



# Where Students Are Pursuing Graduate Business School and Why

April 2014

## Introduction

Worldwide, there are more women and more younger students seeking graduate business education, and they're pursuing a wider range of MBA and other master's level degrees closer to home. But precisely who is pursuing business school and why varies considerably by country and region, making for a complex picture of student mobility in graduate management education.

This summary combines the demographic data for nearly 240,000 GMAT® test takers in the 2013 testing year (from July 1, 2012 to June 30, 2013) with mindset and motivational data from aspiring students surveyed in the mba.com Prospective Students Survey, an ongoing study of prospective graduate business students who register on mba.com. With more than 12,000 respondents in 2013, this survey is conducted to identify country- and region-specific trends that illustrate who's coming to business school.

This Data-to-Go brief simply presents key motivational and demographic characteristic variables from these two studies. The variables are selected to foster understanding. This brief does not provide any postulated causes, interpretations, or projections based on the data. See the **Additional Information** section at the end of this document for data notes and related resources.

## Prospective Graduate Business Students and Motivations

Select country/regional examples discussed in this Data-to-Go include:

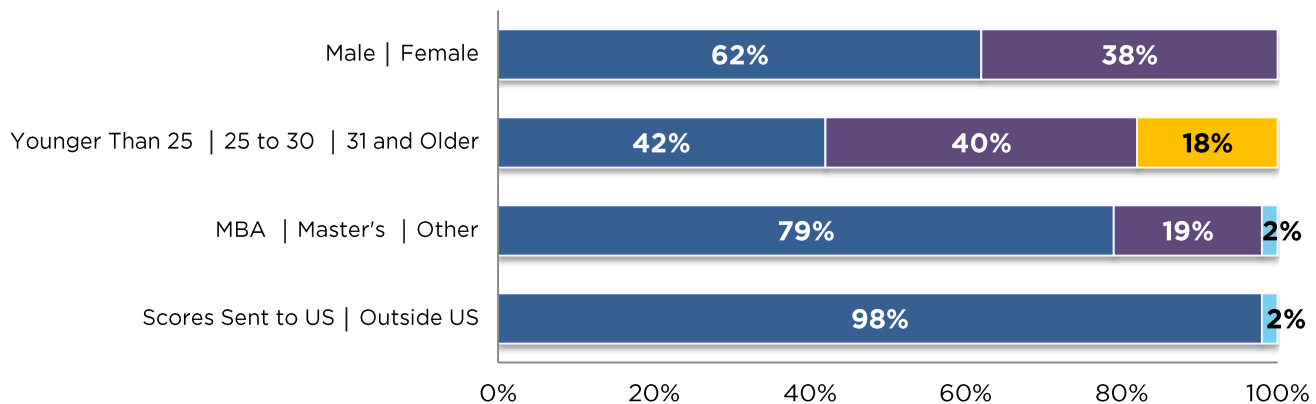
- United States
- Canada
- China
- India
- Africa
- Europe
- Emerging Markets for Students: Saudi Arabia, Vietnam, Mexico and Brazil.

## UNITED STATES

The United States is the biggest market for individuals taking the GMAT exam and the top destination for GMAT scores worldwide. With its colleges attracting a large proportion of international undergraduates, it is not surprising that 21 percent of those sitting for the exam in the US are non-citizens in testing year 2013.

Looking at domestic talent, the demographic characteristics of the 90,541 US citizens taking the GMAT exam in testing year 2013 are fairly stable by gender and educational background (**Figure 1**), with 38 percent of exams taken by US women and 56 percent of exams taken by undergraduate business majors. US citizens sent 79 percent of their GMAT scores to MBA or executive MBA (EMBA) programs in 2013, down from 84 percent five years ago. At the same time, the proportion of scores sent to non-MBA master's programs in business rose from 14 percent in 2009 to 19 percent in 2013. The vast majority of US citizens' GMAT scores (98%) went to US schools in 2013.

Figure 1: GMAT® Exams Taken by US Citizens, TY 2013



Among US citizens who responded to the mba.com Prospective Students Survey, three-fourths want to pursue business school to increase job opportunities and salary potential, and two-thirds want to increase their general business knowledge and accelerate their careers. Finance and accounting, products and services, and consulting are top intended industries of employment, with nearly half of prospects pursuing a business degree to change job functions.

Survey data for US citizens considering graduate management education show:

- **Top intended industries (out of eight):** Products and services (30%), finance and accounting (30%), and consulting (24%).
- **Top motivations (out of 26):** Increase job opportunities (77%), increase salary potential (76%), increase business knowledge and accelerate career (both 68%).
- **Top career outcomes (out of six):** Change job functions (47%), change industries (36%), and continue with current employer (32%).

Source: GMAC (2014) mba.com Prospective Students Survey, data for US citizens (4,077 respondents) collected January–December 2013. Respondents could make multiple selections for each item, so totals do not sum to 100 percent.

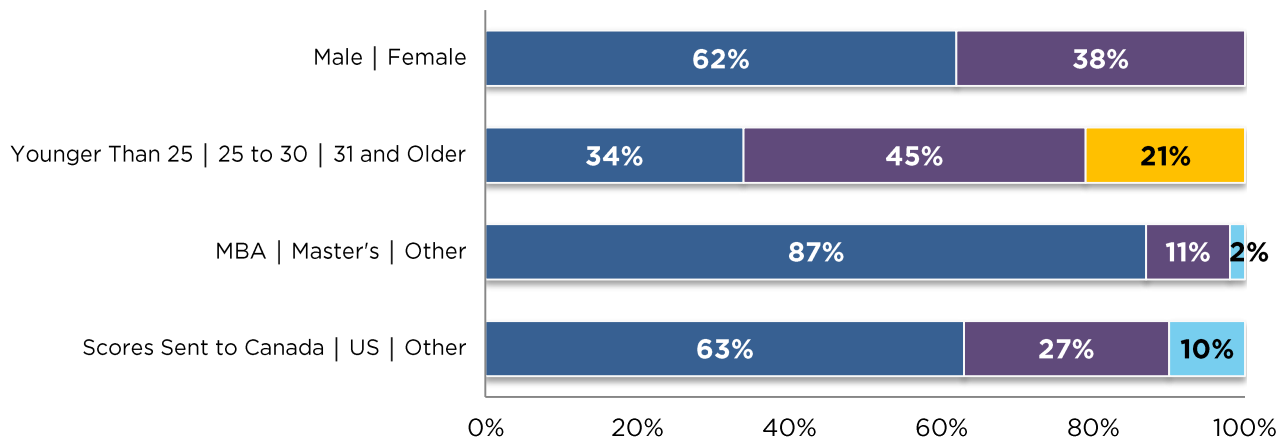
## CANADA

Canada is the fourth largest GMAT testing marketplace in the world (after the United States, China, and India). With its welcoming visa policies for students and skilled workers, Canada had an even higher proportion of non-citizen residents (29%) sitting for the GMAT exam than the United States (21%) in testing year 2013.

Canada is a global talent destination for graduate business programs, as well. In fact, 63 percent of GMAT scores sent to Canadian programs in 2013 came from international candidates. The leading sources of foreign talent remain China (23% of scores Canadian programs received) and India (18%), and the next largest and growing sources of international talent for GMAT accepting Canadian programs are citizens of Nigeria and Iran (2% each) in 2013.

Among survey responses from Canadian citizens considering graduate management education, workers in a variety of industries appear to seek an MBA to accelerate (62%) or switch careers (52%). Unlike other parts of the world observing greater proportions of GMAT exams taken by younger talent and those pursuing non-MBA programs, a full 45 percent of Canadian citizens who took the GMAT exam in 2013 are between the ages of 25 and 30, and they sent 87 percent of their scores to MBA or EMBA programs (Figure 2). Over the past five years, the percentage of Canadian citizens sitting for the GMAT exam who have undergraduate business major backgrounds has increased from 39 percent in 2009 to 41 percent in 2013.

Figure 2: GMAT® Exams Taken by Canadian Citizens, TY 2013



About a third of Canadian citizens responding to the mba.com Prospective Students Survey in 2013 want their degree to help them change industries, and about half intend to change job functions. Top reasons for wanting to pursue a graduate business degree for Canadian citizens include increasing salary and job opportunities, increasing business knowledge, and accelerating career.

Survey data for Canadian citizens considering graduate management education show:

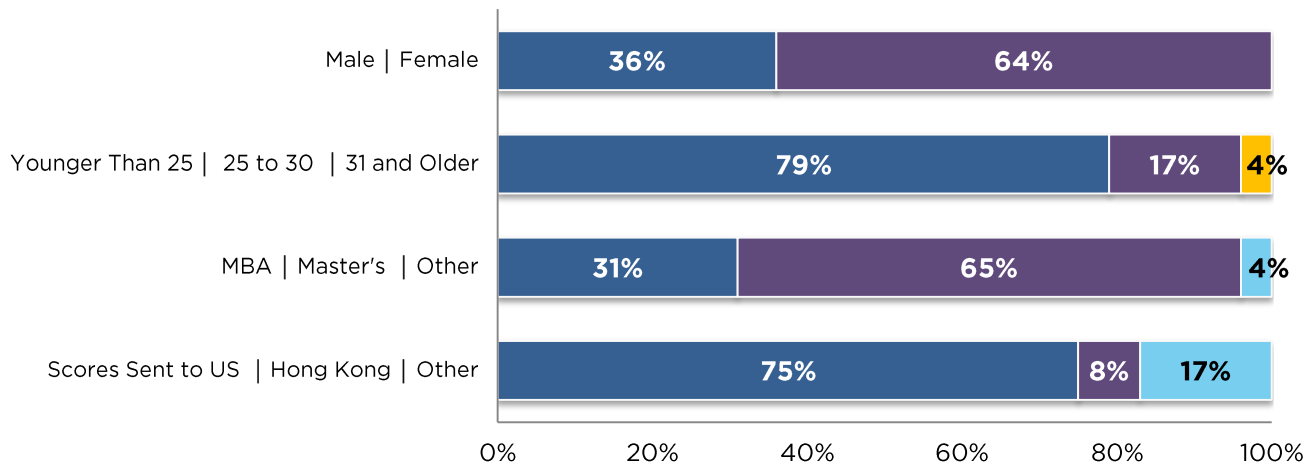
- **Top intended industries (out of eight):** Products and services (35%), consulting (30%), finance and accounting (28%).
- **Top motivations (out of 26):** Increase job opportunities (72%), increase salary potential (70%), increase business knowledge (68%).
- **Top career outcomes (out of six):** Change job functions (51%), change industries (34%), continue with current employer (25%), be self-employed/entrepreneur (24%).

Source: GMAC (2014) mba.com Prospective Students Survey, data for Canadian citizens (351 respondents) collected January–December 2013. Respondents could make multiple selections for each item, so totals do not sum to 100 percent.

## CHINA

Young Chinese women aiming to pursue non-MBA Master of Finance or Master of Accounting degrees in the US are fueling a surge in GMAT test taking among Chinese citizens, which has seen an average annual growth rate of 22 percent over the past five years. Almost all the growth is coming from test takers younger than 25, who now account for 79 percent of all GMAT tests taken by Chinese citizens (up from 63% seen five years ago). Globally, China is the second-largest source country for women aiming to pursue business school (after the US). Out of 53,005 GMAT exams taken by Chinese citizens in 2013, 64 percent were taken by women (Figure 3). In the same testing year, Chinese citizens sent three-quarters of their scores to the US, mostly to Master of Finance or Master of Accounting programs.

Figure 3: GMAT® Exams Taken by Chinese Citizens, TY 2013



### Who Are These Chinese Women, and What Are They Looking For?

Among Chinese women intending to pursue Master of Finance or Accounting degrees in the US, the mba.com Prospective Students Survey finds that about 6 out of 10 cite wanting to develop their general business skills and increase their job opportunities as motivations to pursue graduate management education.

Survey data for Chinese women considering Master of Finance or Master of Accounting programs in the US show:

- **Top undergraduate majors:** Finance (35%), accounting (34%), economics (17%), management (11%), international business (10%), business administration (9%).
- **Top motivations (out of 26):** Increase job opportunities (67%), develop business skills (57%), increase salary and increase chances for international career (both 56%).
- **Top reasons (out of 17) why they prefer to study in the US:** Reputation of educational system (76%), better preparation for career (69%), improve chances for international career (51%).

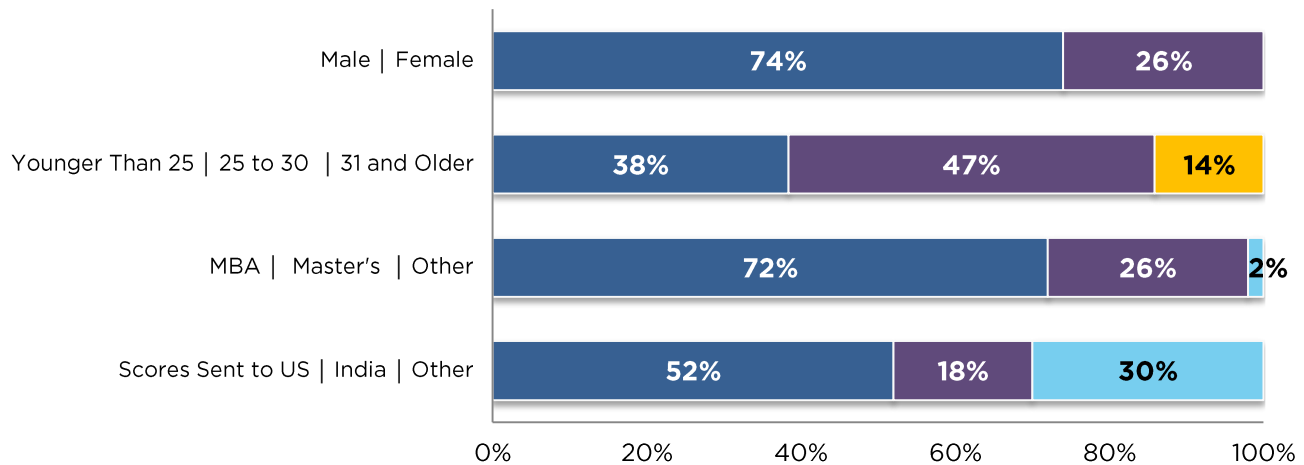
Source: GMAC (2014) mba.com Prospective Students Survey, data for Chinese citizens (1,801 respondents) filtered by gender and intended program type collected January–December 2013. Respondents could make multiple selections for each item, so totals do not sum to 100 percent.

## INDIA

Among Indian citizens, adding an MBA to an undergraduate engineering degree remains an attractive option, particularly for men who aim to become entrepreneurs, have international careers, or change career paths. The majority (63%) of Indian citizens taking the GMAT exam in testing year 2013 studied engineering, computer science, or information technology as undergraduates, nearly three-quarters are men, and nearly half are in the 25-to-30 age range. In addition, 72 percent of GMAT scores sent by Indian citizens went to MBA or EMBA programs in 2013 (Figure 4).

As more graduate management programs across Asia-Pacific accept the GMAT exam in their admissions process, a higher percentage of GMAT scores are sent by Indian citizens to Indian schools (18% in 2013, up from 16% in 2009) and other regional programs, such as Singapore (8% of Indian scores in 2013, up from 6% in 2009).

Figure 4: GMAT® Exams Taken by Indian Citizens, TY 2013



Among all Indian residents who responded to the mba.com Prospective Students Survey, top motivations to pursue business school include the desire to develop leadership, managerial, and general business skills; as well as to accelerate one's career. A significant motivation among women in India for pursuing business school is to help make bigger difference in their field of interest, cited by nearly half (46%) of women in India, compared with only 39 percent of men.

Survey data for Indian male citizens considering graduate management education show:

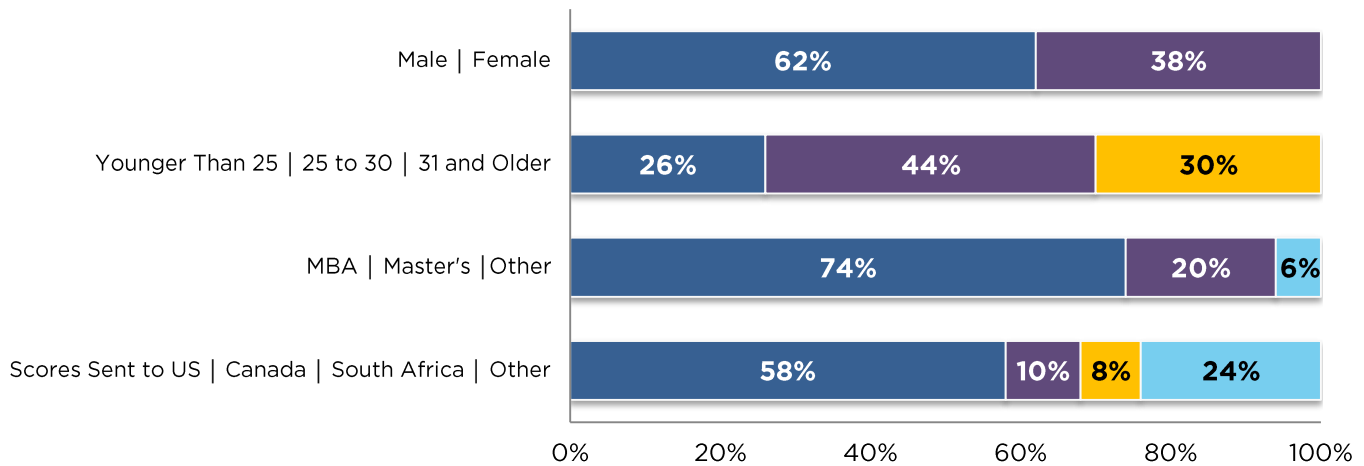
- **Top undergraduate majors:** Engineering (58%), computer science (17%), information technology (10%).
- **Top reasons (out of 17) cited by Indian citizens who prefer to study in the US:** Reputation of the educational system (78%), improve chances for an international career (71%), develop an international network of peers (62%).
- **Top reasons (out of 17) cited by Indian citizens who prefer to study in India:** Reputation of the educational system (64%), affordability of tuition and fees (54%), availability of financial aid (48%), and access to jobs in India (46%).

Source: GMAC (2014) mba.com Prospective Students Survey, data for Indian citizens (2,024 respondents) and residents (1,839 respondents) collected January–December 2013. Respondents could make multiple selections for each item, so totals do not sum to 100 percent.

## AFRICA

Among African citizens, graduate business school is an increasingly attractive option for aspiring entrepreneurs. GMAT test taking has held relatively steady across Africa, with women comprising a slightly higher percentage of exams, 38 percent in testing year 2013 (up from 36% in 2009), and undergraduate business majors representing slightly more than half of all test takers in 2013. The US remains the top GMAT score-sending destination, receiving 58 percent of African citizen GMAT scores in 2013 (Figure 5). Gaining market share as attractive study destinations in African citizen score sending are Canada (10% of African citizens' scores in 2013, up from 6% in 2009), and South Africa (8% of African citizens' scores in 2013, up from 7% in 2009).

Figure 5: GMAT® Exams Taken by African Citizens, TY 2013



More than half African citizens responding to the mba.com Prospective Students Survey want to pursue self-employment/entrepreneurial careers after business school, with around 7 out of 10 seeking general business, managerial, and leadership skills from their programs.

Survey data for African citizens considering graduate management education show:

- **Top career outcomes (out of six):** Become an entrepreneur (52%), work outside my country of citizenship (47%), change job functions (38%), change industries (35%).
- **Top motivations (out of 26) of aspiring African entrepreneurs:** Develop business skills (70%), develop managerial skills (69%), develop leadership skills (67%), increase entrepreneurial opportunities (66%), more challenging and interesting work (60%).
- **Top undergraduate majors of aspiring African entrepreneurs:** Accounting (28%), economics (18%), finance (16%), management (16%), business administration (15%).

Source: GMAC (2014) mba.com Prospective Students Survey, data for citizens of African countries (625 respondents) collected January–December 2013. Respondents could make multiple selections for each item, so totals do not sum to 100 percent.

## EUROPE

In Europe, an increasing share of GMAT exams are taken by younger students with undergraduate business degrees. Europeans sent a majority of their GMAT scores to specialized business master's programs, surpassing the share sent to MBA programs for the first time in testing year 2013. In addition, these prospects are increasingly focused on studying at programs located within Europe.

Dramatic demographic differences are seen between GMAT test takers in Eastern and Western Europe. More than half of Eastern European citizens who sit for the GMAT exam are women, and about half are younger than 25, and slightly more than half of their GMAT scores go to either MBA or EMBA programs (Figure 6). But among Western Europeans, two-thirds of GMAT exams are taken by men, and 57 percent are taken by those under 25. In addition, 46 percent of Western European GMAT scores go to MBA or EMBA programs (Figure 7).

Figure 6: GMAT® Exams Taken by Eastern European Citizens, TY 2013

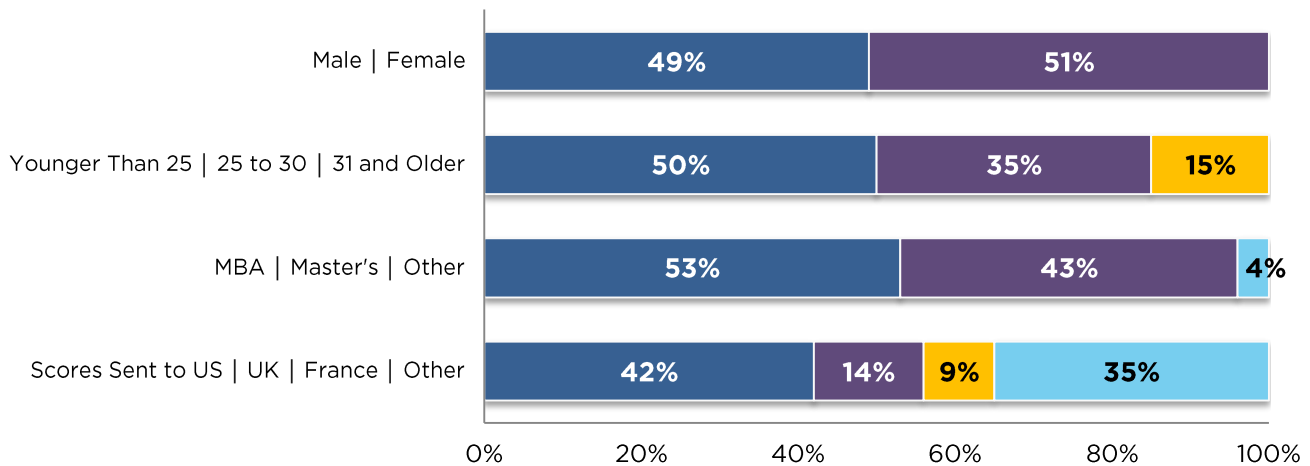
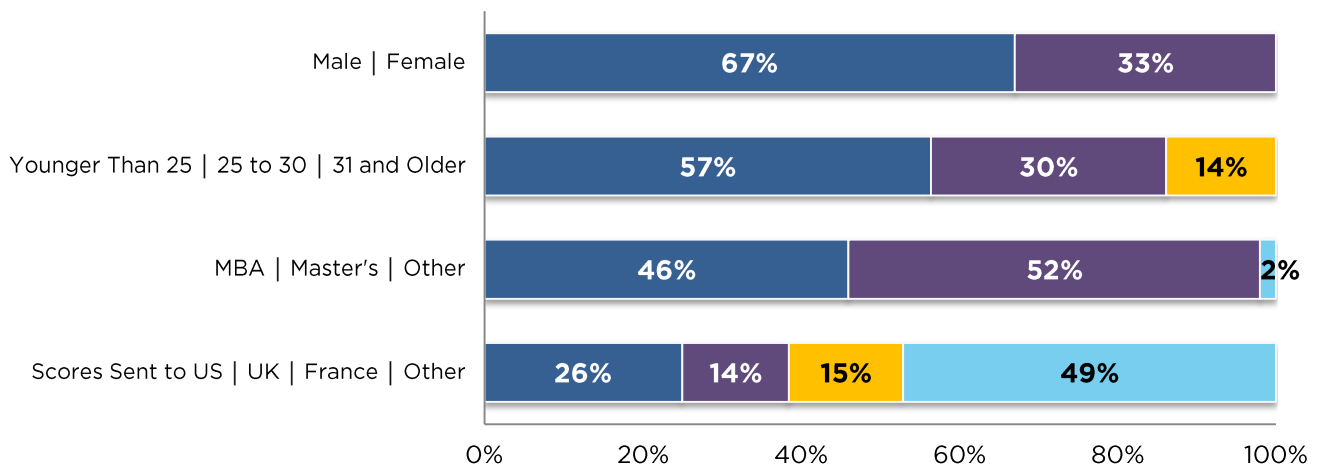


Figure 7: GMAT® Exams Taken by Western European Citizens, TY 2013



Although their GMAT test taking patterns differ, Western and Eastern Europeans share similar motivations (out of 26 options provided) for pursuing graduate management study, as reported in the mba.com Prospective Students Survey. Top motivations among Europeans include: Develop business skills (65% for Eastern Europeans, 64% for Western Europeans) and increase job opportunities (63% for Western Europeans, 62% for Eastern Europeans). Yet, there are also some distinctions among talent in Europe.

Survey data for European citizens considering graduate management education show:

**Motivational differences**

- Make a difference in field of interest: Western Europeans (31%), Eastern Europeans (19%)
- Remain competitive/marketable: Western Europeans (36%), Eastern Europeans (45%)

### Differences in desired career outcomes

- Work Outside Country of Citizenship: Western Europeans (49%), Eastern Europeans (63%)
- Change Job Functions: Western Europeans (39%), Eastern Europeans (35%)

### Differences in undergraduate majors

- Economics: Western Europeans (17%), Eastern Europeans (33%)
- Business Administration: Western Europeans (22%), Eastern Europeans (15%)
- Finance: Western Europeans (14%), Eastern Europeans (19%)

Source: GMAC (2014) mba.com Prospective Students Survey, data for citizens of countries in Eastern (474 respondents) and Western Europe (1,112 respondents) collected January–December 2013. Respondents could make multiple selections for each item, so totals do not sum to 100 percent.

## Emerging Markets for Students

**Saudi Arabia** is a new international source of student applicants for many schools around the world, fueled in part by the King Abdullah Scholarship Program (KASP) that provides full-tuition scholarships to Saudi Arabian citizens to pursue bachelor, master, or doctorate studies. GMAT test taking has doubled among Saudi Arabian citizens over the past five years, increasing from 1,199 exams in 2009 to 2,375 exams in 2013. Among GMAT exams taken by citizens of Saudi Arabia in 2013, 73 percent were taken by men, 72 percent were taken by undergraduate business majors, and 66 percent of their scores went to MBA or EMBA programs. The vast majority (91%) of GMAT scores sent by Saudi Arabian citizens in 2013 went to the US.

**Vietnam** is a young, emerging market for graduate management education, with a five-year average annual growth rate of 8 percent in GMAT volume (982 exams in 2009 to 1,310 exams in 2013). Among tests taken by Vietnamese citizens in 2013, 62 percent were taken by those under 25, and 61 percent were taken by women. Seventy-seven percent of GMAT scores sent by Vietnamese citizens went to the US; just 54 percent went to MBA or EMBA programs.

**Mexico** saw GMAT volumes dip over the past five years, as 1,493 exams were taken in testing year 2013, compared with 2,099 in 2009. Nevertheless, the proportion of GMAT exams taken by female citizens hit 33 percent in 2013, the first year the share of women examinees surpassed 30 percent. Survey data for Mexican citizens, as reported in the mba.com Prospective Students Survey, show top motivations (out of 26) for graduate business school candidates are: Develop general business skills (61%), leadership skills (60%), and job opportunities (57%). In addition, half of Mexican prospects surveyed cite entrepreneurship/self-employment as a desired career outcome after business school.

**Brazil** remains a predominately MBA-focused market. Of the 1,613 exams taken by Brazilian citizens in 2013, 57 percent were by candidates in the 25-to-30 age range, more than half (52%) from undergraduate business majors, and 31 percent are women. In addition, 88 percent of Brazilians' GMAT scores went to MBA or EMBA programs in testing year 2013. Survey data for Brazilian citizens, as reported in the mba.com Prospective Students Survey, show their top motivations include: Develop general business skills (67%), as well as develop managerial skills, increase job opportunities, and networking opportunities, (59% each).

Source: GMAC (2014) mba.com Prospective Students Survey, data for citizens of Mexico (76 respondents) and Brazil (109 respondents) collected January–December 2013, respondents could make multiple selections for each item, so totals do not sum to 100 percent.



## Additional information

More information and the latest data for the countries/topics in this brief can be found in several GMAC resources including the following (login may be required):

- 2014 mba.com Prospective Students Survey Report  
[gmac.com/ProspectiveStudents](http://gmac.com/ProspectiveStudents)
- Geographic Trend Reports for GMAT® Examinees, TY2009—TY2013  
[gmac.com/GeographicTrends](http://gmac.com/GeographicTrends)
- Profile of Graduate Management Admission Test® Candidates, 2009–2013  
[gmac.com/Profile](http://gmac.com/Profile)

## Data Notes

Data shown in charts may not sum to 100 percent due to rounding. GMAT testing years (TY) run from July 1 to June 30, mirroring many academic calendars. GMAT test-taking and score-sending volume from TY 2012 and TY 2013 were affected by the addition of the Integrated Reasoning section in June 2012, creating elevated patterns in TY 2012 and lower volumes in TY 2013 as examinees opted for a familiar test before the launch of the IR section. Every month, GMAC surveys thousands of individuals located around the globe who register on mba.com—the portal to the Graduate Management Admission Test® (GMAT®) exam and information source for prospective students interested in pursuing a graduate management degree. The 2014 mba.com Prospective Students Survey Report explores the motivations, behaviors, program choices, and intended career outcomes shared by more than 12,000 individuals who registered on mba.com from October 2012 through September 2013 and responded to a survey conducted between January and December 2013.

## Authorship

The concept and interpretation of the information made available in this brief were led by Tracey Briggs, Media Relations Director, Corporate Communications at GMAC. Support in data accuracy, design/review, and intellectual content were provided by individuals in the GMAC Research and Development Department, with contributions from: Paula Bruggeman, Alex Chisholm, Gregg Schoenfeld, Michelle Sparkman Renz, and David Svancer.

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