



MBA Alumni Perspectives Survey

The **MBA Alumni Perspectives Survey** is a product of the Graduate Management Admission Council® (GMAC®), a global not-for-profit education organization of leading graduate business schools. The Council is dedicated to creating access to and disseminating information about graduate management education. The organization sponsors the Graduate Management Admission Test® (GMAT®), used as part of the admissions process by some 1,800 graduate management programs around the world. These schools and others also rely on GMAC® for professional development programs, comprehensive research studies, and other information resources and products.

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Personal satisfaction in one's work is more important than any type of external recognition when evaluating an MBA's decision in taking a job, according to the most recent study tracking career decisions and job satisfaction of MBA graduates by the Graduate Management Admission Council® (GMAC®). The biannual follow-up survey of past participants of the Global MBA® Graduate Surveys found the key ingredients to MBA alumni job satisfaction are challenging and interesting work, jobs that maximize their skills, and jobs that will be personally rewarding, which is most often influenced by the ability to achieve something of personal value and job autonomy.

The research objectives of this study are to—

1. Understand first and/or current job characteristics;
2. Track changes in responsibility, promotions, and salary;
3. Assess the performance of graduate management education; and
4. Monitor the educational needs of alumni.

Key findings of the survey include—

- Investing time and energy in self-reflection at the beginning of the job search can help graduating students find post-MBA jobs that will yield more personal satisfaction over time.
- MBA graduates accepting their first post-business school job may be initially drawn to salary over benefits, but good benefits increase job retention.
- The skill most associated with promotions is recruiting, managing, and maintaining staff.
- MBA graduates and employers agree that MBA graduates would benefit from further training/education in leadership skills, strategic thinking abilities, managing change, oral communication skills, and creative problem-solving skills.
- Graduates of part-time MBA programs were least satisfied with training received in managing their careers and increasing their career options.
- The extent to which an MBA program provides students and alumni the opportunity to network is the most powerful predictor of whether alumni will provide financial donations to the schools.

Job Satisfaction

Almost half the employed MBA alumni we surveyed said that their current job is very much like the job they were looking for when they first accepted it. One in 10 employed survey respondents stated that their job is not very much like the job they wanted.

What aspects of a job and an employer make a job acceptable to an MBA alumnus? The following chart (Figure 1) shows the nine factors that influence MBA alumni to state that their job is very much like the one they wanted. A multiple regression analysis is used to extract the key drivers of satisfaction. To further understand the relationship of the explanatory variables—to rate their relative importance—with regard to the response variable, a Pratt index¹ is calculated.

Respondents who find their current job challenging and interesting, who have the opportunity to use their skills to the maximum, who feel they are achieving something they personally value, and who enjoy a degree of autonomy in their job are

more likely to state that their current job measures up to the sort of job they wanted when they first accepted the position, as shown in Figure 1. The opportunity for advancement, the pay, the value employers place on MBA skills, the organizational climate, and the ethical standards of the company, although predictors, play less important roles in predicting whether a respondent's job measures up to what he or she was looking for at the time he or she accepted the position.

These findings suggest that when evaluating one's decision in taking a job, personal satisfaction in one's work is more important than external recognition. Career services professionals can help graduating students focus their job searches by emphasizing the key ingredients that MBA alumni find most important for job satisfaction: challenging and interesting work, jobs that maximize their skills, and jobs that will be personally rewarding. Additionally, helping students find jobs with a high degree of autonomy will improve their satisfaction that the job they take measures up to the one they want.

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MBA alumni value jobs that provide challenging and interesting work, maximize their skills, have a high degree of autonomy, and are personally rewarding.
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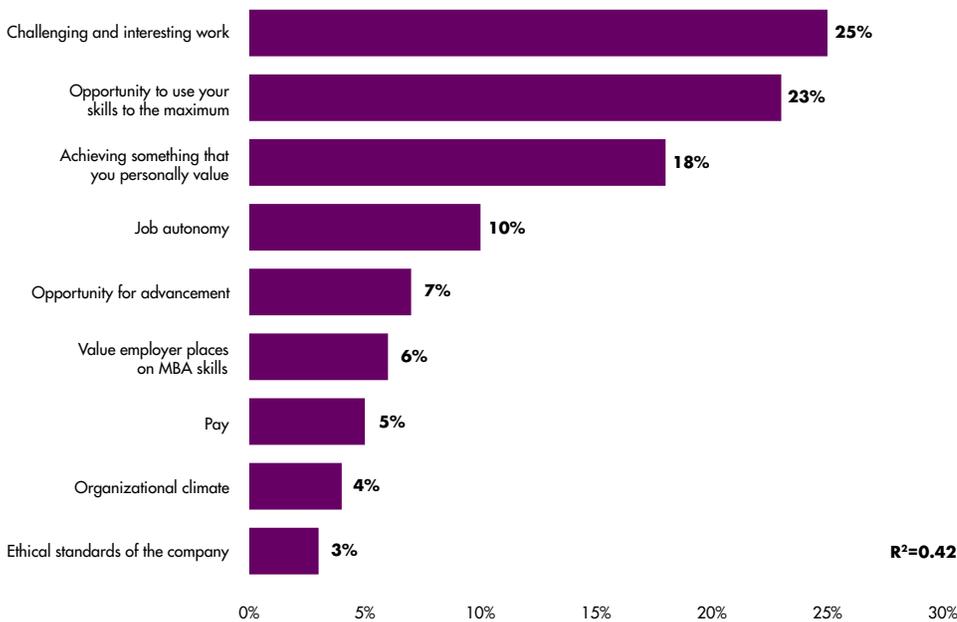


Figure 1: Factors Influencing Satisfaction That the Job Held Measures Up to the Job Originally Sought (Pratt Index)

¹Pratt Index = (β²r)/R², where β is the standardized regression coefficient, r is the simple Pearson correlation coefficient, and R² is the proportion of the variance explained by the regression model.

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Given the chance to revisit their job decisions, almost two-thirds of employed respondents would decide without hesitation to take the job they currently hold.

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We asked the survey respondents whether, given the opportunity to revisit their job decisions, they would decide to accept their current job again. Almost two-thirds of employed respondents would decide without hesitation to take the same job they currently hold. Only 4% definitely would not take the same job.

The following chart (Figure 2) shows the ten factors that influence alumni to state that they would take their current job again, knowing what they know now. The two factors that have the strongest influence are “challenging and interesting work” and “being able to achieve something you personally value.” These two factors outweigh all other aspects of the job and employer—including pay and benefits—in determining how satisfied MBA alumni are with their jobs.

What do these results tell us about how business schools can help their graduating students find satisfying employment? Knowing the importance of finding a job that fulfills personal goals, career services professionals guiding students and alumni in a job search may want to emphasize the importance of investing time and energy in self-reflection at the beginning of that search. MBA students and alumni stand a much better chance of finding meaningful and satisfying employment if they understand fully what is personally meaningful to them and what they wish to achieve in their post-MBA job. One tool that can assist job seekers in designing individualized career paths is the CareerLeader® online career assessment, offered by GMAC® in the mba.com store (www.mba.com/mba/store). This instrument assesses users’ business-related interests, values, and skills, produces a custom profile, and advises them of careers and corporate environments that might be desirable, given their unique interests and characteristics.

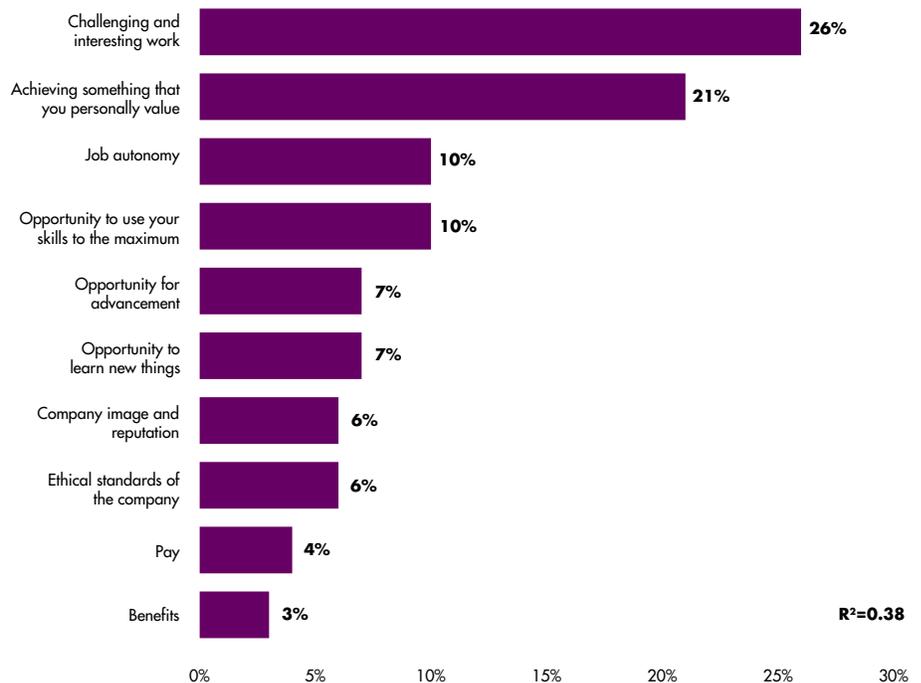


Figure 2:
Factors Influencing Respondent’s Evaluation of Their Job Decision (Pratt Index)

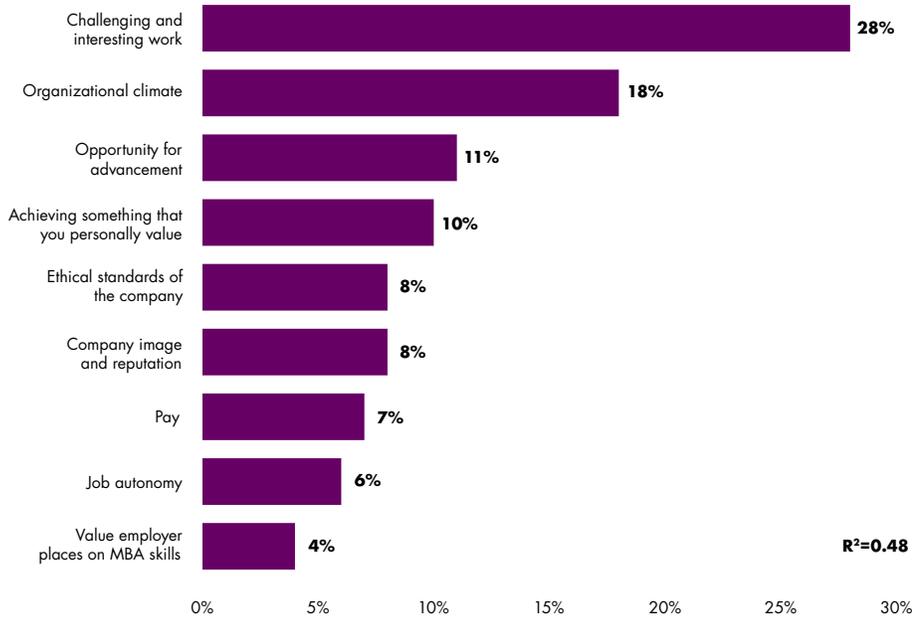


Figure 3:
Factors Influencing Recommendation of Current Job/Employer to a Friend (Pratt Index)

Willingness to Recommend One’s Job

In order to further gauge how pleased MBA alumni are in their jobs, we asked them whether they would recommend their current job to a friend. Two-thirds of employed respondents would strongly recommend their job and employer to a friend. Only 4% would strongly advise others against taking a job like theirs.

Figure 3 shows the nine factors that drive employed respondents to recommend their jobs/employers to a friend. As shown in the chart, respondents who find their current jobs challenging and interesting and who are satisfied with the organizational climate are more likely to recommend their jobs and employers to a friend.

Knowledge of these findings can help business school professionals guide graduating students and alumni in their job searches. MBA alumni tell us that the factors that would influence them to recommend their jobs to others have to do not with salary or opportunity, but with whether the work is engaging and the work environment, pleasant. This is useful information for career services professionals to convey to any job seeker: To find the right job for them, they should look for a position that allows them to do something challenging and interesting within the context of a positive environment; all other concerns are secondary.

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A competitive salary is important in accepting a first post-business-school job.

However, satisfaction with salary does not help determine whether a respondent stays in a job.

Satisfaction with benefits does.



Benefits

More than three-quarters of employed respondents are working for the same employer they worked for immediately after they graduated with an MBA. As one might expect, the more time elapsed since graduation, the less likely an alumnus is to be employed by his or her first post-MBA employer. However, alumni whose first post-MBA job was the kind of job they wanted are more likely to stay employed in that job over the long term. More than four-fifths of respondents who said their first job was definitely the kind they were looking for are still employed by their first post-MBA employer.

The findings of a survey conducted by Stony Brook University show that 73% of employees think that good health care benefits are very important when taking a new job, compared with only 37% of employees who think salary is very important².

However, in the GMAC[®] 2004 Global MBA[®] Graduate Survey, a survey of MBA students, 47% of respondents stated that a competitive salary was the most important decision factor when searching for a job; and only 7% mentioned the benefits package. By contrast, in the current MBA Alumni Perspectives Survey, satisfaction with salary does not help to determine whether a respondent is still working for his or her first post-MBA employer, but satisfaction with benefits does. Respondents who are satisfied with the benefit package offered by their employer are more likely to say they are still working for the same employer they worked for immediately following graduation from business school. These findings suggest that although MBAs accepting their first post-business school job are more interested in salary than in benefits, good benefits increase job retention.

Promotions

One-third of all employed respondents have received a promotion since they began working at their current job. The longer a person has been employed with their current employer, the more likely the employee is to have received a promotion. More than three-quarters of respondents employed for five or more years with their current employer received a promotion compared with 53% with two years of employment with their current employer.

²Huddy, Leonie (2003, August 19). *Health Pulse of America*. Stony Brook University-Center for Survey Research. Retrieved from http://ws.cc.stonybrook.edu/surveys/HPA_Aug03_printer.htm.

The Opportunity to Use MBA Skills and the Value Employers Place on These Skills

The top reason prospective students seek an MBA degree, as reported in the 2003 mba.com Registrants Survey, is the development of management knowledge and technical skills. Additionally, prospective students stated that they pursued an MBA degree to remain marketable, presumably by developing the knowledge and skills useful in the world of business.

Eighty percent of respondents to the current alumni survey state that they are satisfied with the development of their management knowledge and technical skills. Are these skills helping MBA graduates advance in their jobs? On the whole, respondents who were satisfied with their development of management knowledge and skills through their education are significantly more likely to have received a promotion in their current job.

Nevertheless, only 45% of respondents were satisfied with the value their employer places on MBA skills and only half of the respondents were satisfied with their opportunity to use their skills to the maximum on their current job. This suggests, as shown in Figure 4, that the more satisfied a respondent is that their employer values their MBA skills, the more satisfied they are likely to be with their opportunity to use those skills.

What skills are related to promotions? Factor analysis reduces the list of skills and abilities into three categories. These categories are communication/interpersonal skills; quantitative skills; and people management skills. The skill most associated with promotions is recruiting, managing, and maintaining staff. Most often, the respondents who received promotions recruited, managed, and maintained a staff, whereas the respondents who did not receive a promotion did not manage people. Slightly more than a quarter of respondents wish they had received more education in recruiting, managing, and maintaining staff. This suggests that increased effort by business schools to train MBA students in people management would facilitate career advancement among MBA alumni.

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The skill most associated with promotions is recruiting, managing, and maintaining staff. Demonstrated abilities in communications/interpersonal skills and quantitative skills are also key attributes in gaining career advancement.
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Figure 4: Satisfaction with the Opportunity to Use Skills to the Maximum, by Satisfaction with the Value Employer Places on MBA Skills

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MBA alumni
and corporate recruiters
agree that MBA programs
should provide additional
training/education in
strategic thinking abilities,
leadership skills,
oral communication,
and the ability to adapt to new
situations and manage change.
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Training Gap Analysis

Are business schools delivering a comprehensive business education and providing students with in-depth development of the skills and abilities they will need to succeed in the business world? Alumni who responded to the current survey are concerned that certain skills and abilities are not being covered sufficiently to help them move forward in their careers. The following chart displays the gap between skills and abilities employed respondents use a great deal or a good amount in their current job and areas where these same respondents wish they had received more training/education during their graduate management education.

As reflected in the chart, the skills and abilities employed respondents use on their current job and wish they had received more training/education in during their MBA program are—

- Leadership skills
- Strategic thinking abilities
- Managing change
- Oral communication skills
- Creative problem-solving skills

In the Corporate Recruiters Survey 2003–2004 conducted by GMAC®, employers were given a similar list of skills and abilities to choose from in determining the attractiveness of MBA graduates to their companies and the skills and abilities they would like to see strengthened in MBA candidates. Employers found the

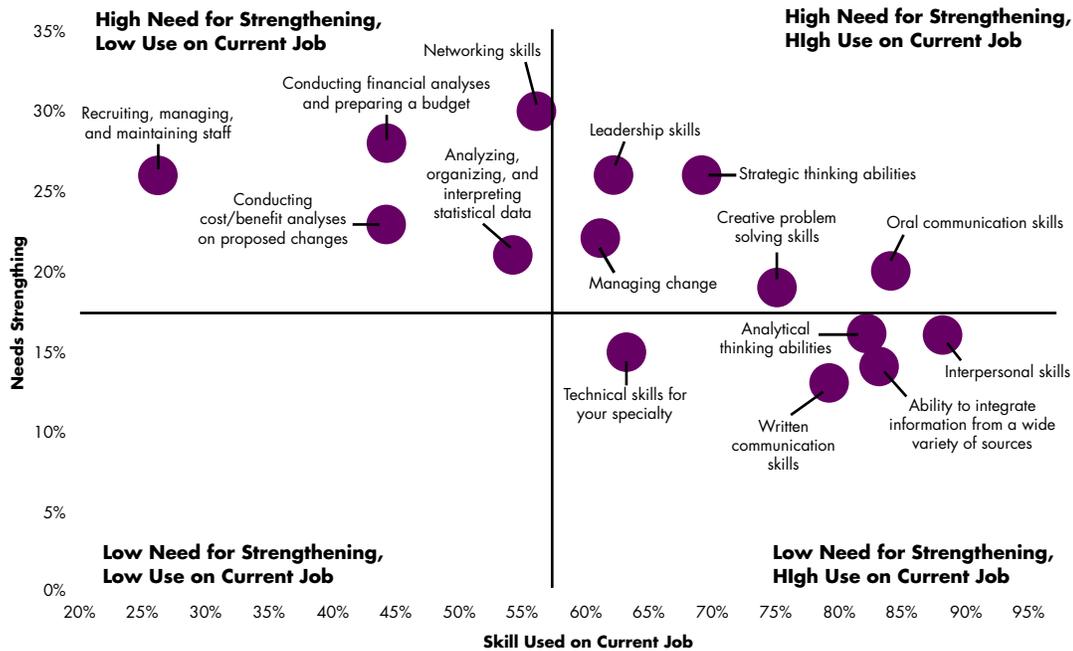


Figure 5: Training Gap Analysis

following list of skills highly attractive in MBA graduates but not developed as well as they would prefer:

- Strategic thinking abilities
- Leadership skills
- Interpersonal skills
- Written communication skills
- Oral communication skills
- Ability to adapt/change to new situations
- Creative problem-solving skills

Interestingly, the skills and abilities that MBA alumni use on their job and feel they need additional training in closely reflect the skills and abilities that corporate recruiters find highly attractive but feel need to be further strengthened in people with MBAs. How can graduate business schools fill the gap in the skills and abilities these surveys uncovered?

Strategic thinking, managing change, oral communication, and creative problem solving are mentioned as areas where all alumni classes wish they had received additional training. These skills and abilities should, therefore, constitute a high priority for business schools to improve upon in their general coursework. For example, oral communication skills can be developed if presentations are required in a majority of classes. Other possible methods to improve

skills and abilities include an increased use of case studies to enhance strategic thinking abilities and creative problem solving. Specific case studies dealing with organizational change can further strengthen a student's ability to manage change in addition to enhancing strategic thinking and creative problem-solving skills, for instance.

Leadership skills, mentioned most often by respondents in the alumni class of 2000—nearly one-third—may best be handled with continuing education seminars or graduate certificate programs. It is essential, therefore, that lifelong learning opportunities exist for MBA alumni to continue to develop the skills and abilities they will need for future success in their chosen careers. One respondent stated, “My MBA program did a great job of providing me with the foundation I needed to succeed in my career. I would love it if the program increased the amount of alumni programs they offered.”

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**Increased use
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Leadership skills may
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through continuing
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graduate certificate
programs as a part of
lifelong learning.**

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Retention in the Manufacturing Industry

“Even a downturn has its good points,” states Bernard Levine in the article, “More Outsourcing is Slump’s Silver Lining for Contractors”³. Surprisingly, even with a historically weak U.S. manufacturing sector, U.S. citizens with MBA degrees who are currently employed in the manufacturing industry are significantly more likely than those in other fields to be employed with the same employer they worked for after graduation. How can an industry that has significantly downsized have the greatest retention rate among the various industries? With the increase in outsourcing, MBA graduates—armed with the knowledge and skills afforded by their education—are poised to assume the managerial roles needed to oversee the complex and intricate environment of a distributed supply chain. As stated by Levine, “contract manufacturers...expect to see more long-term business through increased outsourcing”⁹.

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The manufacturing industry shows the greatest retention rates of those surveyed, as well as a relatively high level of graduates from executive MBA programs.
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Furthermore, respondents who work in the manufacturing industry tend to be graduates of executive MBA programs, and according to the 2003 mba.com Registrants Survey, more than half of executive MBA students planned to finance their education through employer reimbursement or sponsorship programs. Since their organizations frequently have made large investments in the education of their employees, it is not surprising that respondents employed in the manufacturing industry are still with the same employer they worked for at the time of graduation. This suggests that investing in human capital makes long-term economic sense for companies through increased retention rates among employees.

Entrepreneurship

The class of 2000 has the greatest proportion of respondents (9%) who are self-employed/small business owners. However, this was not always the case for this group. After graduation, only 2% of the class of 2000 was self-employed or a small business owner, compared with 5% of all the other alumni classes. These data suggest that after graduating and working for an employer for some time, respondents in the class of 2000 became more entrepreneurial. Why did this occur? In the August 2003 MBA Alumni Perspectives Survey, 21% of the class of 2000 reported being laid off from their first job due to a weak economy, and an additional 12% were laid off due to company instability. According to the Associated Press, “due to rising job insecurity, students now learn to create—not find jobs”⁴.

³Levine, Bernard (2002, January 1). *More Outsourcing is Slump’s Silver Lining for Contractors*. Electronic News. Retrieved from <http://www.reed-electronics.com/electronic-news/article/CA186805?pubdate=1%2F1%2F2002>.

⁴Associated Press (2003, February 17). *New entrepreneurship degree*. Retrieved November 15, 2004 from <http://www.littlespeck.com/content/education/CTrendsEducation030217.htm>.

What skills are the keys to success in the business world? Are the keys to success different for men than for women? According to Bonne (2004), “Among senior executives, the job commitment of women climbing the ladder is most influenced by...‘communal’ aspects of their position: They place value on their working relationships and want to please their customers”⁵. Bonne also found that while women generally have the best interest in the company as their prime motivation, for men, it is about career development.

Data from the current alumni survey support these ideas. According to the current survey, women are more likely than men to use interpersonal skills in their current jobs—thus cultivating the “communal” aspects of their job. Additionally, the survey data show that women are significantly less satisfied than men that their job is helping them achieve something they personally value; men are more satisfied that their education provided opportunities for quicker advancement, perhaps reflecting the heightened personal aspirations of men.

Does this company-centric approach among women translate into promotions and career advancement? Of the respondents who received a promotion in their current job, women were significantly more likely than men to use interpersonal skills a great deal or a good amount on their job. Additionally, women who use these skills were significantly more likely to receive a promotion than women who do not use these skills, whereas for men, there are no significant differences. This is evidence that the company-centric attitude still pays its dividends, at least for women.

Advancement Inequity

Based on findings from a study by Catalyst, the University of Michigan Business School, and the Center for the Education of Women at the University of Michigan, women generally have more difficulty than men with career advancement⁶. Overall, in the current alumni study, this trend unfortunately holds true, with men more likely than women to have received a promotion. When accounting for the number of years a respondent has worked for their employer, the rate of promotion does not differ if the respondent has worked there for less than five years. However, when looking at respondents who have worked at their employer for more than five years, men are significantly more likely than women to have received a promotion. Additionally, a significant difference exists in the survey data between men and women age 31 to 39 in their rate of promotion—men were significantly more likely than women to have been promoted.

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**For those who
 have been with
 the same employer for
 more than five years,
 and/or are between
 the ages of 31 and 39,
 men are significantly
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⁵ Bonne, Job (2004 August 11) *A Gender Split in the Executive Suite*. MSNBC.com. Retrieved from <http://www.msnbc.msn.com/id/5624773/print/1/display-mode/1098/>.

⁶ Ossorio, Sonia, Debbie Zarlin and Carol Hollenshead (2000, May 12). *Women and the MBA: Gateway to Opportunity*. Retrieved from <http://www.womeninbusiness.bus.umich.edu/research/WomenandtheMBA.htm>.

Pay Inequality

Among the survey respondents, women are significantly less satisfied than men with their pay. The current survey shows that women earn significantly less compared with men for both starting and current annual salary. In 2003, a U.S. General Accounting Office (GAO) report found that in 2000 women earned 80% of what men earned after accounting for factors that affect earnings.⁷ Women with MBAs, however, earned 86% of what men earn, slightly closing the gender gap among MBA graduates in the context of the U.S. population as a whole.

The gender gap in wages is greatest among local companies, where females earn 69% of the typical male's salary. Women who work for regional companies fare better than women employed by local

companies, but the earnings gap (79%) is still wider than the U.S. national average. At national companies, women earn 86% of a man's salary.

Multinational companies tend to be more equitable where salaries of men and women are concerned, although pay inequality is still an issue. Women who work for these employers earn salaries that average 91% of the average salary for a man.

According to the report "Equal Pay for Working Families: National and State Data on the Pay Gap and Its Cost," men in jobs usually or more often held by women are also victims of pay bias⁸. The human resources field, for example, is more female-oriented than other lines of work, said Donna L. Friedman, founder, chief executive officer, and chair of Tower Consultants Ltd., an executive-search firm in Stuart, Florida, in an interview with Perri Capell⁹.

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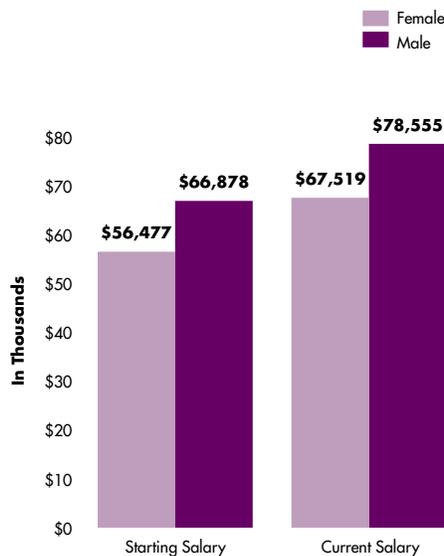


Figure 6: Salary in Current Job, by Gender

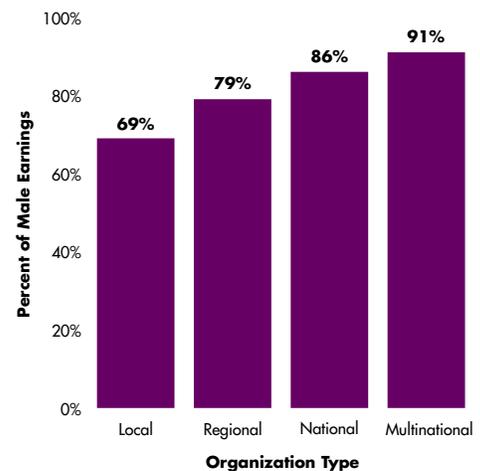


Figure 7: Gender Gap—Female Earnings as a Percentage of Male Earnings (Current Salary), by Organization Type

⁷United States General Accounting Office (2003, October). *Women's Earnings*. GAO-04-35. Retrieved October 29, 2004, from <http://www.gao.gov/cgi-bin/getrpt?GAO-04-35>.
⁸*Equal Pay for Working Families: National and State Data on the Pay Gap and Its Costs*. Retrieved October 29, 2004, from <http://www.afcio.org/issues/politics/women/equalpay/EqualPayForWorkingFamilies.cfm>.
⁹Capell, Perri (2002, June). *A Recruiter Explains Why Good HR Execs are Rare*. Wall Street Journal.com. Retrieved October 29, 2004, from <http://www.careerjournalasia.com/recruiters/profiles/20020625-friedman.html>.

Indeed, as shown in the current alumni survey, females earn 113% of male salaries in the human resources field. Furthermore, “statistics also show that women do not tend to choose career fields that traditionally have the highest earnings potential”¹⁰. Fifteen percent of men, compared with 13% of women, are in the consulting industry, the highest-paying industry in the current alumni survey. By contrast, 10% of women and just 6% of men are in the non-profit/government sector—the lowest-paying industry in the survey.

Women with MBAs fare better compared with women without MBAs, although they still do not receive pay equal to their male counterparts. According to Brunner (2004), a “...variety of explanations for the persistent wage gap have been offered. One is that older women are factored into the wage gap equation, and many of these women from an older generation work in jobs still subject to the attitudes and conditions of the past. In contrast, the rates for young women coming of age in the 1990s reflect women’s social and legal advances. In 1997, for example, women under 25 working full-time earned 92.1% of men’s salaries compared with older women, who earned 74.4% of what men made.”¹¹ The trend that Brunner (2004) identified parallels the responses of MBA alumni, which show that females who are 25 and under earn 93% of male salaries compared with females age 40 to 49, who earn 82% of male salaries.

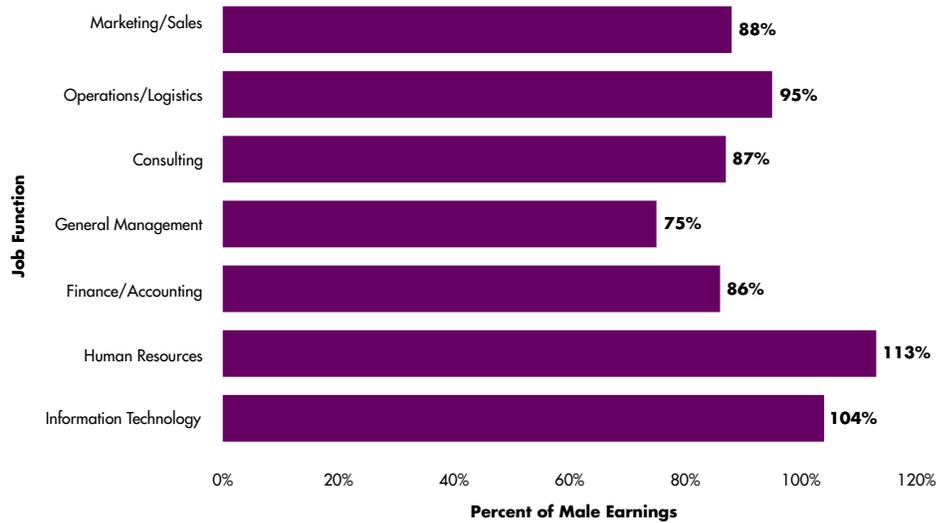


Figure 8:
Gender Gap—Female Earnings as a Percentage of Male Earnings (Current Salary), by Job Function

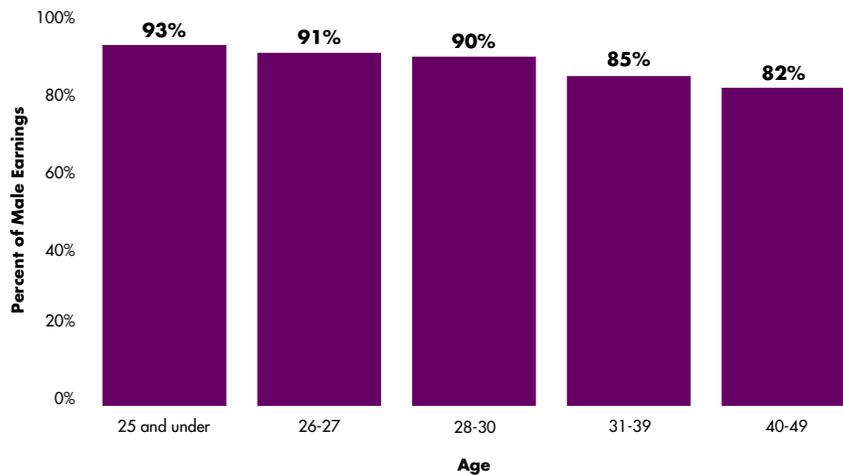


Figure 9:
Gender Gap—Female Earnings as a Percentage of Male Earnings (Current Salary), by Age

¹⁰ Associated Press (2003, February 17). *New entrepreneurship degree*. Retrieved November 15, 2004 from <http://www.littlespeck.com/content/education/CTrendsEdu-030217.htm>.

¹¹ Brunner, Borgna (2004, November 22). *The Wage Gap. A History of Pay Inequity and the Equal Pay Act*. Retrieved from <http://www.factmonster.com/spot/equalpayact1.html>.

Nearly one in five of the respondents to the current survey graduated from a part-time MBA program. Based on the findings of the GMAC® 2004 Application Trends Survey, part-time programs are becoming more popular among prospective MBA students. Twenty-seven percent of part-time programs reported an increase in applications volume, compared with 16% of traditional full-time programs.

Are there distinct reasons why some people choose a part-time MBA program instead of other types of programs? According to the 2003 mba.com Registrants Survey, slightly more than two-thirds of the respondents who were interested in a part-time program were “career-enhancers”—students who want to expand their opportunities in their current occupation or industry. Among the respondents in the current survey, 86% of part-time graduates currently are employed with the same employer they were employed with at graduation, which is the highest proportion among the various types of programs by a significant margin. Furthermore, part-time graduates who are still working for the same employer are significantly more likely to have received a promotion.

Part-time programs make it easier for students to be employed during their education. In the 2003 mba.com Registrants

Survey, prospective part-time MBA students considered financial security more important than did other prospective students. According to the current survey, 77% of graduates of part-time programs were employed while they were in school, a significantly larger proportion than graduates of full-time MBA programs were. By attending a part-time program, students gain the opportunity to embrace their priorities through continued employment. However, part-time alumni are significantly less satisfied that their education provided an opportunity to increase their earnings.

Considering the reasons why people choose part-time programs, how satisfied are these alumni with their graduate management education? When asked if their graduate management education increased their career options, only 17% of part-time graduates were extremely satisfied, compared with 35% of full-time alumni and 32% of executive program alumni. Similarly, graduates of part-time programs were significantly less satisfied that their graduate management education provided them the opportunity for quicker advancement.

How can part-time programs help their alumni realize their career goals given that part-time alumni are significantly less satisfied with their opportunities to increase

earnings and career options? Two-fifths of part-time alumni state that they wish they had received additional training in managing their careers, a significantly higher proportion than among alumni of other programs. Furthermore, in the 2004 Global MBA® Graduate Survey, students in part-time programs rated career services lower compared with students in full-time programs. For instance, a respondent stated, “I have been looking for a job since March 2004 and haven’t had much success. We are not being provided with sufficient job placement assistance.” To help their graduates, part-time programs should consider strengthening career development and placement activities.

A common sentiment among respondents is that there is a lack of networking opportunities available to part-time MBA students. When asked how satisfied they are that their graduate management education provided opportunities to network and form relationships with long-term value, part-time alumni were significantly less satisfied compared with alumni of other programs. Among the part-time alumni who are employed, respondents who were satisfied that their education provided networking opportunities were significantly more satisfied that they have opportunities for advancement in their current job.

The survey data also suggest that respondents who are satisfied with the networking opportunities they receive from their alma mater are more likely to make financial contributions to their school after graduation. Bolstering networking opportunities and training in networking skills should be a high priority for part-time programs to help their alumni succeed in their careers—and, as a bonus for the school, their alumni may significantly increase their rate of giving back after graduation. As shown by the data, 20% of part-time respondents who are satisfied with their networking opportunities frequently or occasionally give financially to their alma mater, compared with 10% who are not satisfied with their networking opportunities.

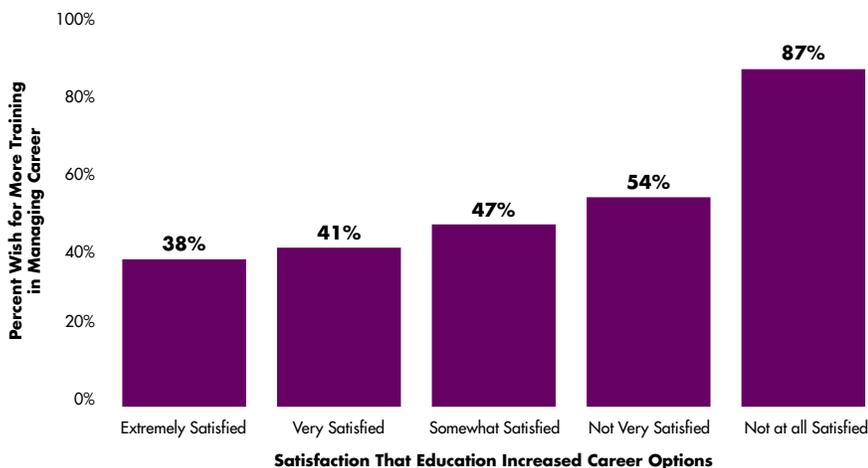


Figure 10: Percent Who Wish They Received More Training in Managing Their Career, By Satisfaction That Their Education Increased Their Career Options (Part-Time Alumni)

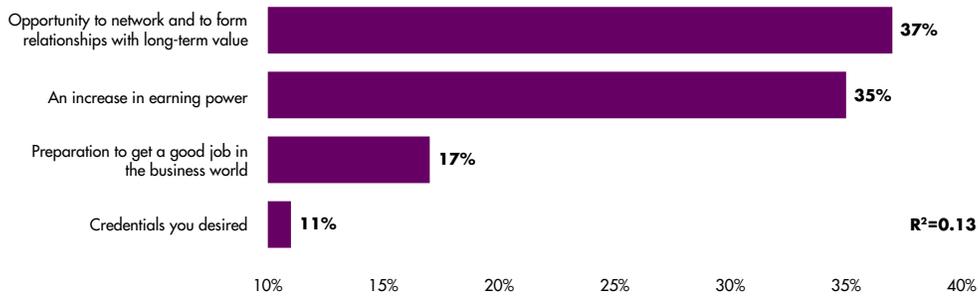


Figure 11: Factors Influencing Financial Donations to Graduate Business Schools (Pratt Index)

Who is making financial donations to their graduate business schools? Overall, 29% of respondents give financially to their graduate business school frequently or occasionally. A stepwise multiple regression analysis was used to reveal the potential drivers of the respondents' willingness to donate money to their graduate business school. Graduate business schools that want help with increasing financial donations will pay particular attention to their efforts to provide students and alumni the opportunity to network, which most powerfully predicts who will provide financial donations. Alumni who feel their MBA degree increased their earnings power are the second most likely to provide financial donations. Additionally, alumni who stated that they definitely made the right decision in choosing the school they attended are significantly more likely to give financially to their business school.

A further breakdown of who gives financial donations reveals that part-time alumni are significantly less likely than full-time alumni to give to their alma mater, but for all program types, respondents who are satisfied with their networking opportunities are twice as likely to make financial donations compared with respondents who are not satisfied with their networking opportunities.

Surprisingly, respondents under the age of 35 are significantly more likely than respondents 35 years old and over to give financial donations. Again, when

controlling for satisfaction with networking opportunities, those who are satisfied are more likely to give, but interestingly, among respondents who are satisfied with their networking opportunities, younger respondents still are more likely to give compared with older respondents. An intervening factor is the year of graduation. There are no significant differences in the percentage given by age for respondents in classes prior to 2004, suggesting that maintaining extended relationships with alumni may be the key to increasing financial contributions.

Almost 25% of alumni recruit new hires for their companies from the business school they attended. Alumni who are satisfied that their graduate management education increased their earnings power, provided the opportunity to network, and provided the preparation needed to get a good job in the business world are the most powerful predictors of an alumnus' decision to recruit new hires from their business school.

Alumni who are satisfied that their graduate business schools gave them the opportunity to network are also the alumni who will meet with prospective applicants as a part of their business school recruiting activities.

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To help alumni succeed in their careers, part-time programs should bolster networking opportunities and skills. A bonus—those who are satisfied with networking opportunities may significantly increase their rate of giving to the school.

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Methodology

The MBA Alumni Perspectives Surveys are biannual follow-up studies of past participants of the Global MBA® Graduate Surveys. Each year, about three-quarters of the students surveyed express interest in participating in longitudinal studies tracking their career decisions and job satisfaction.

The survey sample for this report includes the respondents who agreed to further follow-up in the Global MBA® Graduate Surveys administered among the MBA classes of 2000, 2001, 2002, 2003, and 2004.

Of the 13,126 contacts initiated for the September 2004 MBA Alumni Perspectives Survey, 1,840 contacts were undeliverable (14%). Of the remaining contacts, 3,392 people responded—a 30% response rate.

Contact Information

For questions or additional information regarding the study, please contact the GMAC® Research and Development department at research@gmac.com.

Authorship

The following individual(s) made significant contributions to the concept and design or analysis and interpretation of data, drafting/revising of the manuscript for intellectual content, and final approval of the manuscript to be published:

Rachel Edgington, Director, Market Research and Analysis, GMAC®; Gregg Schoenfeld, Project Manager, Applied Research, GMAC®.

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Overall, 29% of respondents give financially to their graduate business schools either frequently or occasionally. Those under 35 are more likely to give than those over 35.



The **MBA Alumni Perspectives Survey** is one in a series of five annual or bi-annual 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 summaries 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 executive summaries are available on the Web (www.gmac.com/surveys). Print copies (as long as supplies last) are free upon request from the GMAC® Research and Development department at research@gmac.com.

Other surveys include—

MBA.com Registrants Survey

Who is in the pipeline for a 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.

Application Trends Survey

How does a school's application volume compare with that of other schools? Since 1999, this annual survey has gathered comparative application data for the current and previous year from business school programs worldwide.

Global MBA® Graduate Survey

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

Corporate Recruiters Survey

Who hires MBAs 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 MBA recruitment activities of their companies.

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