

2010



mba.com Registrants Survey

SURVEY REPORT



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®). The GMAT exam is an important part of the admissions process for approximately 4,750 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.

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The mba.com Registrants Survey provides a view into the opinions, needs, and preferences of prospective business school students. The survey explores the motivations, reservations, program choices, and intended outcomes of individuals who express a desire to further their education in a graduate business program. This report provides a portrait of more than 22,000 prospective business school students in their efforts to assess, decide about, and apply to graduate business school.

The process by which prospective students choose schools is deliberate (Chapman & Niedermayer, 2001) and requires an investment in time and money. Various factors influence a prospective student's desire to pursue a graduate management education, including economic, social, and personal pressures. Those factors, coupled with the time horizon and high level of involvement that business schools demand, contribute to the complexity of the decision to pursue higher education (Nicholls, Harris, Morgan, Clarke, & Sims, 1995). This report offers insight into the intricacies of the decision-making process of prospective business school students.

Key Findings

- Nearly half a million individuals registered on the GMAC® website for prospective students in 2009. The vast majority of respondents to the survey were still intent on pursuing a graduate business education three months after they registered.
- Prospective students were primarily motivated to pursue a graduate business education to develop and enhance their skill set, and to advance their careers. Most prospective students intend to work in the finance/accounting, products/services, or consulting industries after graduation.
- One out of eight prospective students indicated they had no reservations about pursuing their graduate education. The majority, however, did have reservations regarding financial aspects of their education and the likelihood of incurring large debts. Prospective students intend to finance about a quarter of their educational expenses using loans.
- After first consulting their family and friends, prospective students were likely to search school websites and affiliated websites for information to aid their decisions. In addition, prospective students reported consulting published rankings, current students and alumni, their peers and coworkers, and the GMAC website—mba.com.
- Nearly a third of prospective students first considered a graduate business education while still enrolled in their first university degree program. On average, however, prospective students first considered graduate business education 28 months after graduating from their first degree program.
- Prospective students were most likely to consider a two-year full-time MBA program, followed by a one-year full-time MBA program, a part-time MBA program, and an MS in management program.
- On average, prospective students submitted 2.8 applications to two-year full-time MBA programs, 1.9 applications to one-year full-time MBA programs, 1.4 applications to part-time MBA programs, and 2.2 applications to MS in management programs.

Methodology

The data for this report came from responses made 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 during the 2009 calendar year from individuals who registered on mba.com between October 2008 and September 2009. Overall, 22,111 individuals responded to the online questionnaire—an 8 percent response rate.

The mba.com Registrants Survey analysis applies a weighted design to align subgroup distributions of respondents with a known population—GMAT® exam registrants. The weighting design calibrates 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 corrects for biases in the respondent base mathematically, which adjusts the respondent data to conform more closely to the population parameters.

Using This Report

This report is designed to help graduate business schools better understand their potential applicant audience, inform their recruiting strategies, and provide insights that may assist in drafting marketing messages that will resonate with this key audience.

The information in this report is intended to help schools answer critical recruitment questions:

- Whom should my program recruit?
- What motivates prospective students?
- What are their reservations about attending graduate school?
- Which programs compete for their attention?
- How do they gather information about graduate business education?

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This report is based on responses from 22,111 prospective business students who expressed their opinions, needs, and preferences through the survey.

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97% of mba.com registrants were intent on pursuing a graduate business or management education three months after registering on the website.

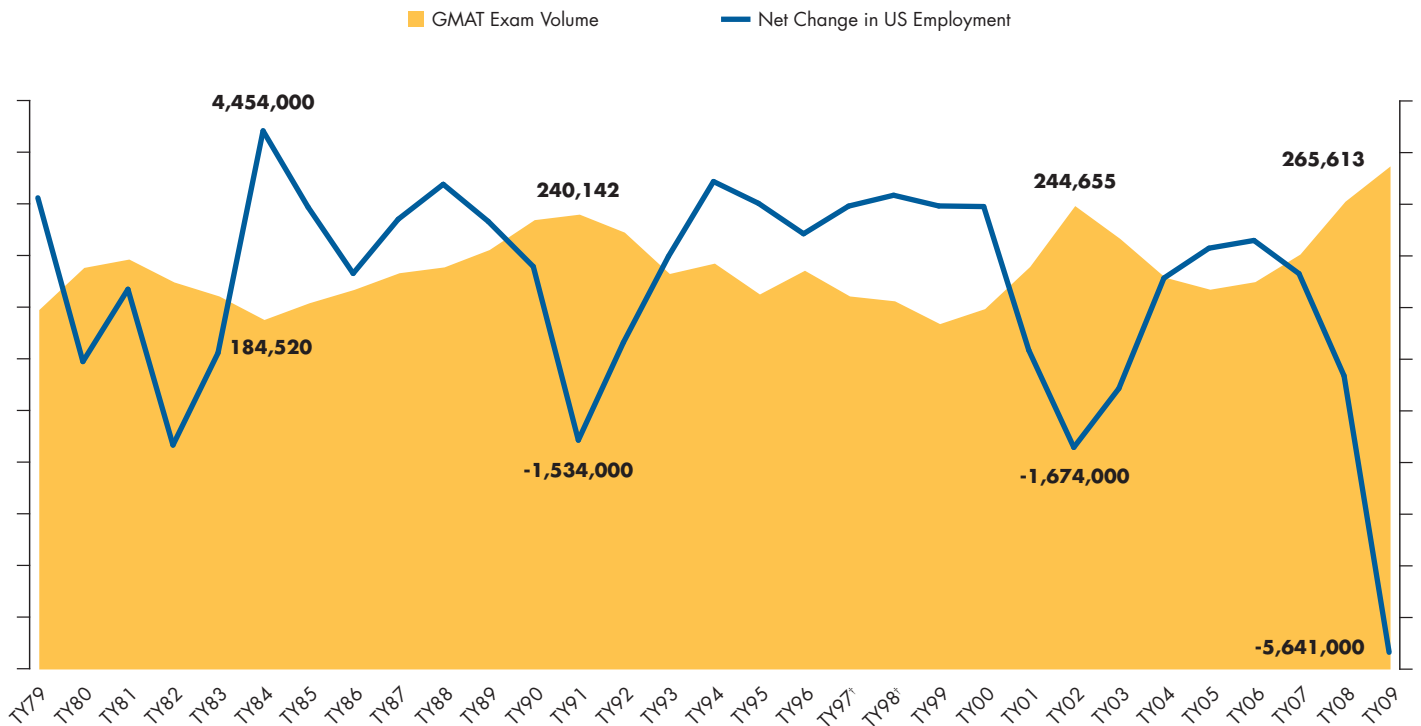
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Many factors influence a prospective student's desire to pursue a graduate management education, including economic, social, and personal pressures. Economic pressures may include unemployment or underemployment. A changing business environment may require individuals to update or obtain new knowledge, skills, and abilities (KSAs). Graduate education may fulfill an individual's personal desire for achievement or may offer the optimal path for realizing one's career aspirations. Whatever the reasons that compel individuals to pursue a graduate business education, one thing is certain: The decision is complex, multidimensional, and takes place over time, which makes calculating future demand for graduate management education a daunting task.

Economic Factors

One indicator of graduate business school demand is GMAT test-taking behavior. GMAC research shows that test-taking behavior tends to be countercyclical to economic conditions (GMAC, 2009). Increases in GMAT exam volume appear to be negatively related to the labor market's ability to create jobs. In other words, as the economy loses jobs, there appears to be an increase in the demand for graduate management education as measured by the volume of GMAT exams delivered, shown in Figure 1.

The vast majority of GMAT test takers register for the exam on mba.com—the GMAC website for graduate business students. Ninety-seven percent of mba.com registrants were intent on pursuing a



* Pearson's Correlation Coefficient = -0.75.

† GMAT exam volume for 1997 and 1998 smoothed to adjust for volatility caused by switch to computer testing.

Source: Graduate Management Admission Council, GMAT Exams Taken by Testing Year; US Bureau of Labor Statistics, Current Employment Statistics Survey (Total Nonfarm Employment)

Figure 1.
Changes in GMAT® Exam Volume vs. Annual Net Change
in US Employment, by Testing Year (TY)*

graduate business or management education three months after registering on the website. Only 2 percent of the respondents had decided to postpone their plans for graduate business education and 1 percent had decided not to pursue a graduate business education three months after registering on mba.com. These two groups—those who postponed their education and those who decided not to pursue their education—differed significantly in their reasons for not pursuing a graduate business education in the near term or at all. The most striking difference was that those who postponed their education cited financial concerns while those who dropped out did not wish to spend the time to pursue their education.

Social Factors

The job market is changing and individuals with higher-order competencies such as planning, negotiating, leadership, decision making, reasoning, and problem solving are in demand according to employing organizations (Garcia-Aracil, Mora, & Vila, 2004). Further research (Schoenfeld, 2009b) shows that graduate business school students greatly improved their long-term career potential by developing their abilities to manage strategy and innovation, increasing their knowledge of general business functions, refining their strategic and system skills, and improving their decision-making and generative thinking abilities (e.g., innovation, analytical thinking, and independence). Therefore, it was not surprising that the most common factor motivating prospective students was the development of their KSAs. Prospective students were interested in building their human capital potential to compete effectively in the changing job market. Figure 2 shows the top 10 KSAs that prospective business school students hope to improve during their education.

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 Many of the prospective students were interested in building their human capital potential to compete effectively in the changing job market.
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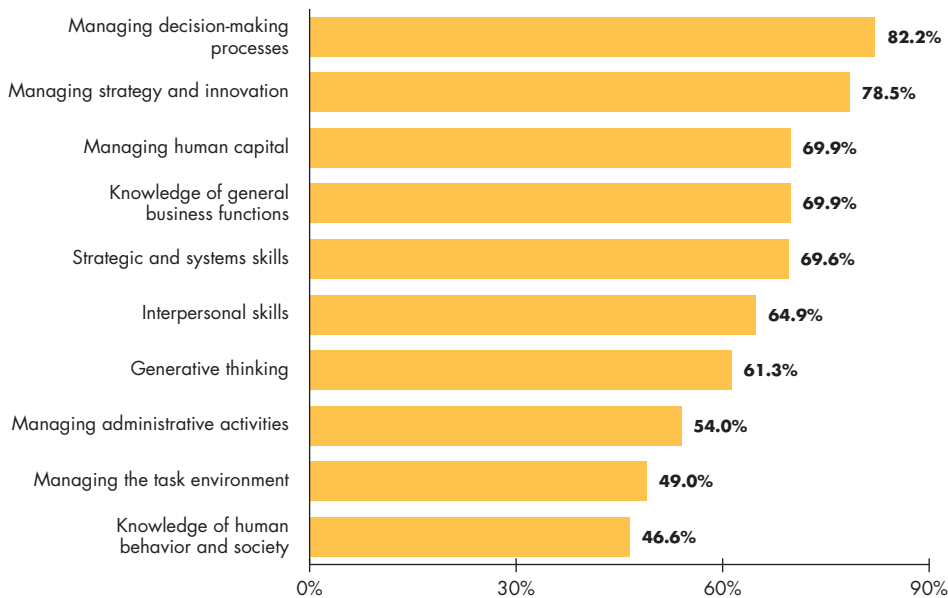


Figure 2.
 Top Ten KSAs That Prospective Students Target for Development

There were significant differences by gender in the skills that prospective students hope to improve in business school.

Men were more likely than women to indicate they intend (or want) to improve the following skills:

- Ability to manage strategy and innovation
- Ability to manage tools and technology
- Knowledge of technology design and production
- Strategic and system skills
- Operational skills

Women were more likely than men to indicate they want to improve the following skills:

- Ability to manage administrative activities
- Ability to manage the task environment
- Knowledge of media communications and delivery
- Generative thinking abilities

There were also significant differences by age.

- Younger respondents were more interested than older respondents in improving their interpersonal skills, foundation skills, generative thinking skills, knowledge of media communications and delivery, and knowledge of technology, design, and production.
- Older respondents were more likely than younger respondents to indicate a desire to improve their strategic and system skills, their abilities to manage the decision-making process, and strategy and innovation.

Personal Factors

Besides the opportunity to develop knowledge, skills, and abilities that graduate business programs provide, prospective students were motivated by a strong desire to advance their careers.

Figure 3 shows how survey respondents ranked a list of motivating factors in terms of how much they influenced their decision to pursue a graduate business education. Challenging and interesting work, which research has shown to be a primary driver of job satisfaction among business school alumni (Schoenfeld, 2009a), was the third most common factor, followed by a sense of personal satisfaction and achievement.

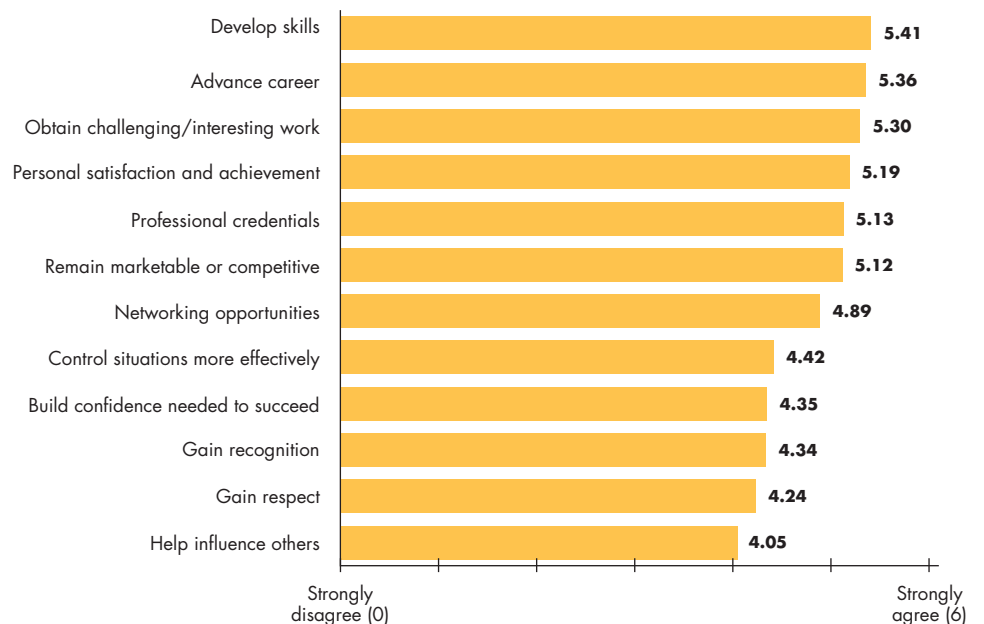


Figure 3.
Key Motivations Influencing Decision to Pursue Graduate Business Education

DEMAND FOR GRADUATE MANAGEMENT EDUCATION

Africa & Middle East	Europe	Asia & Pacific Islands	Latin America	Canada & United States
Develop KSAs	Develop KSAs	Develop KSAs	Develop KSAs	Career advancement
Career advancement	Challenging/ interesting work	Challenging/ interesting work	Challenging/ interesting work	Develop KSAs
Challenging/ interesting work	Career advancement	Career advancement	Personal satisfaction and achievement	Professional credentials
Personal satisfaction and achievement	Personal satisfaction and achievement	Personal satisfaction and achievement	Career advancement	Challenging/ interesting work
Remain marketable or competitive	Opportunities for networking	Remain marketable or competitive	Opportunities for networking	Remain marketable or competitive

Table 1.
Top Five Motivations to Pursue a Graduate Business Degree, by Citizenship Groups

Table 1 shows the top five motivating factors by various citizenship groups. The development of KSAs was the primary driver among most of the world groups, yet career advancement was the primary driver among Canadian and US citizens.

In addition to identifying their specific reasons for pursuing a graduate business education, respondents were asked to consider the importance of various psychographic variables. A list of 14 items was reduced to four principal components¹ to facilitate ease of understanding the

factors important in the lives of prospective students. The four principal components² are as follows:

- **Community life**, including volunteer work, politics and public life, and the environment
- **Personal life**, including entertainment, free time, relaxation, travel, friends, and acquaintances
- **Work life**, including financial security, wealth, career, and work
- **Home life**, including family, children, relatives, and religion

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**The development of KSAs
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¹Principal components 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 combinations. Weights are produced and ordered so each new composite explains the maximum possible amount of variance not already picked up by earlier ones.

²PCA of reservations and barriers had a multiple R of .57.

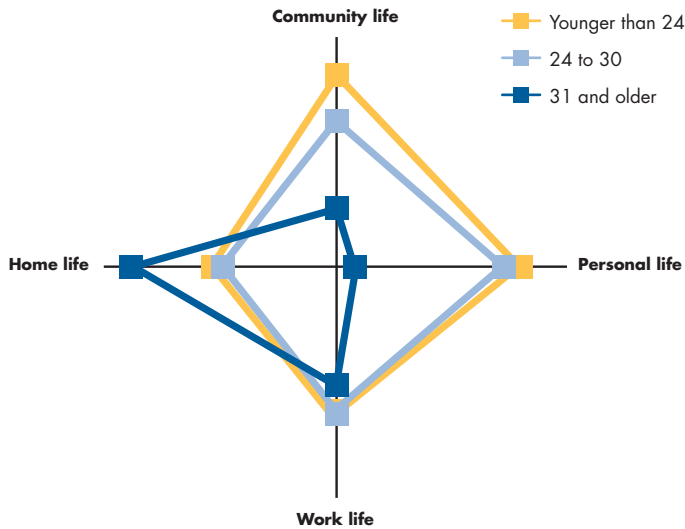


Figure 4.
Psychographic Interests of Prospective Graduate Management Students, by Age

Figure 4 shows the average score for each of the psychographic interests by the age of the respondents—data points farther from the center of the chart indicate greater importance while data points nearer the center indicate lesser importance. Statistically, there were no differences in the relative importance of work life by the various age groups. Home life was more important among respondents age 31 and older compared with younger respondents. Personal life was more important to respondents age 30 and younger compared with older respondents. Community life was most important to respondents younger than 24, followed by those ages 24 to 30, and last, by respondents age 31 and older.

In order of importance, respondents younger than 24 and those ages 24 to 30 considered community life as most important, followed by personal life, work life, and home life. Respondents age 31 and older, however, considered home life most important followed by work life, community life, and personal life.

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Half of all respondents indicated having financial reservations about pursuing a graduate business degree.
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Reservations

One in eight respondents cited no reservations about pursuing a graduate business degree. Men were more likely than women to have no reservations. Respondents younger than 24 and those age 31 and older were more likely than those ages 24 to 30 to have no reservations. Citizens of Central Asian and Western European countries were the least likely of all citizenship groups to have reservations about pursuing a graduate business degree.

Half of all respondents indicated having financial reservations about pursuing a graduate business degree—53 percent cited that it might require more money than they have available and 51 percent indicated that it might require them to take on large financial debts. Although these financial reservations were of concern to respondents regardless of citizenship, respondents from Central Asia and Latin America were more concerned than other respondents that their education would require more money than they had available. On the other hand, respondents from Canada, Central Asia, Latin America, and the United States were more concerned than other respondents that it might require them to take on large financial debts.

About a third of respondents (32%) indicated that demands on their time and energy might be too great. Not surprisingly, this concern was particularly evident among respondents age 31 and older, considering that home life was most important to these individuals. Similarly, women (34%) were more likely than men (29%) to have cited this reservation even though, on average, female respondents were younger than male respondents.

Very few respondents indicated that they felt they would not receive the same benefits as others who might pursue the degree (9%) or that it was too intimidating (8%).

The decision to pursue a graduate management education is the initial step that propels a prospective student into the business school pipeline. The decisions that follow are complicated in part by the growth and diversity of graduate business programs offered around the world. Not only must prospective students decide between an MBA and another master's program in business, but they also need to decide between various offerings within each degree category. Prospective students who intend to obtain an MBA need to decide whether they will pursue the degree full-time or part-time, in class or online, or some combination. Similarly, they need to choose from a variety of degree programs, such as an MS in Accounting, MS in Finance, MS in Management or an MS in Business Administration. This section explores what goes into a prospective student's decision-making process when selecting a graduate business program.

Information Sources

Prospective students generally do not make the decision to pursue graduate business education in a vacuum. They often enlist the support of others, consult information sources, and employ tools to aid their decision-making process. In fact, two out of three respondents consulted their friends and family in the decision-making process. Women (67%) were slightly more likely than men (64%) to speak with friends and family about their decision. In addition, respondents younger than 24 (70%) and those ages 24 to 30 (68%) were more likely than older respondents (53%) to have consulted with friends and family. Figure 5 shows the various sources that prospective students tapped into when making the decision to pursue a graduate business education.

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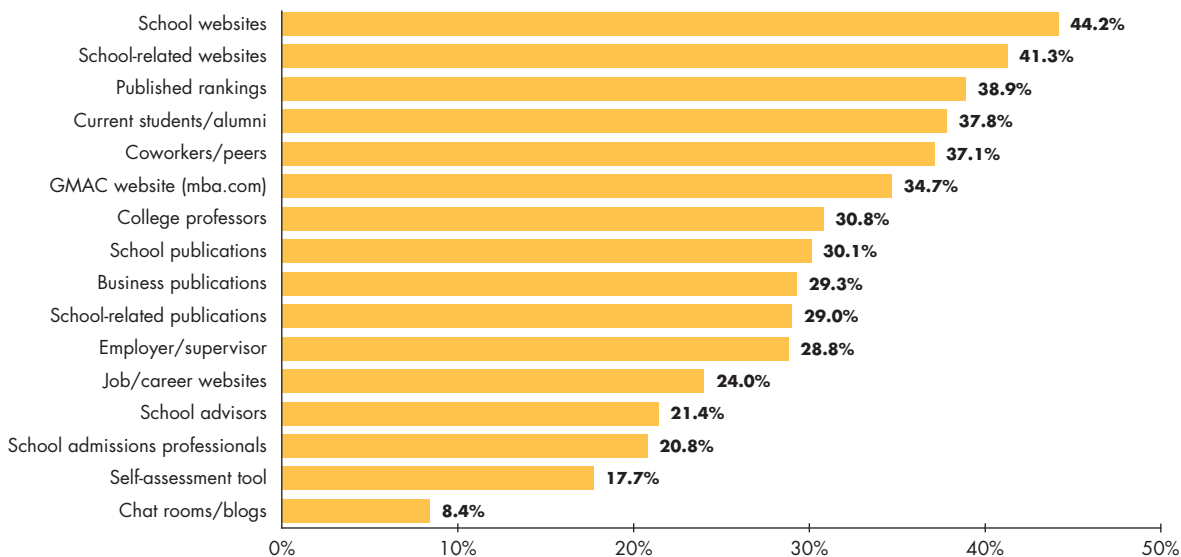


Figure 5.
 Sources Students Consult in Decision-Making Process

The most common source prospective students consulted when making their decisions, after friends and family, was school websites, followed by school-related websites, published school rankings, current students and alumni, coworkers and peers, and the GMAC website—mba.com. There were significant differences in the sources consulted by various characteristics.

Gender

- Men were more likely than women to consult their employers, business publications, published rankings, chat rooms, and blogs. They also were more likely to use self-assessment tools.
- Women were more likely than men to consult their school advisors, college professors, school admission professionals, school publications, and school website.

Age

- Younger respondents were more likely than their older peers to consult their school advisors, college professors, students, alumni, chat rooms, and blogs.
- Older respondents were more likely than their younger counterparts to consult coworkers, peers, employers, and the GMAC website—mba.com.
- Respondents ages 24 to 30 were more likely than others to check business publications, published rankings, and school websites.

Business School Timeline

Globally, prospective graduate business school students completed their first university degree at an average age of 23.2. They first considered graduate business school 28 months later, on average. Interestingly, nearly 40 percent of respondents considered graduate business school *before* they completed their first degree. Figure 6 shows the percentage of respondents who considered graduate business education before completing their first degree. Business undergraduate students were much more likely than were nonbusiness majors to contemplate graduate business school as an undergraduate student.

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 On average, respondents first considered graduate business school 28 months after completion of their initial university degree.

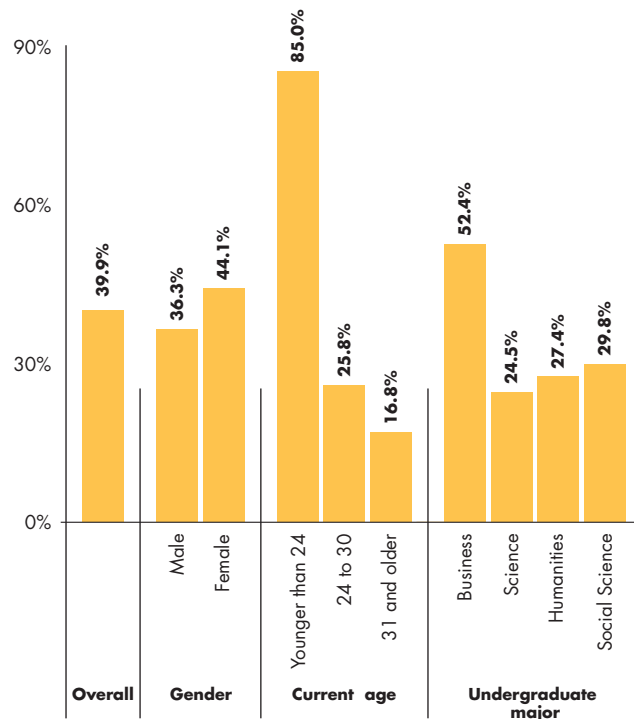


Figure 6. Percentage Who Considered Graduate Management Education Before Completing Their First University Degree

After deciding to pursue a graduate business education, prospective students prepare to reach their goal—completion of a graduate business degree. Before submitting an application to graduate business school, many prospective students register on the mba.com website. Nearly half a million (471,282) individuals registered on the website between October 2008 and September 2009. These were individuals who had a decided interest in pursuing a graduate business and management education. On average, individuals registered on the website 17 months after they first considered a graduate business education or 45 months after they completed their first university degree. Once individuals registered on the website, approximately five months elapsed before they submitted their first application to graduate business school.

The application is a primary step along the way to reaching one’s educational goal. Previously, this report explored various factors that encourage or discourage prospective students from achieving their goals. Those who continued in the process typically spent 22 months in the business school pipeline—from the time they first considered attending graduate business school to the submission of their first application. Figure 7 shows the average length of time individuals spent between first considering the degree and first applying to a graduate business program. Overall, this transition stage for most individuals lasted nearly two years—for an average of 22.1 months. Women spent slightly less time in this stage than men did—20.7 months compared with 23.2 months.

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 Registrants who submitted applications to graduate business school typically spent 22 months in the business school pipeline.
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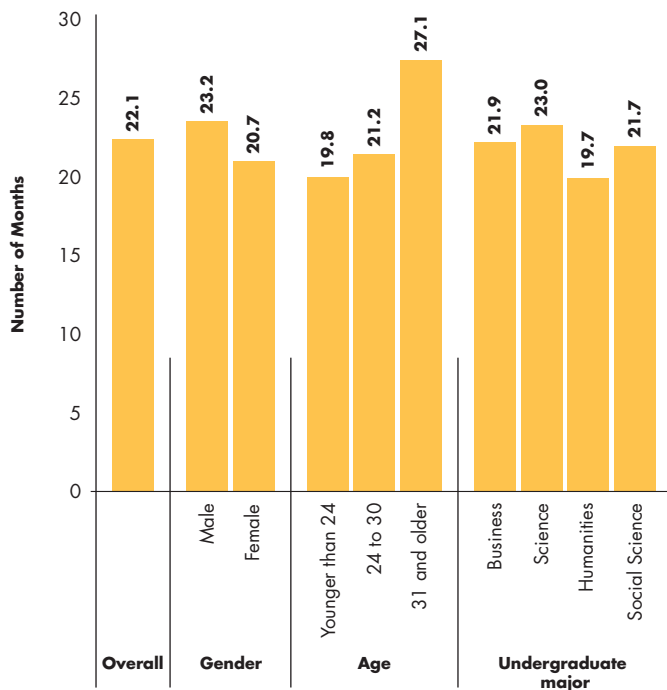


Figure 7. Average Length of Time (in Months) Between First Consideration of GME and Submission of First Application

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The top five graduate business programs considered were two-year full-time MBA, one-year full-time MBA, part-time MBA, MS in Management, and flexible MBA programs.

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Programs Considered

During the time between their first consideration of graduate management education and the submission of an application, prospective students face many decisions. Key among these is how best to pursue their degree. There is a variety of program options from which to choose when selecting a graduate business program. Globally, the top five graduate business programs considered were two-year full-time MBA, one-year full-time MBA, part-time MBA, MS in Management, and flexible MBA (with both full-time and part-time options) programs. Table 2 shows the percentage of respondents who considered the various business programs, the percentage of those who either applied or still plan to apply to the program type (i.e., the application yield rate), and the average number of applications submitted to the program type.

Statistically, there were differences in business school preferences by both gender and age.

Gender

- Men were more likely than women to have considered two-year and one-year full-time MBA programs, executive MBA programs, MS in Finance, and other quantitative business programs.
- Women were more likely than men to have considered part-time MBA programs, flexible MBA programs, online/distance learning MBA programs, MS in Management, MS in Accounting, other general management programs, nonquantitative business programs, and joint-degree programs.

Program Type	Percentage Considered	Application Yield Rate [†]	Average Number of Applications
Full-time two-year MBA	47.9%	81.1%	2.8
Full-time one-year MBA	43.6%	74.1%	1.9
Part-time MBA	34.8%	70.1%	1.4
MS in Management	24.7%	48.4%	2.2
Flexible MBA	21.7%	53.5%	1.4
MS in Finance	18.9%	59.7%	2.9
Executive MBA	16.8%	57.8%	1.4
Online/distance learning MBA	14.9%	54.1%	1.4
Joint-degree programs (MBA)	14.3%	51.2%	1.8
MS in Accounting	13.7%	75.5%	1.9
General management program	12.0%	31.7%	2.3
PhD/DBA	10.6%	44.3%	3.6
Quantitative business program	8.0%	38.4%	2.0
Joint-degree business program	6.2%	31.5%	1.4
Nonquantitative business program	3.9%	34.4%	2.0

[†] Application Yield Rate = Percentage who applied/planned to apply divided by the percentage who considered.

Table 2.
Graduate Business Program Application Statistics

Age

- Compared with older respondents, those younger than 24 were more likely to have considered an MS in Management, MS in Accounting, or other quantitative and nonquantitative business programs.
- Respondents age 30 and younger were more likely than older respondents to have considered one-year full-time MBA programs, an MS in Finance, and joint-degree programs.
- Of all age groups, respondents ages 24 to 30 were the most likely to have considered two-year full-time MBA programs.
- Respondents age 24 and older were more likely than younger respondents to have considered part-time MBA, flexible MBA, executive MBA, and online/distance learning MBA programs.

Extracurricular Considerations

Higher education is more than a combination of coursework, homework, and tests. It often involves participation in additional activities that offer students the opportunity to engage with others in applying the knowledge, skills, and abilities learned in the classroom. Prior research suggests that participation in extracurricular activities adds value to students by increasing probabilities of achieving desirable outcomes, such as gainful employment postgraduation.

Figure 8 shows the percentage of respondents who intended to pursue various activities while in business school. In addition, 34 percent of respondents hoped to work full-time while in business school and 36 percent wanted to work part-time.

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34% of respondents hoped to work full-time while in business school and 36% wanted to work part-time.
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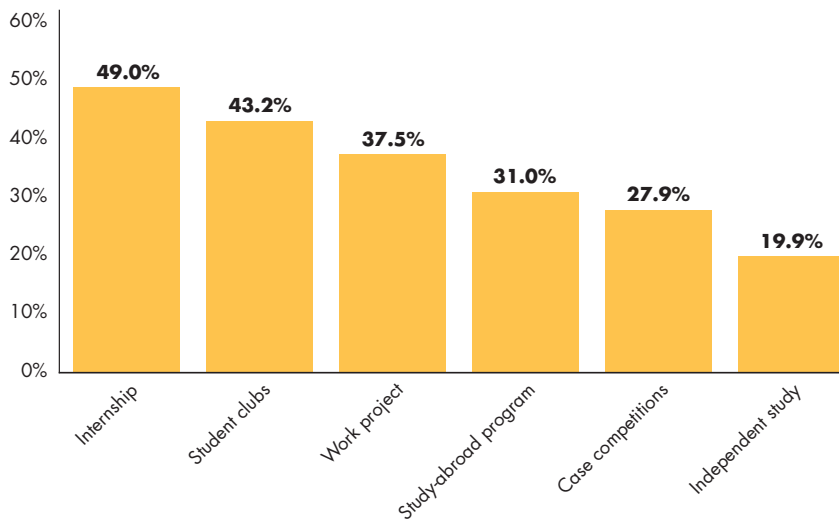


Figure 8.
 Intended Participation in Activities While Attending Graduate Business School

Once prospective students decide to pursue a graduate business education and narrow down the list of programs they prefer, the school selection decision becomes prominent. This process entails researching school characteristics and weighing alternatives. Prospective students also must decide the location where they would like to study and begin planning for how they will finance their education. As prospective students proceed through this selection and planning process, they do so with their future career plans in mind.

School Selection Criteria

Decision makers have a variety of issues to consider when deciding where they would like to earn their graduate business degree. When asked to rank order their general school selection criteria, prospective students listed the following in order of importance:

1. Quality and reputation of the graduate business school
2. Program aspects such as length, type, and location of program
3. Career aspects, such as career services and job placement opportunities
4. Financial aspects, such as costs and availability of scholarships
5. Curriculum aspects, such as the specific curriculum offered
6. Student class profile

Overall, men and women rank ordered these school selection criteria similarly. There were differences by age, however. For instance, career aspects were more important to younger respondents than they were to older respondents. Table 3 shows the rank order of program aspects considered important to prospective students by age groups.

Rank Order	Younger than 24	24 to 30	31 and older
1st	Quality/reputation	Quality/reputation	Quality/reputation
2nd	Career aspects	Specific program aspects	Specific program aspects
3rd	Specific program aspects	Career aspects	Financial aspects
4th	Financial aspects	Curriculum aspects	Curriculum aspects
5th	Curriculum aspects	Financial aspects	Career aspects
6th	Student class profile	Student class profile	Student class profile

Table 3.
Importance of General Criteria When Choosing Programs, by Age

Rank Order	Younger than 24	24 to 30	31 and older
1st	Quality of the faculty	Quality of the faculty	Quality of the faculty
2nd	Job placement reputation	Program accreditation	Program accreditation
3rd	Program accreditation	Job placement reputation	Local respect/reputation
4th	Local respect/reputation	Local respect/reputation	Program type offered
5th	Successful alumni	Successful alumni	Rigor of academic program
6th	Rigor of academic program	Quality of students	Successful alumni
7th	Quality of students	Rigor of academic program	Quality of students
8th	Published ranking	Published ranking	Published ranking
9th	Selectivity of admissions	Selectivity of admissions	Job placement reputation
10th	Percentage of class receiving job offers	Program type offered	Program completion time

Table 4.
Importance of Specific Criteria When Choosing Programs, by Age

Prospective students also were asked to rate more specific criteria when choosing schools. As with the general criteria, men and women did not differ greatly on the specific criteria when standardized across items. The top 10 specific criteria that respondents considered important when choosing schools were as follows:

1. Quality of the faculty
2. Program accreditation
3. Job placement reputation
4. Local respect and reputation
5. Successful alumni
6. Rigor of the academic program
7. Quality of the students
8. Published ranking
9. Selectivity of admissions
10. Program type offered

Similar to the general criteria, there were differences in the ordering of the top 10 items by age (Table 4).

Preferred Study Location

School location was an important part of the general criteria prospective students used when choosing where to apply and ultimately attend. Overall, nearly half of the prospective students were sending applications to schools in their local area (within a 50-mile/80-kilometer radius of their residence). Approximately two out of five prospective students were sending applications to schools outside their country of residence. In addition, about one in five were sending applications to regional schools (within a 250-mile/400-kilometer radius of their residence) and nearly a quarter were sending applications to national programs (outside a 250-mile/400-kilometer radius of their residence).

Figure 9 displays the percentage of respondents, based on gender and age, who were submitting applications to various program locations. The following were significant differences.

Gender

- Men were more likely than women to submit applications to national and international programs.
- Women were more likely than men to submit applications to local and regional programs.

Age

- Compared with older respondents, younger respondents were more likely to submit applications to regional, national, and international programs.
- In addition, respondents ages 24 to 30 were more likely than younger respondents to submit applications to national programs.
- Older respondents were more likely than their younger counterparts to apply to local programs.

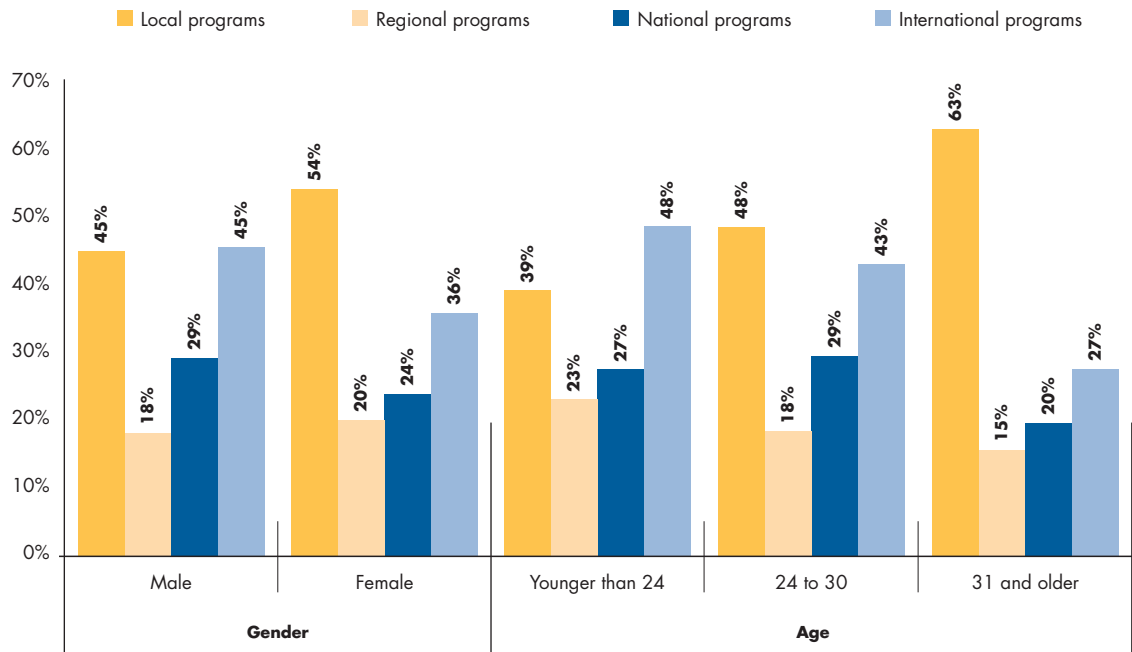


Figure 9. Location of Application Submissions, by Gender and Age

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Among US residents,
72% submitted applications
to local programs.
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US Residents

- Nearly three out of four US residents (72%) submitted applications to local programs, which is approximately three times higher than European residents, five times higher than Asian residents, and eight times higher than Central Asian residents.
- Female residents of the United States were more likely than male residents to have submitted an application to a local program.
- Older US respondents were more likely than younger US respondents to have submitted an application to a local program.
- US business majors were more likely than all other undergraduate majors to have submitted applications to a local program.

Prospective students were also asked to specify their preferred study location. The following is a list of the top 10 countries where prospective students prefer to study:

1. United States (72%)
2. United Kingdom (6%)
3. Canada (4%)
4. India (3%)
5. France (2%)
6. China (2%)
7. Singapore (2%)
8. Australia (1%)
9. Spain (1%)
10. Israel (1%)

Table 5 shows the top five countries where prospective students of various citizenship groups prefer to study for their business education.

Region of Citizenship	1st	2nd	3rd	4th	5th
Africa	United States (39%)	United Kingdom (13%)	South Africa (12%)	Egypt (7%)	Canada (6%)
Asia	United States (64%)	China (8%)	United Kingdom (7%)	Singapore (4%)	France (3%)
Australia and Pacific Islands	Australia (46%)	United States (29%)	United Kingdom (12%)	China (2%)	New Zealand (2%)
Canada	Canada (67%)	United States (21%)	United Kingdom (3%)	France (3%)	China (1%)
Central Asia	United States (51%)	India (21%)	United Kingdom (12%)	Singapore (5%)	Canada (3%)
Europe	United States (31%)	United Kingdom (18%)	France (10%)	Netherlands (5%)	Switzerland (5%)
Latin America	United States (59%)	United Kingdom (10%)	Canada (7%)	France (5%)	Spain (4%)
Middle East	United States (33%)	Israel (22%)	Lebanon (8%)	United Kingdom (8%)	Turkey (6%)
United States	United States (96%)	United Kingdom (1%)	France (0.4%)	Spain (0.3%)	Switzerland (0.2%)

Table 5.
 Preferred Country to Study for a Graduate Business Degree

Proposed Financing Plans

Determining how best to finance one’s graduate education is a huge step in the decision-making process and can be fraught with obstacles. As shown previously, half of all the prospective students had reservations of one type or another about how to pay for graduate business school. Overall, more than half of the respondents indicated they plan to rely on grants, fellowships, or scholarships (59%), loans (59%), and personal earnings (52%) to finance a portion of their education. Additionally, 49 percent planned to use personal savings; 38 percent planned to receive support from their parents; and 28 percent planned to use employer reimbursement programs. There were differences by gender and age.

Gender

- Men were more likely than women to use loans, personal earnings, and personal savings to finance portions of their education.
- Women were more likely than men to use grants, fellowships, scholarships, and support from their spouse or partner.

Age

- Younger respondents were more likely than older respondents to use grants, fellowships, scholarships, and parental support to finance a portion of their education.
- Older respondents were more likely than younger respondents to plan to use employer reimbursement programs and support from their spouse or partner.
- Respondents ages 24 to 30 were more likely than all others to plan on the use of loans to finance a portion of their education.

Figure 10 shows the average percentage of each funding source that prospective students planned to use to pay completely for their graduate business education. On average, prospective students planned to finance nearly half of their education using loans, grants, fellowships, and scholarships. Slightly more than a quarter of their education will be financed via parental support and employer reimbursement programs. A quarter of their education will be financed out of pocket, using personal savings, earnings, and support from their spouse or partner.

•••••
On average, prospective students planned to finance nearly half of their education using loans, grants, fellowships, and scholarships.
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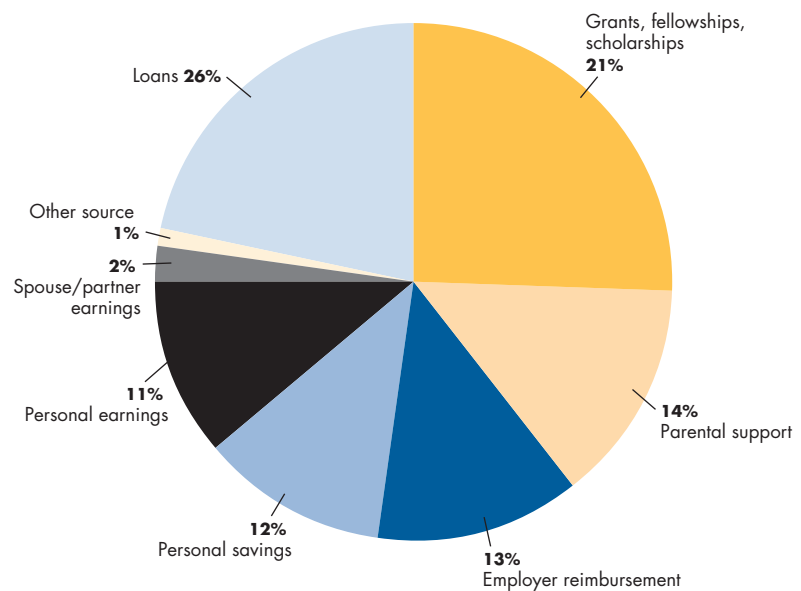


Figure 10.
 Typical Proposed Financing Mix for Prospective Students

Employment Outcomes

Prospective students were highly motivated by the career prospects attached to having a graduate business education. At the time of the survey, three out of four prospective students were employed. Figure 11 shows the intended employment outcomes of prospective students by their current employment status. Statistically, unemployed respondents were more likely than their working peers to indicate plans to become self-employed or work outside their country of citizenship. In addition, those who were not working were more likely than employed respondents to indicate they did not know their future career plans.

Overall, men (78%) were more likely than women (72%) to be employed at the time of the survey. Respondents younger than 24 (52%) were less likely than those ages 24 to 30 (83%) and 31 and older (84%) to have been employed at the time of the survey. The following are the most prevalent types of industries and job functions among the employed respondents:

Current Industry: Products/services (20%), finance/accounting (19%), technology (15%), government/nonprofit (12%), consulting (11%), manufacturing (6%), health care (6%), energy/utilities (3%), other industries (7%).

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 Unemployed respondents were more likely than their working peers to indicate plans to become self-employed or work outside their country of citizenship.

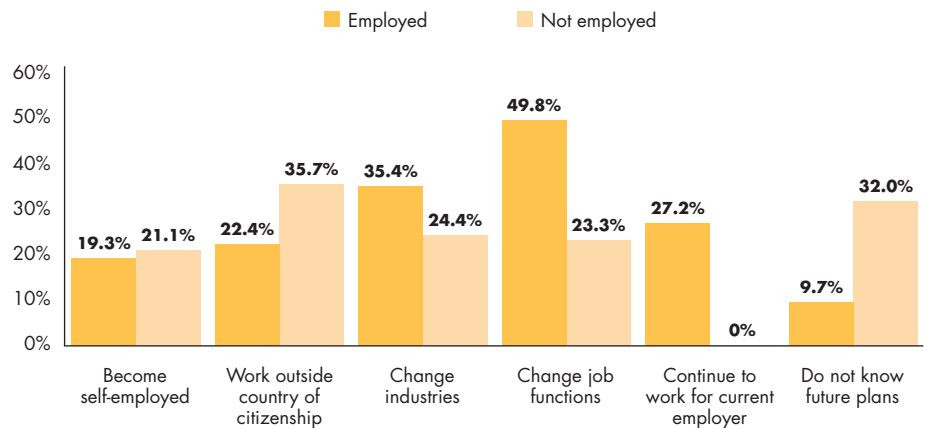


Figure 11. Intended Postgraduation Employment Outcomes

Current Job Function: Finance/accounting (22%), marketing/sales (18%), operations/logistics (15%), IT/MIS (11%), general management (8%), consulting (7%), human resources (3%), other functions (15%).

Respondents were asked to specify the types of industries and job functions they intend to pursue upon graduating from a graduate business program. Table 6 shows the top 10 specific industries and job functions that respondents listed, and Figure 12 shows the distribution of general industries and job functions prospective students wish to pursue.

Industry	Percentage	Job Function	Percentage
Consulting services	14.7%	General management	25.1%
Management consulting	13.2%	Strategy	20.6%
Investment banking or management	12.0%	Business development	17.6%
Banking	11.0%	Corporate finance	11.7%
Accounting	9.1%	Accounting/auditing	11.6%
Finance and insurance	8.6%	Investments	11.4%
Information technology or services	8.4%	Product management	11.2%
Marketing services	8.1%	Entrepreneurial	11.0%
Education or educational services	7.2%	Product management consulting	8.8%
Government (nonmilitary)	6.6%	Banking	8.4%

Table 6.
Top Ten Future Industries and Job Functions (Detailed)

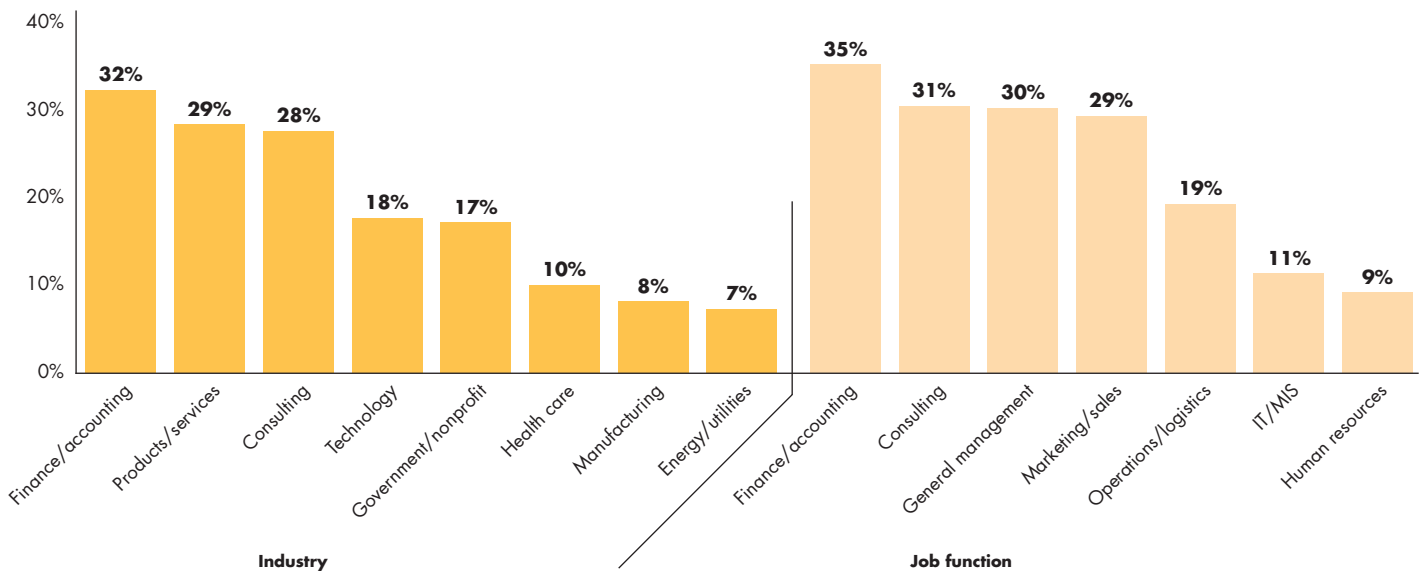


Figure 12.
Intended Postgraduation Industries and Job Functions

CONCLUDING NOTE

Concluding Note

The data presented in this report is from the Graduate Management Admission Council's ongoing research project about prospective students. A comprehensive data tool is also available as a free service to schools that use GMAT scores for admission to one or more programs. The comprehensive data tool examines the survey responses by various demographic characteristics, such as gender, age, undergraduate academic major, and employment status. Furthermore, the tool provides breakdowns by the prospective student's region of residency, including Africa/Middle East, Asia/Pacific Islands, Canada, Central Asia, Europe, Latin America, and the United States. A US-only tool is also available and explores the data by US regions of residency, including the Northeast, Mid-Atlantic, South, Midwest, Southwest, and West.

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(s) made significant contributions to the concept, design, analysis, interpretation of data, and/or drafting/revising of the manuscript for intellectual content:

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