

# Application Trends Survey

**SURVEY REPORT**

**2007**



The **Application Trends Survey** is a product of the Graduate Management Admission Council® (GMAC®), a global nonprofit education organization of leading graduate business schools and owner of the Graduate Management Admission Test® (GMAT®). The GMAT® exam is an important part of the admissions process for more than 4,000 graduate management programs around the world. GMAC® is dedicated to creating access to and disseminating information about graduate management education; these schools and others rely on the Council as the premier provider of reliable data about graduate management education.

<b>2</b>	<b>INTRODUCTION</b>
<b>3</b>	Key Findings
<b>4</b>	<b>APPLICATION VOLUME TRENDS</b>
<b>8</b>	Number of Applications
<b>9</b>	<b>APPLICANT PROFILE</b>
<b>10</b>	Applicant Quality
<b>11</b>	<b>SPECIAL OUTREACH</b>
<b>12</b>	<b>ACCEPTANCE AND ENROLLMENT RATES</b>
<b>13</b>	<b>FULL-TIME MBA PROGRAMS</b>
<b>15</b>	<b>PART-TIME MBA PROGRAMS</b>
<b>17</b>	<b>EMBA PROGRAMS</b>
<b>19</b>	<b>PHD AND MASTER'S PROGRAMS</b>
<b>19</b>	PhD Programs
<b>19</b>	Master's Programs
<b>20</b>	<b>CONCLUDING NOTE</b>
<b>20</b>	Contact Information
<b>20</b>	Authorship
<b>20</b>	Acknowledgements
<b>21</b>	<b>THE GMAC® SURVEY SERIES</b>

**H**ow strong is the application volume for graduate management programs in 2007? For the majority of programs that participated in the 2007 Application Trends Survey conducted by the Graduate Management Admission Council® (GMAC®), application volume appears to be as strong as or stronger than last year's. The objective of the annual study is to assess the demand for graduate management education through year-to-year changes in business school application volume. The survey also provides information on applicant pool composition, special outreach programs, and acceptance and enrollment rates. This eighth annual survey of graduate management admission professionals includes responses from individuals at 252 business schools worldwide that provided data for 445 programs. Of the participating schools, 178 are located in the United States, 27 in Europe, 17 in Canada, and 30 in other world regions. (Responses from schools located in Africa, Asia, Central Asia, Australia/Oceania, the Middle East, and Latin America are combined due to small sample sizes.)

A variety of programs are now offered in the field of graduate management education. For instance, 641 new graduate management programs were introduced worldwide in the first half of 2007, a tremendous leap over the 74 programs introduced in the entire year of 1997<sup>1</sup>. Degrees offered through these programs include a master's in Business Administration (MBA), master's of Science in Management or other related business field, executive management degree (EMBA), or a doctorate degree. These options, along with the possibility to study full-time or part-time, take courses on campus or online, and complete a program either within a compressed schedule or over ample amounts of time, create broad access to graduate management education for people with various backgrounds, career paths, and lifestyles.

Consequently, the scope of the study was broadened this year to include management degrees other than MBA—PhD and master's in specialized business fields, such as master's of Science in Management, master's in Accounting, or master's in Finance, were included. All together, the participants represent 160 full-time MBA, 106 part-time MBA, 71 master's, 44 executive MBA, 24 PhD, 18 flexible MBA, 17 online MBA, and 5 dual-degree programs. However, data for participating graduate management PhD and master's programs cannot be generalized to the entire population of PhD or master's programs, as the sample may not be representative of all PhD and master's programs in business.

<sup>1</sup> Anderson B. 2007. *From Data to Strategy: Understanding Worldwide Trends in Graduate Management Education*. Graduate Management Admission Council®. Available at [www.gmac.com](http://www.gmac.com).

## Key Findings

- With the exception of PhD programs, all participating graduate management program types report strong application volume.
- Interest in part-time graduate management programs is growing. Net proportions of part-time master's programs (58%) and part-time MBA programs (46%) reporting an increase in total application volume are significantly larger than that of full-time master's programs (17%) and full-time MBA programs (36%).
- Foreign applicants substantially contributed to both the increase in the overall application volume for flexible MBA and EMBA programs and the decrease in application volume for PhD programs in 2007.
- Changes in the number of GMAT® score reports sent to schools may be good indicators of change in the number of applications to full-time and part-time MBA programs.
- A greater number of graduate management programs, especially part-time programs, are reporting an increase in female application volume. Furthermore, the consistently positive trend in female application volume for part-time programs has contributed to a larger proportion of women among part-time (37%) than among full-time (27%) MBA programs.
- Citizenship and demographic profiles of applicants vary greatly among different graduate management programs. For example, the majority of applications for part-time and executive MBA programs (85% and 83%, respectively) are domestic (from citizens of the area in which the program is located), whereas more than two in three PhD applications are from foreign citizens (68%). By gender, full-time master's programs receive approximately the same number of applications from men and women, but more male candidates apply to executive MBA programs (78%).
- The majority of graduate management programs, including all executive, flexible, and online MBA programs, indicate that this year's applicants are equally or better qualified academically than last year's. Full-time master's and full-time MBA programs report the most improvement in applicant pool quality.
- A strong correlation was observed between the average number of applications received from a particular applicant group and recruiting efforts directed to this group. For example, full-time MBA programs that actively recruit women receive, on average, three times more applications from females than those without special outreach programs for women.
- Based on the average acceptance rate, doctoral programs in business are the most competitive (13%), and online MBA programs are the least competitive (83%) among graduate management programs.

• • • • •  
**Full-time master's and  
 full-time MBA programs  
 report the most improvement  
 in applicant pool quality.**  
 • • • • •

• • • • •  
**This year,  
applicants showed slightly  
more interest in  
part-time programs.**  
• • • • •

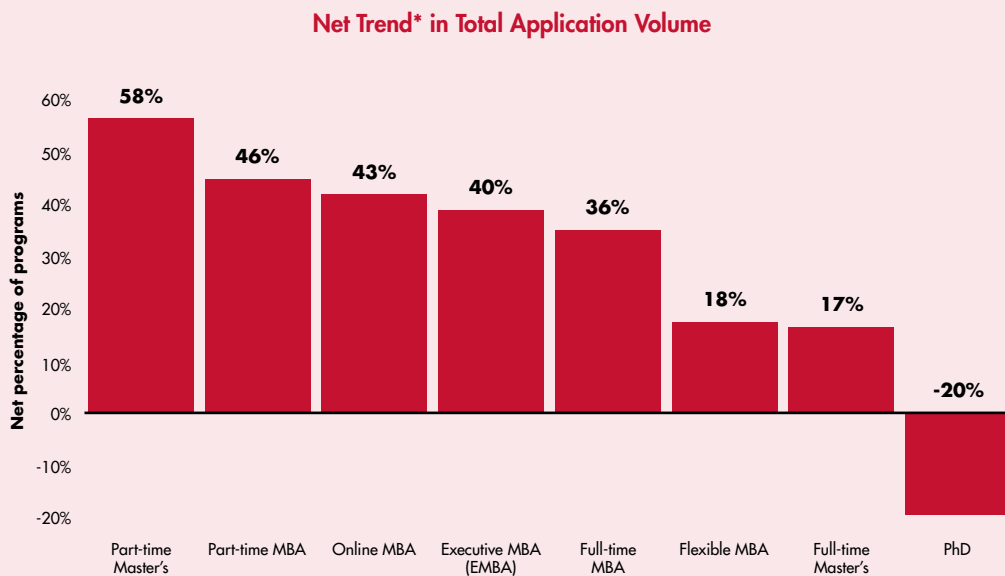
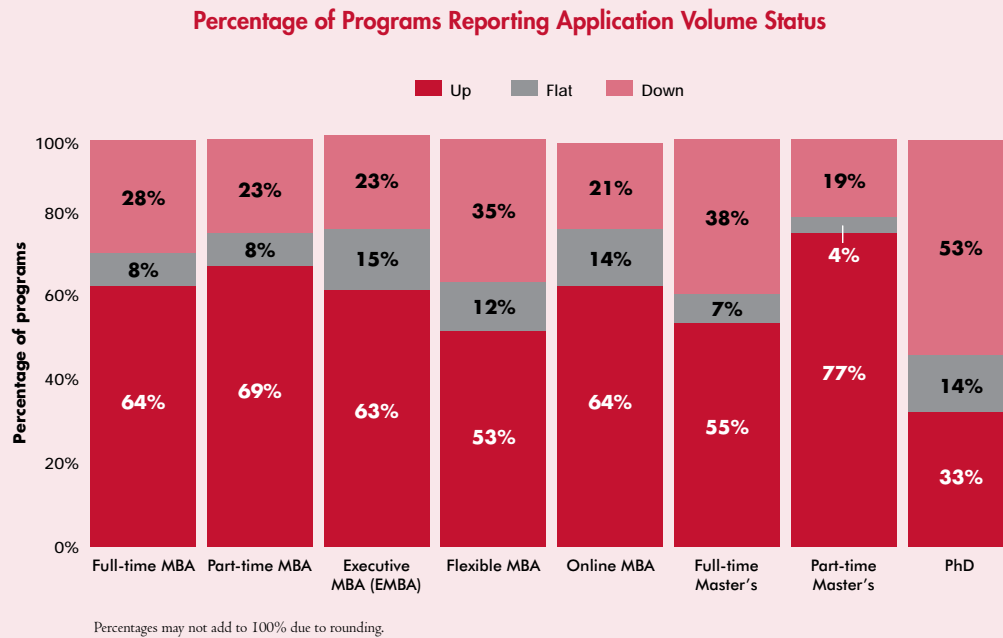
The increased variety and number of programs have created a highly competitive environment in the graduate management education field as programs strive to increase their pool of applicants. An increase in the number of applications can help schools grow their programs or become more selective in their admission decisions. Understanding applicant behavior can benefit schools by providing more resources to inform targeted marketing campaigns that help generate new application volume from suitable candidates.

This year, applicants showed slightly more interest in part-time programs. Although the average total number of applications received by part-time master's and part-time MBA programs are significantly smaller than that of their full-time counterparts, the net proportion of part-time programs reporting an increase in total application volume is significantly

larger than the comparable proportion of full-time programs (Figure I). A recent GMAC<sup>®</sup> survey of prospective students—the mba.com Registrants Survey<sup>2</sup>—also found a slight increase in candidates intending to pursue graduate management education part time.

Although the proportion of foreign candidates is small among those who apply to executive programs (17%), a net of 43% of EMBA programs reported an increase in foreign application volume compared with a net of 23% that reported an increase in domestic applicants. A net of 36% of flexible MBA programs, whose foreign applicants account for more than one-fifth of the applicant pool (23%), reported an increase in the number of applications from foreign citizens compared with a net of 23% that reported an increase in the number of domestic applicants. Whereas foreign applicants substantially contributed to an increase in the overall application volume for EMBA and flexible MBA programs, fewer applications from foreign nationals resulted in a decrease in PhD program application volume in 2007.

<sup>2</sup>Schoenfeld, Gregg. 2007. *mba.com Registrants Survey 2006 Survey Report*. Graduate Management Admission Council<sup>®</sup>. Available at [www.gmac.com/registrantsurvey](http://www.gmac.com/registrantsurvey).

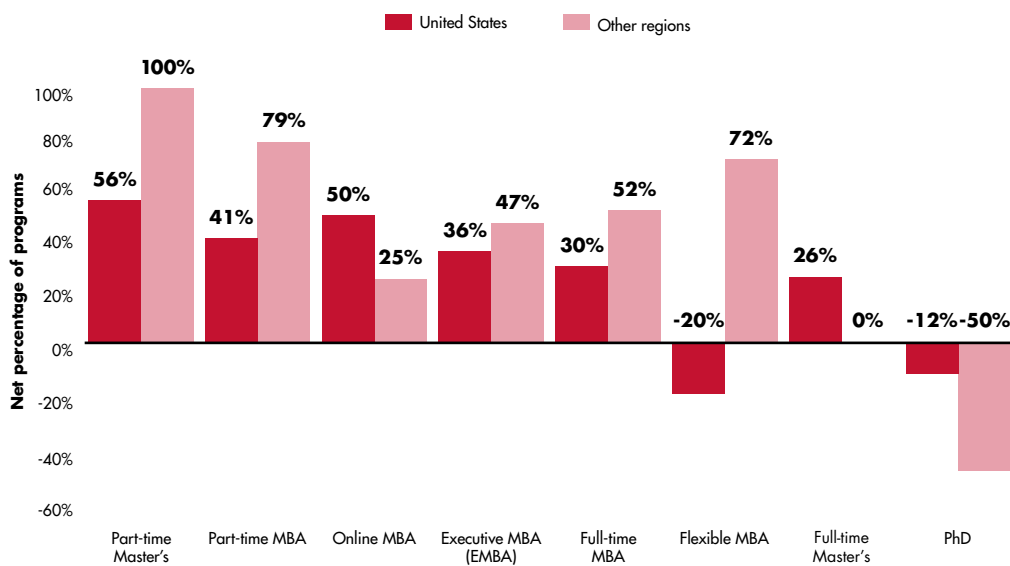


\* Net trend is calculated as the percentage of programs reporting an increase in application volume minus the percentage of programs reporting a decrease in application volume.

**Figure 1.**  
Total Application Volume, 2007–2008 Compared with 2006–2007, by Program Type

In addition to a higher growth rate in the number of graduate management programs outside the United States, there is a greater upturn in application volume for many program types in other world regions (Figure 2). In terms of the application trend, proportionally more online MBA programs and full-time master's programs are reporting increases in the United States than in other regions. In addition, the overall decline in PhD applications appears to impact U.S. programs to a lesser extent than programs in other regions.

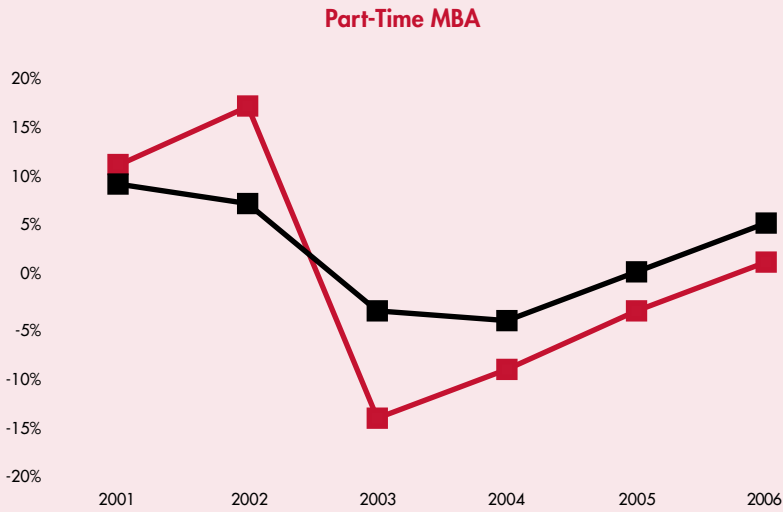
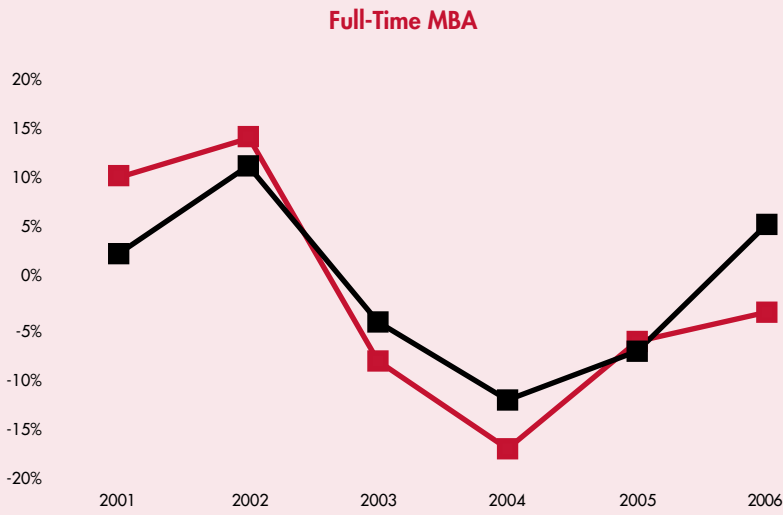
Many factors can drive a change in application volume, such as regional or local economic conditions, program marketing and recruitment efforts, demographics of the population, and general interest in pursuing a graduate management degree, among other factors. Yet it appears that a change in the number of GMAT® score reports sent to business schools may also be a good indicator of trends in application volume for full-time and part-time MBA programs (Figure 3).



**Figure 2.**  
**Net Trend\* in Total Number of Applications, 2007-2008 Compared with 2006-2007,**  
**by Program Type and Main Office Location**

\* Net trend is calculated as the percentage of programs reporting an increase in application volume minus the percentage of programs reporting a decrease in application volume.



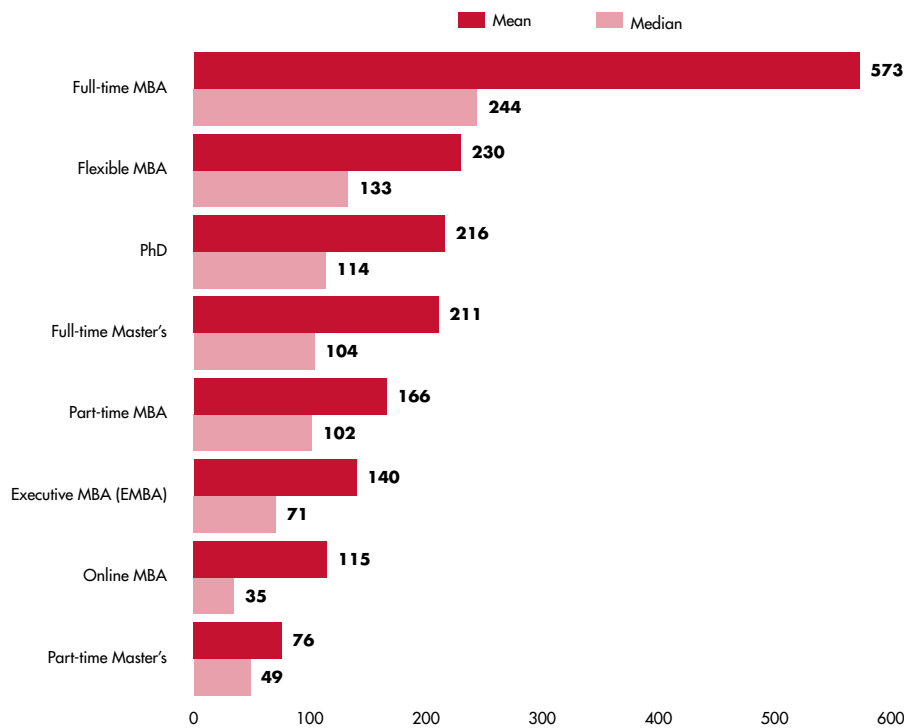


■ Average % change in # of GMAT® score reports sent  
 ■ Average % change in application volume

Source: GMAT® score report database and Application Trends Survey database 2001–2006, Graduate Management Admission Council®

.....  
 Change in the number of GMAT® score reports sent to business schools may be a good indicator of trends in application volume for full-time and part-time MBA programs.  
 .....

**Figure 3.**  
 Percentage Change in Number of GMAT® Score Reports Sent to Schools and Total Application Volume for Full-Time and Part-Time MBA Programs, 2001–2006



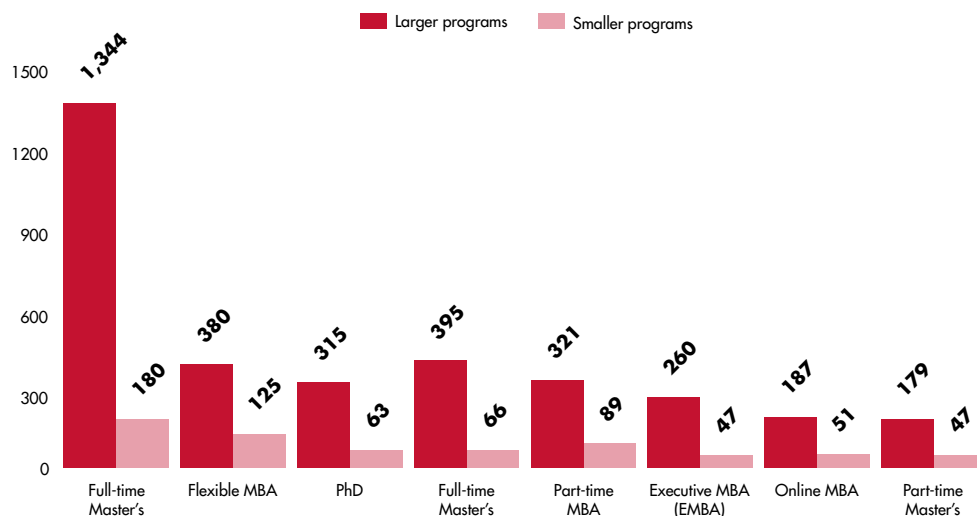
**Figure 4.**

Average Number of Applications for the 2007–2008 Incoming Class, by Program Type

## Number of Applications

Based on the average number of applications submitted per program, full-time MBA programs, at 573 applications per program, receive twice as many applications as any other graduate management program (Figure 4). The group with the second-highest average is made up of flexible MBA programs, full-time master's programs, and PhD programs (with only slight differences among the three), at more than 200 applications per program.

As one might expect, the number of applications strongly depends on the size of the program. Larger graduate management programs, as determined by size of the entering class, receive from three to seven times more applications than smaller programs (Figure 5). The gap in the average number of applications within each program type is widest for full-time MBA programs followed by full-time master's and executive programs.



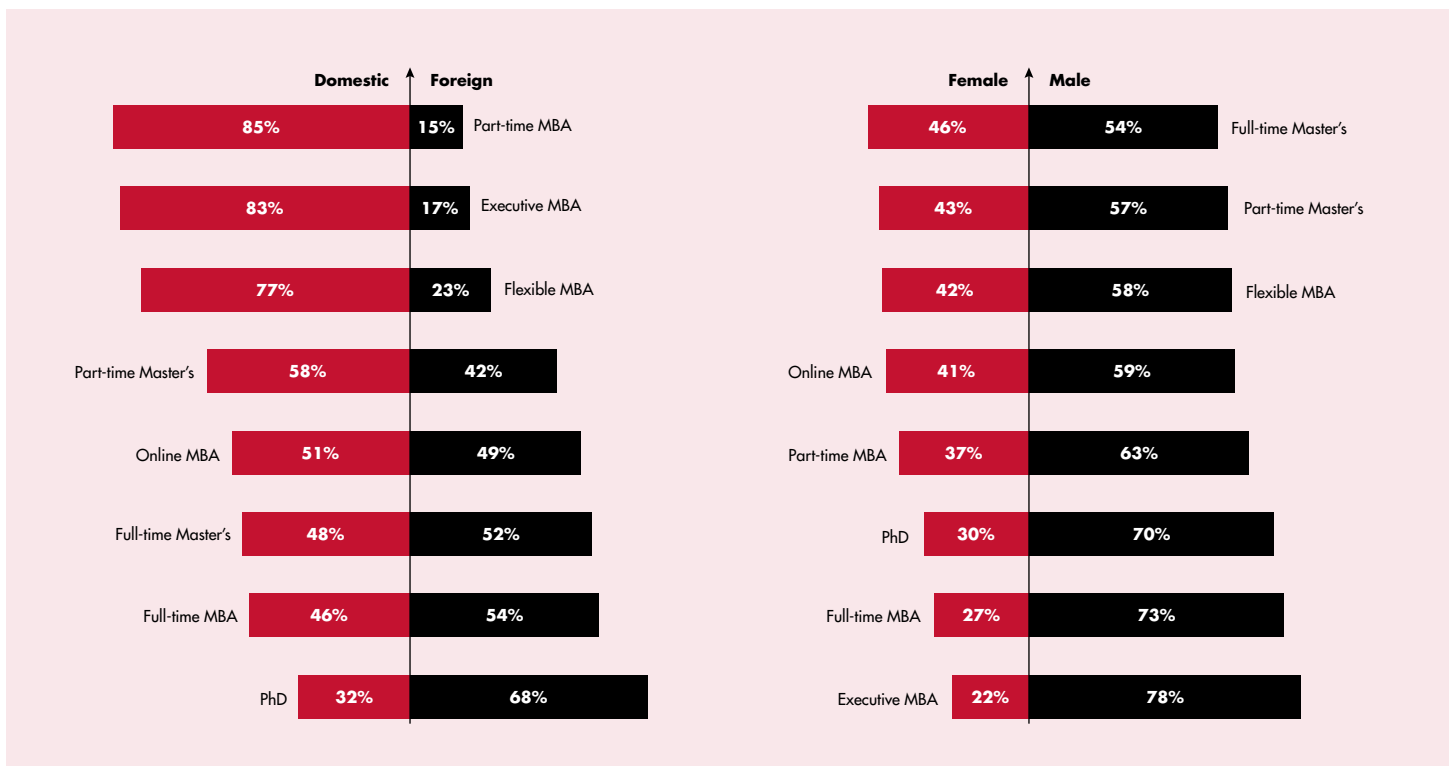
**Figure 5.**

Average Number of Applications, by Program Type and Program Size\*

\* Among full-time MBA, flexible MBA, and online MBA programs, those with more than 100 students are considered larger, and those with 100 or fewer students, smaller. For EMBA, full-time master's, and part-time master's programs, larger programs are those with more than 50 students, and smaller programs are those with 50 students or fewer. Larger PhD programs are those with more than 10 students, and smaller PhD programs are those with 10 or fewer students.

Citizenship and demographic profiles of applicants vary greatly among different graduate management programs (Figure 6). Although some programs have nearly even representation of domestic and foreign citizens (online MBA, full-time master's, full-time MBA, and full-time master's programs) as well as men and women (full-time and part-time master's and flexible MBA programs) in the applicant pool, others receive applications predominantly

from one population group. For example, the vast majority of applications for part-time and executive MBA programs (85% and 83%, respectively) are from citizens of the countries in which the program offices are located. On the other hand, more than two in three PhD applicants (68%) are foreign citizens. By gender, applications to executive (78%) followed by full-time MBA (73%) and PhD (70%) programs are submitted mainly by male candidates.

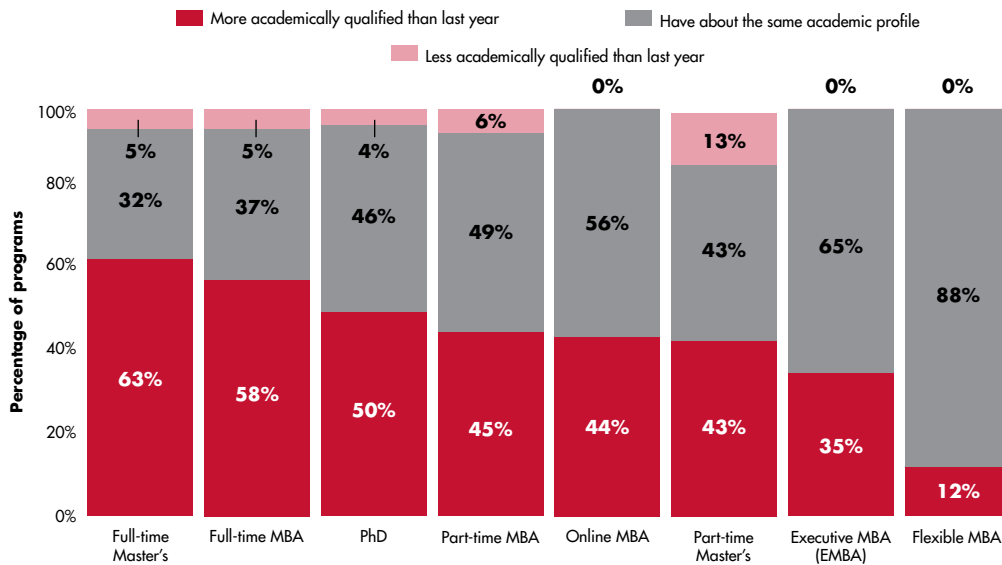


**Figure 6.**  
2007-2008 Class Applicant Pool Demographic Profile, by Program Type

• • • • •  
 Nearly three in five  
 full-time master's and  
 MBA programs report their  
 applicants are of better quality  
 than those seen last year.  
 • • • • •

**Applicant Quality**

The majority of graduate management programs, including all executive, flexible, and online MBA programs, indicate that their applicants either match the academic profile seen last year or are even more academically qualified based on their undergraduate GPA, GMAT® scores, and other academic achievements (Figure 7). Full-time programs are more likely to see applicant improvement than part-time programs. For example, nearly three in five full-time master's and MBA programs (63% and 58%, respectively) compared with 43% of part-time master's and 45% of part-time MBA programs report their applicants are of better quality than those seen last year.

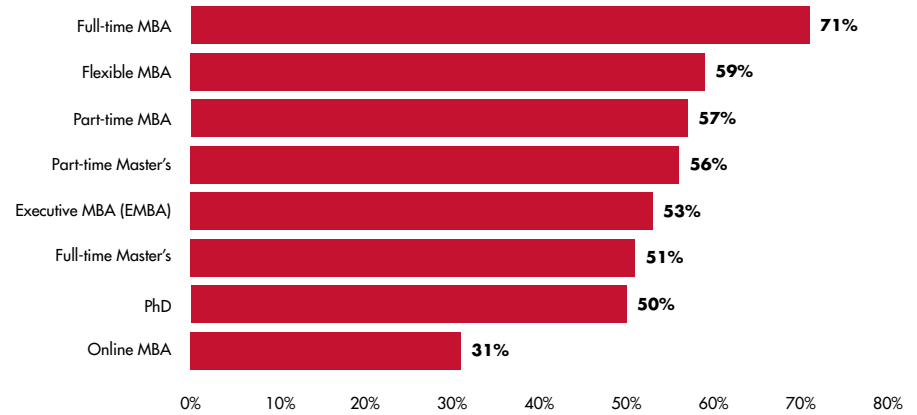


Percentages may not add to 100% due to rounding.

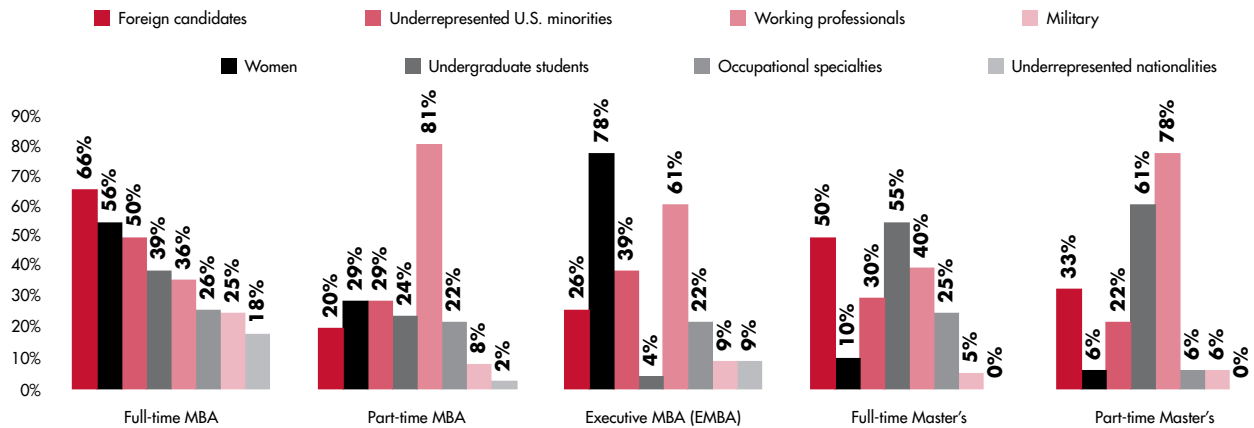
**Figure 7.**  
 Quality Assessment of 2007–2008 Class Applicants, by Program Type

With the exception of the online MBA programs, half or more participating graduate management programs, including seven in 10 full-time MBA programs (71%), conducted special recruitment or outreach for 2007–2008 class applicants (Figure 8).

Of course, different programs focus their recruiting efforts on different population groups (Figure 9). For example, the majority of part-time programs—MBA and master’s alike—recruit working professionals (81% and 78%, respectively). Meanwhile, foreign candidates appear to be the number one priority for full-time MBA programs (66%) and the number two group targeted for full-time master’s programs (66%) and the number two group targeted for full-time master’s programs (50%). The relatively low proportion of women among EMBA and full-time MBA applicants may explain the greater effort made by these program types to recruit women compared with other programs.



**Figure 8.**  
Proportion of Programs Conducting Special Recruitment or Outreach for 2007–2008 Class, by Program Type



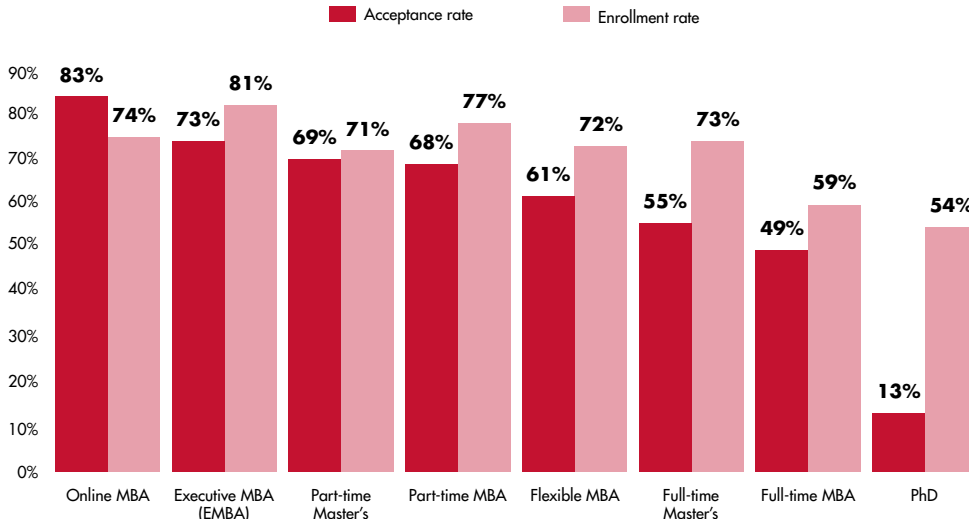
**Figure 9.**  
Proportion of Programs Targeting Groups for Recruitment, by Program Type

## ACCEPTANCE AND ENROLLMENT RATES

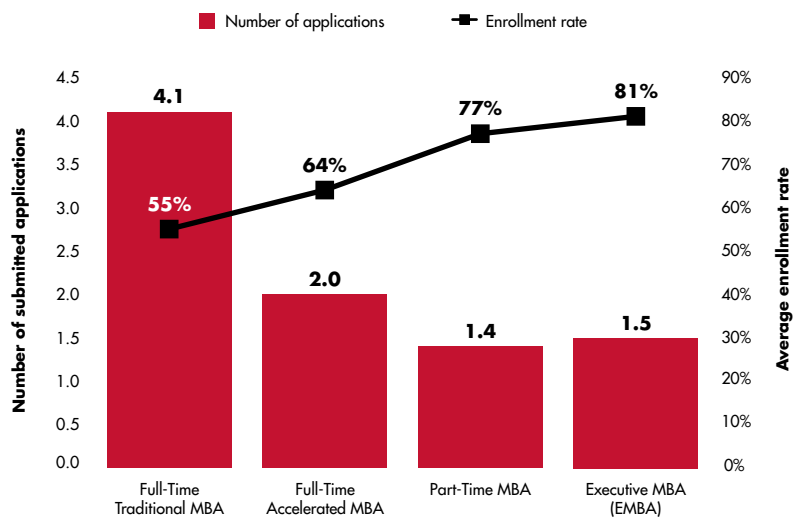
In terms of acceptance rates among graduate management programs, doctoral programs in business appear to be the most competitive (13% acceptance) and online MBA programs appear to be the least competitive (83% acceptance), according to this year's survey data (Figure 10).

On average, an estimated 71% to 77% of accepted applicants will enroll in graduate management programs this year (Figure 10). Among the graduate management programs surveyed, the highest rate of enrollment by program is for EMBA programs, at 81%, and the lowest rate is for PhD programs, at 54%.

Higher enrollment rates for executive and part-time MBA programs may be attributed to fewer applicant program choices compared with those for full-time MBA programs. According to the GMAC® mba.com Registrants Survey<sup>3</sup>, those who consider a full-time traditional MBA program submit more than four applications each on average compared with fewer than two applications submitted by EMBA candidates (Figure 11).



**Figure 10.**  
Average Acceptance and Enrollment Rates, by Program Type



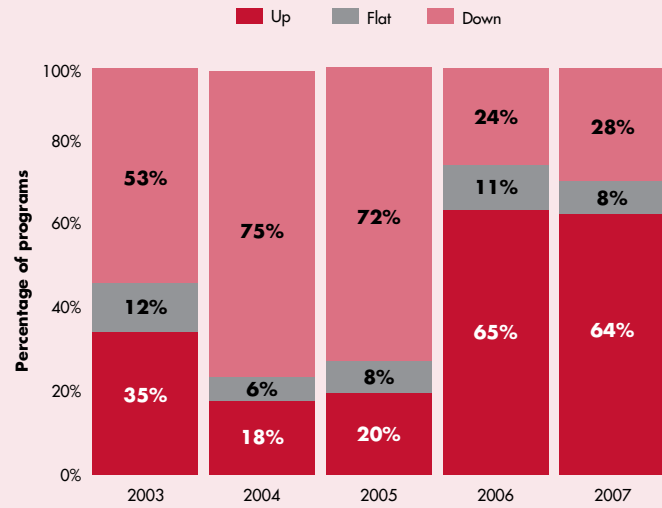
**Figure 11.**  
Average Number of Applications Submitted per Applicant\* and Average Enrollment Rates

\*Source: G. Schoenfeld. mba.com Registrants Survey Comprehensive Data Report. October 2006, page 33. Available at [www.gmac.com/registrantsurvey](http://www.gmac.com/registrantsurvey).

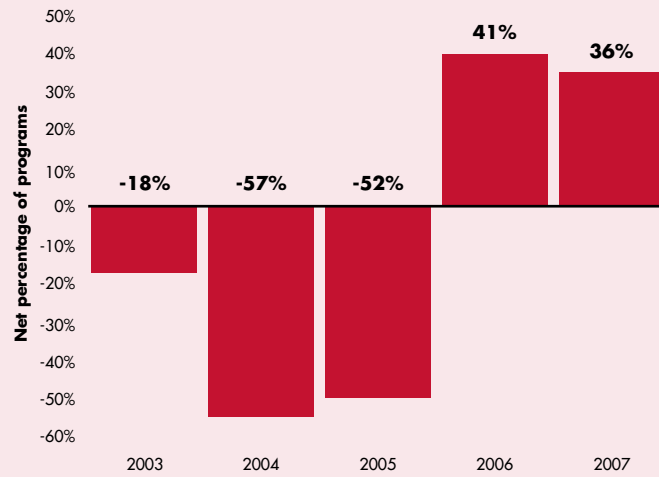
<sup>3</sup>Schoenfeld, G. 2006. mba.com Registrants Survey Comprehensive Data Report. Graduate Management Admission Council®. Available at [www.gmac.com/registrantsurvey](http://www.gmac.com/registrantsurvey).

Full-time MBA program application volume has risen for two consecutive years. In 2007, as in 2006, nearly two in three full-time MBA programs (64%) report that their application volume increased (Figure 12).

Percentage of Programs Reporting Application Volume Status



Net Trend\* in Application Volume



\* Net trend is calculated as the percentage of programs reporting an increase in application volume minus the percentage of programs reporting a decrease in application volume.

**Figure 12.**  
Full-Time MBA Program Total Application Volume,  
2003–2007 Compared with Previous Year

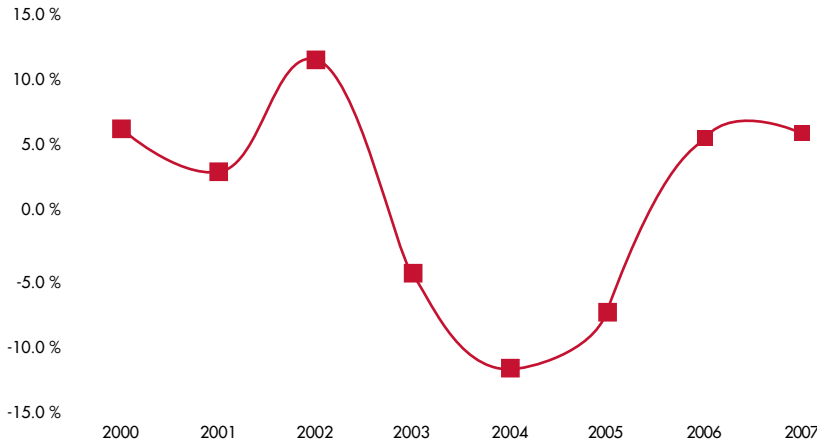
Furthermore, the long-term trend suggests this growth will continue at either the same level or a slightly lower rate through the next application cycle (Figure 13).

Overall, larger full-time MBA programs appear to see more positive changes in the overall application volume as well as in

application volume from selected applicant categories (Figure 14). However, the trend did not affect the applicant pool composition. Proportionally more women apply to smaller programs (35%) than larger programs (25%). And there is almost no difference between large and

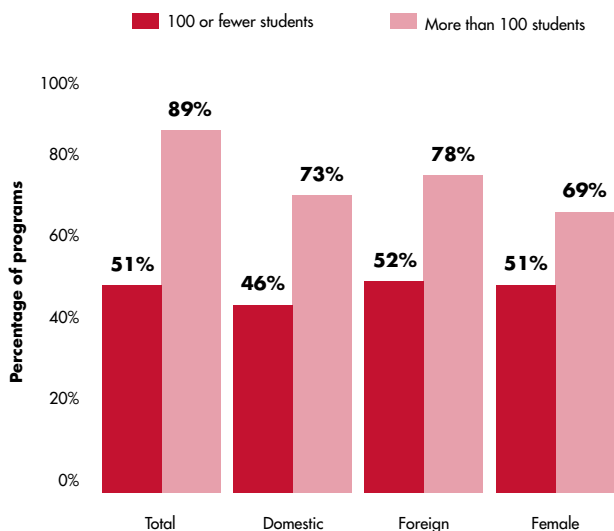
small programs in terms of applicant citizenship; 53% of the applicant pool for smaller programs is made up of foreign candidates, versus 54% for larger programs.

Full-time MBA programs that conducted special outreach for the 2007–2008 class typically received more applications than those that did not (Figure 15). An even stronger correlation was observed between the average number of applications received from a particular applicant group and program recruiting efforts directed to this group. For example, full-time MBA programs that actively recruit women receive three times more applications from females, on average, than those without special outreach programs for women.

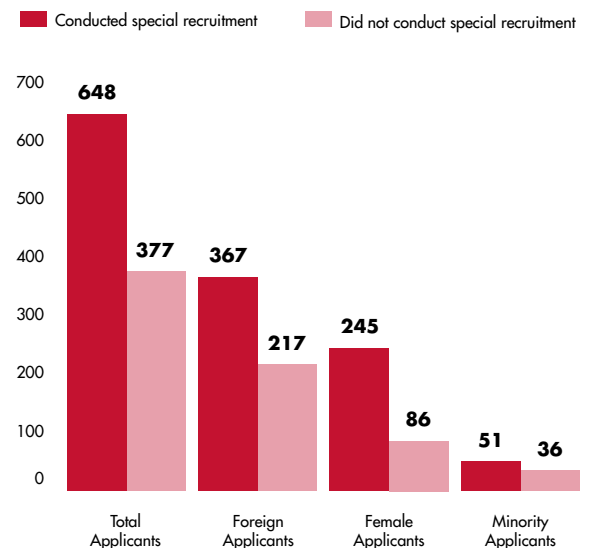


**Figure 13.**  
Average Percentage Change\* in the Total Number of Full-Time Program Applications, 2000–2007

\* Average percentage change is estimated based on the interval's midpoint.



**Figure 14.**  
Full-Time MBA Programs that Report an Increase in Application Volume, by Applicant Type and Class Size

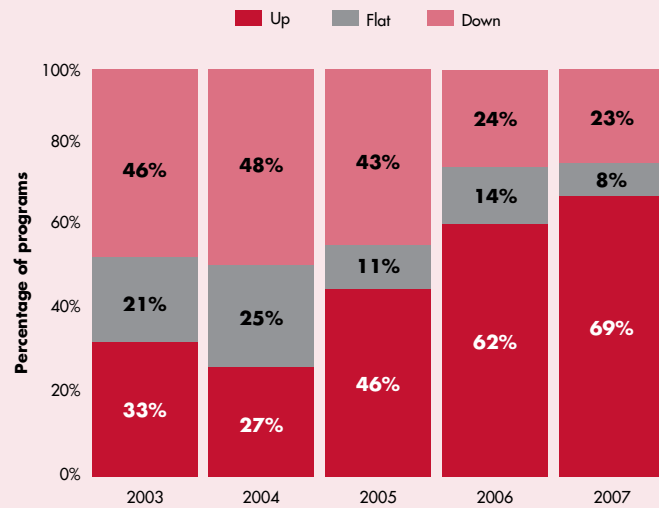


**Figure 15.**  
Average Number of Full-Time Program Applications, by Applicant Category and Recruitment Effort

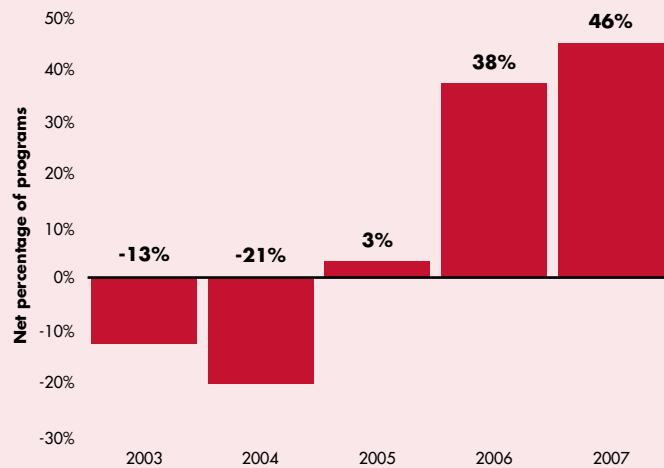


Part-time MBA program application volume continues to be strong (Figure I6). More than two in three part-time MBA programs report that their application volume increased compared with last year (69%).

Percentage of Programs Reporting Application Volume Status

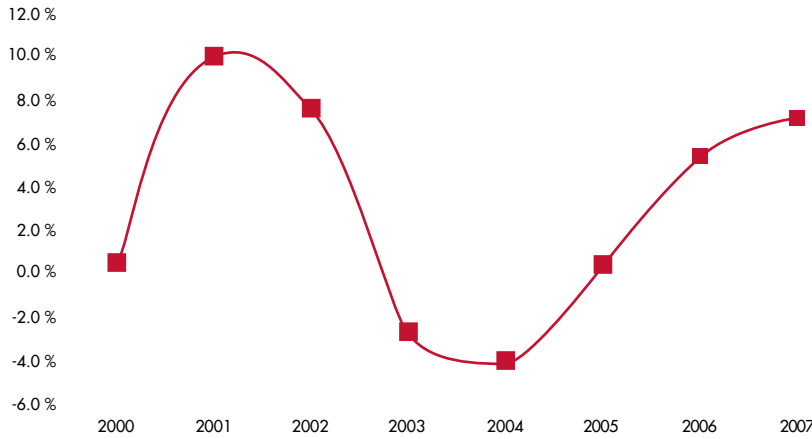


Net Trend\* in Application Volume



\*Net trend is calculated as the percentage of programs reporting an increase in application volume minus the percentage of programs reporting a decrease in application volume.

**Figure 16.**  
Part-Time MBA Program Total Application Volume,  
2003-2007 Compared with Previous Year



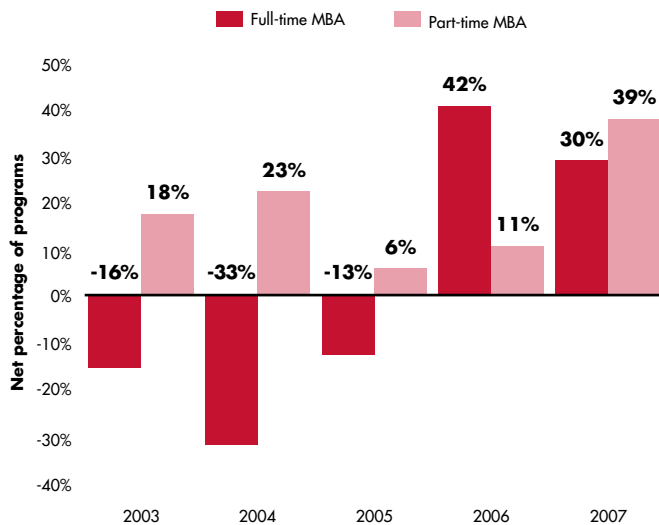
**Figure 17.**  
Average Percentage Change\* in the Total Number of Part-Time Program Applications, 2000–2007

\* Average percentage change is estimated based on the interval's midpoint.

The long-term trend for part-time programs suggests we can expect the growth will sustain through the next application cycle (Figure 17).

Perhaps in response to the growth in application volume for part-time MBA programs, nearly three in four programs (74%) now plan to increase their class size by 7%, on average.

Over the last five years, more part-time MBA programs have reported an increase in the application volume from women than those that have reported a decrease (Figure 18). Not surprisingly, this consistent positive trend in female application volume contributed to a larger proportion of women among part-time MBA program applicants (37%) than among full-time MBA (27%) program applicants.

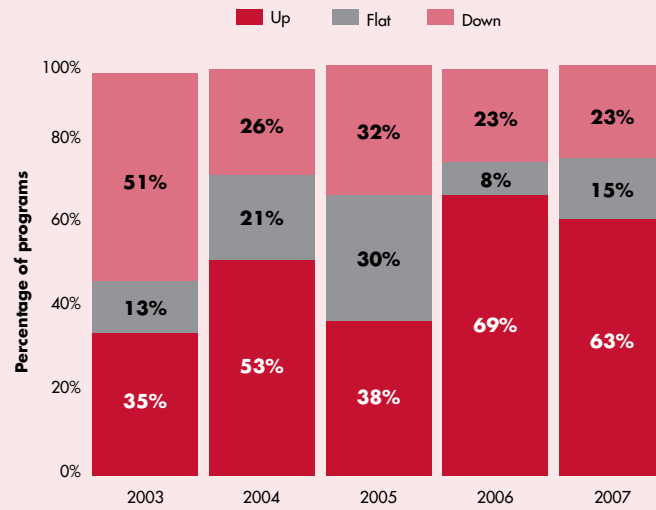


**Figure 18.**  
Net Trend\* in Female Application Volume for Full-Time and Part-Time MBA Programs, 2003–2007

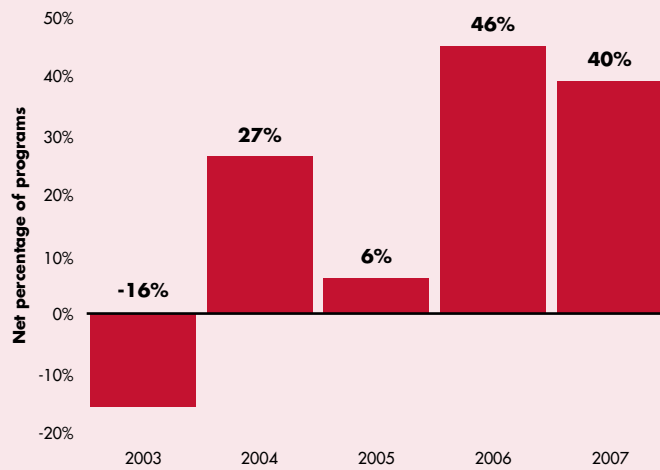
\* Net trend is calculated as the percentage of programs reporting an increase in application volume minus the percentage of programs reporting a decrease in application volume.

Over the last four years, the number of EMBA programs reporting an upward trend in application volume has consistently exceeded the number of those whose application volume declined (Figure 19).

Percentage of Programs Reporting Application Volume Status



Net Trend\* in Application Volume



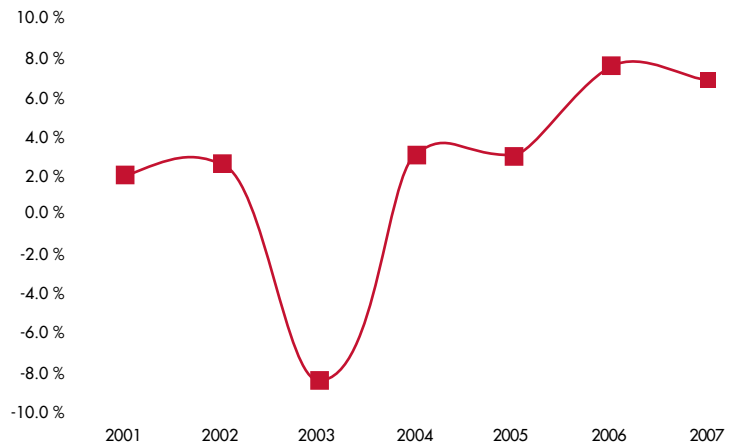
\* Net trend is calculated as the percentage of programs reporting an increase in application volume minus the percentage of programs reporting a decrease in application volume.

**Figure 19.**  
EMBA Program Total Application Volume, 2003–2007 Compared with Previous Year

• • • • •  
**EMBA programs are experiencing stable long-term growth, and 76% are considering expanding their program size by 5%, on average.**  
 • • • • •

Executive programs are experiencing stable long-term growth (Figure 20). However, a substantial proportion of EMBA programs did not report changes in either foreign (41%) or female (36%) application volume this year over last year.

EMBA programs are typically not large, with 50 students or fewer in their class (59%), but growth in EMBA application volume may explain why three in four programs (76%) are considering expanding their program size by 5%, on average.



**Figure 20.**  
 Average Percentage Change\* in Total Number of EMBA Program Applications, 2001–2007

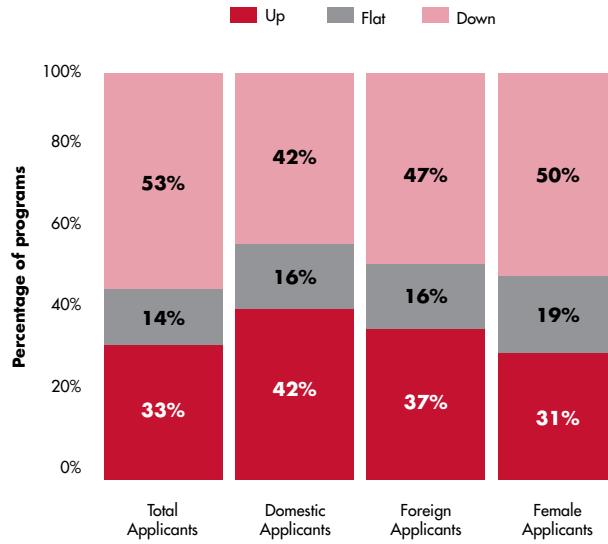
\* Average percentage change is estimated based on the interval's midpoint.

**PhD Programs**

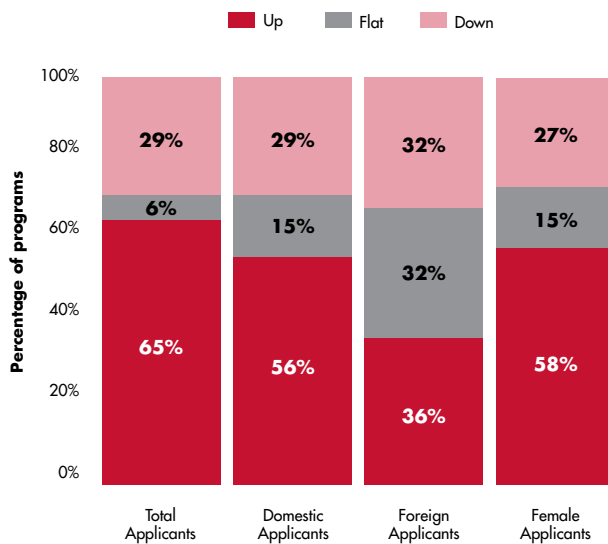
More than half of the participating PhD programs (53%) report a decline in 2007–2008 total application volume (Figure 21). This decline is likely attributed to fewer applications from foreign citizens, which historically account for the majority of PhD applicants.

**Master's Programs**

Similar to findings for the majority of graduate management program types, nearly two in three master's programs (65%) report an increase in applications for the 2007–2008 class (Figure 22). Although foreign application volume for this group has not changed overall since last year, the inflow of domestic and female applicants is strong for master's programs in the 2007–2008 cycle.



**Figure 21.**  
Change in PhD Program Application Volume in 2007–2008 Compared with 2006–2007, by Applicant Category



**Figure 22.**  
Change in Master's Program Application Volume in 2007–2008 Compared with 2006–2007, by Applicant Category

• • • • •  
**Participating schools receive  
a comprehensive data report and  
a free benchmarking report  
customized for their programs.**  
• • • • •

**F**indings presented in this publication are based on analysis of survey data reported in the 2007 Application Trends Comprehensive Data Report. The Comprehensive Data Report, which is available exclusively to participating business schools, contains detailed data tables and overall analysis of the survey responses by graduate management program type, program length, world region, U.S. region, class size, enrollment type, and school characteristics. The Comprehensive Data Report also contains a list, which is publicly available, of the 252 participating schools.

In addition to receiving copies of this report and the Comprehensive Data Report, participating business schools receive individualized benchmarking reports that compare their program responses with the aggregate responses from their peer programs.

Findings reported in these documents are based on survey responses, which represent data from the responding programs and not a census of all graduate management programs.

To request additional copies of this 2007 Application Trends Survey Report or other GMAC® Research and Development publications, please contact us at [research@gmac.com](mailto:research@gmac.com) or +1-703-749-0131. Electronic versions of documents are also available on the GMAC® Web site at <http://www.gmac.com/surveys>.

**Contact Information**

**F**or questions or comments regarding the study findings, methodology, or data, please contact the GMAC® Research and Development department at [research@gmac.com](mailto:research@gmac.com).

**Authorship**

**T**he following individual(s) made significant contributions to the concept and design or analysis and interpretation of data and the drafting/revising of the manuscript for intellectual content:

Marina Murray, Manager, Applied Research, Graduate Management Admission Council® (GMAC®).

**Acknowledgements**

**R**achel Edgington, Director, Market Research and Analysis, GMAC®, editing of manuscript for intellectual content and final approval and survey questionnaire development and analysis; Lawrence Rudner, Vice President, Research and Development, GMAC®, manuscript review; Veronica Sinz, Research Writer/Editor, GMAC®, editorial services.

GMAC® extends sincere appreciation to the business school admissions professionals who generously contributed both time and information to the 2007 Application Trends Survey. Their participation in this extensive research ensures the continued availability of comprehensive statistics on the demand for graduate management education.

The **Application Trends Survey** is one in a series of five annual or biannual surveys produced by the Graduate Management Admission Council®. The surveys are designed to explore relevant issues, offering data at various depths, depending on the desire of the user and the participation of the school. Survey reports provide an overview of the data in addition to giving context for and implications of the research. They are frequently used to help drive strategic decision-making processes in graduate business schools. All survey reports are available on the Web ([www.gmac.com/surveys](http://www.gmac.com/surveys)). Print copies (while supplies last) are free upon request from the GMAC® Research and Development department at [research@gmac.com](mailto:research@gmac.com).

### Other surveys include—

#### ***mba.com Registrants Survey***

Who is in the pipeline for a graduate management education degree? What makes them decide to apply now or wait? Launched in 2003, this annual survey tells who prospective students are (including detailed profiles), how and why they move through the pipeline, and what motivates them and gets their attention.

#### ***Global MBA® Graduate Survey***

What do students think about the graduate management education experience as they prepare to graduate? Launched in 2000, this annual survey is conducted every February to provide a comprehensive picture of who business school alumni are and where they are headed after they graduate, as well as how they chose their schools and how satisfied they are with their graduate management education.

#### ***MBA Alumni Perspectives Survey***

What happens to business school students after they graduate and begin to evaluate the value of their degrees? Launched in 2001, these biannual surveys follow business school graduates long-term to understand their career progression, their expectations, their attitudes about work, their assessment of their education, and general market trends.

#### ***Corporate Recruiters Survey***

Who hires graduate business school alumni and why? What are the hiring plans in various industries? How do companies decide where to recruit? Launched in 2001–2002, this annual survey helps schools better understand the job market, clarify employer expectations, and benchmark their career services practices. Employers use the survey results to benchmark the recruitment activities of their companies.

**G**raduate  
**M**anagement  
**A**dmission  
**C**ouncil®

*Creating Access to Graduate Business Education®*

1600 Tysons Boulevard  
Suite 1400  
McLean, Virginia 22102  
USA

[surveys@gmac.com](mailto:surveys@gmac.com)

[www.gmac.com/surveys](http://www.gmac.com/surveys)

© 2007 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, please contact the GMAC® legal department at [legal@gmac.com](mailto:legal@gmac.com).*

*Creating Access to Graduate Business Education®, Global MBA®, 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.*