2011

GMAC®
GRADUATE MANAGEMENT ADMISSION COUNCIL

mba.com Prospective Students Survey

SURVEY REPORT

ABOUT THIS STUDY

The **mba.com Prospective Students Survey**, formerly named the mba.com Registrants Survey, is a product of the Graduate Management Admission Council® (GMAC®), a global nonprofit education organization of leading graduate business schools and the owner of the Graduate Management Admission Test® (GMAT®) exam. The GMAT exam is an important part of the admissions process for more than 5,000 graduate management programs around the world. GMAC is dedicated to creating access to and disseminating information about graduate management education; these schools and others rely on the Council as the premier provider of reliable data about the graduate management education industry.

ACCOMPANYING DATA

GMAC offers an interactive online data report to accompany the findings presented in this 2011 mba.com Prospective Students Survey Report. Unlike the survey report, which summarizes a full 24 months worth of data, the interactive report shows data for 2009 and 2010 individually. Schools that use the GMAT exam as part of their admissions process can explore the interactive data report through the GMAC research library at **gmac.com/GMACResearchLibrary** (login required). The interactive report allows searching by a wide range of demographic characteristics such as age, gender, employment status, industry, citizenship, school location, program type, world region, and more.

The icon at left appears throughout this report to indicate opportunities where readers may want to consult the interactive report for more in-depth or customized data.

Technical Note: Our interactive reports require a minimum of Adobe® Flash Player 10.0 to run on your computer. You can obtain a free copy of the latest Adobe Flash Player from the following website: **http://www.adobe.com/support/flashplayer/downloads.html**.

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INTRODUCTION

Registration on mba.com—the portal to the Graduate Management Admission Test® (GMAT®) exam and information source for prospective business school students—is a purposeful action taken in the pursuit of a graduate business education.

Historically, periods of substantial increases in GMAT exam volume have coincided with weak economic conditions, and vice versa.[1] Record-setting GMAT testing volume in testing year (TY) 2009 and near-record volume in TY 2010 confirm this pattern.[2] Yet, independent of test volume or economic conditions, individuals who take action to register on mba.com are understood to be the most motivated and most likely to pursue a graduate business education.

The 2011 mba.com Prospective Students Survey explores the motivations, behaviors, program choices, and intended career outcomes of individuals who express a desire to further their education in a graduate business program. Over the course of the past two years, 39,772 prospective business school students who registered on mba.com have offered to share their opinions, preferences, and experiences as they navigate through this process. This report provides a portrait of these individuals in their endeavors to assess, prepare for, and apply to graduate business school. The Graduate Management Admission Council® (GMAC®) offers an interactive online data report to accompany the findings presented in this survey summary. Schools that use the GMAT exam as part of their admissions process are encouraged to consult the interactive report to explore the findings and get more in-depth or customized data. Instructions for accessing the interactive data report are provided at the end of the report.

[1] Graduate Management Admission Council. (2009). *Economics, education, and the business school pipeline*. Graduate Management Admission Council. Available at www.gmac.com/gmac/researchandtrends/globaltrends.htm.
[2] Graduate Management Admission Council. (2010). *Profile of Graduate Management Admission Test® candidates. Five-year summary*. Graduate Management Admission Council. Available at www.gmac.com/profile.

Key Findings

- **The Economy.** Despite changes in the economy, registrants on mba.com are motivated and dedicated to pursuing graduate management education. About half (51%) stated that economic conditions did not affect their likelihood to enroll in a graduate business program, and another third (36%) stated that economic conditions increased their likelihood of enrolling.
- **Application Timeline.** For prospective students, the window of time between completing a first degree program and submitting their first application to a graduate business program is slightly more than four years.
- **Yield Rates.** Application yield rates were highest for full-time two-year MBA, MS in Accounting, full-time one-year MBA, and part-time MBA programs. More than two-thirds of those who considered each of these program types applied.
- **Domestic vs. Foreign Programs.** Prospective students in most world regions sent applications to both domestic and foreign programs. Canada and the United States were the only exceptions—the majority submitted most applications to domestic programs only.
- **KSAs.** Nearly all (96%) prospective students agree they are motivated to pursue graduate business education to develop their knowledge, skills, and abilities (KSAs). The three areas of greatest interest were management KSAs, strategic/decision-making KSAs, and technical/operational KSAs.
- **Funding Sources.** There is uniformity in prospective students' choices of various funding sources to pay for graduate business school. The greatest percentage of prospects each year expects to use loans, grants, fellowships, and scholarships, followed by personal earnings and savings.
- **Information Sources.** Most prospective students consult their friends and family when deciding to pursue a graduate business education. They also research business schools online, search specific school websites, and examine the ranking publications.
- **Co-Curricular Activities.** Beyond core courses and electives, 95 percent of prospective students plan to participate in one or more co-curricular activities. More than half of all prospective students are interested in internships (64%) and student clubs (57%).

Interest in Graduate Business Education

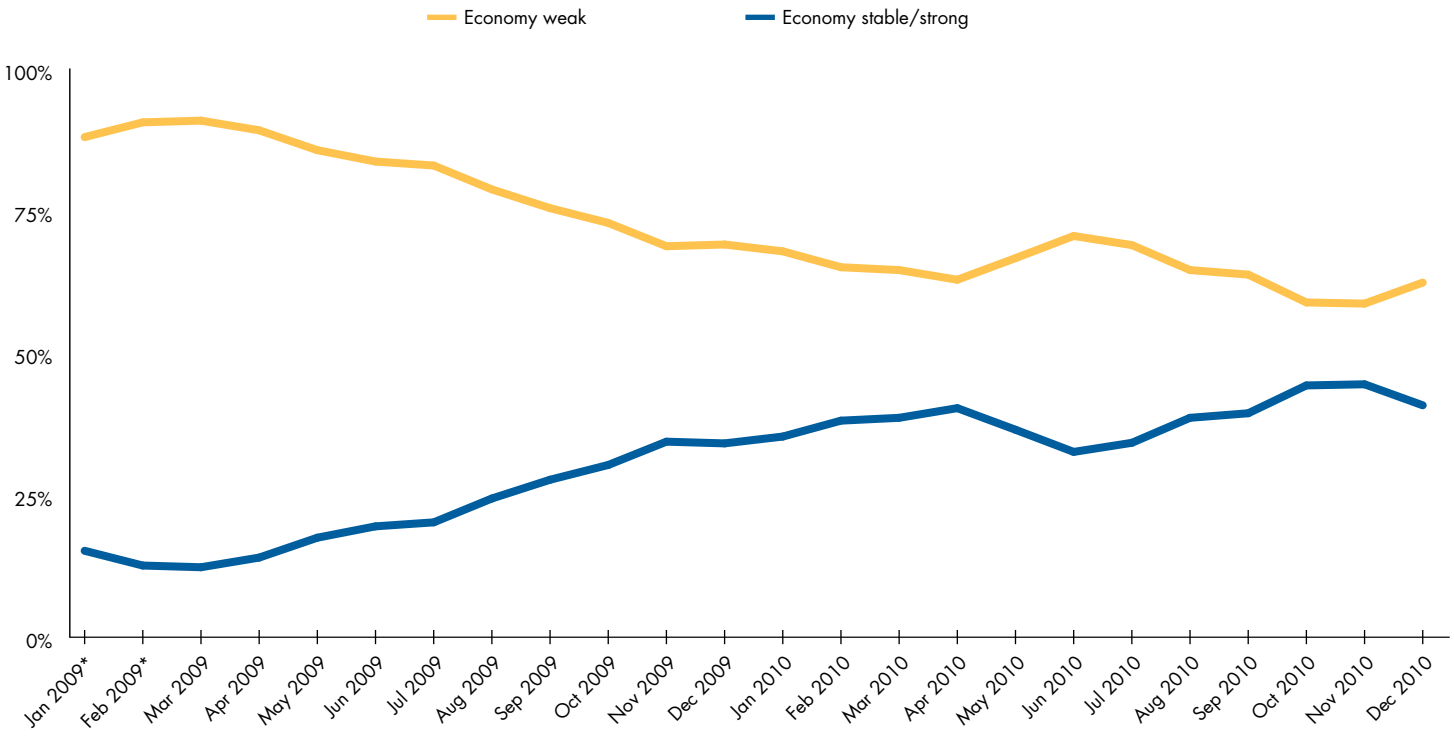
No discussion of current student interest in graduate business education can begin without placing it in the context of the prevailing economic currents that determine the demand for higher education in general, and business programs in particular. Nor can we ignore the increasing globalization of graduate business education that is driving the study destination choices of prospective students. The discussion that follows in this section examines the economic, demographic, and global factors that influence prospective students' educational choices.

Economic Climate

Education traditionally is a buffer during hard economic times.[3] Graduate business schools worldwide bore direct witness to the effect of the recent economic recession: Countless graduate programs during the last two years saw applications increase substantially.[4] The immediacy of tight labor markets and growing unemployment provided the needed prompt for many individuals to pursue additional education. Prospective students in 2010 were less likely than those in 2009 to feel the economy or job prospects were too uncertain for them to transition to enrollment in a graduate business program. Changing economic conditions may foretell challenges and opportunities for schools.

Our survey findings this year show that perceptions of global economic conditions have steadily improved, albeit with some setbacks over the past two years (Figure 1). Overall, perceptions about regional economies also have shown steady improvement, but variations are quite evident (Figure 2). More than half of the respondents in the Asia and Pacific Islands (Asia/PI) and Central Asia regions have considered their regional economies stable or strong since June 2009 and their optimism had risen by the end of 2010. Perceptions of the economies of Europe and the United States improved slightly during the past 24 months, but the percentage has remained below 50.

Figure 1.
Perceptions of the Global Economy (Three-Month Rolling Average)



*Data collection began in January 2009. March 2009 was the first month a 3-month average could be calculated.

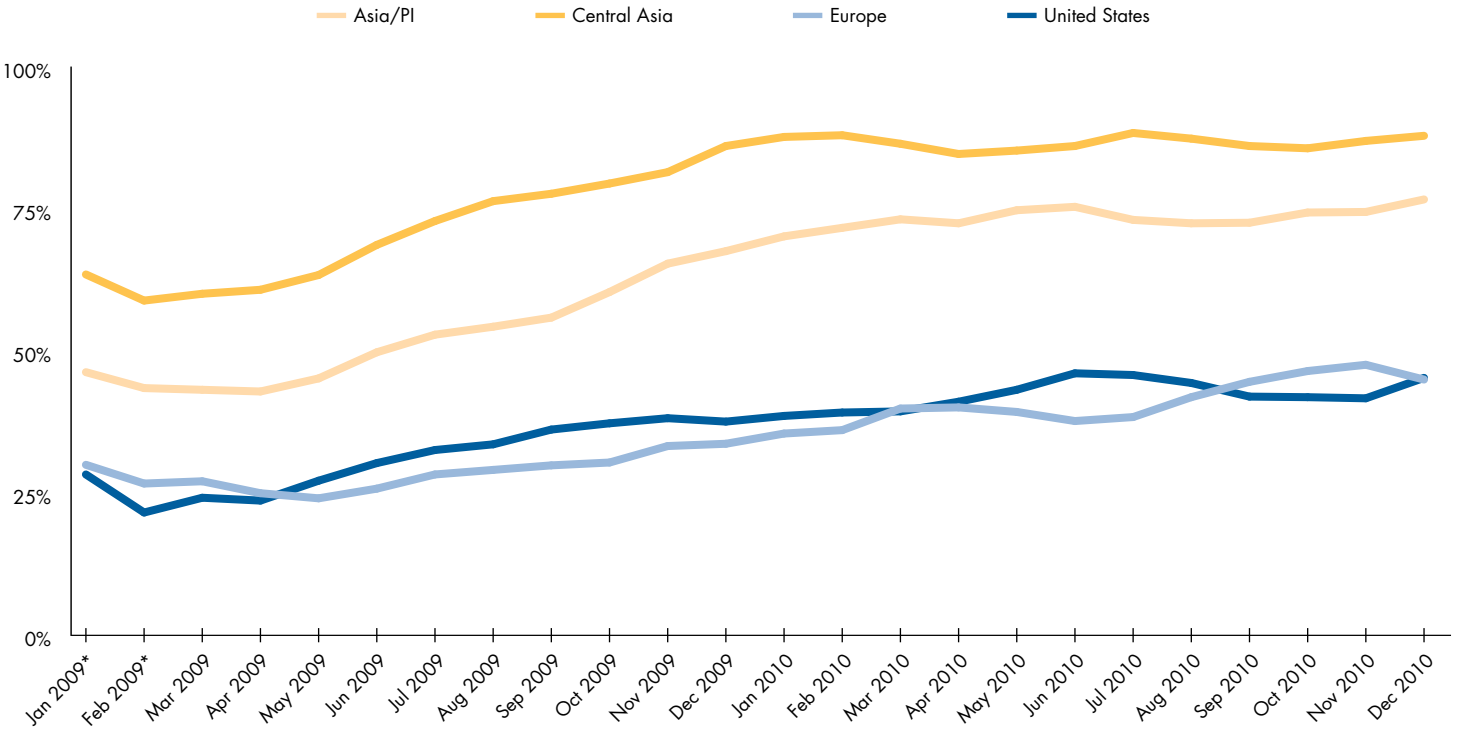
[3] Berube, A. (2010). *Degrees of separation: Education, employment and the great recession in metropolitan America*. The Brookings Institution. Retrieved on December 13, 2010 from http://www.brookings.edu/papers/2010/1105_metro_america_education_berube.aspx.
[4] Burnsed, B. (2010). Getting into graduate school made tougher by the recession. *US News and World Report*. Retrieved on December 13, 2010 from http://www.usnews.com/articles/education/best-graduate-schools/2010/04/01/getting-into-graduate-school-made-tougher-by-the-recession.html.

Although economic conditions appear to have an effect on GMAT exam volume in general, the economy had little effect on mba.com registrants' desire to pursue a graduate business education. More than half (51%) stated that economic conditions did not affect their likelihood to enroll in a graduate business program. About a third (36%) stated that economic conditions increased the likelihood of enrolling, and only 13 percent were dissuaded by an adverse economy. In fact, only 1 percent of respondents indicated they decided not to attend graduate business school, which is consistent with the long-term findings from mba.com registrants' studies that GMAC has conducted since 2003, when the economy was emerging from the last recession.

Overall, 14 percent of prospective students indicated they had no reservations about pursuing a graduate business education. While financial concerns remained at the top of their list of reservations in 2010, fewer prospects cited an uncertain economy or poor job prospects as a reservation compared with 2009. Nevertheless, economic concerns were higher on the list of reservations compared with 2007 data. On the other hand, about a third (32%) of prospects were concerned about the time and energy commitment that graduate school demands, which is higher than the percentage in 2007 (22%).

The economy had little effect on mba.com registrants' desire to pursue a graduate business education. More than half (51%) stated that economic conditions did not affect their likelihood to enroll in a graduate business program.

Figure 2.
Perceptions of Regional Economies, by Residence
(Percentage Reporting Stable/Strong Economy) (Three-Month Rolling Average)



*Data collection began in January 2009. March 2009 was the first month a 3-month average could be calculated.

Figure 3 profiles prospective students and their reservations about pursuing a graduate business education. Men were more likely than women to be constrained in making their decision by the uncertainty of outcomes, including job prospects. Women, on the other hand, were more likely to have concerns about financing the degree and the amount of time and energy required to pursue higher education. Also, there were differences in the reservations prospective students had by age and residency.

Demand for Business Programs

Demand for graduate business school is measured first by the percentage of prospective students who consider a particular program type—this is the potential applicant pool. Next, the proportion of the base pool that intends to and actually submits an application becomes the true applicant pool—hence, the *applicant yield rate*. (This concept is discussed further on page 8.) The difference between the two represents missed opportunities for schools. Additional information that potentially could be used to address these missed opportunities can be found in the *Business School Recruitment and Communications* section of this report.

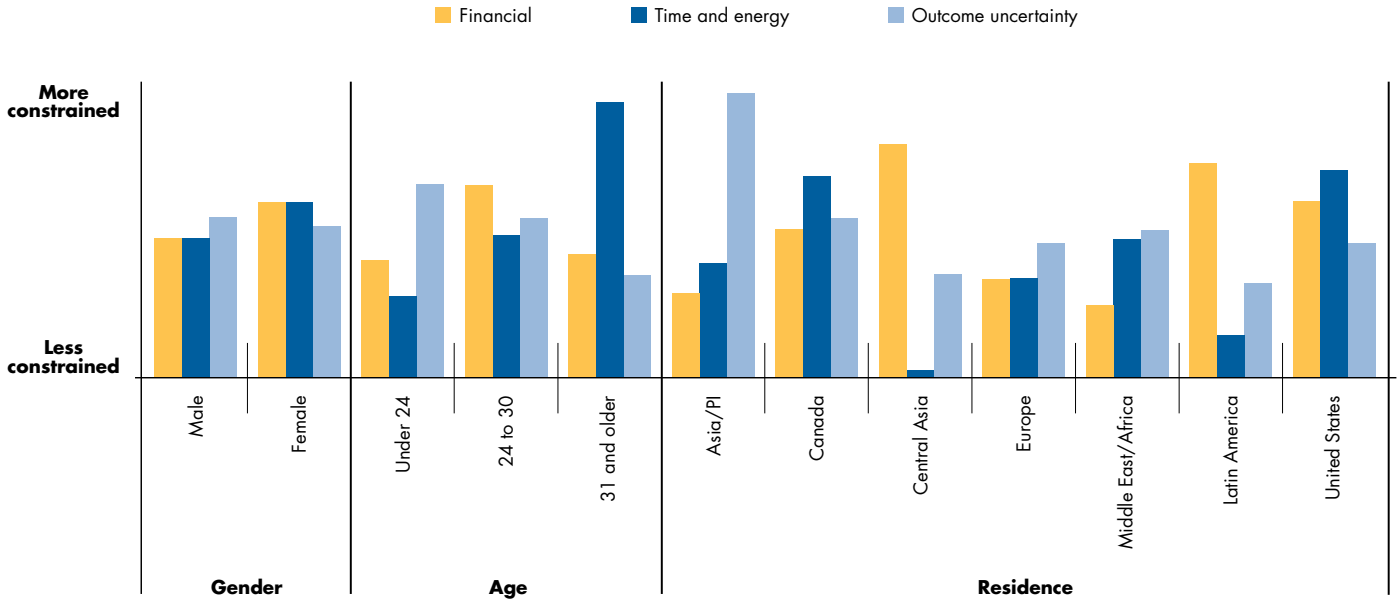
Program Consideration

Overall, 52 percent of prospective students in 2010 considered only graduate business programs, which represents a slight increase over 2009. The most common nonbusiness programs that mba.com registrants considered were law, computer science, and public administration. Seventy-eight (78) percent of those who considered nonbusiness programs, however, indicated they had no plans to apply to those programs; nonbusiness programs were only part of their initial deliberations when considering graduate education.

Figure 4 shows the percentage of prospective students who considered various types of graduate business programs, including MBA and other masters in business programs. The top three program types considered in 2010, which were the same in 2009, were full-time two-year MBA programs, full-time one-year MBA programs, and part-time MBA programs. Statistically, there was a slight increase in those who considered MS in Accounting programs in 2010, and a slight decrease in those who considered joint-degree programs that included an MBA. Other program types exhibited no significant differences when comparing 2009 and 2010 levels of interest.

Key differences persist in program interest by various demographic characteristics.

Figure 3.
Reservations About Pursuing a Graduate Business Degree (2009 & 2010)



Gender

- Women were more likely than men to consider flexible MBA, online/distance learning MBA, MS in management, and MS in accounting programs.
- Men were more likely than women to consider full-time two-year MBA, full-time one-year MBA, and executive MBA programs.

Age

- Younger prospects were more likely than older prospects to consider full-time one-year MBA and MS in Finance programs.
- Older prospects were more likely than younger prospects to consider part-time MBA, flexible MBA, and online/distance learning MBA programs.
- Prospective students younger than 24 were more likely than others to consider Master in Management and Master in Accounting programs.
- Prospects ages 24 to 30 were more likely than others to consider full-time two-year MBA programs.

Undergraduate Major

- Business majors were more likely than nonbusiness majors to consider flexible MBA, Master in Management, Master in Accounting, and Master in Finance programs.
- Nonbusiness majors were more likely than business majors to consider full-time two-year MBA, executive MBA, and joint-degree programs that include an MBA.

For a more detailed look at the reservations of prospective students and demand for various business programs, download the 2011 mba.com Prospective Students Survey Interactive Data Report at **gmac.com/InteractiveResearch**.

The top three program types considered in 2010, which were the same in 2009, were full-time two-year MBA programs, full-time one-year MBA programs, and part-time MBA programs.

Figure 4.
Graduate Business Programs Considered (2010)

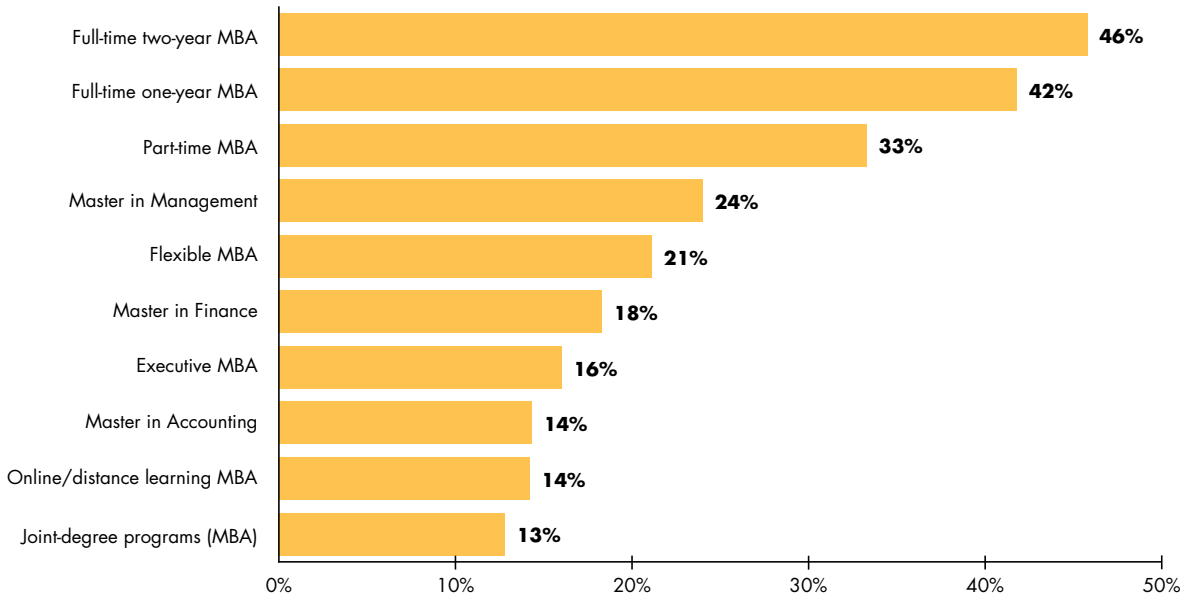
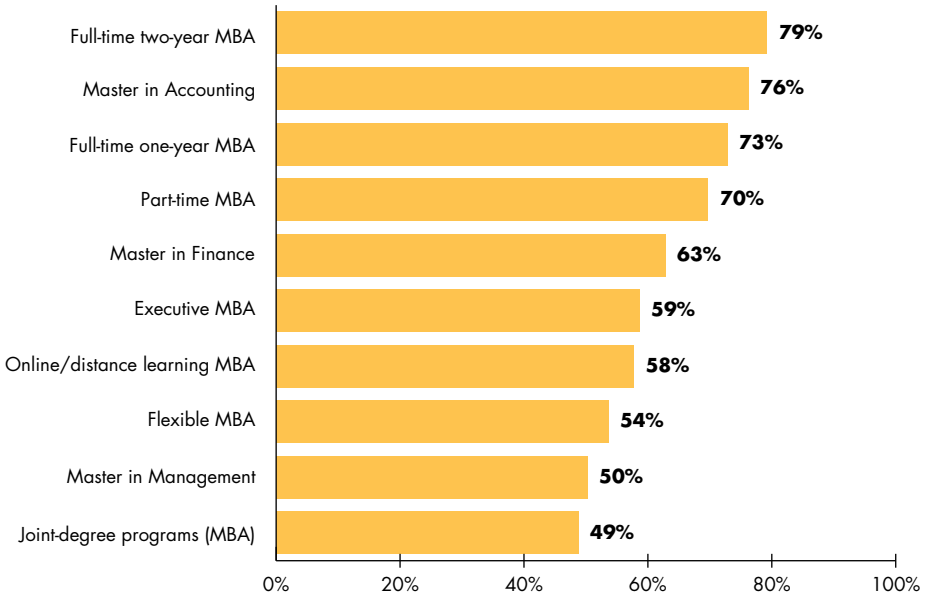


Figure 5.
Application Yield Rates, by Program Type (2010)



Application Yields

Prospective students were asked to specify the program types to which they planned to apply. Dividing the percentage of prospective students who submitted or planned to submit an application by the percentage who considered a program type provides the application yield rate for that program. Figure 5 shows the application yield rate for each of the program types among respondents in 2010. The programs with the highest yield rates include full-time two-year MBA, MS in Accounting, full-time one-year MBA, and part-time MBA programs, where more than two-thirds of those who considered the program type applied. Although these programs enjoy the highest yield rates, they also have a large number of people interested in pursuing a degree but not acting on that interest. Overall, the yield rates in 2010 were similar to those for 2009. Table 1 shows the 2010 application yield rates for business programs by gender and age.

Table 1.
Graduate Business Programs Considered & Application Yield Rates, by Gender and Age (2010)

	Male		Female		Younger than 24		24 to 30		31 and older	
Program Type	C	Y	C	Y	C	Y	C	Y	C	Y
FT 2-year MBA	50.0%	81.8%	40.8%	75.4%	44.5%	78.2%	53.4%	81.3%	30.7%	72.6%
FT 1-year MBA	44.8%	75.5%	38.4%	69.0%	43.4%	68.7%	44.7%	75.5%	33.7%	71.0%
Part-time MBA	32.9%	69.0%	33.8%	70.4%	18.6%	61.7%	37.1%	72.5%	43.4%	68.6%
Flexible MBA	19.5%	53.4%	23.1%	53.9%	15.8%	51.9%	22.0%	54.9%	26.0%	52.5%
Executive MBA	20.4%	62.0%	10.9%	50.8%	6.5%	49.3%	14.6%	57.7%	31.2%	62.1%
Online/distance learning MBA	13.2%	58.7%	15.4%	56.8%	6.3%	59.4%	12.8%	55.9%	27.1%	59.4%
Joint-degree (MBA)	12.8%	48.0%	12.9%	49.6%	12.2%	57.1%	13.9%	49.3%	11.4%	35.8%
MS/MA in Management	23.3%	50.0%	24.9%	50.4%	28.5%	60.7%	22.4%	45.9%	22.1%	42.9%
MS/MA in Accounting	10.5%	73.6%	18.9%	78.0%	27.4%	84.2%	8.9%	65.7%	9.9%	68.7%
Master in Finance	18.8%	59.7%	17.7%	66.8%	29.1%	76.1%	15.3%	53.5%	11.2%	47.4%

Key: C = Percentage who considered program type; Y = Application yield rate.

Student Timelines

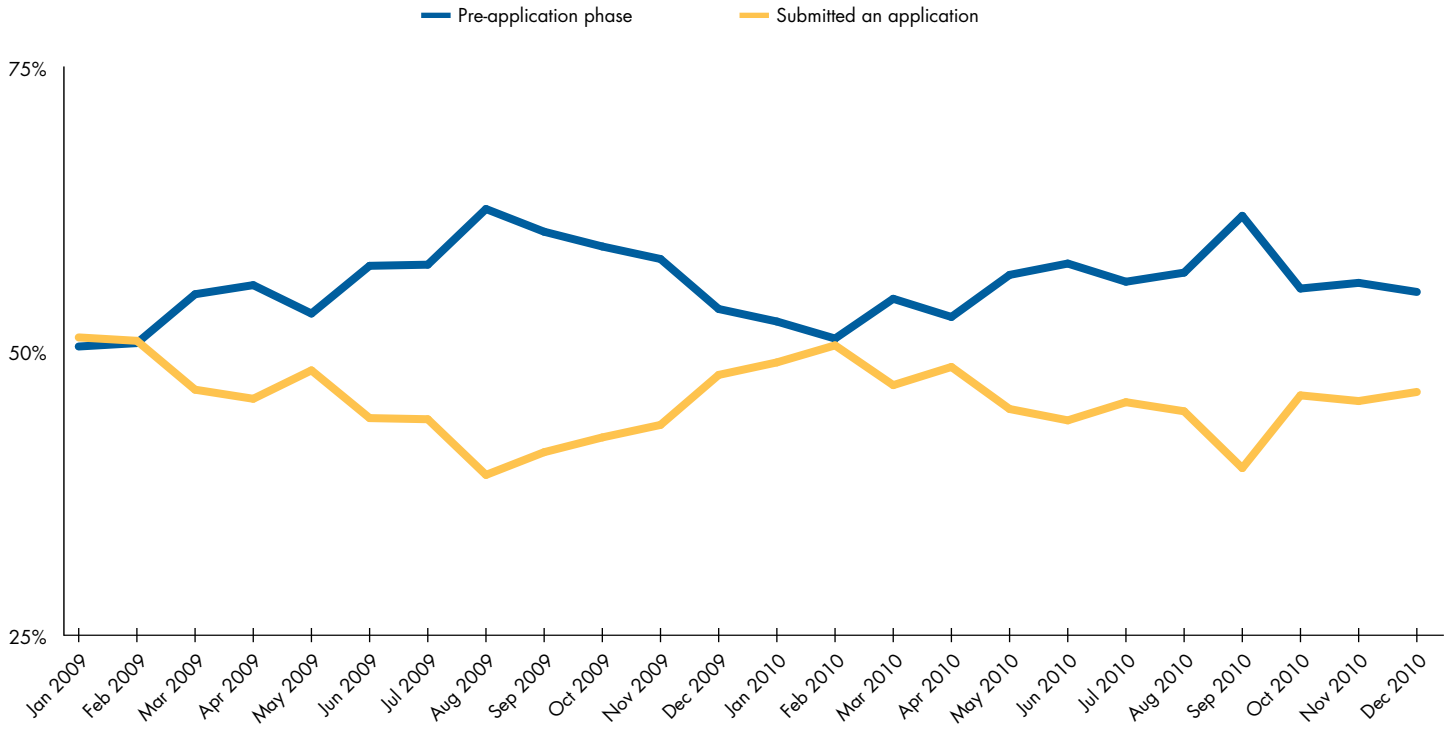
More than half of survey respondents were still in the pre-application phase of the business school pipeline when surveyed three months after they registered on mba.com (Figure 6). Women (46%) were slightly more likely than men (44%) to have submitted an application within three months of registration. Older prospective students were more likely than younger cohorts to have submitted an application by the time of the survey—three months after registering on mba.com. (Younger than 24: 41%; 24 to 30: 44%; 31 and older: 52%). There were even larger differences by residency (Table 2).

The average timeline for applying to graduate business school often begins after prospective students complete their first degree program. Typically, about 27 months elapse between graduation and first consideration of business school.

Table 2.
Stage in B-School Pipeline, by Region of Residence, Three Months After mba.com Registration (2009 & 2010)

Residence	Submitted an Application	Pre-Application Phase
Asia and Pacific Islands	29%	71%
Canada	47%	53%
Central Asia	21%	79%
Europe	46%	54%
Latin America	34%	66%
Middle East and Africa	44%	56%
United States	55%	45%

Figure 6.
Stage in B-School Pipeline (Three Months After mba.com Registration)



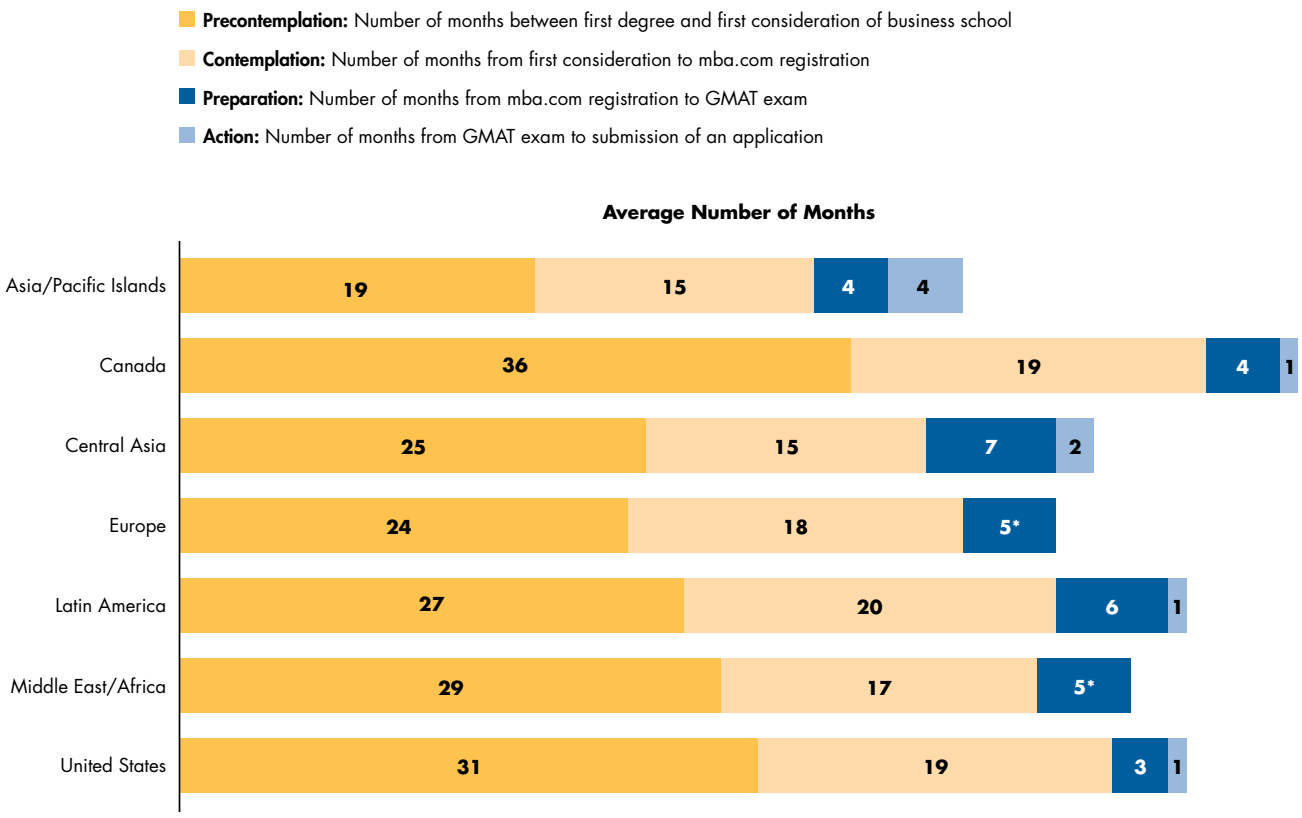
Canadian residents spent the most time in the pipeline and Asian/Pacific Islanders spent the least. On average, residents of Europe and the Middle East/Africa tend to submit their applications to business school prior to sitting for the GMAT exam.

A year and a half (19 months) passes before registering on mba.com and another four months elapse before prospective students sit for the GMAT exam. Typically a month after the exam, prospects submit their first application. Slightly more than four years after earning their first degree prospective students submit the first application to graduate business school. From first consideration to application, traversing the business school pipeline is a two-year process, on average, for potential applicants.

Examining prospective students' timelines provides a frame of reference for a school's communication and recruitment efforts. Age plays a decisive role in the early phases of the pipeline. Not surprisingly, prospective students younger than 24 began contemplating business school while they were still undergraduates—about 18 months before graduation. Those between the ages of 24 and 30 first contemplated business school 22 months after graduation and the oldest age group—31 and older—first considered business school eight years (96 months) after completing their first degree program. In later phases of the pipeline, from registration on mba.com to submission of an application, the timeline varies little by age.

Figure 7 displays the average timeline of prospective students by region of residency. The number of months in the timeline ranges from 42 to 60. Canadian residents spent the most time in the pipeline and Asian/Pacific Islanders spent the least. On average, residents of Europe and the Middle East/Africa tend to submit their applications to business school prior to sitting for the GMAT exam. These timeline statistics can serve as useful measures against which schools can gauge optimal times for directing their recruitment messaging to potential students worldwide.

Figure 7.
Timeline for B-School Pipeline, by Region of Residence (2009 & 2010)



* Indicates that an application was submitted prior to sitting for the GMAT exam.

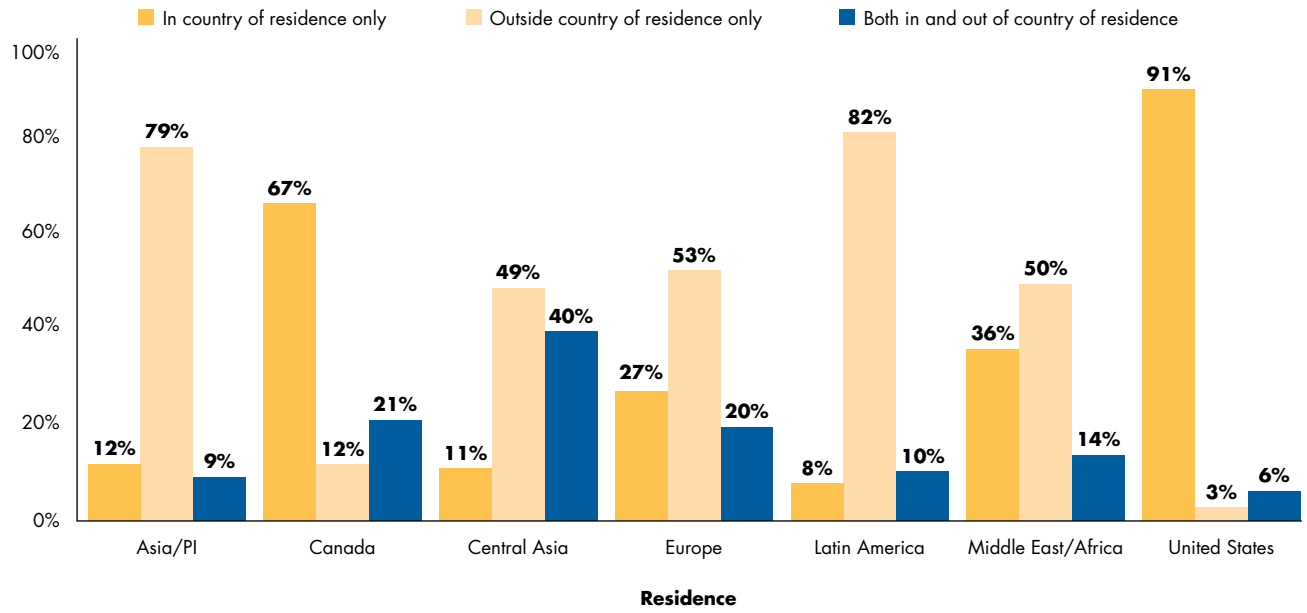
Study Destinations

Economic globalization paved the way for educational globalization,[5] evident in the development of educational centers such as the Dubai Knowledge Village and Singapore's Global Schoolhouse. Business schools have expanded across borders by setting up satellite campuses and initiating joint ventures with schools around the world. National governments also have expended resources to attract foreign students to their educational institutions, launching promotional campaigns such as EducationUSA, Imagine Canada, Campus France, Deutschland Land der Ideen, and Study in Australia. This increased emphasis on attracting foreign talent may play a key role in the study destination choices of prospective students.

Prospective students in most world regions were sending applications both to domestic and foreign programs. Canada and the United States were the only exceptions, where the majority submits most applications to domestic programs only. Figure 8 presents the distribution of responses by residence. Canadian and US residents were the most likely to have a strong affinity for domestic programs. In contrast, residents of the Asia and Pacific Islands (Asia/PI) region and Latin America were likely to send applications only to programs outside their country of residence. While few prospects in Central Asia and Europe send applications only to domestic programs, about half send applications to domestic programs, when accounting for those who apply to both domestic and foreign programs.

For more detailed data on study destination choices of prospective students, download the 2011 mba.com Prospective Students Survey Interactive Data Report at **gmac.com/InteractiveResearch**.

Figure 8.
Application Destinations, by Region of Residence (2010)



[5] Guemide, B. & Mehdani, M. (2010). Globalization and higher education development: A critical analysis. *Global-e: A Global Studies Journal*. Retrieved on December 13, 2010 from http://global-ejournal.org/2010/11/29/globalization-and-higher-education-development-a-critical-analysis/.

Table 3 shows the top five countries where prospective students from each major world region would prefer to study. These five study destinations account for the majority of prospective students in each region. For example, Table 3 represents 67 percent of prospective students from the Middle East and Africa, yet 99 percent of US respondents. There were only slight changes in preferred study destinations in 2010 when compared to the 2009 results. In fact, the top two study destinations for each region remained the same for both years.

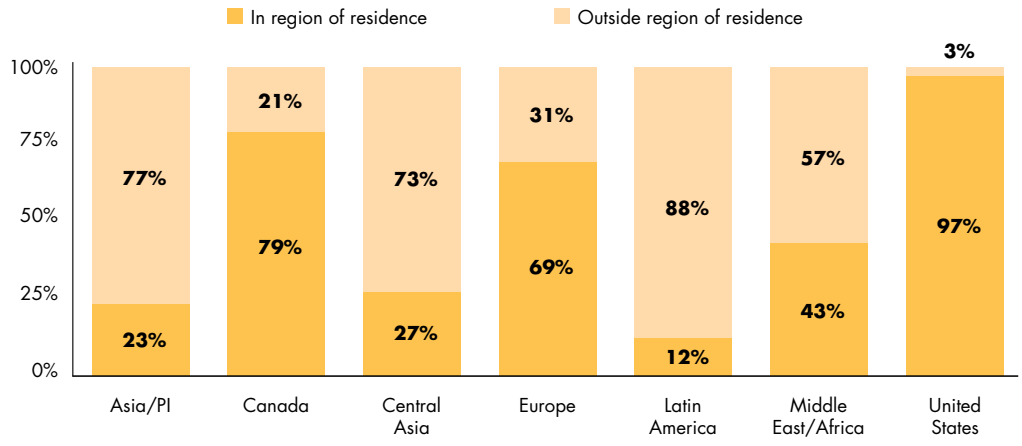
The United States tops the list of preferred study destinations among nearly all prospective students. Fewer than half of the prospective students from Central Asia, Europe, the Middle East, and Africa choose the United States, however. Canada remains the number one destination among Canadian prospects, followed by the United States.

Figure 9 shows whether the preferred study destination of prospective students is within or outside their region of residence. European, Canadian, and US residents were the only regional groups where the majority of prospective students preferred to study in their region of residency. Nearly three-quarters of the residents of Asia and the Pacific Islands, Central Asia, and Latin America preferred to study outside their region of residency. Residents of the Middle East and Africa were approaching a 50–50 split in preferred study destinations.

Table 3.
Top Five Preferred Study Destinations, by Region of Residence and Survey Year (2009, 2010)

Residence	Year	1st	2nd	3rd	4th	5th
Asia/PI	2009	US (58%)	China (9%)	UK (7%)	Singapore (5%)	Australia (4%)
	2010	US (58%)	China (10%)	UK (8%)	Singapore (5%)	France (4%)
Canada	2009	Canada (75%)	US (16%)	UK (4%)	France (2%)	Switzerland (1%)
	2010	Canada (79%)	US (13%)	UK (4%)	France (1%)	Spain (1%)
Central Asia	2009	US (47%)	India (24%)	UK (12%)	Singapore (5%)	Canada (3%)
	2010	US (46%)	India (25%)	UK (13%)	Singapore (5%)	Canada (4%)
Europe	2009	US (25%)	UK (22%)	France (12%)	Germany (5%)	Switzerland (5%)
	2010	US (25%)	UK (20%)	France (12%)	Germany (7%)	Netherlands (7%)
Latin America	2009	US (54%)	UK (11%)	Spain (6%)	France (5%)	Canada (5%)
	2010	US (53%)	UK (9%)	Canada (7%)	Spain (6%)	France (4%)
Middle East/ Africa	2009	US (29%)	Israel (14%)	UK (10%)	South Africa (5%)	Lebanon (5%)
	2010	US (32%)	Israel (16%)	UK (10%)	South Africa (5%)	Turkey (4%)
United States	2009	US (97%)	UK (1%)	Spain (.3%)	France (.3%)	India (.3%)
	2010	US (97%)	UK (1%)	France (.4%)	India (.2%)	Spain (.2%)

Figure 9.
Preferred Regional Study Destination, by Region of Residence (2010)



Prospective Student Expectations

Our analysis so far reveals that prospective graduate business students consider the larger economic forces in play around them when deciding whether to enter a program, as reflected in historical changes in GMAT exam volume. They weigh the pros and cons of business versus nonbusiness programs, as well as school locations. Eventually, they analyze the different features that various programs offer.

Tucked within the analysis of market demand for graduate business education is a greater market focus on the "student-as-consumer" in higher education. "Customer value-based competition represents the next major shift in managerial practice."[6] Some argue that "the student is the indispensable customer of all post-compulsory education: Without student demand, courses cannot run."[7] Similarly, DeShields, Kara, and Kaynak (2005) recommend that schools adopt customer-oriented principles to meet the challenges of the changing marketplace.[8]

This section of the report explores prospective student expectations in terms of their motivations, school selection criteria, how they will pay for school, and their anticipated career outcomes.

Educational Motivations

Three motivations consistently shape the prospective student's desire to pursue a graduate business education: 1) development of knowledge, skills, and abilities, 2) career advancement, and 3) increased opportunities for more challenging and interesting work. Motivations play a significant role in the types of business programs prospective students consider.

A key driver analysis shows that prospective students have different motivational profiles depending on the type of program they are likely to consider. As shown in Table 4, prospective students interested in full-time MBA programs are highly motivated by the potential for networking opportunities. Those considering MBA/professional programs were motivated by a desire to remain marketable or competitive, and to develop their ability to control situations more effectively. Prospective students of business masters programs were motivated to develop their ability to control situations and develop confidence. Differing motivations may be addressed by schools when communicating the benefits of choosing their program and can aid in determining the correct fit of an applicant with the goals of the program.

The development of knowledge, skills, and abilities (KSAs) is of upmost concern for 96 percent of prospective business school students. Among the KSAs they most hope to improve during a graduate business program, three overarching skills sets predominated:[9]

- ***Management KSAs***, which include managing human capital, the task environment, administrative activities, knowledge of human behavior and society, and interpersonal skills
- ***Strategic/decision-making KSAs***, which include managing strategy and innovation, strategic and system skills, managing decision-making processes, and generative thinking
- ***Technical/operational KSAs***, which include knowledge of technology, design, and production, managing tools and technology, and operations skills

Table 4.
Motivational Profiles, by Program Type* (2009 & 2010)**

Order	Full-Time MBA	MBA/Professionals	Business Masters
1.	Networking opportunities	Remain marketable or competitive	Develop ability to control situations more effectively
2.	Develop ability to control situations more effectively	Develop ability to control situations more effectively	Develop confidence needed to succeed
3.	Challenging/interesting work	Develop confidence needed to succeed	Gain recognition
4.	Influence others	Gain recognition	Influence others
5.	Develop confidence needed to succeed	Opportunities for networking	Gain respect

* Full-time MBA includes two-year, one-year, and joint-degree programs. MBA/professionals includes part-time, flexible, online/distance learning, and executive MBA programs. Business masters include accounting, finance, and management.
** Pratt Index = $(\beta^{*}r)/R^2$, where β is the standardized regression coefficient, r is the bivariate Pearson correlation, and R^2 is the proportion of the variance explained by the regression model.

[6] Woodruff, R.B. (1997). Customer value: The next source for competitive advantage. *Journal of the Academy of Marketing Science, 25*(2), 139–153.
[7] Sastry, T. & Bekhradnia, B. (2007). *Higher education, skills and employer engagement*. Higher Education Policy Institute. Retrieved on August 3, 2009 from http://www.hepi.ac.uk/.
[8] DeShields, Jr., O.W., Kara, A., & Kaynak, E. (2005). Determinants of business student satisfaction on retention in higher education: Applying Herzberg's two-factor theory. *The International Journal of Educational Management, 19*(2/3), 128–139.
[9] Principal component analysis (PCA) is a statistical technique for summarizing and simplifying correlation structure in multivariate data. It evaluates the full covariance (correlation) matrix and produces new composite variables that are linear combinations of the original variables' weights for linear combination. Weights are produced and ordered so each new composite explains the maximum possible amount of variance not already picked up by earlier ones. PCA of knowledge, skills, and abilities had a multiple r of .688.

Women were more interested than men in developing their management skills, while men indicated greater interest in developing their strategic/decision-making and technical/operational skills.

Figure 10 shows the relative interest prospective students have in improving each of these skill sets by the type of programs they considered. Depending on the program type chosen, distinct variations emerge:

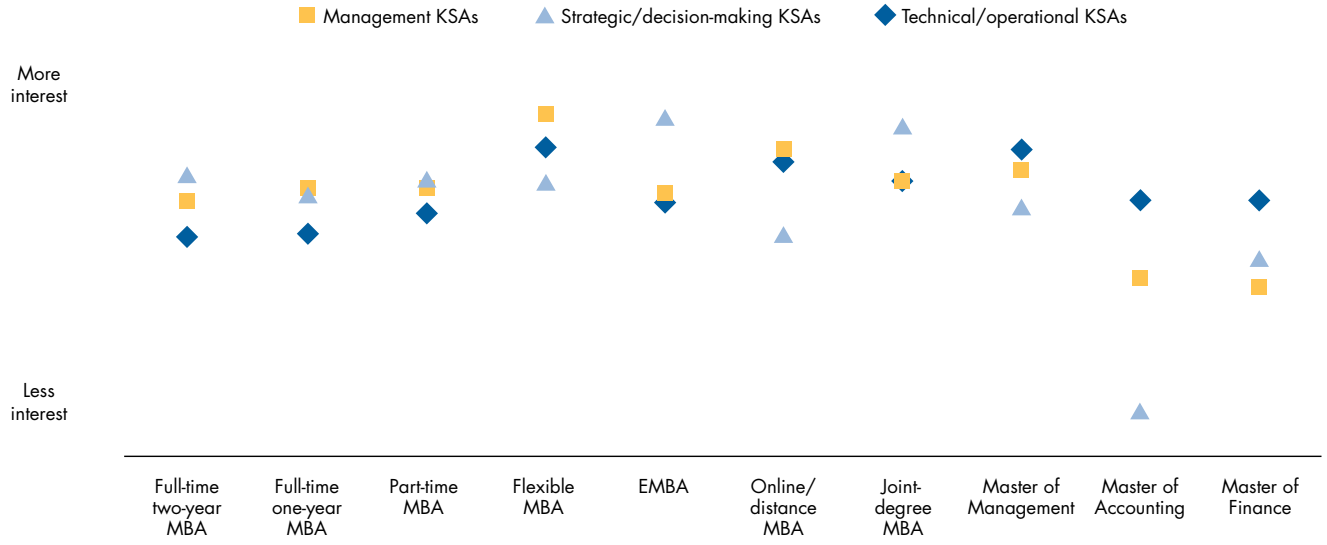
- Interest in non-MBA master's programs correlated with interest in the development of technical/ operational skills, yet this skill set held the least interest for students considering MBA programs, with the exception of flexible and online/distance learning MBAs.
- Prospective executive and joint-degree MBA students had a relatively higher level of interest in strategic/decision-making skills than other skill dimensions.
- Similar levels of interest in management and strategic/decision-making skills prevailed among prospects considering full-time two-year, one-year, and part-time MBA programs.

Gender and age also revealed several differences in educational goals. For example, women were more interested than men in developing their management skills, while men, on the other hand, indicated greater interest than women in developing their strategic/decision-making and technical/operational skills.

Compared to older respondents, prospective students under the age of 30 were highly interested in developing management skills, and the youngest of this group—those under the age of 24—also expressed a desire to develop technical/ operational skills. Prospective students 24 and older were more focused on developing their strategic/decision-making skills compared to younger cohorts.

To explore student educational motivations and interests by more detailed criteria, download our 2011 mba.com Prospective Students Survey Interactive Data Report at **gmac.com/InteractiveResearch**.

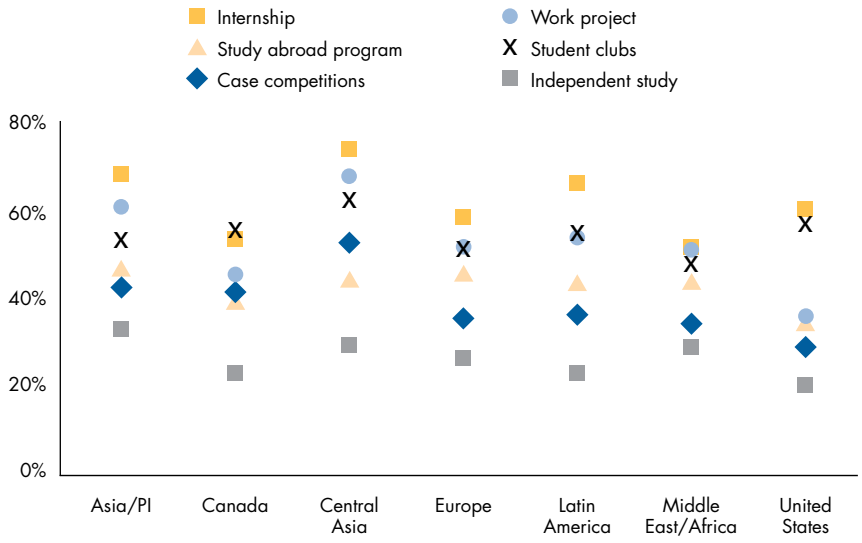
Figure 10.
Interest in Improving Skill Sets, by Programs Considered (2009 & 2010)



Intended Co-Curricular Activities

Outside of core courses and electives, 95 percent of prospective students plan to participate in one or more additional educational activities. Figure 11 shows the proportion of prospective students interested in various activities by region of residency. More than half of all prospective students are interested in internships (64%) and student clubs (57%). In addition, 49 percent are interested in work projects, 41 percent in study-abroad programs, 37 percent in case competitions, and 26 percent in independent study projects.

Figure 11.
Interest in Program Activities, by Region of Residence (2009 & 2010)



Financing Expectations

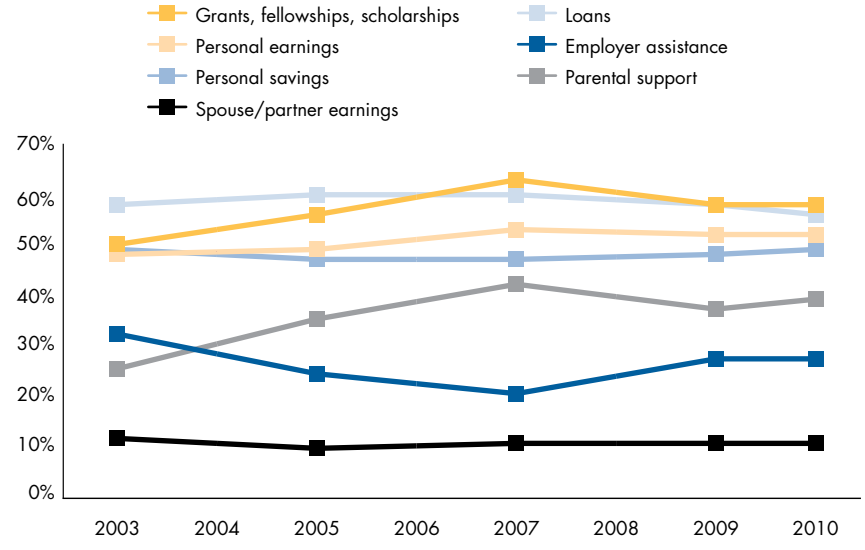
Knowing how prospective students intend to finance their education reveals the depth of assistance they would need to make their dream of enrolling in a program a reality. Respondents were asked to indicate what financial resources they expected to use to pay for a graduate business education. The following analyses explore the methods of financing and the anticipated financial mix.

Intended Financial Sources

Figure 12 shows historical percentage changes in the types of funding sources that prospective students anticipate using to meet their educational expenses. With the exception of parental support and employer assistance, sources of financing that prospective students plan to use appear to have stabilized close to their 2003 levels.

- Loans, grants, fellowships, and scholarships, followed by personal earnings and savings continue to make up the bulk of financial resources used by the majority of prospective students each year, including 2010.
- The expected use of loans has remained relatively stable at about 60 percent.
- While half of prospective students expected grants, fellowships, or scholarships in 2003, this increased to about 60 percent in 2005 and stabilized at that level as of 2010.

Figure 12.
Intended Financial Sources, by Survey Year, 2003–2010



Employer assistance decreased considerably between 2003 and 2007, the start of the recent recession. It is on the rebound and in 2010 about 30 percent of prospective students expected to receive support through their place of employment.

- Use of personal earnings and savings has remained near 50 percent, and about one in 10 plan to finance some of their education with assistance from a spouse or partner.
- Parental support nearly doubled between 2003 and 2007, and was near 40 percent in 2010.
- Employer assistance decreased considerably between 2003 and 2007, the start of the recent recession. It is on the rebound and in 2010 about 30 percent of prospective students expected to receive support through their place of employment.

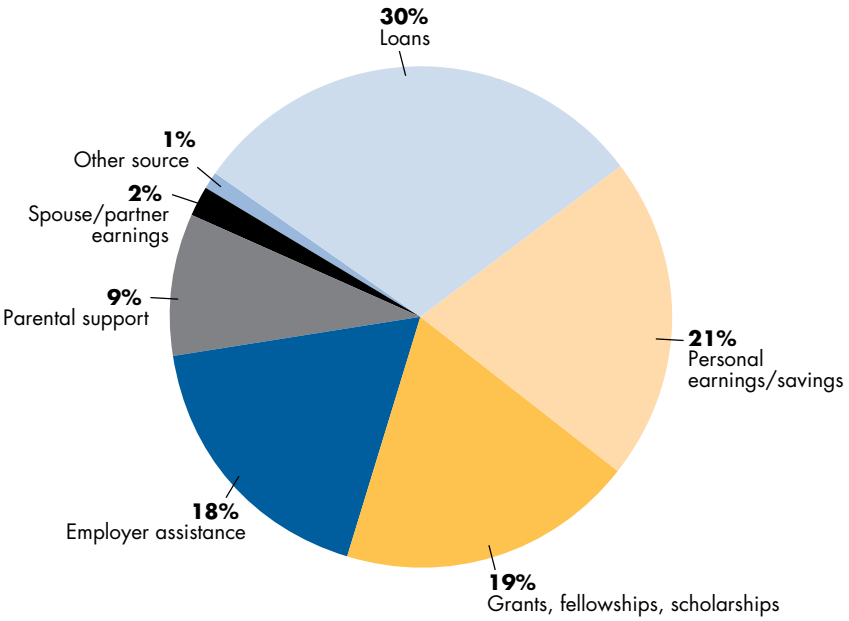
Financial Mix

The typical[10] prospective student, on average, plans to finance his or her education as shown in Figure 13. Survey respondents also reported the percentage of their educational expenses they expected to finance with each funding source.

The following list shows the average percentage that each funding source represents in the financial mix for prospects planning to use each particular source. The percentages by source exclude respondents who do not plan to use that particular source.

- Prospective students who plan to use loans expect to borrow 44 percent of the cost of their education.
- Grants, fellowships, or scholarships will comprise 36 percent of educational costs for those expecting to rely on this funding source.
- Those planning to use employer assistance expect their employers to pick up 45 percent of the educational costs.
- Parental support may finance 37 percent of educational expenses for those expecting to receive help from their parents.
- Prospects who will be financing a portion of their education with their earnings and savings expect to pay outright for 32 percent of their education.

Figure 13.
Typical Financing Mix (2009 & 2010)



[10] The "typical" prospective student is an aggregate concept. The data shown in Figure 13 represent the average financial mix of all prospective students regardless of their financing intentions. For instance, 0 percent is included in the average if an individual does not plan to use a particular source, such as loans, in their financial mix.

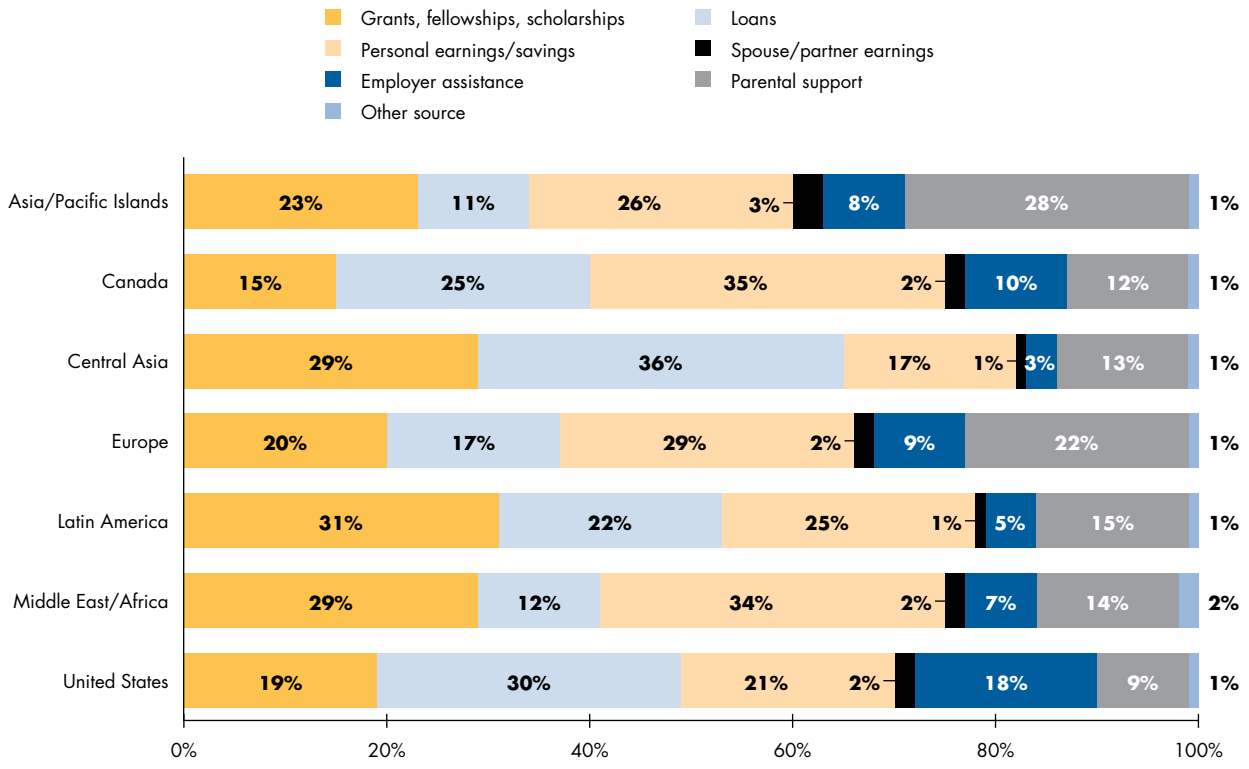
Figure 14 shows the typical financing mix by region of residence. Residents of the United States and Central Asia expect to pay the largest proportion of their educational expenses with student loans. Personal earnings and savings top the list for residents of the Middle East, Africa, Europe, and Canada. Latin American residents hope to finance the greater percentage of their education with grants, fellowships, and scholarships. Residents of Asia and the Pacific Islands region expect to rely heavily on parental support to finance their education.

Expected Employment Outcomes

"Education and relevant skills remain the main determinants of good labor market outcomes for individuals."[11] Other factors determine employment outcomes such as the strength of the labor market or government policies that are intricately woven into the economic fabric that dictates labor needs. An awareness of prospective students' desired employment outcomes can help admissions professionals assess the fit of an applicant with the program and determine the resources needed to help students reach their career potential.

Overall, three quarters (75%) of prospective students were working at the time of the survey. Among the employed, 51 percent desire a change in job functions, 37 percent are interested in changing industries, and 27 percent plan to continue working for the same employer. Only 9 percent of employed respondents report not knowing their future career plans, in contrast to the 34 percent of prospects who were not working and unsure of their future plans.

Figure 14.
Typical Financing Mix, by Region of Residence (2009 & 2010)



[11] Fasih, T. (2008). *Linking education policy to labor market outcomes*. The World Bank. Retrieved on December 14, 2010 from http://siteresources.worldbank.org/EDUCATION/Resources/278200-1099079877269/547664-1208379365576/DID_Labor_market_outcomes.pdf.

The consulting sector is the most attractive to industry changers, especially those currently working in finance, accounting, products and services, energy or utilities, or technology.

Table 5 presents the top 10 industries and job functions that prospective business school students are considering.

Survey respondents who intend to change jobs reported the functional areas they hoped to pursue after obtaining a graduate business degree (Table 6). More than half of the prospects currently working in marketing, sales, consulting, general management, finance, accounting, and human resources are still considering employment in these areas.

Prospective students who are interested in changing industries reported the industry where they hope to seek employment after completing their graduate business education (Table 7). The consulting sector is the most attractive to industry changers, especially those currently working in finance, accounting, products and services, energy or utilities, or technology. Also, nearly half of those currently working in government or the nonprofit sector hope to find employment in the consulting field. Nearly half of those working in health care are considering staying in the industry, but 45 percent are considering employment in consulting.

One in five prospective students are contemplating self-employment as a career option after they complete their graduate business education. Figure 15 profiles those who are considering self-employment. There were significant demographic differences, particularly based on gender, age, and residence.

Table 5.
Top Ten Industries and Job Functions of Interest to Prospective Students (2009 & 2010)

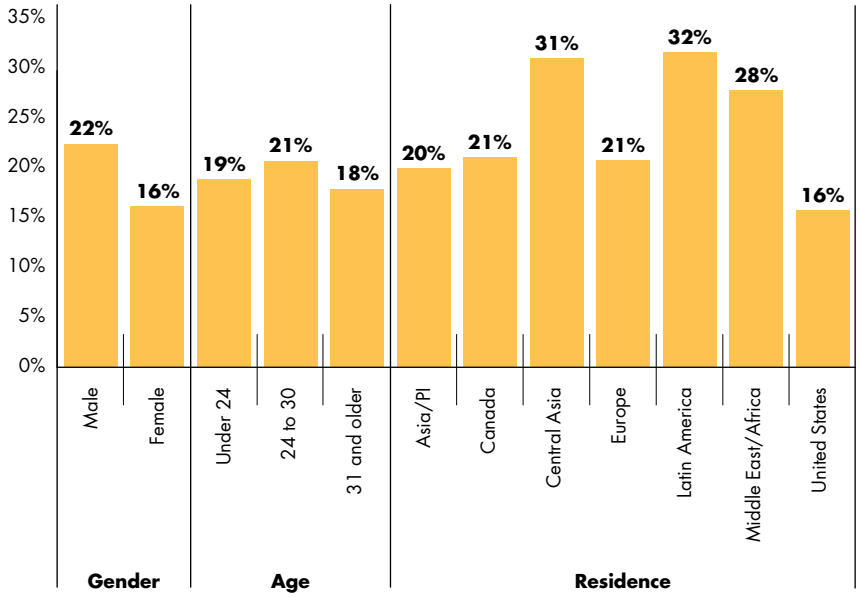
Industry	Percentage Considered	Job Function	Percentage Considered
Consulting services	14.6%	General management	25.3%
Management consulting	13.2%	Strategy	20.6%
Investment banking	11.9%	Business development	17.3%
Banking	11.1%	Accounting/auditing	11.9%
Accounting	9.4%	Corporate finance	11.5%
Finance & insurance	8.7%	Investments	11.4%
Information technology & services	8.3%	Entrepreneurial	11.1%
Marketing services	7.9%	Product management	11.1%
Education or educational services	7.5%	Product management consulting	8.9%
Government (nonmilitary)	6.9%	Banking	8.6%

Table 6.
Prospects Intending to Change Jobs After B-School (2009 & 2010)
(Based on Current Job Function and Intended Job Function *)

	Current Job Function						
Intended Job Function	Marketing/ Sales	Operations/ Logistics	Consulting	General Management	Finance/ Accounting	Human Resources	IT/MIS
Marketing/sales	65.0%	28.8%	28.2%	26.6%	15.2%	22.0%	25.9%
Operations/logistics	14.8%	45.1%	17.7%	18.7%	8.4%	12.0%	19.1%
Consulting	41.7%	44.9%	68.6%	43.9%	31.4%	37.8%	51.1%
General management	37.7%	52.0%	41.7%	60.3%	27.9%	38.3%	45.6%
Finance/accounting	22.8%	27.4%	34.8%	29.5%	78.8%	23.2%	29.9%
Human resources	8.7%	8.1%	5.8%	14.9%	5.8%	56.0%	8.6%
IT/MIS	4.4%	8.1%	6.2%	6.2%	3.3%	3.9%	45.1%

* Responses add to more than 100% because of multiple selections.

Figure 15.
Percentage of Prospective Students Contemplating Self-Employment, by Gender, Age, and Residence (2009 & 2010)



One in five prospective students are contemplating self-employment as a career option after they complete their graduate business education.

Table 7.
Prospects Planning to Change Industries After B-School* (2009 & 2010)
(Based on Current Industry and Intended Industry)

	Current Industry							
Intended Industry	**Consulting**	**Energy/ Utilities**	**Finance/ Accounting**	**Health Care**	**Technology**	**Manufacturing**	**Government/ Nonprofit**	**Products/ Services**
Consulting	61.3%	57.3%	42.9%	45.2%	55.3%	50.3%	48.4%	44.6%
Energy/utilities	12.3%	47.2%	7.8%	5.8%	11.3%	19.3%	10.4%	8.7%
Finance/ accounting	39.4%	45.0%	64.4%	34.9%	43.4%	37.4%	41.7%	38.6%
Health care	10.2%	10.7%	7.4%	49.1%	11.1%	13.8%	11.6%	9.2%
Technology	19.4%	25.0%	11.2%	12.5%	44.7%	25.2%	17.8%	15.1%
Manufacturing	6.4%	9.5%	5.3%	3.1%	11.1%	33.4%	6.9%	7.1%
Government/ nonprofit	20.3%	13.5%	21.2%	24.8%	17.1%	15.3%	37.1%	21.1%
Products/ services	33.0%	34.0%	31.6%	31.7%	35.4%	39.8%	38.1%	51.0%

* Responses add to more than 100% because of multiple selections.

Business School Recruitment and Communications

Attracting prospective students is a necessary condition for the continuation of any educational program.[7] The prospective student's choice is paramount, especially considering the greatly expanded availability and accessibility of graduate business programs worldwide. Understanding the criteria that drive student choices offers an advantage to schools in their recruitment plans and communication efforts. The ensuing discussion explores school selection criteria and the information sources individuals consult when making the decision to pursue a graduate business education.

School Selection Criteria

On average, about one year elapses between the time a typical prospective student makes the decision to pursue a graduate business degree and begins developing a list of schools to research. Not only are they weighing their motivations and reservations during this time, but they also are evaluating a variety of program attributes. Globally, the top five criteria prospective students evaluate and consider important are the following: 1) quality of the faculty, 2) program accreditation, 3) local respect and reputation of the program, 4) job placement reputation, and 5) successful alumni.

Overall, 42 percent of prospective students rank quality and reputation as the most important attribute, which encompasses all five criteria just mentioned. About one in five prospective students considers the specific aspects of the programs as most important, 14 percent consider career aspects most important, and 13 percent view financial aspects as the most important program attributes to consider. Table 8 shows the top three criteria students use to evaluate schools, ranked by specific attributes they deem most important.

For more details about school selection criteria, download the 2011 mba.com Prospective Students Survey Interactive Data Report at **gmac.com/InteractiveResearch**.

Table 8.
Most Important Criteria for Each Program Attribute (2009 & 2010)

Attribute Ranked Most Important (Percentage of Respondents)	Criteria Ranked Most Important		
	1st	2nd	3rd
Program quality/reputation (42%)	Quality of the faculty	Program accreditation	Job placement reputation
Specific program aspects (22%)	Program type offered (e.g., full-time, part-time)	Program completion time	Quality of services
Career aspects (14%)	Percentage of class receiving job offers	Quality career services	Starting salary/ compensation
Financial aspects (13%)	Total tuition	Availability of scholarships	Availability of assistantships
Curriculum aspects (8%)	Specific curriculum offered	Primary method of instruction (e.g., case method)	Language of instruction
Student class profile (1%)	Average years of work experience of students	Proportion of international students	Average age of students

Analysis of the selection criteria and propensity to apply to a specific program type yielded interesting results for MBA programs.

- Access to an alumni network and the quality of the current student body were indicators of a desire to study in a full-time two-year MBA program.
- For full-time one-year MBA programs, housing and other expenses, and the availability of loans for foreign students were signs of interest in this program type.
- Proximity to work or home was the key variable among those interested in part-time MBA programs.
- Prospective students for executive MBA were differentiated by their interest in the average number of years of work experience of the student body.

Selection criteria also varied depending on whether respondents planned to apply to domestic programs or international programs. Table 9 shows the top selection criteria for each group.

Information Sources

Most prospective students consult their friends and family when deciding to pursue a graduate business education. They also research business schools online, search for specific school websites, and examine the ranking publications. Prospective students discuss their choices with coworkers and peers and contact current students and alumni to aid in their decision making. Overall, there are four categories of information sources prospective students consult:

- School sources, such as websites and publications (e.g., view books)
- Non-school sources, such as job/career websites, business publications, and mba.com
- Word-of-mouth endorsements from coworkers, peers, employers, friends, family, current students, and alumni
- School professionals (professors, advisors, and admissions staff)

• • • • •

The top five criteria prospective students evaluate and consider important are the following: quality of the faculty, program accreditation, local respect and reputation of the program, job placement reputation, and successful alumni.

• • • • •

Table 9.
Top Ten Selection Criteria, by Type of Prospective Student (2009 & 2010)

	Domestic Applicants		International Applicants
1.	Quality of faculty	1.	Quality of the faculty
2.	Program accreditation	2.	Job placement reputation
3.	Local respect/recognition	3.	Program accreditation
4.	Job placement reputation	4.	Published rankings
5.	Rigor of academic program	5.	Quality of the students
6.	Successful alumni	6.	Successful alumni
7.	Quality of the students	7.	Local respect/recognition
8.	Published rankings	8.	Rigor of academic program
9.	Program type offered	9.	Selectivity of admissions
10.	Selectivity of admissions	10.	Percentage of class receiving job offers

Figures 16 and 17 show demographic profiles for information sources that prospective students consult when deciding whether to pursue a graduate business education, with breakdowns by gender, age, region of residence, and program type. These profiles offer guidance for schools in choosing potential communication channels for distributing messages and recruitment materials that hold the greatest likelihood of drawing prospective students to their programs.

Figure 16.
Information Sources Consulted, by Demographic Characteristics (2009 & 2010)

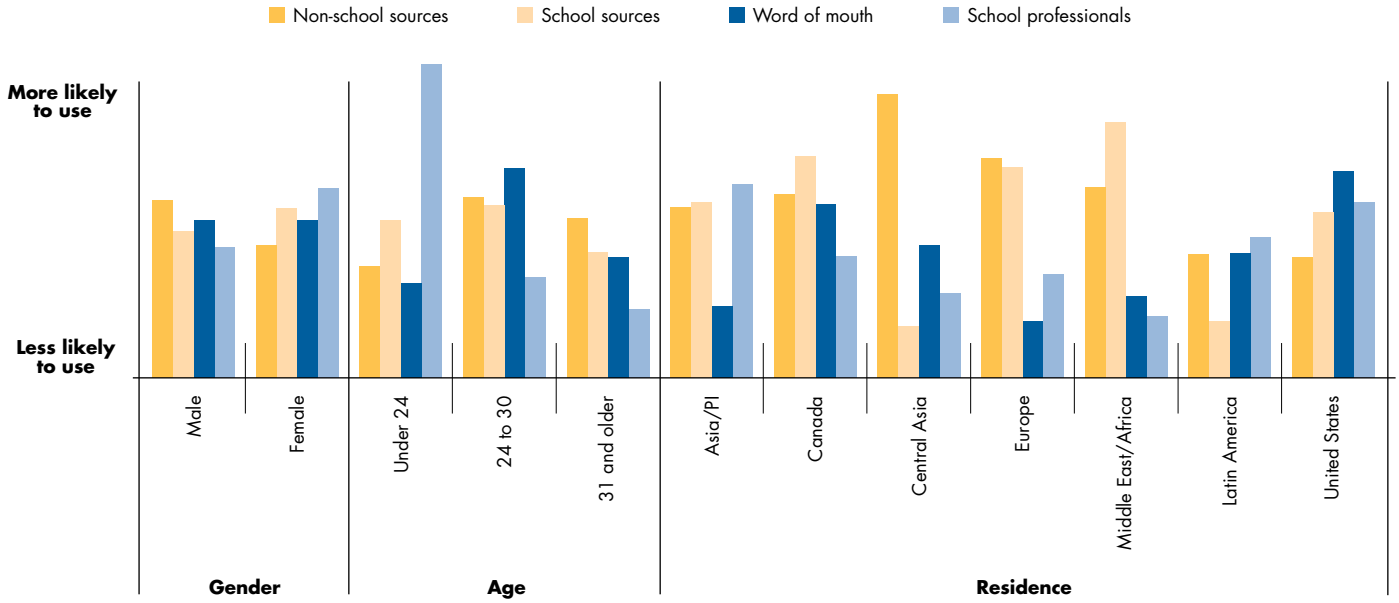
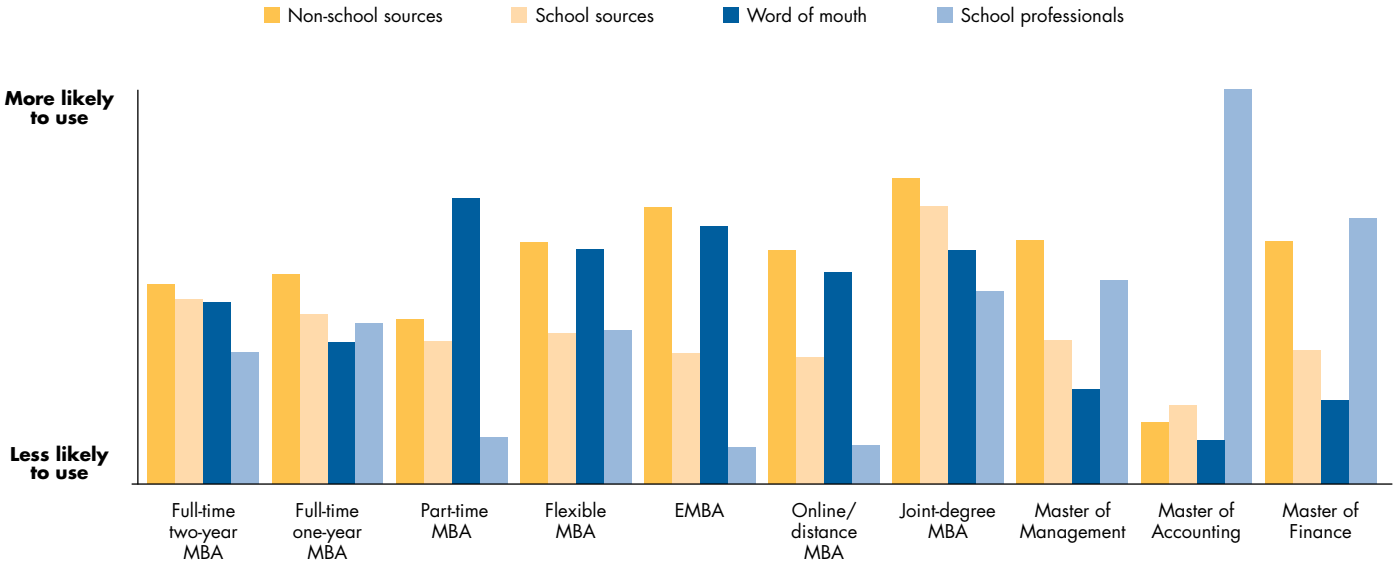


Figure 17.
Information Sources Consulted, by Program Type (2009 & 2010)



Schools, like most business, pursue market advantage though differentiation, whether based on quality, service, value, convenience, accessibility, financing, or a combination of factors. Coupled with the knowledge of prospective student expectations, choices, and time frames, schools may be better able to target their unique messages to audiences that may be most receptive. This report, along with the comprehensive interactive data report that accompanies it, is designed to aid schools in that process.

Explore Interactive Data Report

GMAC has prepared an interactive tool to accompany this report and provide an in-depth, comprehensive examination of survey responses by various demographic criteria—the 2011 mba.com Prospective Students Survey Interactive Data Report. This report is available as a free service to schools that use GMAT scores for admission to one or more programs. Such schools can access the report by logging in to the GMAC Research Library at **gmac.com/GMACResearchLibrary**. The Interactive Data Report allows viewers to examine the survey responses by various demographic characteristics, such as gender, age, undergraduate major, global region of residency, citizenship, and US region of residence, to name a few.

To explore other interactive report releases from GMAC, please visit our website at **gmac.com/InteractiveResearch**. The Quick Start tab provides a brief overview of the basic setup and navigation of our interactive reports. Please contact us at **research@gmac.com** if you have any questions.

Methodology

The data presented in this report is from the Graduate Management Admission Council's ongoing research studies about prospective business school students. Findings are based on responses provided by individuals who registered on mba.com—the GMAC website for prospective graduate business and management students. Each month, starting in January 2009, a random sample of individuals who registered on the website three months earlier was invited to participate in this ongoing research study. This report includes data collected throughout the 2009 and 2010 calendar years. Overall, 22,103 individuals responded to the online questionnaire in 2009 and 17,669 in 2010.

For our analysis, we applied a post-stratification weighted design to the data collected to align subgroup distributions of respondents with a known population—GMAT exam registrants. The weights calibrate the respondent data to the known population based on citizenship. First, respondent data is analyzed in terms of citizenship. This analysis is used to calculate post-stratification weights. The weighting design reapportions the respondent base to replicate the distribution of GMAT exam registrants by citizenship. The use of post-stratification weights mathematically corrects for biases in the respondent base, which adjusts the respondent data to conform more closely to the population parameters.

Contact Information

For questions or comments regarding the study findings, methodology, or data, please contact the GMAC Research and Development Department at research@gmac.com.

Authorship

The following individual made significant contributions to the concept, design, analysis and interpretation of data, and the drafting/revising of the manuscript for intellectual content:

Gregg Schoenfeld, Director, Management Education Research, Research and Development, Graduate Management Admission Council (GMAC).

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GMAC would like to thank the thousands of registrants on mba.com who completed the questionnaire. Without you, this report would not have been possible.

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Cambodia
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Indonesia
Japan
Korea, Rep. of (South)
Malaysia
Myanmar (Burma)
Mongolia
New Zealand
Philippines
Singapore
Sri Lanka
Taiwan
Thailand
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Canada

Canada

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gmac.com/research

- **The Profile of Graduate Management Admission Test® Candidates**—Gauge the size and characteristics of your school's potential applicant pool with this annual summary of demographic data about GMAT examinees over the last five testing years. Search tables for testing volumes and mean GMAT Total scores by gender, age group, intended degree, undergraduate major, citizenship, location, and world region.

- **The Profile of Graduate Management Admission Test® Candidates (Interactive Edition)**—Dig deeper with this new online companion to the annual report. This tool offers nearly all the data included in the print version of the Profile with the added benefit of chart depictions, user-selected data views, download options to save data for reference or analysis, and a faster view of GMAT testing trends.

- **Geographic Trend Reports for GMAT® Examinees**—Map out smart recruiting visits with data on where students want to study. These annual reports merge score-sending patterns from GMAT examinees with their biographical data, such as citizenship and location of residence, submitted with the exam to determine preferences and changes by group. The series includes an overall World report and region-specific reports for Asia, Europe, and North America.

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The **mba.com Prospective Students Survey** is one in a series of five annual or biannual surveys produced by the Graduate Management Admission Council® that explore relevant issues in graduate management education. Survey reports provide an overview of data in addition to offering context for and discussing implications of the research. They frequently are used to help drive strategic decision-making processes in graduate business schools. All survey reports are available online at gmac.com/surveys. Print copies are free upon request from the GMAC® Research and Development Department at research@gmac.com.

Other GMAC® surveys include—

Alumni Perspectives Survey

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

Application Trends Survey

How does a school's application volume compare with that of other schools? Since its debut in 1999, this annual two-part survey compares current and previous year application data for business school programs worldwide, highlighting trends by program type and world region.

Global Management Education Graduate Survey

What value do business school students place on their education as they prepare to graduate? Premiering in 2000, this survey is conducted every February to provide a comprehensive picture of soon-to-be graduates: who they are, how they chose their schools, how satisfied they are with their education, and where they are headed after they graduate.

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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