

## Sample Selection

In order to develop the sample for the survey, all GMAC<sup>®</sup> member schools and a number of non-member schools were invited to participate by providing the names and e-mail addresses of active recruiters for their MBA graduates over the past recruiting year. To encourage schools to participate, each was offered an individualized report to allow it to benchmark its corporate recruiters against the overall survey sample. To encourage recruiters to participate, each was offered an overall report to allow them to benchmark against other recruiters in the sample. In addition, recruiters were offered copies of the Global MBA<sup>®</sup> Graduate Survey results and the MBA Alumni Perspectives Survey results.

Eighty-four schools responded to the invitation to participate and provided the requested data on recruiters (company name, recruiter name, and e-mail address). This represents a response rate of 29.0% among schools, as shown in the following table.

<b>Corporate Recruiter Survey Response Rates: Schools</b>				
<b>Time Period</b>	<b>Number Invited</b>	<b>Number Valid</b>	<b>Number Responded</b>	<b>Response Rate</b>
2001–02	147	147	73	49.7%
2002–03	748	740	95	12.8%
2003–04	211	209	79	37.8%
2005	290	290	84	29.0%

Potential respondents were sent an e-mail pre-notification on January 5, 2005. The survey was launched on January 12, 2005, with an e-mail invitation that provided more details on survey objectives and link to the survey site. As an incentive to participate, recruiters who completed the survey were offered the chance to win one of four US\$500 AMEX gift checks. Follow-up e-mails messages were sent to non-respondents on January 26, 2005.

When the survey closed on February 2, 2005, 1,691 recruiters had logged in and completed the questionnaire. This is a response rate of 11.0%, based on 15,329 e-mail addresses ultimately determined to be valid, as shown in the following table.

<b>Corporate Recruiter Survey Response Rates: Individuals</b>				
<b>Time Period</b>	<b>Number Invited</b>	<b>Number Valid</b>	<b>Number Responded</b>	<b>Response Rate</b>
2001–02	7,754	5,452	550	10.1%
2002–03	12,527	9,745	940	9.6%
2003–04	13,358	11,463	1,300	11.3%
2005	17,588	15,329	1,691	11.0%

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## Corporate Recruiters Survey: Methodology

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A company based analysis of respondents shows a response rate of 19.6% among companies, as shown in the following table.

<b>Corporate Recruiter Survey Response Rates: Companies</b>				
<b>Time Period</b>	<b>Number Invited</b>	<b>Number Valid</b>	<b>Number Responded</b>	<b>Response Rate</b>
2001–02	4,229	4,216	421	10.0%
2002–03	5,309	5,176	683	13.2%
2003–04	4,738	4,718	1,004	21.3%
2005	5,935	5,187	1,019	19.6%

### Questionnaire Development and Administration

The questionnaire for the survey was developed in several stages. First, project staff consulted with the Executive MBA (EMBA) Council to discover issues important to them. Telephone interviews were conducted with a select group of corporate recruiters to garner information used to develop specific questions. Then, versions of the questionnaire were developed, reviewed, and revised several times. At the conclusion of this process, the questionnaire was programmed and uploaded to the survey site, then reviewed and tested by project staff. Finally, several individuals participated in an online pretest and provided input on the understandability and functionality of the final, online questionnaire.

Administration of the questionnaire online offered several advantages over a paper-and-pencil administration. First, responses automatically went into a database that was available for analysis at all times. This allowed for monitoring of survey progress and eliminated the time and cost of data entry. Second, the site was programmed to check for the accurate completion of each question before the respondent was allowed to proceed to the next question. This eliminated the typical problems associated with item non-response. Third, for questions likely to be affected by order bias (i.e., a respondent's tendency to select earlier items in a multiple-response question rather than later items), response categories were randomized before the questionnaire was displayed on the respondent's monitor. Fourth, skip patterns allowed respondents to move quickly and appropriately through the questionnaire, because they never saw inappropriate questions. For example, respondents in companies without processes for assessing the return on investment were never asked questions about ROI. Finally, online administration made it possible to reach recruiters around the world rapidly and efficiently.

### Data Analysis

Data were analyzed using SPSS (Statistical Package for the Social Sciences, version 12). Two weeks before the cessation of data collection, a preliminary analysis of the data was conducted. Frequency distributions were examined for both topical and classification questions. Based on this examination, response categories for some questions were collapsed in order to make the final analysis more robust.

In the final analysis, variations in responses to topical questions were analyzed using the following collapsed classification categories: world region (company location), number of employees (company size), and type of industry. For topical questions scaled at nominal and

ordinal levels, a chi-square analysis was used to evaluate statistical significance in cross-classification tables ( $p \leq 0.05$ ). That is, a relationship between a topical item and a classification item was considered statistically significant only when it could have been produced by chance less than or equal to 5% of the time. Whenever an interval level of measurement could be assumed, means were computed and analysis of variance was used to assess significance (also with  $p \leq .05$ ).

Post hoc Bonferroni tests were used in conjunction with analysis-of-variance for comparisons involving more than two sub-groups (classification items or time). In addition, exact tests were used in conjunction with chi-square analyses whenever chi-square assumptions could not be met.

### Note on Statistical Significance

Tests of statistical significance are used throughout this report to evaluate whether a difference in an average or a percentage is likely to have resulted purely from chance (the sampling process) or whether it indicates a real difference in the given population. As discussed above, a 0.05 criterion is used throughout, meaning that in order for a difference to be statistically significant, there must be a 5% or lower chance that the difference resulted from the sampling process. When a percentage difference meets the standard for statistical significance, we conclude that there must be a real difference in the population represented by the data at hand.

Statistical significance depends on two factors: sample sizes and variability of responses within the groups being compared (subgroups or time periods). Because these factors may differ in different comparisons, the same absolute difference in a value or percentage may be significant in one case, but not in another. In samples that are large, a small percentage difference may be statistically significant; in a smaller sample, a greater percentage difference may not be statistically significant.

A difference that is statistically significant may or may not be managerially significant—it is open for consideration. Occasionally in the report, findings are discussed even when they are not statistically significant because of a consistency in the responses that may deserve managerial attention.

### Statistical Factor Analysis

Statistical factor analysis is used in the report to better understand the *underlying dimensions* of responses. In order to discover these dimensions, the technique examines all of the pairwise correlations among responses to a given question. For example, assume respondents rate the desired proficiency of core competencies. If responses to item A are perfectly correlated with responses to item B and, in addition, responses to item B are perfectly correlated with responses to item C, the technique reports that items A, B, and C are measuring the same thing—the same *underlying dimension*. Factor analysis shows how each item is correlated with each underlying dimension, and the analyst uses this information to give the dimension (or category) a name based on how strongly the individual items are correlated with it. In reality, these underlying dimensions are *statistically constructed* “items.”

Sometimes the original questionnaire items are negatively correlated with a dimension. When this happens, responses to the item are correlated with the factor (*underlying dimension*) in the opposite direction from other items. They are no less important in defining and understanding the factor than those items correlating positively with the factor. In each case, the analyst looks at the strength of the correlation between the item and the factor in order to name it.

**Sample Characteristics (2005 Survey)**

Respondents provided information about their primary job responsibility. The majority (63%) of respondents are executive or line managers with hiring authority. Human resource executives and managers, and experienced-hire recruiters with some campus recruitment each represent 14% of the respondents. Eight percent of the respondents are full-time campus recruiters, managers, or staff.

<b>Primary Job Responsibility of Respondent (2005)</b>	
<b>Response</b>	<b>(n = 1,691)</b>
Executive or line manager with hiring authority	63%
Human resources executive or manager	14%
Experienced-hire recruiter, with some campus recruitment	14%
Full-time campus recruiter, manager, or staff	8%
Other	0.1%
Total	100%

The following is a detailed account of the industry categories used in the main body of the report. As shown, the largest industry category is finance/accounting (24%), followed by products and services (22%), consulting (15%), high technology (12%), and manufacturing (12%). Within the finance and accounting industry, the largest subcategories are investment banking or management, banking, and other finance. Among products and services, the largest include consumer goods, other products and services, retail and wholesale, and arts and entertainment. In the consulting category, the largest subcategories are consulting services, management consulting, and human resource services. The largest subcategories in high technology are information technology and services, and telecommunications.

<b>Primary Industry/Business (2005)</b>		
<b>Category</b>	<b>Industry/Business</b>	<b>(n = 1,691)</b>
<b>Consulting (15%)</b>	Consulting Services	6%
	Human Resource Services	2%
	Health Care Consulting	1%
	Information Technology Consulting	1%
	Management Consulting	4%
	Other Consulting	2%
<b>Energy/Utilities (4%)</b>	Energy and Utilities	3%
	Mining	0.1%
	Utilities	0.3%
	Other Energy and Utilities	1%

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<b>Primary Industry/Business (2005 continued)</b>		
<b>Finance/Accounting (24%)</b>	Accounting	2%
	Banking	5%
	Finance and Insurance	3%
	Insurance	2%
	Investment Banking or Management	8%
	Venture Capital	1%
	Other Finance	4%
<b>Healthcare/Pharmaceutical (6%)</b>	Biotechnology	1%
	Health Care	1%
	Health Insurance	0.2%
	Health Managed Care (provider)	0.1%
	Pharmaceutical	2%
	Science and Research	0.3%
	Other Health Care or Pharmaceutical	1%
<b>High Technology (12%)</b>	Engineering	1%
	Information Technology or Services	4%
	Internet and/or E-commerce	1%
	Professional, Scientific, and Technical Services	0.2%
	Science and Research	0.2%
	Telecommunications	3%
	Other Technology	1%
<b>Manufacturing (12%)</b>	Aerospace and Defense	1%
	Automotive	4%
	Other Manufacturing	7%
<b>Nonprofit or Government (5%)</b>	Education or Educational Services	1%
	Government (non-military)	2%
	Military	0.2%
	Nonprofit/not-for-profit	1%
<b>Products and Services (22%)</b>	Advertising	0.2%
	Architecture	0.1%
	Arts and Entertainment	2%
	Aviation and Airlines	1%
	Construction and Installation	1%
	Consumer Goods	5%
	Customer Services	0.4%
	Engineering	0.2%
	Food, Beverage, and Tobacco	2%
	Hotel, Gaming, Leisure, and Travel	1%
	Marketing Services	1%
	Real Estate and Rental and/or Leasing	1%
	Restaurant and Food Services	0.4%
	Retail/Wholesale	2%
	Sports and Recreation	0.1%
Other Products and Services	4%	
<b>Other (1%)</b>	Other industry	1%
<b>Total (100%)</b>	Total	100%

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The majority of companies that participated in the survey (61%) are publicly held corporations. Slightly more than a fifth (22%) are privately held corporations.

The majority of companies (64%) represent the parent company and 36% represent a division or subsidiary.

The majority of companies (71%) have a global scope, followed by national (19%), regional (6%), and local (4%).

<b>Company Characteristics (2005)</b>	
<b>Form of Legal Organization</b>	<b>(n = 1,691)</b>
Publicly held corporation	61%
Privately held corporation	22%
Partnership	8%
Sole proprietorship	2%
Nonprofit/not-for-profit	3%
Local/State/Federal Government (nonmilitary)	3%
Military	0.2%
Other	2%
Total	100%
<b>Parent/Division or subsidiary</b>	<b>(n = 1,691)</b>
Parent company	64%
Division or subsidiary	36%
Total	100%
<b>Scope of Company</b>	<b>(n = 1,691)</b>
Global	71%
National	19%
Regional	6%
Local	4%
Total	100%

Respondents were asked the number of employees that work for their company. The median number of employees that work for a parent company is between 5,000 and 9,999. The median number of employees that work for a division or subsidiary is between 1,000 and 2,499. When combined, the median number of employees is between 2,500 and 4,999. For the purpose of analysis in the report, a relatively equal distribution was calculated, whereby a small company is classified as having less than 500 employees (31%), a mid-sized company has between 500 and 9,999 employees (31%), and a large company has 10,000 or more employees (37%).

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<b>Company Size (2005)</b>				
<b>Number of Employees</b>	<b>Parent Company (n = 1,087)</b>	<b>Division or Subsidiary (n = 605)</b>	<b>Combined (n = 1,691)</b>	<b>Group (n = 1,691)</b>
9 or less	7%	1%	5%	Small (< 500) 31%
10-24	6%	3%	5%	
25-49	3%	5%	4%	
50-99	5%	6%	5%	
100-249	5%	8%	6%	
250-499	5%	9%	6%	
500-999	4%	9%	6%	Mid-Sized (500-9,999) 31%
1,000-2,499	7%	15%	10%	
2,500-4,999	6%	13%	8%	
5,000-9,999	6%	10%	7%	
10,000-24,999	10%	10%	10%	Large (10,000+) 37%
Over 25,000	36%	10%	27%	
Don't know	2%	2%	2%	-
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

The vast majority (93%) of companies are located in the United States. Three percent of companies are located in Europe, 2% in Canada, and 2% in Asia/Australia/Pacific Rim. Of the companies located in the United States, 26% are in the Southwest, 19% are in the Northeast, 19% in the West, 18% in the Midwest, 10% in the Middle Atlantic region, and 8% in the South.

<b>Company Location (2005)</b>	
<b>World Region</b>	<b>(n = 1,691)</b>
Africa/Middle East	0.2%
Asia/Australia/Pacific Rim	2%
Canada	2%
Mexico/Central/South America	0.3%
Europe	3%
United States	93%
<b>Total</b>	<b>100%</b>
<b>U.S. Region</b>	<b>(n = 1,569)</b>
Northeast	19%
Middle Atlantic	10%
Midwest	18%
South	8%
Southwest	26%
West	19%
<b>Total</b>	<b>100%</b>