



## Jobs Trends Outlook for India 2012

### Introduction

This summary report features recruitment and hiring trends and employment prospects for graduate business and management students in India and briefly spotlights trends in the Indian student pipeline for graduate management education. Findings in this Data-To-Go are derived from several sources of information, including:

- Responses from **29 employers in India** who participated in the GMAC 2012 *Corporate Recruiters Survey*. These employers represent a fraction of the 1,096 employers from more than 800 companies in 40 countries that participated in the survey.
- Responses from **334 graduates at 11 business schools in India** who participated in the GMAC 2012 *Global Management Education Graduate Survey*. A total of 5,366 business school graduates from the class of 2012 responded to this student exit survey facilitated by 136 schools worldwide.
- A total of **18,310 GMAT examinees** residing in India, and 17,638 score reports sent to schools in India by all examinees worldwide in testing year 2011.

Neither the employer nor student respondents from India are representative of all hiring companies or graduating business students in India. This report includes data and findings from various GMAC data sources including GMAT exam volumes, geographic trend reports, and survey reports. Please use caution when comparing or combining data cited above, as this information is subject to source sampling variability and differences across testing, regional groupings, survey years, or data collection methodology.

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### MBA Hiring Trends in India

- Demand for new MBA hires and other business master's degree holders by Indian companies in 2012 is on par with demand reported last year
- The majority of Indian companies have set performance and productivity improvement as their 2012 organizational goals.
- On-campus recruitment is the top method Indian companies use to hire recent business school graduates.

### Jobs Report for Indian B-School Grads

- The top three industries where graduating Indian students searched for jobs in 2012 were: consulting (76%), high tech (44%), and finance/accounting (33%).

- The most popular and effective job search methods for class of 2012 graduates in India were school career services and on-campus resources.
- 90% of class of 2012 business school graduates in India reported they had a job offer at the time of graduation.
- Indian b-school graduates in 2012 reported large percentage gains in post-degree earnings compared to pre-degree salaries.

### Demand for GME in India

- Indian residents represent the third largest group of GMAT examinees in the b-school pipeline, after the United States and China, and 27 percent of all Asian residents who sat for the GMAT exam in TY 2011.

## MBA Hiring Trends in India

- **In India:** Employer demand for new MBA hires in 2012 (88% of companies planning to hire) exceeds both the global average (79% companies) for MBA hiring and the Asia-Pacific regional average (80% companies). The percentage of Indian employers planning to hire MBAs in 2012 is on par with the 89 percent of Indian employers that reported hiring MBAs in 2011 (Table 1).
- **Regional MBA Hiring:** Demand for MBAs among Indian firms is higher when compared with employers in China (86% of companies), US (79% of companies), and Europe (67% of companies) that expect to hire recent 2012 MBA graduates.
- In the **Asia-Pacific region** as a whole, 80 percent of employers reported plans to hire MBAs in 2012, which represents a 9 percent increase over the number of companies that hired MBA graduates in 2011.
- **Global employer demand** for new MBA hires is up in 2012. More companies worldwide plan to hire recent MBA graduates in 2012 (79% of companies worldwide, up from 72% of companies that hired MBA graduates in 2011).

Candidate Type	Indian Employers (n = 29)		All Respondents (n = 1,096)	
	Actual Hires, 2011	Projected Hires, 2012	Actual Hires, 2011	Projected Hires, 2012
MBA	89%	88%	72%	79%
Master in Management	34%	43%	35%	41%
Master of Accounting	21%	43%	29%	35%
Other business master's	50%	64%	43%	47%
Nonbusiness master's	52%	64%	47%	52%
Bachelor's	74%	76%	76%	77%
Experienced industry hires	88%	88%	79%	82%

Source: GMAC® Corporate Recruiters Survey, 2012.

### Indian Employers Focus on Performance Improvement/New Products

In terms of organizational goals for 2012, more than two-thirds (69%) of Indian employers expect to focus on improving their performance and productivity, and nearly half will focus also on new product launches, and customer and geographic expansion (Table 2).

<b>Table 2. Employer Organizational Goals, 2012, Indian Employers</b>	
<b>Organizational Goals</b>	<b>Percentage of Indian Employers</b>
Improve performance/productivity	69%
Launch new product(s)/services	48%
Expand customer base	48%
Expand geographically	45%
Improve customer service	41%
Reduce costs	41%
Diversify the organization	38%
Overcome economic challenges	24%
Complete or integrate a merger	10%
Source: GMAC® Corporate Recruiters Survey, 2012.	

### Indian Employers Recruitment Strategies

On-campus visits with graduating students top the list of recruitment methods Indian employers use when seeking new graduate business hires: Nearly three-quarters (72%) of Indian companies expected to recruit candidates on-campus in 2012. Employee referrals (69%) are the second most popular recruitment method Indian companies employ, followed by hiring of former and current interns (48%), use of online job search tools (48%), and company websites (45%). The top three recruitment strategies of Indian companies are similar to the top recruitment methods used by companies worldwide (Table 3). Where they differ noticeably is in the use of executive recruitment agencies (41% vs. 27% worldwide), company websites (45% vs. 65% worldwide), networking events (21% vs. 39%), and career fairs (17% vs. 50% worldwide).

(Source: GMAC, 2012, Corporate Recruiters Survey.)

<b>Table 3. Employer Recruitment Strategies, 2012, by Percentage of Respondents</b>		
<b>Recruitment Strategy</b>	<b>% of Indian Companies (n = 29)</b>	<b>% of All Respondents (n = 1,096)</b>
On-campus recruitment of graduate business students	72%	65%
Employee referrals	69%	71%
Current and former interns	48%	62%
Online job search engines/job boards	48%	55%
Company website	45%	65%
Recruitment agencies/executive recruiters	41%	27%
Social media	24%	32%
Professional associations	21%	25%
Networking events	21%	39%
Organize or participate in career fairs	17%	50%
Job announcements in print media	10%	15%
Source: GMAC, Corporate Recruiters Survey, 2012.		

## Regional Salary Expectations for MBA Graduates

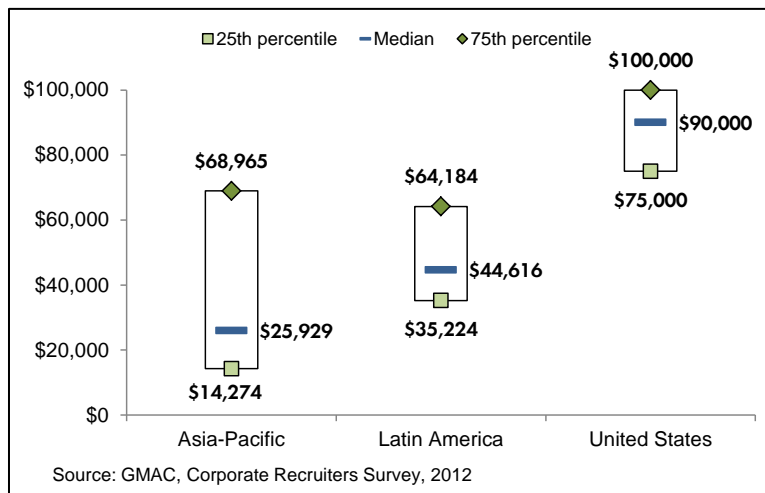
Specific salary data from Indian employers is not available due to varying response rates for each salary-related question in the GMAC 2012 Corporate Recruiters Survey.

Worldwide, companies are keeping salaries for MBA graduates at a premium compared with bachelor's degree hires. In the United States, for example, this means the salary premium for new MBA hires (who expect to earn a median of \$90,000) is consistently \$40,000 higher than the salary increase afforded to recent bachelor's graduates.

The salary range that employers in the entire Asia-Pacific region expect to offer 2012 business school graduates varies considerably, with a median \$25,929 USD (Figure 1). This is primarily due to salary disparities in various countries in the region as reported by employers in Australia, China, India, Indonesia, Japan, Philippines, and Sri Lanka, for example.

(Source: GMAC, 2012, Corporate Recruiters Survey.)

**Figure 1. Median Starting Salaries for New MBA Hires, 2012, by World Region\***



\*Salary data for European companies not shown due to insufficient survey responses.

## Regional MBA Starting Salaries

Although median MBA starting salaries in the Asia-Pacific region are lower than those in the United States, companies in the Asia-Pacific region indicated MBA starting salaries would be increasing for 2012. Nearly a quarter (23%) of Asia-Pacific employers that responded to the Corporate Recruiters Survey plan to raise their MBA hire starting salaries above the rate of inflation, and another third (33%) plan to increase salaries at the rate of inflation.

## Positions for Hire in Asian Region

Specific data on positions that Indian companies expected to fill with recent MBA and business master's hires was not available in the 2012 Corporate Recruiters Survey due to insufficient responses. Across the Asia-Pacific region, however, MBA graduates in 2012 were expected to be in high demand. More than half (54%) of Asia-Pacific companies that responded to the survey planned to hire MBAs for positions in marketing and sales and business development. Need is also high to fill general management (41%), operations and logistics (39%), and consulting (39%) positions.

Nearly one third (32%) of Asian companies also planned to hire MBA graduates for human resources and organizational management jobs.

## Jobs Report for Indian B-School Grads, 2012

Students graduating from schools in India relied primarily on school-related resources such as career services offices and school job boards—and had their greatest success rate with these two methods, 76% and 65% respectively (Table 4).

<b>Table 4. Job Search Methods Used by Indian Students &amp; Success Rate, 2012</b>			
<b>Search Method</b>	<b>% Indian Students Using Search Method*</b>	<b>% Indian Students with Job Offer</b>	<b>Search Method Success Rate for Indian Students**</b>
School career services	59%	45%	76%
School job boards on-campus & online	43%	28%	65%
Job fairs	5%	2%	40%
Used a career coach	5%	2%	40%
Networked at professional meetings	8%	3%	38%
Internship/work project	30%	10%	33%
Applied directly to companies	30%	9%	30%
Newspaper ads in-print/online	7%	2%	29%
Used headhunters/search firms	17%	4%	24%
Networked with classmates/alumni	36%	8%	22%
Networked with friends/family	28%	5%	18%
Online job search sites	22%	3%	14%
Social media	34%	4%	12%

\*Percentages may not add to 100 due to multiple selections.  
 \*\*Success rate was calculated by dividing the percentage of method used by the percentage of job offers received.  
 Source: GMAC, Global Management Education *Graduate Survey*, 2012.

Job search methods that business school graduates used varied considerably around the globe:

- Among graduates surveyed worldwide, internships topped the list of most successful job search methods (70%), followed by school career services (53%), school job boards (43%), and job fairs (34%).
- Worldwide, the most popular student job search methods were direct application to companies (63%), social media (58%), and networking with family and friends (56%), which Indian students used only one-third of the time or less.

## Industries Searched

Table 5 shows country/regional variations in top industries where recent b-school graduates conducted job searches. Indian schools had the highest percentage of students pursuing jobs in the consulting field (76%) in comparison to other world regions, as well as the greatest proportion of graduates pursuing jobs in the high technology industry (44%).

Other industries that class of 2012 graduates of Indian business schools searched for jobs include the following, in order of preference:

- Finance/accounting (33%)
- Products and services (33%)
- Energy (11%)
- Manufacturing (10%)
- Health care/pharmaceuticals (6%)
- Nonprofit/government (6%)

Worldwide, among all class of 2012 graduates who responded to the Global Graduates survey, the three most popular industries where students conducted their job search were: products and services, consulting, and finance/accounting.

<b>India (% respondents)</b>	<b>United States (% respondents)</b>	<b>China (% respondents)</b>	<b>Europe (% respondents)</b>
Consulting 76%	Consulting (51%)	Products & services (25%)	Consulting (65%)
High technology (44%)	Finance/accounting (46%)	Manufacturing (22%)	Products & services (44%)
Finance/accounting (33%)	Products & services (45%)	High technology (18%)	Finance/accounting (38%)

\* Responses add to more than 100% due to multiple selections.  
<sup>†</sup> Data is for class of 2012 respondents by school location, irrespective of citizenship.  
 Source: GMAC, Global Management Education Graduate Survey, 2012.

### World Regions Targeted for Job Search

The vast majority (99%) of class of 2012 Indian business school graduates targeted companies in Asia for their job search. Twelve percent searched for jobs in the United States, 8 percent sought employment in Western Europe, and 6 percent targeted Middle Eastern companies for employment. (Source: GMAC, 2012, Global Management Education Graduate Survey.)

### Student Job Search Success in 2012

Global data from graduating b-school students show that success in the job search was easier in 2012 than 2011. Overall, 62 percent of job seekers in the class of 2012 had received or accepted an offer of employment at the time of the Global Graduates survey, representing an 8 percent increase over job offers received by the class of 2011. Table 6 shows the typical job search experience for Indian students and all class of 2012 graduates, compared to class of 2011 graduates in terms of average number of resume submitted, job interviews, and job offers.

Table 6. Average # of Resumes, Interviews, Job Offers, India Graduates & All Class of 2012 vs. Class of 2011			
Number (average)	Indian Graduates Class of 2012	All Class of 2012 Graduates	All Class of 2011 Graduates
Resumes submitted	9.9	9.0	16
Interviews	4.4	4.0	6
Job offers received	1.5	2.0	2

Source: GMAC, 2012, Global Management Education Graduate Survey.

### Regional Job Outcomes, by Citizenship and School Location

Success in securing a job offer upon graduation varied depending on where students chose to attend business school.

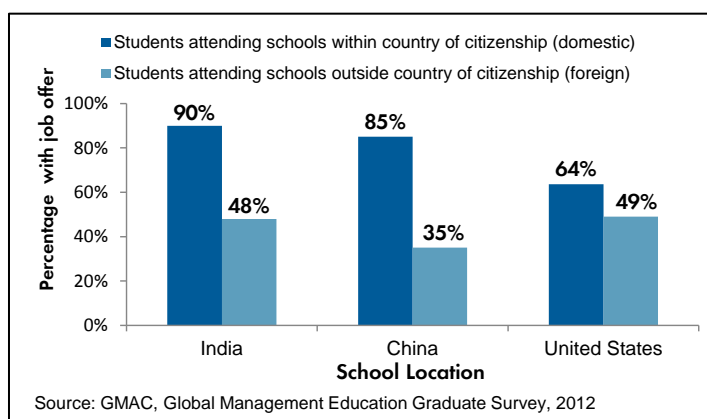
- **90 percent of Indian management students** attending school domestically reported they had job offers at the time of the 2012 Global Graduates survey, the highest employment level among the groups shown.
- Two-thirds (68%) of all survey respondents seeking employment while attending school with their country of citizenship (domestically) received or accepted an employment offer, in contrast to the 50 percent of foreign students (attending school outside their country of citizenship).

Figure 2 below shows regional variations in job offer rates between students who attended business schools in their country of citizenship (domestic) and those who attended school outside their country of citizenship (foreign).<sup>1</sup>

Across all world regions and program types, the following graduating MBA and management students seeking employment had received or accepted a job offer in 2012 at the time of the Global Graduates survey:

- 63 percent of US citizens
- 60 percent of European citizens
- 43 percent of Chinese citizens

**Figure 2. Percentage of Job Seekers With Job Offer, by Citizenship & School Location**



<sup>1</sup> In the regional analysis discussed, foreign and domestic are country-specific terms. For example, a citizen of India attending a school in the United States would be considered a foreign student.

## Post-Degree Earnings for Indian MBA Graduates (Class of 2012)

Graduates from full-time two-year MBA programs in India with job offers reported salary increases of more than 200 percent from their pre-degree earnings, notably higher than the 81 percent salary increase expected in 2012 for all full-time two-year MBA graduates worldwide.

Here's how expected increases in post-degree earnings for MBA graduates with job offers in 2012 compared regionally:

- MBA graduates of Indian schools: +213% increase
- MBA graduates of Chinese schools: +71%
- MBA graduates of US schools: +75%
- MBA graduates of European schools: +65%

(Source: GMAC, 2012, Global Management Education Graduate Survey.)

## Demographic Profile of Indian Graduates, Class of 2012

Table 7 presents a profile of class of 2012 graduates of Indian business schools including such demographics as age, gender, program type attended, work experience before enrolling in b-school, undergraduate major, and industry of employment prior to enrolling in business school.

Table 7. Profile of Indian Business School Graduates, Class of 2012		
		N = 334
Age	30 and younger	67%
	31 and older	33%
Gender	Men	82%
	Women	18%
Program type	Full-time 2-year MBA	28%
	Full-time 1-year MBA	60%
	Other MBA and business master's	12%
Work experience	None	11%
	Less than one	4%
	More than 1 & less than 3 years	21%
	3 to 6 years	31%
	More than 6 & less than 10	18%
Undergraduate major	10 or more years	14%
	Engineering	68%
	Business	13%
Industry of employment before enrolling in graduate program	Other majors	19%
	High technology	41%
	Consulting	21%
	Finance/accounting	10%
	Products / services	9%
	Manufacturing	8%
	Energy/utilities	5%
	Health care/pharmaceuticals	2%
Nonprofit	2%	
Source: GMAC, 2012, Global Management Education Survey, India Data Report		



## Demand for GME in India

### India Is Third Largest B-School Talent Pipeline in World

In terms of total GMAT exams taken in testing year 2011, Indian residents represented the third largest group of prospective students in the b-school pipeline, after the United States and China. A total of 18,310 Indian residents sat for the GMAT exam in TY 2011, representing 27 percent of the total 67,252 exams taken by all Asian residents in the last testing year.

(Source: GMAC, 2012, *Asia Geographic Trend Report, 2007–2011*.)

### Second Highest in Score-Sending Among Asian Residents

Indian residents who sat for the GMAT exam in TY 2011 sent a total of 84,662 score reports, representing 37 percent of a total of 230,589 score reports sent by Asian residents. This is second to China, which sent a total of 98,251 (43%) in TY 2011.

(Source: GMAC, TY 2010–2011 GMAT statistics.)

### Highest Average Number of Score Reports Sent by Asian Residents TY 2011

Of all GMAT examinees in Asia, Indian residents sent the highest average number of score reports per examinee in TY 2011 (4.6) compared with an average of 3.4 GMAT score reports for all Asian citizens.

(Source: GMAC, TY 2010–2011 GMAT statistics.)

### India Is Top Global Study Destination for Asian Citizens

India ranked first among the top 10 countries or regions in Asia to which all GMAT examinees sent score reports in TY 2011, receiving 17,638 or 41 percent of score reports sent to any of the top 10 Asian countries. Schools in India, Singapore, and Hong Kong collectively received 89 percent of total scores sent into the region in TY 2011. Management programs across Asia received 42,933 GMAT score reports from prospective students across the globe in TY 2011, an increase of 63 percent compared with TY 2007.

### Prospective Students from India Send Majority of GMAT Scores to United States, India, United Kingdom

Top score sending destinations for all Indian residents were United States (49%), India (17%), and the United Kingdom (11%), which collectively received 65,104 out of 84,662 score reports sent by Indian residents in TY 2011.

This corresponds with survey responses GMAC received in 2011 from 1,338 prospective graduate business and management students from India, who indicated their top regional choices for b-school study destinations were the United States (47%), Central Asia (27%), and Europe (16%).<sup>2</sup>

When specifying the geographic location of the business schools where they intended to submit applications, a vast majority (88%) of Indian prospective students cited international destinations and 52 percent cited national programs within India.

(Source: GMAC, TY 2010–2011 GMAT statistics and *mba.com Prospective Student Views From Across the Globe*, Vol. 4, Issue 2: 2012 India Data Report.)

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<sup>2</sup> A total of 16,358 individuals registered on mba.com, the GMAC website for prospective graduate business and management students, responded to the 2011 mba.com Prospective Students Survey. Of these respondents, 2,139 were citizens of Central Asia, of whom 1,338 were students from India.

### Engineering Tops List of Undergraduate Majors for Indian B-School Candidates

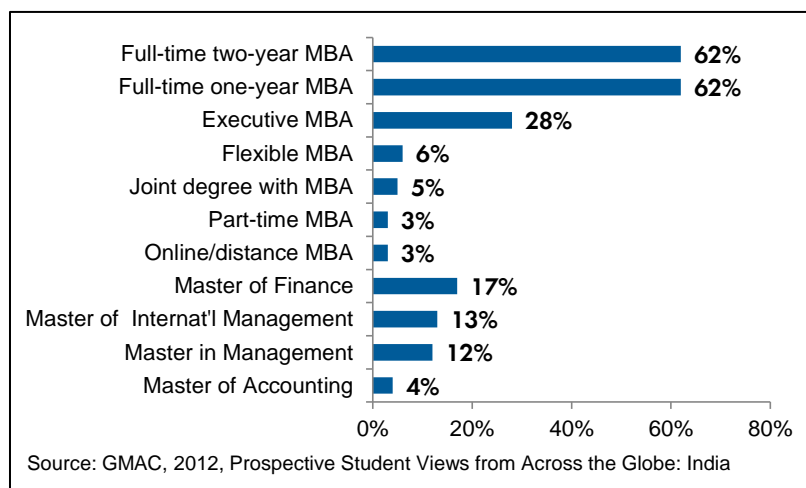
Engineering, computer science, and management information technology topped the list of undergraduate degrees earned by Indian residents who sat for the GMAT exam in TY 2011. Table 8 shows the top 10 undergraduate degrees completed by Indian GMAT examinees in TY 2011, based on undergraduate degree information supplied by 16,007 Indian residents who took the exam.

<b>Table 8. Top 10 Undergraduate Majors for Indian GMAT Examinees in TY 2011, by Residency</b>	
	<b>Number of Examinees</b>
Engineering	6,409
Computer science	2,411
Management information technology/systems	1,116
Other engineering/computer science	1,054
Accounting	801
Finance	577
Economics	438
Management	429
Business education	418
Other major	272
Source: GMAC, 2012, GMAT® Interactive Profile	

### MBA Programs Lead Study Preferences for Indian Prospective Students

Figure 3 shows the breakdown among specific MBA and master's programs considered by prospective students from India who responded to the 2011 mba.com Prospective Students Survey.

**Figure 3. Program Types Considered by Indian Prospective Students, 2011 Survey Year**



### **Indian Student Interest in MBA Programs Matches Hiring Goals of Indian Employers**

The interest in MBA programs expressed by Indian prospective students that GMAC surveyed in 2011 corresponds to the 2012 hiring plans of Indian companies who responded to the 2012 GMAC Corporate Recruiters Survey. When asked about their hiring plans this year for recent business school graduates, 88 percent of Indian companies indicated they planned to hire MBA graduates in 2012.

(Source: GMAC, 2012, Corporate Recruiters Survey and Prospective Student Views From Across the Globe, Volume 4, Issue 2: 2012 India Data Report.)

### **Indian Students Set Sights on International Careers**

The top career motivations that led a majority of prospective students from India to consider applying to business schools abroad were their desire to improve their chances of having an international career (53%) and developing an international network (46%).

(Source: GMAC, *mba.com Prospective Student Views From Across the Globe*, Vol. 4, Issue 2: 2012 India Data Report.)

## 2012 GMAC® Data-To-Go Series: India Regional Outlook

Additional data or information about the topics discussed in this report can be found in the following GMAC resources including:

**Geographic Trend Reports for GMAT® Examinees, 2007–2011**

[gmac.com/GeographicTrends](http://gmac.com/GeographicTrends)

**mba.com Prospective Students Survey Report, 2012**

[gmac.com/ProspectiveStudents](http://gmac.com/ProspectiveStudents)

**Prospective Student Views From Across the Globe, Vol. 4, Issue 2, 2012 India Data Report**

[gmac.com/InteractiveResearch](http://gmac.com/InteractiveResearch)

**Global Management Education Graduate Survey, 2012**

[gmac.com/GlobalGrads](http://gmac.com/GlobalGrads)

**Global Management Education Graduate Survey, Comprehensive Data Report, 2012**

(Not publicly available)

**Corporate Recruiters Survey, 2012**

[gmac.com/CorporateRecruiters](http://gmac.com/CorporateRecruiters)

**GMAT® Interactive Profile**

[gmac.com/GMATInteractiveProfile](http://gmac.com/GMATInteractiveProfile)

For questions or comments regarding the data, findings, or methodologies used in any of the surveys, please send an email to [\*\*research@gmac.com\*\*](mailto:research@gmac.com).

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