

# 2010



## Alumni Perspectives Survey

**SURVEY REPORT**



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 approximately 4,750 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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**D**uring the months of April and September of 2009, the Graduate Management Admission Council® (GMAC®) conducted the Alumni Perspectives Survey, a longitudinal study of prior respondents to the Global Management Education Graduate Survey of management students nearing graduation. A total of 3,708 alumni responded to the April 2009 survey, representing graduates from the classes of 2000 through 2008. The September 2009 survey sample also included the newly graduated class of 2009. A total of 3,966 alumni responded to the September survey. This report combines data from both of the Alumni Perspectives Surveys conducted in 2009.

Since this survey's inception 10 years ago, its research objectives have been to document job characteristics for both the first jobs alumni held after graduation and their current jobs; to track changes in career progression and salary over time; to assess the benefits of graduate management education from a retrospective point of view; and to monitor alumni's educational and communication needs.

This report is organized into four sections: the first provides a portrait of the class of 2009 and their employment prospects; the second offers alumni perspectives on job and career progression, salaries, and skills needed for professional success; the third gives voice to alumni opinions on business ethics in the workplace and its role as a part of management curriculum; and the last section presents alumni perspectives on communications with their graduate business school and their ongoing relationship with their alma mater.

**Key Findings**

- The vast majority of graduates from the class of 2009 (84%) were employed at graduation, including 79 percent employed with an organization and 5 percent self-employed. Nearly one in six (16%), however, did not have a job upon graduation.
- The majority of survey respondents from the class of 2009 indicated they made the right choice for their first job and that their graduate management degree was essential for their first job after graduation.
- Overall, two out of three employed alumni from the class of 2009 indicated their starting salary met (52%) or exceeded (14%) their expectations.
- Among respondents from the class of 2009, 49 percent indicated their career services office was helpful with their job search process.
- The top industry of employment among alumni was finance and accounting. The ability to work with others was deemed to be the most important communication skill, regardless of industry.
- Nearly half (48%) of alumni report high levels of satisfaction with their career progression.
- More than half (55%) of alumni indicate that the current economic crisis has created an atmosphere of distrust in the corporate arena.
- Two in five alumni indicated that ethics education has a great deal or a good amount of impact on their decision-making processes.
- One in five alumni indicated they would like to receive more communication from their graduate management institutions.



**Two out of three employed alumni from the class of 2009 indicated their starting salary met (52%) or exceeded (14%) their expectations.**

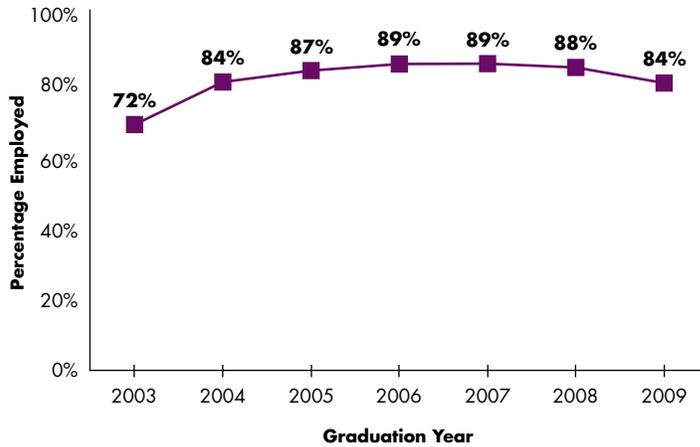


**Methodology**

The survey sample includes business school graduates who participated in the Global Management Education Graduate Surveys administered to the 2000 through 2009 classes and agreed to further follow-up. The April 2009 Alumni Perspectives Survey had 3,708 respondents, representing an 18 percent response rate. The September 2009 survey had 3,966 respondents, representing a 15 percent response rate. Table 1 shows the response rates for each of the surveys by graduation year.

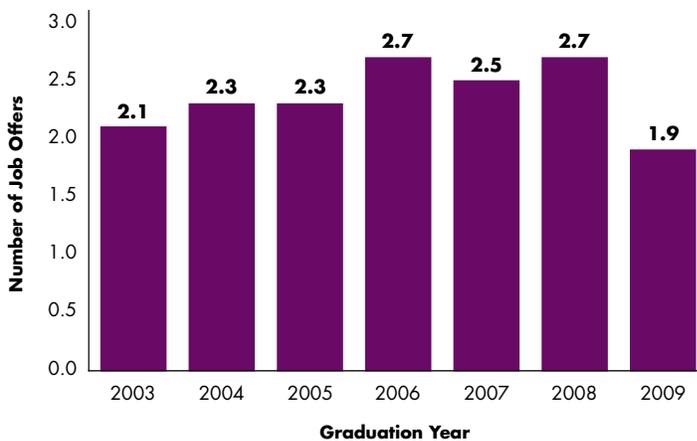
Graduation Year	April 2009	September 2009
N	3,708	3,966
Response rates	18%	15%
2000	122	117
2001	188	162
2002	157	145
2003	210	196
2004	414	362
2005	503	544
2006	596	565
2007	583	586
2008	925	1,146
2009	Not applicable	1,208

**Table 1.**  
Response Rates



Source: Data for the classes of 2003 through 2008 are taken from the past GMAC® Alumni Perspectives Surveys. Data for the class of 2009 are from the September 2009 Alumni Perspectives Survey.

**Figure 1.**  
Employment at Time of Graduation, by Graduation Year



Source: Data for the classes of 2003 through 2008 are taken from past GMAC® Alumni Perspectives Surveys. Data for the class of 2009 are from the September 2009 Alumni Perspectives Survey.

**Figure 2.**  
Average Number of Job Offers, by Graduation Year

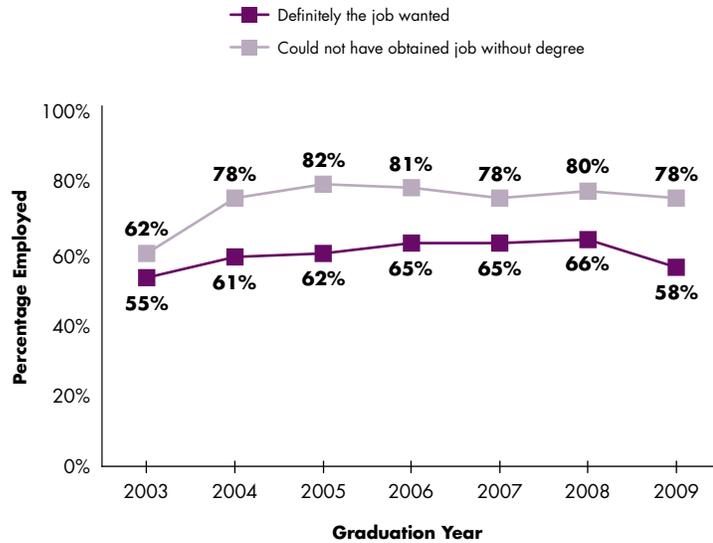
**First Job After Graduation**

The current recession has had a slight impact on graduate business school alumni. The vast majority of alumni from the class of 2009 (84%) were employed at graduation, including 79 percent who worked for an employer and 5 percent who were self-employed. About one in six graduates (16%) were not working. This is a decrease of about 4 percent compared to recent years. Figure 1 shows the percentage of alumni who were employed at the time of graduation, by graduation year.

The economic impact of the current recession is not as severe as that of the last recessionary period of 2002 to 2003 (Graduate Management Admission Council, forthcoming). The class of 2009 received fewer job offers than the classes in previous years,<sup>1</sup> however (Figure 2). Despite the decrease in the number of job offers received by alumni, more than half (58%) of employed alumni stated that the job they took upon graduation was definitely the kind of job they were looking for and 34 percent said it was somewhat like the job they were looking for. These percentages were similar to recent years when between 55 percent and 66 percent of alumni indicated that the job they took was definitely the kind of job they were looking for. In addition, 78 percent of alumni indicated their graduate management degree was essential to landing a job once they left graduate school, a percentage that is on par with previous years. Figure 3 shows alumni opinions regarding their job at the time of graduation.

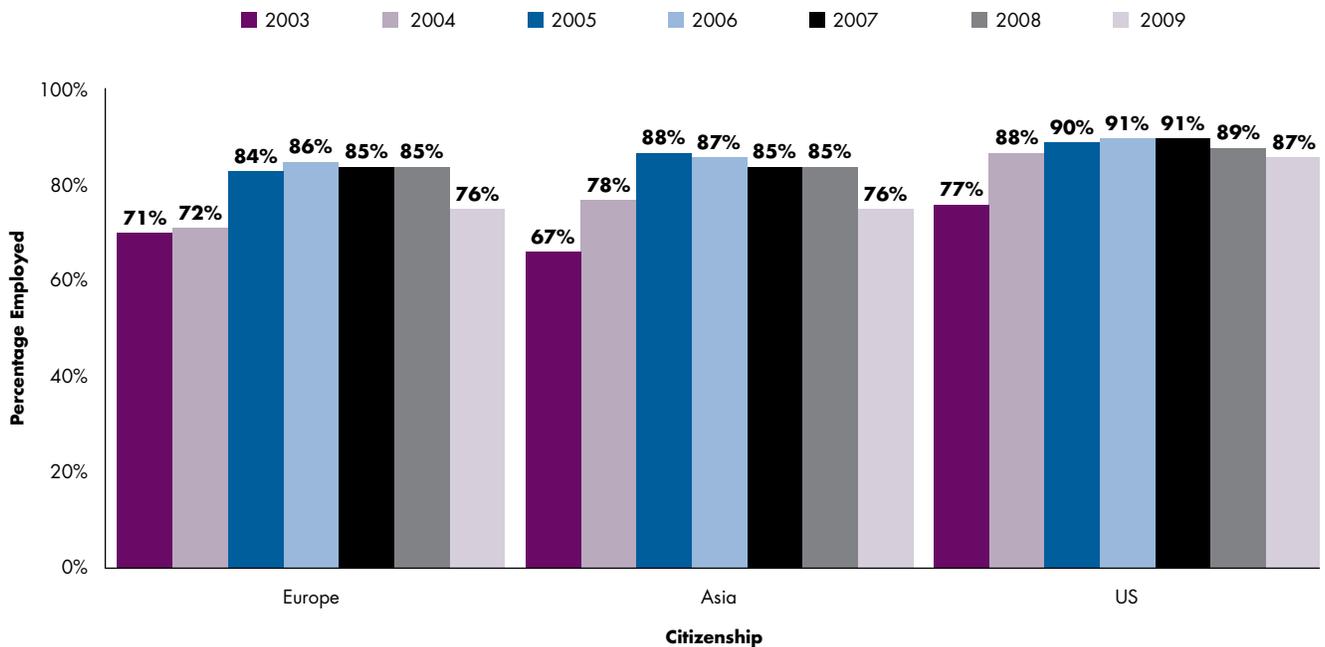
<sup>1</sup> One-way ANOVA with Bonferroni post-hoc analysis, F = 2.964; df = 14; p ≤ .05.

Employment rates for the graduating class of 2009 varied considerably when compared by citizenship. European and Asian citizens faced a tougher labor market compared with US citizens, with 76 percent of Asian and European respondents finding employment upon graduation, compared with 87 percent in the United States (Figure 4). Similarly, a greater proportion of US citizens (29%) considered the global economy stable or strong at the time of the survey compared with 15 percent of Asian and 21 percent of European respondents. Not surprisingly, the state of the economy has a great impact on employment outcomes not only for business school graduates but also for all individuals seeking employment.



Source: Data for the classes of 2003 through 2008 are taken from past GMAC® Alumni Perspectives Surveys. Data for the class of 2009 are from the September 2009 Alumni Perspectives Survey.

**Figure 3.**  
Alumni Opinions of First Job After Graduation, by Graduation Year



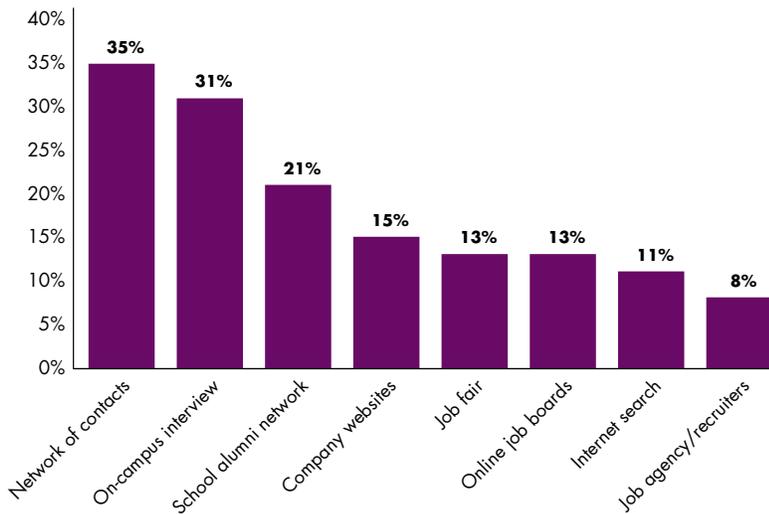
Source: Data for the classes of 2003 through 2008 are taken from past GMAC® Alumni Perspectives Surveys. Data for the class of 2009 are from the September 2009 Alumni Perspectives Survey.

**Figure 4.**  
Employment at Graduation, by Citizenship and Graduation Year

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**Among alumni respondents who were not working, 76% still believed that their education had prepared them for their professional careers.**  
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**Job Search Methods**

Overall, 78 percent of employed alumni felt their career services office at their graduate business school was helpful in their job search preparation. Networking appeared to be the most effective method of obtaining a job for the class of 2009 (Figure 5). In fact, more than half (56%) of employed alumni in the class of 2009 found their first job after graduation using their own network of contacts (35%) or the school’s alumni network (21%). In addition, 31 percent of employed alumni found their job through an on-campus interview. Not surprisingly, alumni who found their job through an on-campus interview were more likely to rate their career services office as helpful.



**Figure 5.**  
 Method of Finding First Job (Class of 2009)

**Unemployed Alumni**

Of the 16 percent of respondents from the class of 2009 who did not have a job at graduation, the majority were actively seeking a job (88%). According to the US Bureau of Labor Statistics methodology, the unemployment rate for the class of 2009 alumni was 14 percent at the time of graduation (2009). Among alumni respondents who were not working, however, 76 percent still believed that their education had prepared them for their professional careers, which indicates that alumni have a positive outlook for the future, despite their misfortune to have graduated into a stalled global economy.

Two major factors drove the 2009 job outlook for recent graduates: the overall propensity of companies to hire—demand for skills needed within specific industries—and the extent to which businesses were affected by the economic crisis (Murray, 2009b). The primary reasons cited by the class of 2009 for the inability to find a job included a lack of relevant industry or functional experience (46%) and lack of job openings for which to interview (39%). In addition, 34 percent felt that they had not found a job because they lacked a sufficient number of years of work experience. There was a correlation between alumni age and employment status at graduation that further emphasizes the importance of experience. In fact, 20 percent of alumni age 27 and younger were without a job compared with 16 percent of those ages 28 to 34 and 14 percent of those age 35 and older.

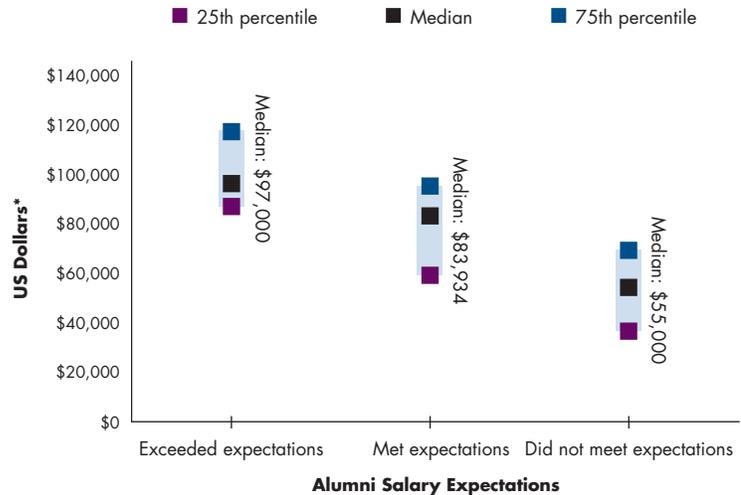
Alumni respondents from the class of 2009 were searching for jobs in the following industries: products and services (29%), consulting (23%), finance and accounting (20%), and technology (12%). They were searching for the following job positions: marketing and sales (25%), finance and accounting (24%), consulting (23%), and general management (13%).

**Starting Annual Salary**

Earning potential is important when making career choices and financial decisions. Graduate business schools prepare alumni for the realities of the job market by helping them manage their salary expectations after leaving graduate business school (Weiss, 2006). Figure 6 shows the average starting salary by alumni expectations. Overall, two out of three employed alumni from the class of 2009 indicated their starting salary met (52%) or exceeded (14%) their expectations. Alumni who indicated their salary did not meet their expectations were more likely to indicate their job did not measure up to the type of job they sought.<sup>2</sup>

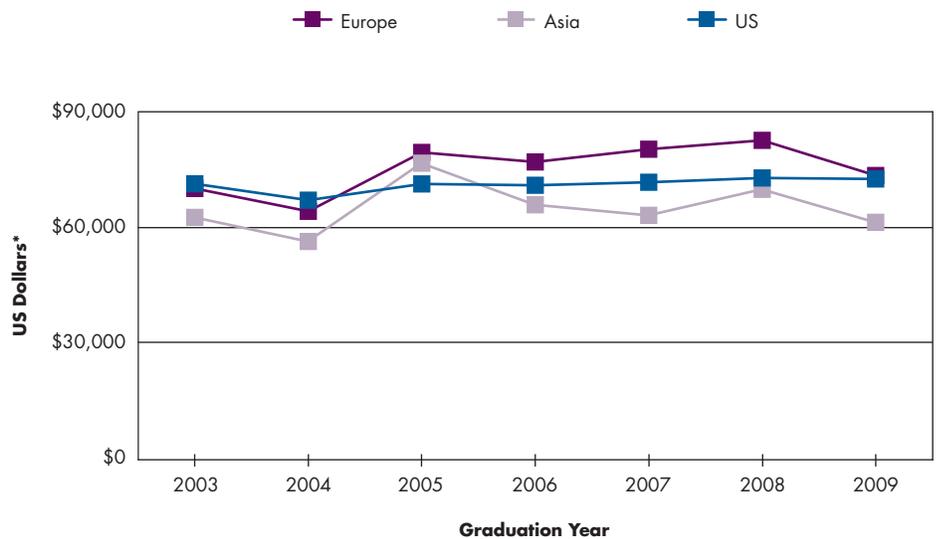
The current economic crisis has affected salaries at a global level. Overall, the average starting salary was US\$70,938, which was lower than the past few years, but higher than the starting salaries for the classes of 2003 and 2004. There was a significant difference by citizenship in the mean salaries for the first job acquired after graduation (Figure 7). Asian citizens reported lower average annual base salaries than citizens of Europe and the United States.<sup>3</sup>

The average salary for alumni who acquired their first job after graduation was US\$70,938 compared with US\$87,000 for alumni who continued working for an employer with whom they had an internship or work project. This difference in salary is noteworthy. Excelling at an internship frequently leads to permanent employment and often raises the bar for higher earning potential. Practitioners and theoreticians often view such experiences as an integral step in learning to make wise and well-informed career decisions (Brooks, Cornelius, Greenfield, & Joseph, 1995).



\* Salary reported in currency of choice and converted to US dollars for purposes of comparison.

**Figure 6.**  
Average Starting Salary, by Expectation (Class of 2009)



\* Salary reported in currency of choice and converted to US dollars for purposes of comparison.  
Source: Data for the classes of 2003 through 2008 are taken from past GMAC® Alumni Perspectives Surveys. Data for the class of 2009 are taken from the September 2009 Alumni Perspectives Survey.

**Figure 7.**  
Annual Starting Salary, by Citizenship

<sup>2</sup> $\chi^2 = 66.163, df = 4, p \leq .05.$

<sup>3</sup>One-way ANOVA with Bonferroni post-hoc analysis,  $F = 3.819; df = 255; p \leq .05.$

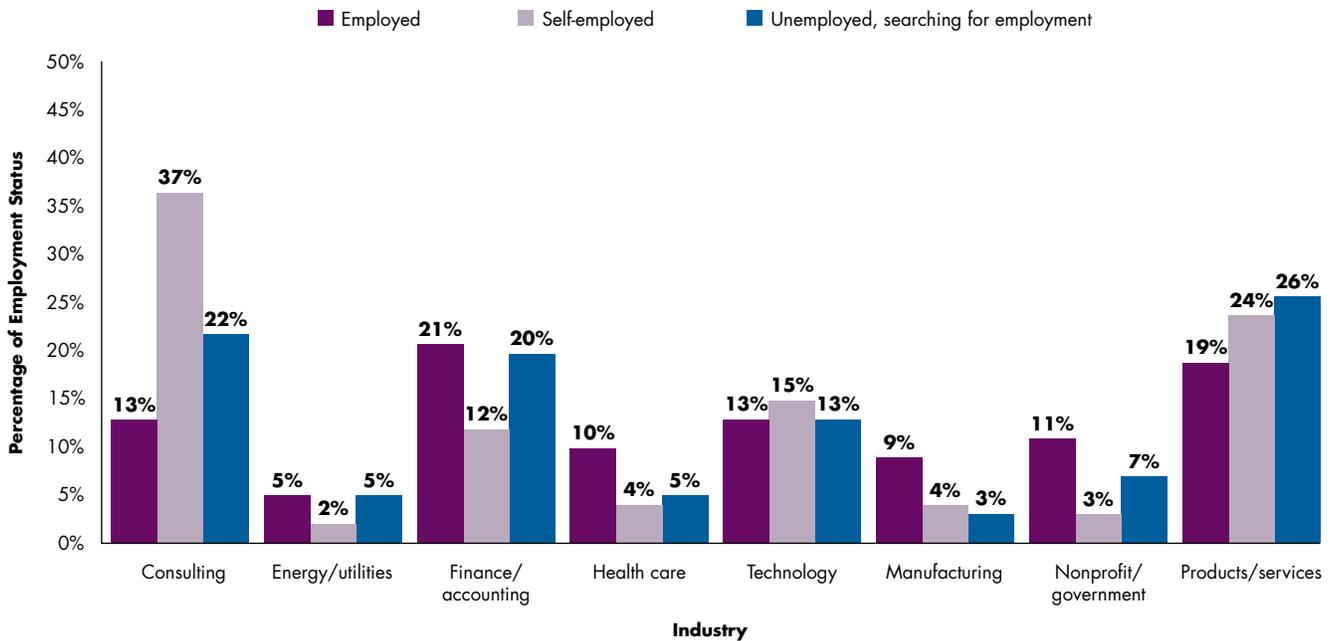
**Employment Status**

An economy in recession has a significant impact on the availability of jobs, corporate hiring, and long-term employment prospects. In the April 2009 survey, only 12 percent of alumni perceived the state of the global economy to be stable or strong and just 17 percent perceived the state of their national economy to be stable or strong. In September, however, perceptions of the economy had improved slightly—29 percent of survey respondents perceived the global and their national economies to be stable or strong. Despite the ongoing economic crisis, however, the vast majority (90%) of alumni were employed at the time of the September survey. Overall, 83 percent were employed by an organization, 7 percent were self-employed, and 10 percent were unemployed.

Each month, the Bureau of Labor Statistics (BLS) of the US Department of Labor announces the total number of employed and unemployed persons in the United States for the previous month. In September 2009, the unemployment rate in the United States was 9.8 percent and by October, it had risen to 10.2 percent—the highest rate since April 1983, according to the Bureau of Labor Statistics (2009). Similarly, 10 percent of the alumni responding to this year’s surveys were not working, but 16 percent of these alumni were not actively searching for a job. Therefore, using the labor bureau’s unemployment calculation, 8.4 percent of graduate business school alumni would be considered unemployed, which is slightly better than the overall US rate.

Figure 8 shows the distribution of industries among employed, self-employed, and unemployed alumni in the labor market. Employment industry trends were

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 Despite the ongoing economic crisis, the vast majority (90%) of alumni were employed at the time of the survey.  
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**Figure 8.**  
 Employment Status, by Industry

consistent with findings from previous years with the top three industries being finance and accounting (21%), products and services (19%), and consulting (13%). The top industries among self-employed alumni were consulting, products and services, and technology. Unemployed alumni were searching for jobs mainly in two of the top three industries: consulting, and products and services. These industries, along with finance and accounting, appear to be the most competitive industries for graduate business alumni who are seeking employment. Given today's job market, alumni may need to be especially creative and flexible when creating job search strategies.

Additional analysis of employment status based on program type, age, and citizenship revealed:

- Alumni who graduated from full-time MBA programs were more likely to indicate they were unemployed compared with alumni who graduated from part-time or executive MBA programs.<sup>4</sup>
- Younger alumni were more likely to indicate they were employed by an organization.
- Alumni age 35 and older were more likely than younger alumni to indicate they were self-employed.<sup>5</sup>
- Citizens of Europe and Canada were more likely to indicate they were self-employed than were citizens of the United States.
- US citizens were more likely to indicate they worked for an organization.<sup>6</sup>

## Career Progression

GMAC research has shown that career advancement is a primary reason for pursuing a graduate management education. Overall, 82 percent of alumni indicated they were well prepared for their professional career as a result of their graduate business education. This section of the report examines how alumni careers have developed post-graduation, in terms of promotions, job levels, and other factors.

Nearly half (48%) of alumni were extremely or very satisfied with their career progression since leaving graduate management school and 35 percent were somewhat satisfied. About one in five alumni indicated they were not satisfied with their career progression. Alumni who felt more prepared for their careers reported a higher degree of satisfaction with their career progression. Satisfaction with career progression is not a product of graduate management education alone. Rather, job level, promotions, organizational focus, and other aspects of employment combined with graduate management education provide a clearer picture of alumni career progression.

Despite the current financial crisis, employers in all industries consider finding and keeping outstanding employees to be their primary concern (Civiello, 2009). One important facet of satisfaction with career progression is advancement and recognition in one's current job. Overall, 49 percent of alumni indicated they received a promotion. On average, alumni who received a promotion were promoted two times with their current employer. There were no differences in promotions received by gender, regardless of graduation year. The impact of promotions, however, yields some interesting differences among alumni.

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**83% of alumni were satisfied  
 with their career progression since  
 leaving graduate business school.**  
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<sup>4</sup> $\chi^2 = 66.975$ ,  $df = 6$ ,  $p \leq .05$ .

<sup>5</sup> $\chi^2 = 20.887$ ,  $df = 4$ ,  $p \leq .05$ .

<sup>6</sup> $\chi^2 = 44.371$ ,  $df = 10$ ,  $p \leq .05$ .

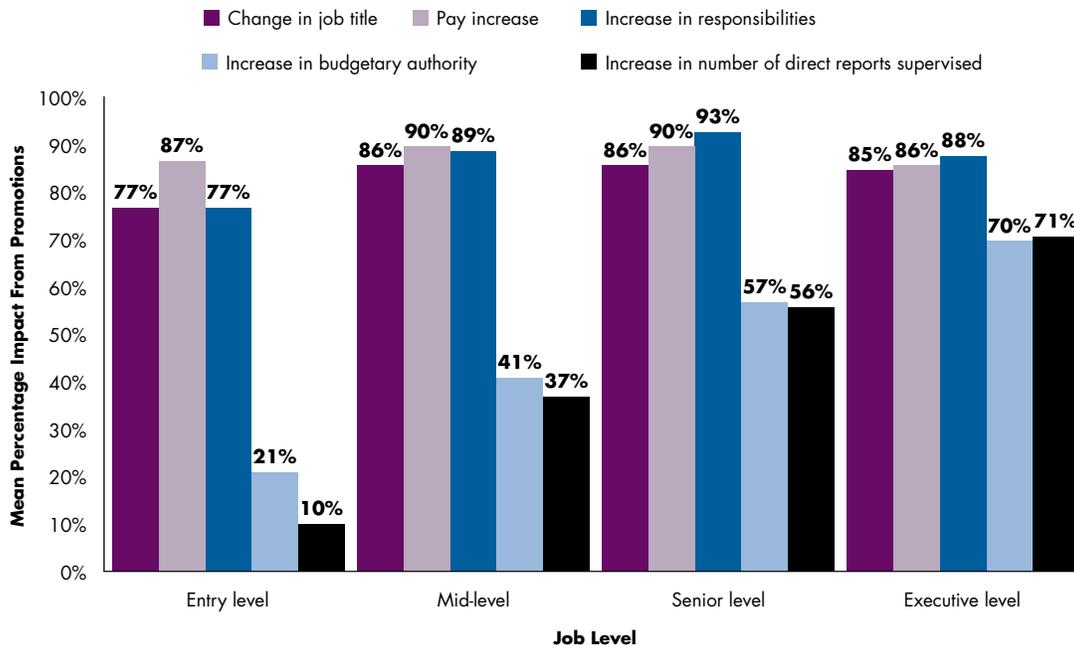
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**An increase in responsibilities is a key driver of alumni satisfaction with career progression.**  
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The vast majority of alumni who received a promotion also received a change in their job title (86%), a pay increase (90%), and an increase in responsibilities (90%). Fewer alumni received an increase in budgetary authority (47%) and an increase in the number of direct reports to supervise (45%) as a part of their promotion. On average, the impact of promotions on a respondent's job varied based on their organizational level (Figure 9).

Increases in responsibility,<sup>7</sup> budgetary authority,<sup>8</sup> and an increase in the number of direct reports<sup>9</sup> were more likely to occur for alumni working at higher-level positions. Satisfaction with career progression is not simply related to changes in job titles or increases in pay. Rather, alumni who received an increase in their budgetary authority<sup>10</sup> or an increase in the number of direct reports they supervised<sup>11</sup> were more likely to indicate satisfaction with career progression. One of the highest callings of

business management is developing human resources to their maximum potential (Dorsey, 1981). Thus, an increase in responsibilities is a key driver of satisfaction with career progression among alumni. Furthermore, past alumni research has shown that individuals were most interested in receiving additional training in how to manage human capital.

On average, employed alumni reported having overall responsibility for 5.8 direct reports and 32.2 indirect reports. Interestingly, there was no significant difference in the average number of direct or indirect reports based on the size of the employing organization or the focus of the organization. As one would expect, responsibility for direct and indirect reports differs significantly based on job level<sup>12</sup> and the number of promotions received.<sup>13</sup> At higher job levels, alumni indicated having more direct and indirect reports (Figure 10).



**Figure 9.**  
 Impact of Promotion Received, by Job Level

<sup>7</sup> One-way ANOVA with Bonferroni post-hoc analysis, F = 7.479; df = 3; p ≤ .05.

<sup>8</sup> One-way ANOVA with Bonferroni post-hoc analysis, F = 32.770; df = 3; p ≤ .05.

<sup>9</sup> One-way ANOVA with Bonferroni post-hoc analysis, F = 53.137; df = 3; p ≤ .05.

<sup>10</sup> One-way ANOVA with Bonferroni post-hoc analysis, F = 32.770; df = 3,1585; p ≤ .05.

<sup>11</sup> One-way ANOVA with Bonferroni post-hoc analysis, F = 53.137; df = 3,1585; p ≤ .05.

<sup>12</sup> One-way ANOVA with Bonferroni post-hoc analysis, F = 70.993; df = 3,3196; p ≤ .05.

<sup>13</sup> One-way ANOVA with Bonferroni post-hoc analysis, F = 46.012; df = 1,3242; p ≤ .05.

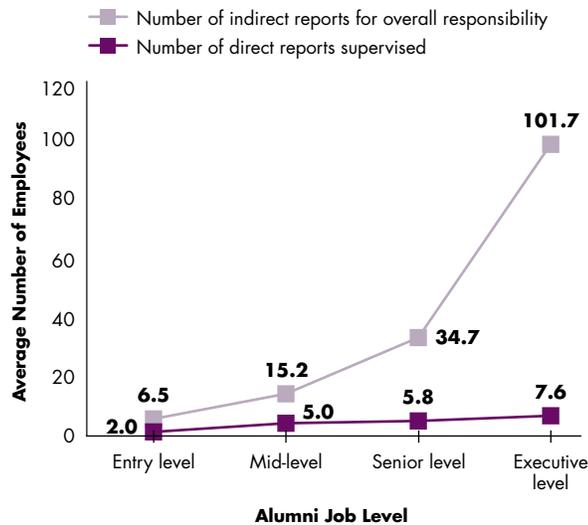
With regard to job level, one noteworthy development among business disciplines in the 20th century was the rise of women managers (Lanier, Tanner, & Guidry, 2009). Alumni data further supplement this significant change. Women who graduated within the past three years were more likely to indicate they worked in lower-level positions than men. Over time, however, the difference in the organizational levels occupied by men and women becomes minimal. Of the alumni who graduated in 2000, 38 percent of men were employed in senior-level positions compared with 36 percent of women. Based on alumni data and other research concerning business disciplines, the future of women's advancement in the workplace appears promising.

The Eligibility Procedures and Accreditation Standards for Business Accreditation promoted by the Association to Advance Collegiate Schools of Business state that a graduate management institution pursuing accreditation must demonstrate diversity in all aspects of its business programs (AACSB, 2009). According to the GMAC 2009 Application Trends Survey, there was a 55 percent increase in female application volume for full-time MBA programs between 2005 and 2009 (Murray, 2009a). In addition, the US Department of Labor has projected that the number of women in the workforce will reach nearly 63 percent by the year 2015, which could lead to an increase in women working at higher-level positions (2009). Thus, graduate business institutions directing their recruiting initiatives toward women may yield an increase in female alumni, which in turn will continue to affect the workforce and organizational levels held by graduate business alumni.

Alumni working in senior and executive positions were more likely to indicate satisfaction with the progression of their career than those working in low- or mid-level positions.<sup>14</sup> Alumni working in organizations that primarily have a multinational focus were more likely to indicate satisfaction with career progression than alumni working in organizations with a national, regional, or local focus.<sup>15</sup> One possible explanation for this finding may be that alumni working in multinational organizations are exposed to more opportunities for growth than are alumni working for smaller organizations.

Another interesting job measure that seems to have an impact on career progression is the amount of time alumni are spending on the job. The length of a typical workweek for employed alumni was an average of 48.2 hours. There was a positive relationship between hours worked and satisfaction with career progression.<sup>16</sup> Alumni who worked longer hours indicated higher levels of satisfaction with their career progression. Long hours have become the norm for many employees (Andrica, 1997).

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**Based on alumni and other research concerning business disciplines, the future of women's advancement in the workplace appears promising.**  
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**Figure 10.**  
 Supervisory Responsibility, by Job Level

<sup>14</sup> $\chi^2 = 181.815$ ,  $df = 12$ ,  $p \leq .05$ .

<sup>15</sup> $\chi^2 = 41.675$ ,  $df = 12$ ,  $p \leq .05$ .

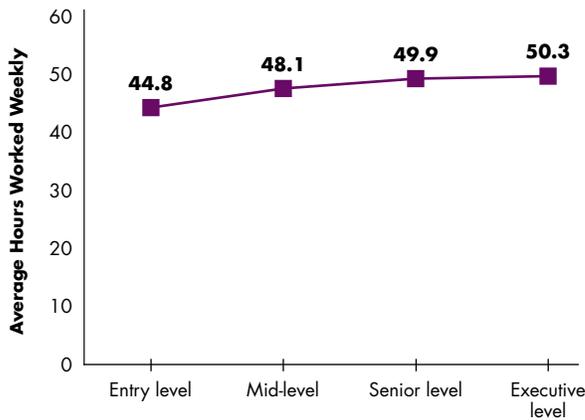
<sup>16</sup>Pearson's  $r = .209$ ;  $n = 3251$ ,  $p \leq .05$ .

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**The ability to work with others was the most important communication skill regardless of alumni job level or industry.**

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The US Bureau of Labor Statistics reported labor productivity increased at a 9.5 percent annual rate during the third quarter of 2009 (2009). Research has proven that there is a connection between job satisfaction and organizational commitment and performance (Haley-Lock, 2008). The long hours typically worked by alumni are indicative of a commitment to productivity and also reflect employee organizational commitment to some extent, both of which in turn are related to career progression. Alumni working in higher-level positions were more likely to work longer hours in a typical week (Figure 11).



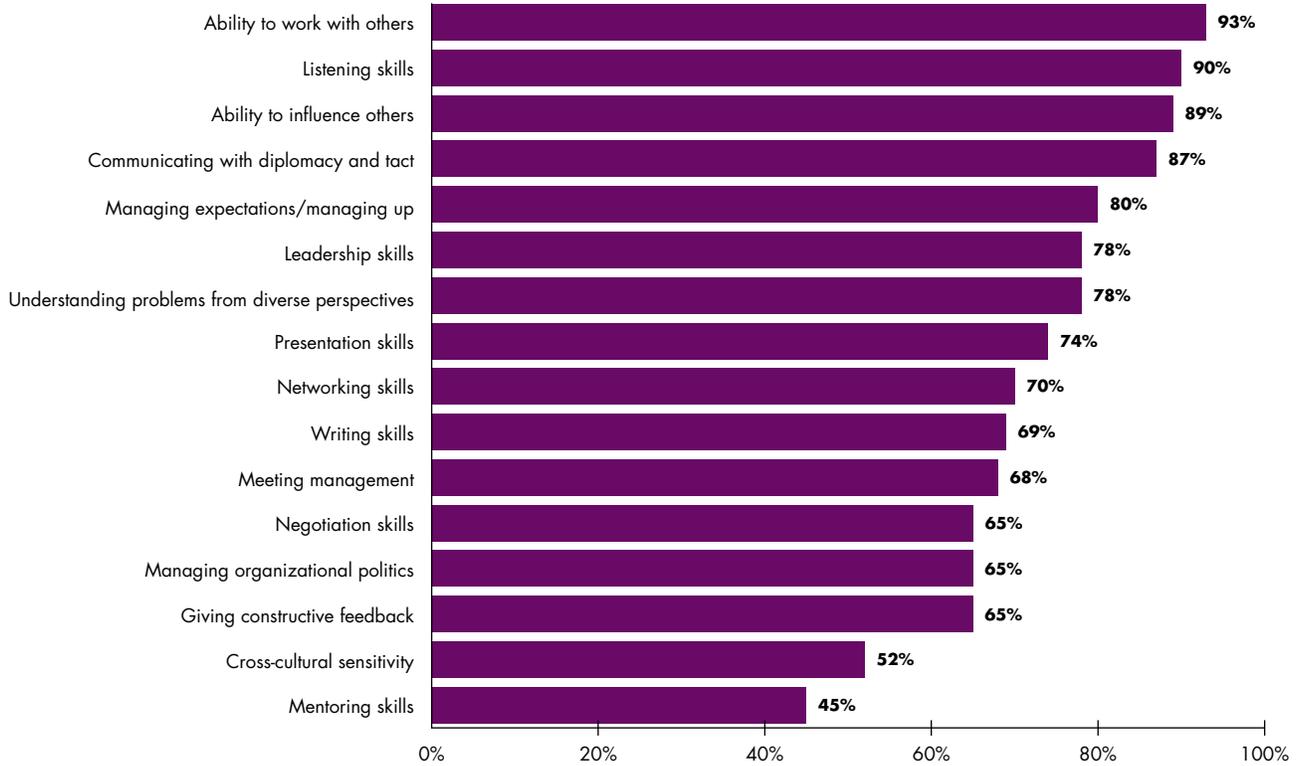
**Figure 11.**  
Average Hours Worked Weekly, by Alumni Job Level

**Communication Skills**

Organizational leadership cannot be achieved without the display of high-level interpersonal and communication skills (Bambacas & Patrickson, 2008). Figure 12 shows how employed alumni rate communication skills by their level of importance for their current job. The skills considered most important among all alumni respondents were the ability to work with others, listening skills, the ability to influence others, and communicating with diplomacy and tact. The skills driving alumni satisfaction with their career progression included leadership skills, understanding business problems from diverse perspectives, the ability to work with others, mentoring skills, and presentation skills.<sup>17</sup>

For employed alumni, excelling at communication skills that are most relevant to their job can help with their career progression. For unemployed alumni, recognizing the communication skills needed for a desired industry or job function can provide a competitive edge in a tough job market. The ability to work with others was the most important communication skill, regardless of industry. Among the top three industries of employment (finance and accounting, products and services, and consulting), the most important communication skills were the ability to work with others, communicating with diplomacy and tact, and listening skills. The top skills by job function vary slightly, however, as displayed in Table 2.

<sup>17</sup> Multiple R = .324; F = 23.06; df = 16,3143; p ≤ .05.



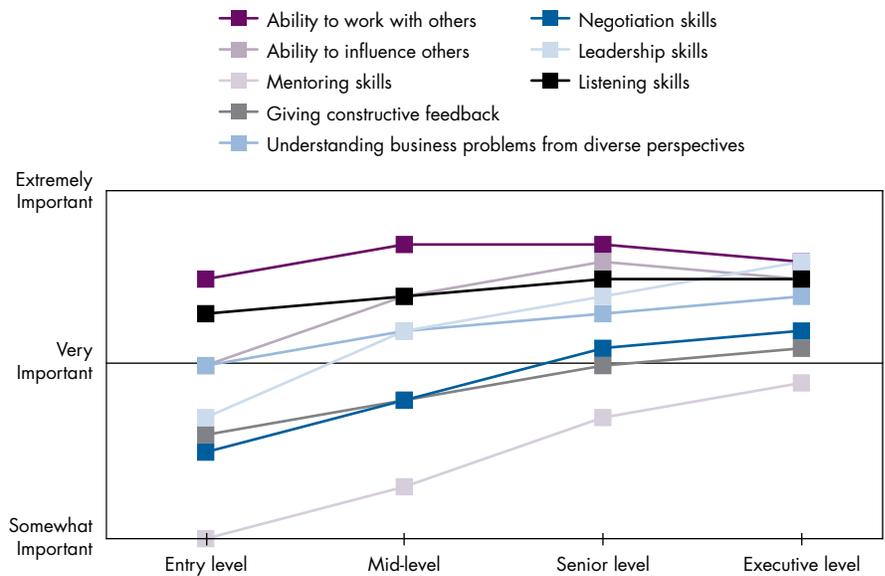
**Figure 12.**  
Importance of Communication Skills for Current Job  
(Percentage Extremely/Very Important)

Marketing/ Sales	Operations/ Logistics	Consulting	General Management	Finance/ Accounting	Human Resources	IT/MIS
Ability to work with others						
Listening skills	Ability to influence others	Ability to influence others	Listening skills	Listening skills	Listening skills	Listening skills
Ability to influence others	Listening skills	Listening skills	Leadership skills	Communicating with diplomacy and tact	Communicating with diplomacy and tact	Communicating with diplomacy and tact
Communicating with diplomacy and tact	Communicating with diplomacy and tact	Communicating with diplomacy and tact	Ability to influence others	Ability to influence others	Ability to influence others	Managing expectations-managing up
Managing expectations-managing up	Managing expectations-managing up	Presentation skills	Communicating with diplomacy and tact	Managing expectations-managing up	Networking skills	Understanding business problems from diverse perspectives

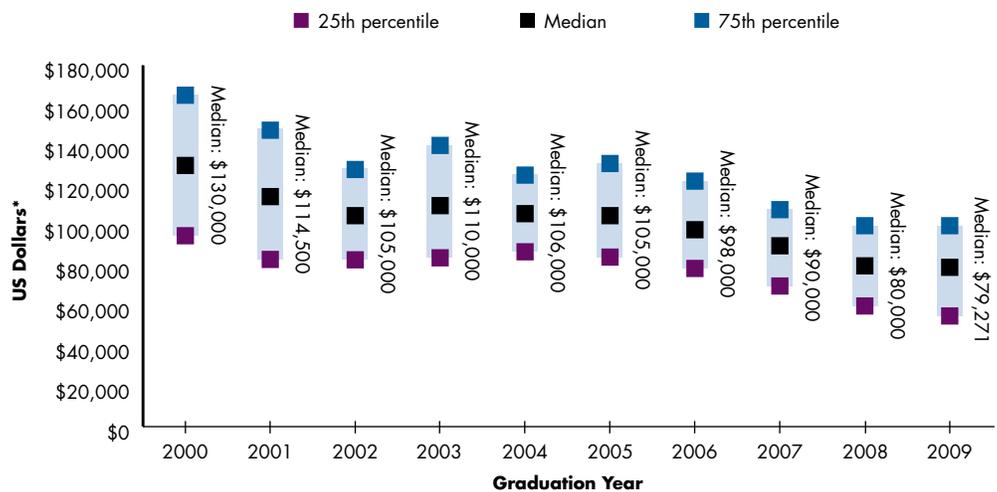
**Table 2.**  
Most Important Communication Skills, by Job Function

The ability to work with others was the most important communication skill, regardless of organizational level; however, the importance of other communication skills did vary slightly, based on job level (Figure 13). Leadership skills, mentoring skills, negotiation skills, understanding business problems from diverse perspectives, and the ability to give constructive feedback are skills that grow in importance as alumni progress in their organizational level.

There are some interesting differences in the importance of communication skills when comparing genders. On average, men rated the ability to influence others<sup>18</sup> and negotiation skills<sup>19</sup> of higher importance compared with women. Women, on the other hand, indicated cross-cultural sensitivity,<sup>20</sup> listening skills,<sup>21</sup> and communicating with diplomacy and tact<sup>22</sup> as more important compared with men. The implication of gender differences in communication skills adds to previously conducted research that has shown that men and women tend to complement one another in the management field (Fischer & Gleijm, 1992). These findings further point to the balancing nature of gender roles in the workplace.



**Figure 13.**  
Importance of Communication Skills, by Job Level



\*Salary reported in currency of choice and converted to US dollars for purposes of comparison.

**Figure 14.**  
Base Annual Salary, by Graduation Year

<sup>18</sup> $\chi^2 = 15.060$ ,  $df = 4$ ,  $p \leq .05$ .  
<sup>19</sup> $\chi^2 = 10.535$ ,  $df = 4$ ,  $p \leq .05$ .

<sup>20</sup> $\chi^2 = 27.557$ ,  $df = 4$ ,  $p \leq .05$ .  
<sup>21</sup> $\chi^2 = 21.745$ ,  $df = 4$ ,  $p \leq .05$ .

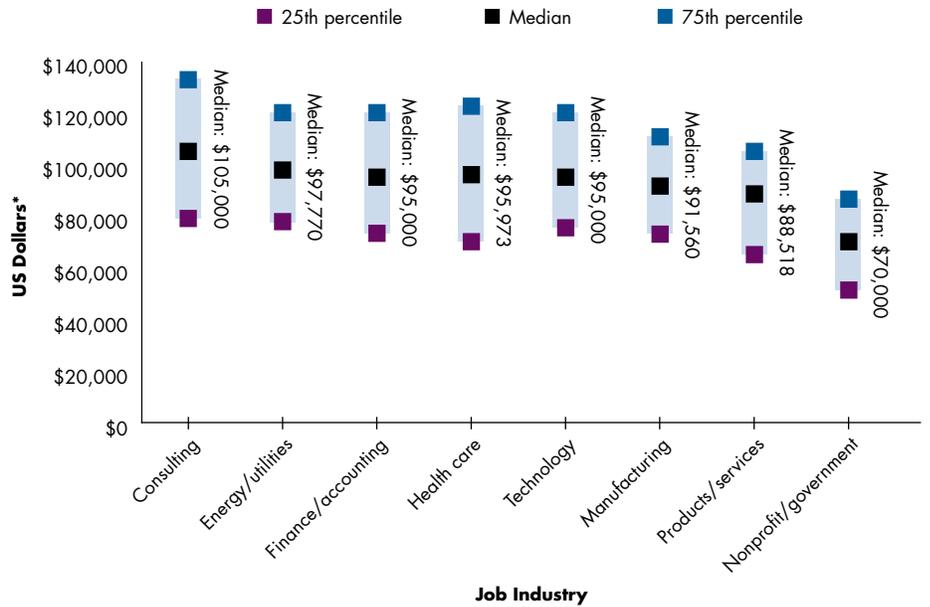
<sup>22</sup> $\chi^2 = 35.818$ ,  $df = 42$ ,  $p \leq .05$ .

Compensation

More than half of the alumni (57%) were satisfied their graduate business education was financially rewarding. Overall, the median salary reported by alumni was US\$91,300. Figure 14 shows the current annual base salary received by graduation year. Understandably, as careers progress over time, annual salary also increases.

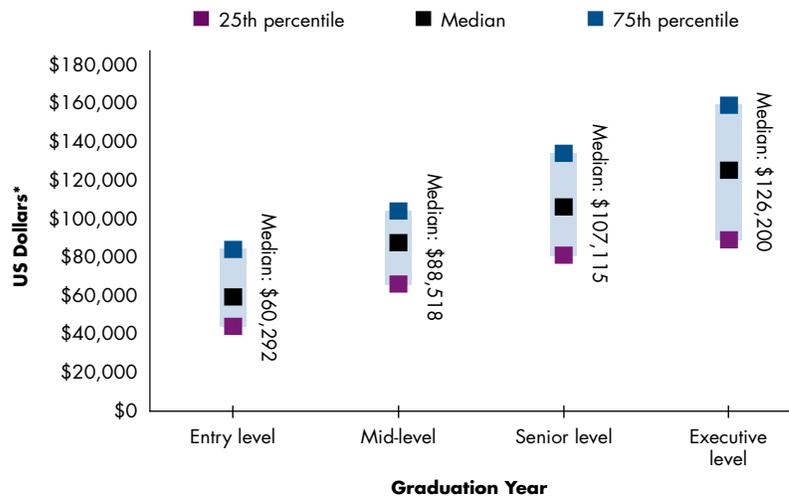
The median salary for alumni also differs based on the industry in which they were employed (Figure 15). Among alumni of graduate management education, earning potential in various industries adds to the appeal of working in the more popular and competitive industries. Furthermore, it is no surprise that the median salary increases as careers progress from entry-level positions to executive level positions (Figure 16).

Nearly half of the alumni (47%) indicated that their employer places a premium on a graduate business degree, and 50 percent indicated their employer treats all graduate degrees equally. Alumni who indicated their employer places a premium on their degree earn a higher mean salary (US\$102,862) than alumni working for employers who treat all graduate degrees equally (US\$91,263) and employers that treat the management degree as inferior to other degrees (US\$84,939). In addition, the median salary among alumni who were extremely or very satisfied with their career progression was higher than that of alumni who were less satisfied.



\* Salary reported in currency of choice and converted to US dollars for purposes of comparison.

Figure 15. Alumni Base Salary, by Employing Industry



\* Salary reported in currency of choice and converted to US dollars for purposes of comparison.

Figure 16. Alumni Median Salary, by Job Level

Ethics at Work

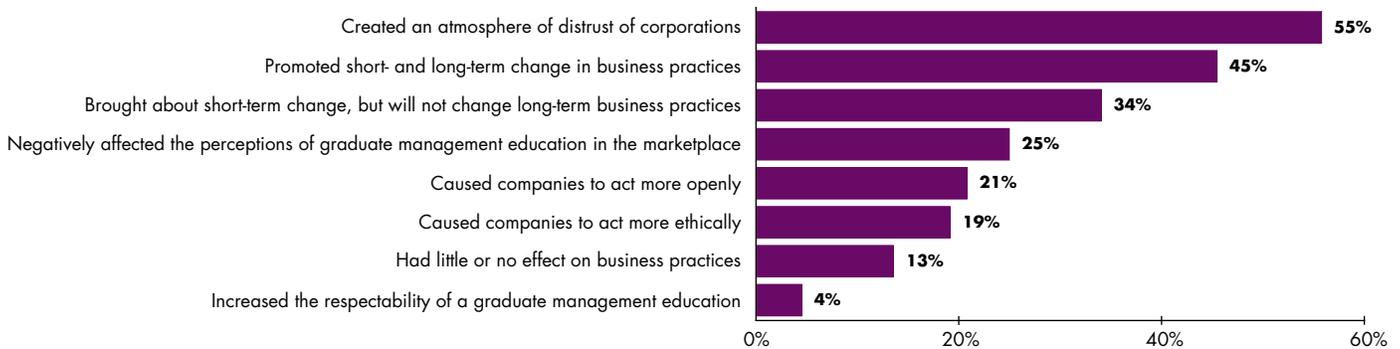
A majority of alumni felt the recent economic crisis and corporate scandals created an atmosphere of distrust of corporations (Figure 17). Eighty-seven percent of alumni, however, indicated they trust their employers to behave ethically in business practices and 88 percent indicated their employer promotes and upholds ethical business practices. Those alumni who did not feel that their employers behave ethically or promote ethical business practices were significantly more likely than those who have trust in their employers to indicate the economic crisis has created an atmosphere of distrust.

In light of the current economic situation, employers that focus on ethics and social responsibility can lead their organizations to long-term sustainability and corporate success (Ketter, 2007). Yet, fewer than half of alumni indicated the crisis promoted short- and long-term changes in business practices. In fact, about a third felt that the

crisis brought about short-term change, but will not change long-term business practices. Even fewer indicated that the crisis caused companies to act more openly and ethically.

Alumni working for multinational organizations were slightly more likely than alumni employed by organizations with a national focus to indicate they trust their employers to behave ethically and to promote and uphold ethical business practices.<sup>23</sup> Alumni working for large organizations (25,000 or more employees at all locations) were also more likely to indicate they trust their employers to behave ethically and to promote and uphold ethical business practices.<sup>24</sup> There is no statistical difference, however, in alumni ratings on ethical behaviors based on alumni job level. These findings imply that promoting an ethical business environment is an important issue for alumni at all job levels, and that larger organizations may have more resources to allocate toward the development and maintenance of an ethical business atmosphere.

• • • • •  
**87% of alumni indicated they trust their employers to behave ethically, and 88% indicated their employer promotes and upholds ethical business practices.**  
 • • • • •



**Figure 17.**  
 Impact of Economic Crisis and Corporate Scandals on Alumni Business Practices

<sup>23</sup> $\chi^2 = 12.668, df = 3, p \leq .05.$

<sup>24</sup> $\chi^2 = 20.539, df = 2, p \leq .05.$

**Ethics at School**

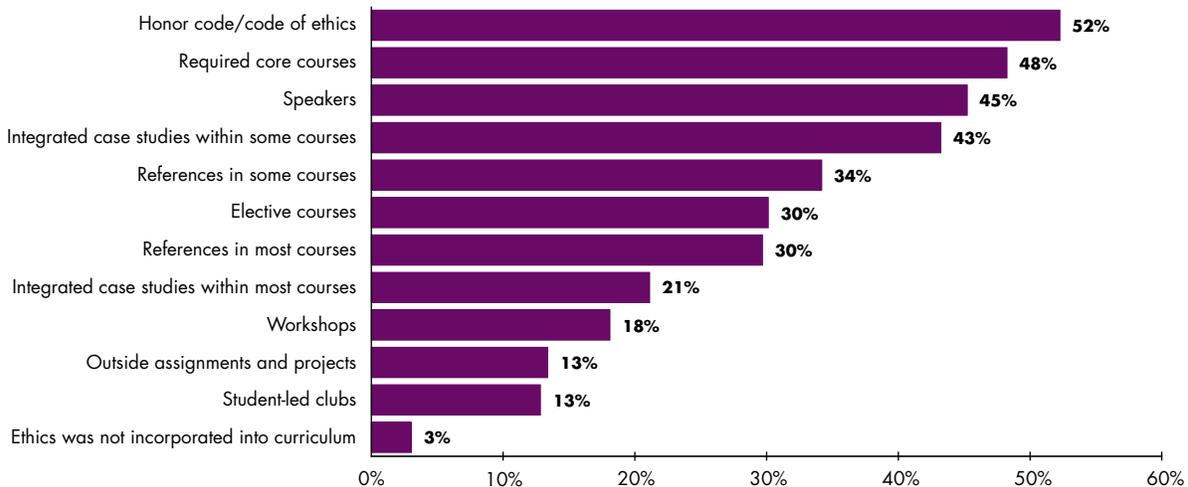
As employees, alumni expect their employers to uphold ethical standards and, in turn, employers expect their employees to make sound ethical decisions (Kincaid, 2009). As already mentioned, most alumni trust their employers to behave ethically. Yet, only two out of five alumni indicated the ethics education they received during graduate management school influences their current decision-making process a great deal or a good amount. Analysis showed that ethics education, when integrated and referenced within most courses, had the greatest effect on alumni decision making.<sup>25</sup> The impact of ethics education on the decision-making processes of employed alumni did not vary based on their organizational level, the focus of their employing organization, or by the size of their employing organization.

Ethics education serves the purpose of helping graduate business students understand the challenges they may face in the corporate world (Weltzien Hoivik, 2009). The integration of ethics education in graduate management education provides alumni with insight about corporate social

responsibility (May, Luth, & Schwoerer, 2009). Overall, the vast majority of alumni never worried about being taught questionable values or methods during their graduate management education, regardless of program type. Alumni who indicated that ethics education affects their decision-making process a great deal or a good amount were more likely to indicate the recent corporate crises increased the respectability of graduate management education<sup>26</sup> and caused companies to act more openly<sup>27</sup> and ethically.<sup>28</sup>

Figure 18 shows the various ways in which ethics education was integrated into alumni's graduate management education programs. Given the development of financial crises and scandals that led to the collapse of the economy, it is promising to learn that the vast majority (97%) of alumni indicated that ethics education was incorporated into their graduate management education. Furthermore, alumni who felt they were very well prepared for their careers as a result of their graduate management education were more likely to indicate they never worried about being taught questionable values in school.<sup>29</sup>

•••••  
**Two out of five alumni indicated the ethics education they received influences their current decision-making process.**  
 •••••



**Figure 18.**  
 Methods of Ethics Education Integration in Graduate Management Programs

<sup>25</sup> Multiple R = .37, F = 52.68; df = 11,3633; p ≤ .05.

<sup>26</sup>  $\chi^2 = 56.876$ , df = 1, p ≤ .05.

<sup>27</sup>  $\chi^2 = 6.948$ , df = 1, p ≤ .05.

<sup>28</sup>  $\chi^2 = 52.944$ , df = 1, p ≤ .05.

<sup>29</sup>  $\chi^2 = 112.918$ , df = 16, p ≤ .05.

**Communication Efforts**

Three quarters of alumni indicated they were receiving sufficient communication from their graduate business school. One in five alumni indicated they would like to receive more communication, however. Based on survey data analysis, the following target

audience profile was created to help graduate management institutions direct their communication efforts to alumni who would like to receive more information:

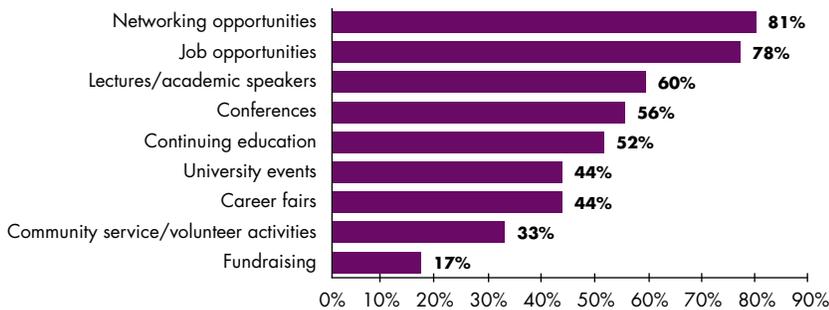
- Recent graduates were more likely to indicate they would like to receive more communication from their graduate management institutions.<sup>30</sup>

- Alumni who indicated they were not well prepared for their professional career were more likely to indicate they would like to receive more communication.<sup>31</sup>
- Alumni working outside of their country of citizenship would like to receive more communication than alumni working within their country of citizenship.<sup>32</sup>
- On average, alumni who graduated from executive and full-time programs receive more communication from schools than alumni from part-time programs.

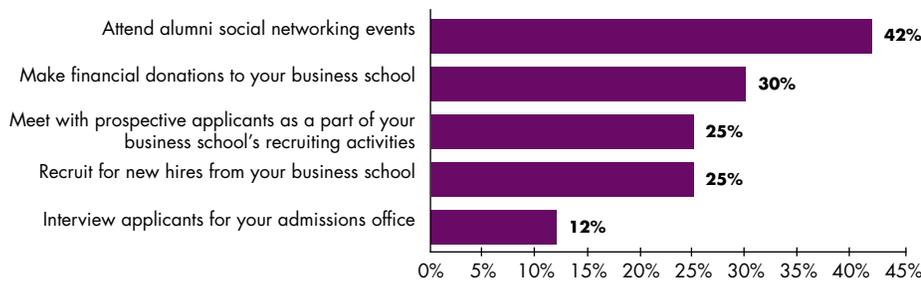
Alumni who indicated communication efforts were sufficient were contacted by their graduate business school a median of six times. Alumni who would like to receive more information indicated they were contacted a median of two times in the past six months, on average. Alumni who indicated they received too much communication from their graduate business schools were contacted a median of nine times.

The majority of alumni reported the most preferred method of receiving communication from schools was email newsletters (89%). For graduates of 2009, the preferred method for receiving school communication is through personal contact and social networking websites.

Alumni interested in receiving more communication from their graduate business institutions are primarily seeking more information about networking opportunities, alumni events, and job opportunities (Figure 19). Compared with those who graduated years ago, alumni who graduated recently were more likely to indicate they are interested in receiving information about job opportunities, career fairs, and networking opportunities.



**Figure 19.**  
Alumni Preferences for Types of Communications Sought From Schools



**Figure 20.**  
Frequency of Participation in Alumni Activities

<sup>30</sup>  $\chi^2 = -74.654$ ,  $df = 18$ ,  $p \leq .05$ .

<sup>31</sup>  $\chi^2 = 203.424$ ,  $df = 8$ ,  $p \leq .05$ .

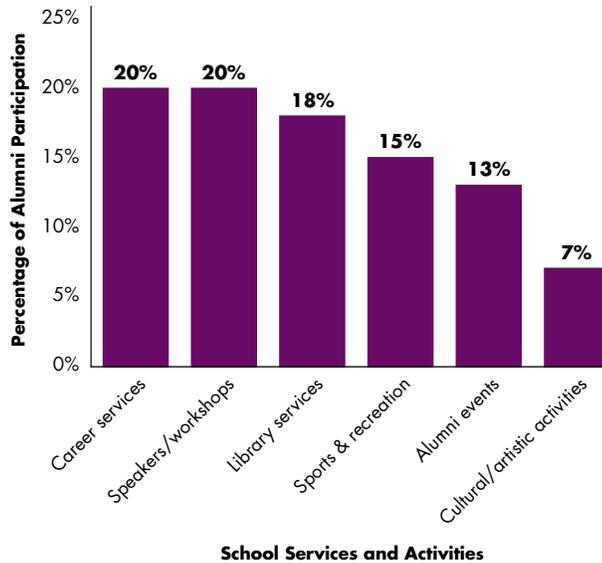
<sup>32</sup>  $\chi^2 = 49.427$ ,  $df = 10$ ,  $p \leq .05$ .

**Alumni Relationships**

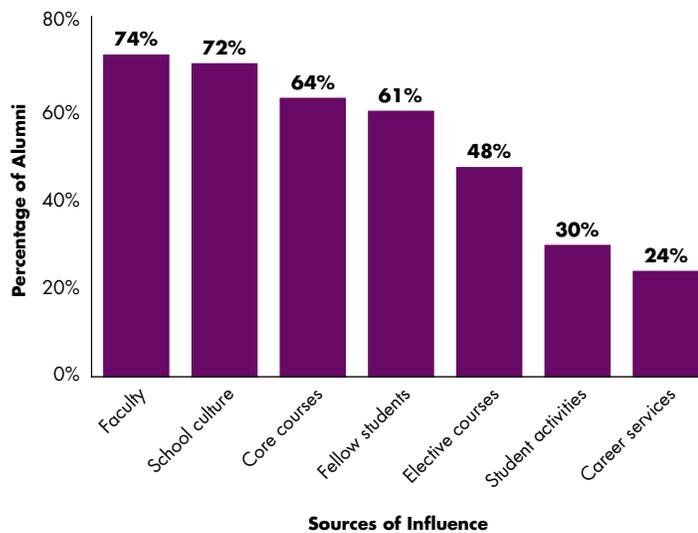
After graduation, the student-institution relationship ends and the alumni-institution relationship begins. Overall, about a third of alumni make financial donations and two in five attend social networking events (Figure 20). Many relationship behaviors are measured by the amount of purchases and recommendations made (Palmer & Koenig-Lewis, 2008). The same can be said of alumni and their relationship with their graduate management institutions. Nine in 10 alumni indicated they recommended their graduate business school to someone they know who is interested in pursuing a graduate management education. Statistically, alumni who recommended their business school to someone else were also more likely to indicate they make financial donations<sup>33</sup> and attend alumni events.<sup>34</sup>

One in five alumni reported using their school's career services and attending campus speaking and workshop events after graduation (Figure 21). Alumni who indicated they recommended their school to someone else were more likely to attend alumni events<sup>35</sup> and participate in cultural or artistic activities.<sup>36</sup> The relationship between alumni and their graduate business school depended on their usage of school services.

School services and activities are not necessarily the key drivers of alumni recommendations, however. Alumni were asked specifically to indicate what major factors influenced their willingness to recommend their graduate business schools. Faculty, school culture, and core courses were the most influential determinants of alumni propensity to recommend their school (Figure 22). Although activities and services have an impact on the relationship alumni maintain with their graduate business institutions, the quality of their educational experience while in school appears to be what leaves long-lasting effects.



**Figure 21.** Alumni Participation in School Services and Activities (Percentage Used Very Often)



**Figure 22.** Sources That Influence Alumni School Recommendations

<sup>33</sup> $\chi^2 = 117.578, df = 3, p \leq .05.$

<sup>34</sup> $\chi^2 = 111.905, df = 3, p \leq .05.$

<sup>35</sup> $\chi^2 = 102.016, df = 3, p \leq .05.$

<sup>36</sup> $\chi^2 = 13.672, df = 3, p \leq .05.$

## Concluding Note

Findings in this report are based on additional analysis of data found in the Alumni Perspectives Survey Comprehensive Data Reports, which provide in-depth data tables and general analysis of the survey.

## 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](mailto:research@gmac.com).

## Authorship

The following individual(s) made significant contributions to the concept, design, analysis, and interpretation of data, and the drafting/revising of the manuscript for intellectual content:

Sabeen Sheikh, Manager, Survey Research, Research and Development, Graduate Management Admission Council (GMAC).

## Acknowledgements

Gregg Schoenfeld, Associate Director, Research, Research and Development Department, GMAC—survey questionnaire development, editing of the manuscript for intellectual content, and final approval of the manuscript; Lawrence Rudner, Vice President, Research and Development, GMAC—manuscript review; Veronica Sinz, Research Publications Manager, GMAC—writing and editorial services; and Paula Bruggeman—editorial services.

GMAC would like to thank the graduate business alumni who completed the questionnaires and continue to support GMAC research with their participation. Without you, this report would not have been possible.

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