

C O R P O R A T E
Recruiters Survey

**2003–04
Executive Report**

**By
Graduate Management Admission Council®**

CORPORATE RECRUITERS SURVEY 2003–04

EXECUTIVE REPORT

The Graduate Management Admission Council® (GMAC®)—a not-for-profit education association dedicated to creating access to graduate management education worldwide—has tabulated the results of its third annual survey of MBA employers, the Corporate Recruiters Survey 2003–04. Conducted this year in conjunction with the MBA Career Services Council (MBA CSC), this survey generated findings that can be used by—

1. graduate business school professionals, MBA students, and prospective students to gauge the job market and better understand MBA employers' expectations;
2. MBA employers in developing their recruiting and hiring plans; and
3. both business school professionals and employers to benchmark their MBA recruiting practices against comprehensive global data.

Seventy-nine graduate business schools participated in this survey by submitting contact information for companies with whom they have recruiting relationships. The survey includes the responses of 1,300 recruiters representing 1,004 companies that employ MBA graduates. In return for their cooperation, each of the participating schools and respondents received—

1. this executive report, summarizing the overall significant findings and implications, including year-to-year trends;
2. access to an online reporting facility that enables customized queries of aggregated data across world regions, industry groups, company size categories, and other characteristics; and
3. a comprehensive statistical report of all findings, including year-to-year trends and comparisons across world regions, industry groups, and company size categories (defined by revenue and by number of employees).

Participating schools also receive access to an online reporting facility that contains the aggregated responses of employers associated with their individual schools, enabling the benchmarking of all school practices.

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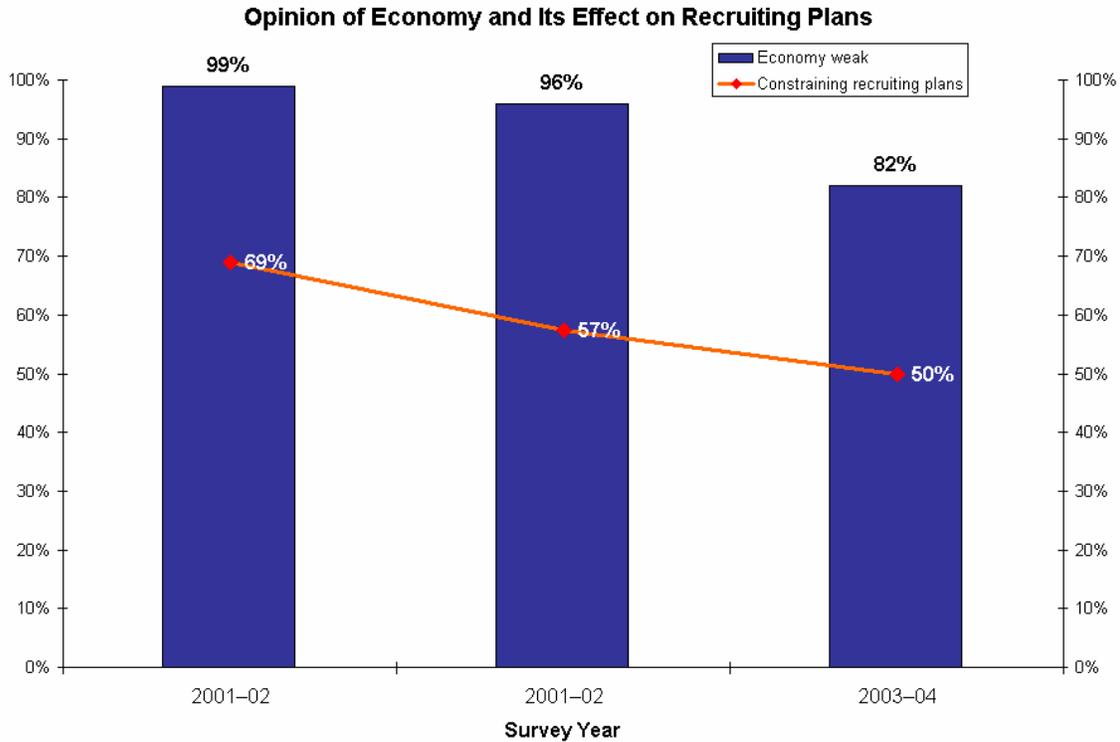
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EVALUATING THE JOB MARKET

Economic Conditions and Their Effects on Recruiting Plans

Even though 82% of respondents said in the 2003–04 survey that the economy is weak, this percentage is considerably lower than it was in the previous two Corporate Recruiters Surveys. Between 2001–02 and 2002–03, there was a nonsignificant decline in the percentage of recruiters who believed the economy was weak—from 99% to 96%. However, the decline to 82% in 2003–04 is statistically significant and indicates a *real* change in the opinion of corporate recruiters.

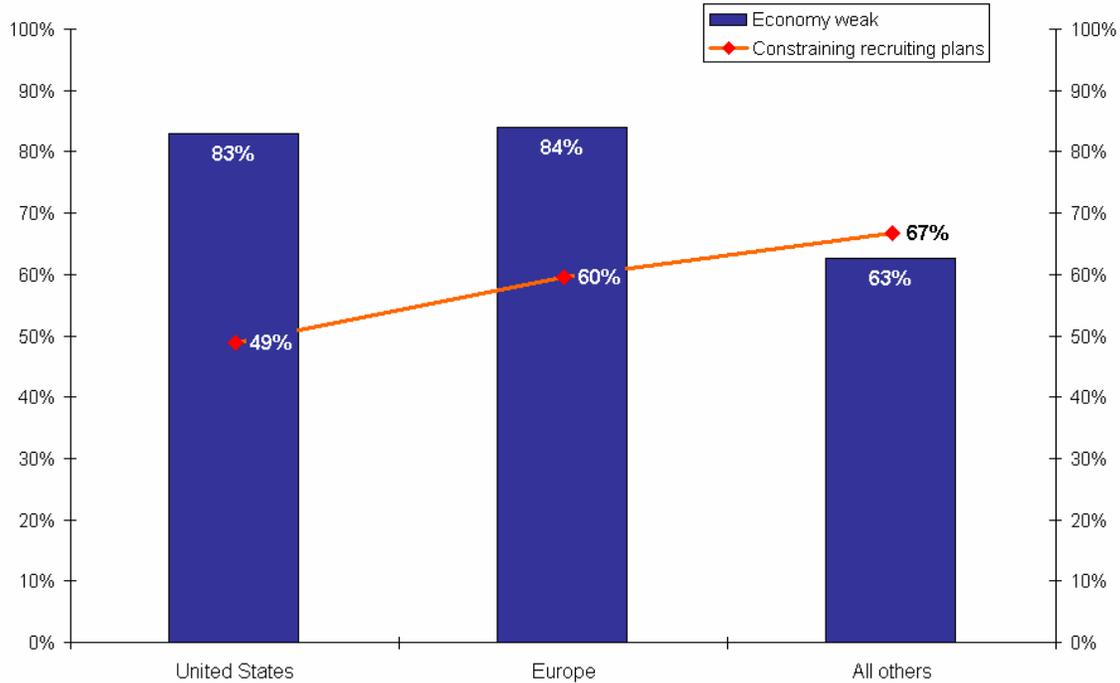


There is also a *real* and statistically significant change from year to year in the percentage of recruiters that said a weak economy is constraining recruiting plans. In 2001–02, 69% of respondents reported constraints as a result of economic weakness, but that number declined to 57% in 2002–03 and 50% in 2003–04.

The current economy is having a more adverse effect in Europe than in the United States. And, in non-U.S., non-European regions, recruiters are significantly less likely to feel that the economy is weak, but significantly more likely to feel that it is constraining their recruiting plans.

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OPINION OF ECONOMY AND ITS EFFECT ON RECRUITING PLANS (2003-04) BY WORLD REGION



New MBA Hires

Despite the increased optimism expressed by recruiters, the average number of new MBA hires has not increased significantly from previous years (9 in 2004, compared with 8 in 2003 and 11 in 2002). However, the percentage of recruiters able to hire *at all* has increased. Whereas in 2003, 23% of recruiters surveyed did not hire any new MBA graduates, this percentage declined significantly to 12% in 2004.

Note: The average number of new professional hires varies significantly by the size of the company.

NUMBER OF NEW HIRES (MEANS), BY REVENUE (COMPANY SIZE)						
	Gross Annual Revenues					
	Small		Mid-Sized		Large	
	Actual 2003	Expected 2004	Actual 2003	Expected 2004	Actual 2003	Expected 2004
Direct-from-industry	10	14	50	65	45	51
MBA graduates	3	4	10	13	20	24
Other graduates	3	4	6	9	20	33
Undergraduates	6	8	46	64	73	86

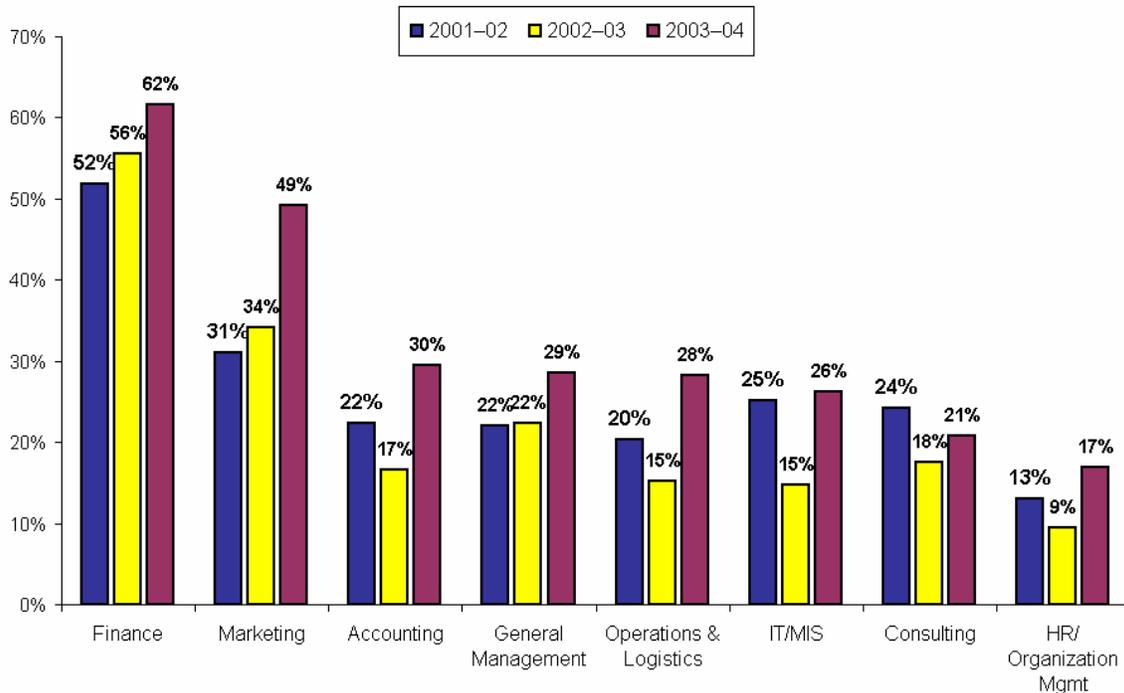
Thirteen percent of all 2003 new MBA hires required a work permit. Organizations in the manufacturing industry are the most willing to sponsor work permits and have recruiting initiatives based on nationality. Schools with large international student populations might wish to establish recruiting relationships with manufacturing companies.

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Job Areas

Finance (62%) is the job area in which there is the most MBA recruiting activity, followed by marketing (49%), accounting (30%), general management (29%), operations and logistics (28%), information technology/MIS (26%), consulting (21%), human resources/organization management (17%), and entrepreneurship (7%). Recruiting activity in all job areas has increased significantly, compared with the previous recruiting cycle.

RECRUITING ACTIVITY OF GENERAL JOB AREAS: YEAR-TO-YEAR TRENDS



Schools can use this information to predict future curriculum trends. For example, since recruiting activity has doubled in the accounting industry, student interest in an accounting specialization may also increase.

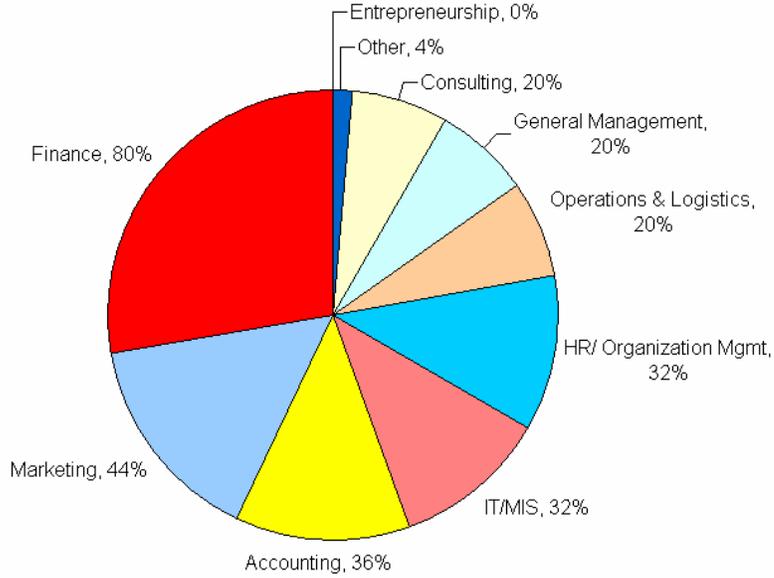
Depending on the company's industry, there are significant differences in the types of jobs for which recruiters seek candidates. Schools can determine which organizations might be most interested in specific subsets of their student body. For instance, organizations in the consulting and high-technology industries are the least willing to hire career switchers—people who have earned an MBA in order to seek employment in an industry or function that is new to them; instead, consulting and high-tech companies want new hires with immediately applicable industry-specific and/or function-specific experience. Organizations in the products and services, energy and utilities, and nonprofit/government industries are the most willing to hire career switchers.

One strategy for business schools attempting to place career switchers is to ease them into their career transition, encouraging them not to change industry and occupation all at once. For example, if a student worked as an accountant in the finance industry, but is interested in working as a general manager in the products and services industry, a career services professional might advise the student to first find a job as an accounting manager in the products and services industry and then work toward moving into a general management position.

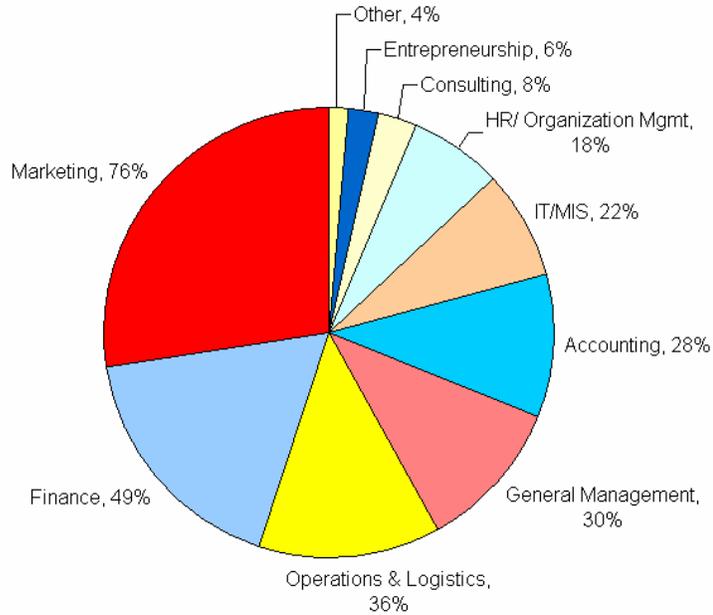
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The following pie charts show the jobs for which companies from different industries seek candidates.

Job Areas in Which Companies in the Energy and Utilities Industry Are Recruiting

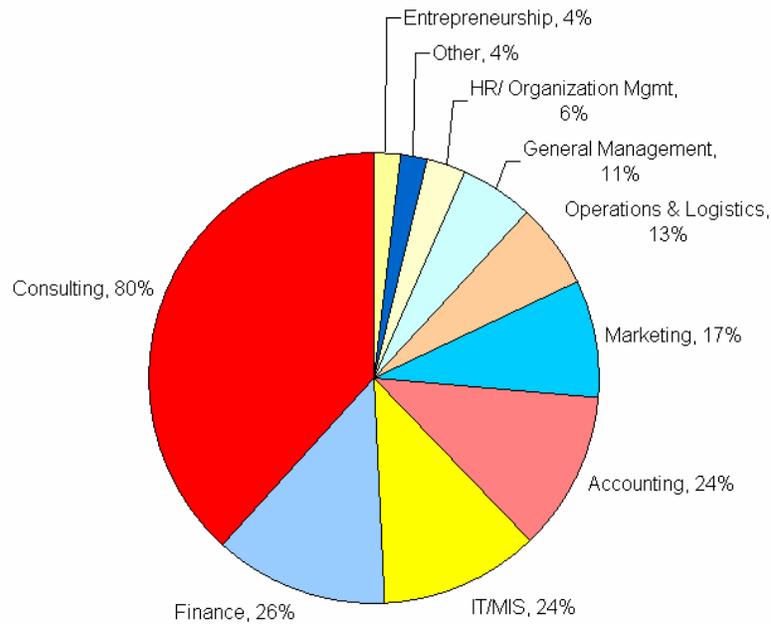


Job Areas in Which Companies in the Products and Services Industry Are Recruiting

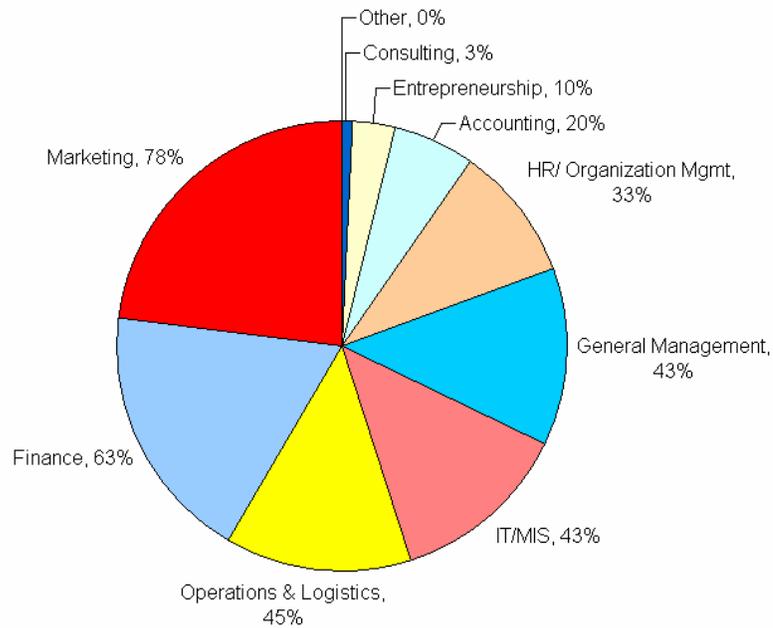


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Job Areas in Which Companies in the Consulting Industry Are Recruiting

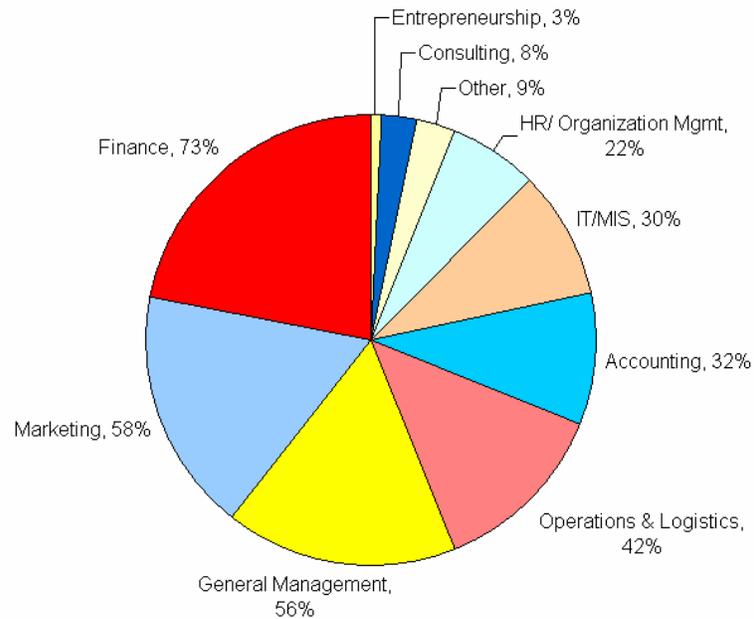


Job Areas in Which Companies in the Health Care Industry Are Recruiting

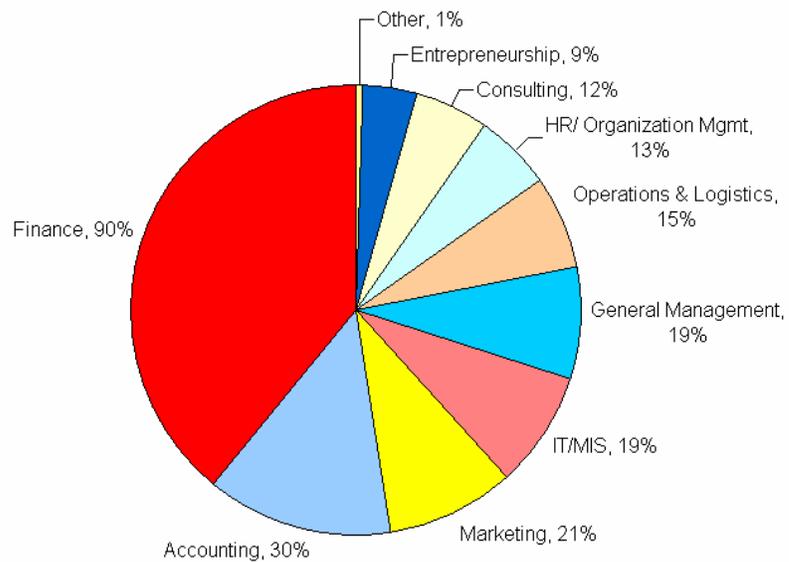


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Job Areas in Which Companies in the Manufacturing Industry Are Recruiting

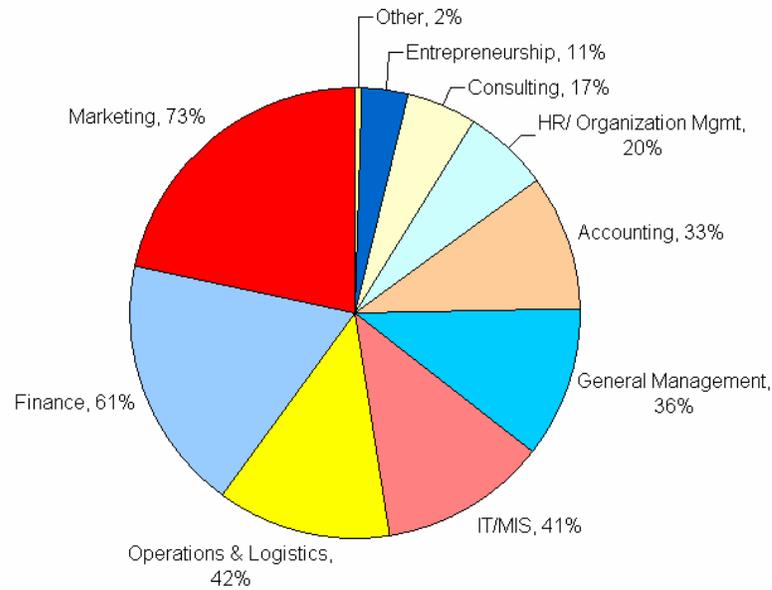


Job Areas in Which Companies in the Finance Industry Are Recruiting

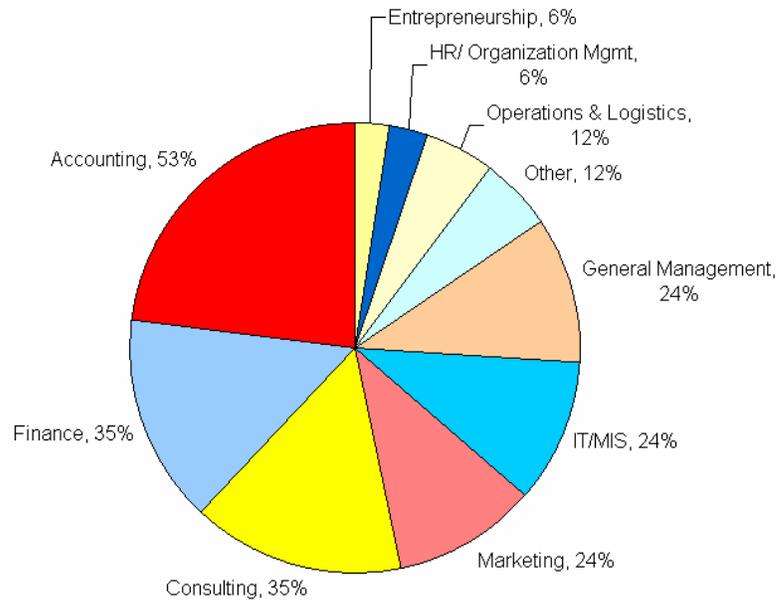


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Job Areas in Which Companies in the High Technology Industry Are Recruiting



Job Areas in Which Companies in the Nonprofit/Government Industry Are Recruiting



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A note on the nonprofit/government industry: Often, MBAs interested in nonprofit/government work are not sure what course curriculum is most relevant to jobs in that industry. This is particularly true if their job search is self-directed (as is most often the case with students seeking jobs in this industry), and if they do not attend a school with a specific nonprofit MBA track. The chart for the nonprofit industry, above, gives clear insight into the skill sets nonprofit and government organizations value. An MBA program blending strong accounting, finance, and strategy will prepare students well for jobs in this industry.

Schools can use the charts above to identify opportunities to “cross-sell” students to recruiters, thus improving placement rates and adding value to the employers’ relationships with the school. For instance, although schools naturally look to the finance industry to place their finance-trained MBAs, the finance industry is also a potential employer of accounting, marketing, IT, and general management MBAs.

ATTRACTING AND RETAINING RECRUITERS

The average number of schools at which companies recruit declined significantly from 11 schools in 2001–02 to 8 schools in 2002–03, and then increased to 9 schools in 2003–04 (an increase that is not statistically significant). This finding suggests that schools may find it difficult to increase the number of recruiters visiting their campus and that they may find it a more effective strategy to focus on strengthening current relationships with recruiters.

Another reason to strengthen existing recruiting relationships comes from conventional marketing wisdom: It costs five times as much to get a new customer as it does to keep a current one.

That said, some schools may have the opportunities and resources necessary to expand the number of recruiters that visit their schools. These opportunities might result from growth in the markets the schools serve, innovations in the programs they offer, or other sources. It is critical that school administrators decide whether to focus their existing resources on current customers (recruiters), new customers, or both.

Information in this report can help administrators make these critical decisions by increasing their understanding of the attitudes and behaviors of both *current* and *potential* recruiters. Detailed analyses of differences across eight industry groups, three world regions, and six company-size categories (three based on revenue and three based on number of employees) provide the basis of this knowledge.

Recruitment Methods

Overall, 78% of recruiters who actively seek new MBA graduates recruit on campus; more than half of those (53%) say on-campus recruiting is their *main source* of new MBA hires. Nearly two-fifths (38%) say their company recruits new MBA graduates on an as-needed basis. Forty-two percent of respondents say their company sustains a formal or centralized MBA recruiting program to obtain MBA talent.

Companies with a formal or centralized MBA recruiting program recruit new MBA graduates on a planned periodic basis (53%), obtain MBA talent through their MBA intern programs (52%), sponsor current employees to attend MBA programs (34%), and recruit experienced direct-from-industry hires who have MBAs (30%). And, whereas more than half the companies recruit on a planned periodic basis, almost a quarter (23%) also recruit on an as-needed basis.

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Forty-three percent of respondents in the United States say their companies sustain a formal or centralized MBA recruiting program. This is a significantly higher percentage than the 28% of respondents in all other (non-European) regions.

World regions also differ significantly regarding the *main source* they use to recruit new MBA graduates. Fifty-five percent of respondents in the United States use on-campus interview schedules and recruiting activities, contrasted with 37% and 36%, respectively, of recruiters in Europe and all other world regions combined.

Another notable difference is in the usage of professional recruiting/employment agencies as the *main source* of new MBA hires. A total of 17% of recruiters in all non-U.S., non-European regions use agencies, compared with 2% in the United States.

These findings may explain the differences among world regions regarding recruiting on an as-needed basis. Respondents in Europe and all other regions are significantly more likely than those in the United States to recruit on an as-needed basis. Respondents in Europe are also significantly more likely to say the selection process through campus is slow or cumbersome (18% compared to 6% of U.S. respondents).

School Selection Criteria

Regardless of their companies' size, geographic location, or industry, recruiters choose to recruit at schools that they feel provide a consistent quality of students (47% of recruiters cited this consideration as extremely important in their choice of schools). Inconsistent quality of students is the second biggest barrier to effective on-campus recruitment (cited by 20% of the recruiters).

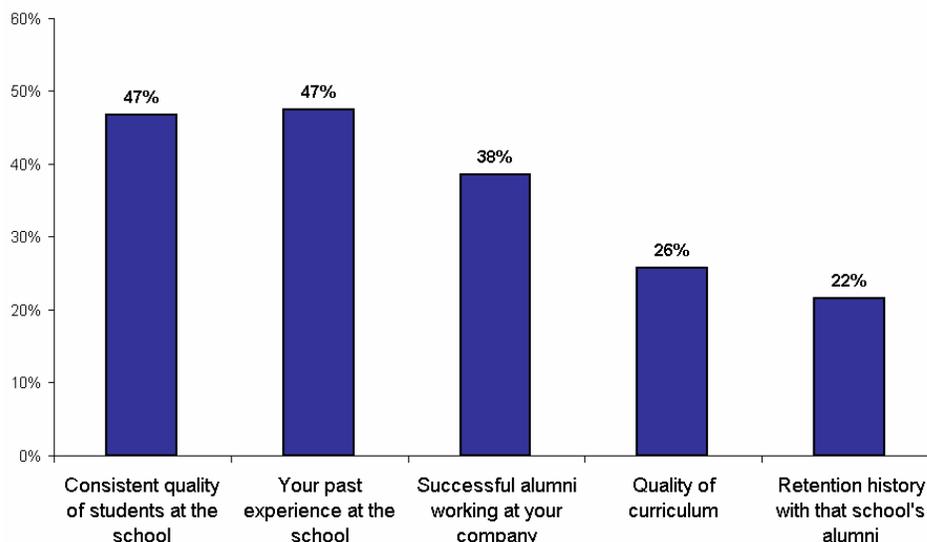
School admissions professionals have the daunting challenge of ensuring that employers see reasonable consistency in the quality of candidates, from the top to the bottom of the class, regardless of how the school defines top and bottom. Employers who wish to see a promising pool from which to recruit will consider whether the most promising student on the interview schedule is reasonably similar to the least promising one, and whether both consistently measure up to the quality the recruiters expect from graduates of an MBA program.

In addition, recruiters choose to recruit at schools where they have had positive experiences in the past (47%). They also recruit at schools from which their companies have hired successful employees (38%). In fact, 47% of companies rely on employee/alumni referrals in the recruiting of new MBA hires.

The following chart illustrates the most important factors in recruiters' decisions about where to recruit new MBA hires.

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Extremely Important Criteria in Decision to Recruit at a School



Schools can cultivate valuable relationships with recruiters even if those recruiters do not typically recruit on campus. If a company has hired a school's graduates through means other than on-campus recruiting and has been satisfied with the outcome, a school can parlay those connections into a valuable recruiting relationship with the company. One way a school could do that would be to connect recruiters seeking candidates for immediate placement with qualified part-time and/or executive MBA students and/or alumni seeking jobs. Companies that do not have a formal recruitment program and are more likely to hire as needed would want the following things from a business school:

- access to seasoned MBA alumni seeking new employment;
- access to part-time or EMBA graduates seeking employment;
- candidates with industry-specific experience; and
- candidates with prior work experience related to a given industry, job, or company.

Once a company has some experience hiring at a school, the school is better positioned to persuade the company to extend their hiring to full-time graduates and to participate in or initiate on-campus recruiting activities.

Schools can actively engage employers by providing the same level of service employers are accustomed to when dealing with search firms in the pursuit of seasoned talent. This type of service includes résumé or candidate screening, which saves employers from having to invest time and effort in candidates who don't meet their key qualifications and hiring criteria.

Wish List for Career Services Offices

The leading barrier to effective *on-campus* recruiting is limited time, staff, and/or budget resources (cited by 35% of recruiters surveyed). Twenty-nine percent cited these limitations as a general barrier to recruiting and selecting new MBA hires. Understandably, the services recruiters say they want most from career services offices address time, staff, and budget constraints. Specifically, the majority of recruiters want services that allow them to preselect candidates for interview schedules (55%). They also want online services, including résumé searches, job

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postings, and online interview scheduling (50%); they also want access to faculty willing to identify qualified students (41%).

Additionally, recruiters want a career services staff that responds to their needs—a staff that is knowledgeable about their companies’ and industries’ requirements (47%); that is knowledgeable about recruiting from a company’s perspective (45%); that offers one point of contact at the office (44%); that provides staff-assisted services, including résumé searches and collection, job postings, and scheduling of interviews (40%); and that is responsive, for fast turnaround times and special requests (40%).

Recruiters Cite Companies’ Hiring Restrictions as Biggest Obstacle to Hiring New MBAs

Twenty-three percent of the companies surveyed hired no new MBA graduates in 2003, and the following table indicates why. The top two reasons relate to company hiring restrictions.

MAIN REASONS COMPANY DID NOT HIRE NEW MBA GRADUATES IN 2003	
	<i>n</i> = 143
No job openings at company	35%
Limited company growth anticipated	22%
Available MBA candidates did not match my job requirements	21%
Hiring freeze in our organization	18%
MBA entry-level salary demands are too high	15%
Company in process of reducing headcount	15%
MBA skills/resources are not critical in my company	15%
Recruiting resources were allocated to experienced hires direct from industry	14%
Timing of job openings did not match availability of MBA graduates	13%
Recruiting resources were allocated to new undergraduate hires	8%
Obtained MBA talent by sponsoring current employees in MBA programs	6%
Offers made to MBAs were not accepted	4%
Other	3%
Don't know	2%

Twenty-one percent of the recruiters who did not hire MBA graduates in 2003 cite an inability to find MBA candidates who matched their job requirements. Specifically, their efforts to effectively recruit and select MBAs were hampered by a limited supply of MBA candidates with the following characteristics:

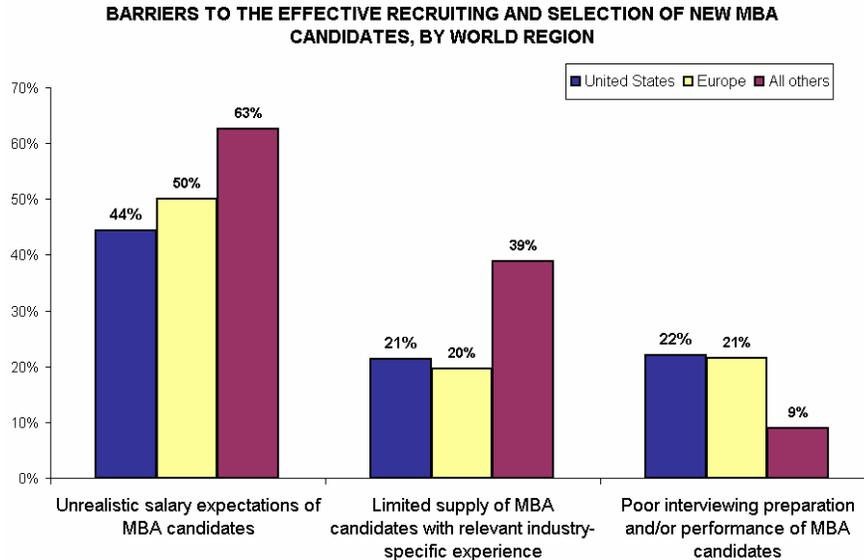
- relevant industry-specific experience (cited by 22%);
- relevant functional experience (cited by 18%); and/or
- representative of a group targeted for recruiting (women, minorities, or nationalities) (cited by 16%).

The larger the company, the more likely it is to cite as a barrier the limited supply of MBA candidates in targeted groups (women, minorities, or nationalities). This limitation was cited as a barrier by 8% of small companies (as measured by revenue), compared with 16% of mid-sized companies and 26% of large companies. This finding undoubtedly relates to the finding that the larger the company (as measured by revenue), the more likely it is to have diversity recruiting initiatives. (Thirty-six percent of small companies, 75% of mid-sized companies, and 90% of large companies have diversity initiatives.)

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The leading barriers to the recruitment and selection of new MBA hires concern unrealistic expectations on the part of MBA graduates: unrealistic salary expectations (45%), unrealistic job role/level expectations (44%), and an unrealistic view of advancement opportunities (30%).

Respondents in countries outside the United States and Europe are significantly more likely to cite as hiring barriers MBAs' unrealistic salary expectations and a limited supply of MBA candidates with relevant industry-specific experience. They are less likely to cite poor interviewing preparation and/or performance as barriers than are recruiters in the United States and Europe.

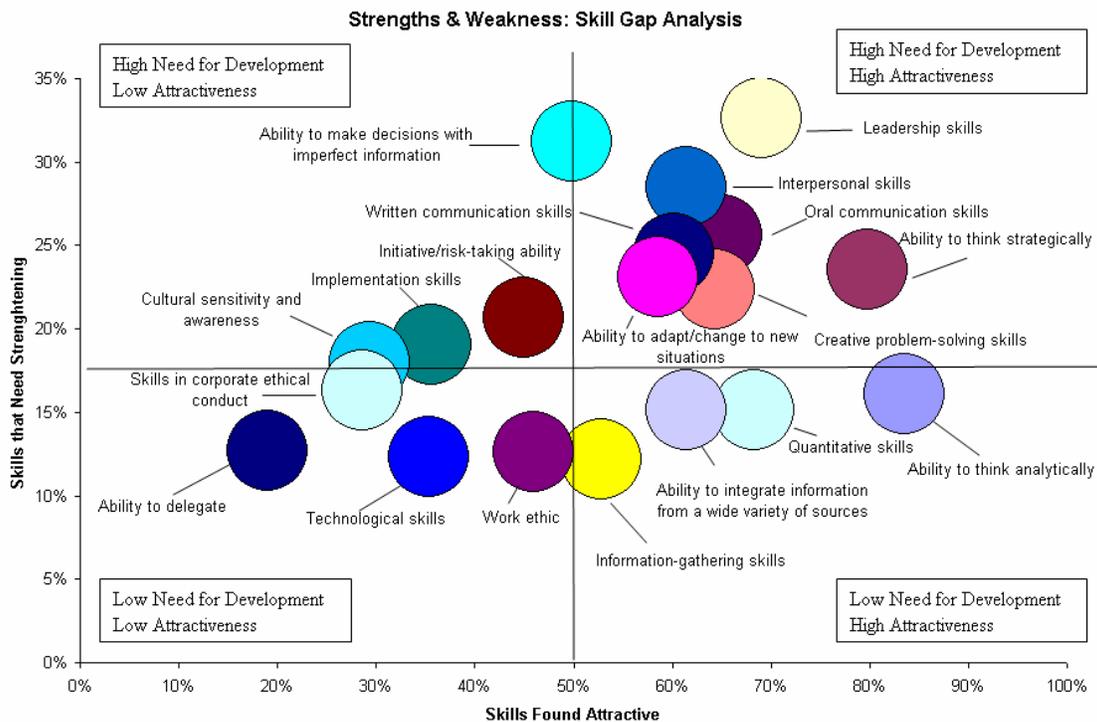


SELECTING NEW MBA HIRES

MBA Skills and Strengths—Gap Analysis

Recruiters were given a list of skills and abilities from which to choose those that make MBA graduates attractive to their companies. From the same list, respondents were asked to choose the skills and abilities they would like to see strengthened in MBA candidates. The following chart shows the employers' assessment of potential gaps in MBA graduates' skill sets.

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Recruiters find the following skills highly attractive and well developed in MBA graduates:

- ability to think analytically
- quantitative skills
- ability to integrate information from a wide variety of sources
- information-gathering skills

Recruiters find the following skills highly attractive in MBA graduates, but feel there is a need to further strengthen them:

- ability to think strategically
- leadership skills
- interpersonal skills
- written communication skills
- oral communication skills
- ability to change/adapt to new situations

Recruiters *do not* find the following skills highly attractive, but feel they need to be strengthened:

- ability to make decisions with imperfect information
- initiative/risk-taking ability
- implementation skills
- cultural sensitivity/awareness

Finally, recruiters *do not* find the following skills highly attractive in MBA graduates, and *do not* feel there is a need to further strengthen these skill sets:

- ability to delegate
- skills in corporate ethical conduct
- technology skill
- work ethic

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MBA graduates with the desired skills and abilities are a product of a strong admissions program and curriculum. School admissions professionals can use the information provided by their specific recruiters in this survey’s online reporting facility to determine what gaps recruiters see in MBAs’ skills and abilities and then seek candidates that match the recruiters’ needs. Faculty and other staff involved in curriculum development can critically examine whether their current curriculum enhances or develops the skills and abilities employers seek.

What Companies Seek in New MBA Hires

By examining the characteristics companies consider extremely important for new MBA hires to have, we can infer what recruiters also consider “deal breakers” in the hiring process. The top three deal breakers would be a lack of strong communication and interpersonal skills, proven ability to perform, and cultural fit with a company. The following table shows the selection criteria recruiters use in choosing new MBA hires; the criteria are listed in rank order, with the most important at the top of the table.

New MBA Hire Selection Criteria	
	% Extremely Important
Strong communication/interpersonal skills	57%
Proven ability to perform	47%
Cultural fit with company	46%
Evidence of adaptability	24%
Quantitative knowledge/technical skills acquired in MBA program	21%
Prior work experience related to industry, job, or company	19%
Management knowledge/skills acquired through MBA program	14%
History of increased job responsibility	13%
MBA functional area/concentration of study	12%
History of leading teams	11%
Reputation of MBA school	11%
MBA academic success factors	10%
Prior internship in my industry, company, or related to job	10%
A specific number of years of professional work experience	10%
A specific type of background (e.g., engineer, scientist, liberal arts)	10%
Relevant language, country, and/or cultural expertise	7%
History of managing people in a formal reporting role	4%

The next table shows these criteria grouped into categories according to the strongest correlations (or relationship).

New MBA Hire Selection Criteria	
Company Fit	% Extremely Important
Strong communication/interpersonal skills	57%
Cultural fit with company	46%
Evidence of adaptability	24%
Work Experience—Responsibility and Performance	
Proven ability to perform	47%
History of increased job responsibility	13%
History of leading teams	11%
History of managing people in a formal reporting role	4%

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New MBA Hire Selection Criteria	
MBA Program Experience	
Quantitative knowledge/technical skills acquired in MBA program	21%
Management knowledge/skills acquired through MBA program	14%
MBA functional area/concentration of study	12%
Reputation of MBA school	11%
MBA academic success factors	10%
Work Experience—Relevance	
Prior work experience related to industry, job, or company	19%
Prior internship in my industry, company, or related to job	10%
A specific number of years of professional work experience	10%
A specific type of background (e.g., engineer, scientist, liberal arts)	10%
Management Knowledge	
Management knowledge/skills acquired through MBA program	14%
Relevant language, country, and/or cultural expertise	7%
History of managing people in a formal reporting role	4%

Determining whether a person is a good fit with a company is a key aspect of the candidate evaluation process. Among the three selection criteria deemed to be the most important in hiring decisions, two are from the Company Fit category. Strong communication and interpersonal skills are the most important selection criteria to recruiters, but it is interesting to note that these skills are not assessed as personal characteristics but rather in terms of how they affect a candidate's company fit. Schools can use the Culture Match feature of the CareerLeader® online career assessment (www.mba.com/careerleader) or similar tools to discuss corporate culture with students. The results of an assessment of this kind are useful not only in helping students find an industry or job function that interests them, but also in helping them find out what kind of corporate culture suits them best.

From the results shown above, it is clear that recruiters view work experience in two distinct ways: in terms of its direct relevance to the job and in terms of what it shows about the candidate's leadership experience and on-the-job performance.

By creating a matrix of recruiters' candidate selection criteria, skills they find attractive, skills they feel need to be strengthened, and job areas for which they recruit, schools can assess a candidate's likelihood of placement success and suggest an appropriate course of study. Schools can compare the matrix to recent placement data to evaluate the effectiveness of their applicant selection criteria. Schools can work with students to develop individual SWOT (strengths, weaknesses, opportunities, threats) analyses, which students can then use in their job searches, targeting the industries, job functions, and organizations that offer the best chance of job offers and long-term success.

Assessing Potential New MBA Hires

Behavior-based interviews (79%) are the most common assessment method used by recruiters to choose and hire new MBAs. In this method, candidates describe specific examples of their skills. Fifty-three percent use case or situational interviews in which candidates respond to a hypothetical or real situation. More than one-third (36%) of recruiters use evaluations that measure job-specific knowledge, experience, or abilities (mental, physical, or technical). One-fourth use career interest and job fit assessments (e.g., the CareerLeader® assessment or Career Anchor).

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IMPLICATIONS FOR SCHOOLS

The results of this survey suggest a number of ways for schools to strengthen their current relationships with recruiters, to increase the number of recruiters who hire their students, or both. Information provided in the comprehensive report can be used—

- in conjunction with a marketing audit and SWOT analysis;
- once the SWOT analysis and marketing audit are completed, to decide which companies, industries, and geographic areas to target if an expansion strategy is selected;
- to define targeting options (this would involve segmenting the school’s market of potential recruiters and identifying which segments are most promising and are therefore best to target); and
- to develop and implement plans related to these decisions (all of which have to be made in the context of available resources).

Schools can perform a marketing audit of the “controllables” at the school (price, product, promotion, and place) and conduct a SWOT analysis—the school’s strengths and weaknesses, as well as its opportunities and threats. The marketing audit and SWOT analysis provide a basis for determining strategic direction with regard to recruiting.

The SWOT analysis necessarily involves consideration of the uncontrollable factors faced by a school. At a minimum, these include the following:

- strength of the national, regional, and/or local economy
- economic constraints on recruiting faced by companies
- hiring restrictions: job openings, expected company growth, reduction in headcount

The marketing audit includes consideration of the following controllable variables:

- price—includes salaries (the candidates’ price) and costs of recruiting
- product—what the school offers in terms of services and the candidate as a product (strengths, desired improvements, expectations)
- promotion—how the school promotes itself to companies, as well as how candidates promote themselves
- place—the school’s physical location; the effect of location on the school’s opportunities; whether the school faces a national, regional, or local market; and where target companies are located, etc.

Price

Three major barriers to recruitment cited by recruiters are related to price: unrealistic salary expectations of MBA graduates; inconsistent quality of students; and limited time, staff, and/or budget resources.

Two primary factors contribute to unrealistic salary expectations:

1. published “average” MBA salaries that don’t take the following into account:
 - geographic region of companies (the cost of living in that region)
 - changes in the economy (locally, nationally, globally)
 - type of job function
 - type of industry
 - years of work experience of the candidate within a job function or industry

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2. whether the candidate is a “career enhancer” or a “career switcher”

MBA students use the MBA degree either to enhance their opportunities in their current occupation or industry (these students are known as career enhancers) or to move to a different occupation or industry (these students are career switchers). Because employers seek to reduce risk in a weak economy, they want candidates with a proven ability to perform, meaning they tend to prefer career enhancers as new MBA hires.

The preference for career enhancers could explain the survey findings related to constraints in hiring and barriers to recruitment by world region. Companies outside the United States and Europe are significantly more likely to report that the weak economy is constraining their recruiting of MBA hires and are significantly more likely to report that unrealistic salary expectations and a limited supply of MBA candidates with industry-specific work experience are barriers to the selection and recruitment of new MBA hires.

Schools would be wise to explain to their students how employers view career enhancers and career switchers. Students should understand that if a company takes a chance on a new MBA hire who has not previously worked in the company’s industry, the new hire may not be placed at the same job level he or she held previously—and may consequently receive a lower salary than expected. Once career switchers have been hired, it is up to them to prove themselves to a company and seek their desired job role, level, and salary. Earning an MBA helps prepare students for career transition and growth and excellent salaries, but it cannot replace practical industry or functional experience in the eyes of employers.

Inconsistent quality of students and limited time, staff, and/or budget resources for recruitment resources impact a school’s “price”—the cost of recruiting at that school. In this survey, recruiters tell us how a school can reduce the time, staff, and money needed to recruit: Give recruiters the ability to preselect candidates (this would help ensure a full interview schedule of qualified candidates), and provide a customer service–focused career services staff. Note that recruiters are not specifically saying they want a “closed” schedule with candidates *they* have preselected, but rather, they want the ability to preselect candidates with the help of faculty and staff who are knowledgeable about their company’s and industry’s requirements.

Product

From this and other Corporate Recruiters Surveys, we know that a school’s reputation with recruiters is built on the quality and standards of its students, faculty, curriculum, and admissions office. It is measured by experience—recruiters’ relationships with the school, the success of alumni from the school, and the history of the recruiters’ companies with students from the school. Therefore, relationships among the school, its alumni, and the employers that hire its graduates matter—they are an integral part of proving the value of recruiting relationships (ensuring return on investment for employers) and reducing the risk employers face in the hiring process. A school can enhance the success of its on-campus recruiting by providing recruiters with a consistently high-quality pool of job candidates, providing recruiters with more responsive and useful service, and engaging alumni in the recruiting process.

The importance of engaging school alumni cannot be overstated. Employers rely on employee/alumni referrals (47%) when seeking candidates, and employers choose to recruit at schools from which they have hired successful employees (81% report this as an extremely or very important criterion in their decisions about where to recruit).

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Schools can also connect their alumni who are seeking jobs with recruiters who are seeking direct-from-industry hires. Eighteen percent of direct-from-industry hires in 2003 had MBAs; and, 26% of recruiters actively recruited direct-from-industry hires who held MBA degrees. More than one-third (35%) asked for access to seasoned MBA alumni seeking new employment.

Promotion

Strategic marketing theory suggests that schools have three basic choices in developing a marketing strategy. The choice of a strategy depends on the school's distinctive assets (revealed by the SWOT analysis). The following are possible strategies.

- Low cost: Reduce the time, staff, and money needed to recruit at the school and/or admit more candidates who are career enhancers or seeking local employment.
- Differentiation: Appeal to the entire market through differentiation.
- Niche: Appeal to a narrow segment of the market by developing a focused strategy (industry, location target, specific school strength—program, location, etc.)

To be successful, schools need to adopt one of these strategies. As noted above, the choice of one of these generic strategies should be based on the schools' distinctive assets and resources.

Positioning is an integral part of implementing the chosen strategy, but to correctly position itself, a school must know its customers (current and/or potential). This involves a customer analysis that considers differences across industries, regions, and company sizes. This survey is designed to support this type of customer analysis.

This executive summary has presented only a selected set of findings from the study. Additional findings can be found in the comprehensive report, and school-level data can be accessed by participating schools through the online reporting facility.

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