

***MBA ALUMNI PERSPECTIVES SURVEY***  
**AUGUST 2002**

**BY**  
**Graduate Management Admission Council®**

**MBA ALUMNI PERSPECTIVES SURVEY  
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**Executive Summary**

Respondents are MBA graduates who participated in GMAC's Global MBA™ Survey while students who were willing to participate in a post-MBA longitudinal study. 1,247 MBA graduates completed the survey, a response rate of 32%, based on the size of the invited sample. (Henceforth, respondents to the survey will be referred to as graduates or MBA grads.) Thirty-seven percent are from the graduating class of 2000, 63% from the graduating class of 2001. Sixty-seven percent of the respondents are male, and 65% are U.S. citizens; of the U.S. citizens, 84% are white. Thirty-one percent are from Business Weeks' top ranked schools (Henceforth, referred as top tier schools).

**Value of the MBA**

MBA graduates continue to value their MBA despite downturns in the economy which are causing lay offs and a tighter market. Almost three-quarters of MBA graduates feel the value of their MBA is outstanding or excellent. U.S. males who graduated from a top tier school and are working in the consulting industry were the most likely to rate the value as outstanding.

“The MBA was great in preparing me for new ideas, people, and experiences. Yet, the downturn in the economy and the collapse of the organization I began working for following graduation has caused huge setbacks and frustrations that no one can ever be completely prepared for.”

However, the economy has affected their satisfaction with the benefits of the MBA. The following table shows in rank order the benefits graduates were most satisfied.

**2001**

increase in career options  
opportunity to improve personally  
increase in earning power  
gaining desired credentials

**2002**

opportunity to improve personally  
gaining desired credentials  
increase in career options  
development of management skills

Respondents expressed the most frustration about their post-MBA salary and the job they were forced to take. Although 61% of graduates said they would definitely recommend their jobs to someone else, only 56% said they would decide without hesitation to take the same job again, and only 43% feel their job is very much like what they wanted.

“The weak economy has shattered my post-MBA plans. I almost feel I need to downplay the MBA, especially in the SF Bay Area, as employers are not willing to pay higher salaries, value the MBA less, have fewer mid-level opportunities, etc. It is shocking how many people I know who have really struggled to get a decent job in the past year—all coming from excellent b-schools. I have taken a 50% pay cut and a dead-end job to survive. It is also very disappointing that b-schools don't take care of their recent grads and are soo focused on new grads.”

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### **MBA Education**

Graduates were asked to indicate the skills they learned from their MBA programs that they use most often in their current jobs. They indicated that the skills used most frequently are the ability to think analytically, interpersonal skills, and the ability to integrate information from a wide variety of sources.

The graduates indicated that they want more training in the following skills: developing a strategic plan, conducting financial analyses, and managing their careers. Last year's respondents selected the same skill areas as the ones in which they needed the most training.

### **MBA Employment**

Eighty-eight percent of the graduates are working full-time. Of those not working, 40% are not working because they cannot find the kind of job they want; 28% were laid off because of the weak economy. Males are more likely to have been laid off because of a weak economy. A higher percentage of U.S. citizens than non-U.S. citizens say they were laid off as a result of company instability.

Seventy-six percent of the graduates are still employed by the company that hired them for their first job after graduation. Of the graduates who are not still working for their first post-MBA employer, the greatest number say they are with a different employer because they were laid off as a result of the weak economy; the second largest group cited dissatisfaction with the work. Graduates from top tier schools are more likely than others to have been laid off because of the weak economy. However, graduates from top tier schools were more likely to be employed in the consulting industry, which, according to the Corporate Recruiter Survey, has been the most affected by the weak economy.

The most often cited employment acceptance factors are: challenging and interesting work, a competitive salary, and opportunity to learn new things. Looking back at their decisions, the majority of graduates surveyed feel they gave these factors the right weight in their decisions. Graduates indicated that they did not weigh positive organizational climate, stock options or ownership programs, and perceived value of an MBA within the company enough.

“I am quite dismayed over the stunning lack of regard that my organization possesses for people who have graduated from an MBA program.”

The typical MBA graduate receives U.S. \$78,000 annually, but this figure varies widely, depending on graduating class, citizenship, gender, industry, and school prestige. MBA graduates indicated the types of compensation they have received, and their answers vary according to class year, citizenship, race/ethnicity, gender, industry, and school competitiveness. Graduates also indicated whether they received a promotion, and their responses vary according to class year, race/ethnicity, industry, and school competitiveness.

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### **Implications**

Business schools have an opportunity to support their alumni by offering extended career services. Graduates are asking for help managing their career, locating job contacts in the business community, and opportunities to network.

Business schools have an opportunity to manage the expectations of their current students of the realities of today's job market—especially those changing fields. Career services should encourage students to do the following before the interviewing starts:

- Develop a concise career plan
- Develop an effective personal marketing pitch
- Determine their preferences in organizational culture
- Take advantage of programs that enhance job interviewing and search skills

Business schools also have an opportunity to provide education in areas graduates have been asking for—either in their current curriculum or as a part of a life-long learning program. For the past two years graduates top areas they desire more education is in developing a strategic plan and conducting financial analyses and preparing a budget.

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**Value of the MBA**

**Value of MBA Compared to Cost**

Twenty-three percent of the MBA graduates surveyed felt the value of their MBA was outstanding; 46% felt it was excellent; and 25% felt it was good. Only 6% felt it was fair, and 1% felt it was poor.

**By Class Year:** Although those from the class of 2000 are more likely to have indicated the value of their MBA as outstanding (26%, compared to 22% of those from the class of 2001), there are no significant differences from class to class in the opinion of the value of the MBA.

**By Citizenship:** U.S. citizens are significantly more likely than non-U.S. citizens to indicate the value of their MBA as outstanding.

<b>Value of MBA Compared to Cost by Citizenship</b>	<b>U.S.</b>	<b>Non-U.S.</b>
Outstanding	24%	17%
Excellent	47%	46%
Good	23%	28%
Fair/Poor	6%	9%
Total	100%	100%

**By Gender:** Males are significantly more likely than females to give the value of their MBA a high rating.

<b>Value of MBA Compared to Cost by Gender</b>	<b>Male</b>	<b>Female</b>
Outstanding	24%	17%
Excellent	45%	49%
Good	24%	27%
Fair/Poor	7%	8%
Total	100%	100%

**By Industry:** Graduates working in the consulting industry are significantly more likely than others to rate the value of their MBA as outstanding. Those working in the manufacturing industry are less likely than others to rate the value of their MBA as outstanding.

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<b>Value of MBA Compared to Cost by Industry</b>						
	Consulting	Finance/ Accounting	Products/ Services	Manufacturing	Technology	Health Care and Pharmaceutical
Outstanding	33%	24%	19%	13%	23%	27%
Excellent	49%	47%	48%	56%	46%	42%
Good	15%	22%	29%	28%	24%	21%
Fair/Poor	3%	7%	4%	3%	7%	9%
Total	100%	100%	100%	100%	100	100

**By School Prestige:** Graduates of top-tier schools are significantly more likely to indicate the value of their MBA as outstanding.

<b>Value of MBA Compared to Cost by School Prestige</b>		
	<b>Top 25</b>	<b>All Other Schools</b>
Outstanding	30%	18%
Excellent	46%	47%
Good	21%	27%
Fair/Poor	4%	9%
Total	100	100

**Satisfaction with Benefits of MBA**

Overall, MBA graduates feel satisfied (extremely/very) with the potential benefits of an MBA.

- the opportunity to improve personally (86%)
- gaining credentials they desired (84%)
- gaining an increase in their career options (79%)
- development of management knowledge/technical skills (77%)
- preparation to get a good job (71%)
- opportunity for quicker advancement (66%)
- increase in earning power (66%)
- opportunity to network (61%)
- increase in work environment flexibility (57%)
- job security (39%)

**By Class Year:** Graduates from the class of 2000 are significantly more likely to be satisfied than those from the class of 2001 with regard to three of the 10 potential benefits of the MBA—preparation to get a good job, increase in career options, and increase in earning power. Those from the class of 2001 are significantly more likely to be satisfied with the opportunity for quicker advancement.

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<b>Satisfaction in Benefits of MBA by Class Year</b>	<b>2000</b>	<b>2001</b>
<b>Preparation to get a good job</b>		
Extremely satisfied	25%	23%
Very satisfied	56%	48%
Somewhat satisfied	15%	23%
Not very/not at all satisfied	3%	5%
Total	100%	100%
<b>Increase in your career options</b>		
Extremely satisfied	44%	39%
Very satisfied	43%	40%
Somewhat satisfied	10%	16%
Not very/not at all satisfied	3%	4%
Total	100%	100%
<b>Increase in earning power</b>		
Extremely satisfied	33%	27%
Very satisfied	42%	38%
Somewhat satisfied	18%	24%
Not very/not at all satisfied	7%	11%
Total	100%	100%
<b>Opportunity for quicker advancement</b>		
Extremely satisfied	24%	26%
Very satisfied	45%	42%
Somewhat satisfied	29%	23%
Not very/not at all satisfied	3%	8%
Total	100%	100%

**By Citizenship:** U.S. citizens are significantly more likely than non-U.S. citizens to indicate extreme satisfaction in gaining the credentials they desired (35%, compared to 26% of non-U.S. citizens) and opportunity for quicker advancement (25%, compared to 19% of non-U.S. citizens).

**By Gender:** Males express significantly more satisfaction in two of the potential benefits of an MBA—the increase in career options and the increase in work environment flexibility. Males are more likely to be extremely or not very/not at all satisfied with an increase in earning power.

<b>Satisfaction with Benefits of MBA by Gender</b>	<b>Male</b>	<b>Female</b>
<b>Increase in your career options</b>		
Extremely satisfied	41%	31%
Very satisfied	40%	44%
Somewhat satisfied	13%	20%
Not very/not at all satisfied	6%	5%
Total	100%	100%

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<b>Satisfaction with Benefits of MBA by Gender</b>	<b>Male</b>	<b>Female</b>
<b>Increase in work environment flexibility</b>		
Extremely satisfied	20%	14%
Very satisfied	39%	40%
Somewhat satisfied	31%	37%
Not very/not at all satisfied	10%	9%
Total	100%	100%
<b>Increase in earning power</b>		
Extremely satisfied	28%	24%
Very satisfied	38%	39%
Somewhat satisfied	21%	27%
Not very/not at all satisfied	12%	9%
Total	100%	100%

**By Industry:** Graduates working in the consulting industry are significantly more likely than those in the manufacturing industry to be extremely satisfied in their preparation to get a good job and their increase in earning power. Graduates in the technology industry are significantly less likely than those in other industries to be extremely satisfied in their preparation to get a good job and in earning the credentials they desired.

<b>Satisfaction in Benefits of MBA (Collapsed) by Industry</b>	Consulting	Finance/ Accounting	Products/ Services	Manufacturing	Technology	Health Care or Pharmaceutical
<b>Preparation to get a good job</b>						
Extremely satisfied	34%	27%	22%	18%	18%	24%
Very satisfied	53%	49%	56%	58%	54%	44%
Somewhat satisfied	13%	19%	15%	20%	22%	25%
Not very/not at all satisfied	1%	4%	7%	4%	6%	7%
Total	100%	100%	100%	100%	100%	100%
<b>Increase in earning power</b>						
Extremely satisfied	39%	34%	28%	18%	26%	28%
Very satisfied	44%	42%	44%	44%	40%	37%
Somewhat satisfied	15%	15%	17%	28%	24%	25%
Not very/not at all satisfied	3%	9%	11%	10%	11%	10%
Total	100%	100%	100%	100%	100%	100%
<b>Credentials desired</b>						
Extremely satisfied	34%	37%	36%	36%	25%	34%
Very satisfied	56%	49%	51%	49%	58%	46%
Somewhat satisfied	10%	11%	9%	15%	13%	20%
Not very/not at all satisfied	0%	3%	4%	0%	4%	0%
Total	100	100%	100%	100%	100%	100%



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**By School Prestige:** Graduates from different tiers of schools differ significantly in their satisfaction with six of the 10 benefits of the MBA listed. In each case, the graduates of top-tier schools are more likely to say they are extremely satisfied.

<b>Satisfaction in Benefits of MBA by School Prestige</b>		
	<b>Top 25</b>	<b>All Other Schools</b>
<b>Preparation to get a good job</b>		
Extremely satisfied	32%	17%
Very satisfied	49%	50%
Somewhat satisfied	15%	25%
Not very/not at all satisfied	4%	8%
Total	100%	100%
<b>Increase in career options</b>		
Extremely satisfied	49%	33%
Very satisfied	38%	42%
Somewhat satisfied	9%	19%
Not very/not at all satisfied	3%	7%
Total	100%	100%
<b>Credentials desired</b>		
Extremely satisfied	44%	27%
Very satisfied	47%	53%
Somewhat satisfied	8%	17%
Not very/not at all satisfied	1%	3%
Total	100%	100%
<b>Opportunity for quicker advancement</b>		
Extremely satisfied	29%	21%
Very satisfied	43%	42%
Somewhat satisfied	22%	28%
Not very/not at all satisfied	6%	9%
Total	100%	100%
<b>Increase in earning power</b>		
Extremely satisfied	33%	24%
Very satisfied	42%	37%
Somewhat satisfied	17%	26%
Not very/not at all satisfied	7%	13%
Total	100%	100%
<b>Opportunity to network</b>		
Extremely satisfied	34%	24%
Very satisfied	36%	33%
Somewhat satisfied	23%	30%
Not very/not at all satisfied	7%	13%
Total	100%	100%

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**MBA Education**

**Skills Learned in MBA Program Used in Current Job**

MBA graduates indicated that they were using the following skills a great deal or a good amount in their current jobs.

- ability to think analytically (86%)
- interpersonal skills (84%)
- ability to integrate information (82%)
- oral communication skills (79%)
- written communication skills (77%)
- decision-making ability (73%)
- ability to think strategically (71%)
- computer /technological skills (68%)
- technical skills for specialty (67%)
- creative skills (65%)
- leadership skills (62%)
- networking skills (51%)

**By Class Year:** Graduates from the class of 2000 and 2001 differ significantly in the use of only one category of skill in their current job—oral communications skills. Graduates from the class of 2000 were significantly more likely to report using these skills a great deal or a good amount (83%) than were graduates from the class of 2001 (76%).

**By Race/Ethnicity:** White U.S. citizens are significantly more likely to indicate the use of technical skills for their specialty (68%, compared to 55% of U.S. minority subgroups) and the use of computer/technical skills (70%, compared to 65% of U.S. minority subgroups).

**By Gender:** Females report using the following skills significantly more (a great deal/a good amount) in their current job than males.

- interpersonal skills (91%, compared to 81% of males)
- oral communication skills (83%, compared to 77% of males)
- written communication skills (83%, compared to 75% of males)
- networking skills (56%, compared to 48% of males)

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**By Industry:** Graduates working in different industries significantly differ with regard to the three skills (out of a list of 11) they use most in their current job.

Skills used (great deal/good amount)	Consulting	Finance/ Accounting	Products/ Services	Manufacturing	Technology	Health Care or Pharmaceutical
Leadership	55%	49%	79%	59%	70%	69%
Interpersonal	87%	78%	89%	87%	86%	92%
Technology	74%	64%	58%	69%	77%	66%

**By School Prestige:** Graduates from different tiers of schools differ significantly in the on-the-job use of two of 12 job skills listed—the ability to think strategically and the ability to integrate information from a wide variety of sources.

Skills Used (great deal/good amount)	Top 25	All Other Schools
Ability to think strategically	76%	69%
Ability to integrate information	87%	80%

**Areas in Which MBA Graduates Want More Education/Training**

The top five areas in which MBA graduates want more education or training are:

- developing a strategic plan (36%)
- conducting financial analyses and preparing a budget (34%)
- managing your career (34%)
- conducting cost/benefit analyses of proposed changes (30%)
- analyzing, organizing, and interpreting statistical data (26%)

**By Class Year:** A significantly greater number of graduates from the class of 2000 desired more education/training in managing change (28%, compared to 20% of those from the class of 2001) and managing their careers (39%, compared to 30% of those from the class of 2001). A significantly greater number of graduates from the class of 2001 desired more education/training in designing and conducting market research (25%, compared to 19% of those from the class of 2000).

**By Citizenship:** Non-U.S. citizens are significantly more likely to have indicated a desire for more education/training in seven of the 19 areas listed.

<b>Areas in Which More Education/Training Needed, by Citizenship</b>		
	U.S.	Non-U.S.
Developing a strategic plan	33%	41%
Developing creative problem-solving skills	15%	24%
Interpersonal skills	10%	24%
Leadership skills	22%	30%
Managing change	20%	26%
Oral communication skills	14%	20%
Strategic thinking	19%	26%

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**By Race/Ethnicity:** Significantly more U.S. minority subgroups indicated a desire for more education/training in interpersonal skills than did U.S. whites (15%, compared to 9%).

**By Gender:** Females are significantly more likely to desire more education/training in developing Web-based marketing than males (22%, compared to 12%). Males are significantly more likely than females to desire more education/training in interpersonal skills (18%, compared to 10%).

**By Industry:** Graduates working in different industries differ significantly in four of the 19 areas in which they want more education/training.

<b>Areas in Which More Education Wanted, by Industry</b>	<b>Consulting</b>	<b>Finance/ Accounting</b>	<b>Products/ Services</b>	<b>Manufacturing</b>	<b>Technology</b>	<b>Health Care or Pharmaceutical</b>
Conducting cost/benefit analyses of proposed changes	27%	22%	28%	36%	35%	37%
Designing and conducting market research	18%	16%	21%	31%	30%	27%
Developing Web-based marketing	9%	12%	23%	18%	10%	18%
Oral communication skills	21%	22%	12%	8%	16%	11%

**By School Prestige:** Graduates from different tiers of schools differ significantly in nine of the 19 areas in which they desire more education/training. In each case, graduates from schools *not* in the top tier said they desire more education/training.

<b>Areas in Which More Education/Training Wanted, by Prestige of School</b>	<b>Top 25</b>	<b>All Other Schools</b>
Developing a strategic plan	30%	39%
Conducting financial analyses and preparing a budget	28%	37%
Conducting cost/benefit analyses of proposed changes	23%	33%
Networking skills	20%	28%
Computer and related technology skills	16%	26%
Strategic thinking	16%	23%
Analytical thinking	14%	22%
Developing creative problem-solving skills	15%	20%
Developing Web-based marketing	11%	17%

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**MBA EMPLOYMENT**

**Currently Working at Full-time Job**

Eighty-eight percent of the MBA graduates who responded to the survey are currently working full time.

***By Class Year:*** Ninety percent of graduates of the class of 2000 who responded to the survey are currently working full time. Eighty-seven percent of survey respondents from the class of 2001 are currently working full time.

***By Gender:*** Males are significantly more likely than females to report working full time (89%, compared to 85%).

**Main Reasons for Not Currently Working**

The main reason 12% of the MBA graduates surveyed are not working is that they are unable to find a job they want (40%). A distant second reason is that they were laid off because of the weak economy (28%).

***By Citizenship:*** U.S. citizens are significantly more likely than non-U.S. citizens to indicate that they are not currently working because they were laid off as a result of company instability (19%, compared to 4% of non-U.S. citizens).

***By Gender:*** Males are significantly more likely than females to not be working because they were laid off as a result of the weak economy (35% compared to 17% of females). Females were more likely than males to have moved to a new location (15%, compared to 6%).

**Currently Working with Same Employer Since Graduation**

Seventy-six percent of the MBA graduates surveyed are still with the same employer who gave them their first job after graduation.

***By Class Year:*** Graduates of the class of 2001 are significantly more likely than graduates of the class of 2000 to work for the same employer who gave them their first job after graduation (79%, compared to 69%).

***By Citizenship:*** Non-U.S. citizens are significantly more likely than U.S. citizens to be working with the same employer they have had since their first job after graduation (69%, compared to 79%).

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**By Industry:** There are significant differences by industry with regard to whether or not graduates are with the same employer who gave them their first job after graduation. The following list shows the percentage of graduates from each industry who are still working for their first post-MBA employer.

- Manufacturing (88%)
- Consulting (80%)
- Products/Services (78%)
- Finance/Accounting (73%)
- Health Care/Pharmaceutical (72%)
- Technology (70%)

### **Main Reasons for Leaving Last Employer**

The following are the top five reasons those who left their first post-graduation employer (24%) left their last job. They—

- were laid off because of the weak economy (22%)
- quit because they were dissatisfied with the work or clients (19%)
- were laid off because of company instability (12%)
- moved elsewhere (12%)
- quit because they were dissatisfied with the hours, pay, or coworkers (12%)

**By Class Year:** The top five reasons for leaving their last employer are the same for all respondents, regardless of the year they graduated. Graduates from the class of 2001 were significantly more likely to indicate school-related reasons (16%) than those from the class of 2000 (5%).

**By Citizenship:** U.S. citizens are significantly more likely than non-U.S. citizens to indicate that they left their last employer because they were laid off as a result of the weak economy (27%, compared to 14% of non-U.S. citizens). Non-U.S. citizens are significantly more likely than non-U.S. citizens to indicate that they left their last employer for school-related reasons (21%, compared to 3% of U.S. citizens) or because they quit out of dissatisfaction with hours, pay, or coworkers (16%, compared to 8% of U.S. citizens).

**By School Prestige:** Graduates from the top-tier schools are significantly more likely to have left their last employer because they were laid off because of the weak economy (35%, compared to 16% of those from all other schools). Graduates from schools not in the top tier are significantly more likely to indicate they left their last job for school-related reasons (15%, compared to 3% of those from the top-tier schools).

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**Factors in Accepting Employment in First Job out of School**

MBA graduates indicated the following factors as the top reasons for accepting employment in their first job out of school.

- challenging and interesting work (55%)
- competitive salary (44%)
- opportunity to learn new things (39%)
- location (37%)
- opportunity for advancement (33%)
- positive organizational climate (30%)
- company image and reputation (25%)

**By Citizenship:** There are significant differences in nine of 16 employment acceptance factors, according to citizenship. The opinions of graduates' spouses and the location of the job are more important to U.S. citizens than to non-U.S. citizens. Opportunity for travel, positive organizational climate, achieving something they personally value, opportunity to learn new things, opportunity to use skills to the maximum, and company image and reputation are more important to non-U.S. citizens than to U.S. citizens.

<b>Employment Acceptance Factors in First Post-Graduation Job, by Citizenship</b>		
	<b>U.S.</b>	<b>Non-U.S.</b>
Opportunity to learn new things	34%	47%
Positive organizational climate	26%	37%
Company image and reputation	22%	30%
Location	43%	26%
Opportunity to use skills to the maximum	16%	26%
Achieving something personally valued	16%	25%
Opportunity for travel	5%	11%
Opinions of spouse/significant other	15%	8%

**By Race/Ethnicity:** Significantly more members of U.S. minority subgroups than U.S. whites indicated that the opportunity to learn new things was a factor in their decision to accept employment (45%, compared to 32% of whites).

**By Gender:** Males are significantly more likely than females to indicate that the opportunity for advancement was a factor in their decision to accept employment (36%, compared to 27% of females).

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**By Industry:** Graduates working in different industries significantly differ with regard to their consideration of four of the 16 employment acceptance factors.

**Employment Acceptance Factors in First Post-Graduation Job, by Industry**

	Consulting	Finance/ Accounting	Products/ Services	Manufacturing	Technology	Health Care or Pharmaceutical
Opportunity for advancement	23%	33%	38%	30%	44%	43%
Challenging and interesting work	70%	57%	44%	46%	54%	63%
Opportunity to use skills to the maximum	36%	15%	23%	15%	22%	15%
Company image and reputation	37%	34%	25%	15%	23%	22%

**By School Prestige:** Graduates from the top-tier schools are significantly more likely than others to indicate the following factors as important in their decision to accept an offer of employment: opportunity to learn new things (48%, compared to 36% of those from all other schools), challenging and interesting work (62%, compared to 52% of those from all other schools), and company image and reputation (36%, compared to 21% of those from all other schools).

**Looking Back, Were Employment Acceptance Factors Weighed Right?**

In general, MBA graduates felt they had weighed their top employment acceptance factors about right.

- challenging and interesting work (74%)
- competitive salary (68%)
- opportunity to learn new things (78%)
- location (70%)
- opportunity for advancement (65%)
- positive organizational climate (66%)
- company image and reputation (71%)

However, MBA graduates felt they did not give the following factors enough weight in their decisions:

- positive organizational climate (27%)
- perceived value of MBA degree within company (27%)
- stock option or ownership program (26%)
- extending range of abilities (25%)
- the opportunity to make own decisions (25%)



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**By Citizenship:** Non-U.S. citizens were more likely to feel that they weighed the following factors too much in their decision to accept employment: achieving something they personally value, the opportunity to do challenging work, extending their range of abilities, opportunity for advancement, opportunity to learn new things, and positive organizational climate. Non-U.S. citizens were more likely to feel they had given the following factors too little weight in their decision to accept employment: the opinions of their spouses, the location of the job, stock options, benefits, and the opinions of peers in their MBA class.

<b>Employment Acceptance Factors Weighed Right, by Citizenship</b>		
	U.S.	Non-U.S.
<b>Achieving something that you personally value</b>		
Too much	4%	12%
About right	72%	67%
Too little	25%	21%
Total	100%	100%
<b>Opinions of spouse/significant other</b>		
Too much	6%	4%
About right	82%	74%
Too little	12%	22%
Total	100%	100%
<b>Opportunity to do challenging work</b>		
Too much	7%	14%
About right	74%	73%
Too little	19%	13%
Total	100%	100%
<b>Extending range of abilities</b>		
Too much	5%	12%
About right	68%	66%
Too little	27%	22%
Total	100	100%
<b>Location</b>		
Too much	14%	9%
About right	73%	66%
Too little	13%	25%
Total	100%	100%
<b>Opportunity for advancement</b>		
Too much	9%	16%
About right	68%	60%
Too little	23%	24%
Total	100%	100%
<b>Opportunity to learn new things</b>		
Too much	3%	15%
About right	82%	73%
Too little	15%	12%

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Total	100%	100%
<b>Stock option or ownership program</b>		
Too much	12%	13%
About right	67%	53%
Too little	21%	34%
Total	100%	100%
<b>Benefits</b>		
Too much	5%	6%
About right	79%	70%
Too little	16%	24%
Total	100%	100%
<b>Positive organizational climate</b>		
Too much	5%	11%
About right	67%	64%
Too little	28%	26%
Total	100%	100%
<b>Opinions of peers in MBA class</b>		
Too much	12%	11%
About right	78%	63%
Too little	10%	26%
Total	100%	100%

**By Race/Ethnicity:** Significantly more U.S. whites than U.S. minorities indicated that they weighed positive organizational climate about right in their employment acceptance decision.

<b>Positive Organizational Climate</b>	<b>Whites</b>	<b>All Others</b>
Too much	4%	12%
About right	69%	56%
Too little	27%	32%

**By Gender:** Females were significantly more likely than males to indicate that they had weighed job security about right in their job acceptance decision.

<b>Job Security</b>	<b>Male</b>	<b>Female</b>
Too much	13%	7%
About right	62%	73%
Too little	25%	20%

**By Industry:** Graduates working in different industries differ significantly in three of the 17 employment acceptance factors weighed.

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<b>Employment Acceptance Factors Weighed , by Industry</b>						
	<b>Consulting</b>	<b>Finance/ Accounting</b>	<b>Products/ Services</b>	<b>Manufacturing</b>	<b>Technology</b>	<b>Health Care or Pharmaceutical</b>
<b>Location</b>						
Too much	10%	8%	22%	8%	23%	5%
About right	74%	72%	63%	77%	61%	70%
Too little	15%	20%	15%	15%	16%	25%
Total	100%	100%	100%	100%	100%	100%
<b>Company image and reputation</b>						
Too much	16%	9%	16%	8%	4%	7%
About right	70%	72%	61%	86%	74%	80%
Too little	15%	19%	23%	6%	21%	12%
Total	100%	100%	100%	100%	100%	100%
<b>Competitive salary</b>						
Too much	14%	9%	17%	5%	5%	5%
About right	75%	63%	54%	68%	76%	72%
Too little	11%	28%	29%	26%	19%	23%
Total	100%	100%	100%	100%	100%	100%

***By School Prestige:*** Graduates of top-tier schools were significantly more likely than others to indicate that they had weighed four of the 17 factors about right when making their employment decision.

<b>Employment Acceptance Factors Weighed Right, by School Prestige</b>		
	<b>Top 25</b>	<b>All Other Schools</b>
<b>Opportunity for advancement</b>		
Too much	7%	14%
About right	72%	62%
Too little	21%	25%
Total	100%	100%
<b>Competitive salary</b>		
Too much	8%	10%
About right	75%	64%
Too little	17%	26%
Total	100%	100%
<b>Opinions of peers in MBA class</b>		
Too much	13%	11%
About right	80%	69%
Too little	7%	20%
Total	100%	100%
<b>Perceived value of MBA degree within company</b>		
Too much	12%	17%
About right	66%	54%
Too little	22%	29%
Total	100%	100%

**MBA ALUMNI PERSPECTIVES SURVEY  
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**Likelihood of Recommending Job**

Sixty-one percent of the MBA graduates who responded to the survey indicated they would strongly recommend their job to someone else. Thirty-four percent would have doubts about recommending their job, and 5% would strongly advise against taking the job.

**By Gender:** Males were significantly more likely than females to strongly recommend their jobs (63%, compared to 57% of females). Females were significantly more likely than males to have doubts about recommending their jobs (39%, compared to 32% of males).

**By Industry:** Graduates working in different industries differ significantly in their likelihood to recommend their jobs. Those in the health care and pharmaceutical industry are the most likely to strongly recommend their jobs; those in the manufacturing industry are the least likely.

<b>Likelihood of Recommending Job, by Industry</b>						
	<b>Consulting</b>	<b>Finance/ Accounting</b>	<b>Products/ Services</b>	<b>Manufacturing</b>	<b>Technology</b>	<b>Health Care/ Pharmaceutical</b>
Strongly recommend	60%	63%	65%	52%	63%	78%
Doubts about recommending	38%	34%	31%	39%	34%	21%
Strongly advise against	2%	3%	4%	9%	4%	1%

**Looking Back, Would Graduate Still Take Job?**

Slightly more than half (56%) would decide without hesitation to take the same job. Thirty-eight percent would have second thoughts, and 6% would decide definitely not to take the same job.

**By Industry:** Graduates working in different industries significantly differ in whether they would decide to take the same job. Those in the health care and pharmaceutical industry are the most likely to decide without hesitation to take the same job; those in the manufacturing industry are the least likely.

<b>Willingness to Take Same Job, by Industry</b>						
	<b>Consulting</b>	<b>Finance/ Accounting</b>	<b>Products/ Services</b>	<b>Manufacturing</b>	<b>Technology</b>	<b>Health Care/ Pharmaceutical</b>
Decide without hesitation	53%	55%	60%	47%	57%	68%
Have second thoughts	42%	39%	34%	46%	36%	28%
Definitely not	5%	6%	6%	7%	8%	4%

**MBA ALUMNI PERSPECTIVES SURVEY  
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**Is Job Much Like Graduate Wanted?**

Forty-three percent of the graduates feel their job is very much like what they wanted. Forty-six percent feel their job is somewhat like what they wanted, and 12% feel it is not very much like what they wanted.

**By Industry:** Graduates working in different industries significantly differ in whether their job is like what they wanted. Those in the technology industry are the most likely to feel their job is very much like what they wanted; those in the manufacturing industry are the least likely.

<b>Is Job Much Like What Was Wanted, by Industry</b>						
	<b>Consulting</b>	<b>Finance/ Accounting</b>	<b>Products/ Services</b>	<b>Manufacturing</b>	<b>Technology</b>	<b>Health Care/ Pharmaceutical</b>
Very much	44%	43%	46%	35%	49%	45%
Somewhat	48%	47%	43%	51%	38%	44%
Not very much	8%	10%	11%	14%	13%	11%

**Annual Base Salary**

The typical MBA graduate receives \$78,000 annually.

**By Class Year:** The typical MBA graduate from the class of 2000 receives U.S. \$80,000 annually. The typical 2001 graduate receives U.S. \$75,000 annually.

**By Citizenship:** The typical U.S. MBA graduate receives U.S. \$80,000 annually; the typical non-U.S. MBA graduate receives U.S. \$74,000 annually.

**By Gender:** The typical male makes U.S. \$80,000; the typical female, U.S. \$75,000.

**By Industry:** Graduates working in different industries command significantly different annual base salaries.

<b>Annual Base Salary by Industry</b>	
<b>Industry</b>	<b>Median</b>
Consulting	U.S. \$90,000
Finance/Accounting	U.S. \$80,000
Products/Services	U.S. \$75,000
Manufacturing	U.S. \$79,000
Technology	U.S. \$80,000
Health Care or Pharmaceutical	U.S. \$82,250

**By School Prestige:** The typical graduate of a top-tier school receives U.S. \$87,500 annual base salary; this figure drops to U.S. \$70,000 for those graduating from all other schools.

## MBA ALUMNI PERSPECTIVES SURVEY AUGUST 2002

### **Compensation Received Since Completing MBA**

MBA graduates indicated the types of compensation they have received since receiving their MBA. The following are the most often cited types of compensation.

- benefits package (66%)
- performance-based bonus (55%)
- signing bonus (43%)
- moving allowance (37%)
- stock options (32%)
- stock purchase plan (27%)

**By Class Year:** There were significant differences from one graduating class to another in six of the 11 types of compensation received. Graduates from the class of 2000 were significantly more likely than 2001 graduates to have received the following:

- a benefits package (74%, compared to 65% of the 2001 graduates)
- a performance-based bonus (69%, compared to 50% of the 2001 graduates)
- a signing bonus (52%, compared to 39% of the 2001 graduates)
- a moving allowance (45%, compared to 35% of the 2001 graduates)
- stock options (40%, compared to 29% of the 2001 graduates)

Graduates from the class of 2001 were significantly more likely to have received tuition reimbursement (22%) than were graduates from 2000 (16%).

**By Citizenship:** U.S. citizens and non-U.S. citizens show significant differences in six of the 11 types of compensation received. U.S. citizens are significantly more likely to have receive stock options (34%, compared to 28% of non-U.S. citizens), a benefits package (71%, compared to 57% of non-U.S. citizens), and tuition reimbursement (21%, compared to 15% of non-U.S. citizens).

Non-U.S. citizens are significantly more likely than U.S. citizens to have received profit sharing (85%, compared to 78% of non-U.S. citizens), a car or a car allowance (21%, compared to 5% of U.S. citizens), and a housing allowance (11%, compared to 6% of U.S. citizens).

**By Race/Ethnicity:** U.S. subgroup graduates are significantly more likely to have received stock options (42% compared to 32% of whites).

**By Gender:** Females are significantly more likely than males to have received a benefits package (71%, compared to 64% of males). Males are significantly more likely to have received a moving allowance (40%) and a car allowance (13%) than females (30% and 5%).

**MBA ALUMNI PERSPECTIVES SURVEY  
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**By Industry:** Graduates differ significantly in six of the 12 types of compensation received, according to the industries in which they work.

<b>Compensation Received, by Industry</b>						
	<b>Consulting</b>	<b>Finance/ Accounting</b>	<b>Products/ Services</b>	<b>Manufacturing</b>	<b>Technology</b>	<b>Health Care/ Pharmaceutical</b>
Signing bonus	73%	49%	39%	32%	37%	47%
Moving allowance	48%	39%	43%	30%	33%	39%
Stock purchase plan	22%	27%	19%	24%	46%	30%
Car or car allowance	13%	7%	11%	15%	7%	11%
Stock options	11%	27%	28%	43%	61%	49%
First-year bonus	10%	29%	5%	5%	8%	14%

**By School Prestige:** Graduates from top-tier schools receive significantly more compensation in six of 11 compensation categories. Graduates from schools not in the top tier were significantly more likely to have received a car or car allowance.

<b>Compensation Received Since Completing MBA, by School Prestige</b>		
	<b>Top 25</b>	<b>All Other Schools</b>
Benefits package	74%	62%
Signing bonus	64%	33%
Performance-based bonus	62%	52%
Moving allowance	49%	32%
Stock options	41%	28%
First-year bonus	19%	9%
Car or car allowance	6%	13%

**Received a Promotion at Current Job Since Receiving MBA?**

Thirty-two percent of the MBA graduates have received a promotion at their current job since they received their MBA.

**By Class Year:** Graduates from the class of 2000 are significantly more likely to have received a promotion at their current job since having received their MBA (42%, compared to 26% of the class of 2001).

**By Race/Ethnicity:** White U.S. graduates are significantly more likely to have received a promotion than U.S. minorities (35%, compared to 24% of U.S. minority subgroups).

**MBA ALUMNI PERSPECTIVES SURVEY  
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**By Industry:** Graduates working in the products and services and manufacturing industries are most likely to have received a promotion.

<b>Received Promotion, by Industry</b>	
Consulting	24%
Finance/Accounting	28%
Products/Services	38%
Manufacturing	38%
Technology	32%
Health Care/Pharmaceutical	30%

**By School Prestige:** Graduates from schools not in the top tier are significantly more likely than others to have received a promotion (34%, compared to 28% of those from top-tier schools).

**Work Location**

The majority of the MBA graduates work for multinational companies (67%); 17% work for national companies; 9% work for regional companies; and 8% work for local companies. Eighty-one percent are working in their country of citizenship.

**By Class Year:** Although graduates from the class of 2000 are slightly more likely than others to work for multinational companies (69%, compared to 66% of the class of 2001) and graduates from the class of 2001 are slightly more likely than others to work for local companies (9%, compared to 6% of the class of 2000) there are no significant differences in work location by graduating class.

**By Citizenship:** Significantly more non-U.S. citizens than U.S. citizens work for multinational companies (74%, compared to 63% of U.S. citizens). Significantly more U.S. citizens than non-U.S. citizens work for regional (10%) or local (10%) companies (compared to 5% and 5% for non-U.S. citizens). Significantly more U.S. citizens than non-U.S. citizens work in their country of citizenship (97%, compared to 51% of non-U.S. citizens).

**By Gender:** Females are significantly more likely than males to work in their country of citizenship (87%, compared to 78% of males).

**By Industry:** There are significant differences in work location from industry to industry.

<b>Work Location by Industry</b>						
	<b>Consulting</b>	<b>Finance/ Accounting</b>	<b>Products/ Services</b>	<b>Manufacturing</b>	<b>Technology</b>	<b>Health Care/ Pharmaceutical</b>
Local	3%	7%	9%	1%	4%	10%
Regional	7%	9%	7%	4%	7%	11%
National	7%	21%	14%	9%	21%	20%
Multinational	83%	63%	69%	85%	69%	59%



## **MBA ALUMNI PERSPECTIVES SURVEY AUGUST 2002**

***By School Prestige:*** Graduates from top-tier schools were significantly more likely than others to be employed by multinational companies (73%, compared to 65% of those from all other schools). There are no significant differences in whether or not graduates work in their country of citizenship that correlate to the prestige of their MBA schools.

### **EMPLOYER CHARACTERISTICS**

#### **Employing Industry**

Twenty-three percent of the MBA graduates who responded to the survey work in the Finance/Accounting industry. Fifteen percent are in the technology industry; 14% in the consulting industry, 12% in the products and services industry; 9% in the manufacturing industry; 7% in the health care and pharmaceutical industry; and 21% are in other industries.

Graduates from top-tier schools are significantly more likely than others to work in consulting (18%, compared to 11% of those from other schools).

#### **Primary Job Function**

The top four job functions of the MBA graduates who responded to the survey are:

- marketing/sales (23%)
- finance/accounting (21%)
- consulting (13%)
- general management (10%)

#### ***By Gender***

Females are significantly more likely than males to be in marketing/sales (27%, compared to 21% of males).

#### **Job Responsibility**

Thirty-seven percent of the MBA graduates who responded to the survey are not managers or supervisors. Twenty-five percent are first or entry-level managers, 24% are middle-level managers; 12% are senior-level managers; and 2% are self-employed or own their own business.

Forty-eight percent do not manage any people; 28% manage from one to four people; and 24% manage five or more people.

Graduates from the class of 2000 are significantly more likely than others to manage one to nine people (45%, compared to 34% from the class of 2001).

Males were significantly more likely than females to be a senior-level manager (14%, compared to 7% of females). There are no significant differences in the number of people managed by each gender.

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Graduates from top-tier schools (31%) are more likely to be a first- or entry-level manager than those from all other schools (22%). Those *not* from top-tier schools are more likely to be a middle-level manager (27%, compared to 19% of those from top-tier schools).