Outcomes and Perspectives of MBA Graduates

Michelle Wieser, MBA, Ph.D.
Interim Dean of Graduate Business Programs
St. Catherine University
Participant Profile

- 900 total respondents (grads from 2005 to 2017)
- 69% female, 31% male
- 46% non-Hispanic white; 21% Black, African American, Latin or Hispanic American
- Work experience
  - 5.43 Years Pre-MBA (Men: 5.3 years; Women: 5.5 years)
  - 5.64 Years Post-MBA (Men: 6.6; Women: 5.1)

89.5% of respondents live in the U.S.
11.5% live in 35 other countries
Industries

The percentage of women outnumbered the percentage of men working in Financial Services, CPG, Healthcare, Retail, Non-Profit, Media, and Hospitality.

There are two industries where men significantly outnumber women: Consulting and Manufacturing.
Women significantly outnumber men in Marketing and Human Resources, while men outnumber women in Finance, General Management, Consulting, and IT.
Part 1: Overall Career Outcomes of Women and Men MBA Graduates
Extrinsic and Intrinsic Career Outcomes

**Extrinsic**
- Compensation
- # of Promotions
- # of Direct Reports
- Level of the Organization

**Intrinsic**
- Career Satisfaction – 6 measures
- Assessment of Success – 4 measures
- Self-Concept – 3 measures
- Perceptions of the MBA ROI
Men earned more than women at each juncture.

Notably, the gap widens from pre-MBA to first post-MBA to current (on average, women earned 97% of what their male counterparts earned for pre-MBA; that gap widens to 90% for first post-MBA, and 72% for current compensation, adjusted for years of experience).

Despite these gaps, the data show a definite ROI from the MBA: 63% increase for women from last pre-MBA to first post-MBA; 76% for men.

\[
\begin{array}{ccc}
\text{Pre-MBA} & \text{Post-MBA} & \text{Current} \\
\$69,478 & \$122,251 & \$211,800 \\
\$67,395 & \$109,713 & \$152,806 \\
\end{array}
\]

\textit{Note: Outliers removed in the analysis}
Minority vs. Non-Minority

- Slides 9-11 provide data on compensation differences between US minorities (African American, Hispanic/Latin American, and Native American) as compared to all other US. International MBA graduates living and working in the US or other countries were not included in this portion of the analysis.
The data show that non-minority women and men are earning more than their peers who classified themselves as Black/African American, Hispanic/Latin American, or Native American at each juncture. It is important to note that the gap in current compensation was not found to be statistically significant.

*p < .01
The data show that non-minority women and men are earning more than their peers who classified themselves as Black/African American, Hispanic/Latin American, or Native American. However, the MBA is clearly shown to reduce the gap for first-post MBA compensation. For women, the gap continues to narrow for current compensation – the 7% gap is not statistically significant.

**Note: Outliers removed in the analysis**

*p < .01

**p < .05

This slide shows the same data as the previous slide, but grouped first by point in time, then by gender and minority/non-minority.

Note: Outliers removed in the analysis

* p < .01
** p < .05
When looking at current compensation, the largest pay gaps by function are in Finance and Operations.

Marketing is the only function where women were shown to earn more than men.
## Advancement and Opportunity

The data on advancement and opportunity were also examined for any differences between minority and non-minority graduates. There were no statistically significant differences found.

<table>
<thead>
<tr>
<th># of Post-MBA Promotions</th>
<th># of Direct Reports</th>
<th>Level Within the Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>• On average, men have received 2.3 promotions since completing their MBA program and women have received 1.8</td>
<td>• On average, men have 3.3 individuals which report to them, and women have 1.8</td>
<td>• On average, men have achieved the Director level within their organizations; women trail behind with an average level of Senior Manager</td>
</tr>
</tbody>
</table>

*p < .01
## Career Satisfaction

**Overall, how satisfied are you with each of the following aspects of your career?**

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Role</td>
<td>4.16</td>
<td>3.86</td>
</tr>
<tr>
<td>Company</td>
<td>4.15</td>
<td>3.86</td>
</tr>
<tr>
<td>Level of the Organization</td>
<td>3.83</td>
<td>3.60</td>
</tr>
<tr>
<td># Direct Reports</td>
<td>3.60</td>
<td>3.57</td>
</tr>
<tr>
<td>Current Compensation</td>
<td>3.75</td>
<td>3.35</td>
</tr>
<tr>
<td>Career Progression</td>
<td>3.89</td>
<td>3.61</td>
</tr>
</tbody>
</table>

When examined both together and individually, men have achieved higher levels of career satisfaction than women *  

*Note: All individual elements of satisfaction show statistically significant differences (p < .01) between men and women.*

Scale:
- 5 = very satisfied
- 4 = satisfied
- 3 = neither satisfied nor dissatisfied
- 2 = dissatisfied
- 1 = very dissatisfied

* p < .01
When examining all elements of career satisfaction as a scale, there is a statistically significant difference between minority and non-minority MBA graduates (p = .01), meaning that overall, non-minority graduates are more satisfied with their careers than non-minority graduates.

However, when examining the elements of career satisfaction for minority and non-minority MBA graduates, there are two individual elements where there were statistically significant differences (p < .01):

> Satisfaction with current salary (minority = 3.28; non-minority = 3.63)
> Satisfaction with career progression since obtaining the MBA (minority = 3.57; non-minority = 3.85)
Based on my personal definition of success, I have achieved success in the following areas:

When examined on a combined scale, men have a higher assessment of their success than women**

However, when looking at each element individually, assessment of academic success was not a statistically significant difference

Scale:
5 = very satisfied
4 = satisfied
3 = neither satisfied nor dissatisfied
2 = dissatisfied
1 = very dissatisfied

*p < .05
**p < .01
Assessment of Success: Minority/Non-Minority

- When examining all elements of assessment of success as a scale, there is a statistically significant difference between minority and non-minority MBA graduates ($p < .01$), meaning that overall, non-minority graduates have a greater personal assessment of their career, academic, and personal success than non-minority graduates.

- When examining the elements of success for minority and non-minority MBA graduates, there is only one element where there were statistically significant differences ($p < .01$):
  - Professional/Career Success (minority = 3.72; non-minority = 4.10)
Self-Concept

Because of the MBA, I have...

- Greater self-confidence
- Better job prospects for the future
- The belief that I will achieve my long-term goals
- The business skills needed to grow my career

**Men**  **Women**

<table>
<thead>
<tr>
<th></th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater self-confidence</td>
<td>4.11</td>
<td>3.98</td>
</tr>
<tr>
<td>Better job prospects for the future</td>
<td>4.40</td>
<td>4.30</td>
</tr>
<tr>
<td>The belief that I will achieve my long-term goals</td>
<td>4.22</td>
<td>4.16</td>
</tr>
<tr>
<td>The business skills needed to grow my career*</td>
<td>4.35</td>
<td>4.15</td>
</tr>
</tbody>
</table>

When examined as a combined scale, men demonstrate greater levels of self-concept*

When examined individually, the only statistically significant difference (p < .01) between men and women was ‘I have the business skills needed to grow my career”

Scale:
- 5 = very satisfied
- 4 = satisfied
- 3 = neither satisfied nor dissatisfied
- 2 = dissatisfied
- 1 = very dissatisfied

*p < .01
Self-Concept: Minority/Non-Minority

- When examining all elements of self-concept as a scale, there is a statistically significant difference between minority and non-minority MBA graduates (p < .05), meaning that overall, non-minority graduates have a higher self-concept than minority graduates.

- When examining the elements of self-concept for minority and non-minority MBA graduates, there are two elements where there were statistically significant differences:
  > Self-confidence (p < .05): (minority = 3.88; non-minority = 4.07)
  > Better job prospects for the future (p < .01): (minority = 4.19; non-minority = 4.44)
Overall, both men and women are satisfied to very satisfied with the investment they made in their MBA education; however, men demonstrate higher levels of satisfaction than women across all three of the measures.*

The most notable difference is with the decision to choose the same program again.

*p < .01
When examining the elements of ROI of the MBA for minority and non-minority MBA graduates, there are two elements where there were statistically significant differences:

- Choose to pursue the MBA again ($p < .05$): (minority = 4.28; non-minority = 4.53)
- Choose to attend the same program ($p < .01$): (minority = 3.89; non-minority = 4.24)
Gender Pay Gap: Does it Exist?

- Overall, 55% believe that a gender pay gap probably or definitely exists (Men: 34%; Women: 65%)
- Participants estimate the gap to be around 24%, with men earning 24% more than women
- Actual pay gap 28% (adjusted for years of post-MBA experience)
Gender Pay Gap: Minority vs. Non-Minority

- When examining the gender pay gap for minority vs. non-minority MBA graduates, 59% of all minority and 53% of all non-minority believe that a pay gap probably or definitely exists.
- When looking only at women, 68% of minority and 63% of non-minority believe that a pay gap exists.
- When looking only at men, 44% of minority and 33% of non-minority believe that a pay gap exists.
Gender Pay Gap: Personal Experience

- Around 40% of respondents say they have experienced a gender pay gap:
  > At past organizations, 4% men and 28% women
  > At both a past and a current, 2% of men and 33% of women
- When asked what they intend to do

![Bar Chart of Personal Actions]

<table>
<thead>
<tr>
<th>Action</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>I have not taken action, and I do not intend to</td>
<td>107</td>
</tr>
<tr>
<td>I left the company</td>
<td>100</td>
</tr>
<tr>
<td>I spoke to my manager</td>
<td>86</td>
</tr>
<tr>
<td>I spoke to Human Resources</td>
<td>36</td>
</tr>
<tr>
<td>I spoke to a company leader</td>
<td>33</td>
</tr>
<tr>
<td>I have not taken action, but I intend to</td>
<td>32</td>
</tr>
<tr>
<td>I transferred to another department</td>
<td>12</td>
</tr>
</tbody>
</table>
All data provided throughout this presentation must have the approval of Dr. Michelle Wieser and the Forté Foundation before publishing.

Dr. Michelle Wieser
mawieser@stkate.edu
Twitter: @michelle_wieser
LinkedIn: michellewieser