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Alumni Perspectives Survey

2014 SURVEY REPORT



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Introduction

Alumni are a powerful force in building a business school's brand. They recommend programs to prospective students, they connect current students to job opportunities, and they contribute significantly to building a school's legacy.

The findings in the *2014 Alumni Perspectives Survey Report* provide a current snapshot of nearly 21,000 business school alumni from the classes of 1959 through 2013 in their journeys from business school to careers. These alumni represent 132 universities around the world that partnered with GMAC in this study. The data analyzed in this report tell their employment stories and offer alumni feedback about their career progression and the value of their graduate management education.

The Alumni Perspectives Survey, conducted in October and November 2013 by the Graduate Management Admission Council, has an updated methodology¹ that offers graduate business and management programs data that can inform strategies for retaining and developing deeper levels of engagement with alumni.

Survey topics featured in this report include:

- The value of a graduate management education and its financial return on investment (ROI), plus a retrospective analysis of the decision to pursue a graduate management education.
- Alumni employment profile and career journey, including current employment status, employment characteristics, work location, spotlight on entrepreneurship, on-the-job skills, job satisfaction, and compensation.
- Alumni engagement with their alma mater, including alumni likelihood to recommend their school to others, activities in which alumni are involved, and their past and future financial contributions to their school.

About This Study

The Alumni Perspectives Survey is a product of the Graduate Management Admission Council (GMAC), a global nonprofit education organization of leading graduate business schools and the owner of the Graduate Management Admission Test® (GMAT®). The GMAT exam is an important part of the admissions process for more than 6,000 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.

School Signup Open for GMAC Survey Research Series

Visit gmac.com/surveysignup today to include your school in GMAC research studies. Schools can facilitate surveys directly by sending invitations and survey links to students and/or employers, or you can send your contact list to GMAC researchers, who will manage the survey process for you. Signup continues throughout the year for all GMAC surveys.

Accompanying Data

GMAC is offering two interactive online tools to accompany this summary of findings from the *Alumni Perspectives Survey* exclusively for schools that participated in the study. The **interactive research tool** lets users examine responses for each survey item in greater depth and conduct customized data searches by demographic variables of their own choosing, such as graduation year, program type, gender, age range, citizenship, and industry of employment. In addition, customizable **benchmark reports** offer an opportunity for participating schools to compare their alumni responses against those from peer schools. More information about using these tools can be found in the section titled "*Toward Greater Alumni Engagement: Considerations for Schools*," at the end of this report.

This summary report with overall response information and a list of participating institutions are publicly available at gmac.com/alumniperspectives.

Technical Note

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

¹The Methodology used for this survey differs from that used in past GMAC Alumni Perspective Surveys. For more details about the survey sample, see the Methodology section in the back of this report.

Key Findings

Alumni Across Decades Affirm the Value of a Graduate Management Education

- Nine in 10 (91%) recent business school alumni from 2010–2013 consider their graduate management education a good to outstanding value compared with 95 percent of graduates from 2000–2009, and an overwhelming 98 percent of alumni who graduated from the 1950s through the 1990s.
- Alumni strongly agree that their management education was financially rewarding. Sixty-six percent of alumni from 2010–2013 agree their education was financially rewarding compared with 84 percent of alumni who graduated in the 1990s, 79 percent of alumni from class years 2000–2009, 84 percent of alumni from the 1990s, and 87 percent of alumni who graduated prior to 1990.
- When asked to assess the current status of their careers, more than 4 in 5 alumni across all graduation years strongly agree that they make an impact at their company (86%), are engaged with their work (85%), have challenging and interesting work (85%), have meaningful work (84%), and work for a company that values their skills and abilities (81%).

A Graduate Management Education Is Versatile and Opens Many Career Doors

- As a group, graduate business school alumni most attribute their career success to their personal effort (95%), followed by their graduate management degree (80%), and years of work experience (74%).
- Graduate business school alumni work in all kinds of industries, although 2 in 5 alumni work in finance and accounting (20%) or in the products and services sectors (20%). Among self-employed alumni, more than 3 in 10 work in both products and services and consulting.
- Globally, 13 percent of alumni work outside their country of citizenship, a figure that varies widely by world region, from just three percent of US citizens to 37 percent of Central Asian and Middle East/African citizens.

Alumni Are Launching Entrepreneurial Careers Earlier

- Across all class years surveyed, 11 percent of business school alumni are self-employed, ranging from five percent from the most recent classes of 2010–2013 to 23 percent of those who graduated before 1990.

- The vast majority of self-employed alumni (80%) worked for an employer a number of years after graduation before pursuing their entrepreneurial ambitions, versus the 45 percent of self-employed alumni from the recent classes of 2010–2013 who launched their businesses *directly* after graduation.
- Fourteen percent of recent alumni entrepreneurs (from the classes of 2010–2013) work in the technology sector, compared with just two percent of those who graduated before 1990.

Soft Skills Are Critical Skills Used Most Frequently on the Job

- Soft skills account for 3 of the top 5 skills that business school alumni use every day on the job. Interpersonal skills are the most frequently used skills, followed by a knowledge of general business functions, conscientiousness, managing the decision-making process, and the combined skills of learning, motivation, and leadership.

Alumni Are the Number One Resource for Business School Messaging and Recruitment

- Ninety-five percent of alumni would recommend their graduate business program to others and 96 percent reported they are proud to have attended their graduate business program.
- Forty percent of alumni reported they have mentored prospective or current business school students, and 32 percent have recruited management graduates for employment.
- More than three-quarters (77%) of business school alumni give financially to their alma mater, influenced by their belief that their institution provided them with a valuable education.

Value of a Business School Education

A graduate management education is a key that opens many career doors. Based on survey responses from nearly 21,000 business school alumni living across the globe—who completed their degree programs in the 1950s up through the most recent class of 2013—the vast majority of alumni (83%) report their graduate management education was essential for obtaining employment. In addition, 80 percent of business school alumni report that their graduate management education has been influential in their career progression since earning their degrees.

Alumni overwhelmingly rate (94%) their graduate management education as offering good to outstanding value compared to the total monetary cost invested in their degree programs. Moreover, the perceived value of a graduate management education appears to increase over time, as 91 percent of alumni who graduated in 2010–2013 consider their education a good to outstanding value, compared with 95 percent of graduates from class years 2000–2009, and 98 percent of alumni who graduated from 1959 through the 1990s.

A quarter (26%) of alumni report their expectations for recouping their financial investment were exceeded and 53 percent say their expectations for return on their investment (ROI) were met. Not surprisingly, the further away from graduation, the more likely alumni feel their expectations were exceeded. For instance, nearly half (48%) of alumni who graduated prior to 1980 say their ROI expectations were exceeded, compared with 38 percent of those who graduated in the 1980s, 33 percent of those who graduated in the 1990s, 26 percent of those who graduated in class years 2000–2009, and 16 percent of recent graduates (2010–2013).

In addition, the vast majority of alumni (94%) would still pursue a graduate management degree knowing what they know today. Alumni furthest from graduation are slightly more likely than recent graduates to report that they would still have pursued their degrees—91 percent of graduates from class years 2010–2013 would still have pursued the degree compared with 96 percent of alumni who graduated prior to 1990, 97 percent of the alumni from the 1990s, and 95 percent of alumni from class years 2000–2009.

Reasons behind the strong positive assessment of the value of a graduate management education are multidimensional and span all aspects of alumni's personal and work lives. Business school alumni report that their graduate management education was personally rewarding (94%), professionally rewarding (90%), and financially rewarding (77%), a finding consistent with previous results of GMAC alumni research.

“Getting my MBA ranks near the top of my life-changing experiences, along with having kids, a house fire, and growing up in Africa.”

Alumni assessment of the value of their graduate management education remains high, no matter what their present employment status. Overall, 94 percent of alumni currently working for an employer rate the value of their graduate management education as good to outstanding, compared with 95 percent of self-employed alumni, and 83 percent of alumni seeking employment.

Overall, 79% of alumni reported that their expectations for financial return on their investment (ROI) were met or exceeded.

Employment Profile

Four out of 5 (79%) business school alumni currently work for an employer, 11 percent are self-employed, 4 percent are not currently employed, and 5 percent of our respondents are retired. Employment status varies greatly by graduation year, however (**Table 1**). For example, while recent graduates (classes of 2010-2013) are more likely to be working for an employer (89%), the likelihood of an alumni being an entrepreneur or self-employed increases the longer they have been out of business school. Nearly a quarter (23%) of those who graduated before 1990 are business owners. This is to be expected given the requirements for launching a business, which include, among other things, possessing the know-how, professional networks, and access to financing and venture capital, resources that might be more available to alumni who have been in the workforce for a longer time.

Among business school alumni who graduated prior to 1980, more than half (51%) are now retired.

Alumni respondents who reported being currently unemployed offered the following as the primary reasons they have been unable to find a job: (1) they believe they are overqualified (37%), (2) they lack relevant industry or functional experience (30%), and (3) they are unable to find a position that pays enough (30%).

Industry of Employment

The career path of a business school graduate is flexible and full of possibilities. Alumni have been able to use their degree as a springboard for landing jobs in a wide range of industries. Two particular fields have been noticeably popular among business school alumni across graduation years and still retain an edge over other industries. Two in 5 alumni work in finance and accounting (20%) or in the products and services (20%) sectors.

The discussion that follows in this section highlights differences in alumni industries of employment based on region and citizenship, graduation year, job function, work location, type of organization, gender, and industry selection by those working for an employer versus those who are entrepreneurs/self-employed.

As shown in **Figure 1**, the top industries of employment for alumni who currently work for an employer are finance and accounting (20%), products and services (20%), and technology (14%). In comparison, nearly one-third of alumni entrepreneurs work in the products/services (31%) and consulting (31%) industries. The prevalence of entrepreneurs in these two sectors holds for alumni regardless of graduation year.

Looking at alumni employment patterns across the decades, there are noticeable shifts seen in the industry of employment for alumni who work for an employer. Today, 13 percent of alumni who graduated with the classes of 2010-2013 are employed in the consulting industry, compared with a smaller proportion (6% to 10%) of alumni graduating between 1980 and 2009 who work in this field. On the other hand, there are fewer recent alumni working for nonprofits or government entities, compared with older alumni employed in these sectors. Currently, 24 percent of alumni who graduated before 1990 work in the nonprofit and government sectors, compared with just 10 percent of the most recent graduates from the classes of 2010-2013.

The technology sector has been a magnet of employment for a greater number of entrepreneurs from recent graduation years compared with older alumni. For example, only two percent of self-employed alumni who graduated before 1990 currently work in the technology sector compared with nearly three times as many (14%) entrepreneur graduates from the classes of 2010-2013.

An examination of alumni employment patterns based on citizenship (**Table 2**) shows some pronounced differences by region, more so than by graduation year. An exception would be US citizens, who do show some distinct

Table 1. Current Employment Status of Business School Alumni, by Graduation Year

Alumni	Before 1980	1980-1989	1990-1999	2000-2009	2010-2013
	N = 1,154	N = 1,799	N = 3,051	N = 7,744	N = 6,862
Works for an employer	24%	55%	73%	87%	89%
Entrepreneur/self-employed	23%	24%	18%	10%	5%
Not employed, but searching	1%	4%	3%	2%	5%
Not employed and not searching	1%	3%	1%	1%	1%
Retired	51%	15%	5%	0%	0%

changes in preferred industries based on graduation year. For example:

- Central Asian alumni are more likely than other citizenship groups to work in the consulting and technology sectors.
- Canadian citizens are more likely to work in finance and accounting fields (34%) compared with other groups (18% to 25%). In addition, alumni from the Asia and Pacific Islands region are more likely to work in finance and accounting compared with Europeans and US citizens.
- Employers in the products and services sector are least likely to attract alumni talent from Asia and Pacific Islands, Canada, and Central Asia.
- In relative terms, recent business school graduates from the United States are more likely to be employed in the consulting, finance and accounting, and products and services industries compared with US alumni from earlier years. In contrast, US citizens who graduated in earlier years are more likely to be employed in the nonprofit and government, health care, and technology sectors.

Figure 1. Current Industry of Employment for Business School Alumni, by Employment Status (All Graduation Years)

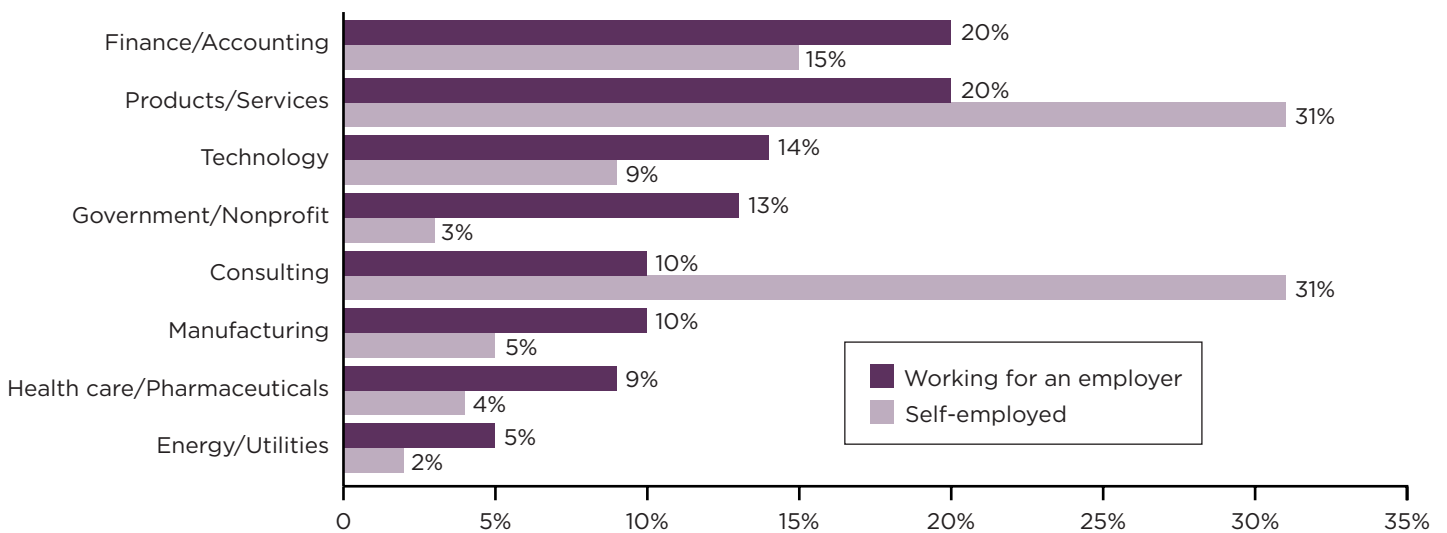


Table 2. Current Industry of Employment for Business School Alumni Working for an Employer, by Citizenship, All Graduation Years

Industry	Region of Citizenship						
	Asia/ Pacific Islands	Canada	Central Asia	Europe	Latin America	Middle East/ Africa	United States
	N = 765	N = 578	N = 1,339	N = 2,272	N = 366	N = 283	N = 10,612
Consulting	9%	11%	24%	12%	9%	10%	8%
Energy/Utilities	6%	7%	3%	7%	8%	9%	4%
Finance/Accounting	25%	34%	21%	19%	19%	18%	20%
Government/Nonprofit	14%	12%	2%	7%	9%	16%	15%
Health care/Pharmaceuticals	5%	6%	4%	7%	7%	8%	10%
Manufacturing	10%	5%	7%	12%	10%	7%	11%
Products/Services	18%	14%	15%	24%	26%	19%	19%
Technology	14%	11%	24%	12%	11%	13%	13%

Industry of employment differences also exist by gender and are consistent with historical GMAC alumni research findings. Women are more likely than men to work in the following sectors: products and services (21% vs. 19%), government and nonprofit (20% vs. 10%), and health care (11% vs. 8%). On the other hand, men are more likely than women to work in the following industries: finance and accounting (21% vs. 19%), technology (15% vs. 10%), manufacturing (12% vs. 7%), consulting (11% vs. 9%), and energy and utilities (5% vs. 3%).

Job Function²

Although graduate business school alumni perform a wide variety of job functions across industries, the majority of survey respondents currently hold positions in finance and accounting (26%), marketing and sales (21%), or general management (20%). **Table 3** shows current job functions of alumni by graduation year. Not surprisingly, alumni who are the furthest out from graduation (classes of 1999 and earlier) are more likely to hold general management positions compared with recent graduates. Alumni who graduated within the last 13 years are more likely to work in marketing and sales and consulting positions than their older peers.

Work Location

One in 8 (13%) graduate business school alumni are currently employed outside their country of citizenship. **Table 4** displays the top three most prevalent regional work

locations based on citizenship for business school talent from 14 different countries or regions:

- US citizens are the least likely to work outside their country of citizenship (3%), in contrast to Chinese citizens, who are least likely to work within their country of citizenship (48%).
- About a quarter or more of the alumni from other world regions work outside their country of citizenship as follows:
 - 23 percent of Canadians
 - 28 percent of Europeans
 - 29 percent of Asians and Pacific Islanders
 - 37 percent of Central Asians
 - 37 percent of Middle East and African citizens

More than half (56%) of alumni worldwide work for multinational organizations, 36 percent work for an organization with either a national or regional focus, and 10 percent work for organizations with a local focus. Foreign employees (74%)—alumni who work outside their country of citizenship—were more likely than domestic employees (54%) to work for a multinational organization.

Although the vast majority of US citizens work within the United States, 52 percent of business school alumni from the United States work for multinational organizations. Recent graduates among US citizens are more likely than older graduates to work for multinational organizations. For example, 55 percent of US citizens who graduated in the classes of 2010–2013 work for a multinational organization, compared with 42 percent who graduated before 1990.

Table 3. Current Job Functions Among Business School Alumni Working for an Employer, by Graduation Year

Job Function	Graduation Year			
	Before 1990	1990–1999	2000–2009	2010–2013
Finance/Accounting	24%	24%	28%	26%
Marketing/Sales	16%	19%	21%	21%
General Management	29%	27%	19%	17%
Consulting	9%	9%	12%	15%
Operations/Logistics	8%	10%	10%	11%
Information Technology	5%	6%	5%	6%
Human Resources	9%	6%	4%	4%

²Job function data apply only to alumni who work for an employer and not to those who are self-employed.

Table 4. Top Work Locations* for Business School Alumni, by Citizenship, All Graduation Years

World Region	Citizenship		Top Work Locations, by % of Alumni Employed		
			Within Country of Citizenship	Second Most Prevalent Location	Third Most Prevalent Location
Asia/Pacific Islands	Australia	N = 206	88%	US (4%)	Singapore (1%)
	Japan	N = 129	76%	US (16%)	China (2%)
	India	N = 950	64%	US (23%)	Canada (2%)
	China	N = 194	48%	US (38%)	Hong Kong (8%)
Europe/Middle East	Denmark	N = 114	90%	US (2%)	China (1%)
	Spain	N = 278	88%	US (6%)	Germany (1%)
	Portugal	N = 287	85%	Angola (3%)	Brazil (2%)
	Italy	N = 278	81%	US (4%)	Switzerland (2%)
	Turkey	N = 111	81%	US (9%)	Spain (2%)
	France	N = 772	67%	Switzerland (6%)	UK (4%)
	Germany	N = 158	63%	US (15%)	Switzerland (4%)
Americas	United States	N = 12,842	97%	Canada (< 1%)	China (< 1%)
	Canada	N = 672	77%	US (15%)	Hong Kong (2%)
	Mexico	N = 108	72%	US (18%)	Canada (4%)

*Although citizenship data refer to all Chinese alumni, the work location data are separate and distinct for mainland China and Hong Kong (SAR of China).

Spotlight on Entrepreneurs

The vast majority of self-employed alumni surveyed in 2013 (80%) reported that they worked for an employer a number of years after graduation before pursuing their entrepreneurial ambitions. This stands in sharp contrast to the 45 percent of self-employed alumni from the most recent classes of 2010-2013 who launched their own businesses directly after graduation (**Figure 2**). Only 24 percent of self-employed alumni from the classes of 2000-2009 (and even fewer in prior years) launched entrepreneurial careers straight out of graduate business school.

Table 5 shows the percentage of alumni who are currently self-employed, based on citizenship group and graduation year. Across all regions, the transition that alumni make from employment with an existing organization to the launch of their own entrepreneurial career is something that generally takes place over time.

“Without the entrepreneurship education I received, I would very likely not have started my own company and therefore I would not have become financially independent and surely not have become a professor for entrepreneurship myself.”

The launch of entrepreneurial careers immediately upon graduation from business school, however, as displayed in **Figure 2**, is a fairly recent phenomenon, noteworthy among the most recent alumni classes (2010-2013). This may be a sign not only of a growing student interest in innovative entrepreneurial careers, but also a reflection of increased academic focus on entrepreneurship in business school programs and the economic opportunities available to startup businesses, which has shortened this timeline.

On average, alumni who graduated between 2000 and 2009 waited three years before going into business for themselves. Business school graduates in the 1990s waited nine years on average before beginning their business, an even faster acceleration to self-employment compared with alumni from the 1980s, who waited 15 years and those

graduates from prior to 1980 who waited an average of 20 years. Regardless of the time frame in which alumni started their businesses—whether at graduation or years later—the vast majority (91%) are satisfied with their experience of being an entrepreneur.

Figure 2. Self-Employed Business School Alumni

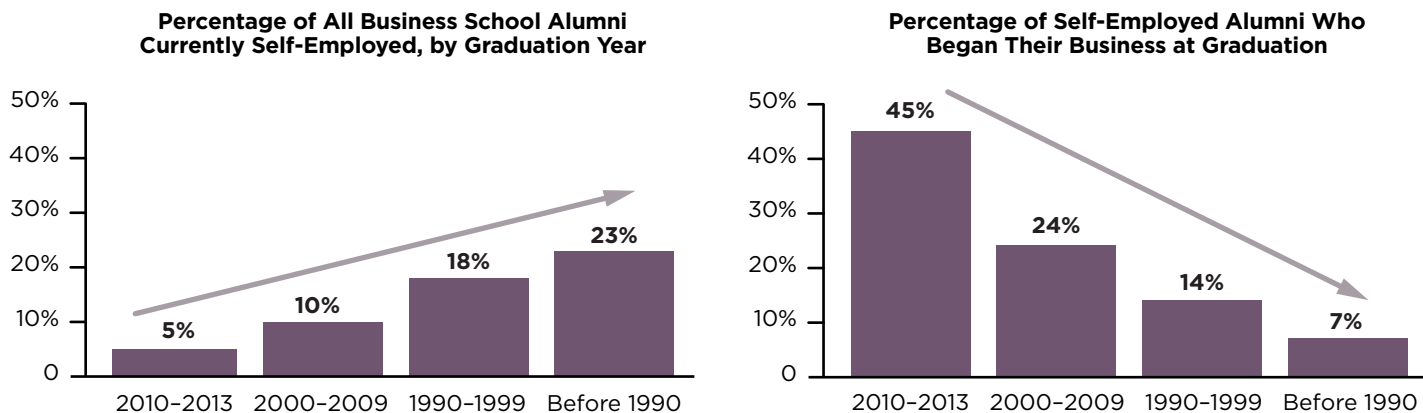


Table 5. Percentage of Business School Alumni Currently Self-Employed, by Citizenship and Graduation Year

Citizenship	Graduation Year			
	2010-2013	2000-2009	1990-1999	Before 1990
Asia/Pacific Islands	7%	16%	*	*
Canada	5%	10%	29%	30%
Central Asia	6%	7%	*	*
Europe	7%	12%	22%	27%
Latin America	8%	12%	*	*
Middle East/Africa	4%	15%	*	*
United States	4%	9%	15%	23%

*Data not shown by region or graduation time frame for response rates < 100.

Career Journey and Employee Tenure

Although the modern career path more often than not involves employment with several companies over a typical working career, business school alumni do not appear to be the job-hopping employees that some might assume. Alumni respondents who have already retired report having worked for a median of three employers during the course of their career after completing their graduate business education. Similarly, the employment history of those who graduated from business school prior to 1994 shows alumni who have worked for an average (median) of three employers thus far in their careers. Alumni from the classes of 1994 through 2005 have worked for two employers on average since graduation, and those from the most recent classes of 2006 through 2013 have typically worked for one employer.

For most alumni, careers naturally advance over time. For example, among alumni who reported holding an executive-level position, 38 percent graduated prior to 1990, compared with 33 percent who graduated in the 1990s, 15 percent of graduates from class years 2000–2009, and 6 percent who graduated in 2010 or later.

One's chances of moving into the executive suite do not necessarily increase with "job hopping" or change of employer:

- Alumni from graduating classes prior to 1990 were equally likely to hold an executive-level position regardless of the number of employers they worked for since graduation.
- Alumni who graduated later (classes of 1990–2013) who reported switching employers at least once were slightly more likely than those who remained with their first employer to hold an executive-level job.

Alumni who graduated in the classes of 2010–2013 have received one promotion on average, whereas alumni who graduated in class years 2000–2009 have received two promotions, those in the 1990s received three, alumni from the 1980s received four, and those who graduated prior to 1980 have received five promotions, on average.

“A year or two after obtaining my MBA, I set a goal to be promoted to a VP position within 20 years after my MBA. I achieved that goal in 15 years.”

One in five (21%) alumni reported being ahead of where they thought they would be in their career thus far, whereas 38 percent said they are about where they expected to be. Forty-one percent have not yet met their career expectations. Survey findings show that the further alumni are from graduation, the more likely their careers have progressed beyond their expectations—31 percent of alumni who graduated prior to 1990 are further along in their career than they expected compared with 20 percent of graduates from the classes of 2010–2013.

Job level and job satisfaction also yielded some different alumni perspectives on career advancement:

- Alumni in higher level positions are more likely to attribute their career progress to their graduate management education, years of work experience, change of employers, and opportunities for change within their company, such as promotions.
- Alumni who reported being less satisfied with their job attributed more of their career progression to external factors outside of their control, such as the economy, or luck. On the contrary, the most satisfied alumni reported creating their own path through work, education, and the support of friends and family.

On-the-Job Skills

Alumni were asked to indicate the range and types of knowledge, skills and abilities (KSAs) they use most frequently in their job.³ Soft skills account for 3 of the top 5 KSAs used most often by business school alumni, which include interpersonal skills, knowledge of general business functions, conscientiousness, managing the decision-making process, and combined skills of learning, motivation, and leadership. Differences in the KSAs that alumni used most frequently were observed by job function, as shown in **Table 6**.

Separate analysis relative to the five KSAs used most frequently on the job showed additional differences based on alumni's role in their organization. More than half (56%) of alumni surveyed who work in supervisory roles often manage decision-making processes, a skill more frequently demanded at their job level. Correspondingly, nonsupervisors typically use their knowledge of general business functions, as well as interpersonal skills and generative thinking on the job.

Further, alumni who reported being ahead of their career expectations noted using two specific KSAs most often: managing human capital and managing strategy and innovation. Other skills that these fast-advancing alumni

³Survey respondents were asked to report how often they used the following 18 knowledge, skills, and abilities in their daily work: managing human capital, managing tools and technology, managing decision-making processes, managing administrative activities, managing strategy and innovation, managing the task environment, knowledge of technology, design, and production, knowledge of human behavior and society, knowledge of general business functions, knowledge of media communications and delivery, interpersonal skills, operations skills, strategic systems skills, foundation skills, generative thinking, conscientiousness, interpersonal orientation, and the combined skills of learning, motivation and leadership.

Table 6. Top 5 Skills Business School Alumni Use on the Job, by Job Function, All Graduation Years

Marketing/ Sales	Operations/ Logistics	Consulting	General Management	Finance/ Accounting	Human Resources	Information Technology/ MIS
Interpersonal skills	Interpersonal skills	Interpersonal skills	Interpersonal skills	Interpersonal skills	Interpersonal skills	Interpersonal skills
Knowledge of general business functions	Managing decision-making processes	Knowledge of general business functions	Managing decision-making processes	Knowledge of general business functions	Conscientiousness	Knowledge of technology, design, and production
Managing decision-making processes	Conscientiousness	Managing decision-making processes	Learning, motivation, and leadership	Conscientiousness	Learning, motivation, and leadership	Managing tools and technology
Conscientiousness	Learning, motivation, and leadership	Conscientiousness	Knowledge of general business functions	Managing decision-making processes	Interpersonal orientation	Conscientiousness
Learning, motivation, and leadership	Operations skills	Interpersonal orientation	Conscientiousness	Learning, motivation, and leadership	Knowledge of human behavior and society	Strategic and systems skills

typically employed on the job that were not widely represented in the general findings include knowledge of human behavior and society, managing administrative activities, and operations skills.

“The value was in knowing that I can handle anything thrown my way. The economy has thrown me a couple of curves so, after reaching VP of Finance in a large public company, I changed fields and within a few short years became VP of HR for another company. Versatility, resiliency, confidence, an ability to learn and to lead—all important competencies that began as a kernel in school and have matured in me over my career.”

Job Satisfaction

Four out of 5 (83%) alumni indicated they are satisfied with their job. Very little difference exists in job satisfaction based on employee job tenure—84 percent of alumni who changed companies are very satisfied/satisfied with their job compared with 82 percent of alumni who still work for their first employer since graduating from business school. Although industry and job function appear not to

influence the level of job satisfaction, graduation year and job level do:

- Business school alumni in executive positions (92%) are more satisfied with their jobs compared with those in senior (87%), mid-level (78%), and entry-level (71%) positions.
- More recent graduates tend to be less satisfied with their jobs compared with older graduates—80 percent of alumni from the graduating classes of 2010–2013 report high levels of job satisfaction compared with 88 percent of graduates who earned their degrees prior to 1990.

Alumni were asked to assess the current status of their careers based on a variety of attributes. More than 4 out of 5 graduate business alumni agree or strongly agree that they:

- Make an impact at their company (86%).
- Are engaged with their work (85%).
- Have challenging and interesting work (85%).
- Have increased their earnings since graduation (84%).
- Have meaningful work (84%).
- Work for a company that values their skills and abilities (81%).
- Feel recognized and respected at work (81%).
- Are financially stable (80%).

In addition, 70 percent of alumni indicated they expect to have a secure retirement, 68 percent feel they are adequately compensated, 67 percent have a leadership role in their company, and 65 percent believe there are opportunities for promotion at their company.

Compensation

More than three-quarters (77%) of alumni surveyed agree that their graduate management education was financially rewarding. Echoing previous GMAC research, the financial value of one's graduate management education increases over time—87 percent of alumni who graduated prior to 1990 agree their education was financially rewarding compared with 84 percent of those who graduated in the 1990s, 79 percent of the graduates from class years 2000–2009, and 66 percent of recent alumni from class years 2010–2013.

Table 7 displays current annual base salaries reported by alumni respondents, based on 18 select work locations and alumni job levels. Note that average salary is influenced by a range of factors, with some notable differences, including:

- **Organizational scope:** Globally, alumni working for a multinational organization earned a median salary of US\$104,000 compared with US\$75,000 earned by those who work for an organization with a local focus.
- **Organizational size:** Alumni who work for an organization with more than 10,000 employees earn a median annual salary of US\$105,000, compared with those who work for organizations with fewer than 100 employees (US\$81,525), globally.
- **Industry:** Alumni working in the energy and utilities and health care (US\$110,000) sectors reported the highest median annual salary, compared with those working in nonprofit and government (US\$80,000) worldwide.
- **Job level:** Globally, alumni in executive-level positions earn a median salary of US\$160,000, compared with US\$85,000 reported by alumni in mid-level positions.
- **Employee tenure:** Statistically, there is no difference in current median salary among alumni who graduated in the 1990s or earlier relative to any change of employer. Among alumni who graduated in 2000 or later years, those who remained with their first employer after graduating from business school currently earn a median salary of US\$105,000, compared with US\$110,000 earned by alumni who have changed employers since graduation—a statistically significant difference.

Table 7. Annual Median Base Salary of Business School Alumni, by Work Location* and Job Level, All Graduation Years

World Region	Alumni Work Location	Job Level							
		Entry Level		Mid-Level		Senior Level		Executive	
		Median (US\$)	Number of Alumni	Median (US\$)	Number of Alumni	Median (US\$)	Number of Alumni	Median (US\$)	Number of Alumni
Americas	Canada	\$75,000	27	\$84,479	250	\$110,146	162	\$148,215	68
	Mexico	—	—	—	—	\$85,000	36	—	—
	US	\$57,000	702	\$93,000	4,938	\$122,000	3,360	\$175,000	1,518
Asia/ Pacific Islands	Australia	—	—	\$109,521	44	\$127,774	69	\$165,878	32
	China**	\$16,413	29	\$39,392	51	\$114,894	45	—	—
	India	\$11,223	89	\$22,446	413	\$40,082	170	\$58,519	60
	Japan	—	—	\$79,921	34	\$121,830	49	—	—
	Singapore	—	—	\$79,768	33	—	—	—	—
Europe	Denmark	—	—	—	—	\$164,887	41	\$219,849	28
	France	\$52,991	69	\$67,938	223	\$90,517	190	\$131,799	119
	Germany	—	—	\$88,319	41	\$135,875	43	—	—
	Italy	—	—	\$57,068	82	\$84,243	67	\$135,875	36
	Portugal	—	—	\$52,312	56	\$81,525	106	\$113,456	46
	Spain	\$29,553	28	\$40,763	77	\$54,350	75	\$93,754	26
	Switzerland	—	—	\$143,800	39	\$179,750	48	—	—
	UK	—	—	\$85,020	62	\$165,813	40	—	—
Middle East/ Africa	Turkey	—	—	\$45,852	33	—	—	—	—
	UAE	—	—	\$78,000	25	—	—	—	—

*Work location data shown where N ≥ 25. **Data shown is for mainland China only and excludes Hong Kong and Macau.

Alumni Engagement With Alma Mater

Ninety-five percent of alumni said they would recommend their graduate business program to others, and 96 percent are proud to have attended their graduate business program. In fact, the higher the position alumni have in an organization, the more likely they are to recommend and express pride in their program. This is another signal that the value of a graduate management education advances with time. Even still, among survey respondents, 87 percent of alumni in entry-level positions said they would recommend their program to others and 92 percent expressed pride in their alma mater.

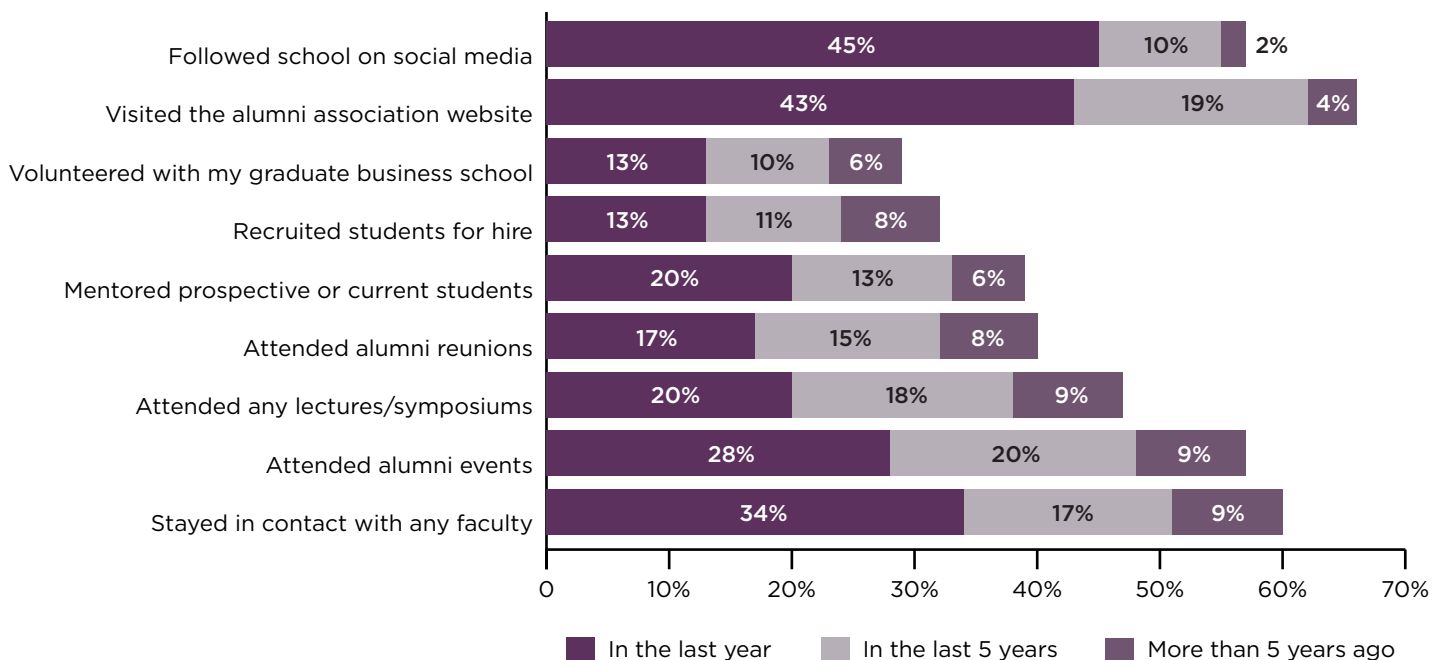
“The friends I have from the program are lifelong friends and we have provided career guidance, life coaching, friendship across the miles for each other... We provide each other with networking opportunities and business opportunities as well as career counseling, even if I am in Asia, and they are in US, and work on nonprofit groups together.”

An important part of a school’s admissions strategy for attracting prospective students often is to involve past graduates in a variety of activities with the school or to supplement students’ learning experience with alumni interactions. This was the case for many business school alumni. At some point in time since they graduated, 40 percent of alumni reported that they have mentored prospective or current students, 32 percent have recruited students for hire, and 29 percent have volunteered with their graduate business school.

In addition to these activities, business school alumni maintain their involvement with their alma maters through other alumni- or school-related outlets and activities. As **Figure 3** illustrates, alumni demonstrate a strong reliance on virtual connections with their alma mater since graduation. Over time, the majority of business school alumni surveyed reported visiting the alumni association website (67%), staying in contact with faculty (61%), attending alumni events (57%), and following the school on social media (56%).

The level of alumni involvement in school-related activities may also depend on their proximity to their alma mater, a factor schools need to consider when planning events that will yield maximum possible alumni participation. Survey respondents were asked to indicate how much time it would take to travel to their business school and what means of transportation they would most likely use when visiting their school. Nearly half of alumni (48%) live within

Figure 3. Business School Alumni Participation in Alumni Activities



a one-hour commute of their alma mater, while 33 percent live four or more hours away. Getting to campus for alumni events or activities may involve a variety of transportation methods, including:

- Personal vehicle (e.g., car, truck, motorcycle; 58%)
- Airplane (27%)
- Railway/train (5%)
- Walk/bicycle (5%)
- High-speed commuter public transportation (e.g., subway, metro, underground; 3%)
- Bus or taxi (3%).

Keeping alumni engaged, and in ways that work best for them as busy professionals, could be particularly important for business schools to maintain crucial alumni support. When asked about preferred methods of communication, alumni indicated (in rank order): email (86%), electronic newsletter/magazine (43%), and social media (12%).

Not surprisingly, recent graduates prefer social media, but perhaps not at levels one might expect—16 percent of alumni from the classes of 2010–2013 prefer social media compared with 12 percent of the alumni from class years 2000–2009, 9 percent of the 1990s alumni, and 5 percent of alumni who graduated before 1990. Actually, recent graduates were more likely to prefer email compared with other graduates. Graduates from years past, on the other hand, are more likely to prefer electronic newsletters and postal mail. Only two percent of alumni prefer not to receive any messages from their graduate business school.

The potential for future financial donations and philanthropic engagement are additional reasons for business schools to deepen their efforts to connect with alumni. Across all graduation years, 47 percent of alumni surveyed reported that they have made a financial donation to their graduate business school, and 32 percent believe they will make a financial gift in the coming year.

When asked about the likelihood of making a donation sometime in the future, 82 percent of those who had given plan to give again, compared with 30 percent of those

who have yet to make their first financial contribution to their school.

Alumni furthest from graduation are more likely than recent alumni to give financially to their alma mater. For example, about a third (31%) of those who graduated from 2010–2013 made a financial donation to their alma mater compared with 46 percent of alumni who graduated in 2000–2009, 60 percent of alumni from the 1990s, 70 percent who graduated in the 1980s, and 77 percent of alumni who graduated prior to 1980.

The top factors that alumni said have influenced or would influence their decision to give back to their alma mater are:

- Belief that their institution provided a valuable education (77%).
- Agreement with the mission and direction of the institution (58%).
- School's need for financial support to ensure excellent education for future students (40%).

The most common reasons alumni assert for not contributing financially to their school (in the past or in the future) include:

- Placing a higher priority on giving to other organizations/charities (45%).
- Feeling they have paid their tuition and do not need to contribute more (33%).
- Their belief that the institution is well funded (32%).
- Current inability to contribute financially (33%).⁴

“I would like more support after graduation for networking. Alumni calls every six months or webcasts to bring everyone together to update on the school and for the class to network would be great.”

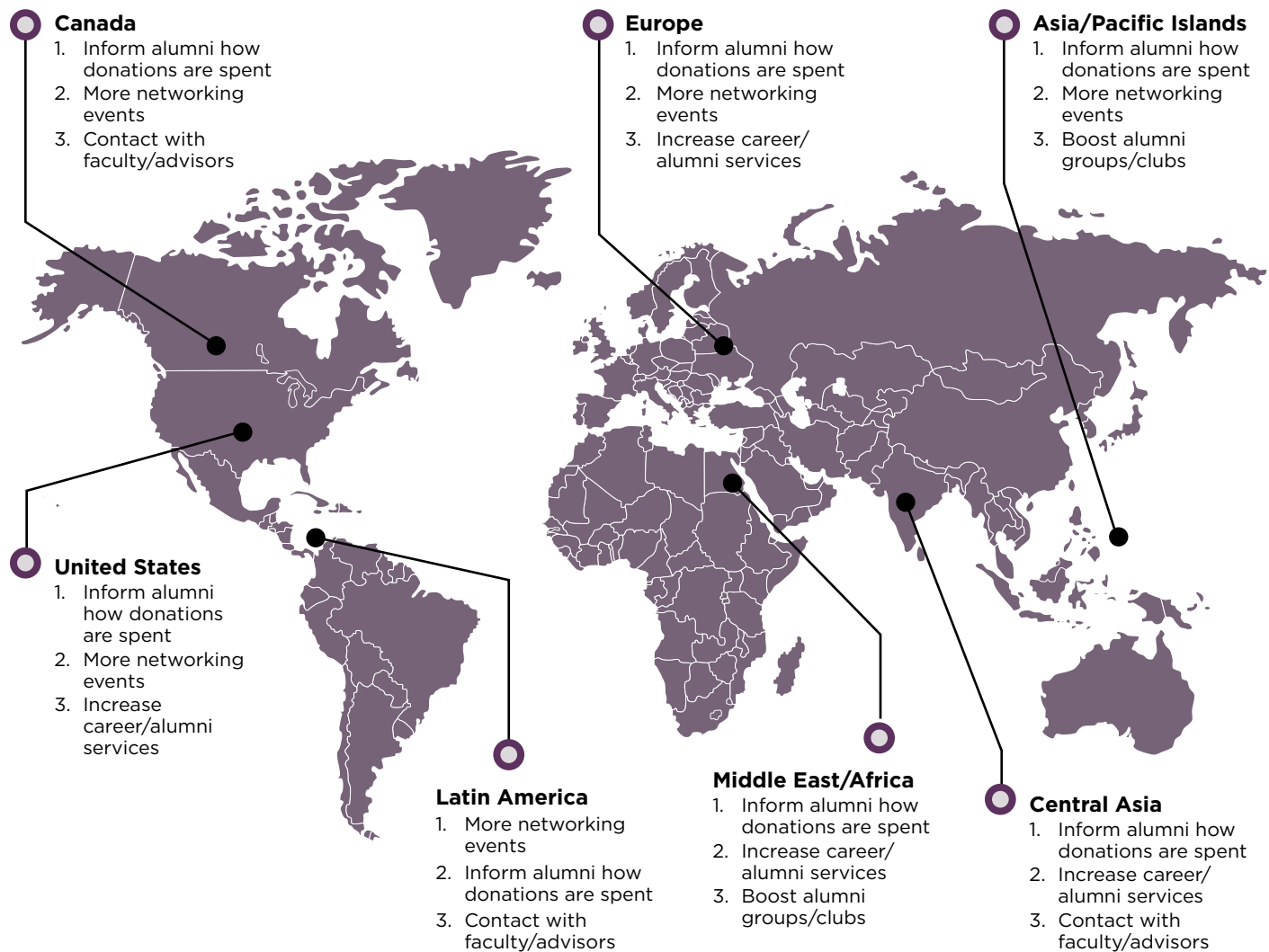
Business schools that participated in this *GMAC Alumni Perspectives Survey* have access to benchmark reports and interactive alumni profiles that offer rich data about alumni hobbies and interests, career engagement, and financial net worth. Learn more about these participant benefits at gmac.com/alumniperspectives.

⁴Analysis of survey findings regarding alumni reasons for not giving to their alma mater excludes responses from alumni who said financial contributions were prohibited either by school or national policies.

The most common actions a business school could take that alumni said might encourage them to make a future financial contribution include: (1) knowing how their contribution was being spent (31%), (2) more involvement from career/alumni services (20%), and (3) access to more networking events (20%).

The types of activities that might prompt alumni to make future financial donations varies somewhat by regional locations where alumni work, a factor for schools to consider when planning fundraising activities (**Figure 4**).

Figure 4. Top Business School Actions to Encourage Alumni Giving, by Regional Alumni Work Location, All Graduation Years



Source: GMAC 2014 Alumni Perspectives Survey Report. Data collected October–November 2013.

Toward Greater Alumni Engagement: Considerations for Schools

Do you need a new alumni chapter somewhere in the world? How should programming or outreach differ by location or graduation era? Are there skills or interests sought by alumni that your school should consider in activities? Alumni engagement involves a continuous effort to share information, coordinate and promote programming, and connect alumni with one another and the school in new and meaningful ways.

Professionals working in alumni relations/engagement roles at schools that participated in this study have access to two additional research and reporting tools that can inform strategy and tactics in these ways:

- Create charts, tables, and comparisons for your school in an **interactive research tool** that will spark new ideas or offer insights to enhance existing efforts. For example, alumni association websites and interaction via social media are the most frequently consulted channels of communication by alumni, and investing in these resources should be a priority. Peruse the interactive data tool to identify the personal interests or professional topics that will resonate with your alumni and explore fresh ways to connect with them. Also, employment data may be helpful for narrowing content focus or selecting alumni who represent a specific industry or function to seek as guest bloggers or commentators.

Beyond identifying new professional networks, the data provide schools with insights into the skills reported by alumni as being central to their job responsibilities. Consult the data before building programs that focus on specific skills training or networking opportunities in support of continuous alumni professional development. Make comparisons across many different demographics, including program type, gender, industry and function, job level, and location. And, use of the tool to sift data for profiles of past donors versus others, or alumni work location, or proximity to campus will be invaluable for understanding geographic nuances as well as event planning and logistics. And remember, for the first time, our interactive data report enables you to filter and compare all survey responses for your school with aggregate alumni data from other schools that participated in the survey.

- Compare data in **customizable benchmark reports** of your school's alumni to responses of other schools' alumni. The benchmark tool allows users to generate up to five benchmarking groups of 5 to 10 schools from the more than 130 schools available. Your office of alumni services may also find it valuable to evaluate responses by graduation era about alumni satisfaction levels or employment profiles to see whether any differences exist, and to benchmark your institution's results against a set of peer or competitor schools' alumni responses.

Benchmark data may help gauge effectiveness in engaging alumni in ways that continue to advance their careers, enhance outreach efforts based on alumni interests or desires, and identify compensation data that might differ from other schools to frame alumni giving conversations.

Methodology

Findings in this report are based on an analysis of data from 20,704 alumni representing 132 business schools worldwide that partnered with GMAC in this debut research study. The methodology for this report differs from previous alumni surveys, which were based on longitudinal samples from the GMAC Global Management Education Graduate Surveys. This year, all GMAC member schools and a number of other schools representing a cross section of global graduate management education received email invitations to participate in the study. Schools participated either by providing GMAC with the names and email addresses for their alumni or by forwarding the survey invitation directly to their alumni.

The survey was in the field between October 9 and November 15, 2013. Frequency distributions were examined for both topical and classification questions. 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 average response rate at the school level is 10 percent, with a range from 1 percent to 81 percent. This response rate is an approximate figure because exact counts on survey invitees were not available for all schools.

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

Table 8 shows the overall survey response rate and respondent distribution by graduation year, program type, citizenship, school location, work location, gender, and age.

Table 8. Alumni Perspectives Survey Respondent Profile

N = 20,704 Average school response rate: 10%		School Location	
Graduation Year		Asia/Pacific Islands	624
2010–2013	6,862	Canada	846
2000–2009	7,744	India	984
1990–1999	3,051	Europe	2,686
1980–1989	1,799	Latin America	62
Before 1980 (Earliest 1959)	1,154	Middle East/Africa	131
Program Type		United States	15,371
Full-time two-year MBA	9,190	Work Location	
Full-time one-year MBA	1,460	Asia/Pacific Islands	1,007
Part-time MBA	4,665	Canada	672
Executive MBA	1,645	Central Asia	979
Quantitative master's	955	Europe	2,573
Qualitative master's	2,223	Latin America	339
Other programs	566	Middle East/Africa	350
Citizenship		United States	12,842
Asia/Pacific Islands	961	Gender	
Canada	805	Men	14,680
Central Asia	1,543	Women	5,951
Europe	2,918	Current Age	
Latin America	444	34 and younger	7,195
Middle East/Africa	341	35 to 45	6,801
United States	13,569	46 and older	6,635

Regional Location of Survey Respondents

The following geographic classifications include countries within each region that represent work locations for alumni who responded to this survey:

- **Asia & Pacific Islands:** Australia, Cambodia, China, Hong Kong (SAR of China), Macau (SAR of China), Fiji, Indonesia, Japan, Lao(s) People's Democratic Republic, New Caledonia, New Zealand, North Democratic People's Republic of Korea, Malaysia, Mongolia, Myanmar, Papua New Guinea, Philippines, Samoa, Singapore, South Korea, Sri Lanka, Tahiti, Taiwan, Thailand, Timor–Leste, Vietnam.
- **Canada:** Canada.
- **Central Asia:** Afghanistan, Bangladesh, Bhutan, India, Kazakhstan, Nepal, Pakistan, Uzbekistan.
- **Europe:** Andorra, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Finland, France, Georgia, Germany, Greece, Greenland, Hungary, Iceland, Ireland, Italy, Kosovo, Liechtenstein, Lithuania, Luxembourg, Macedonia (The former Yugoslav Republic), Malta, Monaco, Netherlands, Norway, Poland, Portugal, Romania, Russian Federation, Spain, Sweden, Switzerland, Ukraine, United Kingdom.
- **Latin America:** Argentina, Bahamas, Belize, Bermuda, Bolivia (Plurinational State of), Brazil, Cayman Islands, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, Uruguay, Venezuela (Bolivarian Republic of).
- **Middle East & Africa:** Algeria, Angola, Bahrain, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Congo, Cote d'Ivoire, Democratic Republic of the Congo, Egypt, Eritrea, Ethiopia, Gabon, Ghana, Islamic Republic of Iran, Iraq, Israel, Jordan, Kenya, Kuwait, Lebanon, Lesotho, Liberia, Malawi, Mauritius, Morocco, Mozambique, Nigeria, Oman, Palestinian Territories, Qatar, Rwanda, Sierra Leone, Saudi Arabia, South Africa, Syrian Arab Republic, Togo, Tunisia, Turkey, Uganda, United Arab Emirates, United Republic of Tanzania, Zambia, Zimbabwe.
- **United States:** United States of America and its territories.

Contact Information

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The following individuals from the Research and Development Department at GMAC made significant contributions to the publication of this report: **Gregg Schoenfeld**, Director, Management Education Research, review of questionnaire, analysis, and drafting of the manuscript for intellectual content; **Laura Leach**, Survey Research Manager, questionnaire design and survey management; **Paula Bruggeman**, R & D Manager, editorial review and publication management; **Michelle Sparkman Renz**, Director, Research Communications, manuscript review; **Tacoma Williams**, Research Coordinator, quality assurance; and **Dr. Lawrence M. Rudner**, Vice President, Research and Development, manuscript review.

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The **Alumni Perspectives Survey** is one in a series of five annual or biannual surveys produced by the Graduate Management Admission Council that explore relevant issues in graduate management education. Other GMAC surveys include...

■ **mba.com Prospective Students Survey**

Launched in 2003, this annual survey profiles prospective students, tracking how and why they move through the pipeline, and what motivates them and gets their attention.

■ **Corporate Recruiters Survey**

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 MBA recruitment activities of their companies.

■ **Global Management Education Graduate Survey**

Premiering in 2000, this survey is conducted every February to provide a comprehensive picture of soon-to-be graduates: who they are, how they chose their schools, how satisfied they are with their education, and where they are headed after they graduate.

■ **Application Trends Survey**

Since its debut in 1999, this annual two-part survey compares current and previous year application data for business school programs worldwide, highlighting trends by program type and world region.

Survey Reports provide an overview of data in addition to offering context for and discussing implications of the research. They frequently are used to help drive strategic decision-making processes in graduate business schools. All **Survey Reports** are available online at gmac.com/surveys.

