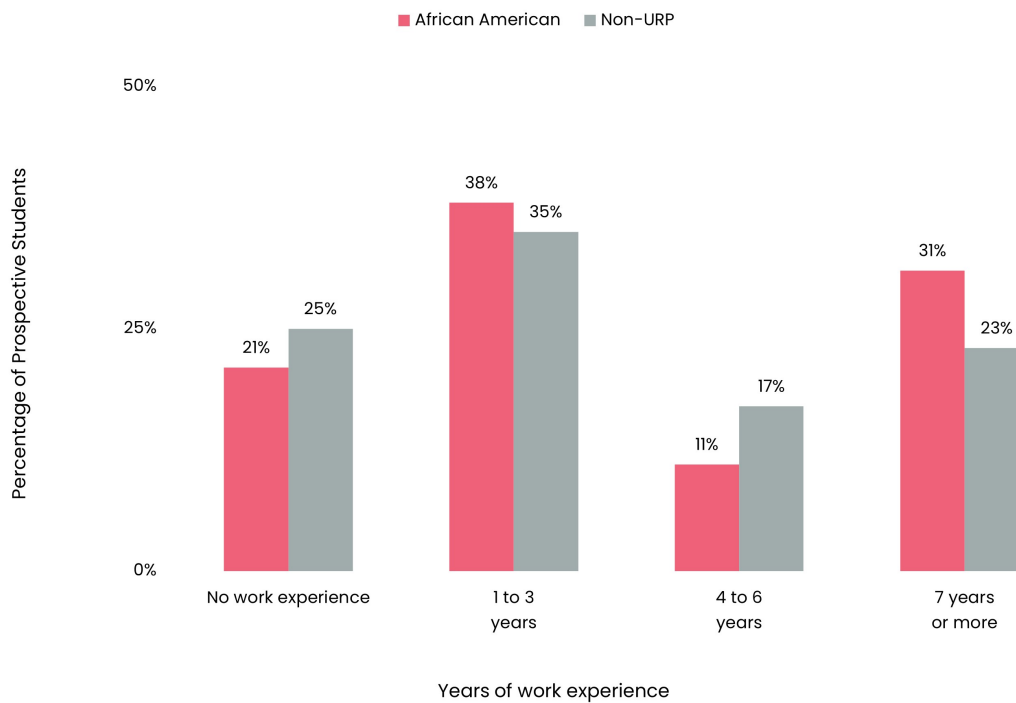


## African American candidates are generally more experienced

We have already seen that while African American candidates tend to first consider GME around the same time, they apply later, and this is reflected in the level of work experience they report. They are less likely than their non-URP counterparts to have no work experience, and significantly more likely to have more than seven years' experience in the workforce (Figure 17).

**Figure 17: Years of work experience**

*African American prospective students, 2021*



Data from the 2022 GMAC Prospective Students Survey

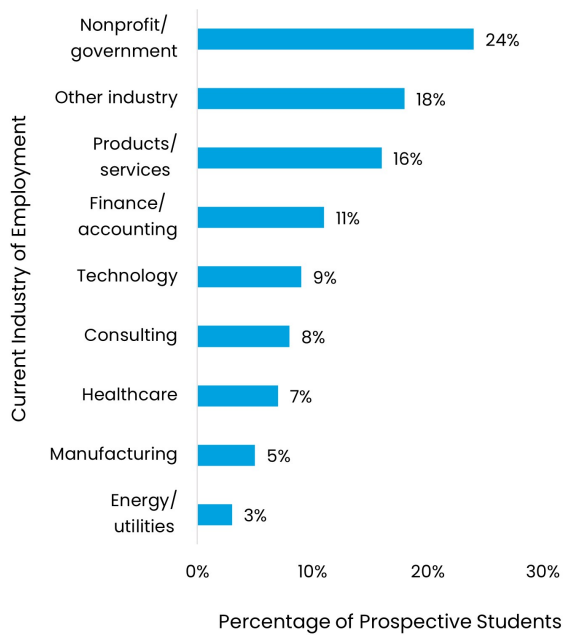
## Greater interest in non-profit and government

African American candidates are less likely than non-URP students to be seeking a change of industry post-graduation, and this is somewhat reflected in their current and prospective industries of employment.

Almost a quarter of Black candidates work in the nonprofit or government sectors, and an even higher percentage are seeking jobs in these industries after graduation – almost on par with “classic” GME industries consulting and tech.

**Figure 18: Industry of employment at time of survey**

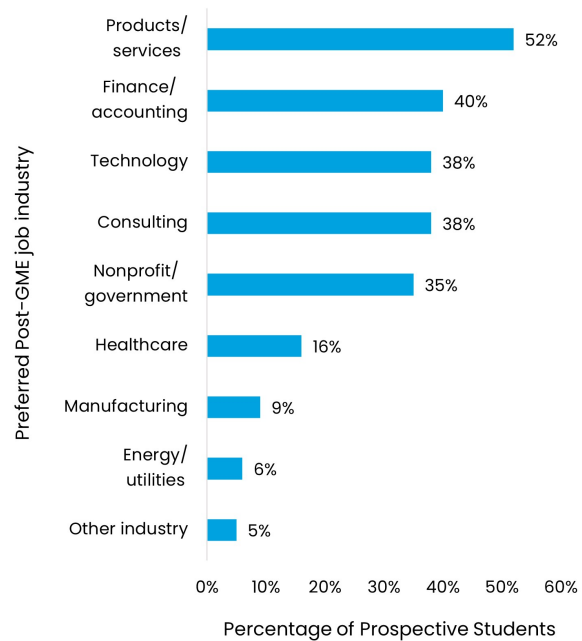
*African American prospective students, 2021*



Data from the 2022 GMAC Prospective Students Survey

**Figure 19: Preferred post-GME industry**

*African American prospective students, 2021*

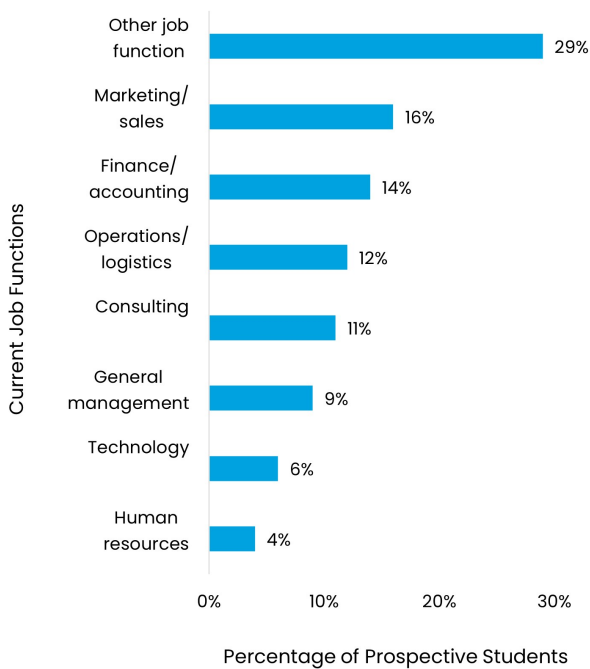


Data from the 2022 GMAC Prospective Students Survey

When it comes to job functions, however, many African American candidates desire a pivot (**Figures 20 and 21**). Key areas candidates were hoping to pivot into include consulting, with over half of respondents desiring consulting positions, closely followed by marketing and sales and general management (**Figure 21**). In line with the greater emphasis we observed earlier on learning HR topics, we can also see a greater interest in HR positions among African American candidates - 17 percent vs just 9 percent of non-URPs (**Figure 21**).

**Figure 20: Job function at time of survey**

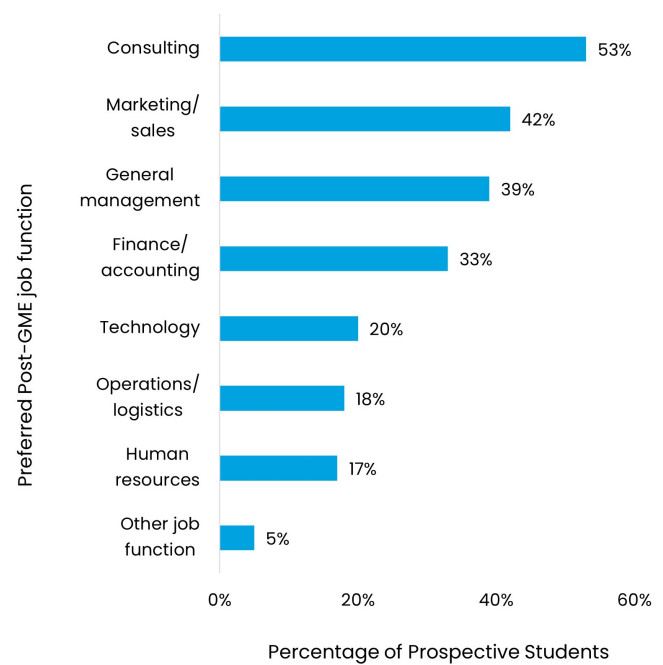
*African American prospective students, 2021*



Data from the 2022 GMAC Prospective Students Survey

**Figure 21: Preferred post-GME job function**

*African American prospective students, 2021*



Data from the 2022 GMAC Prospective Students Survey

## Current seniority figures conceal career stagnation

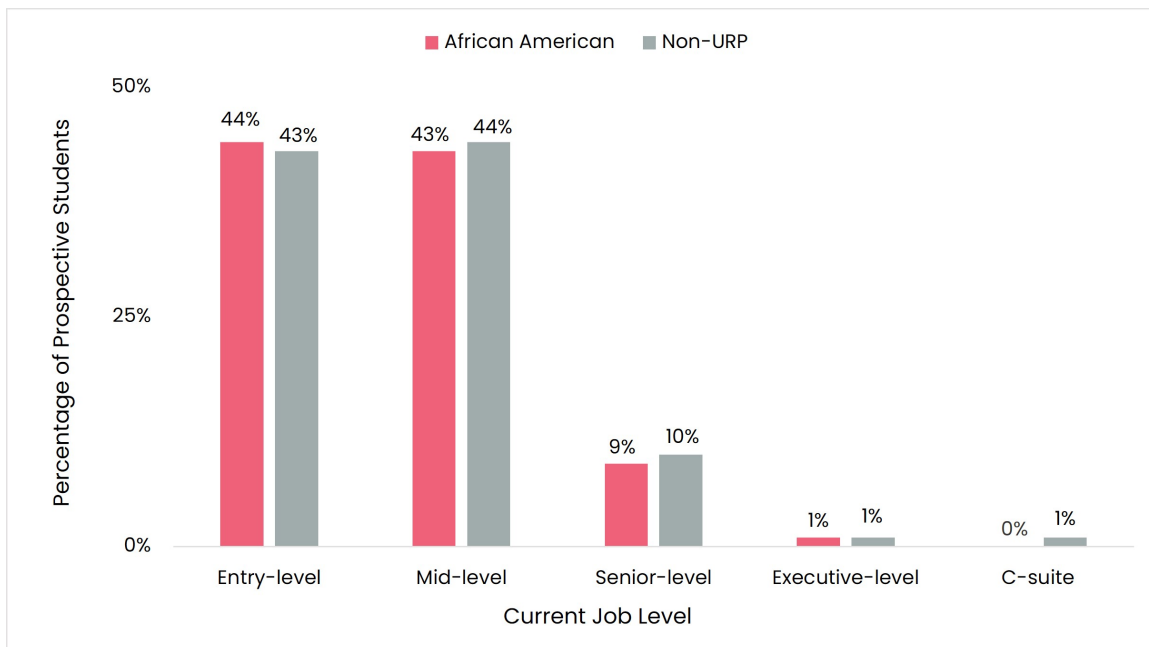
As displayed in GMAC's Prospective Students Survey data, African American candidates tend to be older and more experienced than non-URP candidates. Despite this, they aim for similar courses to their younger-on-average counterparts.

When looking more closely at pre-GME organizational levels among Black candidates, it is clearer why this might be the case. Despite their greater amounts of experience, Black candidates are as likely as non-URPs to be in entry- or mid-level jobs - further evidence of the career stagnation caused by the advancement issues observed in the McKinsey study cited earlier (**Figure 22**).

For recruiters, this means bringing a critical eye to an assessment of candidates' resumes and understanding the external barriers in place for them when it comes to professional advancement.

**Figure 22: Job level at time of survey**

*African American vs Non-URP prospective students, 2021*



Data from the 2022 GMAC Prospective Students Survey

## African American candidates are interested in developing soft skills

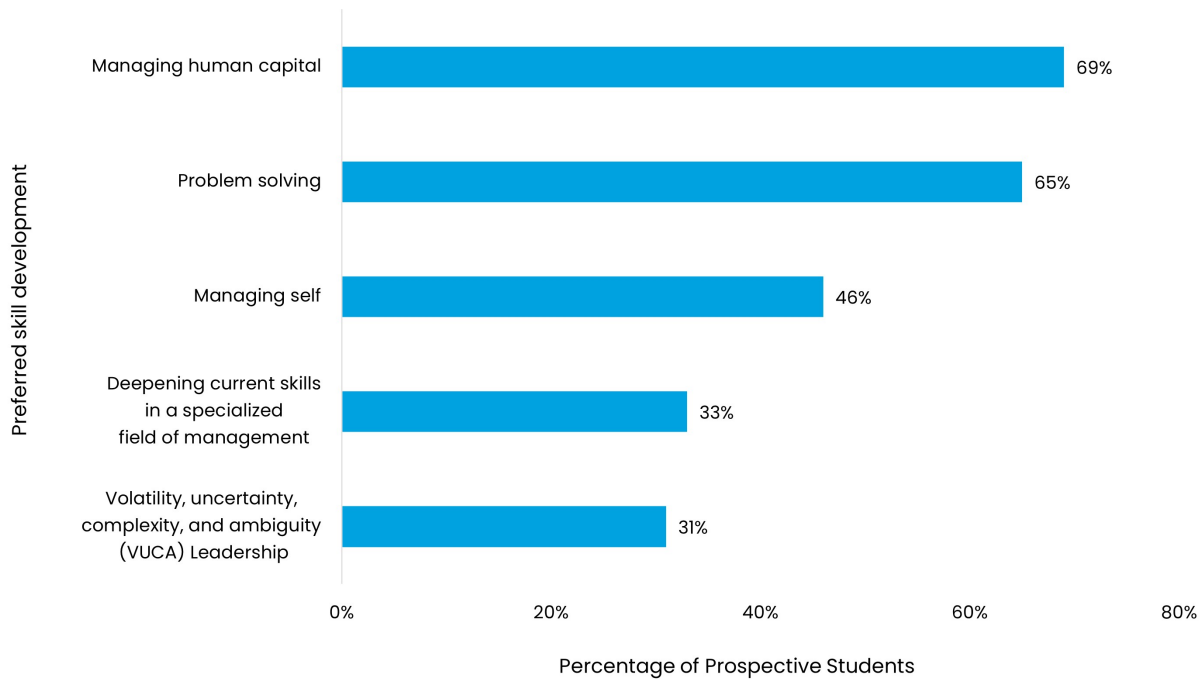
When it comes to the skills they want to learn at business school, African American candidates express similar levels of interest in all key skill areas. For instance, the most popular skill selected by candidates was managing human capital, at 69 percent, just 2 percent higher than non-URPs (Figure 23).

Small differences do present themselves, though. For example, coachability and reflection was less of a priority for Black candidates, at 35 percent compared to 41 percent for non-URPs. Similarly, they expressed less enthusiasm for quantitative tasks (51% vs 57% non-URP), while their interest in data analytics was on a par with non-URP (67% vs 68%).

As one might expect given their desired career outcomes, many of which entail a function switch within their current industry, deepening their current skills in a specialized field of management was more popular among Black candidates than non-URPs, at 33 percent vs 29 percent.

**Figure 23: Preferred skill development in GME**

*African American prospective students, 2021*



Data from the 2022 GMAC Prospective Students Survey



# Financing Plans

---

Given the trends within the broader African American population, such as the lower levels of familial wealth and career stagnation resulting from limited advancement opportunities, African American candidates' plans for financing their degrees differ significantly from non-URPs.

While the key sources of finance remain the same – grants, loans, and personal earnings – Black candidates are more likely to rely on sources that come from outside their own personal or familial circles (**Figure 24**).

Black candidates are more likely to plan to use grants, fellowships, and scholarships and loans to finance their studies, with 69 percent of Black students expressing their intention to use grants and scholarships versus just 57 percent of non-URP (**Figure 24**). They are also 15 percent less likely to use personal savings to support their GME journey (**Figure 24**).

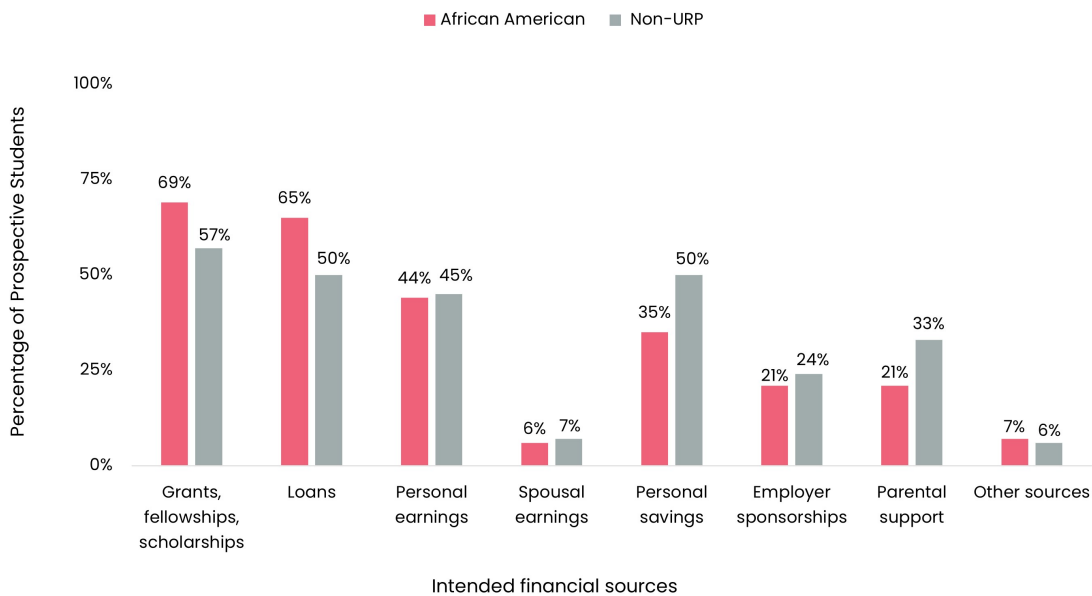
These trends reflect - in some cases, to an even greater extent - an effect we see for other under-represented groups. Black students are even less likely than Latinx students to seek parental support for financing their GME programs, with 21 percent of Black candidates using parental support compared to 30 percent of Latinx students and 33 percent of non-URP (**Figure 24**).





**Figure 24: Intended Financial Sources for Business School**

*African American vs Non-URP prospective students, 2021*

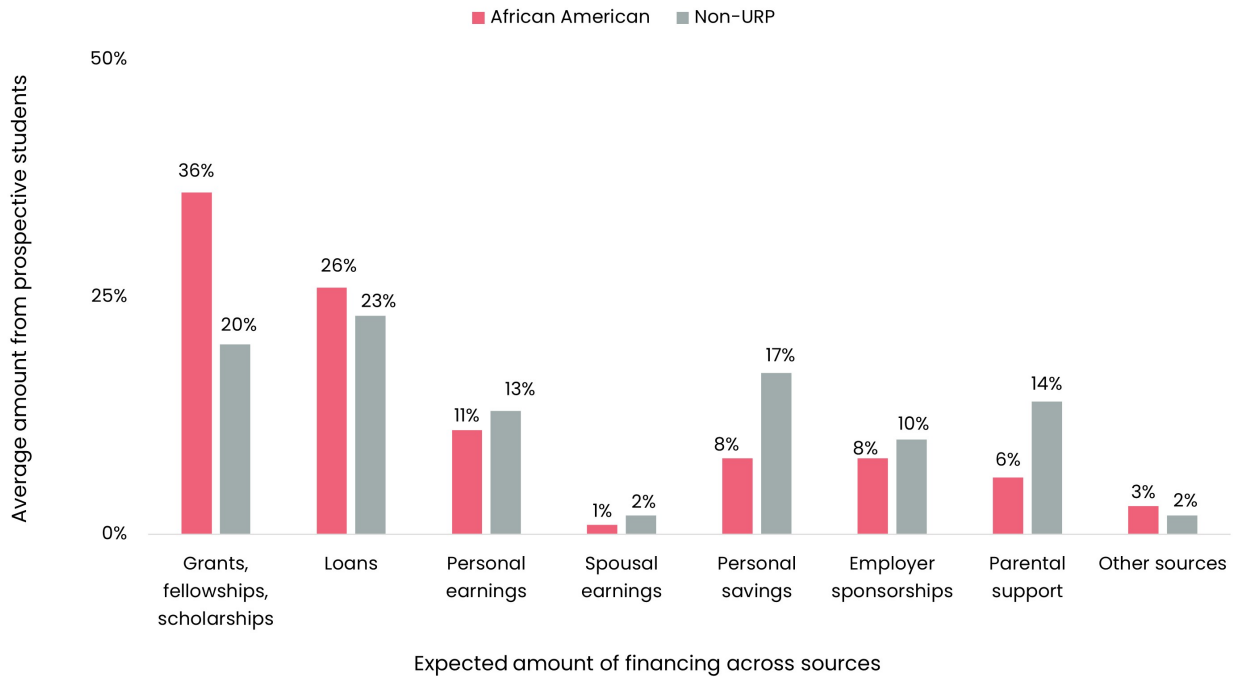


Data from the 2022 GMAC Prospective Students Survey

Black candidates also rely more heavily on outside funding sources than non-URPs. The average amount of their degree they expect to fund with personal savings is just over half of what non-URPs estimate (8% vs 17%), a similar picture to parental support, while grants and fellowships are expected to account for over a third of tuition (**Figure 25**).

**Figure 25: Average Expected Distribution of Financing for Business School**

*African American vs Non-URP prospective students, 2021*



Data from the 2022 GMAC Prospective Students Survey

While funding gaps have widened significantly between Latinx students and non-URP candidates over the pandemic, the picture is slightly more stable for Black candidates. For example, since testing year 2020, the percentage of Black candidates planning to take out loans has held steady at 65 percent, with non-URPs dropping by only 3 percent. Similarly, the number of Black students relying on grants and fellowships has fallen from 75 percent to 69 percent year-on-year, while non-URPs' reliance on grants has climbed 2 percent.

However, the reliance on parental support has climbed by 5 percent since 2020. While this could indicate economic recovery, it is also possible that due to wage loss in the pandemic, candidates are falling back on parental resources they would not have accessed otherwise.

### **Financial aid opportunities for Black candidates**

Given the strong emphasis on grants, fellowships, and scholarships for Black Americans, schools should foreground these opportunities in their promotional materials and through word-of-mouth via current students and alumni.

Many business schools already have scholarship programs in place that specifically cater to African American candidates. For instance, the Vanderbilt MBA African Diversity Scholarship is a merit-based scholarship ranging from US\$10,000 up to the full cost of tuition.

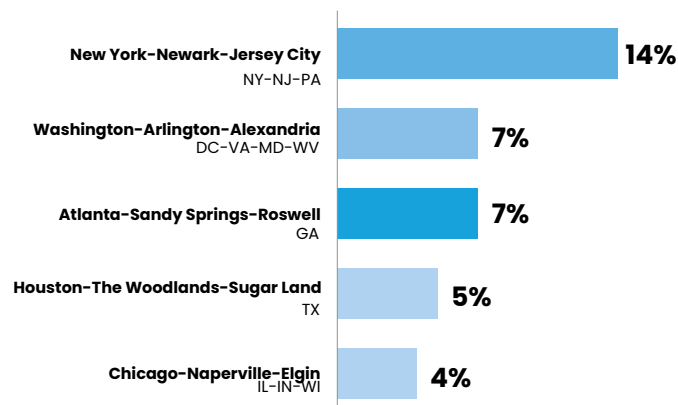
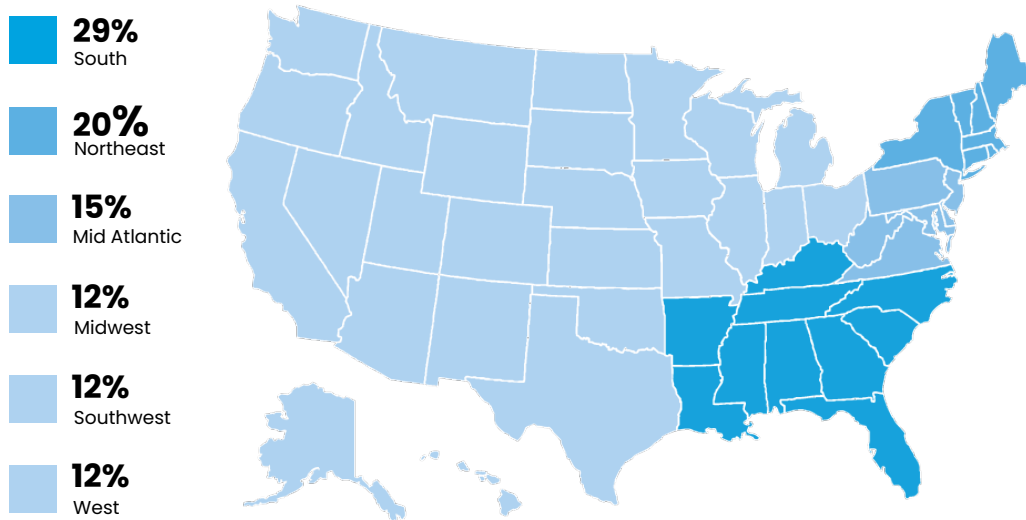


# Population and Geography

According to Pew Research, regionally speaking, the highest concentration of African Americans in the U.S. in 2019 was in the South, with over half of Black citizens living there, compared to 17 percent in the Midwest, 17 percent in the Northeast, and 10 percent in the West.<sup>21</sup>

This is broadly reflected in GME candidate data, as 29 percent of African American GMAT examinees hail from the South compared to just 17 percent of non-URP. The second-most popular region was the Northwest (20%), followed by the Middle Atlantic (15%), and finally the Midwest, Southwest, and West (all 12%).

The U.S. metropolitan areas where Black candidates are consistently best represented are Atlanta, Georgia (7% in 2021), Washington, DC (7%) and Houston, Texas (6%).



Data from GMAT Examinees Data, testing year 2021

<sup>21</sup> <https://www.pewresearch.org/social-trends/fact-sheet/facts-about-the-us-black-population/>

# Demographic Profile

The table below shows demographic data for unique U.S. GMAT examinees in testing year 2021 who resided in the United States and self-identified as Black or African American, including those who selected this in addition to other categories such as mixed-race or Hispanic/Latinx.

**Figure 26: Demographic profile of African American/Black candidates**

African American/Black Profile	
<b>Gender</b>	<b>Undergrad GPA</b>
Male: 44%	0.0 to 2.9: 27%
<b>Female: 56%</b>	<b>3.0 to 3.5: 53%</b>
Non-binary/other: 1%	3.6 and higher: 20%
<b>US Region</b>	<b>Intended degree program</b>
Middle Atlantic: 15%	<b>Full-time two-year MBA: 24%</b>
Midwest: 12%	Full-time one-year MBA: 13%
Northeast: 20%	Part-time MBA: 7%
<b>South: 29%</b>	Flexible MBA: 7%
Southwest: 12%	Executive MBA: 6%
West: 12%	Online MBA: 5%
<b>Undergraduate major category</b>	Joint degree with MBA: 7%
<b>Business/Commerce: 52%</b>	Master in Management: 2%
Engineering/Computer Science: 22%	Master of International Management: 0%
Fine Arts/Humanities: 9%	Master of Accounting: 4%
Science/Mathematics: 12%	Master of Finance: 2%
Social Science/Law: 11%	Master of Marketing: 3%
	Master of Analytics: 4%
<b>Years of work experience</b>	PGP program: 0%
No work experience: 21%	Other quantitative business master program: 4%
<b>1 to 3 years: 38%</b>	Other non-quantitative business master program: 7%
4 to 6 years: 11%	Other program type: 7%
7 years or more: 31%	

Data from GMAC's 2022 Prospective Students Survey and GMAT Examinees Data, testing year 2021



©2023 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](mailto:legal@gmac.com).

GMAC™, GMAT™, Graduate Management Admission Council™, NMAT by GMAC™ are trademarks of GMAC in the United States and other countries. NMAT is a trademark of Graduate Management Global Connection (India) Private Limited (GMGC), a subsidiary of GMAC.