

Demand of Graduate Management Talent: 2021 Hiring Projections and Salary Trends

Corporate Recruiters Survey | June 2021

[Access the report, blog, and infographic](#)



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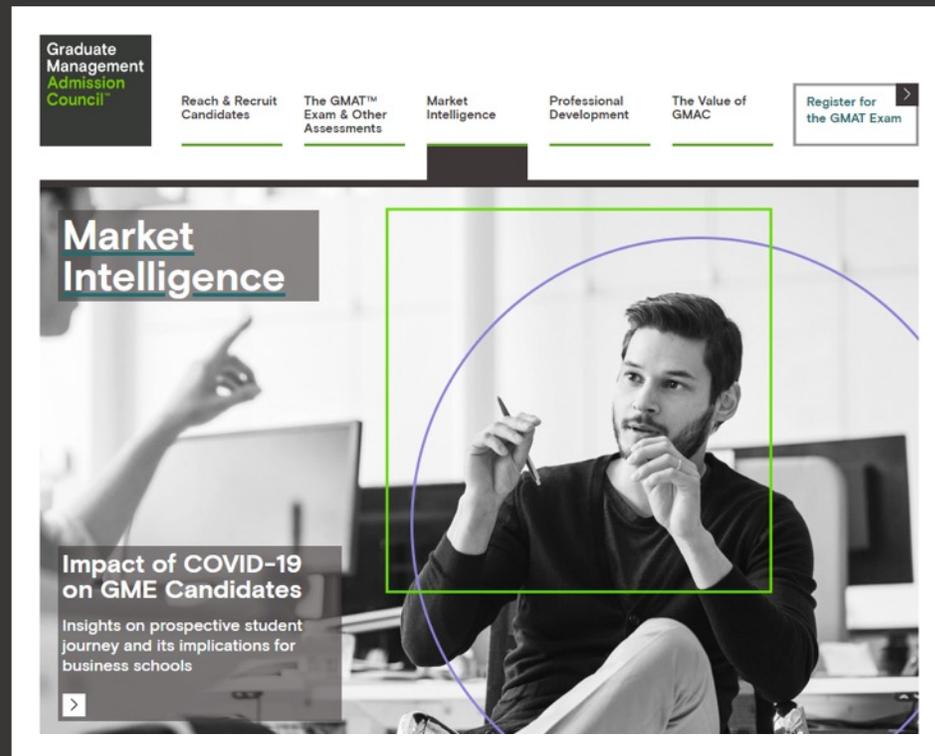


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Provide the tools and information necessary for schools and talent to discover and evaluate each other

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Executive Summary

Demand for graduate management talent returns to pre-pandemic levels

- 91 percent of recruiters plan to hire MBAs in 2021, a level comparable to pre-pandemic 2020 projected hiring (92%)

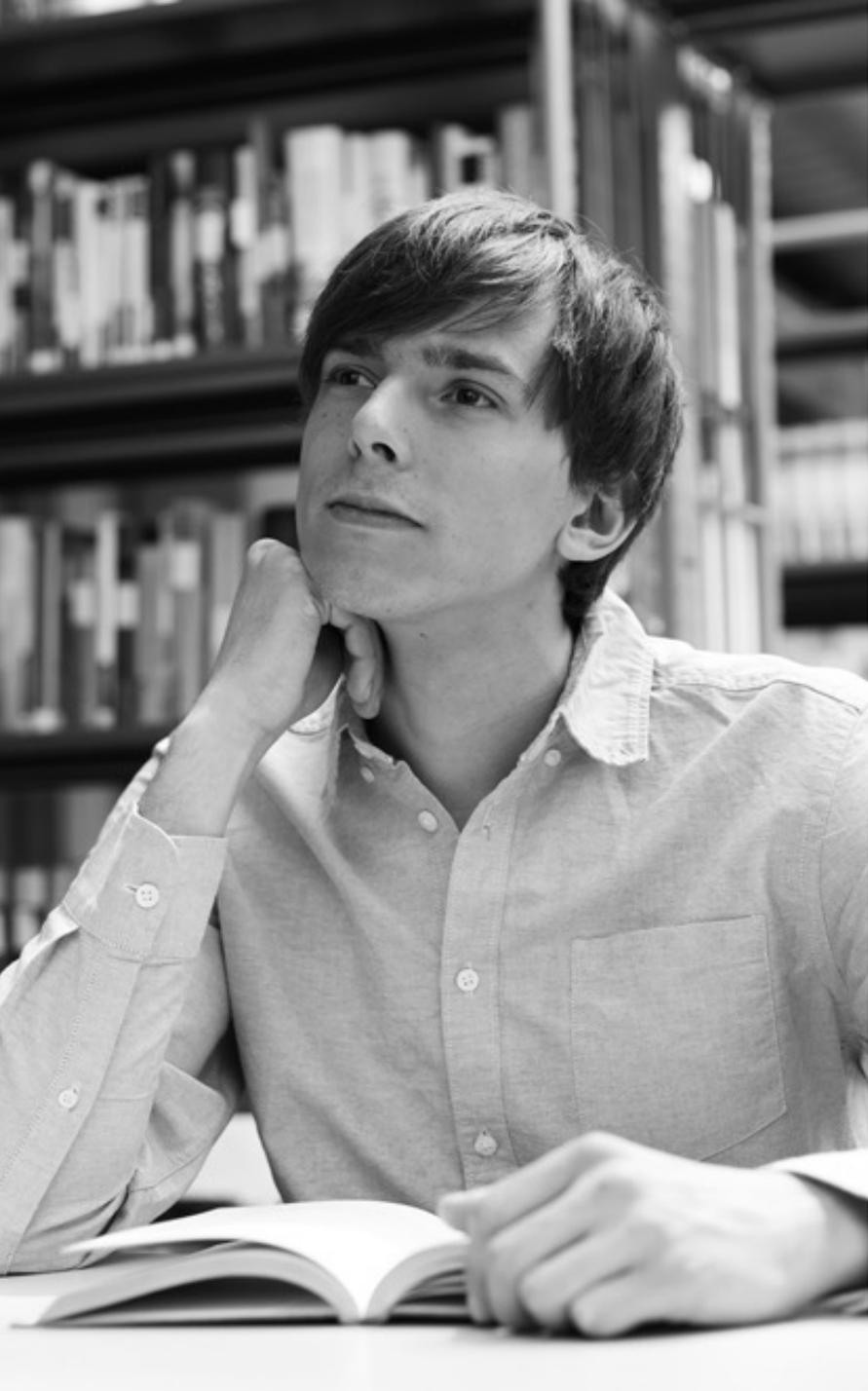
Growth in the technology sector fuels hiring of business school graduates

- 96 percent of recruiters from the technology sector plan to hire MBAs in 2021 as compared to 80 percent in 2019

Gap in expansion of online programs and their acceptance by employers

- Only 34 percent of recruiters indicate their organization values graduates of online and in-person programs equally

The Graduate Management Admission Council (GMAC) conducts the annual Corporate Recruiters Survey (CRS) to provide vital data for employers and business schools in understanding trends and insights about hiring, salaries, and skills for MBA and business master's graduates. The survey is administered in partnership with the *AMBA*, *EFMD*, *MBA CSEA*, and career services offices at participating graduate business schools worldwide. This report focuses on the demand for graduate management talent from the viewpoint of employers. It narrates the key take-aways and provides related data by regions, programs, and industries. Despite the continuing impact of the pandemic on hiring, the survey gathered **569 responses** from corporate recruiters between **February 25 - March 31, 2021**. More details are available under the methodology section, along with the respondent profile.



The demand for business school graduates in the next five years ...



General **growth** of business should create more suitable roles for business school graduates.

- A recruiter from a technology company based in Europe



We are recruiting high potential business graduates to accelerate into leadership roles to fill **succession** gaps.

- A recruiter from an organization based in Asia-Pacific region



As the company endures **transformation**, there will be demand for business school graduates.

- A recruiter from a healthcare/pharma company based in the US



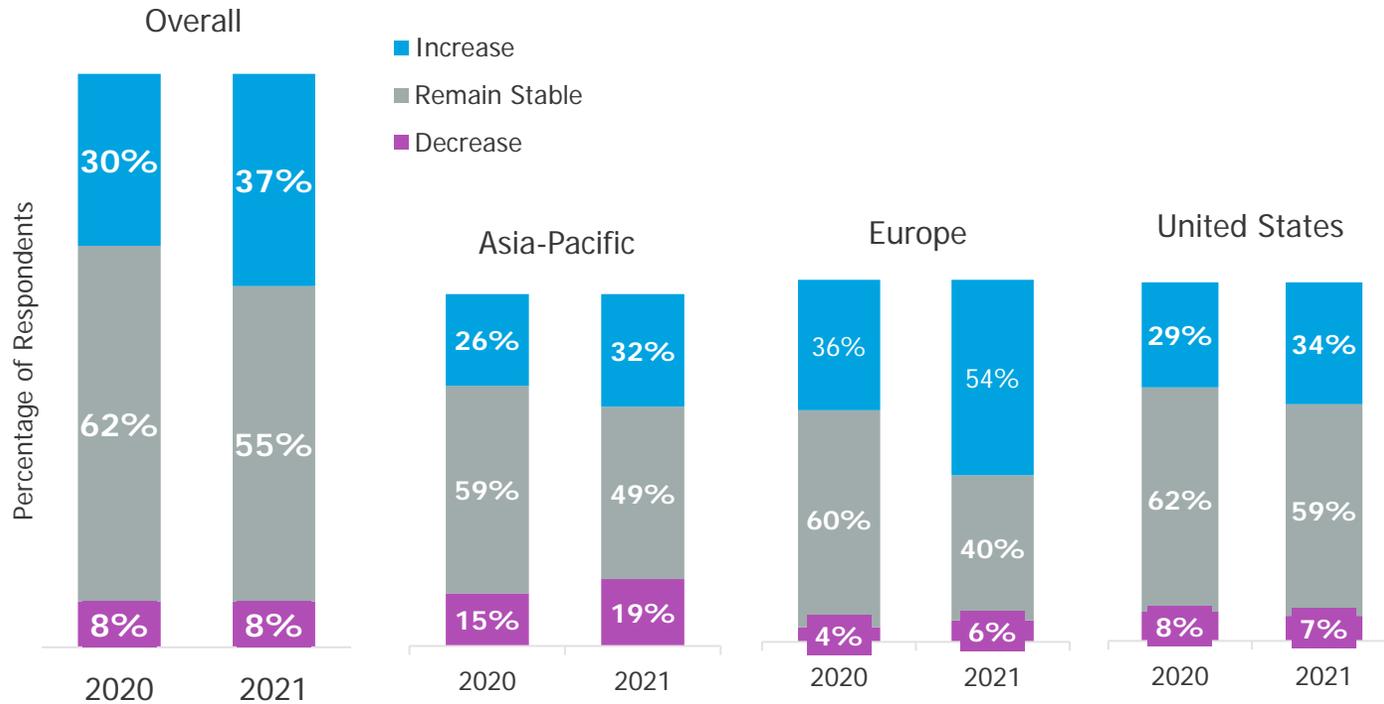
As we continue to **expand**, graduate business talent is our main pipeline to grow headcount.

- A recruiter from a consulting company based in the US



Recruiters project a robust demand for business school graduates

Demand for Business School Graduates in the Next Five Years, 2020-2021



Data collected for 2020 from February 17 - March 17 and for 2021 from February 25 - March 31.

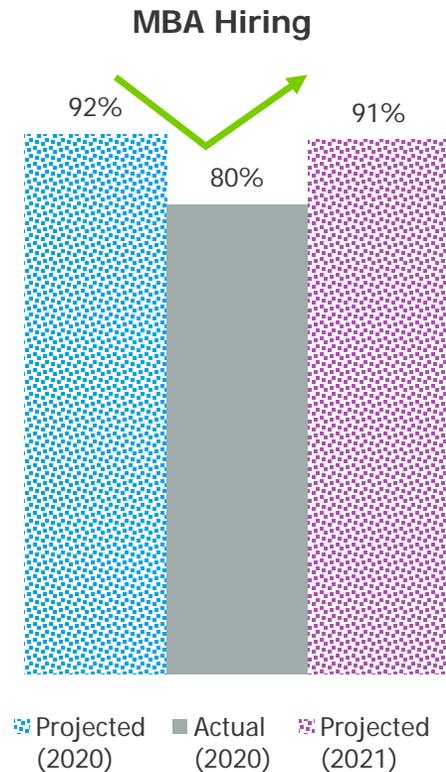
In 2020, the global pandemic disrupted the growth trajectories of many organizations around the world. As organizations recover from the pandemic and rebuild their workforces, they need talent with relevant knowledge and skills. This demand for talent seems to be especially robust for business school graduates. Nine in ten corporate recruiters expect the demand for business school graduates to increase or remain stable in the next five years—an indicator that graduate management talent is integral to organizational growth plans.

Overall, a higher proportion of recruiters in 2021 (37%) expect the demand to increase compared to the previous year (30%). In terms of regions, a higher proportion of European recruiters (54%) expect the demand to increase as compared to Asian (32%) and American (34%).

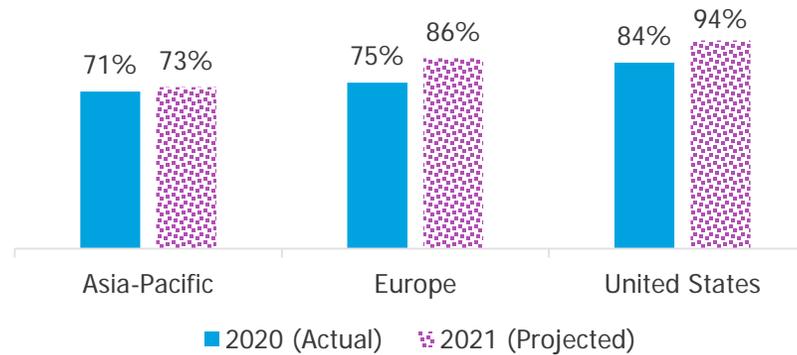


MBA hiring projections indicate a rebound in 2021

Percentage of Respondents



MBA Hiring by Company World Region



MBA Hiring by Select Industries



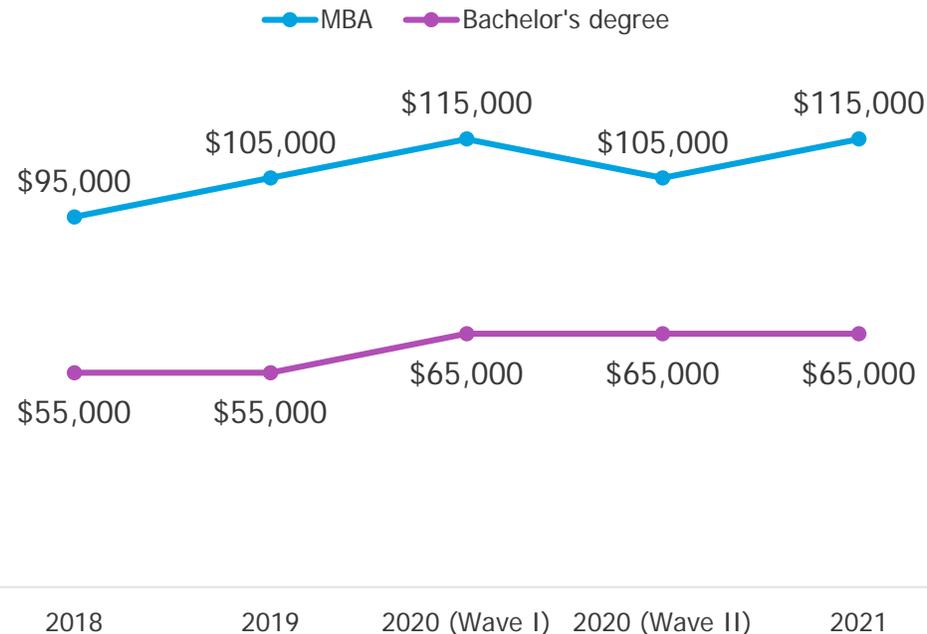
Long-term expectation about the increase in demand for business school graduates also aligns with immediate hiring trends. Before the pandemic, 92 percent of recruiters indicated they were planning to hire MBA graduates in 2020. However, the disruptions caused by COVID-19 adversely affected those plans, and hence the actual hiring of MBA graduates (80%) was lower than the 2020 projections.

Looking ahead, hiring projections for MBA graduates show a recovery. The proportion of recruiters planning to hire MBAs in 2021 (91%) returns to the same level as pre-pandemic 2020 (92%). The MBA hiring projections exhibit strength across key regions and industries. Specifically, 95 percent of consulting sector recruiters are projecting to hire MBA graduates—a reversal from the 2020 actual hiring of 76%.



MBA salary premium holds at the pre-pandemic levels

Median Salary, Overall, 2018-2021



\$3 million*
gap in lifetime
earnings over
35 years

One immediate outcome of the pandemic was cost reduction strategies as organizations focused on preserving resources¹. This resulted in downward pressure on compensation in many organizations. MBA median salaries were not immune to these pressures. In 2020, the projected MBA median salary reached an all-time high of \$115,000 pre-pandemic (Wave I) and declined to \$105,000 three months into the pandemic (Wave II).

However, the median MBA salary for 2021 is projected to recover to its pre-pandemic 2020 levels. At \$115,000, the median salary of MBA graduates is 77 percent more than those with a bachelor's degree (\$65,000) and 53 percent higher as compared to those hired directly from industry (\$75,000).

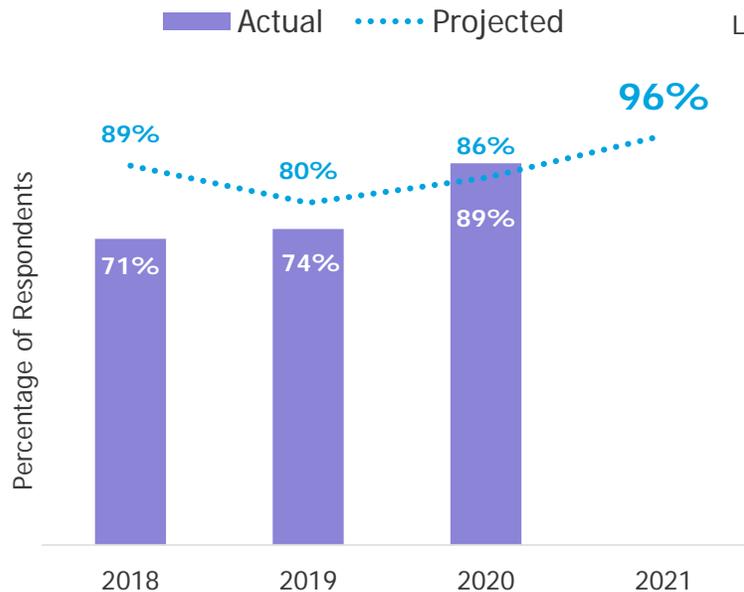
This salary premium shows that investing in an MBA credential pays off over the time. This salary premium could help an MBA graduate earn US\$3 million more than someone only holding a bachelor's degree.

Data for Wave I was collected between February 17-March 17, 2020, and Wave II between June 17-July 17, 2020.
Assumptions for future value calculation: Current age = 30 years; Retirement age = 64 years; Annual raise = 3%
¹ Enterprise Transformation and Cost Reduction: Save-to-Thrive During the COVID-19 pandemic, Deloitte (2020)

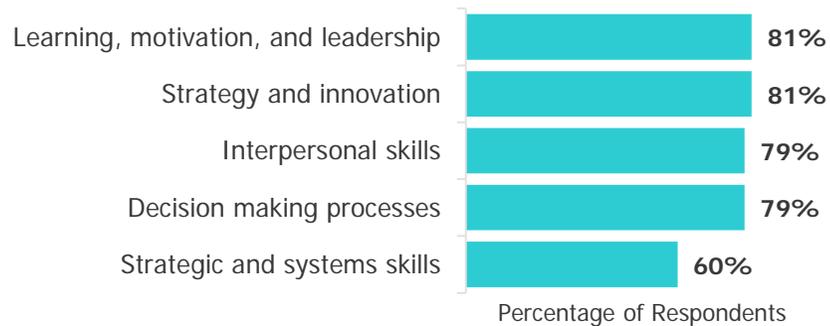


Growth in the technology sector fuels hiring of business school graduates

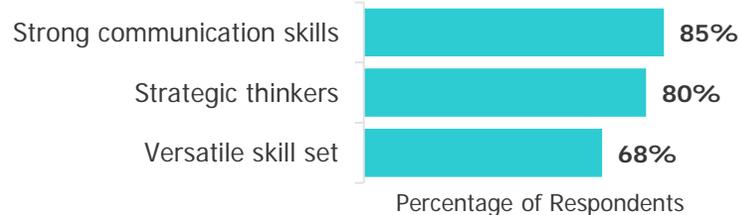
MBA Actual vs. Projected Hiring by the Technology Industry



Top-5 Skills for MBA Graduates by the Technology Industry



Top-3 Reasons for the Confidence in B-schools, MBA Programs by Technology Industry



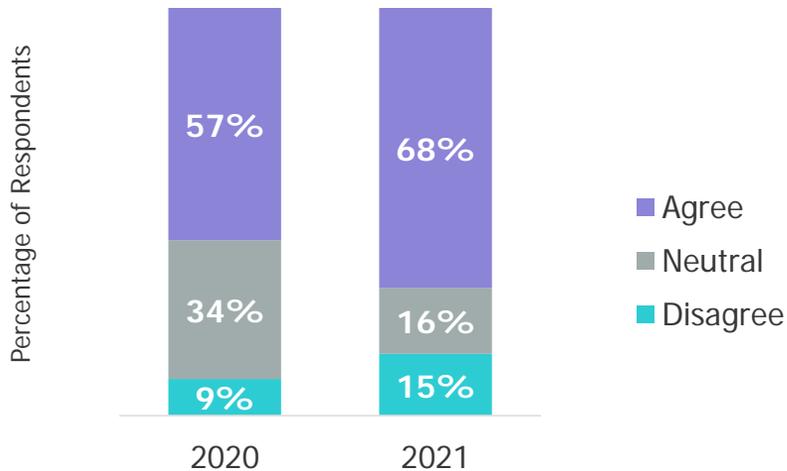
According to the IMF, companies are finding their fortunes—and futures—increasingly tied to their ability to attract a limited pool of qualified technology workers². But this demand for talent in the technology industry is not limited to data scientists or software engineers. According to survey respondents, demand for MBA graduates by the industry will increase by 10 percentage points in 2021 compared to pre-pandemic 2020. With 96 percent of recruiters projecting to hire MBA graduates in 2021, the demand for MBA talent tops the previous three years.

As the technology sector matures, recruiters are placing high value on strategic, interpersonal and decision-making skills since these are needed to drive organizational growth and innovation. These core skills are the signature of graduate management education.

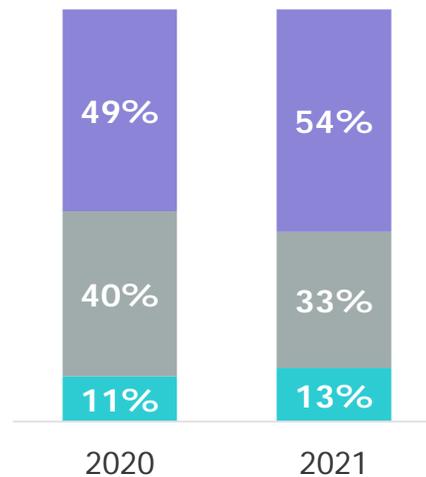


Graduates see fast-track to leadership in the technology sector

Leaders in my organization tend to have graduate business school education

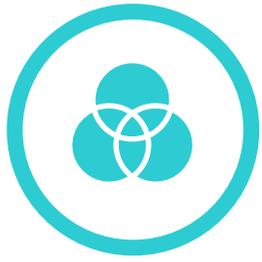


Business school graduates tend to have a fast track to upper-level positions in my organization



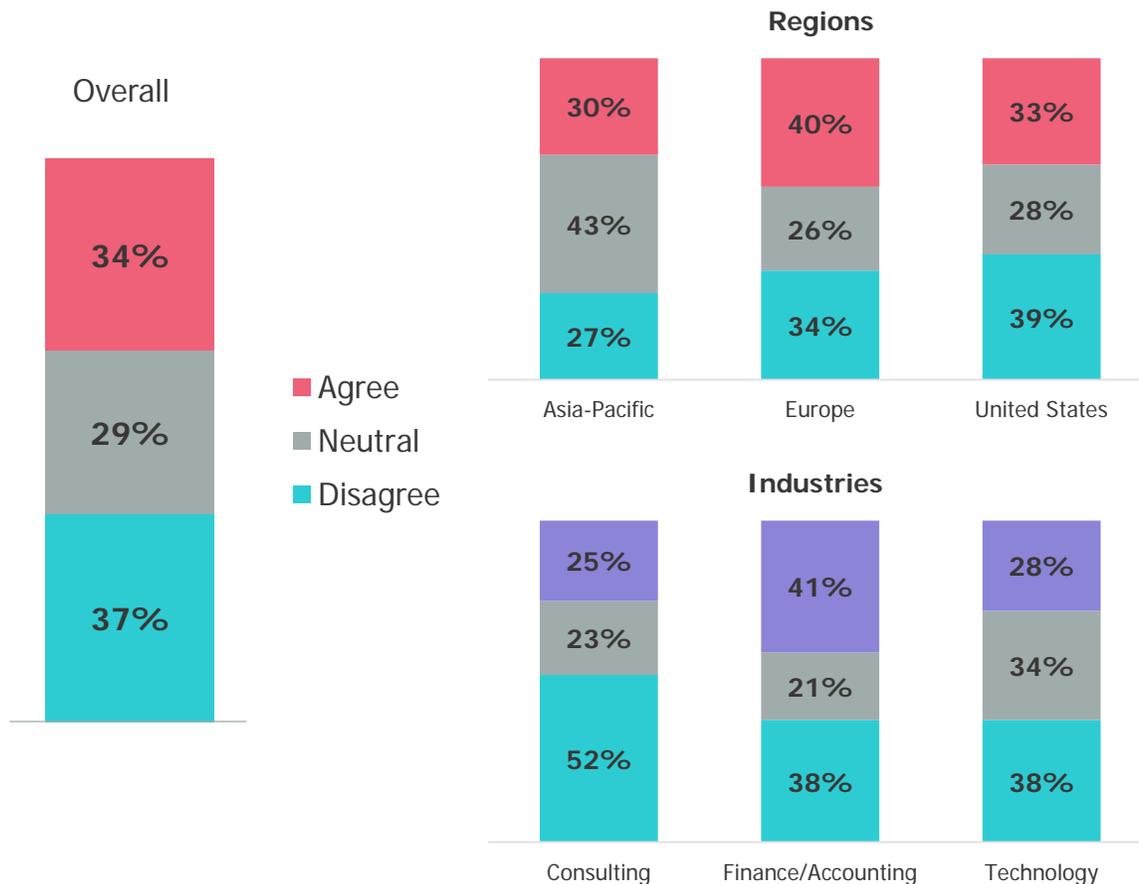
In addition to solid projections about hiring graduate management talent for their core skills, the technology industry is also willing to promote them to the leadership track at a quicker pace. The data shows that two in three (68%) recruiters agree that leaders in their organizations tend to have a graduate business school education—an increase of 11 percentage points from 2020 (57%).

Furthermore, business school graduates also seem to move more quickly in their career trajectory. In this survey, more than half (54%) of recruiters agree that business school graduates tend to have a fast-track to upper-level positions in their organizations. In sum, the technology sector is recruiting more graduate management talent and offering them fast-track to leadership roles to manage their organizational growth.



Recruiters do not value online and in-person programs at parity

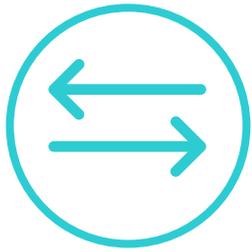
My Organization Values Graduates of Online and In-person Programs Equally, 2021



The third and final highlight from this survey centers around corporate recruiters' perception of online programs. While online programs were already gaining traction in recent years, the onset of the global pandemic accelerated their growth³. However, when recruiters were asked about their level of agreement with the statement "My organization values graduates of online and in-person programs equally," only one-third (34%) of them agreed.

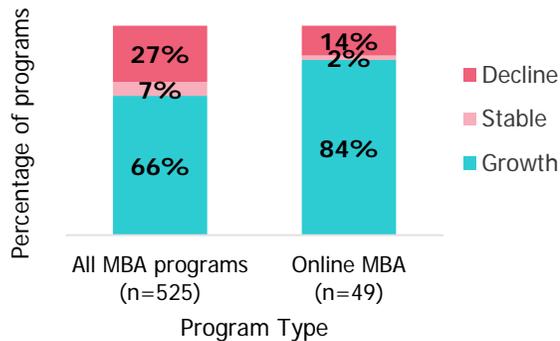
In terms of industries, recruiters from consulting, the industry in most demand by MBA students, are least likely to view graduates of online programs as equal to their on-campus peers. In terms of regions, American recruiters are more likely to disagree that there is a parity in online and on-campus programs as compared to European or Asian recruiters.

³ Pandemic Accelerates Growth in Online MBAs, The Financial Times (March 19, 2021)



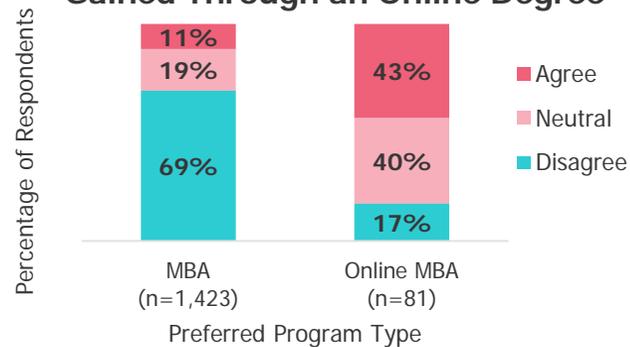
Candidates are skeptical about the career opportunities gained through online degrees

Relative Change in Application Volumes, by Program Type



Source: Application Trends Survey, 2020

“Career Opportunities Gained Through an On-campus Degree are Same as Gained Through an Online Degree”



Source: mba.com Prospective Students Survey, 2021

In addition to the divergent viewpoints of recruiters, data suggests that candidates are also skeptical about the parity of career opportunities offered by online and in-person programs. Two in three MBA candidates (69%) disagree that career opportunities gained through on-campus and online graduate business degrees are the same. This disparity in the perception of career opportunities is problematic as online programs are a fast-growing area of graduate management education.

According to GMAC data, 50 more online MBA programs accepted GMAT scores in the testing year (TY) 2020 as compared to TY 2016; and 84 percent of online MBA programs reported an increase in applications in the 2020 Application Trends survey.

In summary, the data suggests that although the context of COVID-19 might have accelerated the supply of online programs by schools, the sustainability of demand would require a higher level of acceptance by employers.



Demand for Graduate Management Talent

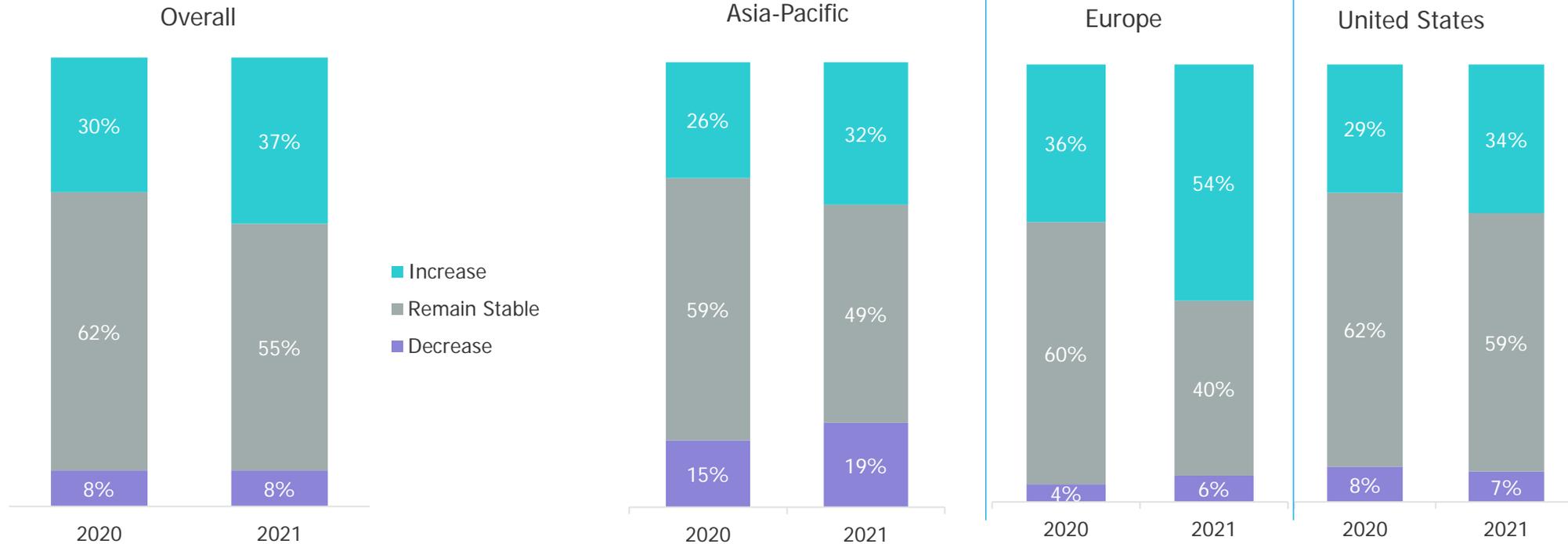
This section presents a summary of survey findings related to:

- The demand for business school graduates
- Skills for recent business school graduates
- Viewpoints of corporate recruiters on graduate management education
- Breakdown by regions and industries

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Overall, recruiters project an increase in demand for business school graduates, with Europe leading the pack

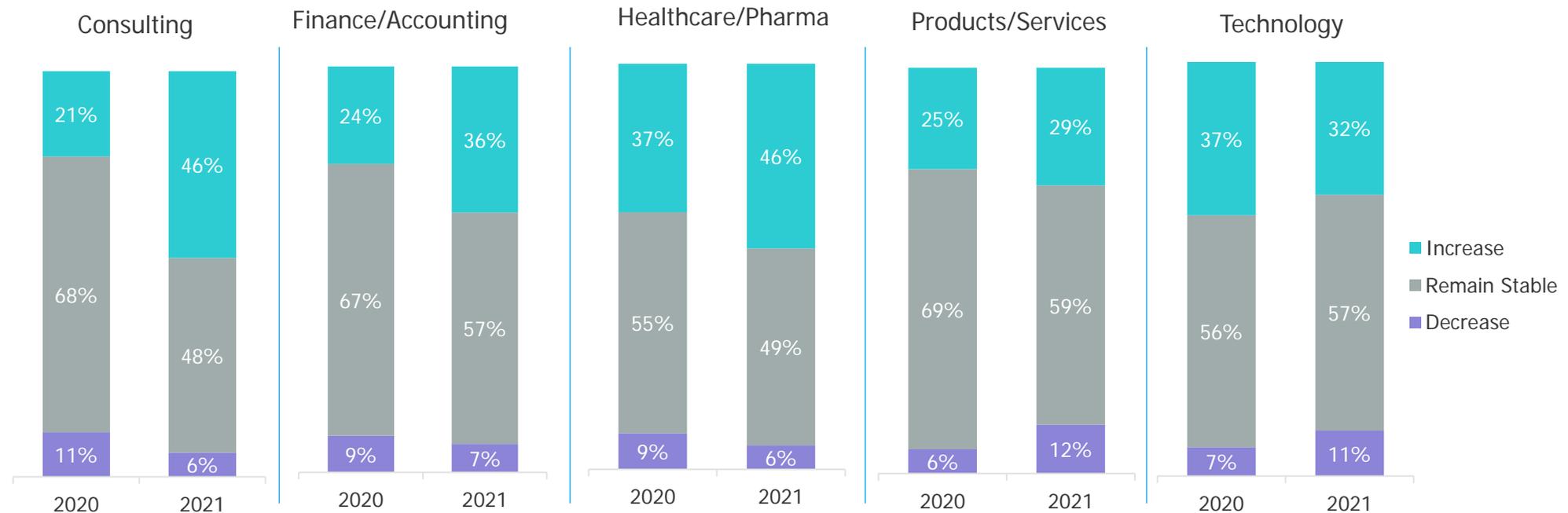
Demand for Business School Graduates in the Next Five Years, Overall



Q. In the next 5 years, do you expect the demand for business school graduates to increase, remain stable, or decrease?

Consulting and finance/accounting industries expect a robust increase in demand for business school graduates

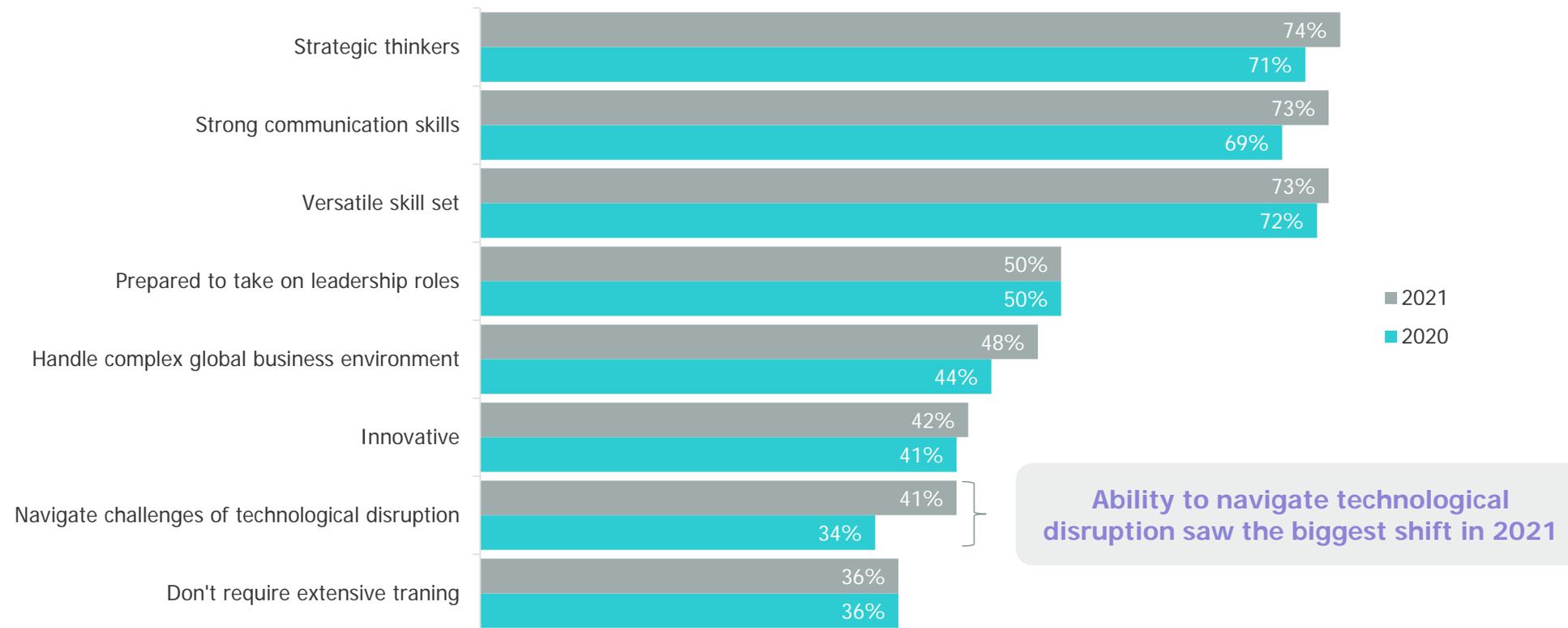
Demand for Business School Graduates in the Next Five Years, Overall



Q. In the next 5 years, do you expect the demand for business school graduates to increase, remain stable, or decrease?

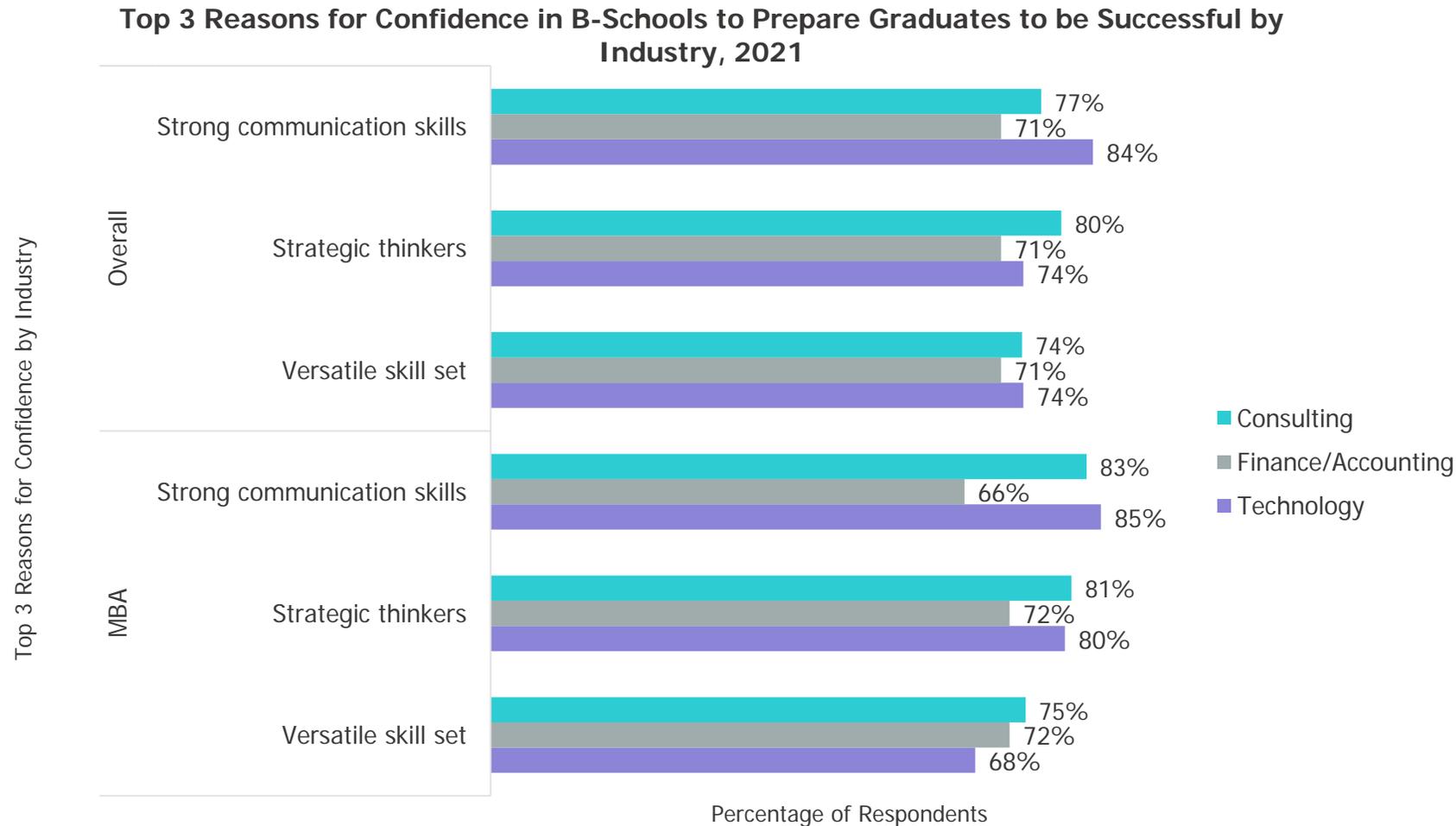
Strategic thinking, communication skills, and versatility remain a source of confidence for recruiters in graduate business schools

Reasons for Confidence in B-Schools to Prepare Graduates to be Successful, Overall, 2021



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

Strong communication skills are the top reason for the technology industry's confidence in b-schools



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

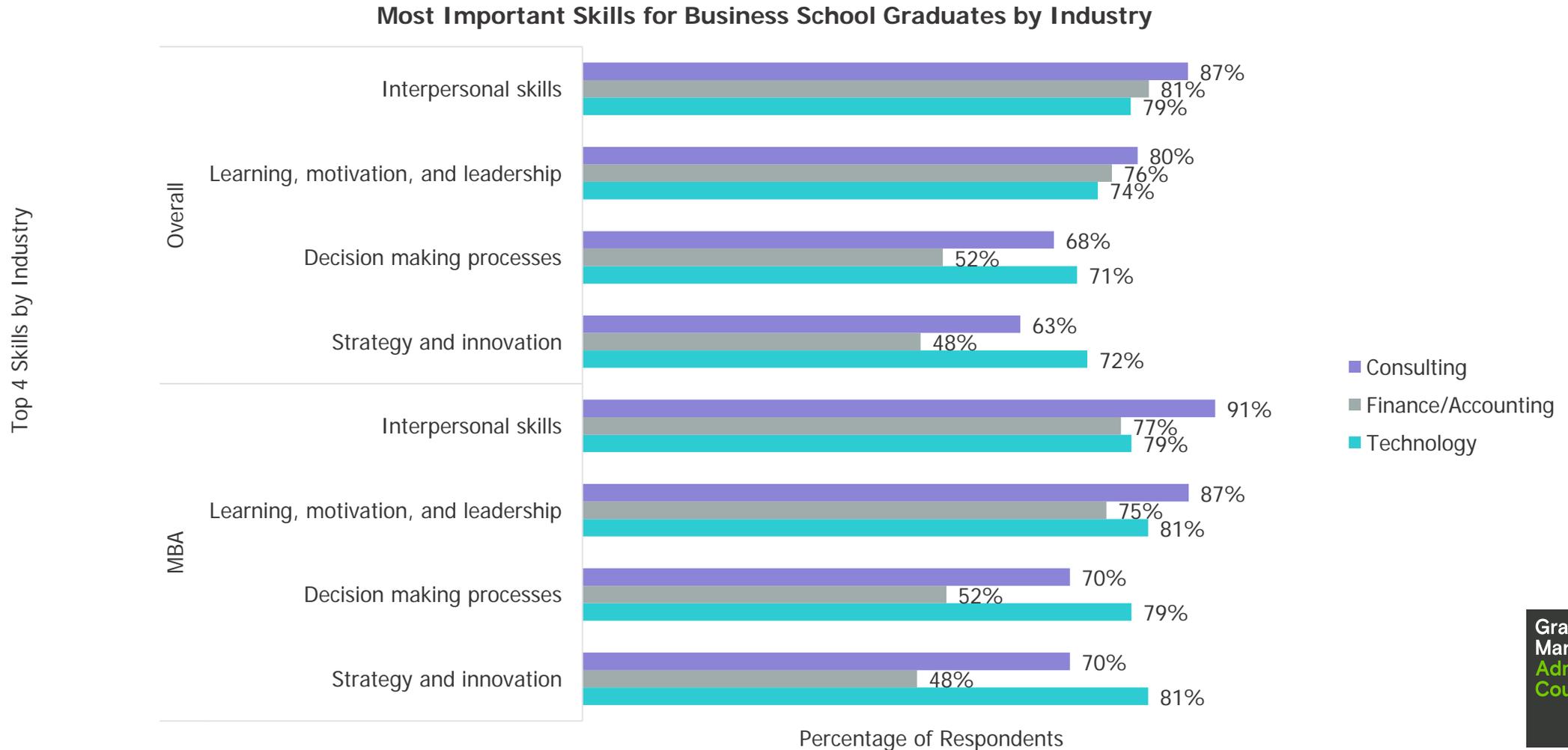
Recruiters value relational, strategic, and leadership skills of business school graduates

Most Important Skills for Business School Graduates



Q: Which of the following skills are most important for business school graduates to possess for your current job openings?

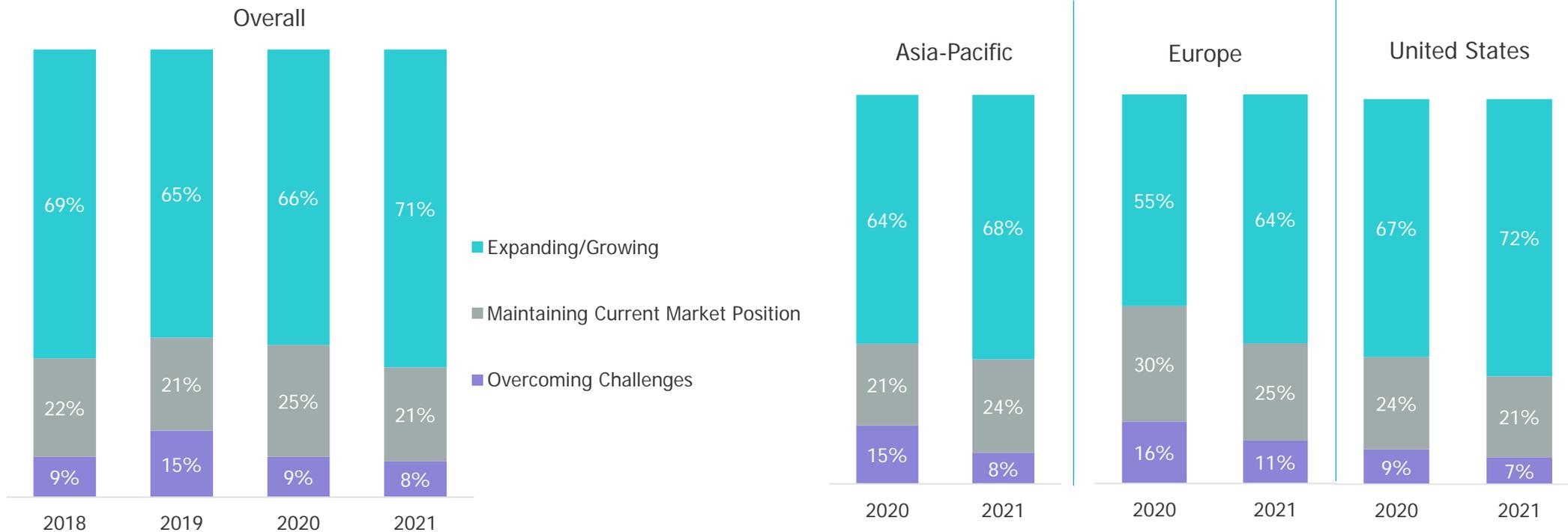
Nine in ten recruiters from the consulting industry identify interpersonal skills, learning, motivation, and leadership as most important for MBA graduates to possess



Q: Which of the following skills are most important for business school graduates to possess for your current job openings?

A higher proportion of recruiters in 2021 expect their companies to expand/grow as compared to 2020

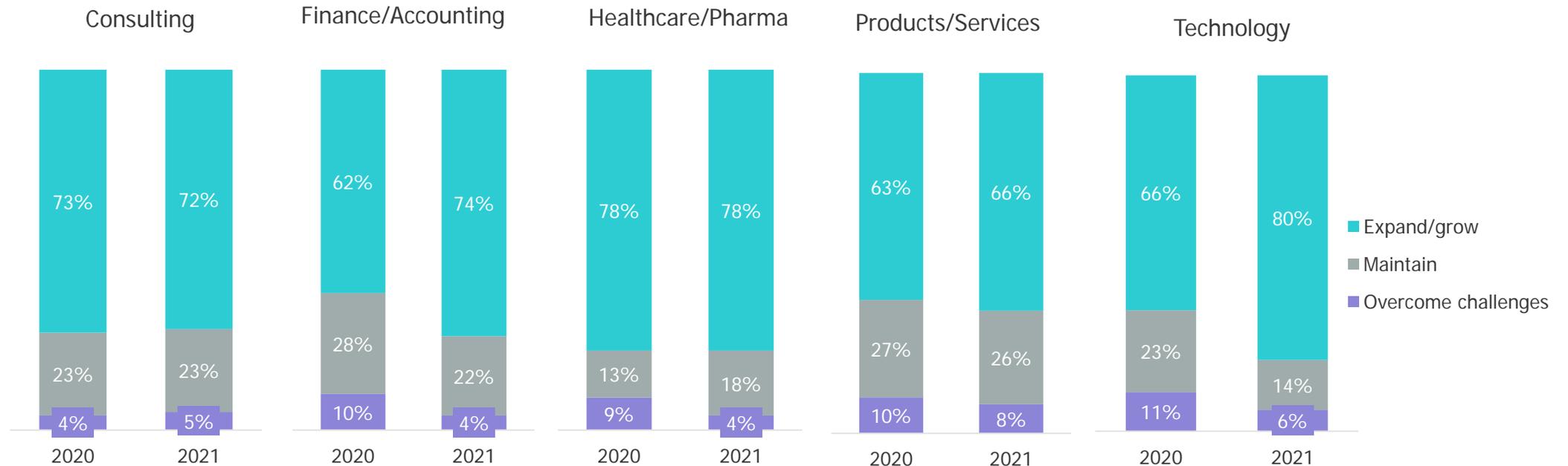
Company Direction in 2020-2021



Q: Would you describe your company as...

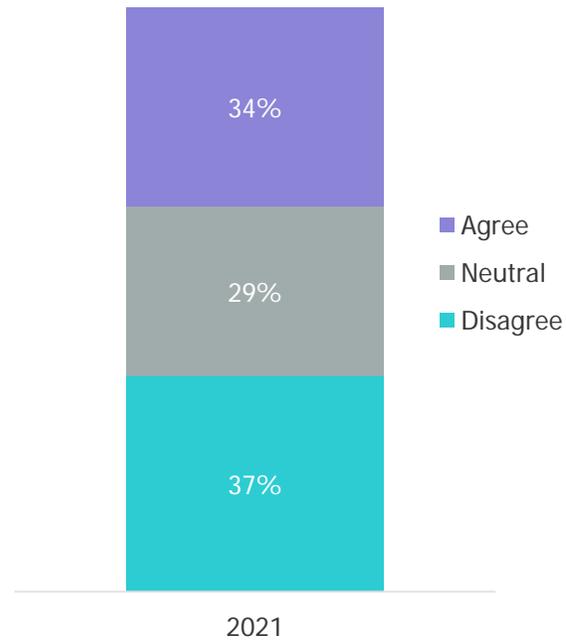
More recruiters from the technology and finance/accounting sectors expect their companies to expand/grow in 2021

Company Direction 2020-2021
by Industry

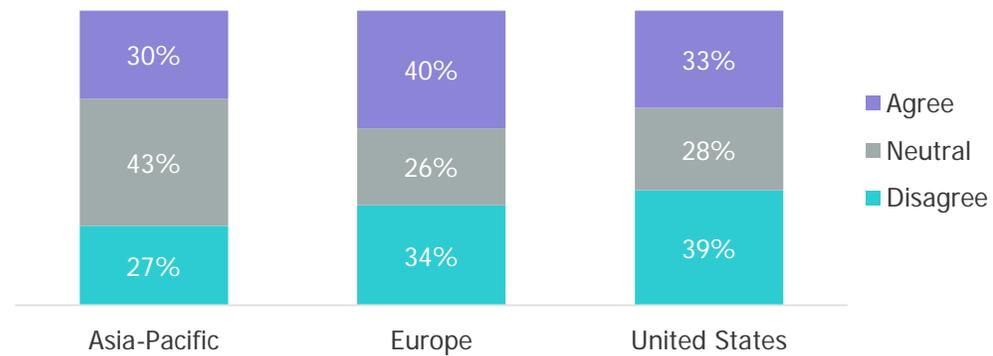


Only one in three recruiters agrees that their organization values graduates of online and in-person programs equally

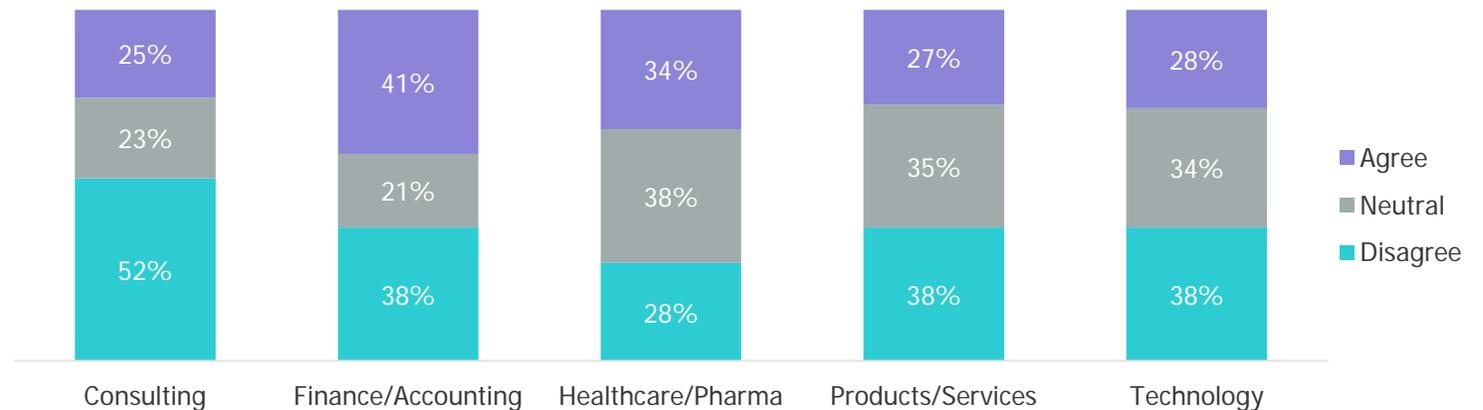
My organization values graduates of online and in-person programs equally, Overall, 2021



Region

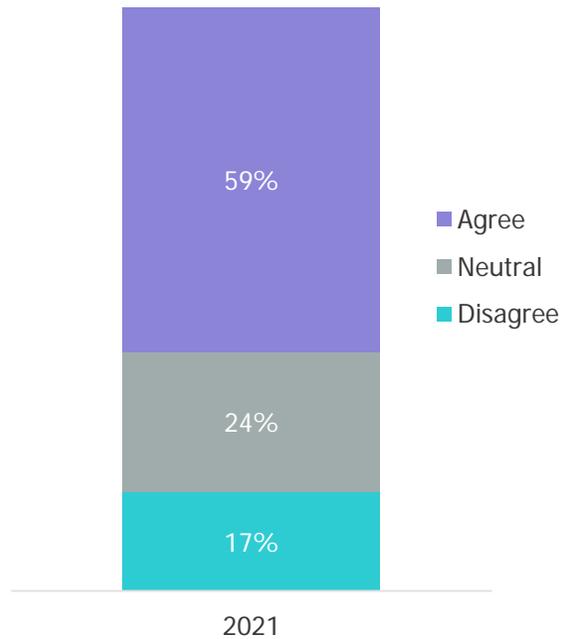


Industry

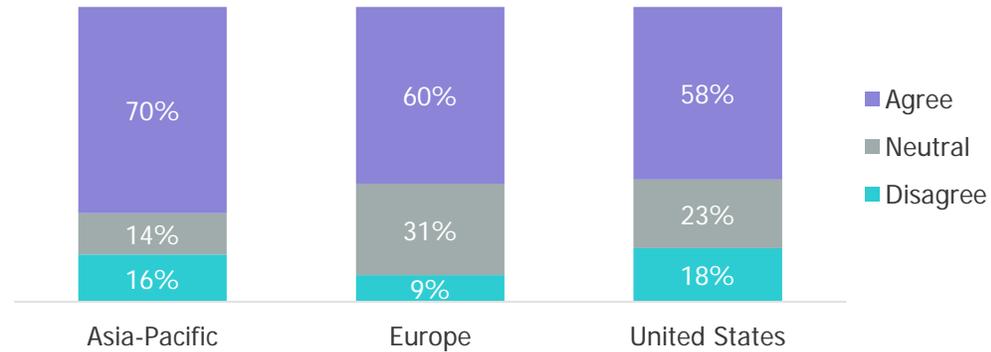


Consulting recruiters are more likely to report that they recruit graduates from “leading” business schools

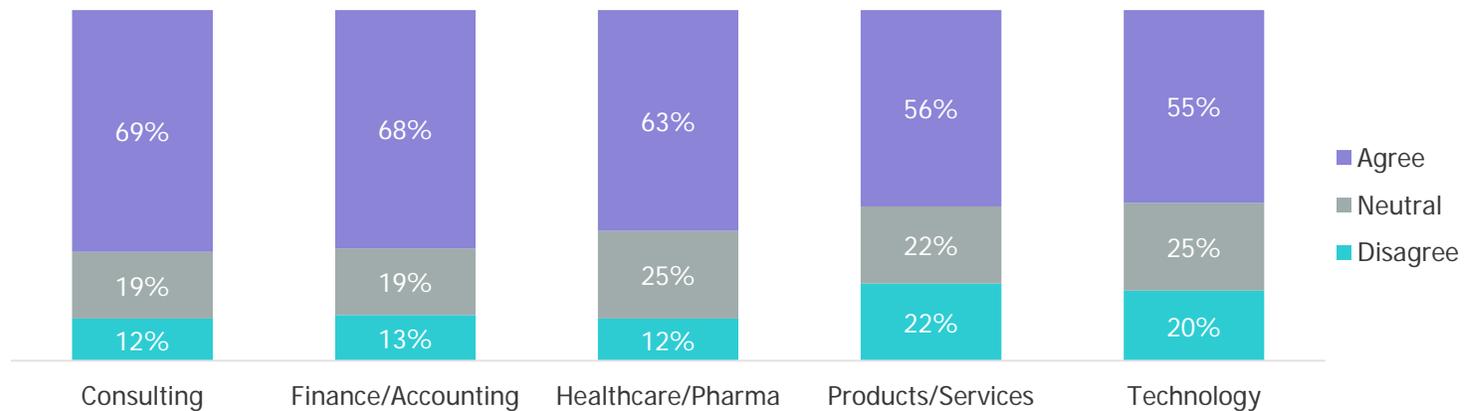
My organization primarily recruits graduates from “leading” business schools, Overall, 2021



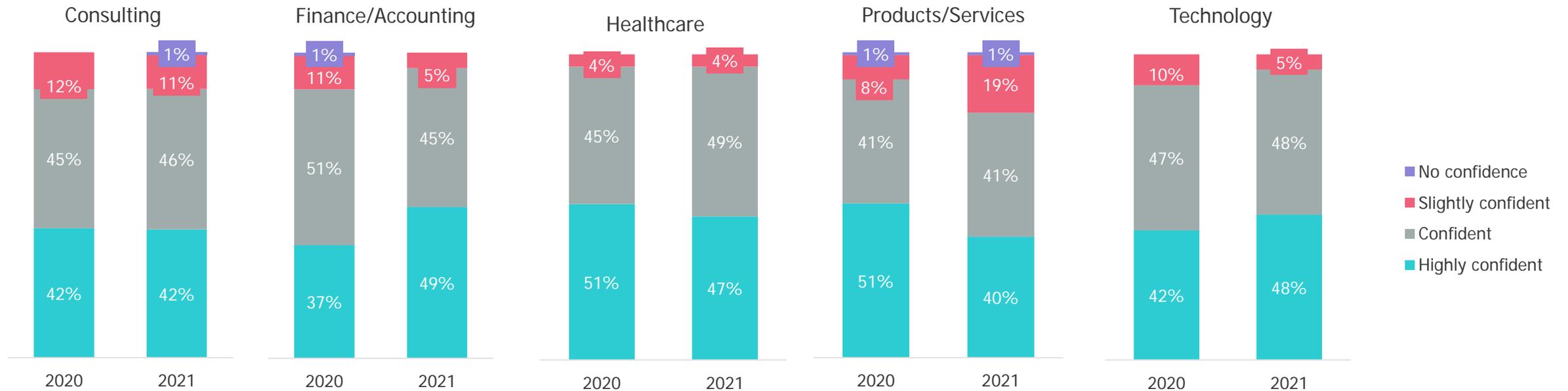
Region



Industry



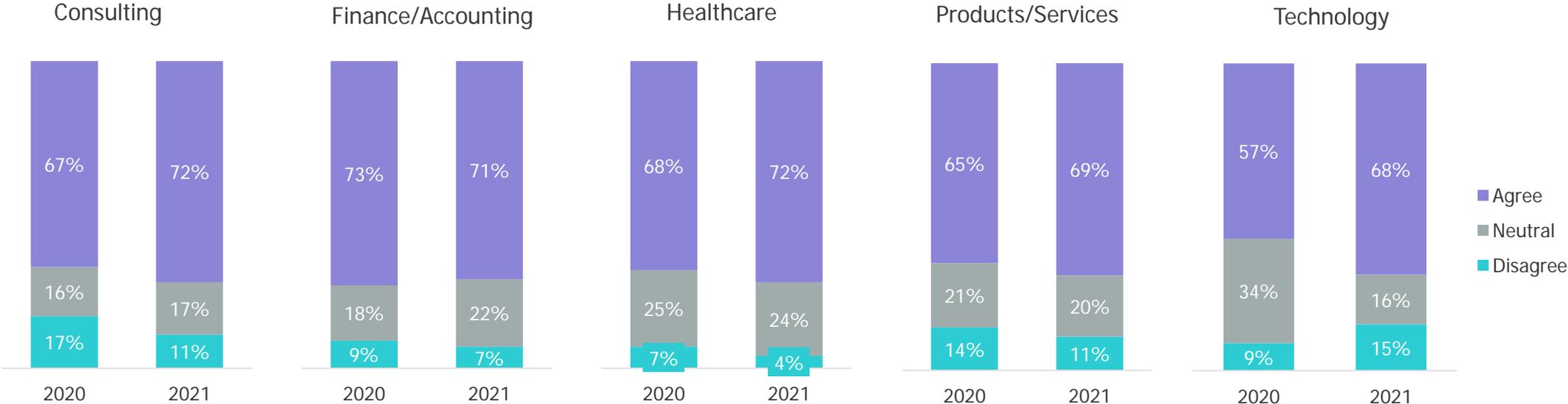
Recruiters from the technology and finance/accounting industries are more confident than previous year



Q: How much confidence do you have in a graduate business school's ability to prepare students to be successful in your organization?
2020 data is from the Wave I survey.

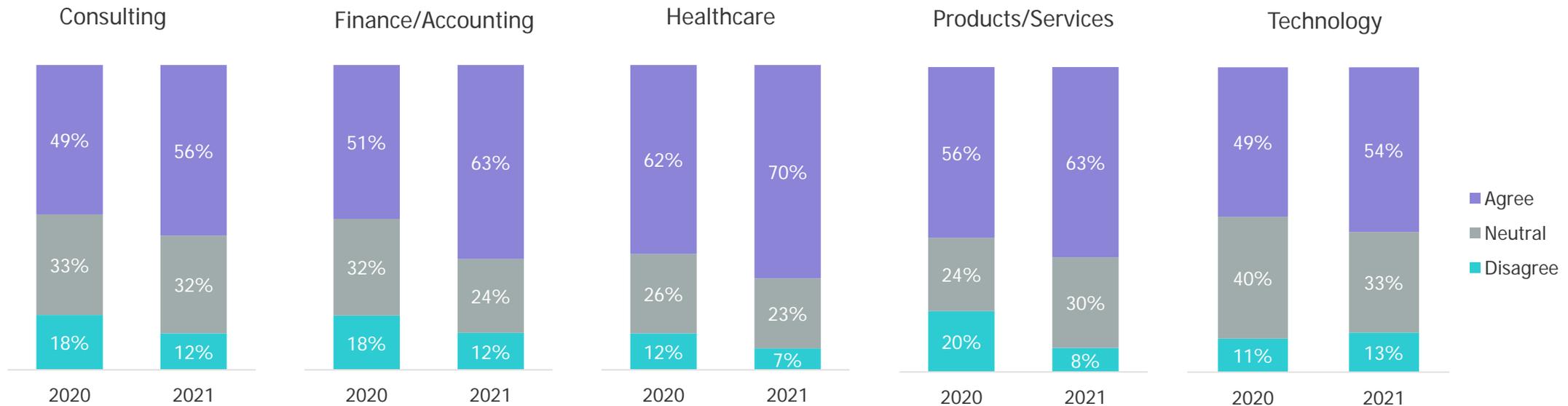
More recruiters from the technology industry agree that leaders in their organization tend to have a graduate business education

Leaders in my organization tend to have graduate business school education



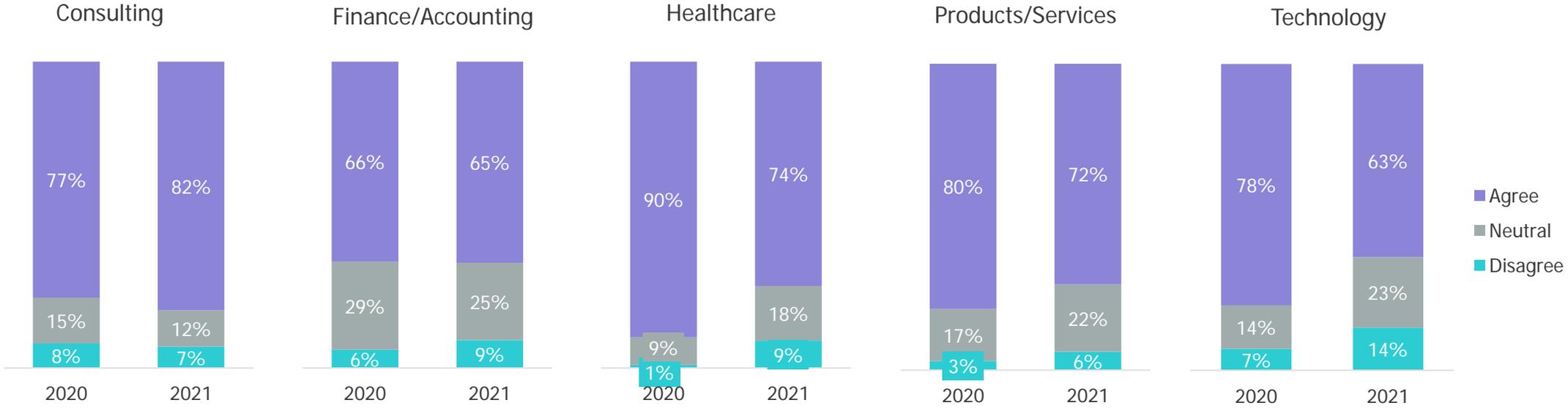
More recruiters agree that b-school graduates tend to have a fast track to upper-level positions in their organizations

Business school graduates tend to have a fast track to upper-level positions in my organization



Four in five recruiters from the consulting industry agree that employees with a graduate business degree earn more than others

Employees with a graduate business school education tend to earn more than others





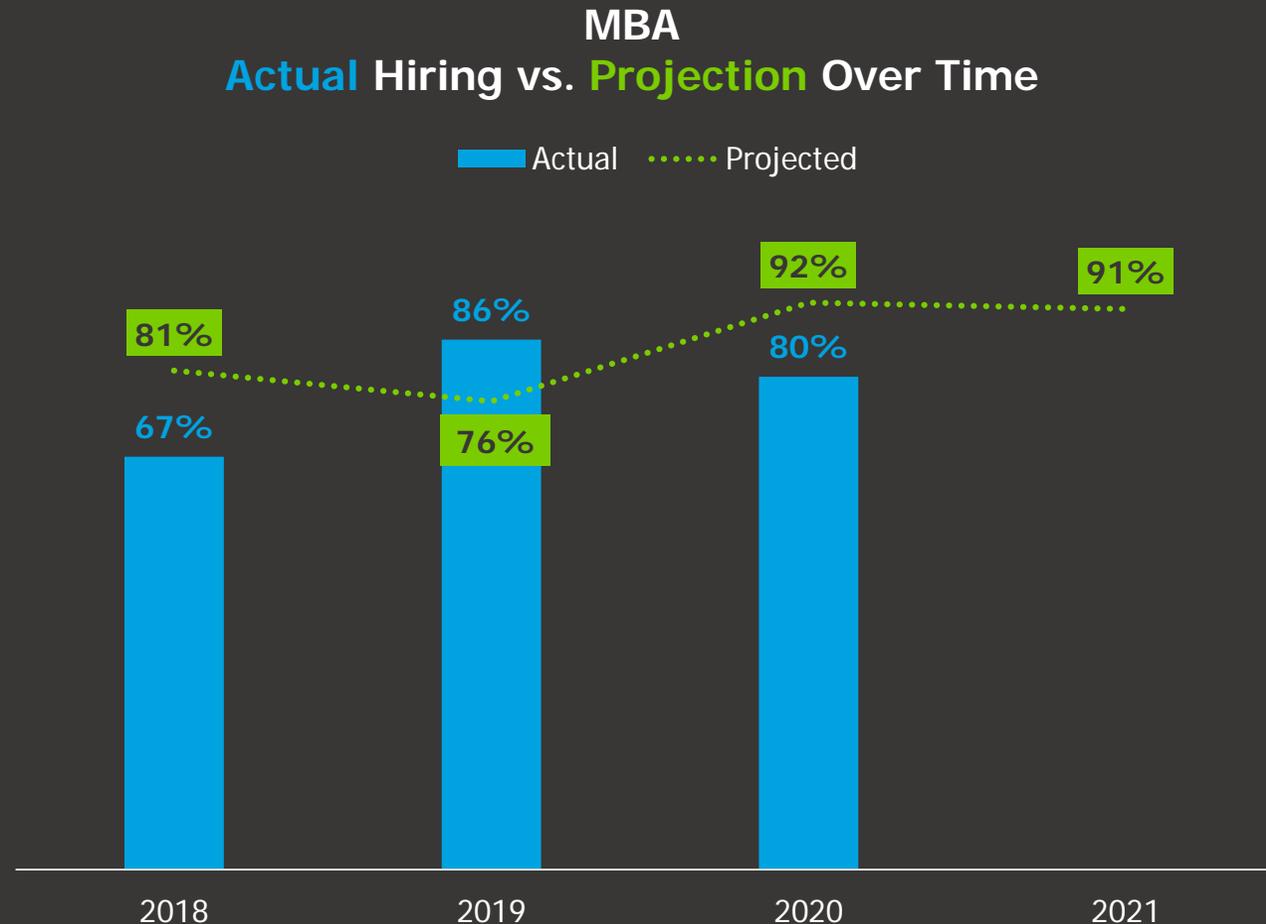
Hiring Projections

This section presents a summary of survey findings related to hiring projections by programs, regions, and industries.

- [MBA](#)
- [Master in Management](#)
- [Master of Accounting](#)
- [Master of Finance](#)
- [Master of Data Analytics](#)

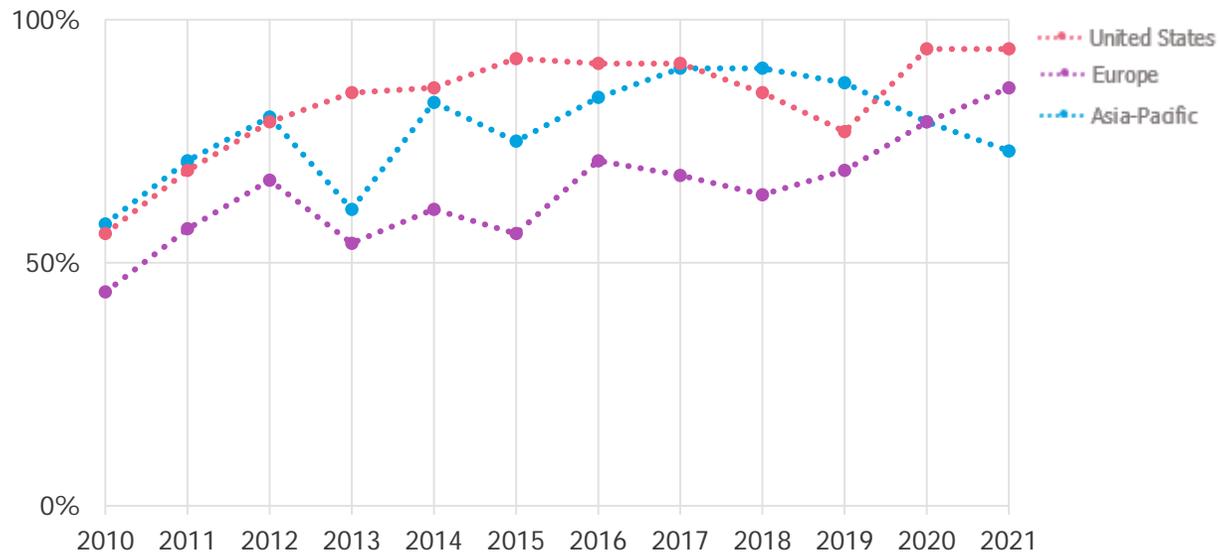
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2021 projected hiring of MBA graduates to rebound from lower actual hiring in 2020 due to the pandemic

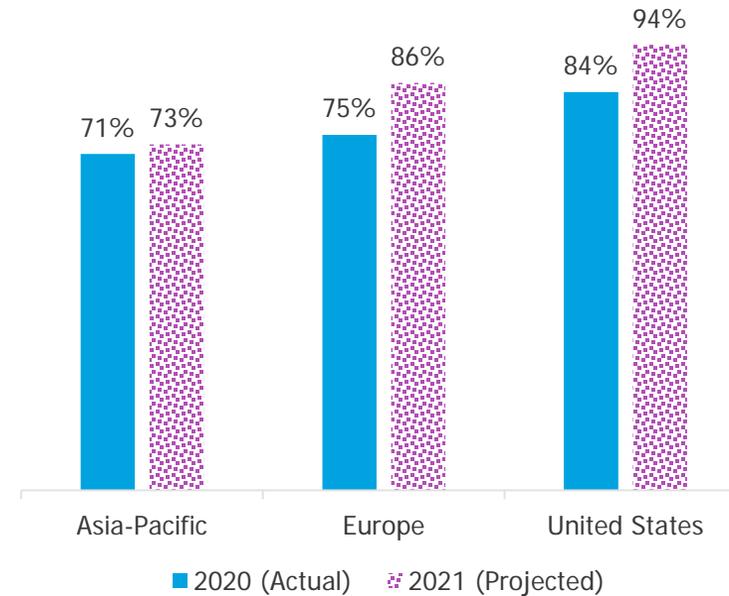


Over the last decade, the proportion of recruiters projecting to hire MBA graduates has steadily grown across the regions

Projected Hiring of MBAs by Company World Region



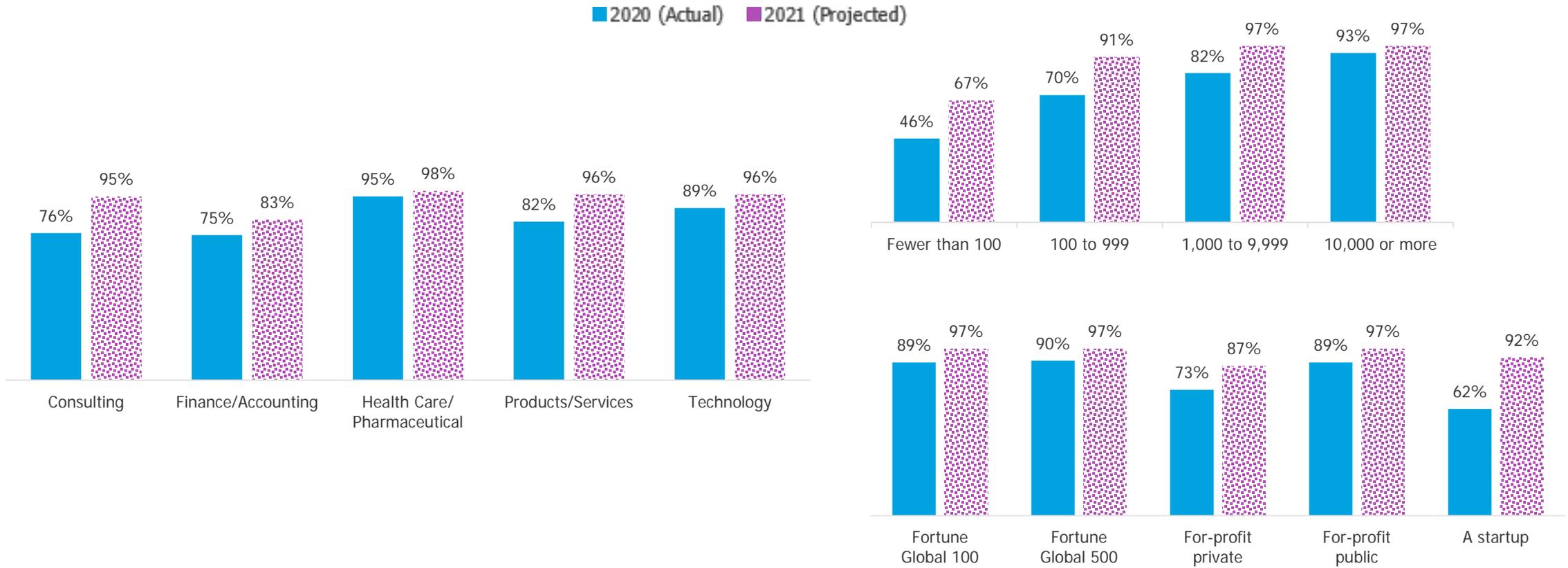
2020 Actual Hiring & 2021 Projections by Company World Region



2021 MBA hiring is projected to increase by industry, size, and type of company as compared to 2020 actual hiring

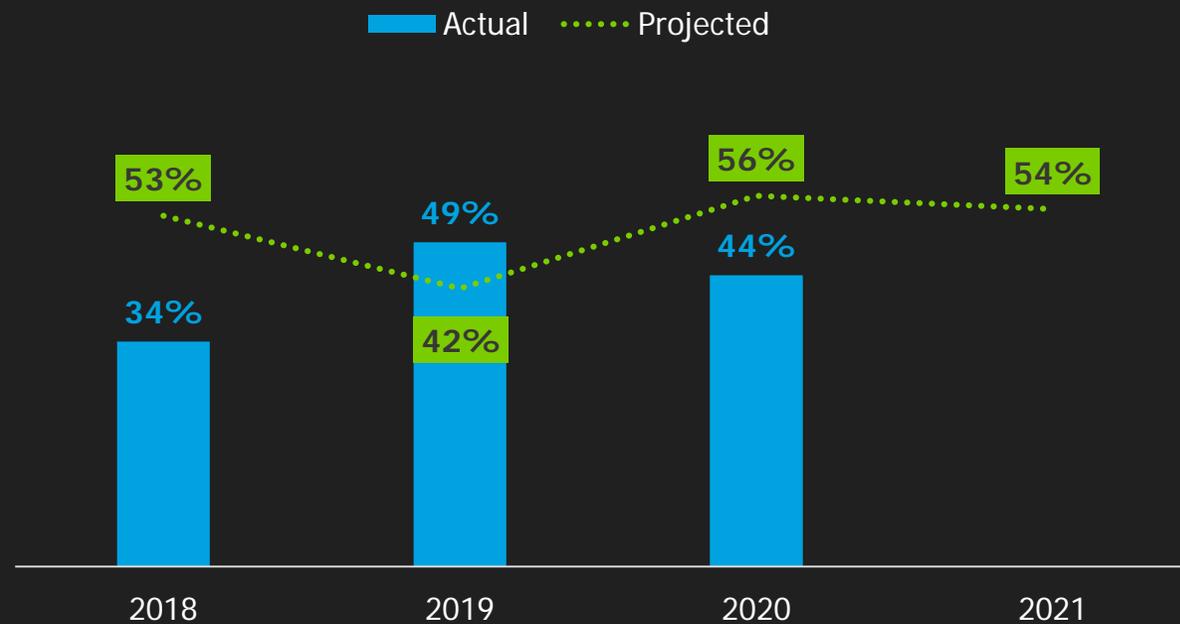
MBA Actual Hiring (2020) & Hiring Projections (2021) by Company Characteristics

■ 2020 (Actual) ■ 2021 (Projected)



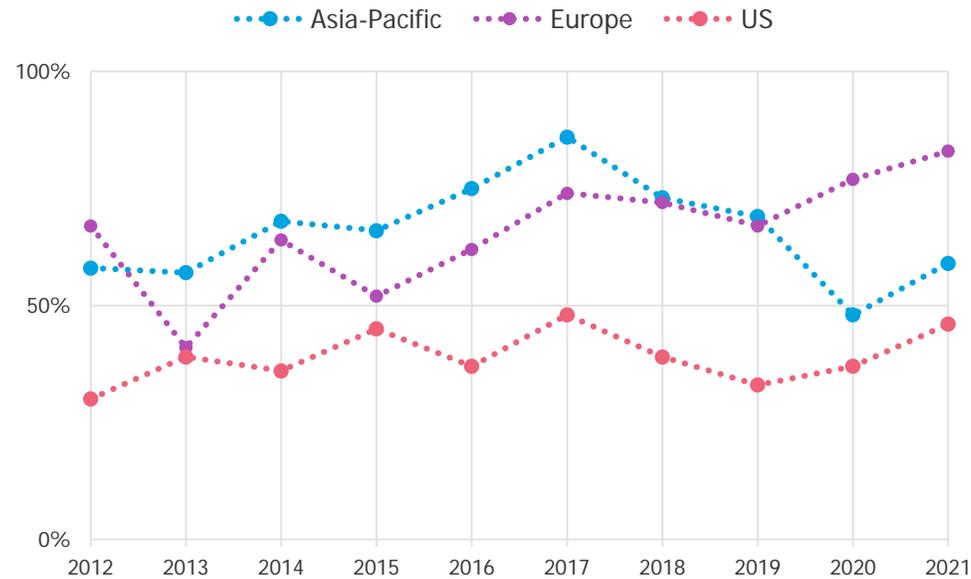
2021 projected hiring of Master in Management graduates rebounds from lower actual hiring in 2020

Master in Management
Actual Hiring vs. Projection Over Time

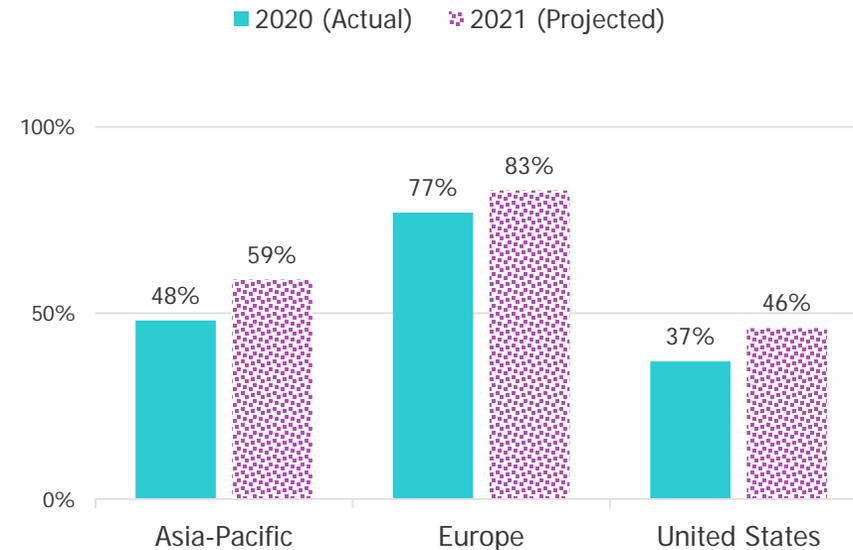


More recruiters project to hire Master in Management graduates in Europe than in Asia-Pacific or the US

Master in Management
Trends in Hiring Projections, by Company World Region

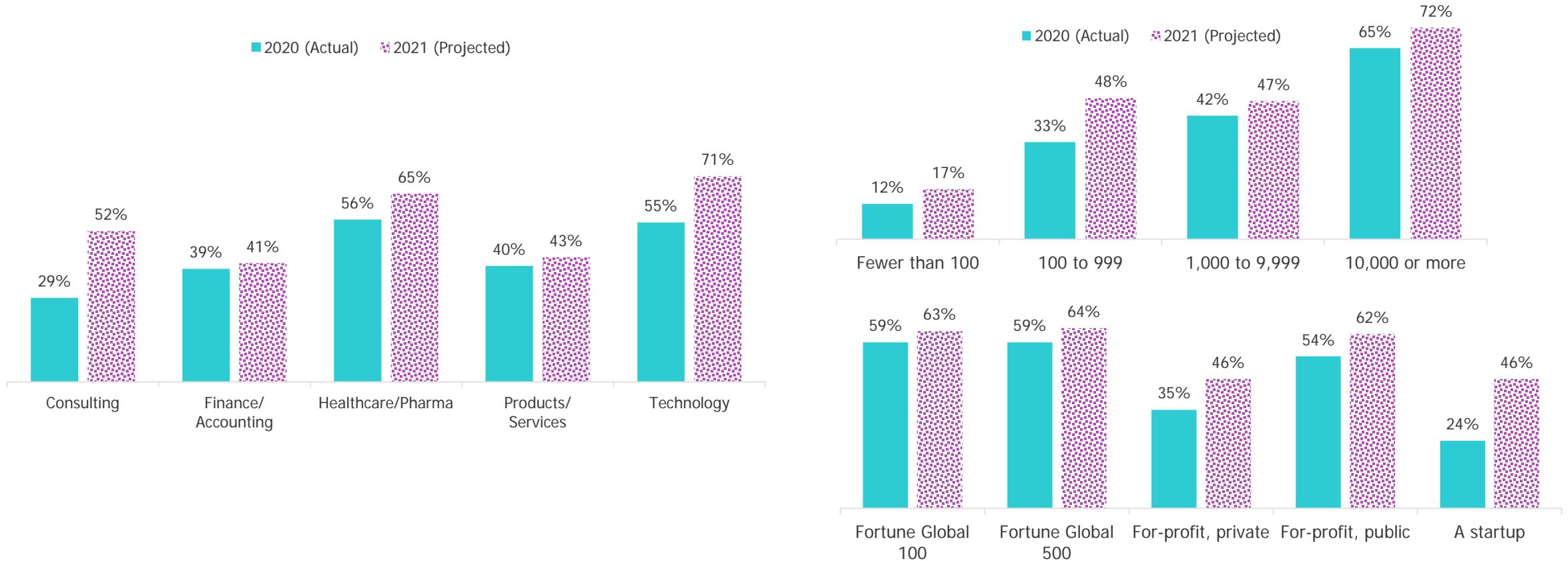


2021 Hiring Projections vs. 2020 Actual Hiring,
by Company World Region



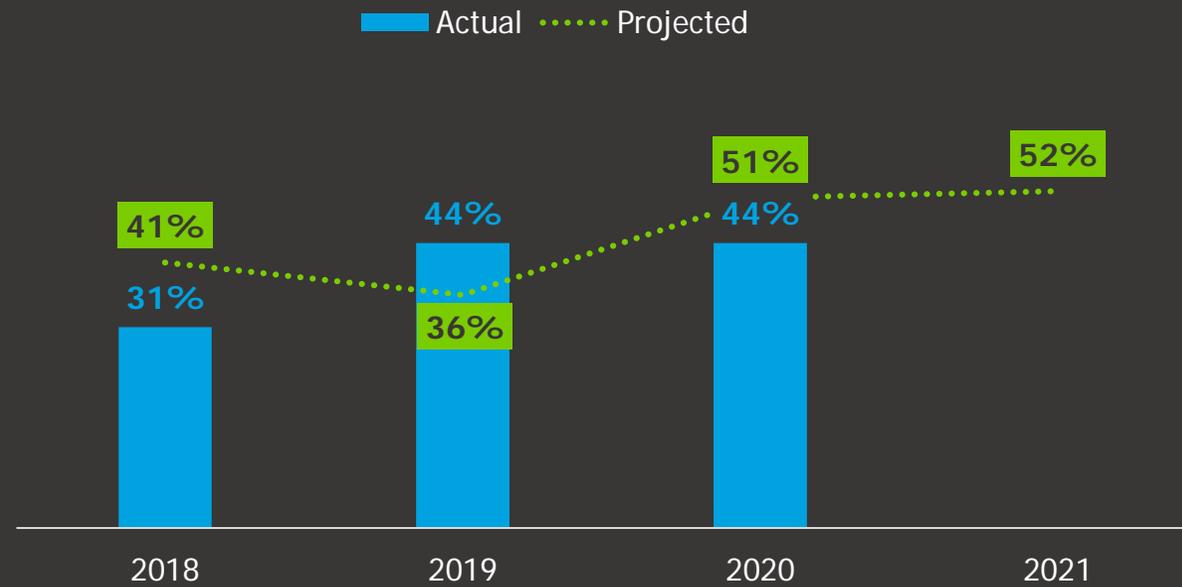
More recruiters from the technology and consulting sector project to hire Master in Management graduates

Hiring Projections (2021) vs. Actual Hiring (2020), Master in Management Candidates



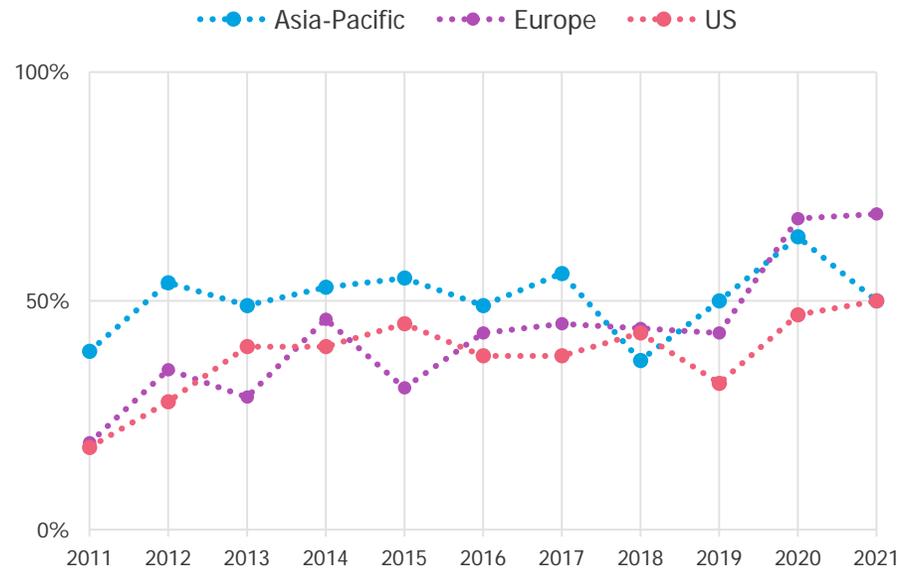
Overall, half of corporate recruiters project to hire Master of Accounting graduates in 2021

Master of Accounting Actual Hiring vs. Hiring Projection Over Time

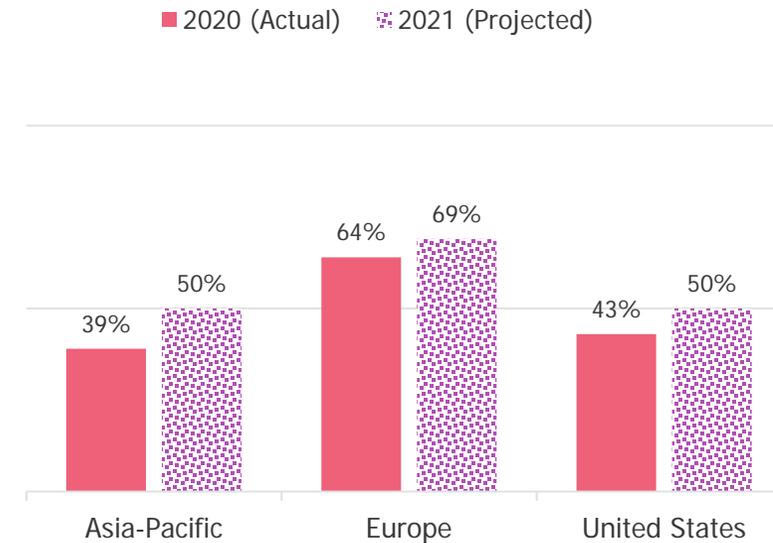


More recruiters from Europe project to hire Master of Accounting graduates in 2021

Master of Accounting
Trends in Hiring Projections, by Company World Region

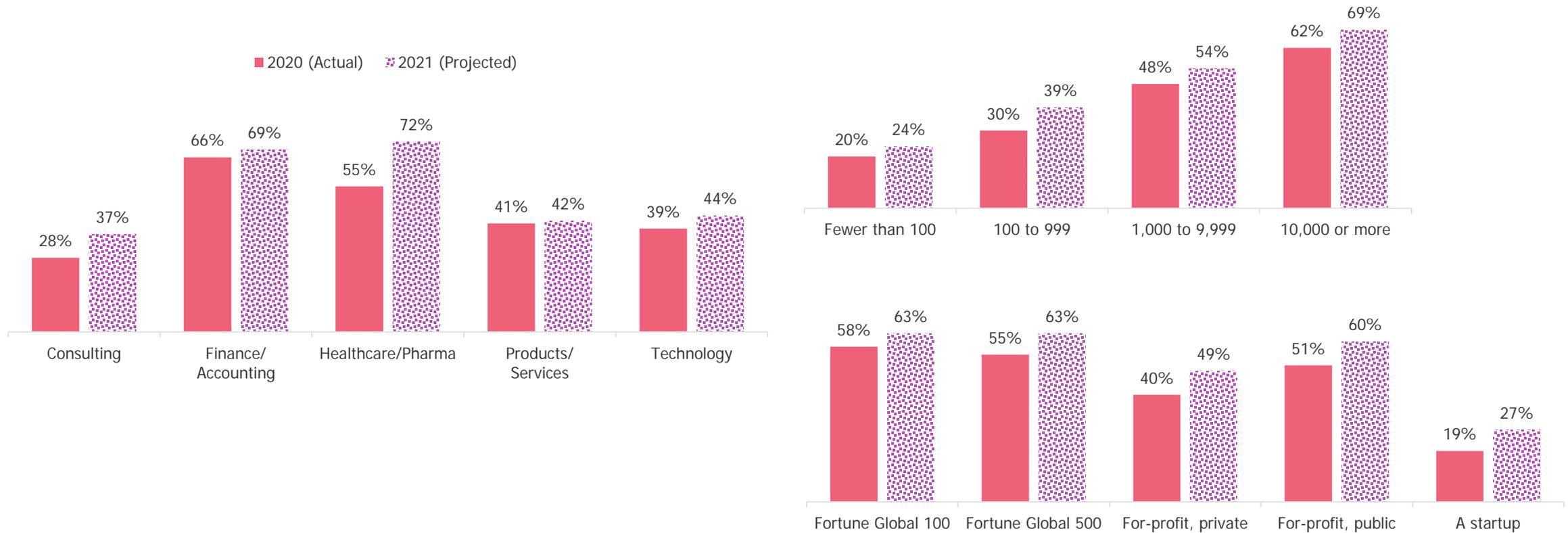


2021 Hiring Projections vs. 2020 Actual Hiring, by Company World Region



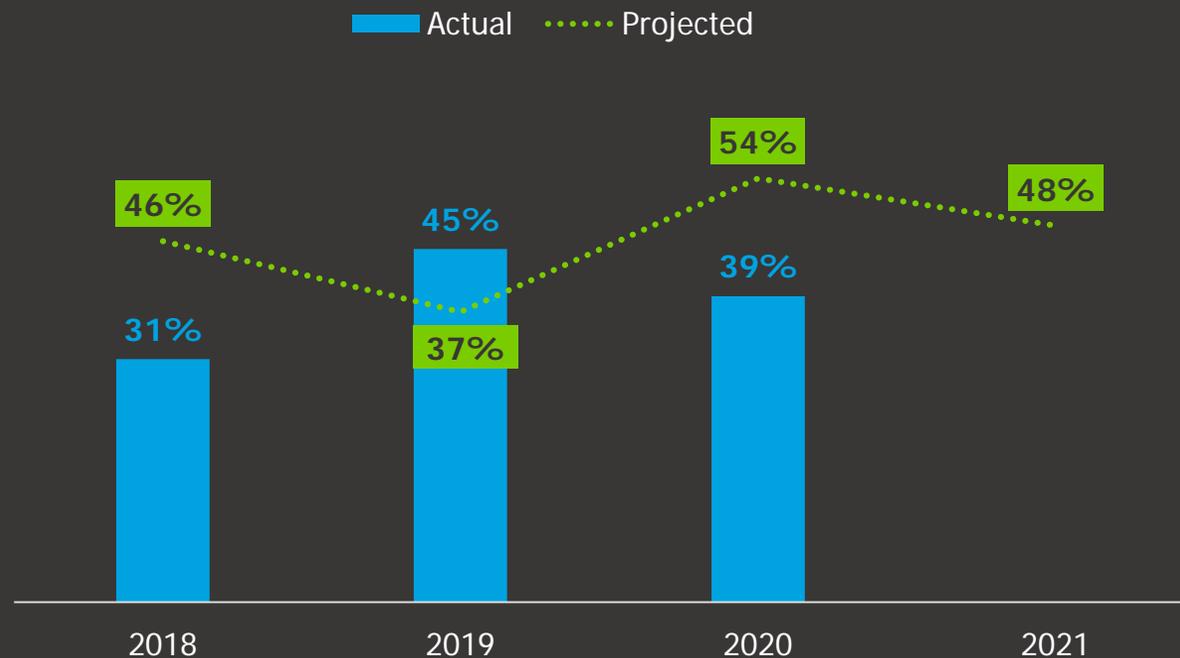
Recruiters from large organizations project to hire more graduates from Master of Accounting programs

Hiring Projections (2021) vs. Actual Hiring (2020), Master of Accounting Candidates



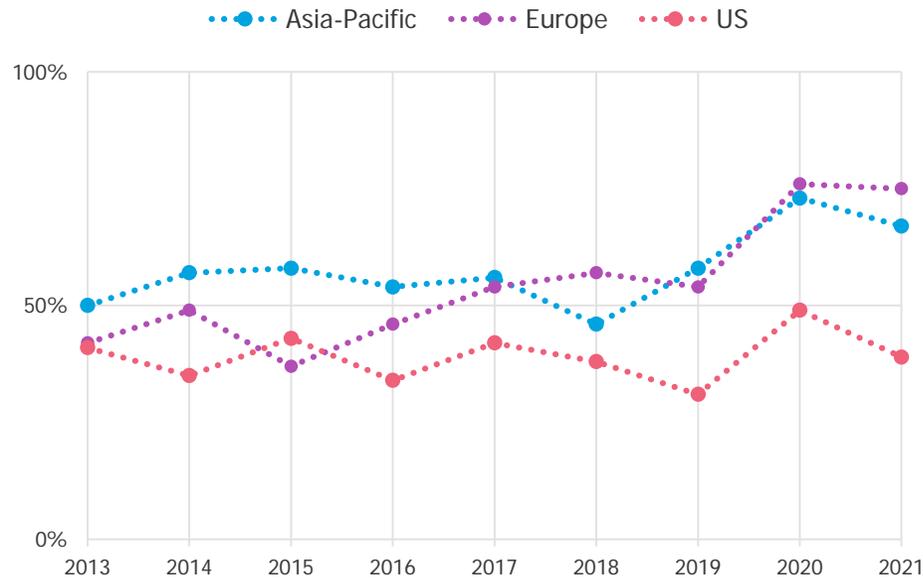
Overall, hiring projections for Master of Finance graduates decreased slightly in 2021

Master of Finance Actual Hiring vs. Hiring Projection Over Time

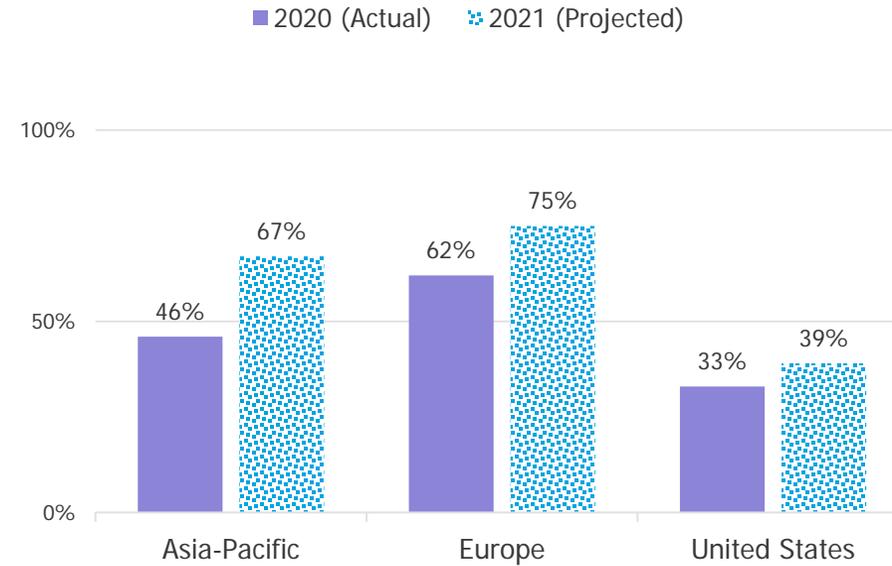


More recruiters from Europe project to hire Master of Finance graduates in 2021

Master of Finance
Trends in Hiring Projections, by Company World Region

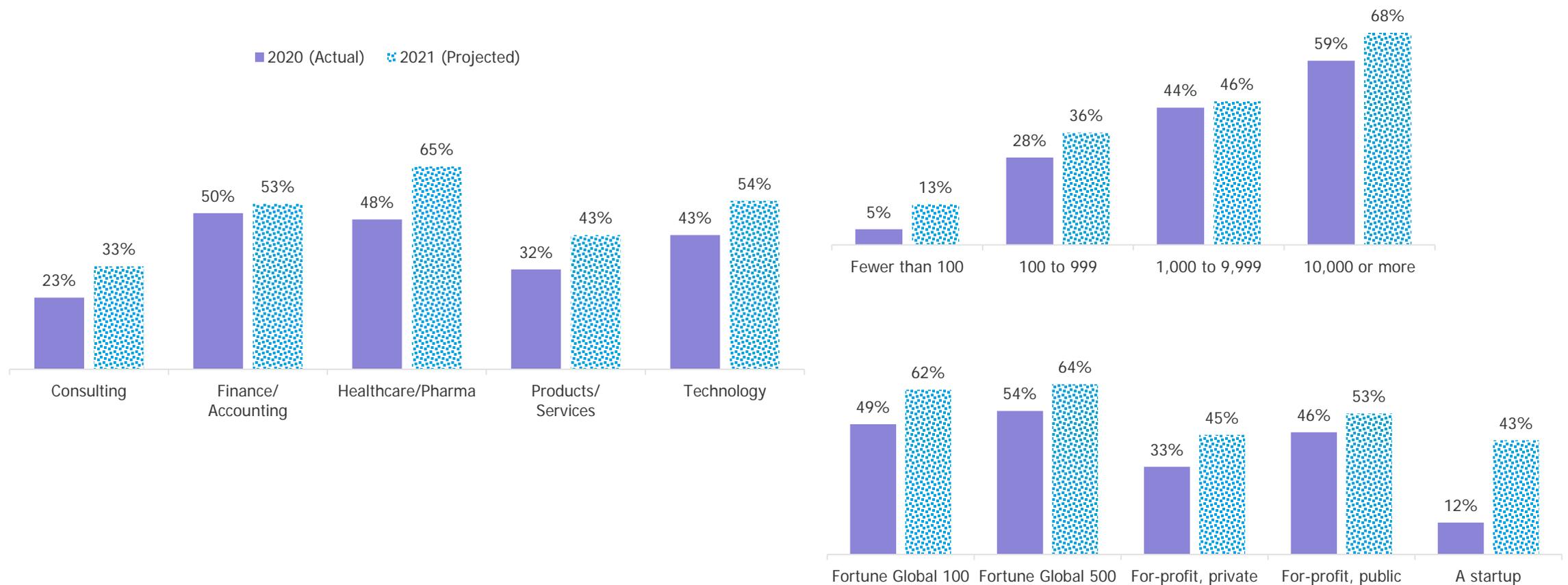


2021 Hiring Projections vs. 2020 Actual Hiring, by Company World Region



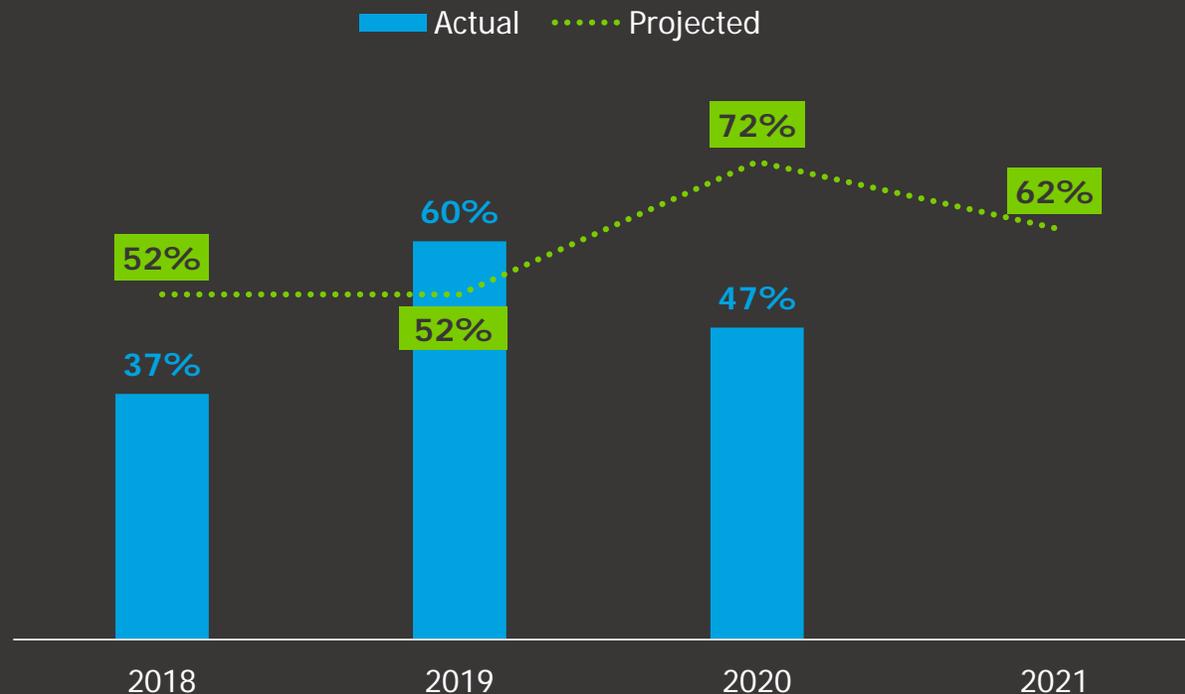
Recruiters from large organizations project to hire more graduates from Master of Finance programs

Hiring Projections (2021) vs. Actual Hiring (2020), Master of Finance Candidates

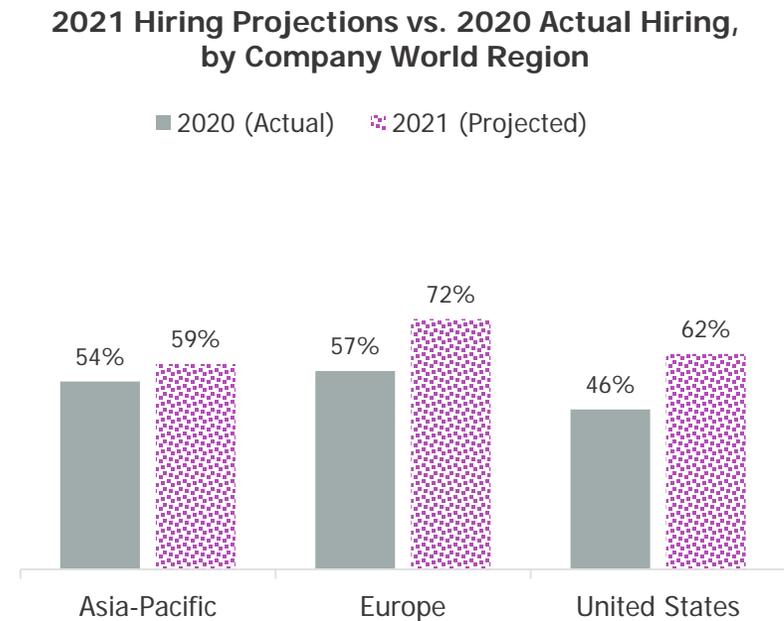
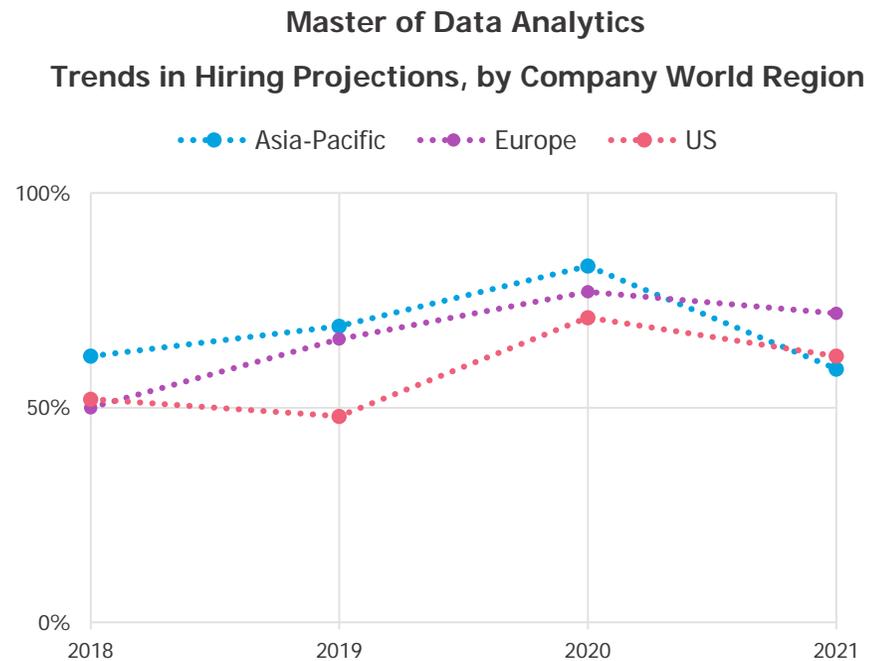


Overall, two in three corporate recruiters project to hire Master of Data Analytics graduates in 2021

Master of Data Analytics
Actual Hiring vs. Hiring Projection Over Time

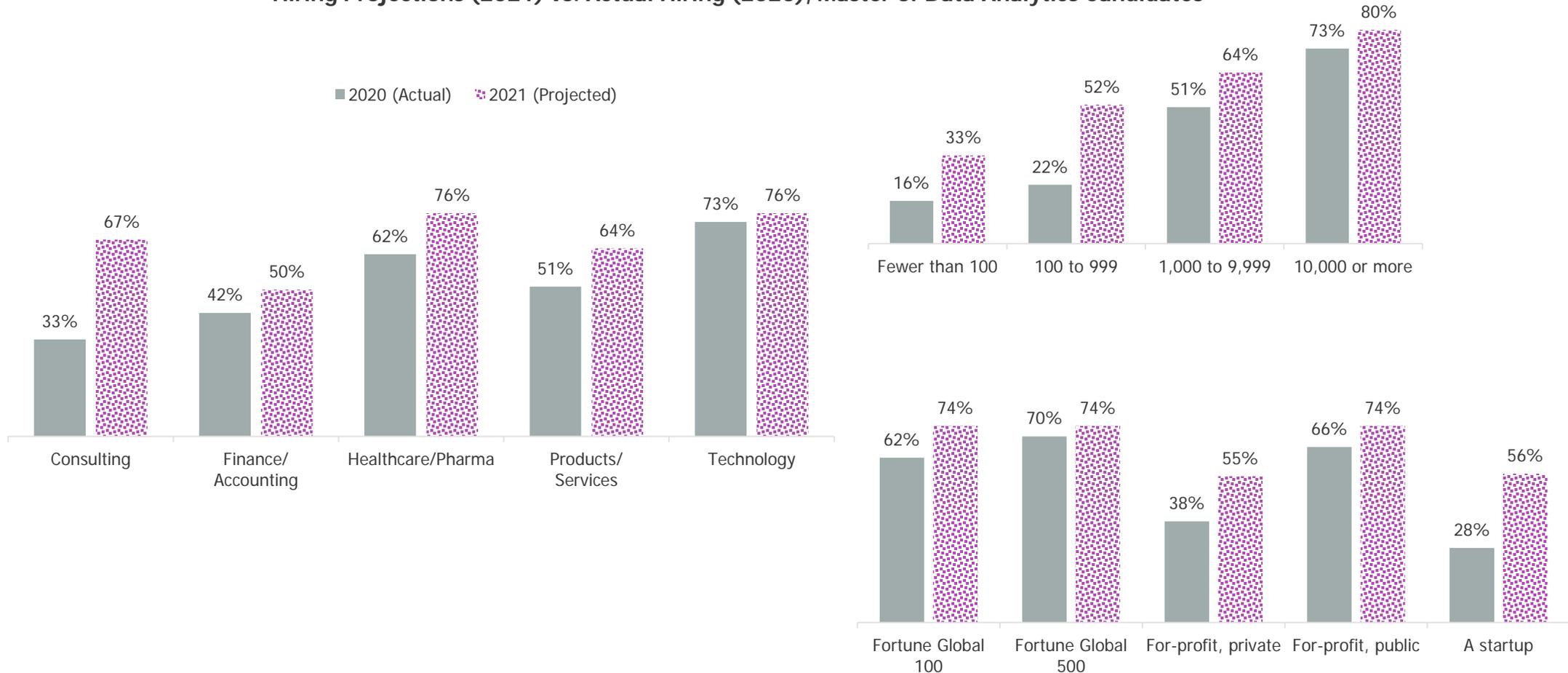


More US recruiters project to hire Master of Data Analytics graduates in 2021 than 2020 actual hiring

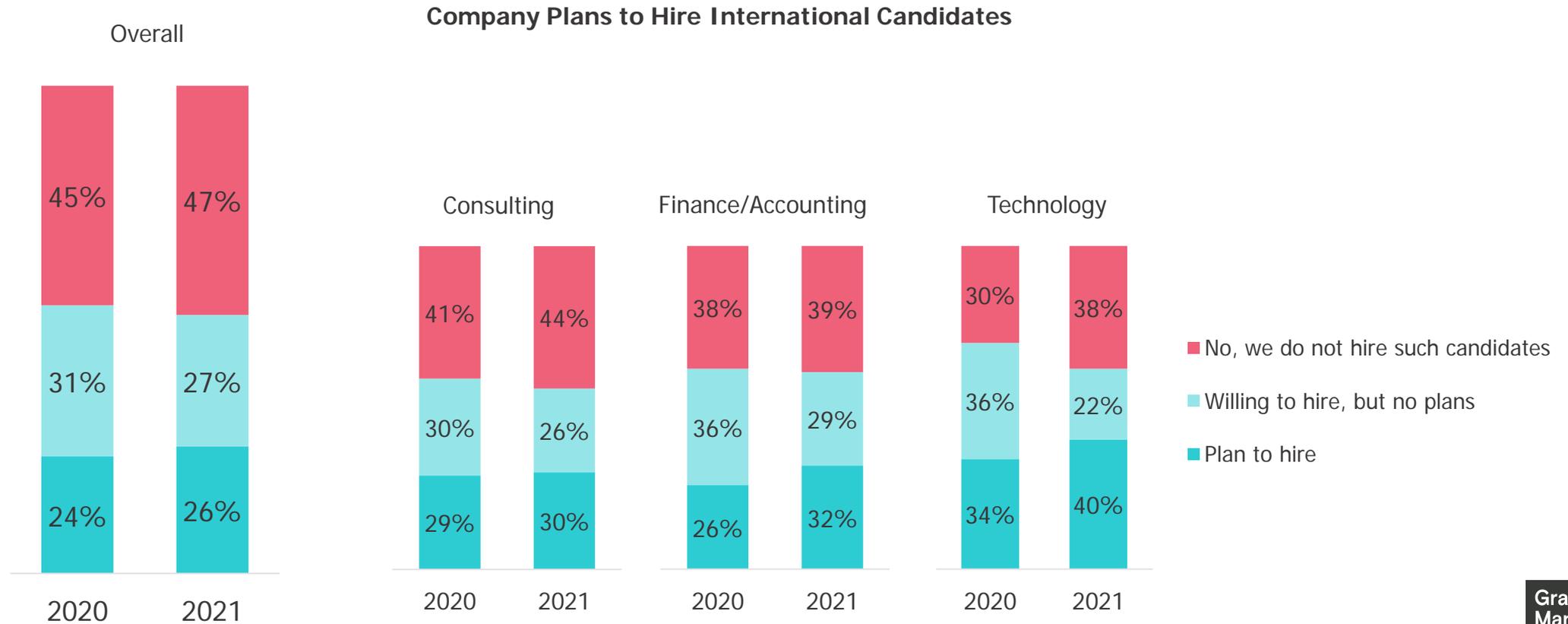


More consulting recruiters project to hire Master of Data Analytics graduates in 2021 than 2020 actual hiring

Hiring Projections (2021) vs. Actual Hiring (2020), Master of Data Analytics Candidates



More than half of recruiters are willing or planning to hire international candidates, a level comparable to previous year



Q. Does your company plan to hire business school graduates that require additional legal documentation in 2021?

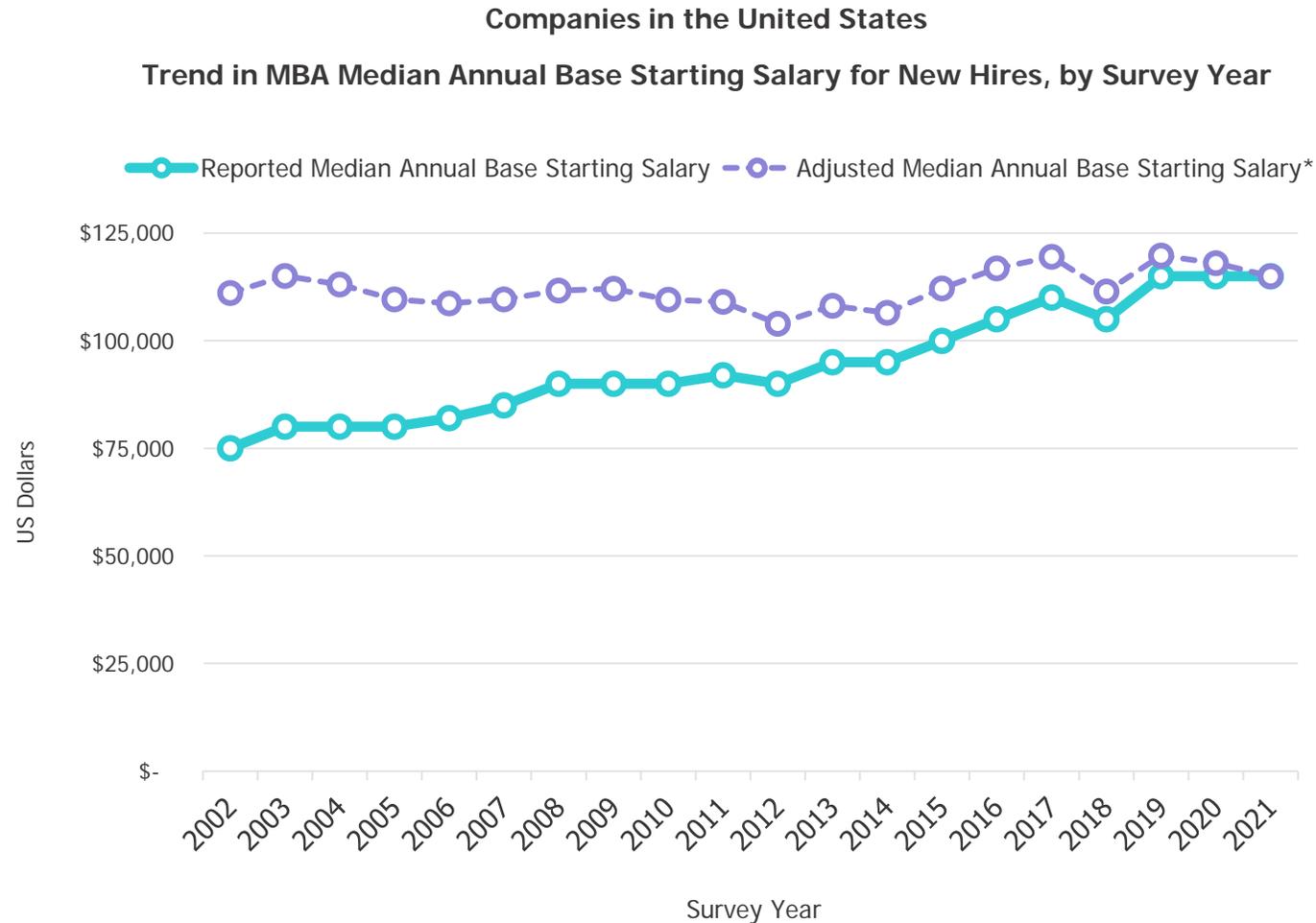


Salary Trends

This section presents median base salary trends for recent business school graduates for MBA and business master's programs

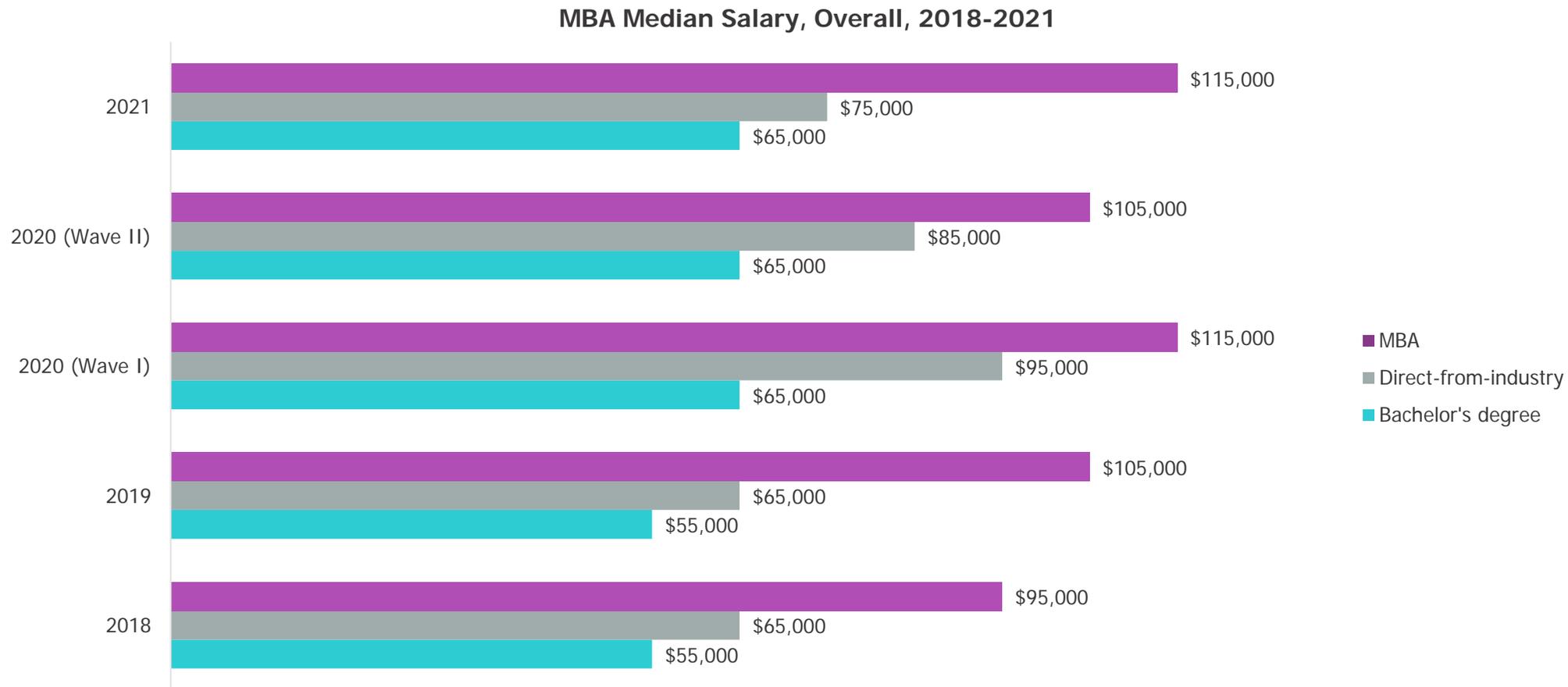
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Adjusted for inflation, the median annual base starting salary for MBA talent at US companies stands at US\$115,000



*Salaries are adjusted for inflation using the April 2021 [U.S. Bureau of Labor Statistics Consumer Price Index Inflation Calculator](#).

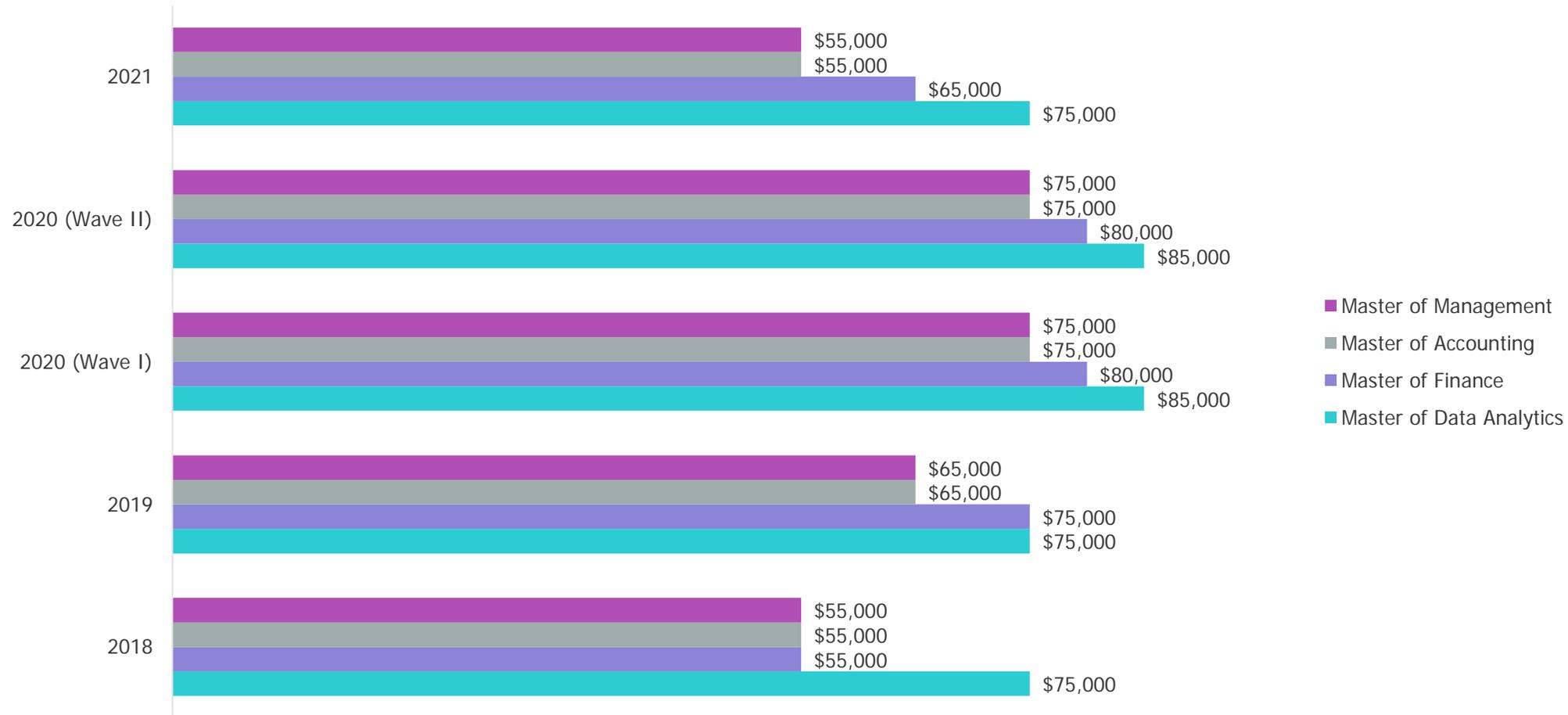
MBA graduates continue to command a salary premium as compared with direct-from-industry hires



Q: What is your best estimate of the average base starting annual salary your company will offer to the following new hires in [year]?
Data for Wave I was collected between February 17-March 17, 2020, and Wave II between June 17-July 17, 2020.

Median salaries for business master's vary by program type

Median Salary, Overall, 2018-2021



Q: What is your best estimate of the average base starting annual salary your company will offer to the following new hires in [year]?
 Data for Wave I was collected between February 17-March 17, 2020, and Wave II between June 17-July 17, 2020.



About

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The Graduate Management Admission Council™ (GMAC™) is a mission-driven association of leading graduate business schools worldwide. Founded in 1953, we are committed to creating solutions for business schools and candidates to better discover, evaluate and connect with each other. We work on behalf of the schools and the graduate management education community, and guide candidates on their journey to higher education, to ensure that no talent goes undiscovered.

GMAC provides world-class research, professional development opportunities, and assessments for the graduate management education industry, designed to advance the art and science of admissions. Owned and administered by GMAC, the Graduate Management Admission Test™ (GMAT™) exam is the most widely used graduate business school assessment, recognized by more than 7,000 programs worldwide. Other GMAC assessments include the NMAT by GMAC™ (NMAT™) exam, for entrance into graduate management programs in India, Nigeria, the Philippines, and South Africa, and the Executive Assessment (EA), which supports the admissions needs of more than 160 programs around the world.

Our flagship portal for graduate management education resources and information, www.mba.com, receives over 7 million visits a year and features the Program Finder matching tool and GMASS™ search service, a data-driven technology that helps connect candidates and business schools. These platforms are part of GMAC Connect, a suite of services that help schools attract students through recruiting solutions that marry our market intelligence, data, reach, and candidate touchpoints.

Subsidiaries of GMAC include UK-based online publishing company BusinessBecause, a content-rich destination that helps students identify the right-fit business schools during the critical consideration and selection phases of their journey, and The MBA Tour, which supports business schools' global recruiting efforts by organizing business education-focused events around the world.

GMAC is a global organization with offices in China, India, Singapore, United Kingdom, and the United States. To learn more about our work, please visit www.gmac.com.

<https://www.gmac.com/about-us>

Methodology

The Graduate Management Admission Council (GMAC) conducts the Annual Corporate Recruiters Survey (CRS) to provide vital data for employers and business schools in understanding trends and insights on the hiring, salaries, and skills of MBA and business master's graduates. The survey is administered in partnership with the Association of MBAs (AMBA), the European Foundation for Management Development (EFMD), MBA Career Services & Employer Alliance (MBA CSEA), and career services offices at participating graduate business schools worldwide.

This survey is aimed at gauging recruitment trends for the graduating class of 2021. This report is based on confidential responses from corporate recruiters representing 115 total business schools worldwide. The data was collected between **February 25 - March 31, 2021**. Schools around the world were invited to participate. Survey respondents receive interactive and summary reports of the current and previous year's survey for their participation.

A total of **569 employers responded to the Corporate Recruiters Survey**. This is slightly fewer respondents than the 712 recruiters responding to the 2020 Wave I survey, against which many of this report's comparisons are drawn. Both of these surveys had lower response rates than the 2018 (n=1,006) and 2019 (1,202) surveys. This is likely due to several factors, including continuing uncertainty posed by COVID-19, survey fatigue, disruptions in personal lives, and finally, the inability to reach some recruiters who are no longer in their current roles. Due to the sample limitations, it was infeasible to report all international data. Findings presented in this report are based on the 2021 Corporate Recruiters Survey unless otherwise noted.

Readers should note that the terms "respondent," "employer," "recruiter," and "company" are used interchangeably in this report and refer to survey respondents.

[Sign-up to participate in the next survey](#)

DISCLAIMER

The statistical information contained within this report is believed to be representative of the individuals who responded to the survey. This study does not represent a census of all employers of graduate business students worldwide, nor is it necessarily a representative sample of such employers. Reasonable efforts were made to ensure data comparability within this limitation. Because of this, the results of this research study should not be used to generalize about the employer population. GMAC makes no representations or warranties with respect to the results of this study and shall not be liable to members or anyone else for any information inaccuracies, or errors or omissions in content, regardless of the cause of such inaccuracy, error or omission. In no event shall GMAC be liable for any consequential damages.

Respondent profile

Overall n= 569

Respondent Profile	2021	Respondent Profile	2021
Company World Region*		Company Size	
Asia-Pacific	7%	Fewer than 100 employees	16%
Europe	14%	100 to 999 employees	11%
United States	74%	1,000 to 9,999 employees	19%
Rest of the World	5%	10,000 or more employees	54%
Company Type**		Industry	
Fortune Global 100	24%	Consulting	16%
Fortune Global 500	27%	Energy/Utilities	2%
For-profit, private	48%	Finance/Accounting	19%
For-profit, public	43%	Healthcare/Pharmaceutical	13%
Non-profit organization	5%	Products/Services	17%
Government agency	2%	Technology	13%
Other	2%	Manufacturing	11%
A Startup	7%	Other	9%

The data for 2021 was collected between February 25 - March 31.

**Total of percentages for company type do not sum to 100 percent due to "none of the above" option and that a company may belong to more than one category.

Contributors and Contact Information

Contributors

Dr. Rahul Choudaha, Industry Insights and Research Communications Director, author and researcher; **Devina Caruthers**, Manager- Research, survey development, data analysis and interpretation; **Alexandria Williams**, Associate Manager- Survey Research, data analysis and interpretation; **Tacoma Williams**, Associate Manager- Research Operations, administrative work.

We appreciate feedback provided by several colleagues on various drafts of this report.

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