

2012

GMAC[®]
GRADUATE MANAGEMENT
ADMISSION COUNCIL

Alumni Perspectives Survey

SURVEY REPORT



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ABOUT THIS STUDY

The **Alumni Perspectives Survey** is a product of the Graduate Management Admission Council (GMAC), a global nonprofit education organization of leading graduate business schools and the owner of the Graduate Management Admission Test® (GMAT®) exam. The GMAT exam is an important part of the admissions process for more than 5,400 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.

The Alumni Perspectives Survey is a longitudinal study of alumni who previously participated in the GMAC Global Management Education Graduate Survey, our annual exit survey of graduating students. The Global Graduate Survey is conducted with the cooperation of participating schools and gathers valuable independent feedback directly from students about their management education: what needs they have, what services they value most, and how your school can help them make the most of their graduate business experience.

Schools that participate in the graduate survey get detailed results from the study in the form of a survey report of major findings; an interactive data report with breakdowns by various demographics; and the ability to produce instant benchmark reports. Program directors and admissions professionals at business schools that offer graduate programs should plan to participate in the next Global Management Education Graduate Survey, which launches each February. Visit gmac.com/surveysignup to ensure that your school gets the next invitation.

ACCOMPANYING DATA

GMAC offers interactive online data reports to accompany this 2012 summary of the Alumni Perspectives Survey findings. The interactive data reports allow you to examine responses for each of the various survey items. A general report with overall response information is available at gmac.com/alumniperspectives. Schools that use the GMAT exam as part of their admissions process can explore a more comprehensive version of the interactive data report through the GMAC Research Library at gmac.com/gmacresearchlibrary (login required to view report). The comprehensive report allows for detailed data searches by demographic characteristics such as age, gender, employment status, industry, citizenship, school location, program type, world region, and more.



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

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

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How successful were this year's business school graduates at landing jobs? What value does a graduate management degree provide to alumni? What is the ROI for MBA alumni over time? The findings in this Alumni Perspectives Survey report answer these questions and shed light on current economic trends and workplace attitudes affecting alumni from MBA and other business master's programs as they enter the job market and throughout their careers.

Conducted in September 2011, this Alumni Perspectives Survey by the Graduate Management Admission Council (GMAC) is a longitudinal study of respondents to the Global Management Education Graduate Survey, the annual GMAC® exit survey of graduate management students in their final year of business school. This 12th annual report includes responses from 4,135 alumni who graduated from the classes of 2000 through 2011, including 963 members of the class of 2011.¹

This research study tracks alumni employment characteristics over time, exploring job search strategies, compensation and promotion data, industry and job function trends, as well as employment satisfaction and alumni views on their graduate management education.

Survey findings are presented in four sections, as follows:

- Profile of the recently graduated class of 2011, including their job search strategies, employment status, and compensation statistics;
- Current employment data for alumni from across all graduation years (2000–2011), including career change strategies, salary and other compensation, and job retention;
- Statistics on career satisfaction, worker engagement on the job, work/life balance, and the state of gender equality in the workplace; and
- Views of alumni across all graduation years about their business school experience, specifically the value of their degree and its contribution to their career progression, their financial return on investment, and the personal and professional rewards realized from pursuing their degrees.

¹ See the Methodology section on page 31 for more details on survey methods and samples used for this report.

Key Findings, Class of 2011

- **Employment Status.** Eighty-six (86%) percent of class of 2011 graduates were employed after graduation, which is about the same as the previous year's data for the class of 2010, when 88 percent reported they had jobs. The percentage of alumni currently employed varies considerably based on the type of program alumni pursued and their pre-degree work experience.
- **Value of Degree.** Three out of four alumni from the class of 2011 with jobs reported they could not have obtained their job without their graduate management education. Ninety-three (93%) percent of class of 2011 alumni employed at the time of the survey had found the job they were looking for.
- **Salary Expectations.** Four out of five graduates (82%) from the class of 2011 said their salary met or exceeded their expectations.



Alumni Perspectives Survey Interactive Data Reports that allow viewers to examine detailed responses for each survey item are available for download at gmac.com/InteractiveResearch.

Key Findings, Classes of 2000-2011

- **Overall Employment Rate.** Among all survey respondents, 94 percent were employed at the time of this survey—87 percent worked for an employer and 7 percent were self-employed, exhibiting a lower unemployment rate than overall rates in the United States and European Union.
- **Return on Investment (ROI).** Alumni from the class of 2011, across all program types, reported they recouped one-third of their financial investment in their graduate management education immediately in the first year after graduation. Class of 2007 alumni typically saw a full return on their investment after four years from graduation. Ten years after graduation, alumni, on average, nearly doubled their return on investment.
- **Full-Time MBA Salaries.** Alumni with a degree from a full-time MBA program, regardless of graduation year, reported a median salary of US\$95,000, plus an average of US\$18,123 in additional compensation.
- **Part-Time and Executive MBA Salaries.** Part-time MBA alumni reported a median salary of US\$91,000, plus an average additional compensation of US\$15,000; executive MBA alumni earned a median starting salary of US\$125,000, plus an average additional compensation of US\$28,445.
- **Gender Wage Parity.** The wage gap between men and women, at least in the United States, is noticeably smaller among alumni from MBA and graduate management programs from all graduation years when compared to US Census Bureau data for female-to-male earnings.
- **Career Preparation.** Nine out of 10 alumni felt that their graduate management education prepared them for their chosen careers.
- **Value of Degree.** Four out of five alumni reported that having a graduate management degree offers greater job stability in a still weak economy.

Job Search and Employment

This year's employment rates align with historical jobs data for business school alumni in securing employment after earning their degree. More than four out of five (86%) members of the class of 2011 reported they had a job after graduation, which is about the same as the previous year's data for the class of 2010, when 88 percent reported they had jobs after graduation (Figure 1).

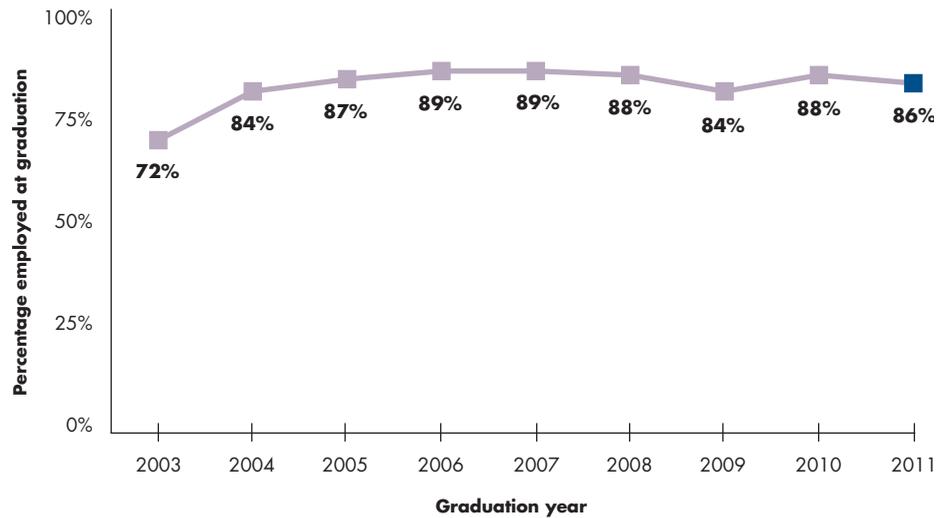
Alumni of part-time (91%) and executive (96%) MBA programs had the highest rates of employment after graduation compared with individuals graduating from full-time two-year (86%) and full-time one-year (75%) MBA programs. This is not surprising given that the majority of part-time (76%) and executive MBA (80%) alumni held their jobs while attending school and continued working for the same employers after graduating (Figure 2).² Nearly half of survey respondents completing a full-time two-year (49%) or one-year (45%) MBA degree program, or other master-level business program (47%), is employed in the first job they found since leaving business school.

Pre-degree work experience was an intervening variable that affected employability among the class of 2011. Graduates who had less than one year of pre-degree work experience had a higher initial unemployment rate (19%) than those who had three (15%) to six or more years (14%) of work experience prior to enrolling in graduate business school. In terms of job placement upon graduation, this shows the value employers place on prior work experience among their new hires.³

It also is borne out in the job placement rates of interns who successfully transitioned into full-time employees. As Figure 2 displays, nearly a quarter (23%) of alumni from full-time two-year MBA programs in 2011 held internships or work projects that they continued after graduation.

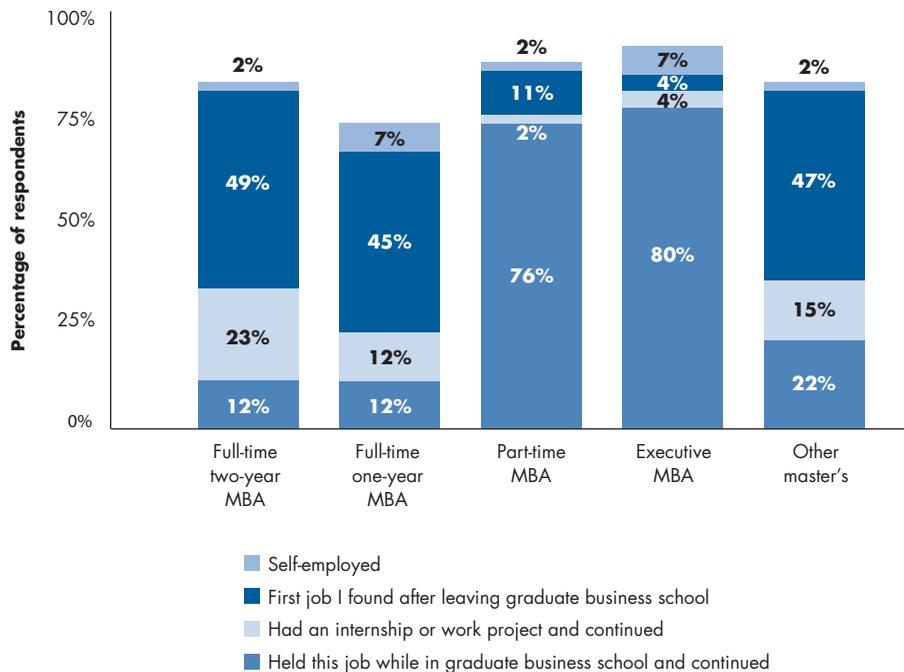
² $\chi^2 = 406.197, df = 16, p \leq .05.$
³ $\chi^2 = 84.320, df = 12, p \leq .05.$

Figure 1. Alumni Employment Status at Graduation, by Graduation Year



Source: Data for the classes of 2003 through 2010 are taken from past GMAC® Alumni Perspectives Surveys. Data for the class of 2011 are from the September 2011 Alumni Perspectives Survey.

Figure 2. Employment Status After Graduation, by Program Type (Class of 2011)



There was no clear-cut job search method that outperformed any other methods for obtaining a position. Alumni used school career services (20%) as frequently as they did their personal network of contacts, followed closely by on-campus interviews (17%). These popular job search methods are consistent with those of previous graduating classes. Alumni who were searching for a job spent an average of 125 hours on the job search. Engaging in networking activities, which included using one's personal contacts, school alumni networks, or job agencies, accounted for the most time-intensive method in the job search. Yet, the most effective and efficient (average of 74 hours) job search methods that this year's class used included company resources, such as job advertisements in print media, cold calls to potential employers, and internships. Still, less than three percent of alumni relied on these methods to obtain employment.

The 2011 graduating class exhibited significant variations in employment status based on region of citizenship. Among those who found their first job after graduation, US and Central Asian citizens had the highest employment rate (89%) compared to their regional counterparts from the Asia-Pacific region with an employment rate of 83 percent, followed by those from Latin America (81%), Europe (81%), the Middle East and Africa (78%), and Canada (71%), which had the lowest rate of initial employment post-graduation among the class of 2011.⁴

There were no statistical differences in employment status among class of 2011 alumni based on gender or age.

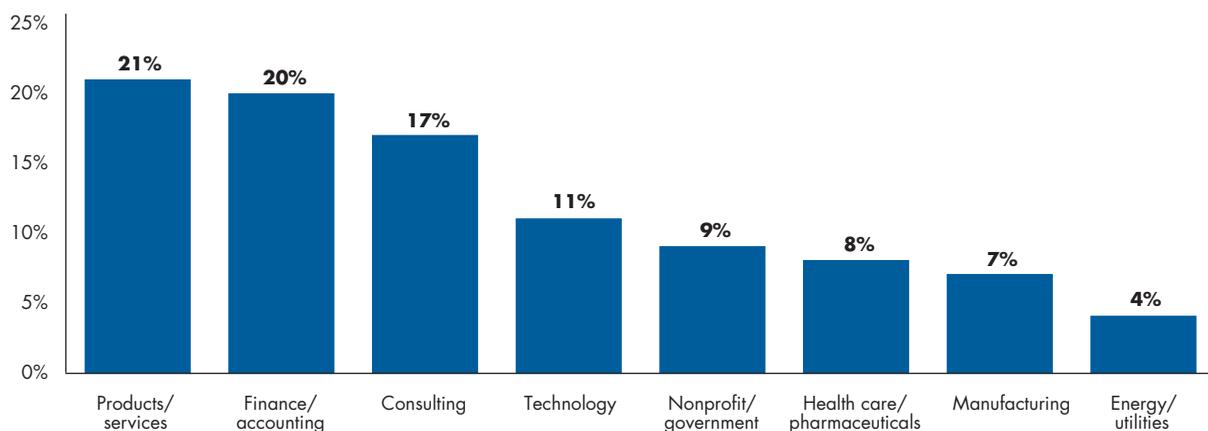
Industries and Job Functions

Similar to employment results for 2010 graduates, the top three industries hiring alumni from the class of 2011 were products and services (21%), finance and accounting (20%), and consulting (17%) firms (Figure 3). There also was little change in employment patterns by industry compared with class of 2010 alumni, except for a greater proportion of class of 2011 graduates finding jobs in the manufacturing sector and fewer in the technology industry.



For a closer examination of job search methods used by the class of 2011 and the number of hours they spent in the employment search, please see the accompanying GMAC® Data-to-Go report, "Alumni Job Search Strategies, Class of 2011" at gmac.com/datatogo.

Figure 3.
Industry of Employment After Graduation (Class of 2011)



⁴ $\chi^2 = 38.325$, $df = 12$, $p \leq .05$.

Two-thirds (66%) of the class of 2011 who were employed found jobs in their intended industry. Seven in 10 (70%) survey respondents who found jobs in the finance and accounting sector reported that it was their desired industry when they enrolled in their graduate management program (Figure 4). There were slight variations in alumni efforts to find employment based on their preferred or intended industry. For example, the health

care and pharmaceutical industry employed the greatest number of alumni (40%) who indicated this was not their intended industry when they started their degree program.

Table 1 shows the distribution of job functions among the class of 2011 by their industry of employment. For example, in the products and services sector, class of 2011 alumni were most likely to be hired for marketing and sales positions

(39%), operations and logistics (24%), and general management positions (23%). Employers in the health care and pharmaceutical industry were most likely to hire alumni for positions in human resources (20%), operations and logistics (14%), and general management (11%).

Figure 4.
Alumni Employed in Their Intended Industry After Graduation (Class of 2011)

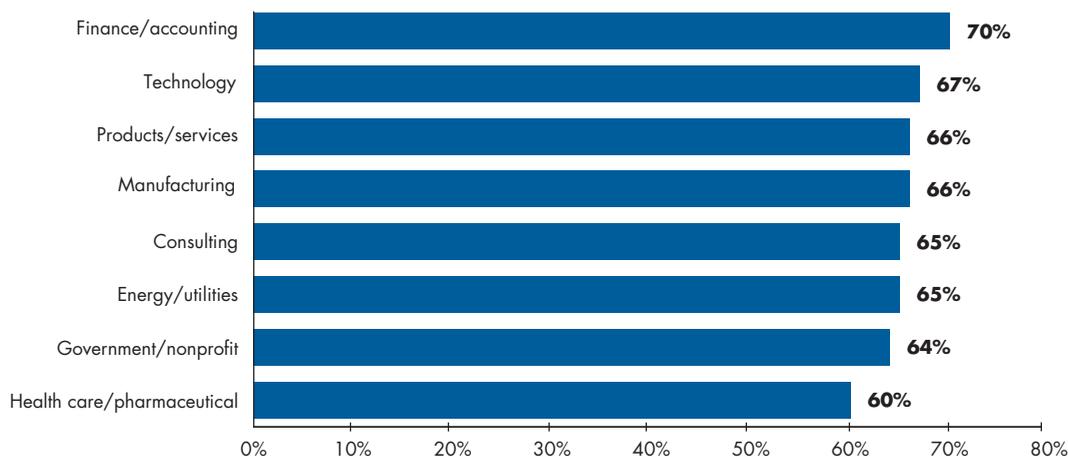


Table 1.
Job Function, by Hiring Industry (Class of 2011)

	Marketing & Sales	Operations/ Logistics	Consulting	General Management	Finance/ Accounting	Human Resources	IT/MIS
Consulting	6%	2%	60%	6%	4%	24%	20%
Energy/utilities	3%	6%	3%	5%	7%	8%	0%
Finance/accounting	9%	4%	8%	6%	60%	0%	20%
Health care/pharmaceutical	10%	14%	4%	11%	4%	20%	8%
Technology	16%	19%	7%	14%	3%	4%	31%
Manufacturing	5%	23%	1%	9%	3%	20%	0%
Government/nonprofit	10%	5%	1%	19%	7%	8%	6%
Products/services	39%	24%	13%	23%	11%	16%	12%

*Percentages may not add to 100 due to rounding.

Industry Switch

When asked if their first job after graduation was the kind of job they were looking for, 85 percent of those working outside their intended industry responded “yes.”

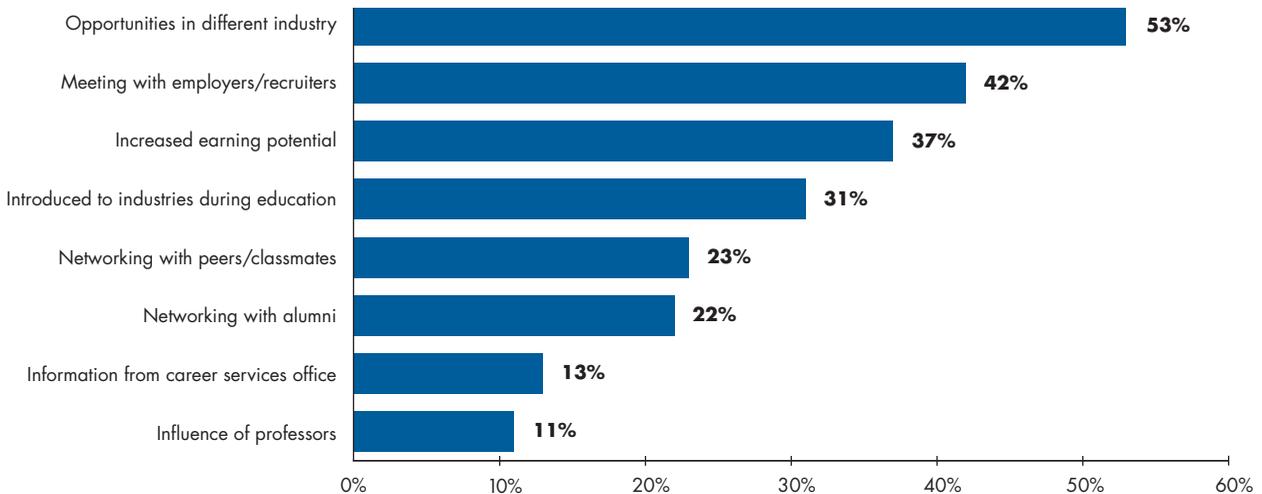
Being pragmatic in their job search was the factor that most likely enabled class of 2011 alumni to achieve satisfactory job search outcomes. They explored industries that had more opportunities and others that offered positions paying highly competitive salaries. Having opportunities to network and meet with representatives from various industry sectors played a role in landing a job outside the alumni’s intended industry. Men networked with peers, classmates, and alumni more frequently than women did and rated networking more highly than women did for its influence on their job outcomes.

As shown in Figure 5, increased opportunities in a specific industry was cited by 53 percent of alumni as the top factor influencing their decision to work outside their preferred industry. More than one-third of 2011 alumni (37%) switched industries because of increased compensation. This was more typical of part-time (45%) and executive MBA (55%) graduates as compared to full-time two-year (38%) and full-time one-year MBA (27%) graduates.⁵

As mentioned earlier, the health care sector had the lowest percentage of employed alumni who had intended to work in that industry. A closer look at these individuals revealed differences from overall findings on why they switched industries. The two leading reasons that influenced their decision to explore the health care field were meeting with employers or recruiters (53%) and increased job opportunities (43%).

For a closer examination of alumni strategies toward the next career level and job characteristics reported by alumni in senior- and executive-level positions, see the accompanying GMAC® Data-to-Go report, “Alumni Career Levels: Job Attributes and Satisfaction” at gmac.com/datatogo.

Figure 5.
Top Factors Influencing Industry Switch (Class of 2011)



⁵ $\chi^2 = 54.226, df = 36, p \leq .05.$

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The vast majority (93%) of class of 2011 alumni indicated the job they took after graduation was exactly what they were looking for.
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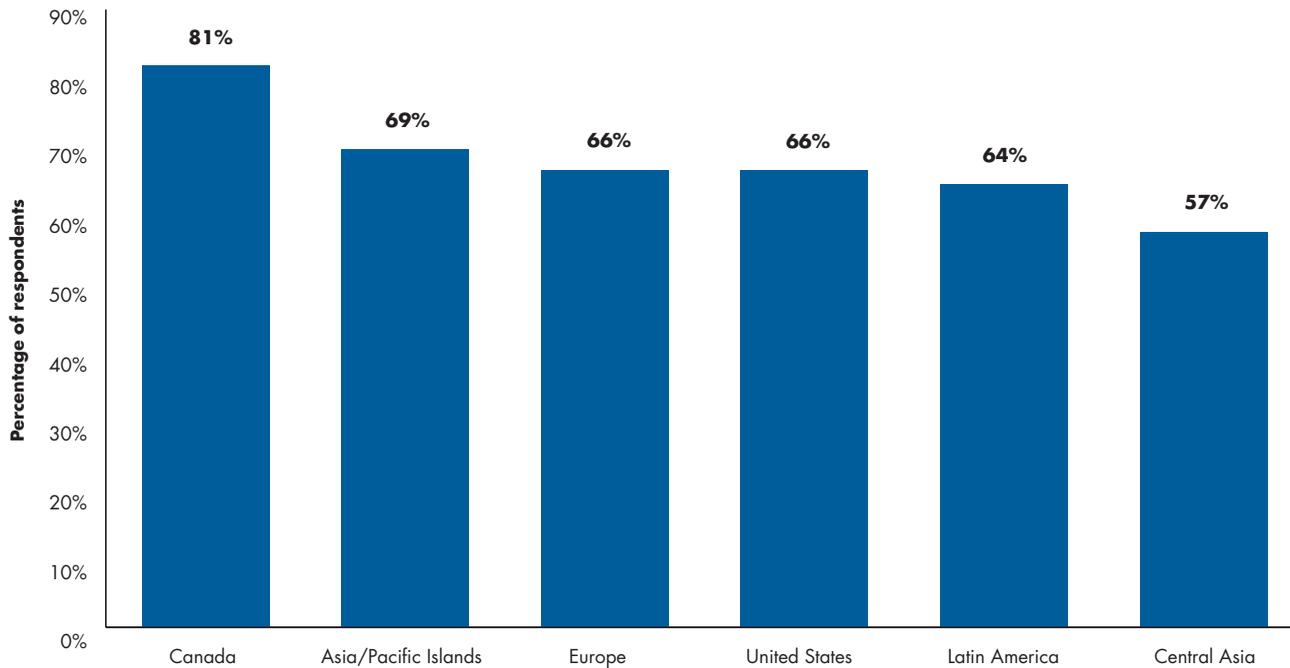
In general, there were few gender differences in industry switching, as women were just as likely to switch industries as men were in most cases. The sectors in which women were *less likely* to switch in comparison with men were products and services—the most popular industry for women—and health care—the third most popular industry for women.

By program type, alumni from full-time MBA and part-time MBA programs were *more likely* than other business school graduates to search outside their initial intended industry. Full-time two-year MBA

alumni took jobs outside their intended industry approximately 36 percent of the time and part-time MBA alumni found jobs outside their intended industry 32 percent of the time.

The likelihood to change career direction after graduation varied across world regions. Central Asians (including India) were the most likely to find a job that was different from their intended industry (57%); whereas Canadian citizens (81%) were the most likely to stay in a job that matched their intended industry (Figure 6)

Figure 6.
 Percentage of Alumni Employed in Their Intended Industry, by World Region (Class of 2011)



Necessity of Degree

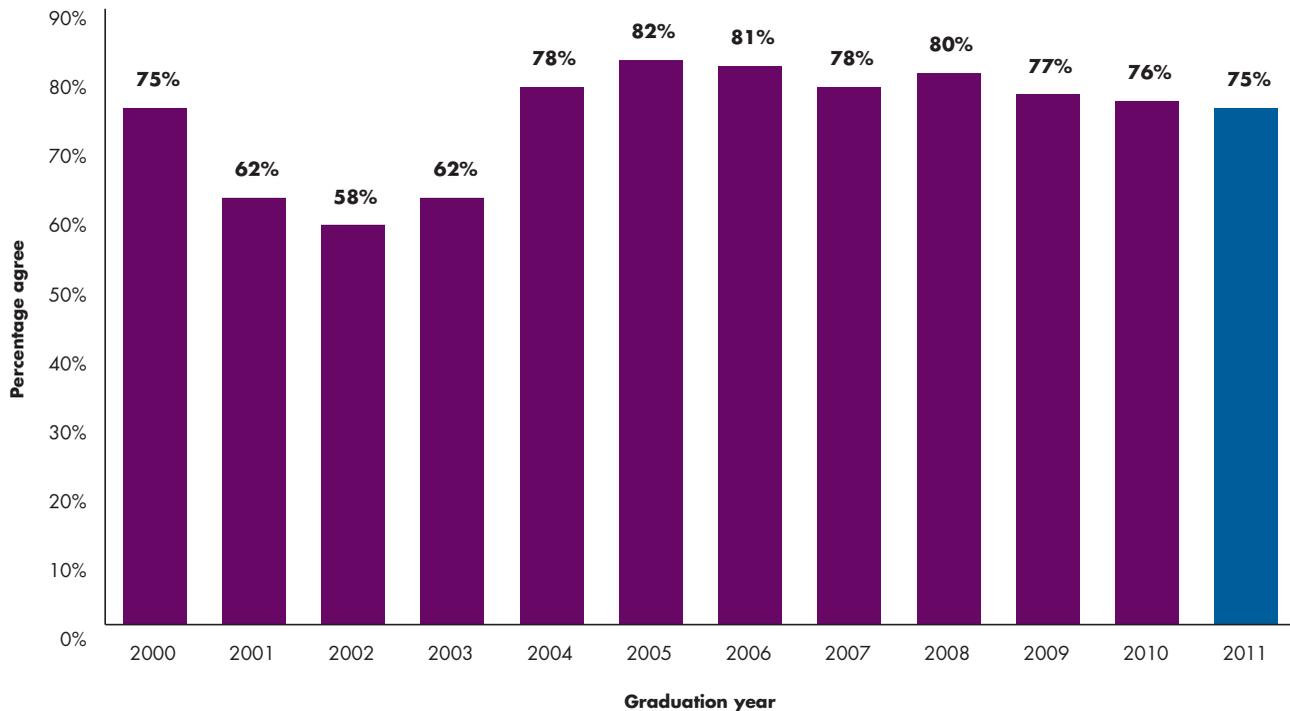
Most individuals who pursue graduate management education do so primarily because of its future career potential. Not surprisingly, three out of four alumni (75%) from the class of 2011 indicated they could not have landed their current job without their graduate management degree (Figure 7). This finding has remained relatively consistent over the last seven years and far exceeds the percentage of alumni who responded similarly during the recession of 2001–2003.

The vast majority (93%) of class of 2011 alumni indicated the job they took after graduation was exactly what they were looking for. Interestingly, when comparing responses from different age groups, individuals ages 28 to 34—the traditional MBA age group—were more likely than their younger and older cohorts to consider their graduate education degree *essential* to finding a job.⁶ Respondents’ level of agreement regarding the necessity of their graduate management degree also varied slightly by job function. Class of 2011 alumni employed in consulting roles posted the highest level of agreement (85%); those holding positions in operations and logistics expressed the lowest (66%).

Compensation

Alumni who graduated from full-time two-year MBA programs in 2011 reported average starting annual salaries that were among the highest at US\$85,000, compared to part-time MBA alumni who reported an average starting annual salary of US\$76,000, and full-time one-year MBA alumni, whose median starting annual salary was US\$73,203. Full-time two-year and one-year MBAs had the highest additional compensation at US\$15,000 and US\$12,000 respectively.

Figure 7.
Management Degree Essential for Obtaining Job, Historic View by Graduation Year



Source: Data for the classes of 2000 through 2010 were reported in past GMAC® Alumni Perspectives Surveys. Current year data are from the September 2011 Alumni Perspectives Survey.

⁶ $\chi^2 = 21.854, df = 8, p \leq .05.$

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Alumni who obtained a job through an internship or work project had a higher starting salary (US\$86,291), on average, than alumni who found their first job after graduation (US\$72,000).
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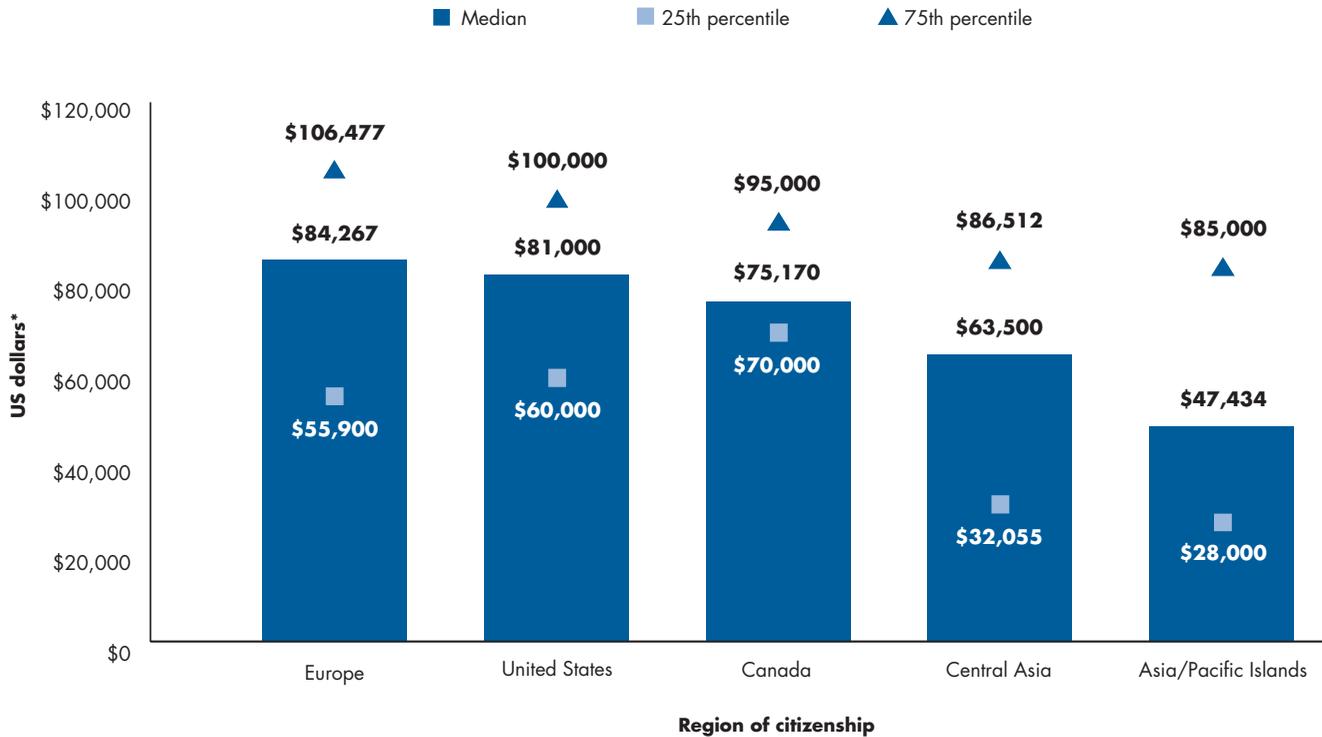
Overall, the average starting salary for a class of 2011 graduate who began a new post-degree job was US\$75,000. For 82 percent of the class of 2011 responding to the survey, starting salaries met or exceeded their expectations. Among alumni whose earnings fell anywhere between the 25th and 50th salary percentiles, only 64 percent felt their salary met or exceeded their expectations, compared with nearly all (98%) of those who earned above the 75th percentile.⁷

As the international economy drives employment rates, so too does it drive variation among starting salaries. Globally, European members of the class of 2011 earned the highest starting salaries with a median of US\$84,267, followed by US citizens earning a median of US\$81,000

(Figure 8). Asked whether their starting salaries met their expectations, the vast majority of Canadian (96%), Latin American (84%), and US (84%) citizens agreed that their starting salaries did either meet or exceed their expectations. Although European citizens had the highest starting salaries among their 2011 classmates, they were not as satisfied with their initial salaries, with only 79 percent reporting their salary expectations were met. Even fewer alumni from Central Asia, including India (73%), and the Asia-Pacific region, including China (70%), indicated their starting salaries met expectations.

Job satisfaction also played a role in alumni's views about their expected starting salaries. Alumni working in jobs that met their employment preferences rated their

Figure 8.
 Average Starting Salary, by Region of Citizenship (Class of 2011)



* Salary reported in currency of choice and converted to US dollars for purpose of comparison.

⁷ $\chi^2 = 60.172$, $df = 4$, $p \leq .05$.

salary expectations more positively (93%) than alumni whose jobs did not match what they were looking for (62%).⁸ Compensation and job satisfaction are invariably linked as factors that alumni consider when assessing their employment outcomes.

Participation in internships or work projects played a key role in determining starting salaries. Alumni who obtained a job through an internship or work project had a higher starting salary (US\$86,291), on average, than alumni who found their first job after graduation (US\$72,000). This adds further evidence supporting the important role that internships or work projects play in a graduate business curriculum—they increase the probability of landing an initial job after graduation and yield financial dividends as well.

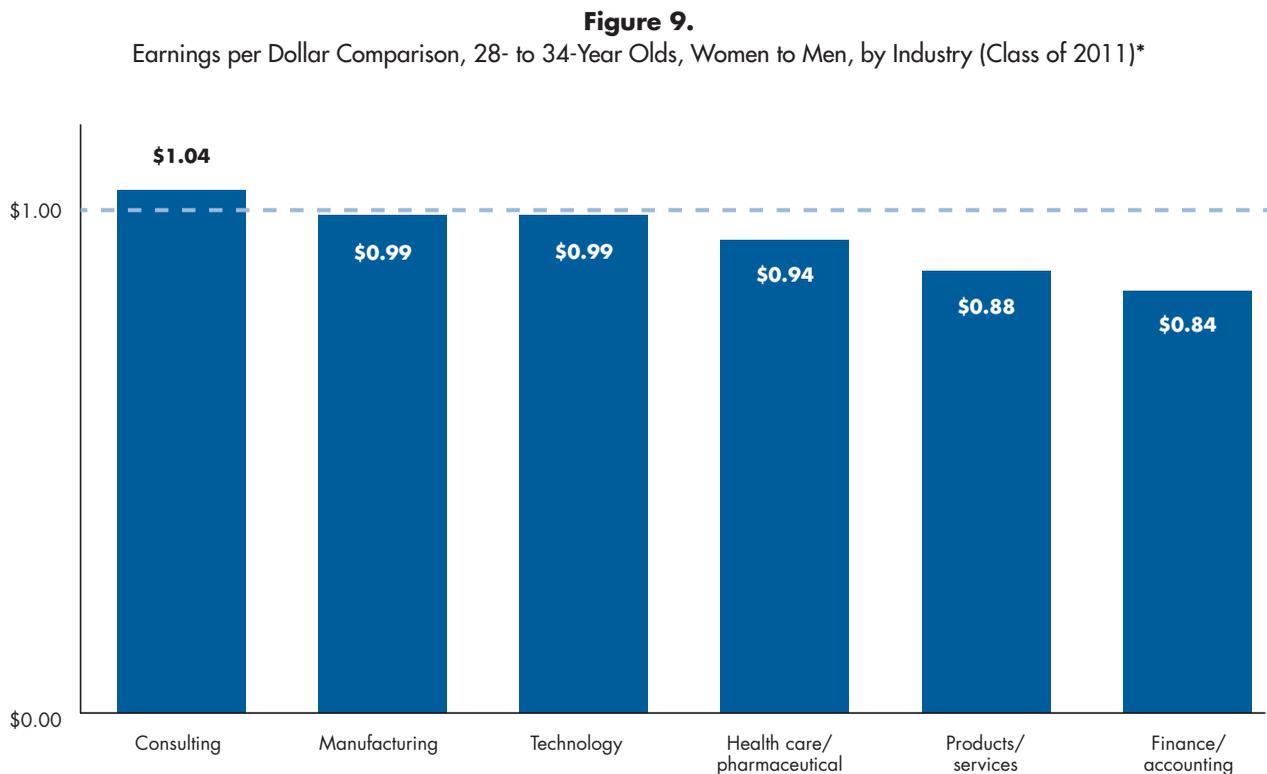
Earnings by Gender

Men and women in the key 28- to 34-year-old age group—key because they constitute more than half the class of 2011 alumni—reported earning nearly equal salaries that bore no statistical difference on comparison. Men in this age group who graduated in 2011 earned starting salaries averaging US\$87,000; women reported starting salaries averaging US\$84,133.

Women appear to have closed the gender gap in earnings for some industries. In the consulting industry, women have surpassed their male 2011 classmates in terms of starting salary—earning 104 percent of men’s starting salary. In the manufacturing and technology sectors, women aged 28 to 34 earn 99 percent of the average salaries

paid to men in their age group, but still lag behind men in industries such as finance and accounting, earning 84 cents on the dollar compared to men (Figure 9).

 To view detailed salary data for the Class of 2011 by program type, download the “Alumni Perspectives Survey, 2012 Comprehensive Data Report” available at gmac.com/InteractiveResearch.



* Due to limited sample size, earnings comparisons by gender for the nonprofit, government, and energy sectors are not available.

⁸ $\chi^2 = 34.131, df = 4, p \leq .05.$

Current Employment⁹

A snapshot of the current employment status for graduate management alumni across all graduating classes for the past 12 years reveals that 94 percent were employed at the time of this survey—87 percent worked for an employer and 7 percent were self-employed. Alumni of full-time MBA¹⁰ programs (93%) reported higher rates of employment compared with rates reported for the general workforce in the United States and European Union at similar points in time.¹¹ This is even more true for alumni who graduated from part-time and executive MBA programs, who reported employment rates of 95 percent and 96 percent respectively, at the time of this survey.

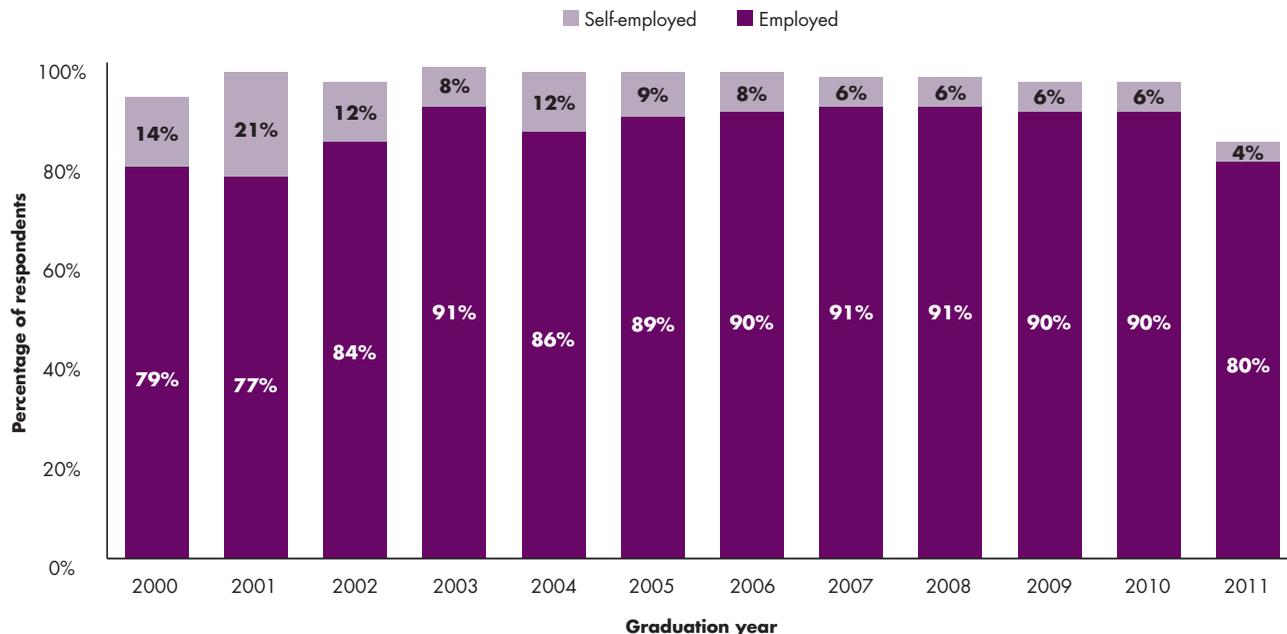
Among participating alumni, with the exception of the newest graduates from the class of 2011, employment rates as of September 2011 consistently exceeded 90 percent (Figure 10). Among the six percent of this year’s unemployed survey respondents from across graduating classes since 2000, a lack of relevant industry or functional experience (47%) was the most frequently cited reason for not having a job despite searching for one. Of those respondents who were not employed or searching for a job, nearly half (43%) reported they were continuing their education.

Analysis of current alumni employment rates based on citizenship reveal that Central Asian and US citizens have the highest employment rates at 95 percent and 94 percent, respectively. Alumni with Middle

Eastern or African citizenship have the lowest employment rate of 90 percent.¹²

Although gender differences in workforce participation are narrowing significantly for business school alumni, men overall still remain employed (95%) at slightly higher rates than women (91%). There are noticeable differences in employment rates between men and women by region. Among alumni with citizenship in the Asia/Pacific Island region, 93 percent of men are currently employed compared to 84 percent of women. Canadian citizens reported the smallest employment gap between men and women business school graduates, with nearly equal employment rates—92 percent for men and 91 percent for women.

Figure 10.
Current Employment Status of Alumni, by Graduating Class, 2000–2011*



* Percentages displayed in this chart reflect responses provided by alumni at the time of the survey, which was conducted in September 2011.

⁹ Analysis includes all respondents from the current survey year (2011) segmented across their respective graduating classes.

¹⁰ For the purpose of historical comparisons in this section, two-year and one-year full-time MBA programs were combined into a single category—full-time MBA.

¹¹ The September 2011 unemployment rate in the United States was 9.1 percent (Employment Situation—September 2011, USDL-11-1411, released on October 7, 2011). The October 2011 European Union unemployment rate was 10.3 percent (European Commission Eurostat, EU-27). Unemployment rates in Asia and the Pacific region ranged between 4.4 percent and 5.2 percent (United Nations Economic and Social Commission for Asia and the Pacific, Statistical Yearbook for Asia and the Pacific, 2011).

¹² $\chi^2 = 35.499$, $df = 12$, $p \leq .05$.

Job Retention

Alumni who have been in the workforce for a few years were more likely than recent graduates to have changed jobs or found employment with a new organization. Across all program types, alumni changed jobs more frequently the further removed they were from graduation; however, alumni who earned full-time MBA degrees switched jobs more often than alumni from other programs (Figure 11). Overall, those who graduated from the classes of 2000 to 2007 worked for an average of three organizations since earning their degrees.

When asked about their propensity to switch jobs in the future, 41 percent of survey respondents reported they were likely to consider switching jobs in the next 12 months, with only 19 percent very or extremely likely to make the shift. As one might expect, this relationship is inversely related to job satisfaction—the less satisfied employees are with their job, the more likely they are to consider a career or job change in the next 12 months.¹³

The likelihood to consider a career switch varied by industry when compared to past career change behavior.¹⁴ Alumni working in the manufacturing sector changed jobs the most frequently¹⁵ but alumni employed in the products and services industry were the most likely to report plans to switch jobs in the next 12 months (Figure 12). Overall, products and services was the industry most likely to experience turnover among business school hires, with 61 percent of alumni working in that sector citing they have either switched industries already or plan to do so in the next 12 months. In comparison, the technology sector exhibits the most stability among its graduate business hires, with less than half of alumni (45%) reporting past or future plans to switch careers.

Figure 11.
Percentage of Alumni Who Switched Jobs, by Program Type

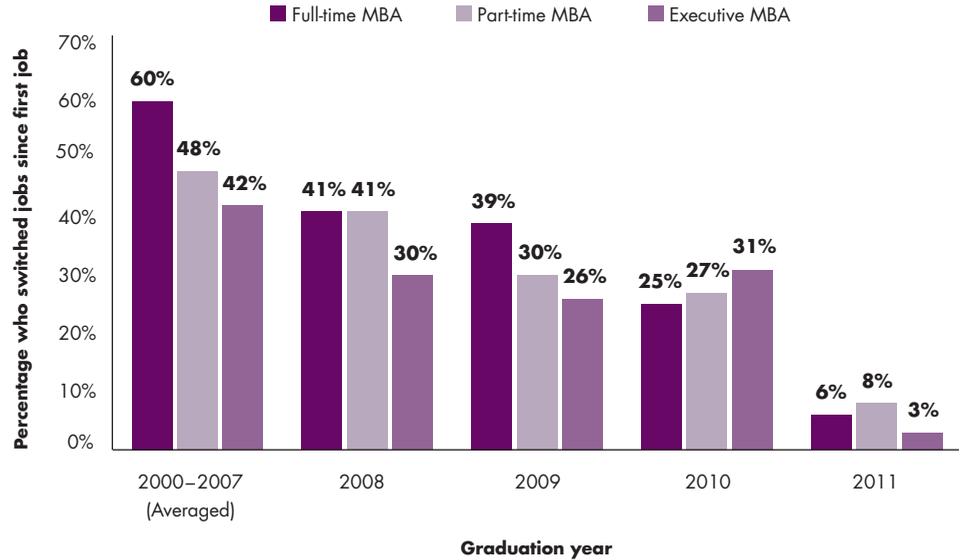
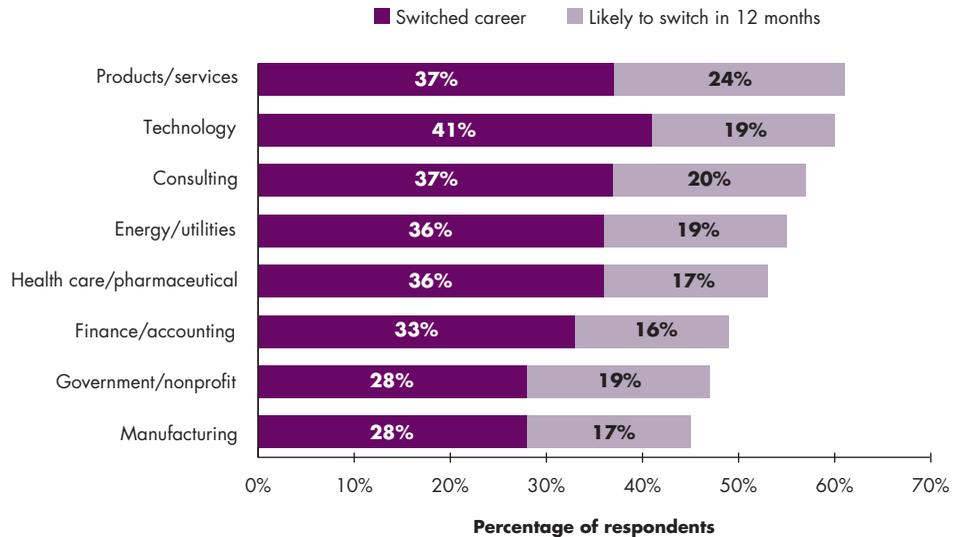


Figure 12.
Alumni Career Switching, Past and Contemplated, by Industry



¹³ Pearson's $r = -.624, p \leq .05$.
¹⁴ $\chi^2 = 74.072, df = 32, p \leq .05$.
¹⁵ $\chi^2 = 16.296, df = 32, p \leq .05$.

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The most important things an employer can do to retain employees are to provide challenging and interesting work, maintain a high company profile in the public's eye, and provide room for growth.

• • • • •

Among respondents who recently changed careers, the most common reason for seeking a new job was greater compensation, cited by 43 percent of alumni (Figure 13). Other factors that contributed to alumni decisions to switch jobs included room for growth, professional development (wanting a broader base of experience), a mismatch with corporate culture, and unchallenging work.

The methods alumni believe are most important for companies to retain employees differ from the top reasons they cited for leaving an organization (Figure 14). The most important things an employer can do to retain employees are to provide challenging and interesting work, maintain a high company profile in the public's eye, and provide room for growth. In contrast, the most common reason alumni cited for leaving an organization was to earn more money, followed by the lack of opportunity

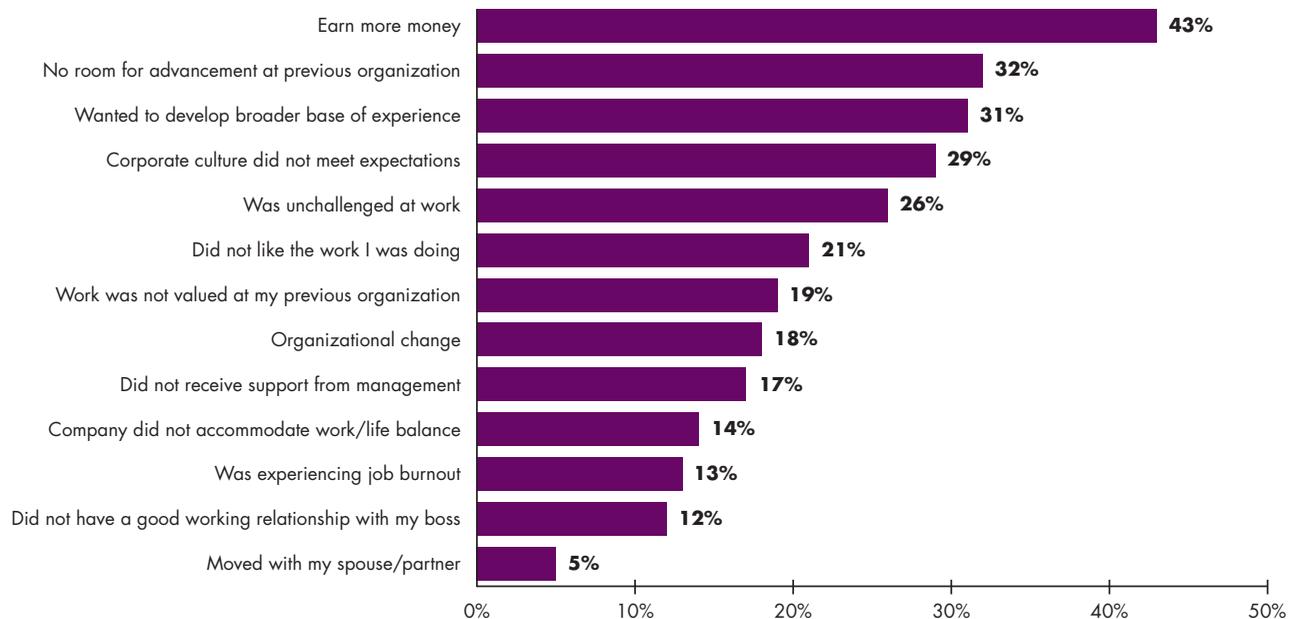
for advancement, and the desire to develop a broader base of experience. The lack of challenging and interesting work was fifth on the list of reasons respondents gave for choosing to leave an organization.

The top reasons cited varied somewhat by gender and age:

- Women regarded a company's public profile more highly than men viewed compensation, while men viewed compensation as more important than did their female coworkers.¹⁶
- Older alumni believed compensation should be linked to performance more so than younger cohorts. The younger alumni wanted to be valued by the organization and have accessibility to its leadership.¹⁷

Table 2 presents a set of job attributes that survey respondents assessed in terms of the role each attribute plays in their likelihood to change jobs or stay with a

Figure 13.
Top Reasons Why Alumni Change Jobs/Organizations



¹⁶ $\chi^2 = 96.357, df = 14, p \leq .05$.

¹⁷ $\chi^2 = 250.370, df = 28, p \leq .05$.

Figure 14.
Alumni Citation of Top Company Strategies for Retaining Employees

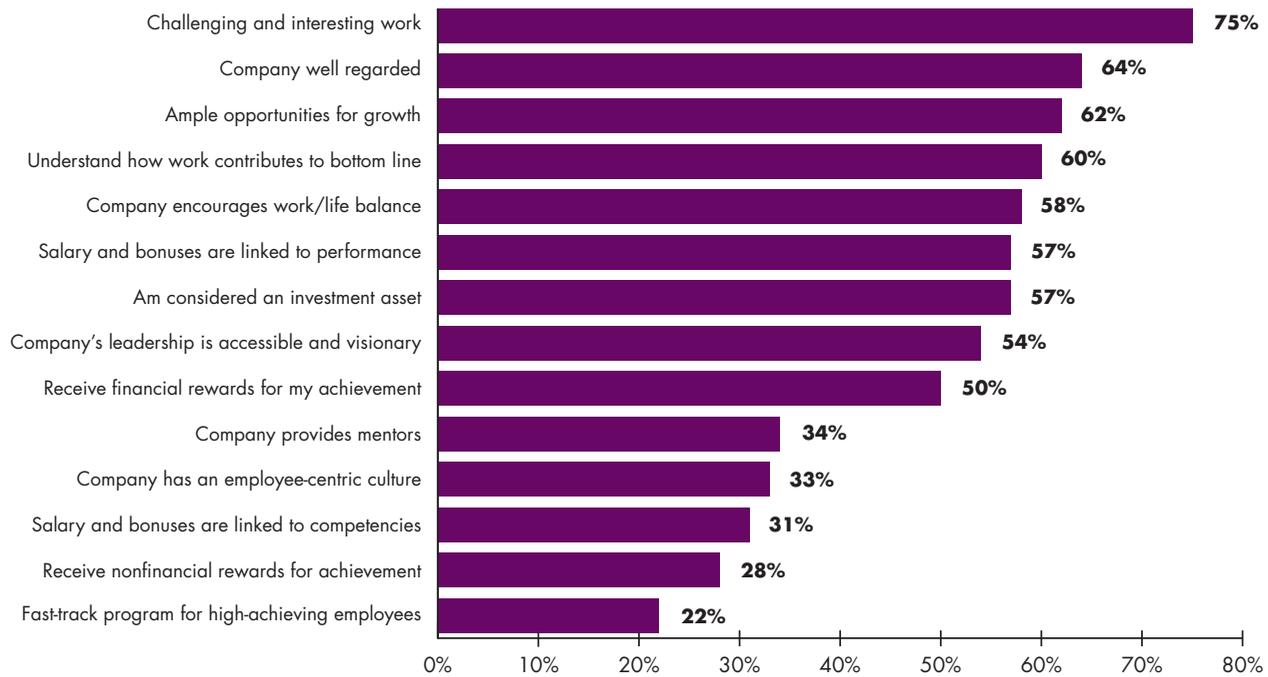


Table 2.
Job Attributes Related to Job Change and Employee Retention

Job Attribute	Reasons for Job Change	Important Retention Methods
Support from management	I did not receive support from management.	My company's leadership is accessible and provides vision and direction.
Work valued	My work was not valued at my previous organization.	I am considered an investment asset.
Challenging work	I was unchallenged at work.	I am given challenging and interesting assignments.
Growth and advancement	There was no room for advancement at my previous organization.	I have ample opportunities for growth and development.
Financial rewards	I wanted to earn more money.	I receive financial rewards for my achievement.
Work/life balance	The company did not accommodate my needs for work/life balance.	My company encourages its employees to have a work/life balance.
Corporate culture	The corporate culture did not meet my expectations.	My company has an employee-centric culture.

current employer. Figure 15 presents this information graphically and demonstrates the level of importance or relevance that survey respondents assigned to each job attribute as factors in employee retention strategies or in an employee's decision to change jobs. Each quadrant of Figure 15 shows a cross comparison between the reasons for change (usually a lack of resources or support) and a company's method for retaining employees. The chart also shows that the most effective way for a company to avoid employee turnover is to create a challenging workplace and foster an environment for growth.

The upper left quadrant and the lower right quadrant of Figure 15 show attributes that employers must balance to retain employees and reduce turnover. Survey respondents ranked work that's valued and work/life balance as top company strategies for employee retention, but judged these job attributes of low importance as factors for changing jobs. Their top reasons for changing jobs were lack of financial rewards that match performance and absence of an employee-centric corporate culture.

Compensation

The median salary reported for full-time MBA alumni (classes of 2000–2011) was US\$95,000, with additional compensation averaging US\$18,123. Alumni who earned executive MBA degrees reported the highest median salary, at US\$125,000, and also the highest total compensation package (US\$153,445) of all MBA alumni. Part-time MBA degree-holders earned the lowest total compensation, at US\$106,000, based on starting median salaries of US\$91,000.

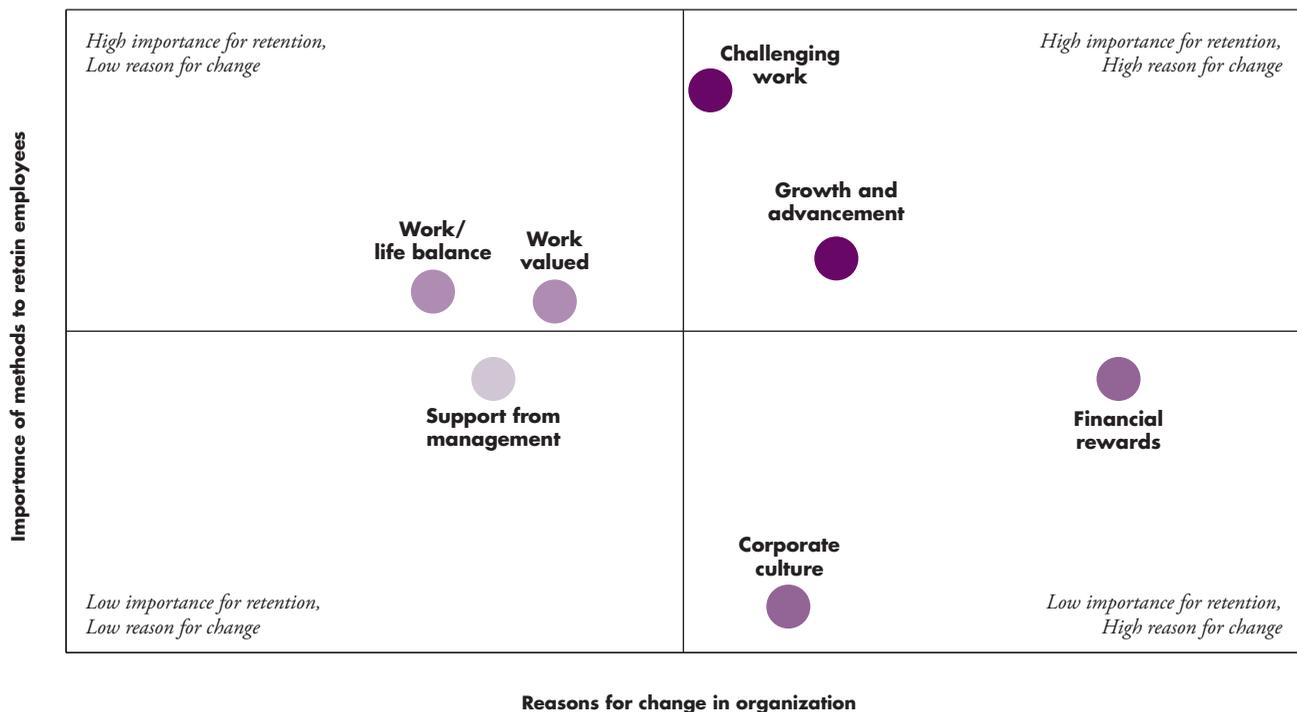
 To view detailed salary data by program type for participating alumni from the classes of 2000–2011, download the "Alumni Perspectives Survey, 2012 Comprehensive Data Report" available at gmac.com/InteractiveResearch.

Gender Pay Parity

Across all graduating classes, full-time MBA alumnae drew starting salaries that were on average 85 percent of the earnings their male counterparts typically received. The earnings gap was even wider for part-time MBA alumnae (80%). By contrast, women from executive MBA programs drew 92 percent of the salary of men graduating from these programs, on average. This represents the greatest level of pay parity between women and men.

There are other gender-based differences in the additional compensation that alumni reported, with compensation packages for women executive MBAs typically 87 percent of the total that men received. Additional compensation for full-time MBA (81%) and part-time MBA (77%) alumnae was between 19 percent and 23 percent lower than what their male peers received. Even so, women represented only 21 percent of all responding executive MBA alumni, the lowest proportion of women among the degree types.

Figure 15.
Organizational Strategies for Employee Retention, in Relation to Reasons for Job Change



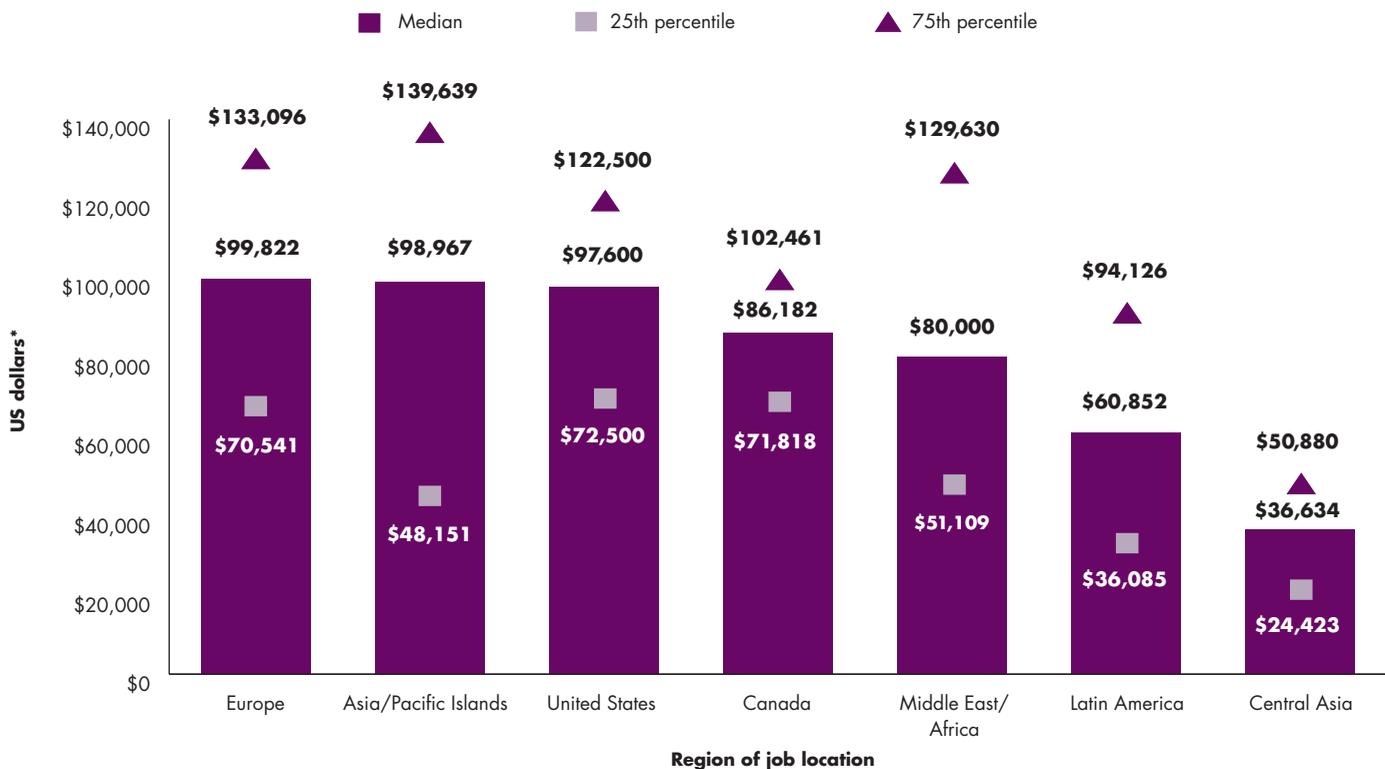
Examination of these survey findings alongside recent data released by the US Census Bureau suggests that women who earn a graduate business degree experience greater pay parity with men—at least in the United States (US Census Bureau). According to the September 2011 US Census Bureau report, the female-to-male median earnings ratio in the US workforce currently stands at 77 percent, meaning a woman earns 77 cents for every dollar a man earns. The gap in earnings between women and men MBA degree-holders across all graduation years is noticeably smaller than the gender gap cited in the Census Bureau figures.

Regional Salary Differences

International salaries varied depending on alumni job location (Figure 16). Alumni in Europe, the Asia/Pacific Islands region (including China), and the United States fared better overall than the typical full-time MBA alumni, all earning more than the average starting salary of US\$95,000. Alumni in other countries had lower ranges for starting salaries. Central Asia (including India) had the lowest starting salary range, between the 25th (US\$24,423) and 75th percentile (US\$50,880).

•••••
Women from executive MBA programs drew 92 percent of the salary of men graduating from these programs, on average. This represents the greatest level of pay parity between men and women.
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Figure 16.
 Median Annual Salary, by Job Location (World Region)



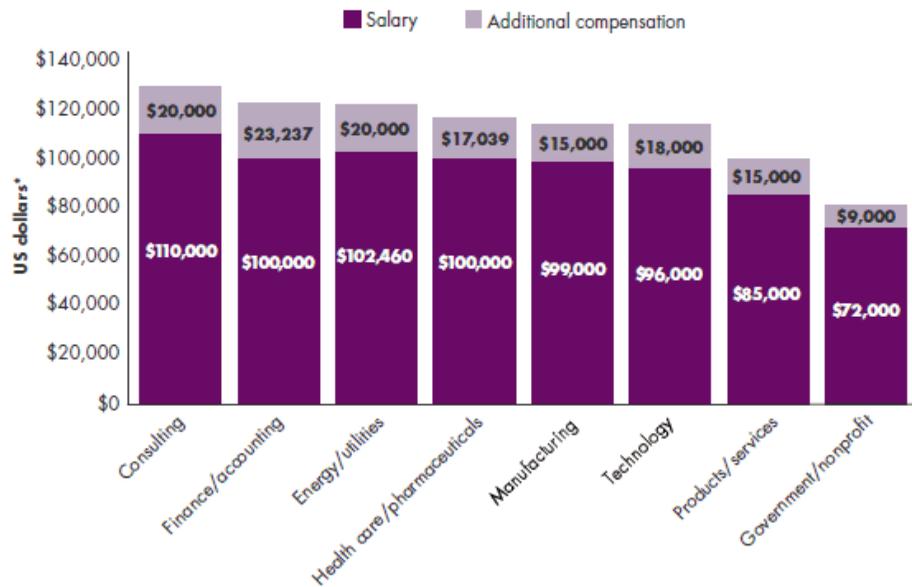
* Salary reported in currency of choice and converted to US dollars for purpose of comparison.

Alumni salaries also varied significantly by industry. The current base salaries of alumni working in the consulting (US\$110,000) and energy/utilities (US\$102,460) sectors were the highest that respondents reported across all industries (Figure 17). Often what compensates for a lower starting salary is the additional compensation package. Employers in the finance and accounting sector offered the highest additional compensation package, making it one of the top-paid industries overall. Manufacturing jobs on average paid lower starting salaries (US\$96,000) but came with larger additional compensation packages, putting this sector on par with other industries such as health care and pharmaceuticals and technology, which offered larger starting salaries but lower additional compensation packages.

Job Satisfaction

Analyses show that employment satisfaction can affect all aspects of an individual's job experience, from salary expectations to job activities performed at each career level in an organization. All jobs come with required sets of activities, responsibilities, and tasks that will vary depending on the employee's role and job level in the organization. As shown in Table 3, survey respondents across all job levels shared many of the same primary day-to-day job attributes including modeling and promoting ethical behavior, engaging in critical and creative thinking, demonstrating strategic thinking, and effective decision making.

Figure 17.
Average Alumni Base Salaries, by Industry



* Salary reported in currency of choice and converted to US dollars for purpose of comparison.

Table 3.
Top Work Attributes by Job Level

Entry Level, Mid-Level and Senior Level	Executive Level
Model and promote ethical behavior	
Engage in critical/creative thinking	
Demonstrate strategic thinking	
Demonstrate effective decision making	
Engage in active listening	Act with executive presence
Successfully build effective work relationships	Delegate and set priorities

When assessing the importance of job attributes related to the day-to-day performance of work-related activities, alumni did not rank these as key drivers of job satisfaction. Instead, survey respondents identified passion—doing work one enjoys—as the key driver of overall job satisfaction (36%), followed by *compensation* (18%), and *recognition* (15%) as shown in Figure 18.

These findings echo earlier analyses of factors that play the most important role in employee retention, namely challenging and interesting work and ample opportunities for growth. Without these motivators, employees are likely to express more dissatisfaction with their employment and change organizations.

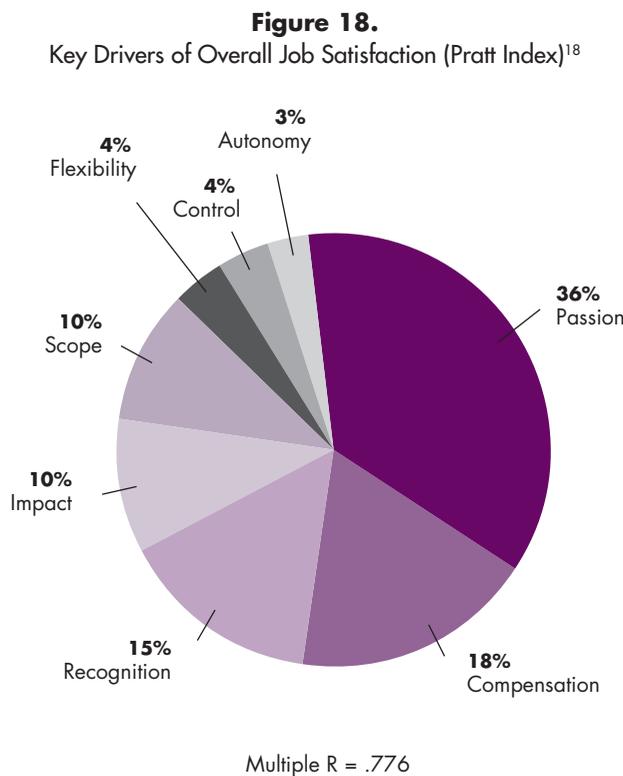
Overall, 80 percent of survey respondents indicated they felt very or somewhat satisfied with their current job. This figure

is on par with findings from a 2010 Society for Human Resource Management (SHRM) study of employee satisfaction that noted 84 percent of all employees were somewhat or very satisfied (SHRM 2010).

Which alumni are the most satisfied? A more detailed comparison of alumni job satisfaction across job levels and positions revealed that:

- Alumni in entry-level positions are less satisfied with their jobs than alumni who hold more senior positions.¹⁹
- Alumni working in information technology or MIS jobs were the least satisfied in terms of job function.²⁰
- Alumni holding positions in general management, consulting, and finance or accounting were more satisfied than alumni employed in operations, logistics, human resources, or marketing and sales positions.

• • • • •
Survey respondents identified passion—doing work one enjoys—as the key driver of overall job satisfaction (36%), followed by compensation (18%), and recognition (15%).
 • • • • •



¹⁸ Pratt Index = $(\beta \cdot r) / R^2$, where β is the standardized regression coefficient, r is the simple Pearson correlation coefficient, and R^2 is the proportion of the variance explained by the regression model.

¹⁹ $\chi^2 = 82.34$, $df = 12$, $p \leq .05$.

²⁰ $\chi^2 = 49.339$, $df = 28$, $p \leq .05$.

Survey respondents provided their perspectives not only on their current job status but also rated their ideal job. They rated the same job attributes applicable to their current jobs, such as passion, compensation, recognition, scope, autonomy, flexibility, impact, and control in relation to how important these characteristics would be in an ideal job. Passion and compensation were both rated highly as important characteristics for an ideal job and were the driving factors of satisfaction in one's current job (Figure 19).

Keeping employees satisfied and doing work they enjoy are also key factors for job retention. Of high importance is that

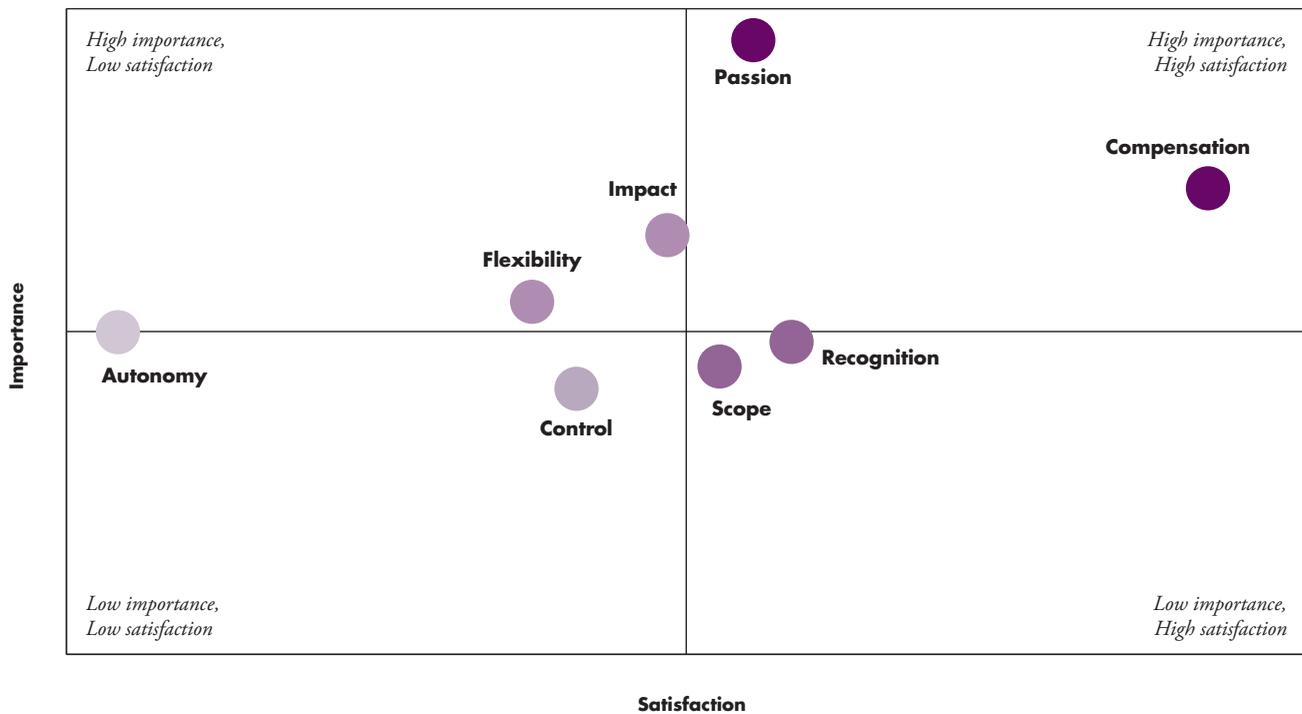
employees feel they make an impact in the organization where they work. This factor received high ratings on the ideal job scale but was less a contributing factor to satisfaction with one's current job. Still, meeting an employee's key attributes for an ideal job is key to retention. Attributes such as autonomy, flexibility, and control were rated of lesser importance both as an attribute of an ideal job and as a driver of current job satisfaction.

Younger alumni respondents were more optimistic than older alumni, despite the tough economic conditions they face. When asked to rate how their current job measures up to where they thought they would be

thus far in their careers, alumni under the age of 27 reported nearly double the career satisfaction with their current job than did alumni over the age of 35.²¹

Not surprisingly, satisfaction with career progress varied by job level, with slightly less than one-third of alumni in entry-level (30%) and mid-level (32%) positions expressing that their careers had progressed to where they thought it would be. In comparison, greater proportions of senior-level (46%) and executive-level (53%) alumni indicated their career progress was more than 50 percent on track.²²

Figure 19.
Job Satisfaction Ratings for Current Job vs. Ideal Job Attributes



²¹ $\chi^2 = 23.225, df = 12, p \leq .05.$
²² $\chi^2 = 158.928, df = 18, p \leq .05.$

Employee Engagement

Work Motivators

Companies that keep their employees highly motivated and engaged on the job not only increase their revenue growth but also ensure high levels of employee job satisfaction, retention, and productivity (Markos & Sridevi, 2010). The strongest motivating factors for employed MBA alumni tend to be intrinsic rather than extrinsic, a finding that has remained consistent over time (Twenge, 2010). Intrinsic factors of motivation are based on alumni’s enjoyment of or interest in the activity they are doing. Extrinsic motivation comes from activities that have an external consequence, such as pay or performance evaluation.

Survey respondents were asked to distribute 100 points among the five statements listed below based on how important each statement was to their personal motivation at work (Gagne & Deci 2005):

- The possibility of pay raises and promotions (extrinsic).
- My performance and evaluation at work (extrinsic).
- The perceived importance of my work (extrinsic).
- The work I perform is integral to my personal goals (extrinsic).
- My work is interesting and enjoyable (intrinsic).

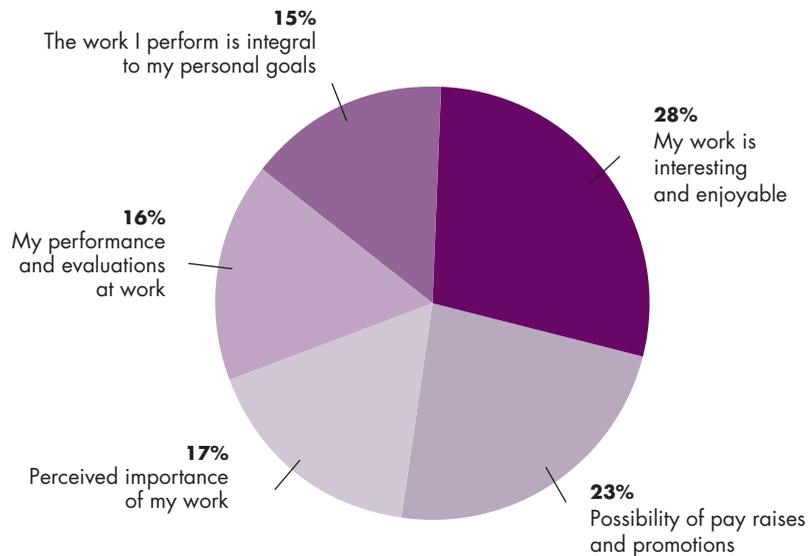
Respondents assigned the greatest number of points to the intrinsic motivating factor: “My work is interesting and enjoyable” (28%), compared to the possibility of pay raises and promotions (23%) or other extrinsic factors related to motivation

(Figure 20). These findings are consistent across world regions, with the intrinsic measure of performing interesting and enjoyable work ranked as the number one motivator, followed by the extrinsic motivator of compensation as a close second in most regions, except for the Asia/Pacific Islands region where they are rated as equally important.

By program type, full-time MBA alumni ranked the intrinsic measure of motivation more important than did alumni of all other program types,²³ whereas alumni of part-time MBA programs scored the possibility of pay raises and promotions more highly in importance than did alumni of all other programs.²⁴

There are also significant differences by gender. Men rate extrinsic measures higher than women do, particularly with respect to pay raises and performance evaluation,²⁵ whereas women rate the intrinsic factors higher than men do.²⁶

Figure 20.
Alumni Ranking of Relative Importance of Work Motivators



²³ One-way ANOVA with Bonferroni post-hoc analysis, F = 3.428, df = 3457, p ≤ .05.
²⁴ One-way ANOVA with Bonferroni post-hoc analysis, F = 4.533, df = 3457, p ≤ .05.
²⁵ One-way ANOVA with Bonferroni post-hoc analysis, F = 30.719, df = 3463, p ≤ .05.
²⁶ One-way ANOVA with Bonferroni post-hoc analysis, F = 7.979, df = 3463, p ≤ .05.

Engagement

The Gallup organization defines engagement as involvement and enthusiasm for work (Gallup, 2011). An overwhelming majority, 93 percent, of alumni responding to this survey reported being engaged at least some of the time, with only one percent of alumni saying they were never engaged at all by their work. There were slight differences in employee engagement based on program types, but none based on age or gender.²⁷ Based on industry of employment, alumni who held consulting or general management positions were the most engaged on the job (both at 94%).

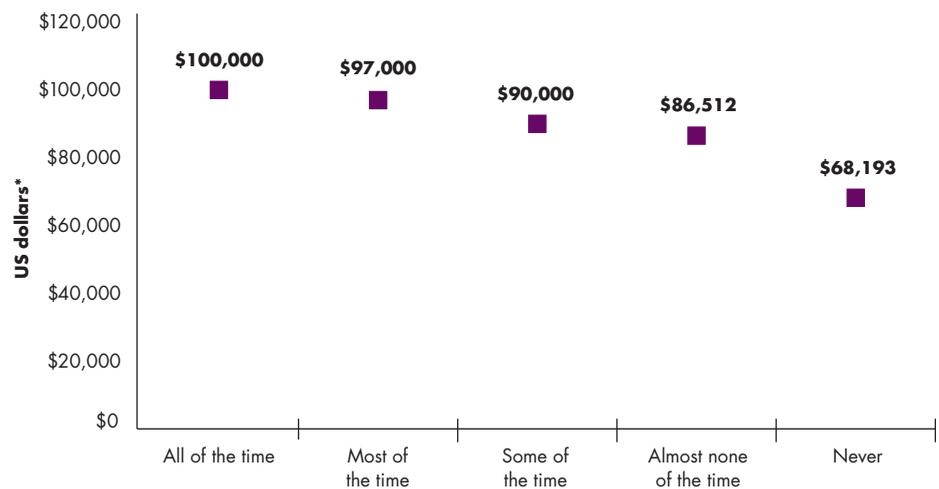
Naturally, the extent to which an individual is engaged or energized by his or her work varies depending on the employee's level of job satisfaction (Table 4).²⁸ The more satisfied employees are with their jobs, the more likely they are to be engaged by their work. Even survey respondents who reported being neither satisfied nor dissatisfied with their job indicated they felt engaged at work 91 percent of the time; in contrast to those who experienced some job dissatisfaction, who reported being engaged at their work only 74 percent of the time.

Employee involvement and commitment to the organization also has a strong link to and impact on compensation (Figure 21). Survey respondents who reported being engaged at least some or all of the time were most likely to have an annual starting base salary ranging between US\$90,000 and US\$100,000, a difference of only 10 percent. Alumni who reported never feeling engaged at work earned a median salary of US\$68,193, 40 percent less than average starting salaries of those who reported being engaged at work. Alumni who are highly engaged with their job are more likely to make more money than those who are rarely or never engaged with their employment.²⁹ There were no differences seen by age or gender.

Table 4.
Percentage of Alumni Engaged at Work, Based on Job Satisfaction

	Percentage of Alumni Engaged Some/Most/All of the Time
Very satisfied with job	99%
Somewhat satisfied	98%
Neither satisfied nor dissatisfied	91%
Somewhat dissatisfied	74%
Very dissatisfied	36%

Figure 21.
Alumni Salary, Based on Level of Employee Engagement



* Salary reported in currency of choice and converted to US dollars for purpose of comparison.

²⁷ $\chi^2 = 40.966$, $df = 12$, $p \leq .05$.

²⁸ $\chi^2 = 1396.123$, $df = 16$, $p \leq .05$.

²⁹One-way ANOVA with Bonferroni post-hoc analysis, $F = 5.304$, $df = 2909$, $p \leq .05$.

Work/Life Balance

Work/life balance concerns continue to pervade workplaces. Work/life balance is a subject that employers and employees have been trying to understand and accommodate for more than three decades. Balancing the demands of work and home or personal life once was regarded as a female-dominated issue, but over the past decade more men have been asserting the need and desire for work/life balance programs and policies (Strober, 2010).

Employed alumni were presented with a series of three positive and three negative statements and asked to rate how true these statements were to their own experience of balancing work and personal demands. The positive statements included managing responsibilities effectively, having time to pursue career goals, and personal issues not hindering work performance. The negative statements posited that personal

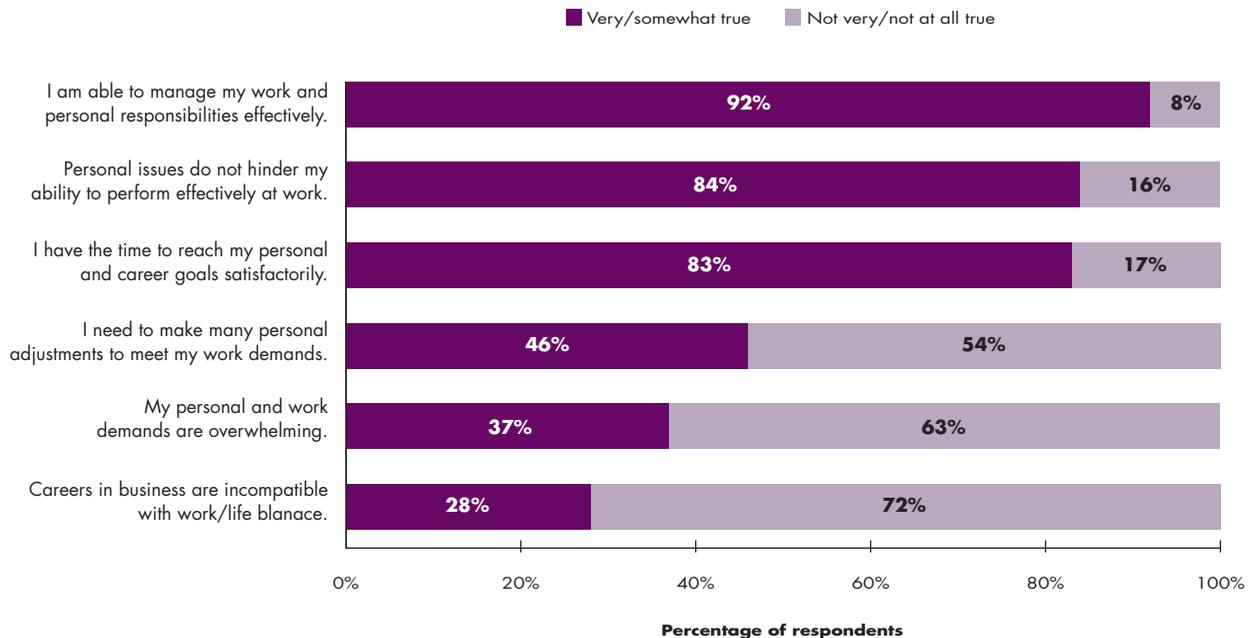
and work demands were overwhelming, personal adjustments were required to meet work demands, and careers in business were incompatible with work/life balance.

Figure 22 shows the alumni ratings of these six measures of work/life balance. More than 80 percent of survey respondents rated the three positive items as very or somewhat true to their personal experience, and little more than a quarter to less than half rated the negative items as true, signifying that the overwhelming majority of alumni have achieved some level of work/life balance.

A composite measure was created from the six work/life balance items since the items were statistically and conceptually related to each other.³⁰ The average work/life balance score was 81, on a scale of 6 to 143.³¹ A lower value on the work/life balance scale indicated that respondents did not perceive having work/life balance; a higher score meant respondents did believe they had achieved work/life balance.

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Alumni who are highly engaged with their job are more likely to make more money than those who are rarely or never engaged with their employment.
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Figure 22.
 Alumni Ratings of Work/Life Balance Measures



³⁰ Cronbach's $\chi = .734$ indicated good internal consistency of the scale, but Tukey's Test of Nonadditivity was significant, so the scale was transformed by a power of 2.285; Cronbach's $\chi = 0.737$ after transformation.

³¹ The composite work/life balance scale was created by summing the average scores of the six variables, which resulted in a possible range of 6.00 on the lowest possible score to 143 as a highest possible (positive) work/life balance score.

Consistent with previous GMAC research findings (Schoenfeld, 2005), alumni exhibited significant differences by age,³² citizenship,³³ and graduation year³⁴ (Table 5). Younger alumni remain more attuned to achieving some measure of work/life balance in their lives than older alumni, findings also observed among recent graduates compared with alumni from the class of 2000. External research also supports the view that younger generations place more emphasis on work/life balance issues than do their older and more tenured counterparts (Twenge, 2010). Achievement of work/life balance was most prevalent among US citizens, who scored 84 on the scale, notably higher than all other regional scores.

Women and men perceived their work/life balance situation equally. Individual attributes such as work/life balance being compatible with a career in business were rated equally true by men and women, with neither gender assigning any extra positive or negative emphasis.

Alumni who reported higher levels of job satisfaction and engagement were likely to have attained a higher degree of work/life balance than those who reported lower levels of job satisfaction and engagement with work.³⁵ There was also a significant inverse relationship between the number of hours worked and the work/life balance score—the more hours alumni reported working, the lower their work/life balance score and thus the less likely they perceived work/life balance.³⁶

Table 5.
Average Work/Life Balance Score

Age	Mean
27 and younger	87
28 to 34	82
35 and older	79
Citizenship	Mean
United States	84
Central Asia	80
Latin America	79
Canada	76
Europe	76
Middle East/Africa	75
Asia/Pacific Islands	74
Graduation Year	Mean
2000	73
2001	81
2002	80
2003	78
2004	73
2005	77
2006	80
2007	81
2008	83
2009	80
2010	84
2011	85

³² One-way ANOVA with Bonferroni post-hoc analysis, F = 14.789, df = 3755, p ≤ .05.

³³ One-way ANOVA with Bonferroni post-hoc analysis, F = 12.354, df = 3742, p ≤ .05.

³⁴ One-way ANOVA with Bonferroni post-hoc analysis, F = 5.644, df = 3756, p ≤ .05.

³⁵ One-way ANOVA with Bonferroni post-hoc analysis, F = 60.624, df = 2823, p ≤ .05.

³⁶ Pearson's r = -.257, p ≤ .05.

Gender Equality

Three out of four alumni (76%) agreed that men and women share equal opportunities in the workplace. Closer inspection of the response data reveals less of a consensus on the issue among women who responded to the survey (Figure 23). It should be noted that women account for 28 percent of the alumni sample surveyed in September 2011.

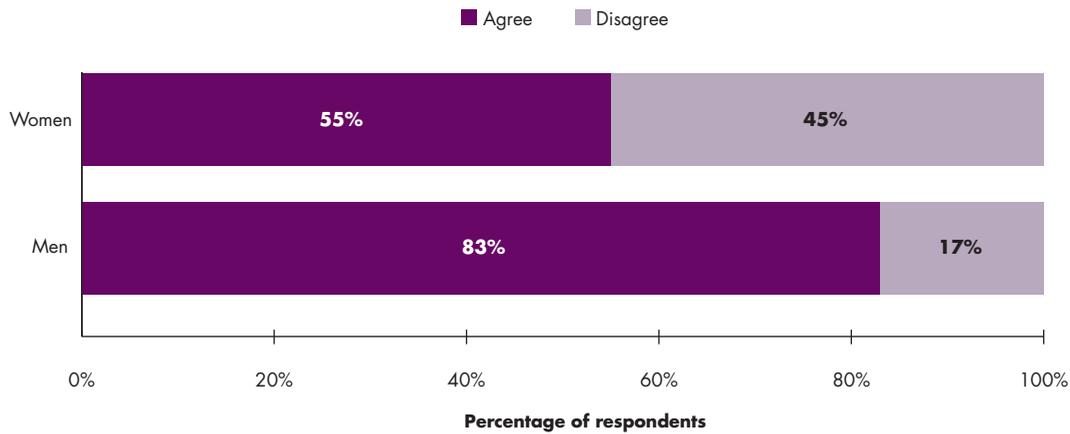
Individual perceptions of gender bias in the workplace varied among respondents, especially based on extent of job satisfaction.

Agreement among women that gender equality exists in the workplace increases slightly to 65 percent for alumnae who are very satisfied with their jobs, and conversely, decreases to 38 percent if they are very dissatisfied with their job.

 To view detailed data on job satisfaction and work/life balance for participating alumni from the classes of 2000–2011, download the “Alumni Perspectives Survey, 2012 Comprehensive Data Report” available at gmac.com/InteractiveResearch.

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Alumni who reported higher levels of job satisfaction and engagement were likely to have attained a higher degree of work/life balance than those who reported lower levels of job satisfaction and engagement with work.
 •••••

Figure 23.
 Percentage Agreement That Workplace Offers Equal Opportunities



JOB SATISFACTION

Men show the same variation as women depending on their job satisfaction, but, regardless of the extent of their job satisfaction, remain near or above the average of 76 percent in agreement that both genders have equal opportunities in the workplace (Figure 24).

Views about gender differences in workplace opportunities varied by world region (Figure 25). The greatest difference between genders was evident among US citizens. Conversely, the strongest agreement about gender equality was seen among Central Asians.

Figure 24.
Percentage Agreement on Workplace Opportunities, by Job Satisfaction

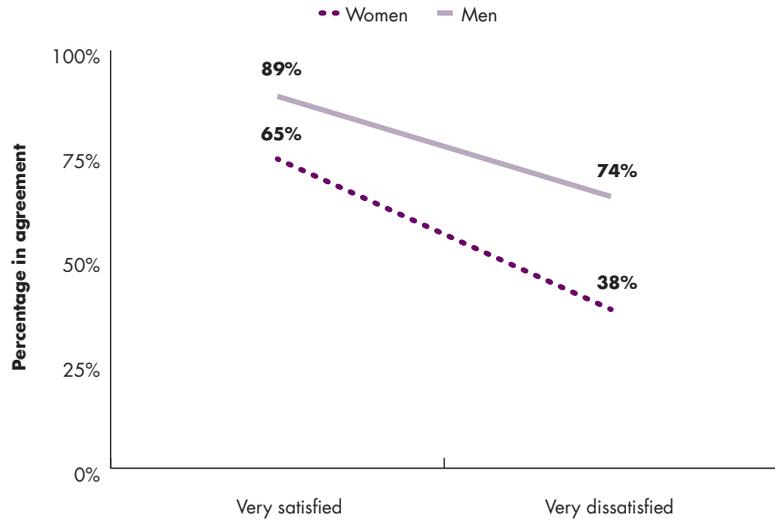
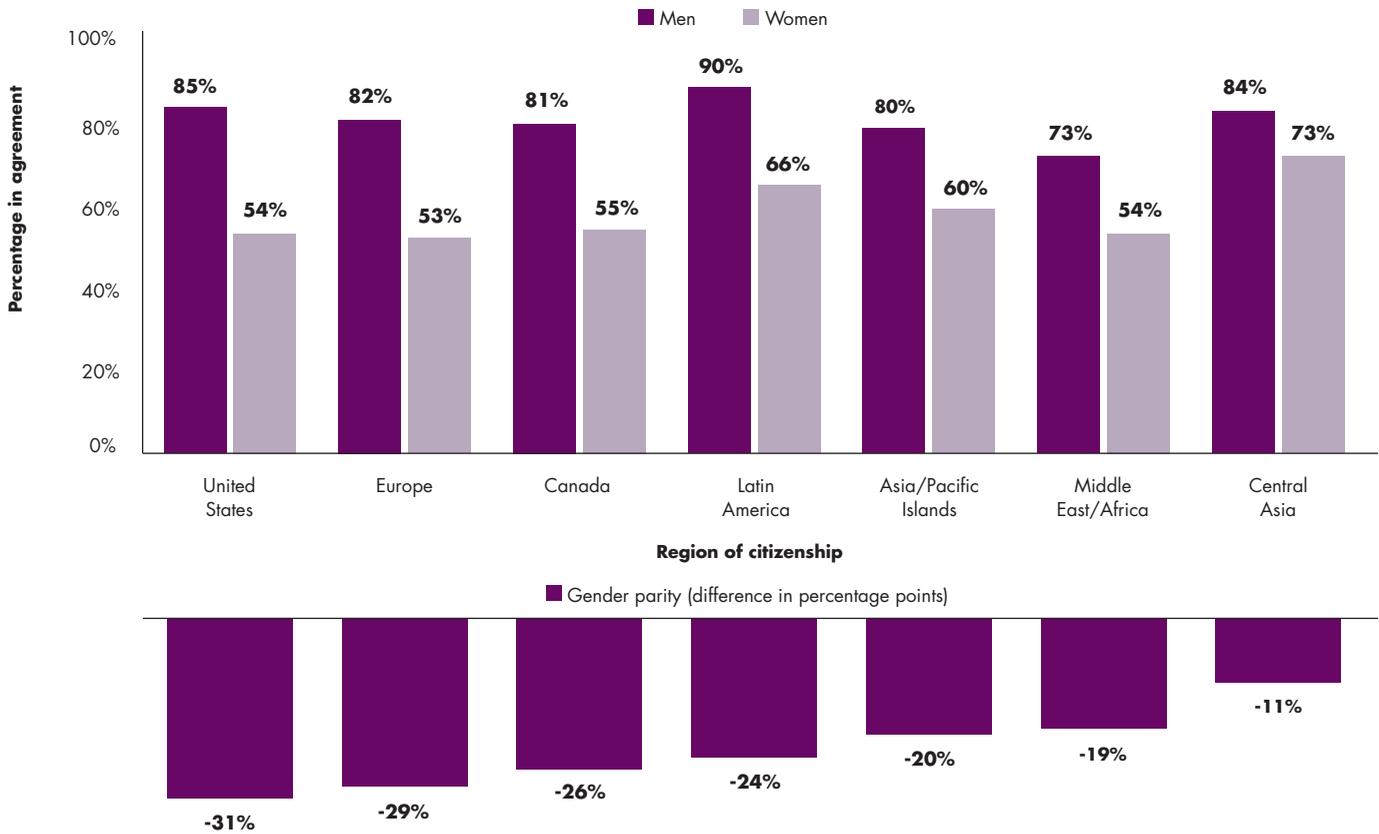


Figure 25.
Views on Gender Equality in the Workplace, by World Region



Based on what they know today, 97 percent of all employed alumni surveyed from 2000 to 2011 (excluding those self-employed), indicated they still would have chosen to pursue a graduate management degree. Only 85 percent of unemployed alumni would have followed the same educational path. These findings are not unexpected, considering the investment made and the personal and professional outcomes achieved since completing their graduate management education.

Value of Degree

The vast majority of alumni rated their graduate management education experience very highly, regardless of current employment status. Overall, 95 percent rated the value of the degree as good, excellent, or outstanding. Ninety-six (96%) percent of alumni with jobs indicated their degree was a good-to-outstanding value compared to 80 percent

of alumni who were not working. In retrospect, alumni who graduated from an executive MBA program rated their decision to pursue their MBA the most favorably (98%), followed by full-time MBA alumni (95%), and part-time MBA alumni (95%).³⁷ Alumni of full-time and executive MBA programs also were more likely to view their degrees as a good-to-outstanding value (96% and 97%, respectively) compared with graduates of any other degree type.³⁸

Demographically, alumni expressed markedly different views about the value of their degree, especially on the basis of gender and citizenship. Men (34%) generally were more likely to assess the value of their education as outstanding, a rate almost twice as high as for women (19%).³⁹ Except for survey respondents in the Middle East and Africa, the same difference in how men and women rated the value of their graduate management education was applicable across world regions.

Career Outcomes

When assessing the value of their management education, alumni looked beyond just employment status and evaluated what they deemed as the most important career outcomes achieved by earning their degree. Increased earning power, career advancement, leadership preparation, expansion of professional networks, and skill development garnered the highest alumni ratings, but varied depending on program type (Table 6).

The career-related outcomes that full-time MBA alumni rated most valuable were increased earning power followed by quicker career advancement. Alumni who graduated from part-time MBA programs rated their degree most highly for the development of qualitative skills and preparing them for the leadership positions within the jobs they currently held. Executive MBA alumni valued their degree most highly for preparing them for leadership positions within their current jobs as well as for helping them to develop and expand their professional networks.

Table 6.
Career Outcomes Rated Outstanding, by Program Type*

Outcome	Program Type			
	Full-Time MBA	Part-Time MBA	Executive MBA	Other Degrees
Increased earning power	38%	21%	29%	24%
Opportunities for quicker career advancement	35%	21%	29%	24%
Development of a professional network	33%	17%	34%	24%
Preparation for leadership positions	32%	23%	37%	25%
Development of qualitative analysis skills	32%	24%	35%	24%
Development of quantitative analysis skills	31%	21%	28%	25%
Improved job satisfaction	30%	15%	26%	19%
Preparation for chosen career	27%	16%	26%	21%
Preparation for managing work/life balance	19%	15%	23%	16%

*Percentage of alumni in each program type rating outcomes as outstanding.

³⁷ $\chi^2 = 31.086$, $df = 9$, $p \leq .05$.
³⁸ $\chi^2 = 123.061$, $df = 12$, $p \leq .05$.
³⁹ $\chi^2 = 94.828$, $df = 4$, $p \leq .05$.

Return on Investment (ROI)

On average, alumni across all program types reported that they recouped one-third of their investment immediately (less than one year) after graduation (Figure 26). After approximately four years, alumni typically recouped 100 percent of their full investment. After 10 years post-graduation, alumni have nearly doubled their return on investment, on average.⁴⁰

These numbers are even more pronounced for full-time MBA alumni than they are for graduates of other program types. Full-time MBAs from all classes combined (2000 to 2011) reported recouping an average of 91 percent of their investment at the time of

this survey compared to 77 percent reported by executive MBA alumni and 73 percent reported by part-time alumni.⁴¹

When asked whether their ROI met or exceeded their expectations, full-time MBA alumni were more likely to respond in the affirmative than alumni of other program types, having recouped the most for their graduate management education investment.

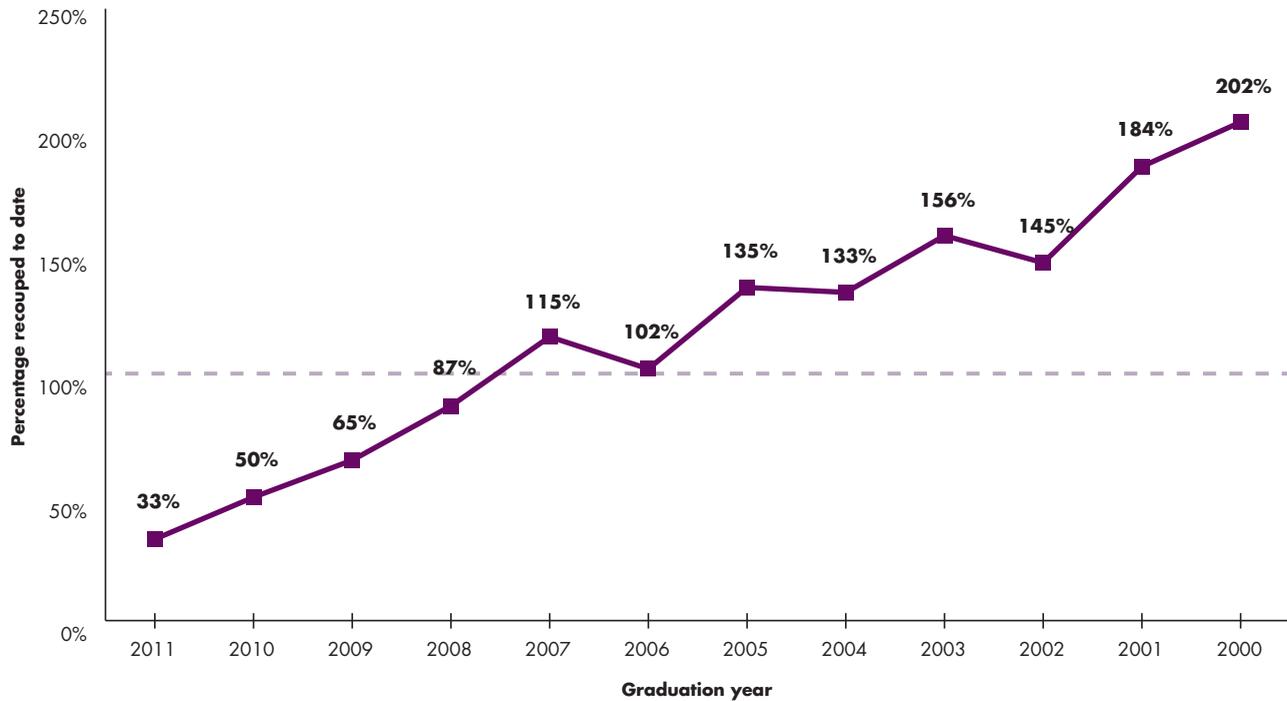
Alumni most likely to have met or exceeded their ROI expectations were senior- or executive-level alumni who graduated prior to 2007 (their ROI percentages were generally above 80 percent). The average ROI for alumni whose return exceeded expectations was

172 percent. Regardless of graduation year, the average ROI of alumni who reported that their ROI expectations had not been met was 23 percent, 10 percent lower than the average ROI for alumni who graduated in 2011.

Career Impact of Degree

Alumni face a myriad of economic, political, and social issues that make securing and retaining employment more difficult than it was in the past. When asked if having a graduate management degree offered stability in a weak economy, employed alumni said it offered greater stability (81%) compared to those who were not employed (53%).⁴²

Figure 26.
ROI, by Graduation Year



⁴⁰ One-way ANOVA with Bonferroni post-hoc analysis, F = 32.687, df = 3813 p ≤ .05.

⁴¹ One-way ANOVA with Bonferroni post-hoc analysis, F = 8.616, df = 3803 p ≤ .05.

⁴² $\chi^2 = 190.890$, df = 8, p ≤ .05.

There were other variations in alumni perceptions of the stability their degrees offered:

- Men felt that their degree offered stability more often than women did.⁴³
- Canadian citizens felt the least stability, while US citizens felt the most stable having a graduate management degree.⁴⁴
- Part-time alumni reported feeling the least stability with their graduate management degree in a still weak economy.⁴⁵
- Alumni working in entry-level jobs were the least likely to indicate their degrees offered economic stability compared with alumni employed in senior- and executive-level positions who felt the most stability.⁴⁶

Rewards of Degree

Alumni chose to pursue their graduate management degrees for a variety of reasons. While financial rewards are most often discussed, perhaps because they are easiest to quantify, alumni also pursued graduate management degrees for personal and professional rewards. Figure 27 shows the average relative importance of these three key drivers as reported by alumni.

On average, alumni attribute the greatest weight to professional rewards, which greatly influenced how they assessed the value of their education.

One alumnus defined career success as the “ability to achieve professional goals without compromising personal goals.” Alumni often referred to professional and career-related accomplishments, along with financial stability, when defining what career success meant to them.

Survey findings showed some variation by world region and program type in the degree to which alumni either somewhat or strongly agreed that their graduate management education was personally, professionally, and financially rewarding (Table 7).

Figure 27.
Key Drivers of Overall Value of Degree (Pratt Index)

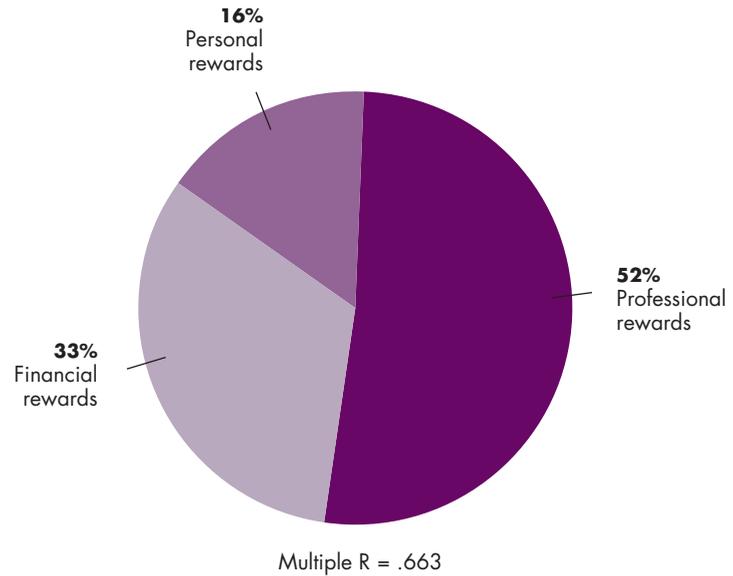


Table 7.
Rewards of Degree, Variation by World Region and Program Type*

World Region	Personally Rewarding	Professionally Rewarding	Financially Rewarding
Middle East/Africa	94%	84%	66%
Europe	95%	89%	66%
Central Asia	92%	88%	79%
Asia/Pacific Islands	91%	87%	63%
Canada	92%	89%	71%
United States	93%	88%	71%
Latin America	98%	91%	73%
Program Type			
Full-time MBA	93%	90%	75%
Part-time MBA	92%	84%	62%
Executive MBA	97%	89%	71%
Other degrees	92%	87%	63%

*Percentage who somewhat or strongly agreed that degree was rewarding personally, professionally, or financially.

⁴³ $\chi^2 = 38.456, df = 4, p \leq .05.$
⁴⁴ $\chi^2 = 57.939, df = 24, p \leq .05.$
⁴⁵ $\chi^2 = 50.664, df = 12, p \leq .05.$
⁴⁶ $\chi^2 = 51.627, df = 12, p \leq .05.$

Personal events happening in someone's life frequently affect how much alumni feel invested in their educational commitment. Alumni were asked about a series of life events that may have affected them at the time they were enrolled in their graduate program (e.g., marriage/civil union, having children, buying a home, etc.). These events were aggregated into a single measure, counting the number of events that alumni could have experienced at the time of their graduation. The more life events they had going on, the more alumni reported being personally invested in their education.⁴⁷ Despite differences in personal ratings based on life events, survey respondents reported no differences in the professional or financial outcomes of their degrees resulting from any personal life events they experienced at the time of graduation.

Alumni Recommendations

Almost all alumni would recommend their graduate management education to others (96%) and recommend the type of program they attended (95%), regardless of any individual differences in outcomes or rewards. Alumni intention to recommend a graduate management education to others was significantly predicated on several outcomes including preparation for one's chosen career (25%), opportunities for quicker career advancement (18%), and increased earning power (17%; Pratt index).

There are also significant correlations between the intent to recommend and the perceived value of one's education.⁴⁸ Alumni tend to place a high value on their education, which relates to the frequent word-of-mouth endorsements they offer about their education and the program they attended.

Alumni varied in their likelihood to recommend their education to others, depending on which program type they attended. Part-time MBA alumni were slightly less likely to recommend a graduate business education to others than were executive MBA, full-time MBA, or other degree recipients.⁴⁹ The career outcomes that alumni realized as a result of earning their degree also had a significant effect on their likelihood to recommend their program type to someone else (Table 8):

- Full-time and part-time MBA alumni who indicated they would recommend their program type to others also were

likely to rate their degree highly for its career and leadership preparation, with full-time MBA alumni also rating their program highly for opportunities it presented for quicker career advancement.

- Executive MBA alumni, the group most likely to be already working in their chosen careers, would recommend their program based on how well it prepared them for leadership positions and helped them to develop quantitative analysis skills, as indicated by the outcomes they rated the highest.

Table 8.
Alumni Likelihood to Recommend Program, by Career Outcomes and Program Type*

Career Outcomes	Program Type		
	Full-Time MBA	Part-Time MBA	Executive MBA
Preparation for chosen career	✓	✓	
Preparation for leadership positions	✓	✓	✓
Development of quantitative analysis skills			✓
Opportunities for quicker career advancement	✓		
Improved job satisfaction		✓	

*Regression analysis used to analyze each program type. Full-time MBA Multiple R = 0.510; part-time MBA Multiple R = 0.460; executive MBA Multiple R = 0.506.

⁴⁷ $\chi^2 = 29.272$, $df = 20$, $p \leq .05$.

⁴⁸Pearson's $r = .496$, $p \leq .05$; Pearson's $r = .475$, $p \leq .05$.

⁴⁹ $\chi^2 = 43.231$, $df = 9$, $p \leq .05$.

The Alumni Perspectives Survey, first launched by GMAC in 2001, is a longitudinal research study of graduate management education alumni who have agreed to let GMAC follow their career progression since graduation. The objectives of the survey, which is conducted every September, are to track and document alumni employment characteristics both for their first jobs after graduation and their current jobs, alumni employment and compensation trends, their job satisfaction, on-the-job expectations, and impact of their degree on their career development.

The survey sample represented in this report includes graduate business school alumni who participated in past Global Management Education Graduate Surveys administered to the 2000 through 2011 classes and who agreed to further follow-up through GMAC alumni studies. This year our research team employed a split-sample methodological condition. They offered half of the sample the choice to answer each question, e.g., allowing respondents to answer the survey questions at will. The second half of the sample (chosen at random) was required to answer every survey question and received a reminder message if they forgot to answer a question or tried to skip past a question. These conditions had no effect on survey completion rate. Researchers are conducting further analyses on item nonresponse.

The results of this survey do not necessarily reflect a statistically representative sample of graduating students. Because of this limitation, the results of this research study should not be used to generalize about the student population, but they can be used as a reflection of the sample frame under consideration. Several clear trends emerge from the data, nonetheless.

This summary report analyzes data collected from the September 2011 Alumni Perspectives Survey. Table 9 shows the response rates by graduation year, program type, world region, gender, and age.

Table 9.
Response Rates for 2011 Survey

N	4,135
Response Rates	13%
Graduation Year	
2000	9%
2001	5%
2002	6%
2003	7%
2004	7%
2005	7%
2006	9%
2007	12%
2008	14%
2009	16%
2010	19%
2011	27%
Program Type	
Full-time MBA	13%
Part-time MBA	12%
Executive MBA	13%
Other degrees	18%
Citizenship	
Middle East/Africa	11%
Europe	14%
Central Asia	13%
Asia/Pacific Islands	8%
Canada	13%
United States	13%
Latin America	11%
Gender	
Men	14%
Women	11%
Current Age	
27 and younger	18%
28 to 34	15%
35 and older	10%

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CONTACT INFORMATION

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

Authorship

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

Laura Leach, Survey Research Manager, Research & Development Department, Graduate Management Admission Council (GMAC).

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Stay on top of the latest trends in graduate business education with our ever-expanding online research database. Here is a sample of the resources you will find along with our annual survey series at

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11921 Freedom Drive, Suite 300
Reston, VA 20190
gmac.com/mba.com

research@gmac.com
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