

In Search of Employment: An Analysis of the Graduate Business School Class of 2007

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Introduction

Education is an investment in human capital—an investment of time, effort, and money for a future benefit. That benefit is generally the prospect of gainful employment, but may include the development of knowledge, skills, and abilities; a network of contacts; and/or a new credential. Prospective graduate business students specifically seek a graduate management education to enhance their careers, switch careers, and develop personally (GMAC[®], 2005).

Yet, the development of human capital alone yields only an increase in individual potential. The derivation of benefits from that human capital requires each individual to convert their potential into action—to thus expend their human capital. Consequently, job search activity is often at the top of the to-do list among graduate business students approaching graduation—65 percent of the graduating class of 2007 was actively searching for a job three months prior to graduation.

The job search process is one of mutual selection between job seekers and hiring organizations (Figure 1). Job candidates initiate the process by researching and submitting job applications to organizations. Once applications are sent, the hiring organization has control to extend invitations to interview. Candidates then resume control when offers of employment are made and they choose among them.

With an aim to assist students in their job search, this paper compares the criteria graduate business students deem important in obtaining a job interview with the criteria used by corporate recruiters in selecting candidates. Survey responses from graduating students and corporate recruiters are presented to illuminate gaps between student expectations and the realities

encountered by recruiters. Because the job search process is one of mutual selection, knowledge of these gaps prior to the job search could present the job seeker with the opportunity to minimize any discrepancies and realign their expectations and self-presentation.

Interview and Selection Components

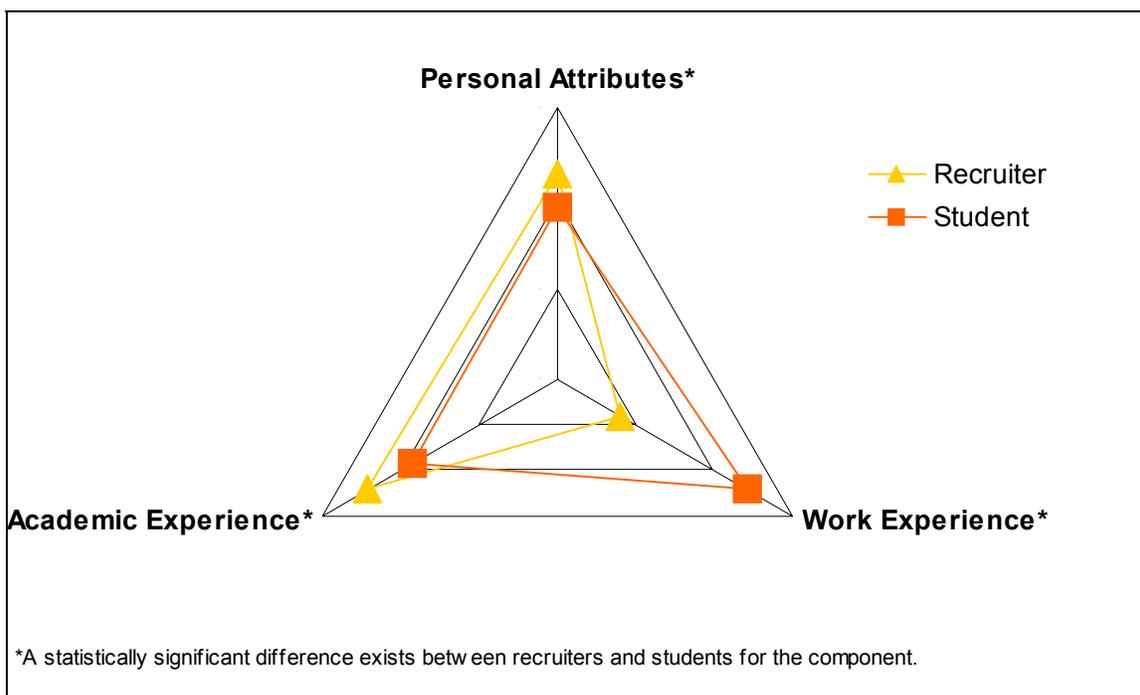
Graduating students and corporate recruiters recently rated the importance of 16 common candidate attributes of interest to employers when interviewing and selecting students for hire (GMAC[®] 2007a, 2007b). These attributes appear in Table 1 organized according to results from an exploratory principle component analysis (PCA). Each component represents a unique dimension comprised of various attributes deemed important in interview and candidate selection. The PCA revealed three components among the 16 attributes: *Personal Attributes*, *Work Experience*, and *Academic Experience*.

Comparing the recruiters and students on each of the three components reveals disagreements concerning the importance of each component in obtaining a job interview and choosing among candidates. Figure 1 is a graphical representation of the differences for each of the three components, where the center of the graph indicates components of lesser importance. As shown, recruiters place greater importance on “personal attributes” and “academic experience” than do students. On the other hand, students rate “work experience” higher than do recruiters. The difference of opinions between the two groups creates an environment ripe for unmet expectations among job candidates.

Table 1. Interview and Selection Components		
Component 1 Personal Attributes	Component 2 Work Experience	Component 3 Academic Experience
Leadership attributes	Occupation in prior work experience	Strong academic success
Interpersonal skills	Industry in prior work experience	Technical and/or quantitative skills
General business management skills	History of managing people	Specialization or concentration of study
Cultural fit with company	Years of work experience	Reputation of business school
Proven ability to perform	History of increased job responsibility	
History of leading teams	Relevant language, country, and/or cultural expertise	

PCA with Varimax Rotation, rotation converged in 6 iterations; 49% of variance explained.
Cronbach's α for component 1 = .76; Cronbach's α for component 2 = .73; Cronbach's α for component 3 = .57

Figure 1. Component Comparisons



Often, the successful attainment of a job is predicated on the experiences of the candidate and his or her work experience in particular. As such, the importance placed on work experience among graduate business students seeking jobs is not surprising. They are operating on principles learned from previous job search experience. However, recruiters of graduate management students place less emphasis than students do on work experience. Prior work

experience remains of importance among recruiters, but academic experience rates higher on their list. This may be explained by the fact that the recruiters are looking for individuals with specific knowledge, skills, and abilities developed during the graduate business program, rather than general work experience that may be less applicable in comparison.

Conversely, although students consider their personal attributes very important in obtaining a job interview, recruiters deem personal attributes of even greater importance in comparison. Each job candidate's personal attributes, it seems, provide a "hook" that recruiters can use to differentiate one from another when all candidates hold graduate business degrees. Standing out in the crowd of job applicants is as essential among graduate business degree holders as it was for them to stand out in the crowd of graduate business school applicants just a few years before.

A complete comparison of each individual attribute is presented in Figures 2 through 4. These attribute comparisons show specific areas in which recruiters and students differ in their assessment of what is important, and provides in-depth information job seekers can use to prepare for the job search.

As shown in Figure 1, personal attributes are of greater importance among recruiters than students might guess. Among the six personal attributes in Figure 2, two are rated similarly by recruiters and students—general business management skills and a proven ability to perform. However, three items are more important among recruiters than among students—leadership attributes, cultural fit with the company, and interpersonal skills. Students, on the other hand, are more likely than recruiters to consider a history of leading teams as important. This discrepancy, where recruiters rate leadership attributes higher and students

rate a history of leading teams higher, could potentially be minimized by job seekers if, for instance, they frame leadership attributes within the context of their personal history of leading teams during the application and interview process.

On the other hand, students consistently rate each of the six items that comprise the "Work Experience" component significantly higher compared with ratings provide by recruiters (Figure 3). Yet both students and recruiters generally rate work experience attributes lower than personal attributes. As such, students emphasizing work experience over personal attributes during the job search process may not yield the results expected.

Academic experience is also more important to recruiters than to students (Figure 1), but a mixed message is evident when viewing the individual items that comprise academic experience (Figure 4). Compared with students, recruiters place a higher level of importance on technical and quantitative skills and strong academic success. Students instead rate the importance of business school reputation and their specialization or concentration higher than do recruiters. Thus, good students who can communicate a sufficient aptitude in the technical and quantitative skills learned in the program may have an advantage over candidates who simply mention their well-known schools assuming such aptitude is understood.

Figure 2. Personal Attributes

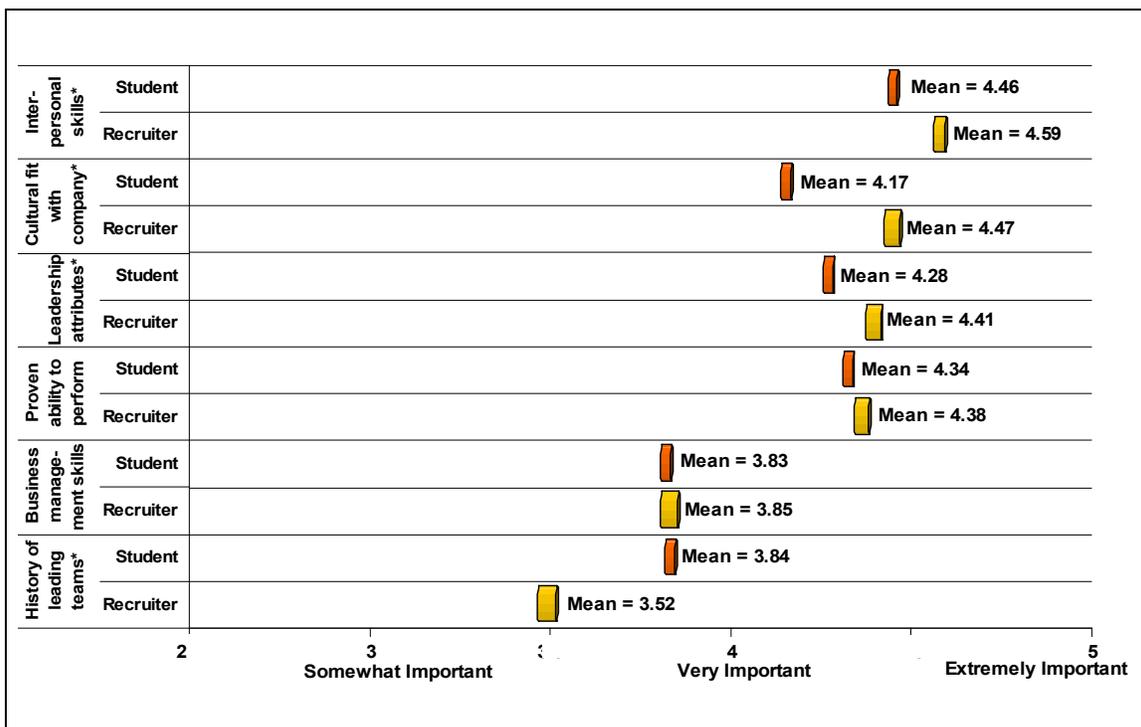


Figure 3. Work Experience

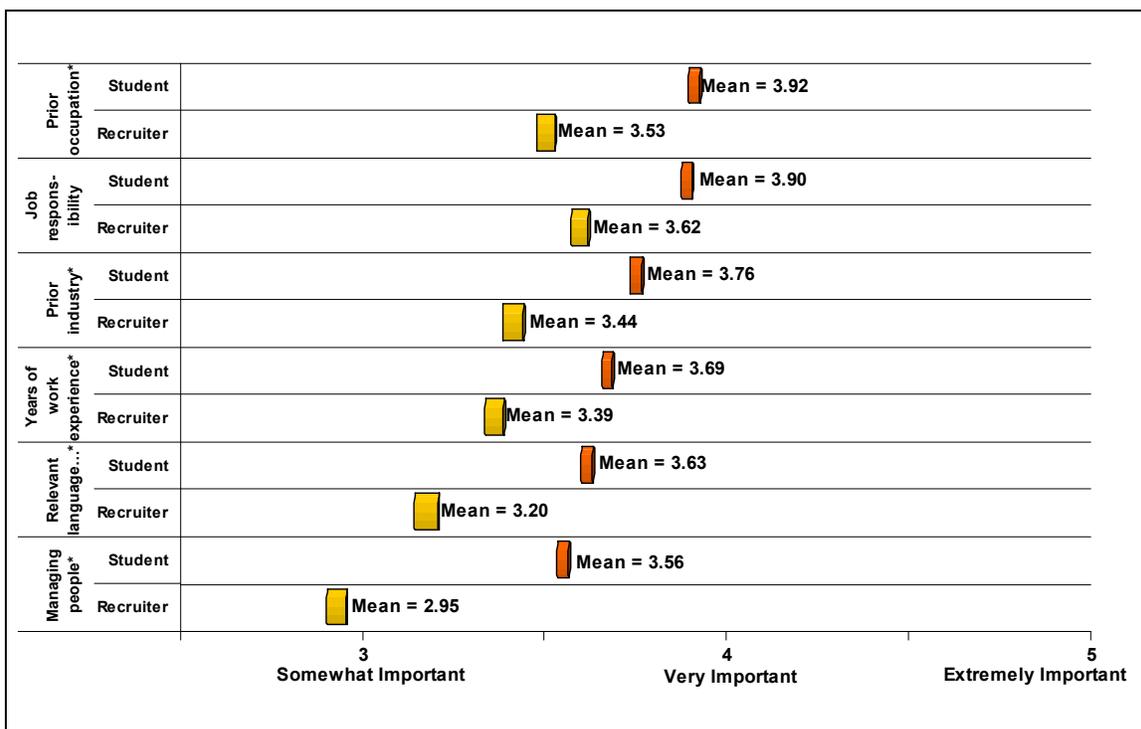
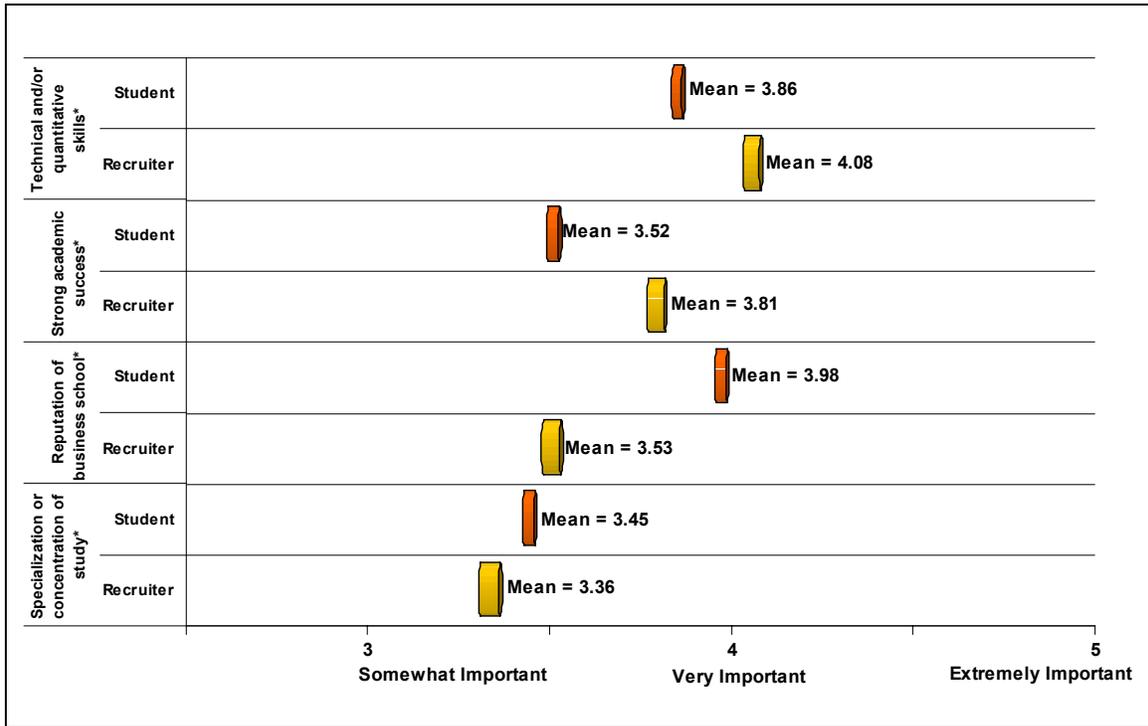


Figure 4. Academic Experience



Do student expectations about the importance of various attributes affect the outcomes of their job search in a meaningful way? Figure 5 presents the different opinions observed among students who have received a job offer and those who are still waiting for offers of employment.

Interestingly, the differences among students have striking similarities with the importance ratings given by recruiters. Students who had received an offer of employment rated cultural fit with the company, leadership attributes, a proven ability to perform, and interpersonal skills—all personal attributes—significantly higher than did students who had not received an offer of employment. On the other hand, students still waiting for job offers rated prior occupation and industry, a history of managing people, relevant language, and years of work experience—attributes of work experience—higher than those who had received a job offer. Thus, it appears that candidates who more closely agree with recruiters on

the importance of personal attributes over work experience are more likely to receive offers of employment.

This may be because, “During the job application process and especially during job interviews, there is a natural tendency for applicants to emphasize attributes they possess and believe are being sought by the hiring organization (Pappas, 2002).” If that is true, an individual involved in a job search who has an understanding of the expectations of potential employers has a competitive advantage over other applicants. The findings presented in Figure 5 suggest such an advantage. The criteria that students who received job offers deem more important than students who have yet to receive job offers coincide with the criteria recruiters deem important in selecting job candidates. On the other hand, the criteria deemed more important by students without job offers are areas that recruiters deem less important.

Figure 5. Comparison of Job Seekers and Recruiters (Average Importance Rating)

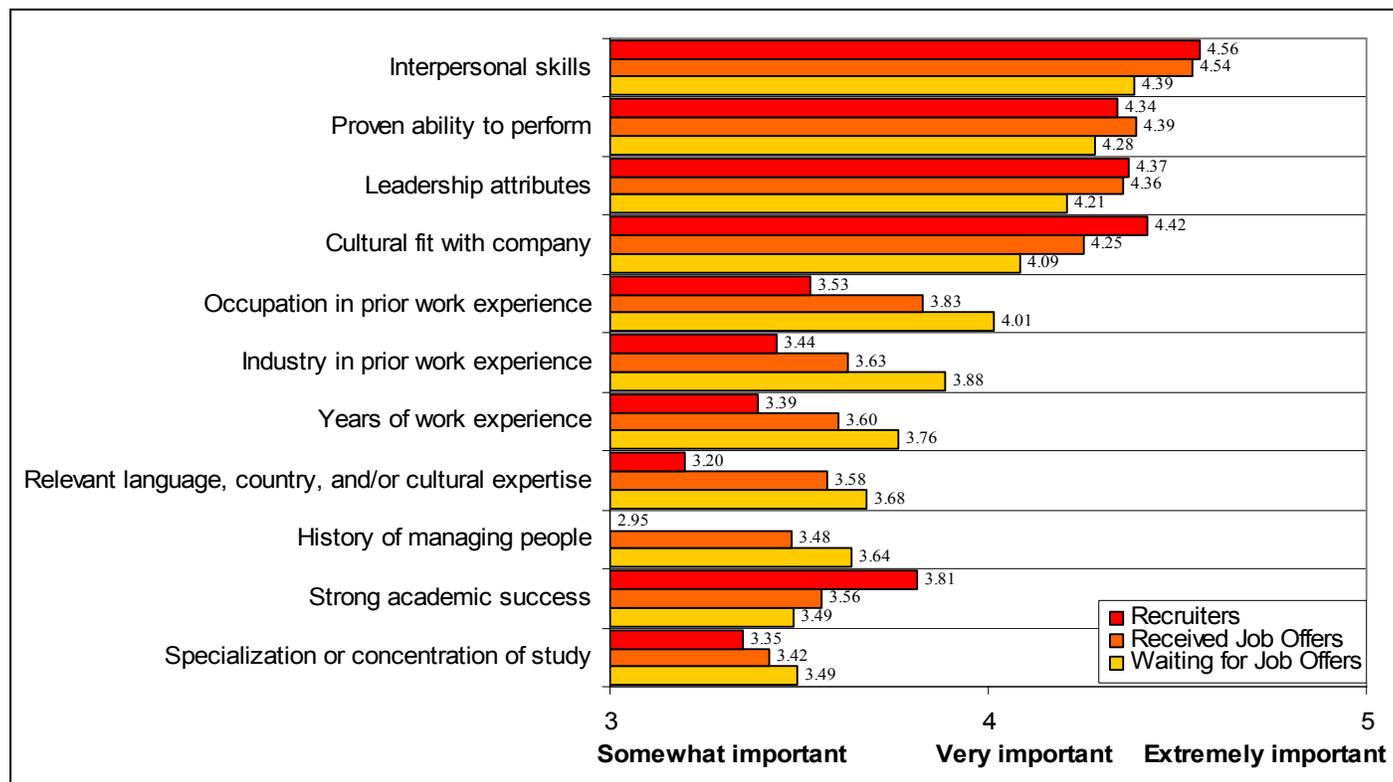


Figure 6 provides an overall comparison (gap analysis) of student and recruiter ratings for each attribute in rank order, identifying the most and least important criteria for each group. Attributes in the upper right quadrant represent those items that students and recruiters both feel are important. Items in the lower left quadrant are attributes students and recruiters both feel are less important. The upper left quadrant

represents attributes that students consider important but recruiter feel are less important. Attributes in the lower right quadrant represent items that recruiters deem important but students feel are less important. It is these attributes in the lower right quadrant that students should be aware of in job applications and interviews, in addition to those attributes that appear in the upper right quadrant.

Figure 6. Gap Analysis: Comparison of the Perceived Importance Criteria (Rank Order)

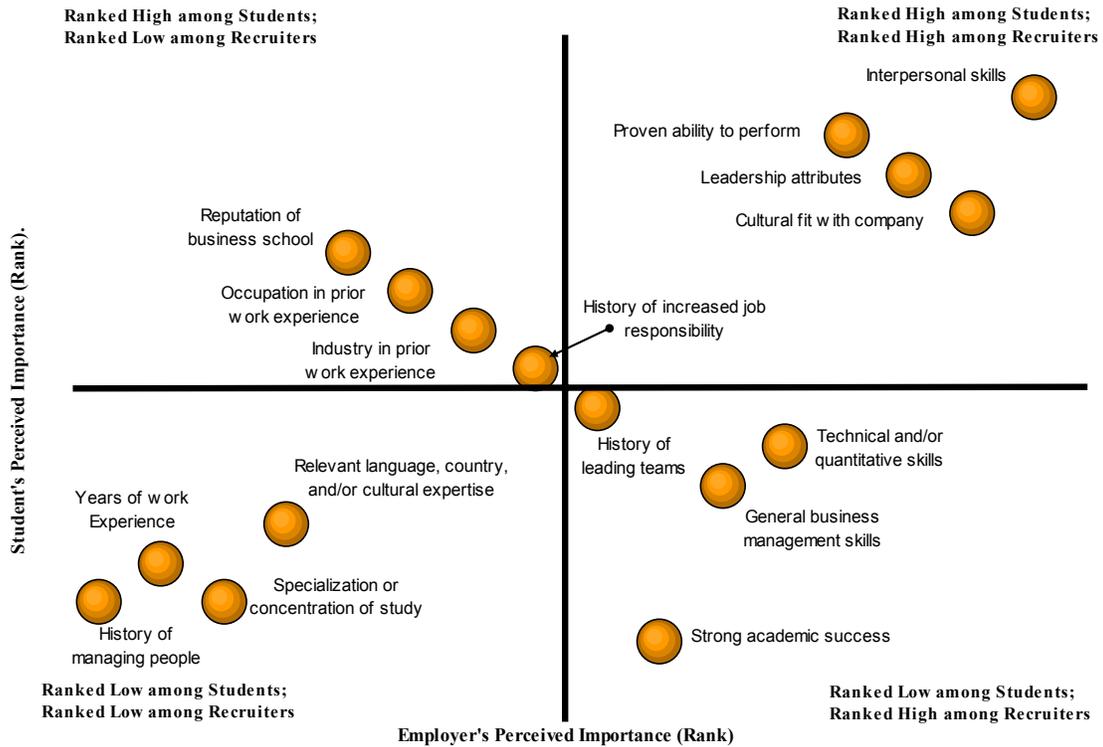
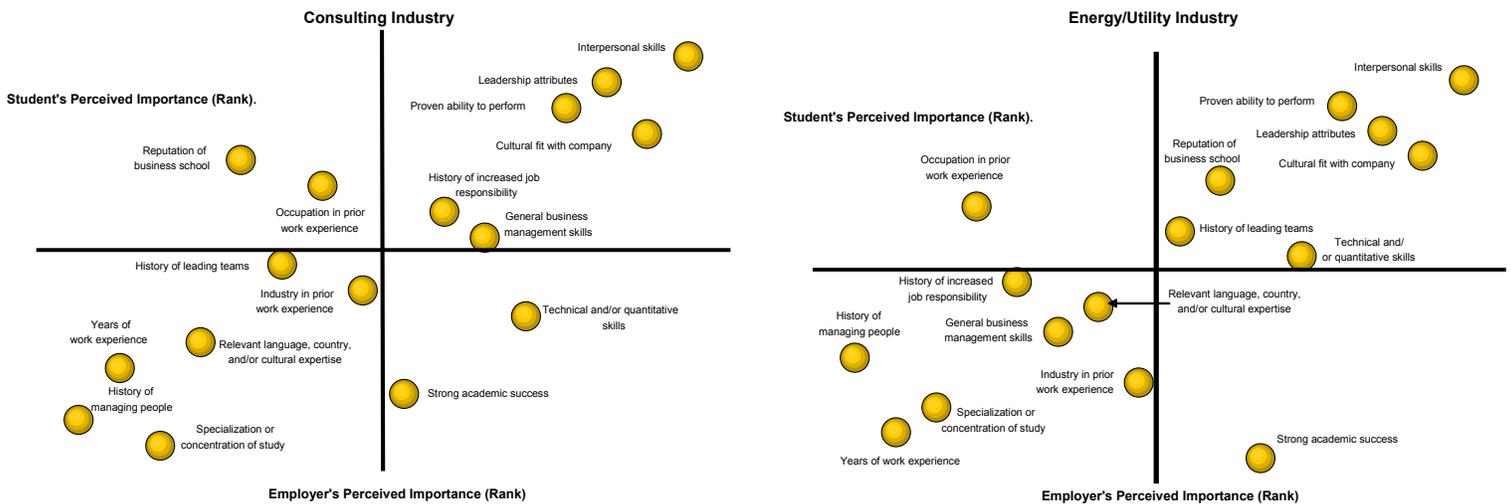


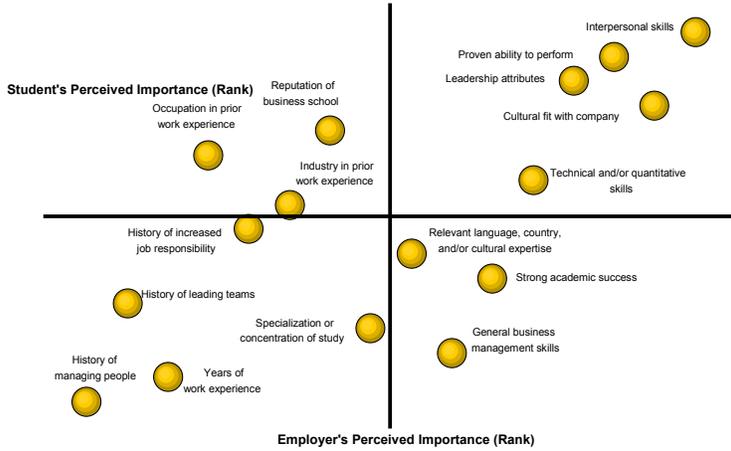
Figure 7 presents gap analyses for each major industry group. The graphs compare perceived importance of each attribute among students who intend to work in the corresponding industry and

among recruiters who hire graduate business students in those industries. As shown, the list of attributes deemed important by students and recruiters vary by industry.

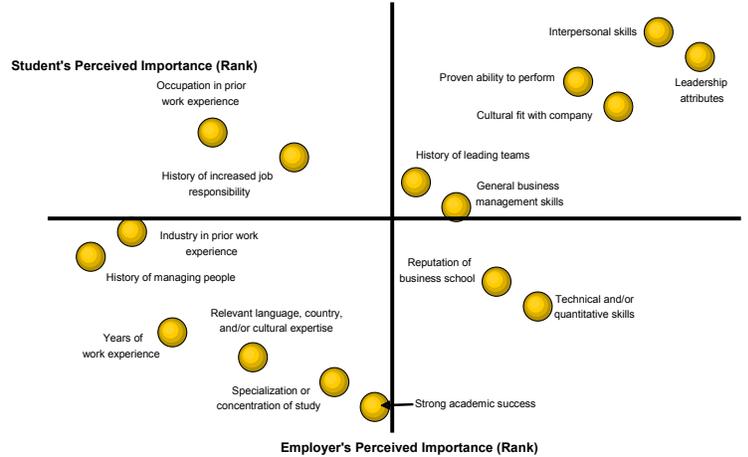
Figure 7. Perceived Importance of Criteria in Obtaining a Job Interview and Selecting New Hires (Rank Order), by Industry



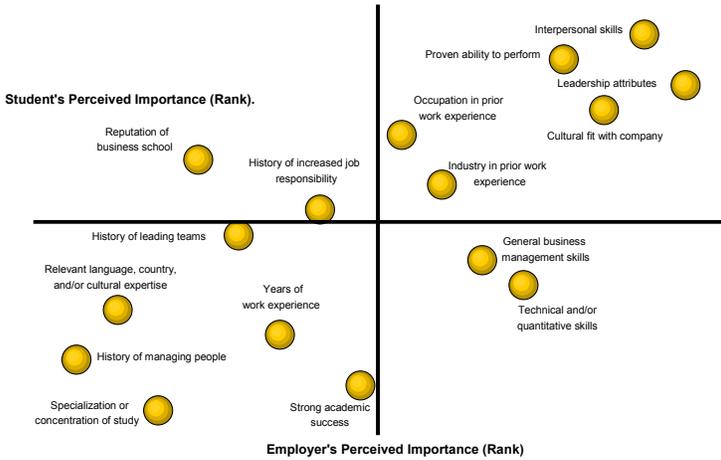
Finance/Accounting Industry



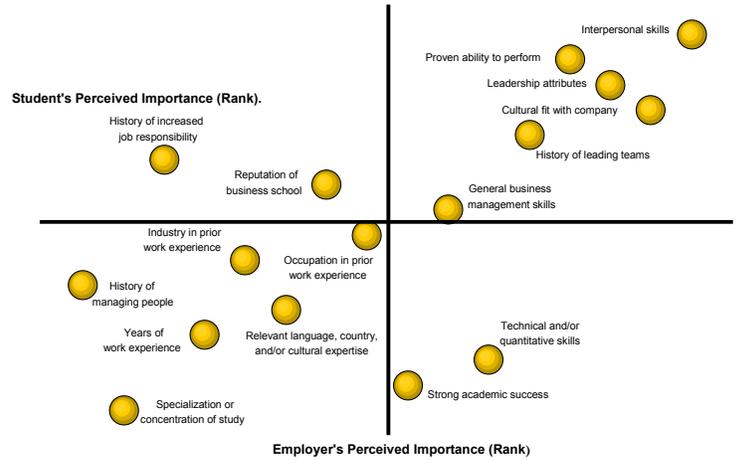
Healthcare Industry



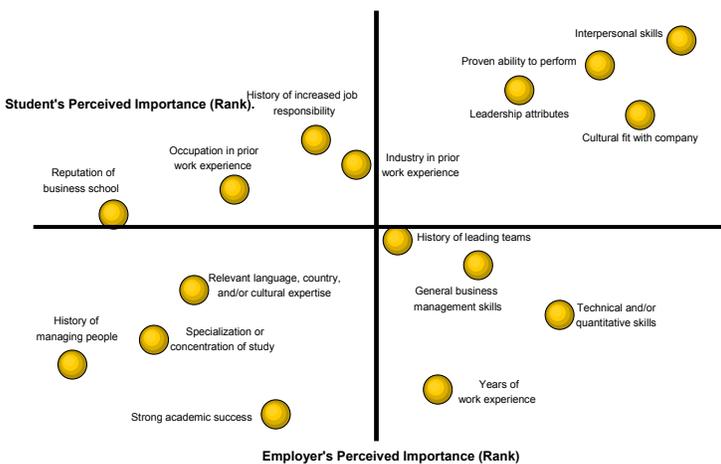
Technology Industry



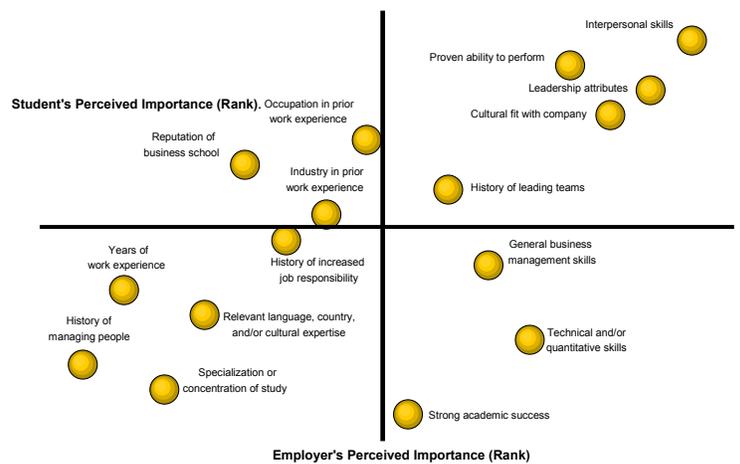
Manufacturing Industry



Nonprofit/Government Industry



Products/Services Industry



The differences between the importance of various criteria among job candidates and recruiters could prove to be a barrier to obtaining a job position. Candidates who present themselves in a manner that does not meet the expectations of recruiters may unknowingly hinder their chances at obtaining a job offer. Thus, awareness of these general differences can help job seekers reconceptualize their approach when presenting themselves to potential employers.

Recent graduates seeking employment are undoubtedly searching to expend their human capital through work that will allow them to grow personally, professionally,

and financially. Armed with the findings presented in this paper and other research, graduate business students seeking jobs may be able to more effectively convert the potential they developed in school through an informed job search to land rewarding positions for which they are qualified.

Contact Information

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

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