

2009

Graduate
Management
Admission
Council®

Global Management Education Graduate Survey

SURVEY REPORT



The Global Management Education

Graduate 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®). The GMAT exam is an important part of the admissions process for more than 4,600 graduate management programs around the world. GMAC is dedicated to creating access to and disseminating information about graduate management education; these schools and others rely on the Council as the premier provider of reliable data about the graduate management education industry.

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INTRODUCTION

The Graduate Management Admission Council® (GMAC®) has conducted a survey of graduate management education students in their final year of business school every year for the last 10 years. This Global Management Education Graduate Survey, formerly known as the Global MBA® Graduate Survey, is distributed to students at participating business schools in February and March, a few months before graduation. The survey allows students to express their opinions about their education, the value of their degrees, and what they intend to do with their degrees after graduation, among other topics. GMAC also gathers some post-graduation employment information through the survey, but it is not possible to obtain a complete picture because many survey respondents are not yet involved in job searches at the time of the survey.

Key Findings

- The global economic crisis has not diminished the perceived value of a graduate business education—91 percent of respondents considered their degree an outstanding to good value, even though an equal percentage considered the economy weak.
- The majority of graduating students felt their graduate business school had more than adequately prepared them to meet the challenges they will face in the economy and labor market.
- Students have not been deterred from their search for employment. Despite poor economic conditions, a greater percentage of job seekers from the graduating class of 2009 had received an offer of employment at the time of the survey compared with participants during past downturns, such as that of 2002 to 2004.
- Job search outcomes differ significantly by industry. More than half of the students seeking jobs in the manufacturing, energy/utilities, and health care industries had job offers. In contrast, only 43 percent seeking jobs in the finance/accounting industry, 39 percent seeking jobs in the products/services industry, and 37 percent seeking jobs in the nonprofit/government sector had offers.
- Salary increases for graduating students in 2009 fell slightly compared with last year but appeared to outpace increases received among the graduating class of 2007.
- Students continue to feel that graduate business schools provide them with a high-quality education that develops knowledge, skills, and abilities.

Responses from 5,214 students at 203 schools worldwide form the basis of this report. There were 2,053 (39%) respondents from countries other than the United States, with 24 percent attending schools outside the United States. The vast majority of respondents (94%) were enrolled in MBA programs. Of this majority, 38 percent were enrolled in two-year full-time programs, 19 percent were enrolled in one-year full-time programs (this category includes all full-time programs with a duration of less than two years), 23 percent were enrolled in part-time programs, 10 percent were enrolled in executive programs, 5 percent were enrolled in flexible programs, 4 percent were enrolled in online/distance-learning programs, and 2 percent were enrolled in joint-degree programs that included an MBA. Among the 6 percent of non-MBA program respondents enrolled in other types of master's programs in business were students of finance, accounting, MSc in business, postgraduate, and PhD/DBA programs.

GMAC aims to provide school administrators with information that will help them gauge what student needs are being met, what services students most value, and what services might yet present challenges and require market-wide improvements. Our hope is that the wide-ranging information presented here will serve administrators by helping them improve their services, tailor programs to match student needs, and foster learning environments that allow students to make the most of their graduate business experiences. Graduates can review these survey results to see how their opinions, preferences, and personal experiences with graduate business programs and the job market compare with those of their peers.

Methodology

All GMAC member schools and a number of other schools representing a cross-section of the graduate management industry worldwide received email invitations to participate in the study. Schools participated by providing GMAC with the names and email addresses for their graduating class of 2009 or by forwarding the survey invitation directly to their students on behalf of GMAC. The survey was in the field between February 11 and March 11, 2009. The overall response rate for schools was 20 percent, and the response rate for students was 17 percent. Frequency distributions were examined for both topical and classification questions and response categories for some questions were collapsed to make final analysis more robust. Tests of statistical significance were used throughout the report, and a 95 percent confidence interval was used as the cutoff point for significance.

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 can be used as a reflection of the sample frame under consideration. Several clear trends emerge from the data, nevertheless.

Recent news reports and government updates about employment and the economy are instilling a sense of trepidation among the workforce. The US Bureau of Labor Statistics announced that nonfarm payroll employment continued to fall while the unemployment rate in the United States increased to 8.1 percent during February 2009.¹ Unemployment also increased in Canada to 7.7 percent in February 2009, and in the Euro area to 8.2 percent in January 2009.² The employment outlook in China,³ India,⁴ and Latin America⁵ was similarly unfavorable. These statistics present a potentially negative employment outlook for the soon-to-be graduate.

The current Global Management Education Graduate Survey communicates this negative economic outlook: 91 percent of respondents considered the global economy weak in 2009. These results

contrast with the 47 percent of alumni who said the global economy was weak in September 2008.⁶ Perceptions of the economy do not posit favorable conditions for employment on a regional scale either.

The Job Search

Yet, regardless of their concerns about the economy, graduating students have not been deterred from their search for employment. The March issue of *HRMagazine* reported that, “Despite unemployment being at a 15-year high, employed Americans are no more or less likely to look for a new job in 2009 than they were in 2008.”⁷ Data from this year’s survey show similar activity (Figure 1). Over the past three years, the proportion of students from two-year full-time and executive MBA programs who were actively searching for a job at the time of the survey has remained

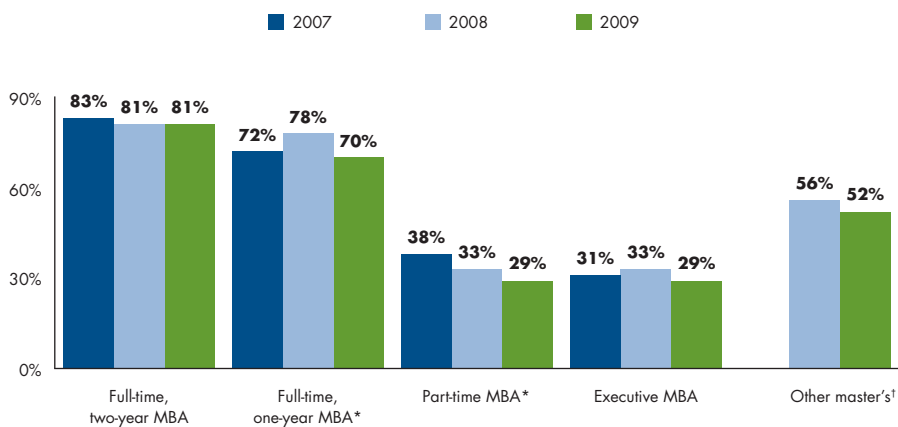
relatively stable. Students from master’s programs also continued searching for jobs at a rate comparable to that recorded in 2008. Students at one-year full-time MBA programs, however, were less likely than their counterparts in 2008 to be actively searching for a job, and students from part-time MBA programs were less likely than students in both 2007 and 2008 to be job hunting.

Not insignificantly, about four in five one-year full-time MBA (81%) and part-time MBA (79%) graduates who were not searching for a job were either currently employed or starting their own businesses. The remaining respondents were postponing their job search for various reasons, including 51 percent who were waiting to search closer to graduation, 11 percent who were fulfilling contractual obligations with a current employer, and 8 percent who were involved in an internship or work project.

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The proportion of students from two-year full-time and executive MBA programs who were actively searching for a job at the time of the survey has remained relatively stable.

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*Test of the difference of proportions; p ≤ .05.
 † Data for master’s programs not available in 2007.

Figure 1.
 Percentage Actively Searching for a Job, by Program Type and Survey Year

¹ Economic News Release (2009). The Employment Situation: February 2009. US Bureau of Labor Statistics. Retrieved on March 19, 2009 from <http://www.bls.gov/news.release/empsit.nr0.htm>.
² News Release (2009). OECD Harmonized Unemployment Rates: March 2009. Organization for Economic Co-operation and Development. Retrieved on March 19, 2009 from <http://stats.oecd.org>.
³ Hongjiang, W. (ed.) (2009). China pledges more proactive employment policy, 42 bln-yuan support. *China View*. Retrieved on March 19, 2009 from http://news.xinhuanet.com/english/2009-03/05/content_10947913.htm.
⁴ Das, S. (2008). India stands resilient as unemployment crisis looms. *The Economic Times*. Retrieved on March 19, 2009 from http://news.xinhuanet.com/english/2009-03/05/content_10947913.htm.
⁵ Colitt, R. (2009). Latin America could lose 2.4 mln jobs in 2009. Reuters. Retrieved March 19, 2009 from <http://www.reuters.com/article/economicNews/idUSN2745675620090127>.
⁶ GMAC (2009). *Alumni Perspectives Survey*. Graduate Management Admission Council. Available on <http://www.gmac.com/alumniperspective>.
⁷ Minton-Eversole, T. (2009). Despite recession, some workers seek new jobs. *HRMagazine*, 54(3), 20.

Offers of Employment

The percentage of job seekers who had secured an offer of employment at the time of the survey decreased in relation to the 2008 survey results across all program types (Figure 2). Reported declines in this year's hiring forecast pale in comparison to those of the recent historic downturns in 1989 to 1993 and 2001 to 2004, however.⁸ Only 44 percent of graduating students in 2002, 36 percent in 2003, and 42 percent in 2004 had received offers of employment at the time of the survey in those years.⁹ Still, among current respondents receiving job offers, there was a 14 percent decline in the average number of offers received in 2009 compared with those received in 2008 (Figure 3).

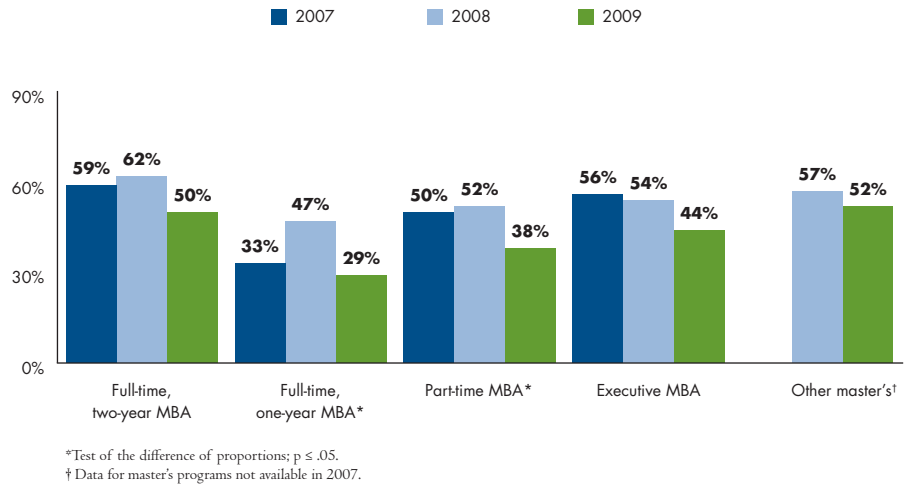


Figure 2.
 Percentage Received/Accepted an Offer of Employment Among Job Searchers, by Program Type and Survey Year

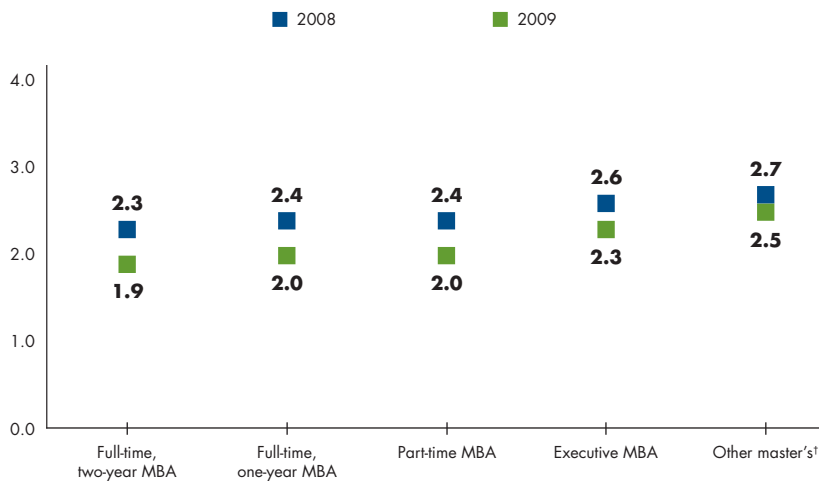


Figure 3.
 Average Number of Job Offers, by Program Type and Survey Year

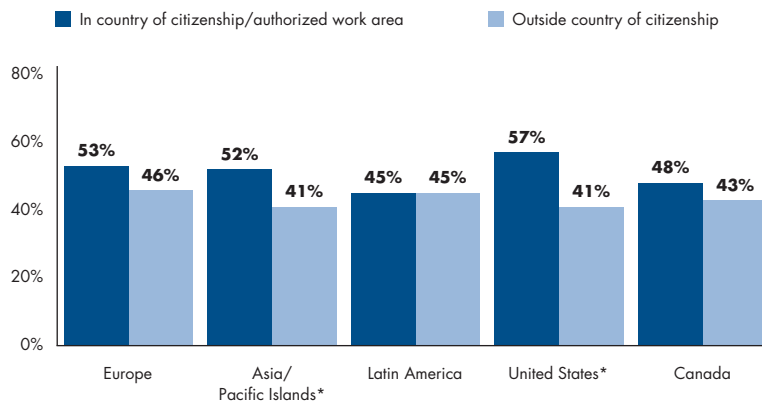
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 Among current respondents receiving job offers, there was a 14 percent decline in the average number of offers received in 2009 compared with those received in 2008.
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⁸ Gardne, P. (2009) Job outlook for the class of '09: Jobs harder to find. *The Black Collegian*, January 1, 2009. Retrieved on March 20, 2009 from <http://www.thefreelibrary.com/Job+outlook+for+the+class+of+'09:+jobs+harder+to+find.-a0194410803>.
⁹ GMAC (2008). *Global MBA Graduate Survey*. Graduate Management Admission Council. Available at <http://www.gmac.com/globalmba>.

Job Offers, by Student Characteristics

There were differences by various student characteristics in the percentage of students who received a job offer by the time of the survey in 2009. Overall, 49 percent of job seekers searching for employment within their country of citizenship or authorized work area had received a job offer compared with 30 percent of those searching for employment outside their country of citizenship—a statistically significant difference.

These percentages further vary by citizenship group, however (Figure 4). Citizens of the United States and Asian/Pacific Island countries seeking jobs in their country of citizenship or authorized work area had greater success finding jobs than those seeking jobs outside their country of citizenship. This phenomenon has been reported in the media, especially within the United States, where a US government stimulus bill has been assigned blame.¹⁰ Nevertheless, at least two in five job-seeking students had received an offer of employment at the time of the survey, regardless of their job search area.



*Test of the difference of proportions; $p \leq .05$.

Figure 4. Percentage That Received/Accepted an Offer of Employment Among Job Searchers, by Citizenship and Location of Job Search (Class of 2009)

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At least two in five job-seeking students had received an offer of employment at the time of the survey, regardless of their job search area.
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¹⁰Mangan, K. (2009). Foreign graduates lose job offers over stimulus rules. *The Chronicle of Higher Education*, March 24, 2009. Retrieved on March 27, 2009 from <http://chronicle.com/daily/2009/03/14350n.htm>.

The root causes of the current economic downturn have often been cited as beginning with the US housing bubble, the marketing of high-risk mortgages, and the complex securitization of those mortgages—events suspected of eventually freezing the credit market and destroying some financial institutions.¹¹ Coupled with limited availability of credit and declining consumer confidence, the products and services industries have been pulled into the economic crisis.¹² Not surprisingly, students seeking jobs in

the finance/accounting industry and the products/services industry had some of the lowest success rates in terms of job offers (Figure 5). Those who have been seeking nonprofit or government positions have not fared very well either—in line with research showing that the nonprofit industry expects a 20 percent drop in employment.¹³ On the other hand, those seeking positions in manufacturing, energy/utilities, or health care had greater success rates at the time of the survey.

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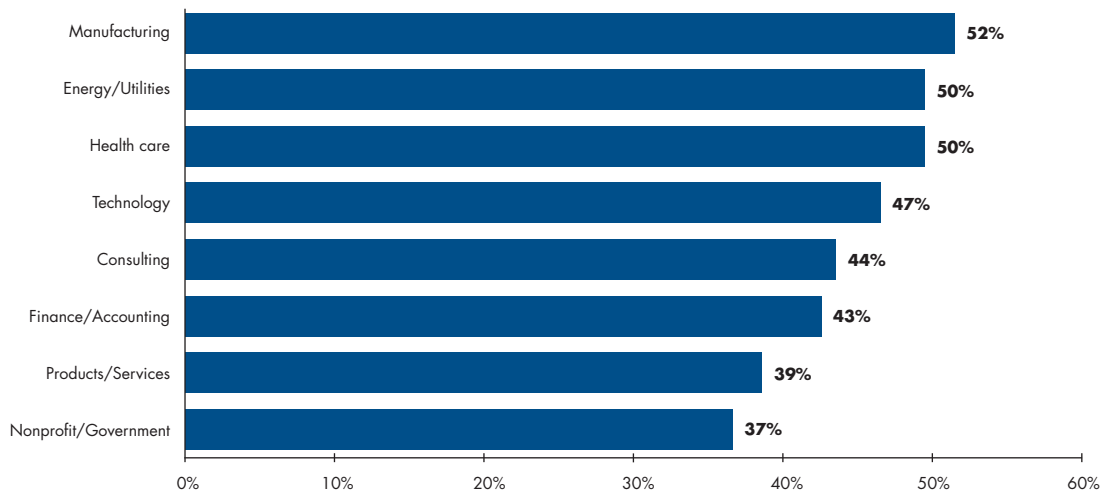


Figure 5.
 Percentage That Received/Accepted an Offer of Employment Among Job Searchers, by Industry (Class of 2009)

¹¹ Tanneer, M. (2009). How a 'perfect storm' led to the economic crisis. CNN. Retrieved on March 23, 2009 from <http://www.cnn.com/2009/US/01/29/economic.crisis.explainer/>.

¹² Kavilanz, P.B. (2009). Retail: The quiet crisis. CNNMoney.com. Retrieved on March 23, 2009 from http://money.cnn.com/2009/01/21/news/economy/retail_challenge/index.htm.

¹³ Morton, L.B. (2009). 3rd Annual Nonprofit Employment Trends Survey, Press Release, March 2, 2009. Nonprofit HR Solutions. Retrieved on March 25, 2009 from <http://nonprofithr.com/documents/2009PressRelease-EmploymentTrendsSurvey.pdf>.

The current survey asks graduating students to indicate the types of industries they intend to occupy after graduation. Figure 6 shows the intended industry of employment, by program type.

- Two-year full-time MBA program graduates were more likely than others to enter the products/services industry.
- Graduates of one-year full-time MBA programs were more likely than others to enter the consulting industry.
- Graduates of part-time, executive, and other MBA programs dominated the technology industry.

- Graduates of other MBA programs were the most likely of the respondents to enter the nonprofit/government industry.
- Graduates of non-MBA degree programs, primarily in finance, accounting, and other quantitative graduate concentrations, dominated the finance/accounting industry.

Overall, 46 percent of graduating students intended to switch industries after graduation. Figure 7 presents the industry attractiveness index¹⁴ among career switchers for the past seven years.

The four industries that were attractive to career switchers in 2008 were the same in 2009: finance/ accounting, consulting, health care, and energy/utilities. Finance/ accounting and health care were less attractive to career switchers in 2009 compared with 2008, but both years had a positive net gain. The consulting and energy/utility industries had a conspicuous increase in attractiveness this year. Each of the other industries has lost more individuals than they have gained for the past three years.

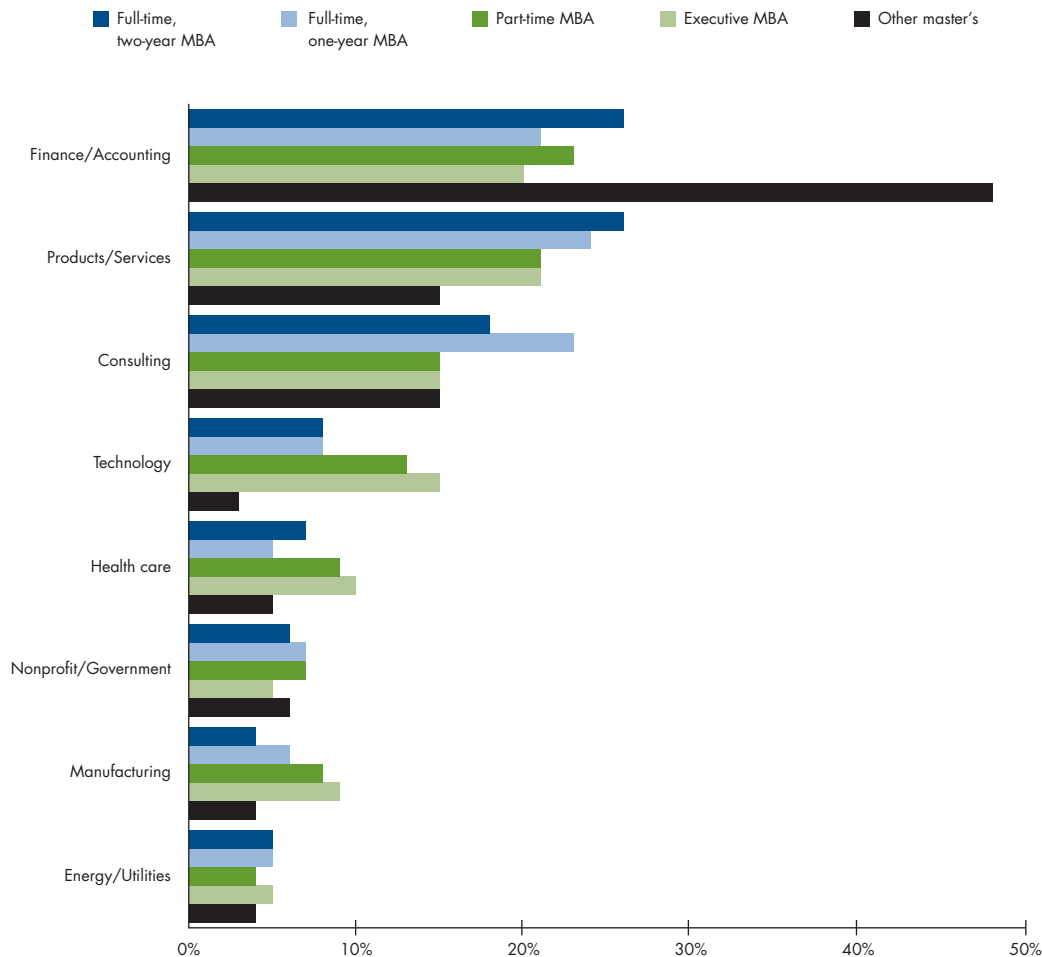


Figure 6.
Post-Degree Industry of Employment, by Program Type

¹⁴The attractiveness index is calculated by dividing the percentage of respondents changing into an industry group by the percentage of those changing out, then multiplying the results by 100. An index score that is greater than 100 indicates more respondents are changing into the industry than are changing out of the industry. A score that is less than 100 indicates that more respondents are changing out of a given industry than are switching into that industry.

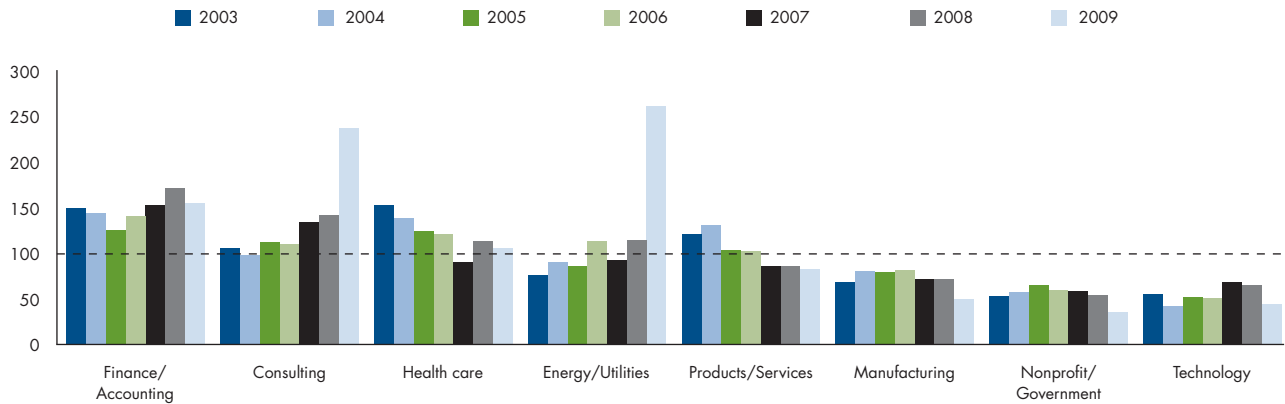


Figure 7.
Industry Attractiveness Index, by Survey Year

Choosing a Job

A job search demands introspection and market research.¹⁵ Introspection requires understanding personal needs and wants in order to determine whether a job meets those requirements.

Figure 8 examines the relationship between respondents’ job search status and their impressions of the importance of various job-related personal attributes. Students who considered their cultural fit with a company and a proven ability to perform as important factors when obtaining a job were more likely to be successful in their job search. Interpersonal and technical/quantitative skills were also positively associated with those who received an offer of employment. On the other hand, respondents who placed greater emphasis on “who you know” were less successful in obtaining an offer of employment. This finding is echoed in GMAC alumni research from 2008, where fewer than 3 in 10 graduates in 2008 reported finding a job through networking.^[6]

In descending order, the top five criteria used to select a company to work for were the following: 1) room for growth, 2) fit

with the company culture, 3) a positive organizational climate, 4) high ethical standards, and 5) company stability. The top four criteria listed matched those of 2008. The fifth item in 2008, an emphasis on work–life balance, was supplanted by company stability in 2009. In economic times such as these, it is not surprising that company stability would overtake work–life balance as a criterion.

The top five criteria used to select a job were whether the position offered challenging and interesting work, opportunities for professional development, advancement opportunities, opportunities to learn new things, and an ability to make an impact. Again, the top four criteria in 2009 matched those of 2008. Competitive salary, which was the fifth most important criterion in 2008, moved to sixth place in 2009.

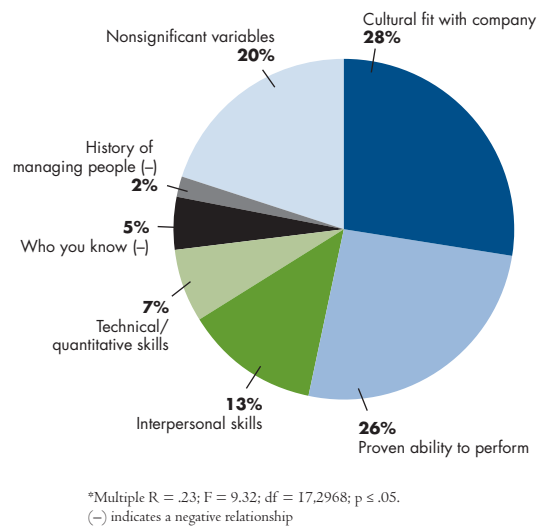


Figure 8.
Impressions of Attribute Importance When Job Hunting, by Receipt of Job Offer (Pratt Index*)

¹⁵ Mattioli, D. (2009). 90 days: Speeding up the process of finding a new position. *The Wall Street Journal*, January 20, 2009, B11.

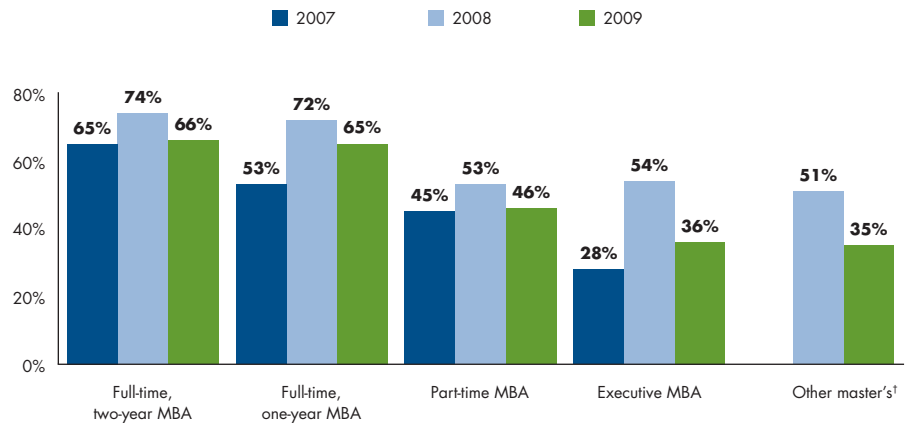
Expected Changes in Salary

Various factors influence salary, including prior work history, industry of employment, job location, and economic conditions. Respondents were asked to indicate the methods they used to formulate their salary expectations. Overall, about half of the respondents (53%) based their expectations on market research and 47 percent considered their current or past salaries. About a third of the respondents used the following sources in their considerations as well: past experience (36%), current economic conditions (35%),

and other students or peers (31%). One in 20 respondents (5%) cited the media as a source of influence for salary expectations.

Figure 9 shows the overall change in salary for the past three years by program type among respondents who had received at least one offer of employment. Although the percentage change decreased compared with last year, the change was not as great as one might have expected considering the employment news over the past few months. In fact, graduating students in 2009 will still receive a greater increase in annual salary compared with their counterparts in 2007.

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† Data for master's programs not available in 2007.

Figure 9.
 Percent Change in Annual Base Salary, by Survey Year and Program Type
 (Respondents Who Received an Offer of Employment)

Figure 10 presents the expected change in salary by industry over the past three years. Respondents entering energy/utility and nonprofit/government industries are the only respondents who can expect to increase their salary by a greater percentage compared with respondents last year. Those entering other industries can expect a smaller increase compared with respondents last year, but those entering the consulting industry and products/

services industry can expect a slightly greater increase compared with those who responded in 2007.

A multiple regression analysis is used to determine which factors explain post-degree salary. Pre-degree salary has by far the greatest explanatory power.¹⁶ Other factors, however, account for differences in changes in salary, including work experience, organizational level, and organization size.

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Across industries, post-degree salary is largely influenced by pre-degree salary.
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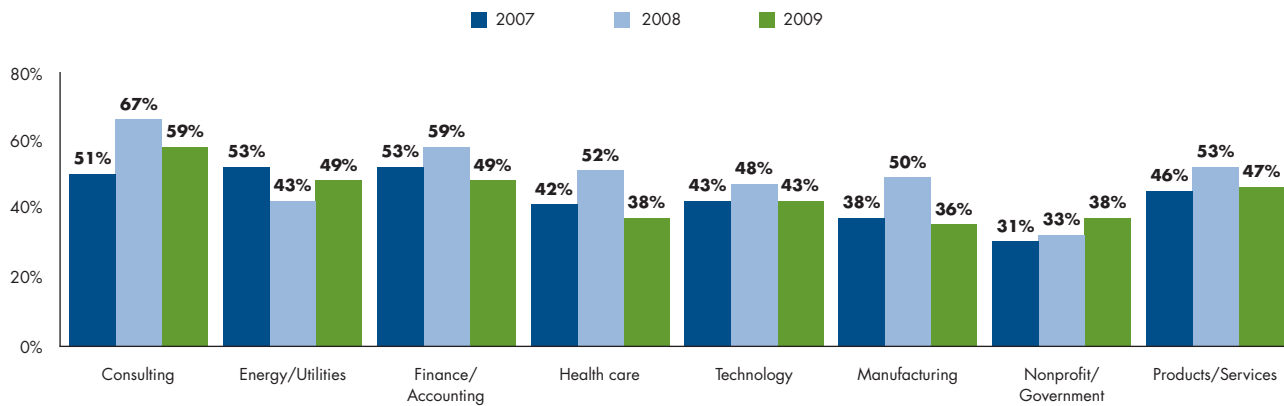


Figure 10.
 Expected Change in Salary, by Industry and Survey Year

¹⁶Multiple R = .82; F = 1469.25; df = 4,2978; p ≤ .05.

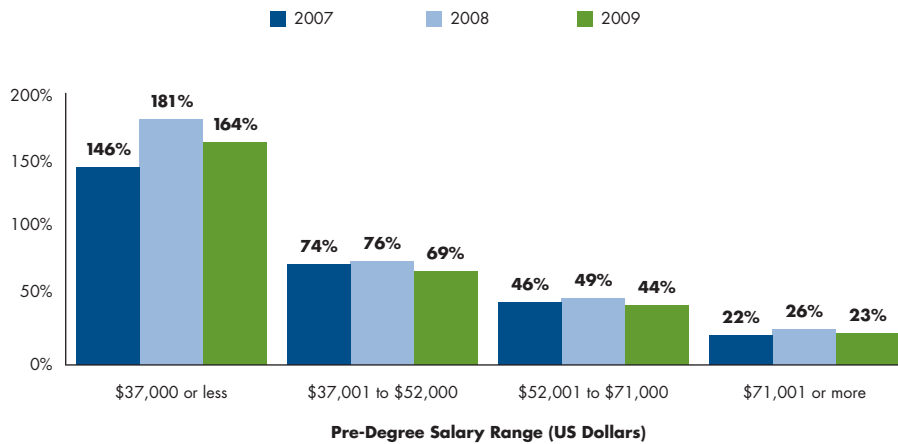


Figure 11.
Expected Percent Change in Salary, by Pre-Degree Salary Range and Survey Year

Figure 11 shows the percentage change in salary by survey year and pre-degree salary ranges and Figure 12 further partitions the data by citizenship groups. The largest variations over the past few years were among individuals whose pre-degree salary was US\$37,000 or less. Location of employment helps explain the large increases in salary along the lower pre-degree salary band among the citizens of Asia and Latin America. Post-graduation, the majority of these students will be working outside their country of citizenship, where incomes tend to be higher in comparison. Fluctuation between pre- and post-degree salary percentage change among respondents in the higher pre-degree salary bands has been minimal over the past three years.

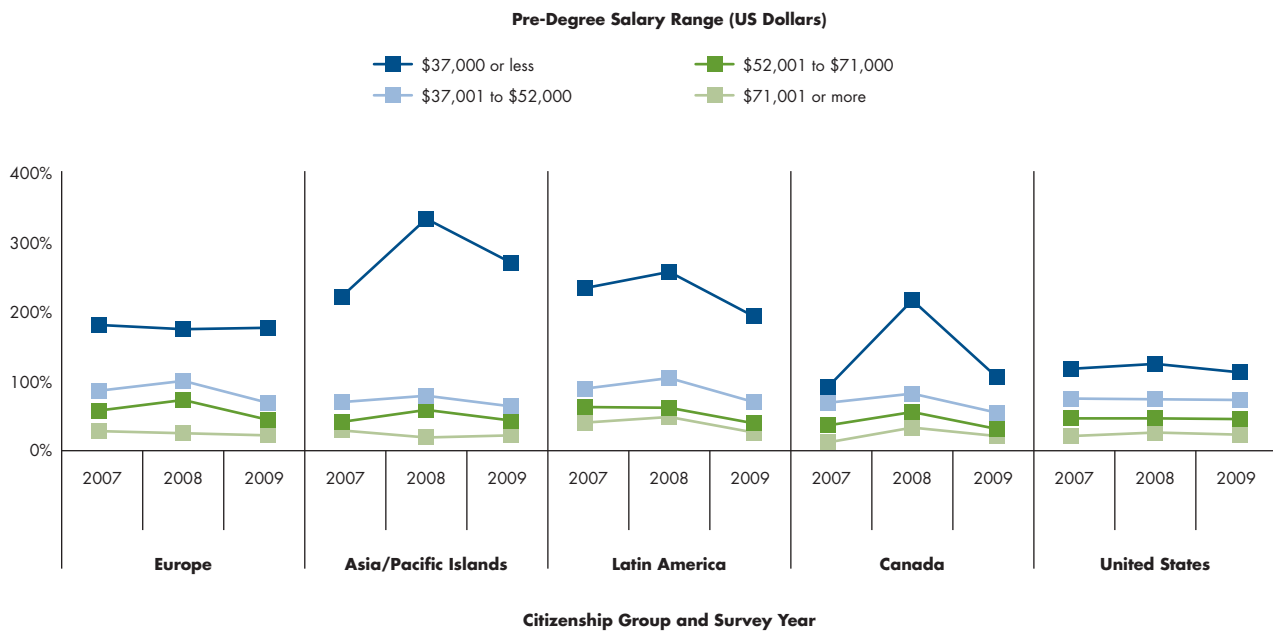


Figure 12.
Expected Percent Change in Salary by Pre-Degree Salary Range, Citizenship Group, and Survey Year

This section explores how well graduate business programs prepare students for employment, presents an evaluation of the graduate business programs, and analyzes the development of knowledge, skills, and abilities.

Employment outcomes are a readily available indicator of educational value. Past research indicates that career development, career switching, human capital development, and entrepreneurship were primary factors in a student's desire to pursue a graduate management education.¹⁷ These motivating factors reveal the importance of careers and employment among graduate business students. Yet, last year's research suggests that students do not necessarily consider the value of their education in terms of employment outcomes. Rather, whether personal expectations were met; the quality of curriculum, faculty, and program management; and skill development all had greater impact on how students evaluated their education.^[9] Nevertheless, employment was a priority among students, and schools often cater to this measurable outcome in a variety of ways.

Preparation for Employment

Participation in various extracurricular activities yields positive results in the job search.¹⁸ Specifically, participation in internships, mentoring programs, and leadership programs all had significant positive impact.

- Two thirds (66%) of job seekers who participated in an internship had an offer of employment at the time of the survey compared with 50 percent of those who did not participate in an internship.
- About three-fifths (62%) of those who participated in a mentoring program had an offer of employment compared with 48 percent of nonparticipants.
- About three-fifths (61%) of those who participated in a leadership program had an offer of employment compared with 50 percent of nonparticipants.

Students were asked to indicate whether their graduate business education provided adequate training for the labor market. Overall, more than three-quarters of the respondents agreed that their graduate business education accomplished the following:

- Improved their chances of finding a job that meets their expectations (85%)
- Provided them with a competitive advantage in the job market (85%)
- Prepared them to meet the challenges of today's job market (83%)
- Empowered them to be in control of their employment outcomes (77%)
- Introduced them to career opportunities they had not previously considered (76%)

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The majority of graduating students felt their graduate business school had more than adequately prepared them to meet the challenges they will face in the economy and labor market.

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¹⁷ GMAC (2008). *mba.com Registrants Survey*. Graduate Management Admission Council. Available at <http://www.gmac.com/registrantsurvey>

¹⁸ Multiple R = .20; F = 10.72; df = 11,2978; p ≤ .05.

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The top two drivers of value among programmatic elements of business schools were quality curriculum and faculty.
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Program Evaluation

Each year, graduating students are asked to evaluate various aspects of their graduate business program (Figure 13). The chart shows the percentage of respondents by program type who considered the various aspects of their program to be outstanding or excellent.

- Faculty was rated as the highest quality aspect of the program, regardless of program type.
- Respondents rated their fellow students highly.

- Admissions and the curriculum were also rated highly.
- Students from executive MBA programs rated the quality of their programs higher than students of other programs did, except in the area of career services.
- Only the aspects of career services and student services had less than a majority of students rating these areas as outstanding or excellent.
- Career services were rated highest among students of master’s in business programs.

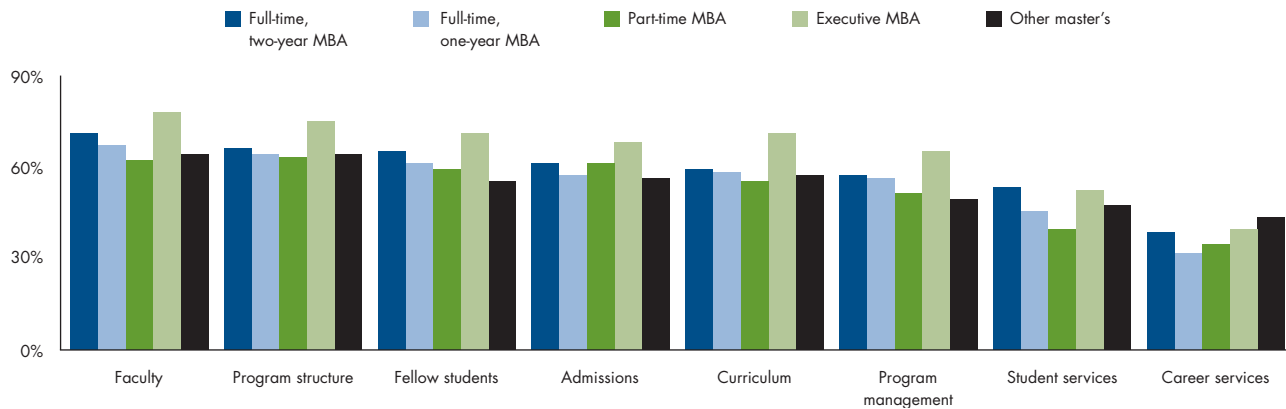


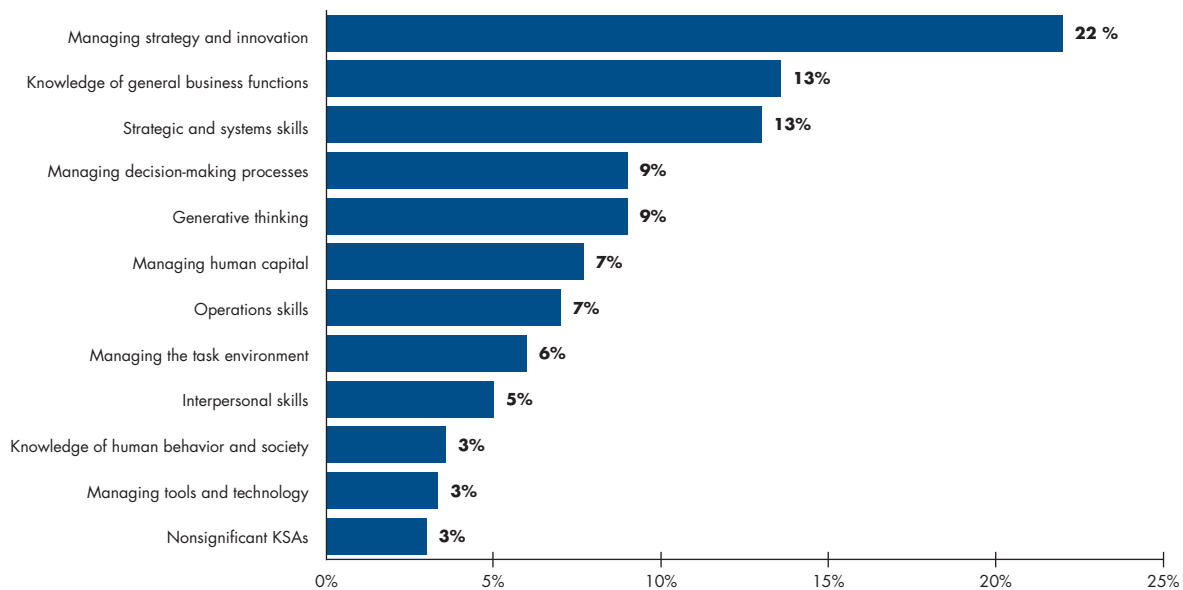
Figure 13.
 Program Evaluation, by Program Type (Percentage Outstanding/Excellent)

Development of Knowledge, Skills, and Abilities

Human capital development greatly enhances the individual's potential to be successful¹⁹ and is one of the primary motivators for pursuing a graduate business education.^[17] Overall, 83 percent of responding students were extremely or very satisfied that their graduate business degree increased

their long-term potential through the development of skills and abilities. Specifically, the top five drivers of this satisfaction were improvements in the following: 1) the ability to manage strategy and innovation, 2) general business knowledge, 3) strategic and system skills, 4) the ability to manage the decision-making process, and 5) generative thinking abilities (Figure 14).

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Eighty-three percent of responding students were extremely or very satisfied that their graduate business degrees increased their long-term potential through the development of skills and abilities.
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*Multiple R = .61; F = 146.13; df = 15,3688; p ≤ .05.

Figure 14.
 Drivers of Satisfaction That the Degree Will Increase Long-Term Potential Through the Development of KSAs*

¹⁹ Cappelli, P. (2008). Schools of dreams: More education is not an economic elixir. *Issues in Science and Technology*, 24(4), 59-64.

Satisfaction with the core curriculum was positive among graduate business students overall. Table I shows the percentage of respondents who took a particular course (color-coded) and their average level of satisfaction with that course (on a numeric scale).

As shown, there were variations by program type in the percentage of respondents who took various core courses. The following were some of

the statistically significant differences in satisfaction with core courses by program type, as assessed by chi-square statistics.

- Two-year full-time MBAs were more satisfied than one-year full-time MBAs with their statistics classes and their ethics and business law courses.
- Two-year full-time MBAs were more satisfied than master's students were with their finance and their business policy and strategy courses.

- Two-year full-time MBAs were more satisfied than part-time MBAs with their finance, operations, statistics, and their business policy and strategy courses.
- One-year full-time MBAs were more satisfied than part-time MBAs with their accounting, economics, finance, marketing, and their business policy and strategy courses.

	Full-time, two-year MBA	Full-time, one-year MBA	Part-time MBA	Executive MBA	Other master's	*KEY: Percentage Taking Core Courses
Accounting	3.8	3.9	3.8	4.1	3.9	<60%
Economics	3.9	4.0	3.9	4.1	3.7	60-69%
Finance	4.1	4.1	3.8	4.3	3.9	70-79%
Marketing	3.8	4.0	3.8	4.1	4.0	80-89%
Operations	3.8	3.8	3.7	4.0	3.8	90-100%
Information Systems	3.4	3.3	3.4	3.6	3.6	<60%
Statistics	3.8	3.7	3.7	4.2	3.7	60-69%
Business Policy/Strategy	4.1	4.1	4.0	4.4	3.9	70-79%
International Business	3.8	3.9	3.8	4.1	3.9	80-89%
Management/Organizational Behavior	3.9	3.9	4.0	4.3	3.9	90-100%
Ethics/Business Law	3.8	3.7	3.8	4.1	3.9	90-100%

**Scale: 5 = Extremely satisfied to 1 = Not at all satisfied

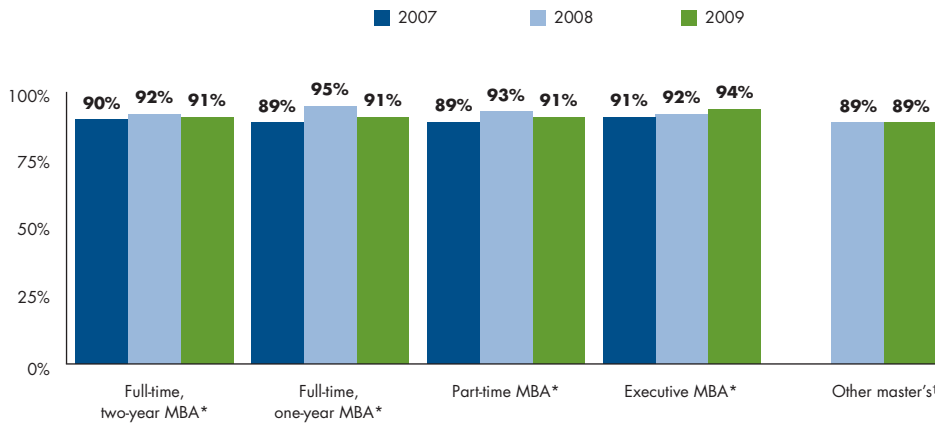
Table 1.
Core Courses Taken by Respondents* and Average Satisfaction Level** With Course, by Program Type

- One-year full-time MBAs were more satisfied than two-year full-time MBAs with their economics and marketing courses.
- One-year full-time MBAs were more satisfied than master’s students with their economics and with their business policy and strategy courses.
- Part-time MBA students were more satisfied than students at two-year full-time MBA programs with their courses in management and organizational behavior.
- Executive MBA students were more likely than the respondents in many of the other programs to be satisfied with each of the course types, on average.

The Value of a Graduate Business Education

Overall, 91 percent of student respondents considered their graduate business degree an outstanding, excellent, or good value. Figure 15 shows the value rating for graduate business degrees over the past three years by program type. Despite current economic conditions, the value of a degree remains high for all programs.

•••••
Perceptions of quality curriculum among students are driven by comprehensiveness and relevancy.
 •••••

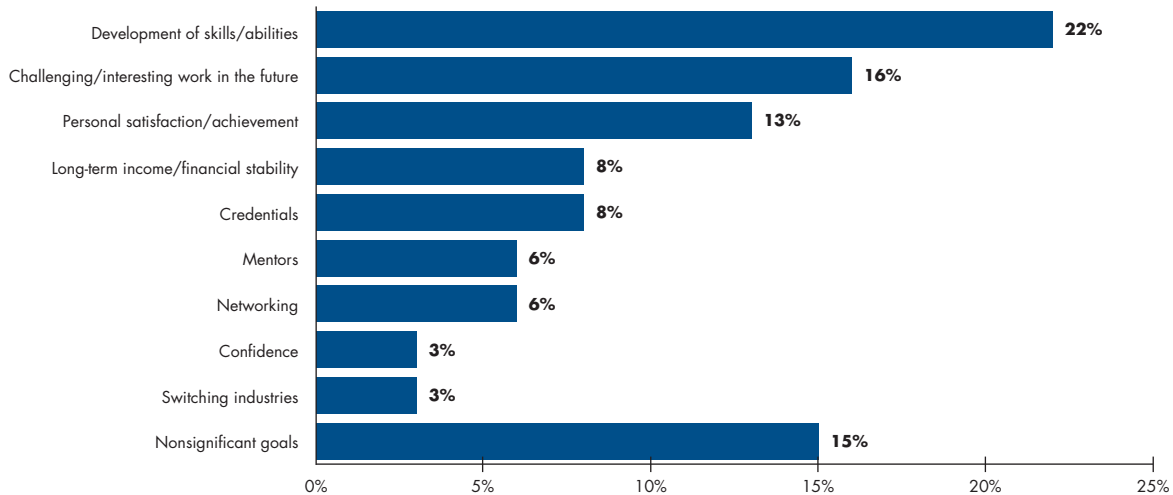


* Chi-squared; p ≤ .05.
 † Data for other master’s programs not available in 2007.

Figure 15.
 Overall Value of Degree, by Program Type and Survey Year
 (Percentage Outstanding/Excellent/Good)

• • • • •
**The development of skills
 and abilities was a primary driver
 of educational value.**
 • • • • •

Education requires a sacrifice of time, money, and energy. This sacrifice is often made to improve one’s abilities to perform in the business world. In fact, 99 percent of student respondents reported that the development of skills and abilities was one of their goals for pursuing a graduate business education, and this development of skills and abilities was a primary driver of educational value (Figure 16).²⁰ In addition, the prospect for challenging and interesting work and a sense of personal satisfaction and achievement account for half the predictive ability of the model.



*Multiple R = .55; F = 121.99; df = 18,5189; p ≤ .05.

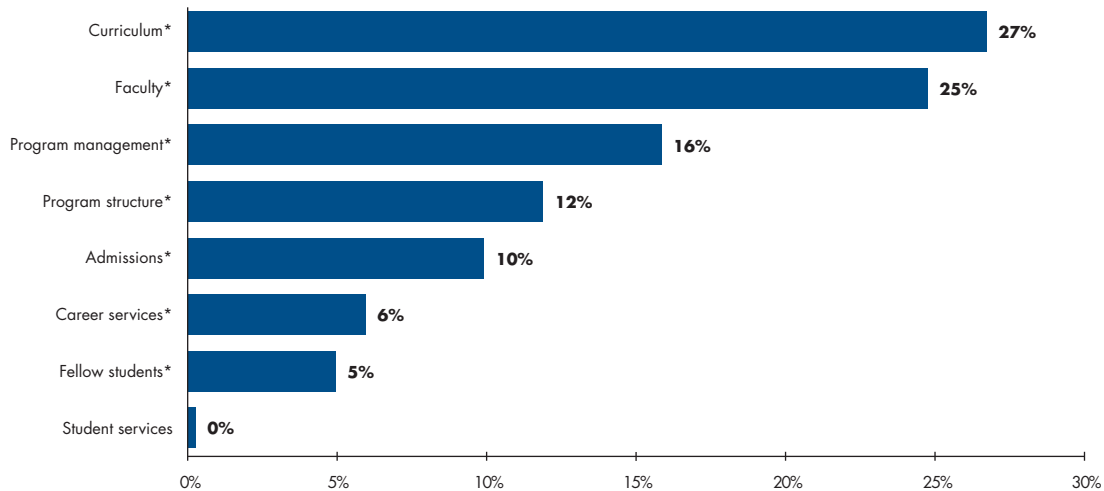
Figure 16.
 Key Education Goals That Drive Value (Pratt Index*)

²⁰Pratt Index = $(\beta^2 r^2) / R^2$, 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.

The previous model of value dealt exclusively with personal educational goals. This next model examines how the structures and functions of the graduate business school affect student perceptions of value (Figure 17^[20]) and offers information that business schools can use in their efforts to increase programmatic value for students. The top two drivers of value among programmatic elements of business schools were a quality curriculum and the faculty, both of which are instrumental in the student’s development of skills and abilities.

The educational value that graduate business students have derived from graduate business education over the years has been influenced consistently by their development of knowledge, skills, and abilities. The direct influence that curriculum and faculty have on this outcome and the indirect influence program management has favor a continuous evaluation of the program content in terms of its overall comprehensiveness and relevance. In fact,

perceptions of quality curriculum among students are driven by how comprehensive and relevant the curriculum is.²¹ Furthermore, continuous improvements on the part of program management were a primary driver of student perceptions of quality program management.²² The value students derive from graduate business education remains high and suggestions for improvements focus on the content and delivery of knowledge, skills, and abilities within the program.



*Multiple R = .68; F = 560.29; df = 8,5201; p ≤ .05.

Figure 17.
Programmatic Drivers of Value (Pratt Index)*

²¹ Multiple R = .75; F = 2263.84; df = 3,5183; p ≤ .05.

²² Multiple R = .79; F = 2057.38; df = 4,4934; p ≤ .05.

Findings in this report are based on an analysis of data found in the General Data Report—the publicly available report from the Global Management Education Graduate Survey. The General Data Report is a less detailed version of the Comprehensive Data Reports, which provide in-depth data tables and general analysis of the survey for each program type. Comprehensive Data Reports are only available to participating schools. In addition to receiving copies of this report and the Comprehensive Data Reports, participating schools receive an individualized benchmarking report that compares the aggregated responses from their students with the aggregated responses from students at their top competitors and those of all other students.



Students continue to feel that graduate business schools provide them with a high-quality education that develops knowledge, skills, and abilities.



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.

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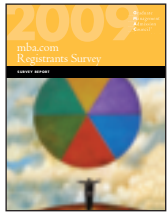
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The **Global Management Education Graduate Survey** is one in a series of five annual or biannual surveys produced by the Graduate Management Admission Council®. The surveys are designed to explore relevant issues, offering data at various depths,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

Other surveys include—



mba.com Registrants Survey

Who is in the pipeline for a degree? What makes them decide to apply now or wait? Launched

in 2003, this annual survey tells who prospective students are (including detailed profiles), how and why they move through the pipeline, and what motivates them and gets their attention.



Application Trends Survey

How does a school's application volume compare with that of other schools? Since

1999, this annual survey has gathered comparative application data for the current and previous year from business school programs worldwide.



Corporate Recruiters Survey

Who hires management graduates and why? What are the hiring plans in various industries? How do

companies decide where to recruit? Launched in 2001–2002, this annual survey helps schools better understand the job market, clarify employer expectations, and benchmark their career services practices. Employers use the survey results to benchmark the recruitment activities of their companies.



Alumni Perspectives Survey

What happens to graduate management students after they graduate and begin to

evaluate the value of their degrees? Launched in 2001, these biannual surveys follow graduates long-term to understand their career progression, their expectations, their attitudes about work, their assessment of their education, and general market trends.

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