



SURVEY REPORT

2005–2006

mba.com Registrants Survey

Graduate
Management
Admission
Council®

Creating Access to Graduate Business Education®

The [mba.com Registrants Survey](#)

is a product of the Graduate Management Admission Council® (GMAC®), a global not-for-profit 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 more than 3,700 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, initiated in 2003, is an annual survey designed to track the progression of prospective students through the MBA pipeline. The top three motivating factors cited by respondents to the 2005 survey in their decision to pursue an MBA closely parallel the motivating factors found in the 2003 survey¹. If these factors hold true in the near future, their consistency can be helpful to graduate business schools in developing marketing campaigns and academic programs.

Key findings:

- The top motivators for pursuing a graduate management education are opportunity for more challenging/interesting work, personal satisfaction/achievement, long-term income and financial stability, and continued marketability (competitiveness).
- Women are more likely to seek the MBA as a means for career enhancement, while men are more likely to seek the degree to switch careers or improve personally.
- Quality and reputation of a school—as measured by published rankings, prestige/global recognition of the school, and school’s reputation in placing graduates in jobs—are primary factors in school selection.

Methodology

Findings are based on responses from 5,404 prospective MBA students who registered on mba.com, the GMAC® Web site for prospective students. Mba.com serves as the portal to the GMAT® exam and as an informational resource for prospective students interested in learning about graduate

management education. This survey is the first of two that will be conducted with this sample to track the progression of prospective students through the MBA pipeline.

The sample consists of registrants who explicitly opted in to participate in GMAC® research from September 1, 2004, to August 31, 2005. Of the 27,206 valid sample members who opted to participate and were initially contacted for the survey, 5,404 people completed the survey, for a response rate of 20%. There were few differences in the demographic characteristics between respondents and nonrespondents. Only respondents that had unknown citizenship at the time of registration on mba.com were slightly underrepresented (11% of the nonrespondents were unknown, compared to 6% of the respondents). Tests of statistical significance are used throughout the report, and a 95% confidence interval was the cut-off point for significance.

¹ Edgington, R. (2003). mba.com Registrants Survey Executive Summary. Graduate Management Admission Council®

The Business School Pipeline Timeline

On average, 62 months—roughly five years—elapse between completion of an undergraduate degree and enrollment in a graduate management education program (Figure 1).

What happens during these 62 months? These years are filled with decisions. Prospective students determine whether the MBA is right for them and if the degree fits in with their career and personal plans. They decide which program type suits their needs and where to submit an application. Finally, they also choose a school in which to enroll.

The typical timeline between completion of an undergraduate degree and first consideration of a graduate management education is 39.9 months, or slightly more than three years. During these three years, respondents generally gain employment experience—the median length of full-time employment since graduating from an undergraduate program is more than three years, but less than four years. However, nearly half (49%) of the enrolled respondents indicated it was very true that a graduate management education was a part of their planned career development. This portion of the respon-

dent pool takes 31 months, on average, from the time they complete their undergraduate degree to the time they first consider the MBA.

Once an individual has considered graduate management education, 16 months typically elapse before he or she submits the first application. Prospective students are in the midst of various activities during this time, including researching programs and schools, preparing for the GMAT® exam, gathering all the necessary application materials including recommendations and transcripts, and writing application essays. More than a quarter (28%) of enrolled respondents considered more than one type of MBA program and, on average, submitted 2.4 applications. (The consideration of various program types is explored in this report.)

Less than one month after submitting their first application, the typical prospective student sits for the GMAT® exam. Afterwards, prospective students await decisions from the graduate business programs. On average, one can expect slightly less than six months to pass from the time prospective students sit for the GMAT® exam until their enrollment as a student in a graduate business program.

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28% of enrolled respondents considered more than one type of MBA program and, on average, submitted 2.4 applications.
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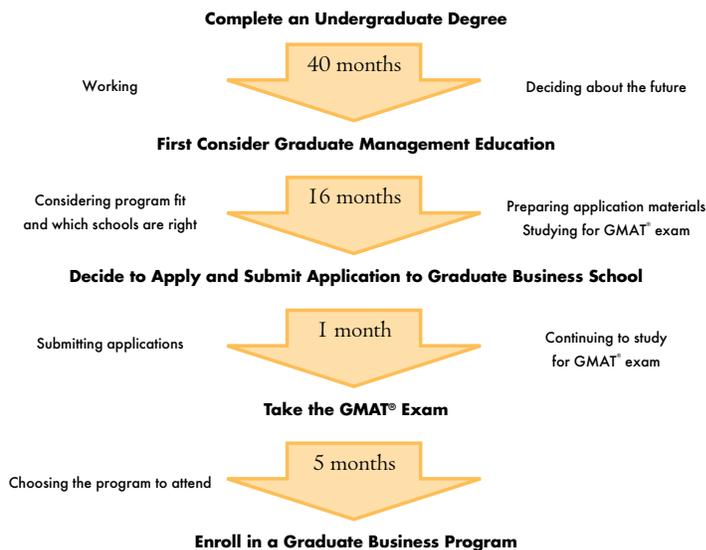


Figure 1. Average Time in the Pipeline—All MBA Program Types

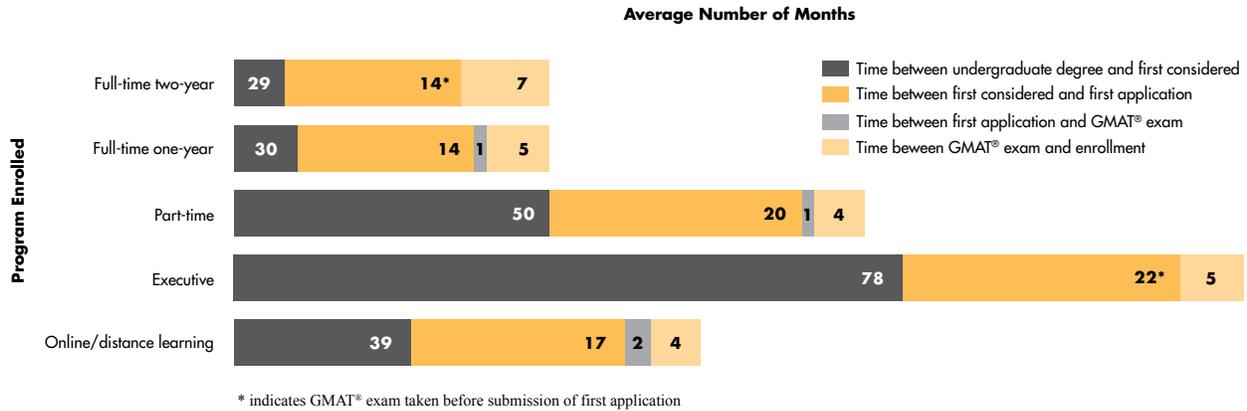


Figure 2. Average Time in the Pipeline, by Program Type

The typical timeline described is based on an amalgam of all respondents enrolled in a graduate business program. However, there are various types of graduate business programs, and the timeline differs for each of these program types, as illustrated in Figure 2.

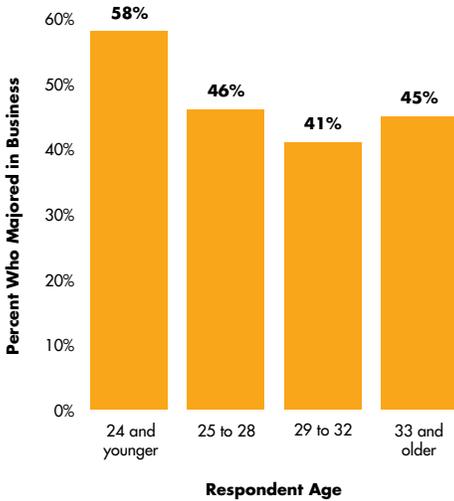


Figure 3. Percentage of Respondents Who Majored in Business, by Age Group

Respondents enrolled in an executive (EMBA) program allow 105 months (8.75 years) to pass between completing an undergraduate degree and enrolling in a graduate business program, which is significantly longer than respondents enrolled in a part-time program, who allow 6.25 years to pass. Respondents enrolled in online/distance-learning programs allow slightly more than five years (62 months) to pass between completion of an undergraduate degree and enrollment. Those enrolled in full-time two-year traditional and full-time one-year accelerated programs allow an average of 50 months to pass between graduation and enrollment.

As shown, respondents enrolled in a full-time two-year or executive MBA program tend to sit for the GMAT® exam before submitting their first application. However, respondents enrolled in a full-time one-year, part-time, or online/distance learning program generally sit for the GMAT® exam *after* submitting their first application.

Age Accounts for Differences in the B-School Pipeline Timeline

Younger respondents are more likely than older respondents to enroll in a full-time program, and older respondents are more likely than younger respondents to enroll in an executive program. This helps explain the vast difference between the b-school pipeline timeline for these programs—respondents enrolled in an executive program take almost twice as long between completion of an undergraduate degree and enrollment in an MBA program as respondents enrolled in full-time programs.

Respondents 24 and younger generally first consider a graduate management education prior to completing their undergraduate degree, and they are significantly more likely than older respondents to have majored in business (Figure 3) and may, as a result, be more informed about the benefits of a graduate management education. Prior exposure to the benefits could play a role in the reduced time frame, as they may have less need than others to conduct additional research.

Prospective students choosing to attend graduate school are involved in a deliberative process of selection². This process begins with the decision to pursue a post-baccalaureate degree. Individuals tend to ask themselves whether the pursuit of additional education fits in with their plans and whether the pursuit has value-added benefits that could not be obtained without the additional degree or in a reasonable amount of time on the job—a categorical decision about whether to pursue an advanced degree³. Once the individual reaches the decision to pursue an MBA, the search is on to find the right school and program—a brand-level decision⁴.

What is considered when making the decision to pursue a graduate level degree? Prospective students seek to find the unique degree that will best serve their current and future interests. During this phase, MBA programs compete with various other programs to attract qualified and motivated students.

What Motivates an Individual to Pursue an MBA Degree?

Figure 4 presents the proportion of respondents who indicated that the motivation cited is “very true to me.” Six of the fourteen motivating factors are “very true” for the majority of respondents. Three primary reasons can be derived from a principal component analysis (PCA with varimax rotation; 48% of variance explained). The three reasons extracted by the analysis are labeled career enhancement, career switching, and personal development for job success.

Career enhancement is characterized by the desire to obtain professional credentials needed for advancement, feelings that an MBA will allow the respondent to remain marketable and competitive in the business world, and an aspiration to improve long-term income and financial stability. Additionally, these individuals hope that graduate management education will provide the opportunity for more challenging and interesting work in the future.

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Analysis of survey responses shows that the three primary reasons to pursue a graduate management degree are career enhancement, career switching, and personal development for job success.
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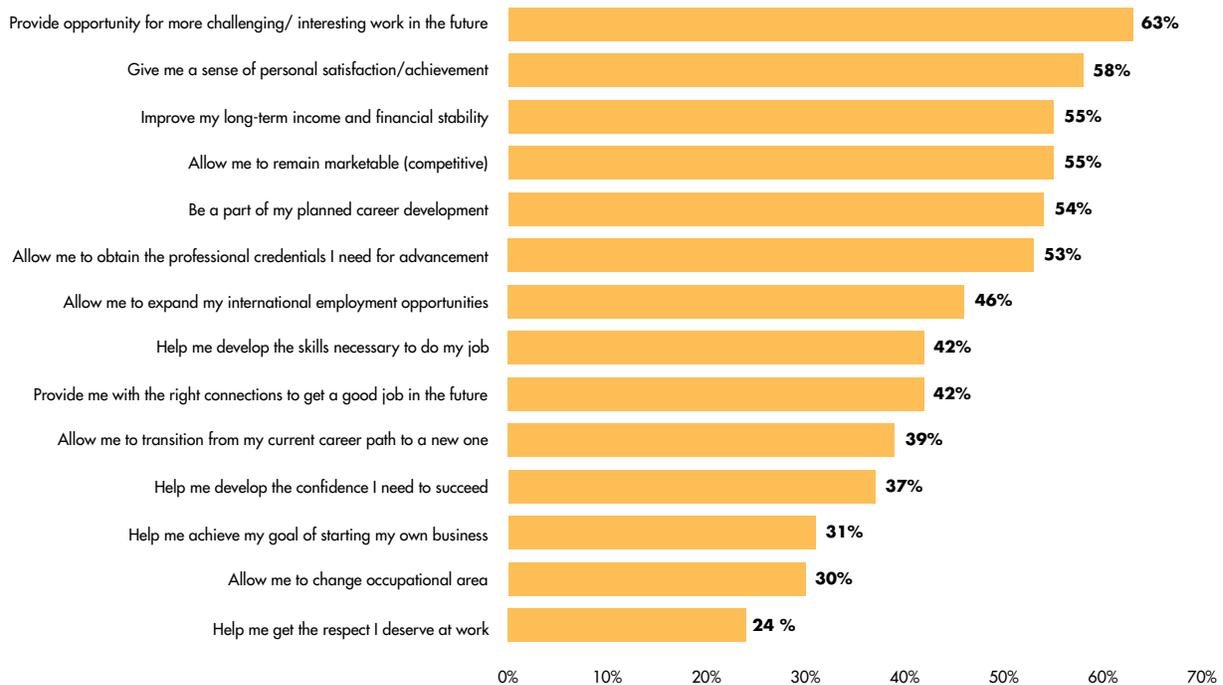


Figure 4. Percent of Respondents Who Indicate the Motivation is “Very True to Me”

²Chapman, G.B., & Niedermayer, L.Y. (2001). What Counts As a Decision? Predictors of Perceived Decision Making. *Psychonomic Bulletin & Review*, 8(3), 615-621.

³Edgington, R. (2003). *mba.com Registrants Survey Executive Summary*. Graduate Management Admission Council®

⁴Ibid.

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Survey respondents who are motivated only by enhancing their careers are less likely than those who are enhancers/developers or developers/switchers to enroll in a full-time MBA program. Enhancers are more likely to enroll in an executive MBA program.

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Career switching is based on the desire to make the transition from one career path to another and the hope that an MBA will facilitate the change.

Personal development for job success is distinguished by the desire to develop the confidence needed to succeed, to earn respect at work, and to develop the skills necessary to do the job. Respondents interested in starting their own businesses are also represented in the personal development category.

However, the factors are correlated and the majority of respondents tend to have high factor-loading scores for multiple motivations. Only 12% of respondents are solely career enhancers, as characterized by a positive factor-loading score for career enhancing and negative factor-loading scores for career switching and personal development. Another 10% are solely personal developers, and 12% are solely career switchers. The remaining 66% of respondents are motivated by more than one factor, and 23% actually have high

loading scores for each of the three motivating factors.

Figure 5 shows the distribution of motivating factors among the respondents. Respondents who are in the enhancer/switcher category or the category that incorporates all three motivating factors are difficult to understand. These individuals are unsure of their primary motivations, which may contribute to the differences in the respondents' current phases in the b-school pipeline. Respondents that are classified as having elements of each of the motivating factors are less likely than others to have applied to a graduate business program at the time of the survey.

There are statistically significant differences in the motivations among respondents enrolled in various MBA programs. Respondents who are solely motivated by career enhancement are less likely than those who are enhancer/developers or developer/switchers to be enrolled in a full-time MBA program. However, enhancers are more likely than others to be enrolled in an executive MBA program. Respondents who are enhancer/developers are the least likely to be enrolled in a part-time program. Respondents who indicate that they are enhancers/switchers are the most likely to be enrolled in an online/distance-learning program, whereas switchers and developer/switchers are the least likely to be enrolled in an online/distance-learning program.

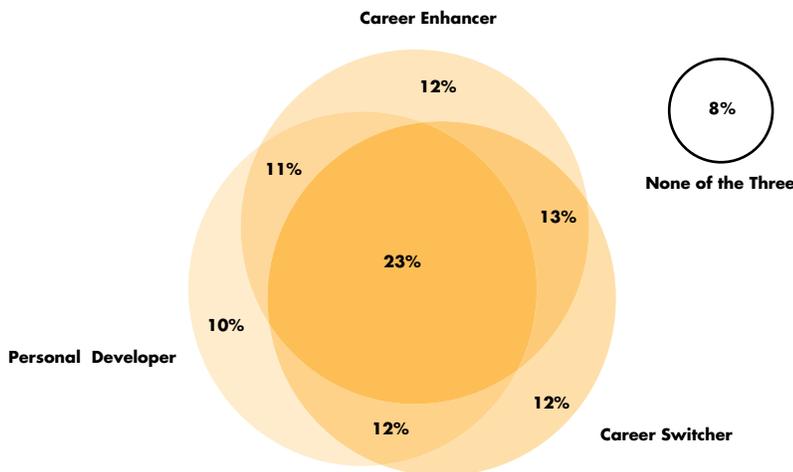


Figure 5. Motivation Matrix

Career Switchers and the Decision to Apply

To reiterate, potential students in the decision stage are comparing various graduate-level programs in search of the degree that fits their needs. Respondents to the survey who have applied to a graduate business program are compared with respondents who are still deciding whether to pursue the degree.

Respondents who applied to a graduate business program are more likely to be career enhancers than those who are still deciding whether the degree is right for them. On the contrary, respondents who are still deciding whether to pursue an MBA tend to be career switchers. Respondents who are planning to apply—those who have made the decision, but haven't submitted an application—are more likely than all others to be motivated by personal development, and are more likely to be career enhancers than those who are still deciding.

As reported in the 2004 Global MBA[®] Graduate Survey, career switchers and career enhancers describe different ways that an MBA increases their career options. Career enhancers are more interested in developing long-term potential, remaining competitive, and increasing the chance of promotion. Career switchers are looking to make a transition from one career to another; therefore, they go to graduate school looking to make a greater change in their lives than career enhancers. This characteristic may account for their potential trepidation in making their decision, as indicated by the increased likelihood that career switchers are still deciding whether to pursue the degree. Respondents who are solely career enhancers average 60 months in the business school pipeline, and career switchers average 97 months.

Career Enhancers and the Glass Ceiling

“The glass-ceiling concept connotes the idea that women and minorities are recruited into firms dominated by white men but fail to progress as far as white men in climbing the corporate hierarchy⁵.” Women are more likely to pursue a graduate management education as a mechanism for career enhancement, whereas men are more likely to pursue the degree to switch careers and improve personally for job success. Among U.S. respondents, African Americans are more likely than other U.S. subgroups to feel that a “glass ceiling” exists, most notably in the business and engineering industries⁶. African Americans are also more likely than other U.S. subgroups to pursue graduate management education for career enhancement.

Career enhancement is characterized by the desire to obtain the professional credentials needed for advancement and marketability. It can be argued that these individuals feel their careers may have stagnated or reached a plateau, which may be a cause for their desire to obtain additional credentials. As identified by Canning and Montmarquette in 1991, women rely on schooling, among other actions, to maintain career progress within a firm⁷. By earning an MBA degree, the career enhancer believes that the credential and enhanced human capital will provide a degree of credibility and a skill set that can potentially jumpstart a flagging career. By investing in their human capital (skills, abilities, hard work, reputation, and performance) through an MBA program, the career enhancers are looking to move forward in their careers.

The glass ceiling is a barrier to advancement in an organization; the MBA degree may be seen as a mechanism to shatter that ceiling and allow individuals to advance. However, just as there are the potential barriers to career advancement, obstacles often exist as respondents are deciding to pursue a graduate management education.

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Career enhancers average 60 months in the graduate business school pipeline; career switchers average 97 months.

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⁵Maume, DJ. (2004). “Is the Glass Ceiling a Unique Form of Inequality?” *Work and Occupations*, 31(2), pp.250-274.

⁶Edgington, R. (2003) mba.com Registrants Survey Comprehensive Data Report. Graduate Management Admission Council[®].

⁷O’Neil, DA, Bilimoria, D, and Saatcioglu, A. (2004). “Women’s career types: attributions of satisfaction with career success.” *Career Development International*, 9(5), pp. 478-500.

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Barriers to graduate management education, as perceived by survey respondents, include reservations about the quality of an applicant's materials, the time commitment necessary to complete the program, and the cost of the degree.
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Common Reservations about Pursuing a Graduate Management Degree

Figure 6 presents the proportion of all respondents who selected “very true to me” for a list of reservations about the pursuit of a graduate management degree. No items from the list of reservations had a majority response that the reservation is “very true for me.” The top two items were reservations pertaining to money.

A principal component analysis of these variables (PCA with varimax rotation; 54% of variance explained) produced three distinct barriers people may have about pursuing a graduate management degree. These barriers include reservations about application materials, the time commitment necessary to pursue the degree, and the financial costs of the degree.

Concerns associated with undergraduate academic record, employment history, admission test scores, recommendations, essays, and interviews are included in the reservations people have about their application materials. Furthermore, respondents who cited such concerns often indicate that a graduate management degree is too intimidating. This may be a function of a low level of self-efficacy. Concerns about past accomplishments, such as their GMAT® score, and their future performance, especially in interviews and the writing of essays, may indicate uncertainty in their own abilities to perform in an MBA program.

Reservations about the time commitment necessary to pursue a degree are related to the demands of school on a respondent's time and energy, the possibility that schooling will require respondents to postpone personal plans, and the possibility that

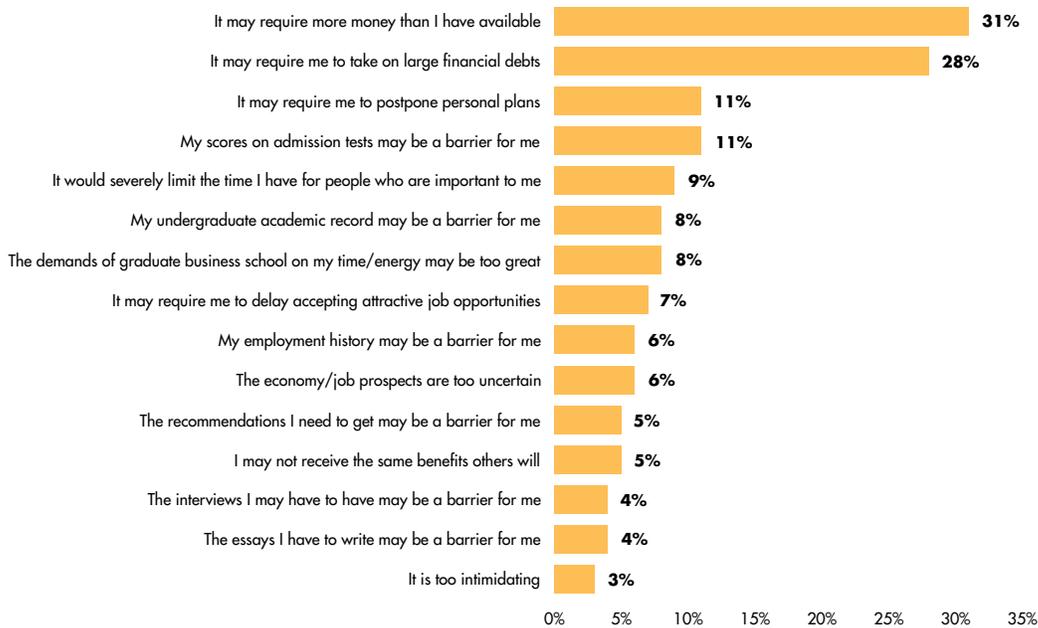


Figure 6. Percent of Respondents Indicating that the Reservation is “Very True to Me”

school will severely limit the time they have for people important to them. Additionally, these respondents may feel that they would have to delay accepting an attractive job opportunity if they went to school. Potential students need to decide whether the pursuit of the degree outweighs the loss of time and energy that they could use in other aspects of their lives. Opportunity costs are weighed when making the decision to pursue the MBA.

Finally, some potential students are concerned that the school may require more money than they have available and that it may require them to take on a large debt. In contrast to opportunity costs, where the loss of time and energy cannot be regained, respondents weigh the monetary costs of the degree in relation to the potential to recoup those costs with added benefit.

A comparison between respondents who enrolled in a graduate business program and respondents who decided not to pursue a graduate management education shows that the identified application barriers may be a primary deterrent to pursuing the degree. Respondents who dropped out of the pipeline are less likely than those who are enrolled to have concerns about the amount of time required to pursue the MBA, and there is no difference regarding financial barriers.

How Do the Motivating Factors Correlate with the Reservations People Have about Pursuing an MBA Degree?

A statistically significant relationship exists between the factor scores of the career enhancement motivators and the application barriers reservations ($R^2 = -0.62$; $p \leq 0.01$). The relationship is negative, implying that concerns about the application materials and process are not prevalent among the career enhancer group.

A statistically significant relationship also exists between the factor scores of the personal development motivators and the application barriers reservations ($R^2 = 0.202$; $p \leq 0.01$). The relationship is positive, implying that concerns about the application materials and process are prevalent among the personal development group.

There is a statistically significant negative correlation between personal development motivations and GMAT[®] score ($R^2 = -0.164$; $p \leq 0.01$), indicating that those with low GMAT[®] scores were more likely to have high personal development motivation scores. Although it stands to reason that this group would experience a greater deal of improvement in their human capital⁸ from attending a graduate business program (one of the motivating factors for this group is to develop the skills necessary to do their job), the application barriers, including GMAT[®] scores, may preclude them from gaining admittance to a program. With additional time to improve their application and effort to increase their scores, the personal developers may potentially become suitable candidates for graduate business programs.

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Career enhancers tend to be more confident about the quality of their application materials than those who are motivated by personal development. Those who are seeking personal development also are likely to have lower GMAT[®] scores than career enhancers or career switchers.

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⁸Human capital is a concept introduced by Theodore W. Schultz that correlates the development of skills and abilities with an increase in the individual's value in the labor market. Saxton, J. (2000) Investment in Education: Private and Public Returns. Joint Economic Committee, United States Congress.



When deciding whether an MBA degree is right, respondents consult media resources, family and associates, school professionals, school resources, current students, and alumni.



Sources Consulted While Making the Decision to Pursue an MBA Degree

The list of 19 sources can be reduced to 5 principal components (PCA with varimax rotation; 45% of variance explained). When deciding whether an MBA degree is right, respondents consult media resources, family and associates, school professionals, school resources, and alumni and current students. The following graph (Figure 7) shows the percentage of respondents consulting each of the various sources.

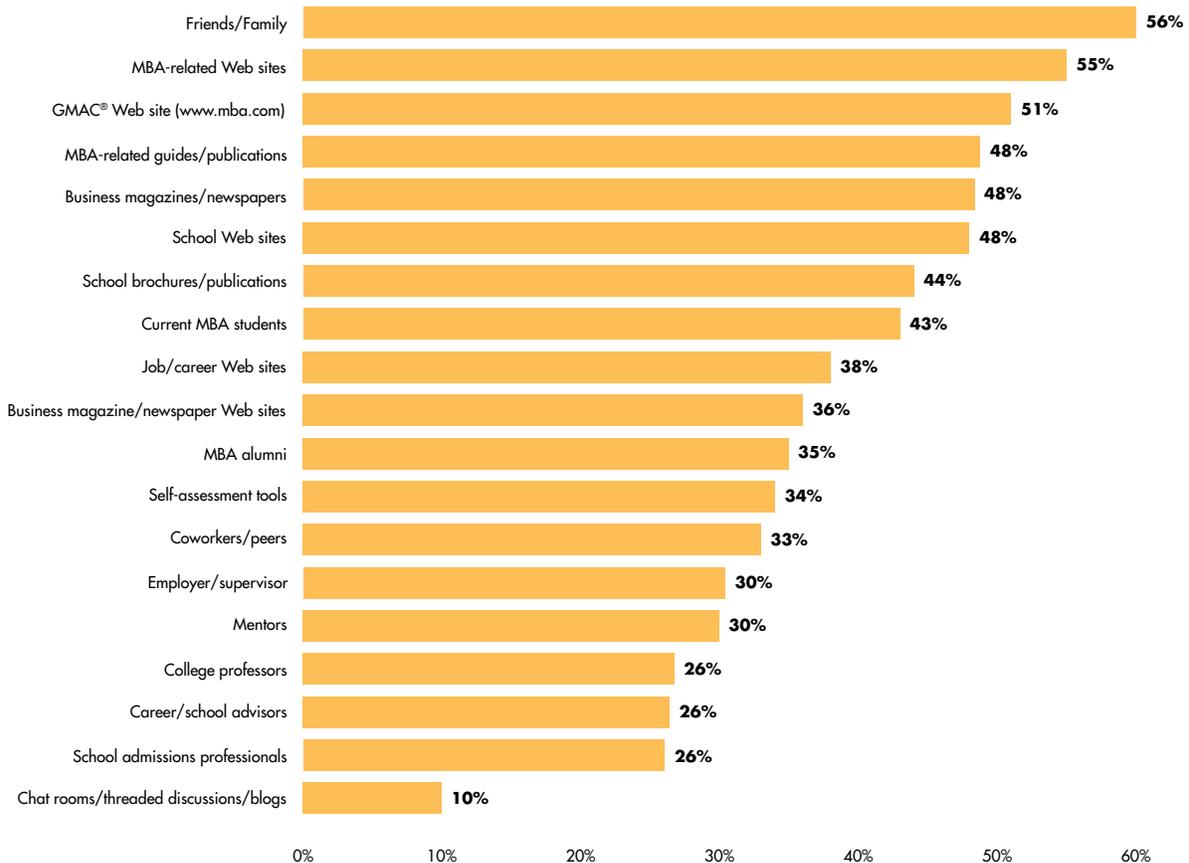


Figure 7. Sources Consulted When Deciding Whether to Pursue an MBA Degree

For comparison purposes, Table I displays a list of the top 10 sources consulted when forming their impression of the school at which they are pursuing their MBA degree⁹.

There are differences in the sources of information consulted when making a categorical decision (whether to pursue a degree) and the sources consulted when making a brand-level decision (to which school they apply). When deciding to pursue a degree, prospective students rely on the counsel of friends and family, as well as information available through general MBA-related Web sites and publications. Once the decision to pursue the degree has been made, prospective students rely on different sources of information to help determine which school applications to submit. These information sources include published rankings, the school’s Web site, and correspondence and interaction with school personnel.

This decision process poses two opportunities for schools to influence prospective students. Family, friends, and generic information sources provide the greatest reach to prospective students who are still deciding whether the MBA degree is right for them. By marketing the value of the degree, schools can potentially serve a dual purpose: to increase the knowledge and interest in the MBA in general and to increase their presence in the marketplace. Second, schools can focus on their Web sites as information sources and provide high-quality and personalized information to prospects. But in order to address the concerns of prospective students, whether on a Web site or in personal correspondence, it is imperative to understand what prospective students are looking for in a graduate business school—the brand-level decision.

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When prospective students are deciding whether to pursue a degree, they rely most on the advice of friends and family as well as general MBA-related Web sites and publications. When they have made the decision to apply, they turn to published rankings, the school’s Web site, and interaction with people at the school.

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Influence of Communication Source	Mean
Published rankings	3.48
School Web site	3.11
Personal correspondence, school brochure, etc.	3.01
Interaction with school personnel	2.95
Friends/relatives	2.87
MBA-related Web sites	2.70
Current student(s)	2.67
MBA-related books/publications	2.55
Online business magazines/newspapers	2.54
School alumni	2.49

Scale: 5 = A great deal;
 4 = A good amount; 3 = Some;
 2 = A little; 1 = None at all

Table 1.
 Sources Used in Forming an
 Impression of a School

⁹Schoenfeld, G. (2005). Global MBA® Graduate Survey 2005 Report. Graduate Management Admission Council®.

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The top five school selection criteria are quality and reputation, cost, convenience, curriculum, and "school experience."
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School Selection Criteria

Respondents were asked to indicate the criteria they use in selecting a school. Figure 8 shows the percentage of respondents indicating they will use the cited selection criteria in choosing a school. Five primary criteria are derived from a principal component analysis (PCA with varimax rotation; 44% of variance explained). The five criteria extracted by the analysis include quality and reputation of the school, financial costs, convenience, curriculum offered, and school experience.

Quality and reputation, which also ranked as the most important aspect in choosing a school in the 2004 mba.com Registrants Survey, include items such as published rankings, prestige/global recognition of the school, and school's reputation in placing graduates in jobs.

Financial costs include the tuition and other school expenses, cost of living, and the availability of scholarships, grants, or other financial aid.

Convenience refers to school location, whether the school is close to home or work, and class schedules.

Curriculum includes whether the school has the specific curriculum the respondents are seeking, whether the school offers a practice-oriented education, and whether the school provides the opportunity to learn a foreign language. Curriculum also refers to whether the students and faculty have diverse background and experiences. (Student and faculty diversity and experience as a criterion for selection may indicate that students recognize the education extends beyond their classes.)

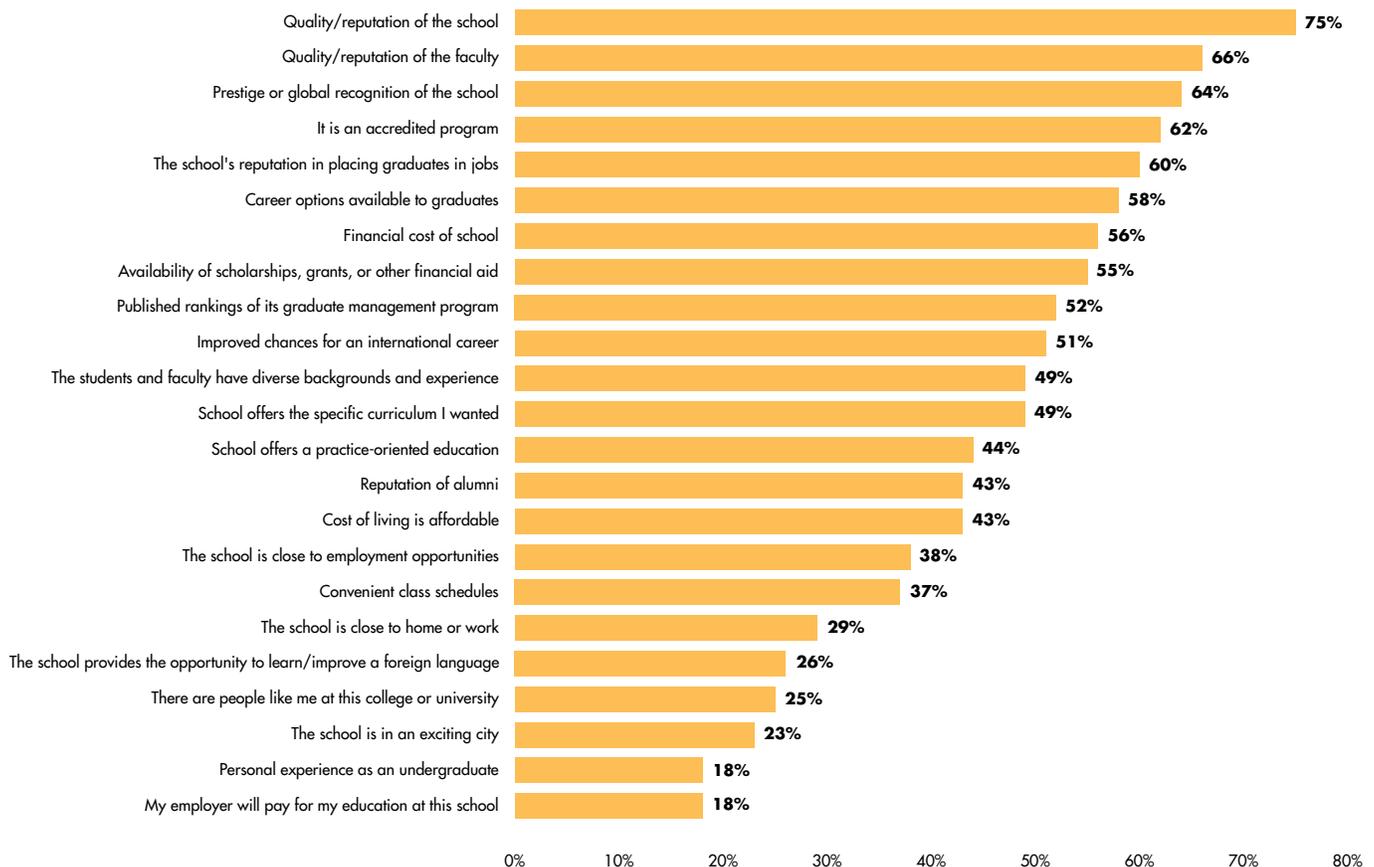


Figure 8. Percent of Respondents Choosing a School Selection Criterion

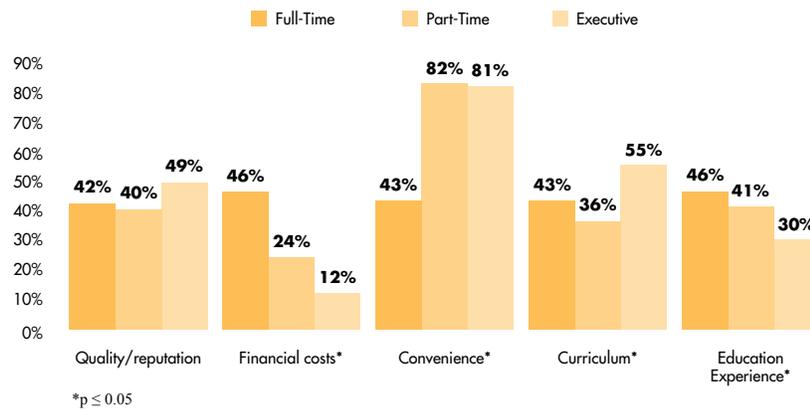


Figure 9. Percent of Respondents with a Propensity for a School Selection Factor, by Program Type Enrolled

Finally, whether the school is located in an exciting city and whether the prospect has personal experience at the school make up the school experience factor, which also includes past experience and the potential to have new experiences implicit in the location of the school.

Use of School Selection Criteria in Choosing an MBA Program

A comparison of respondents who enrolled in the various MBA programs is performed using the results of the factor analysis of school selection criteria. Respondents that had a positive factor-loading score for each item were counted as having a propensity for the associated factor. Figure 9 shows the percent of respondents enrolled in the various MBA programs who have a propensity for each of the school selection factors.

As shown in the Figure 9, quality and reputation criteria are equally prevalent

among respondents enrolled in each of the MBA program types. Cost considerations are significantly more prevalent as a school selection criterion among full-time students compared with part-time and executive students, and convenience is significantly more prevalent among part-time and executive student compared with full-time students. For executive students, more than half (55%) consider the curriculum as a part of their school section criteria compared with 43% of full-time and 36% of part-time students—a statistically significant difference. Finally, the educational experience factors into the consideration more for full-time students than for executive students.

To carefully target their marketing efforts, schools might want to use such services as the Graduate Management Admission Search Service® (GMASS®) to help them select only those individuals who possess GMAT® scores and work

experience that meet their admission standards. Additionally, since location is an important factor in the selection of a school¹⁰, schools might want to focus their search locally. Schools could also consider providing application incentives for these targeted individuals (i.e., special scholarship funds or a waiver of the application fee).

Once prospective students have entered a school's sphere of influence (for instance, by sending a GMAT® score report or an application), the school should immediately send those prospective students materials and invest in such personal interactions as hosting information sessions, conducting interviews, and encouraging current students and alumni to speak with the candidates.

This survey report has presented only a selected set of findings from the study. Additional findings can be found in the comprehensive data report, which includes analyses by gender, intended program, race/ethnicity, and age.

¹⁰For a full discussion on school selection criteria, read findings from the GMAC® Global MBA® Graduate Survey at www.gmac.com/surveys.

YIELD RATES FOR MBA PROGRAMS

Three out of five respondents considered only one type of MBA program. Of this 60%, 53% only considered a full-time two-year traditional program, 18% considered a full-time one-year accelerated program, 19% considered a part-time program, 5% considered an executive program, and 4% considered an online/distance-learning program. The remaining 40% of the respondents considered multiple program types—2.4 program types on average.

Table 2 shows the distribution of other programs considered.

A correlation analysis was conducted to determine the relationship between respondent considerations of program types. Respondents who considered a full-time two-year program were not likely to consider other types of programs. Those who considered part-time programs were likely to also consider executive (Pearson Correlation Coefficient = 0.114) and online/distance-learning programs

(Pearson Correlation Coefficient = 0.232). Respondents who considered executive programs were likely to also consider part-time (Pearson Correlation Coefficient = 0.114) and online/distance-learning programs (Pearson Correlation Coefficient = 0.134).

Enrolled respondents were asked to indicate the types of programs to which they applied and the program in which they enrolled. From this data, the yield rate is calculated (Figure 10). Nearly 9 in 10 respondents (89%) who considered a full-time program enrolled in a full-time program—the highest yield rate. Three-quarters (75%) of respondents who considered a part-time program enrolled in a part-time program. Finally, 57% of respondents who considered an executive program and 55% who considered an online/distance-learning program enrolled in the respective programs.

Furthermore, respondents who considered a full-time program submitted three applications to full-time programs, on average. Respondents who considered a part-time program submitted two applications, on average, to part-time programs. For executive and online/distance-learning programs, respondents who considered these sent one application to each program type, respectively.

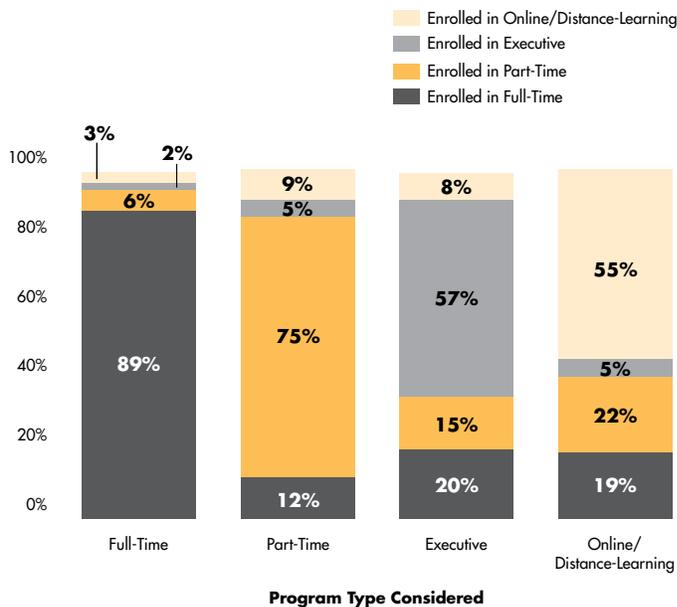


Figure 10. Yield Rates for MBA Programs

Program Type	Full-Time MBA				
	Full-Time MBA Two-Year Traditional (n = 3,084)	Full-Time MBA One-Year Accelerated (n = 1,889)	Part-Time MBA (n = 1,521)	Executive MBA (n = 813)	Online/Distance- Learning (n = 691)
Full-Time MBA Two-Year Traditional	100%	56%	33%	39%	32%
Full-Time MBA One-Year Accelerated	34%	100%	24%	39%	32%
Part-Time MBA	16%	19%	100%	41%	56%
Executive MBA	10%	17%	22%	100%	28%
Online/Distance-Learning	7%	12%	25%	24%	100%

Table 2. Graduate Business Programs Considered

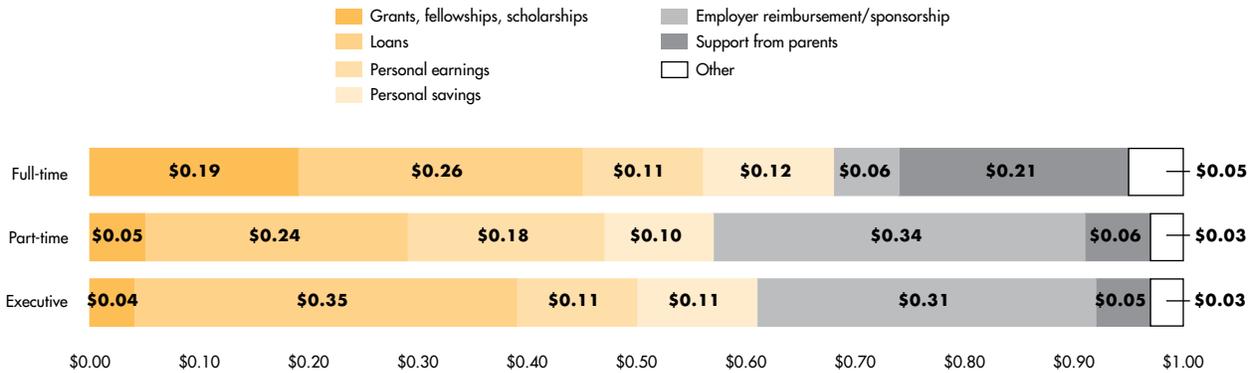


Figure 11. Methods of Paying for an MBA, by Program Type

Of further consideration to respondents is the method for paying tuition and other costs associated with acquiring an education.

Enrolled students were asked how they were paying for their education. Figure 11 indicates the method of paying for the cost of graduate management education by program type. For instance, using \$1 as the basis of the cost of an MBA, the full-time student finances \$0.19 of their education with grants, fellowships, and scholarships, \$0.26 with loans, \$0.11 with personal earnings, \$0.12 with personal savings, \$0.06 with employer reimbursement/sponsorship, \$0.21 with support from their parents, and \$0.05 in other funding.

There are statistically significant differences in the methods students use to finance their education by program type. Full-time students finance a greater share of their education using grants, fellowships, scholarships, and support from their parents compared with part-time and executive students. Part-time students finance more of their education with personal earnings compared with full-time and executive students. Executive and part-time students finance a greater part of their education than full-time students using employer reimbursement and sponsorship programs. Additionally, executive students are more likely than part-time students to finance a larger part of their education with loans.

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Students in executive MBA programs are more likely than part-time or full-time students to finance a large part of their education with loans. Part-time and executive MBA students are much less likely to benefit from grants, fellowships, or scholarships than are full-time students.
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On average, those who plan to enroll in full-time programs apply to three schools, those who prefer a part-time program submit two applications, and those interested in executive or online/distance learning apply to only one program.



This survey report is based on further analysis of data found in the Comprehensive Data Report. The Comprehensive Data Report provides in-depth data tables and analysis by various demographic characteristics of the respondents, including age, world region, U.S. subgroups, and undergraduate major. Additionally, the Comprehensive Data Report contains data about each of the three phases of the b-school pipeline—the decision to pursue an MBA degree, the decision to apply to MBA programs, and the decision to enroll in an MBA program.

Contact Information

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

Authorship

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

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The **MBA.com Registrants Survey** is one in a series of five annual or biannual surveys produced by the Graduate Management Admission Council®. The surveys are designed to explore relevant issues, offering data at various depths, depending on the desire of the user and the participation of the school. Survey reports provide an overview of the data in addition to giving context for and implications of the research. They are frequently used to help drive strategic decision-making processes in graduate business schools. All survey reports are available on the Web (www.gmac.com/surveys). Print copies (while supplies last) are free upon request from the GMAC® Research and Development department, research@gmac.com.

Other surveys include—

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.

Application Trends Survey

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

Global MBA® Graduate Survey

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

MBA 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.

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