CAREER OUTCOMES OF THE MBA

MORE WOMEN LEADING

Forté 20 YEARS

Respondent Profile

Methodology:

The online survey was conducted between October 18, 2022, and November 21, 2022, by Forté, a non-profit focused on women's advancement and gender equity in business and business school. Forté polled 1,476 MBA alumni at over 60 elite MBA programs including its member schools in the U.S., Europe and Canada, such as The University of Pennsylvania's Wharton School, London Business School, and the University of Toronto's Rotman School of Management.

Quick Facts:

- 1,476 participants
- 59% women, 41% men
- 24% URM, 76% non-URM*
- Average participant age 35.5
- 61 MBA programs had one or more alumni participate
- Participants graduated between 2000-2022
- 89% reside in the U.S.

*URM (Under-represented Minorities) is defined as Black, African American, Hispanic or Latin American, Native American or a combination of these
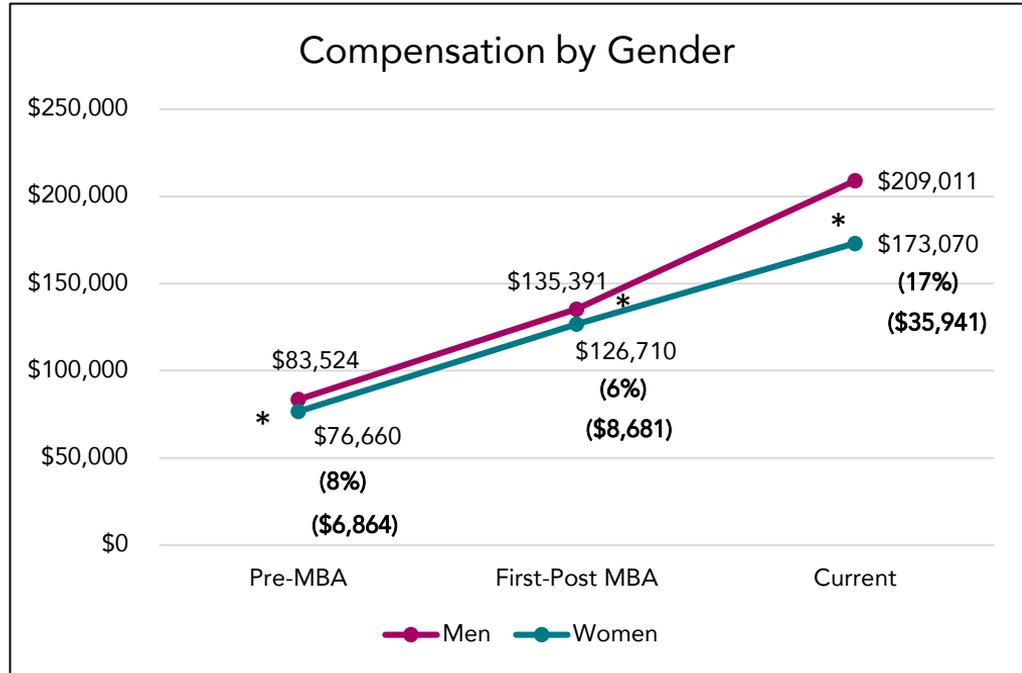
PART 1

Career Outcomes

Compensation by Gender

At each point, we see a statistically significant difference between men and women with men earning more in total annual compensation than women.

From pre-MBA compensation to first post-MBA compensation, the **dollar gap** between genders widens from $6,864 $8,681; however, the **percentage gap** decreases from 8% to 6%.

For current compensation, the gap becomes much more significant with women earning 17% or $35,941 less than men.

Chart with numbers on the following page.

Compensation by Gender

$250,000
$200,000
$150,000
$100,000
$50,000
$0

| | Pre-MBA | First-Post MBA | Current |

* $83,524
$76,660
(8%)
($6,864)

$135,391
$126,710
(6%)
($8,681)

$209,011
* $173,070
(17%)
($35,941)

—●— Men —●— Women

*statistically significant

The two-year age difference between men and women was accounted for in the current compensation analysis

Compensation by Gender – Data Table

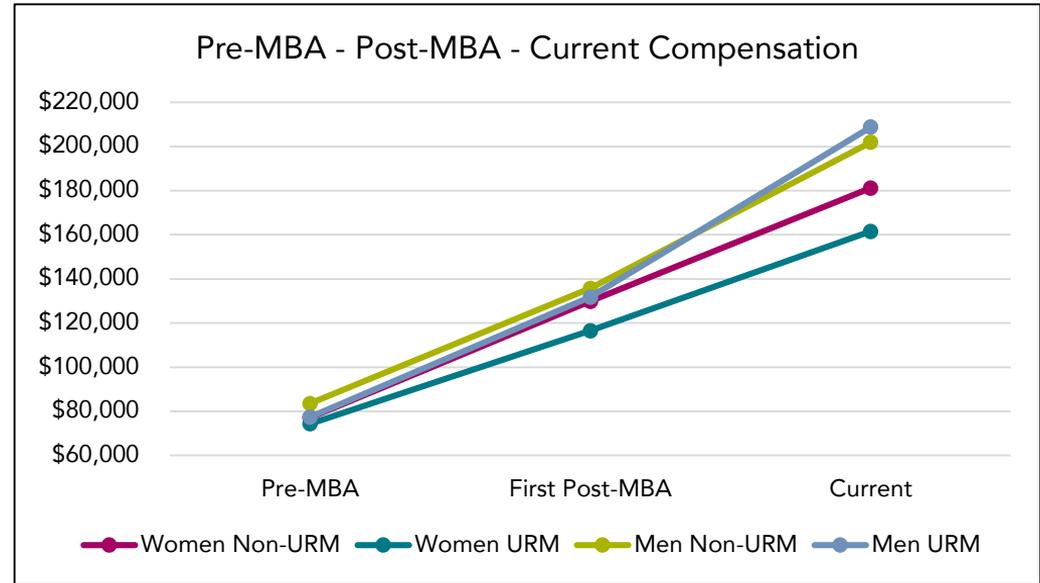This chart presents the numbers that are depicted in the chart on the previous slide:

	COMPENSATION			PRE-MBA TO FIRST POST-MBA		PRE-MBA TO CURRENT	
	PRE-MBA	FIRST POST-MBA	CURRENT	% INCREASE	$ INCREASE	% INCREASE	$ INCREASE
MEN	$83,524	$135,391	$209,011	62%	$51,867	150%	$125,487
WOMEN	$76,660	$126,710	$173,070	65%	$50,050	126%	$96,410
GENDER GAP - $	$6,864	$8,681	$35,941				
GENDER GAP - %	8.2%	6.4%	17.2%				

The two-year age difference between men and women was accounted for in the current compensation analysis

Compensation by Gender and URM/Non-URM

This chart shows the pre-MBA compensation was relatively aligned between the four groups pre-MBA. Each group experiences a substantial increase in compensation from pre- to post-MBA; however, gaps based on gender and race begin to surface. These gaps widen for current compensation

The table on the following slide provides numbers and percentages along with those comparisons that showed statistical significance.

Pre-MBA - Post-MBA - Current Compensation

Legend: Women Non-URM, Women URM, Men Non-URM, Men URM

The two-year age difference between men and women was accounted for in the current compensation analysis

Current Compensation by Gender and URM/Non-URM

This chart presents the numbers that are depicted in the chart on the previous slide:

GENDER AND RACE	COMPENSATION			PRE-MBA TO FIRST POST-MBA		PRE-MBA TO CURRENT	
	PRE-MBA	FIRST POST-MBA	CURRENT	% INCREASE	$ INCREASE	% INCREASE	$ INCREASE
WOMEN URM	$74,353	$116,565	$161,580	57%	$42,212	117%	$87,227
WOMEN NON-URM	$77,195	$129,865	$181,194	68%	$52,670	135%	$103,999
MEN NON-URM	$83,564	$135,739	$201,963	62%	$52,175	142%	$118,399
MEN URM	$77,394	$131,810	$208,847	70%	$54,416	170%	$131,453

The two-year age difference between men and women was accounted for in the current compensation analysis

Statistical Significance:

First Post-MBA:
- Men Non-URM earning $19,174 more than Women URM ($p < .05$)
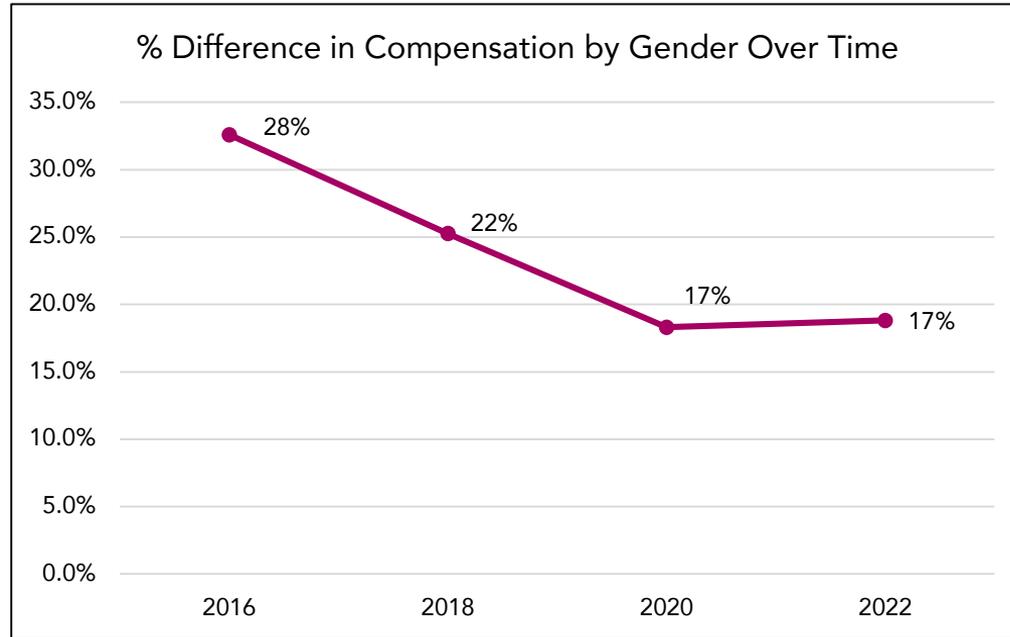
Current:
- Women URM earning $47,267 (22.6%) less than Men URM ($p < .01$)
- Women Non-URM earning $20,769 (10.3%) less than Men Non-URM ($p < .05$)
- Women URM earning $40,383 (20%) less than Men Non-URM ($p < .001$)

Current Compensation Gaps by Gender 2016-2022

The **percentage decrease difference** in current compensation between men and women in the 2022 study (17.2%) is similar the 2020 study (16.8%). This has declined from a high of 28% in 2016.

% Difference in Compensation by Gender Over Time

% of Line and Staff Roles by Gender and URM/Non-URM

Overall, 44% of participants stated they currently hold a line role, while 56% are in staff roles. URM participants held fewer line roles than non-URM. Overall by gender, men hold more line roles and women hold more staff roles (p < .05),
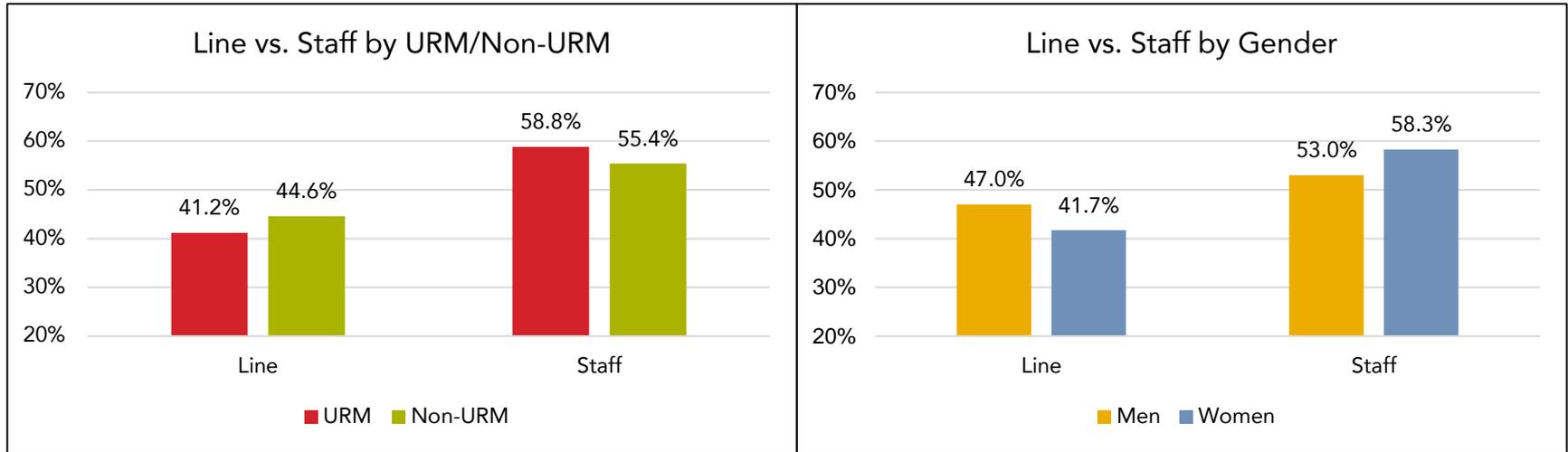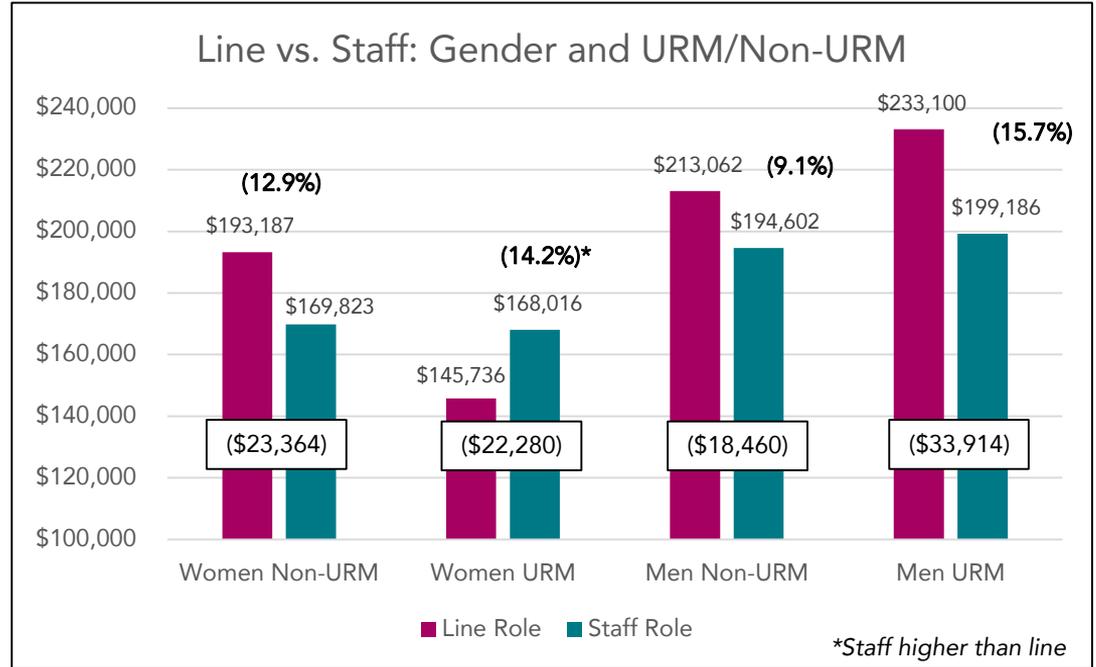
The two-year age difference between men and women was accounted for in the analysis.

Current Compensation by Line vs. Staff Roles, Gender, and URM/Non-URM

Overall, the mean compensation for a line role was $207,005 and for staff role was $180,727. This difference of $26,278 (or 13.5%) is statistically significant (p < .001).

Statistical Significance:
- Women URM earning $87,364 (37.4%) less than Men URM in line roles (p < .01)
- Women URM earning $67,326 (31.6%) less than Men Non-URM (p = .001)
- Women URM earning $47,451 (24.6%) less than Women Non-URM (p < .05)

- When looking at line vs. staff comparisons, Women Non-URM in staff roles earn $23,364 (12.9%) less than Women Non-URM in line roles (p < .05)

Line vs. Staff: Gender and URM/Non-URM

	Line Role	Staff Role
Women Non-URM	$193,187 (12.9%)	$169,823
Women URM	$145,736	$168,016 (14.2%)*
Men Non-URM	$213,062 (9.1%)	$194,602
Men URM	$233,100 (15.7%)	$199,186

($23,364) ($22,280) ($18,460) ($33,914)

■ Line Role ■ Staff Role

Staff higher than line

Note: There were no statistically significant differences between groups on staff roles

Current Compensation by Line vs. Staff Roles and Gender

Gender Representation: Line and Staff Roles

	Men		Women	
Line	$217,969		$184,105	
Staff		$196,953		$169,290
	($21,016)*	(10.1%)	($14,815)	(5.5%)

Legend: ■ Line ■ Staff

*statistically significant at p < .05

Line Roles by Gender/Staff Roles by Gender

	Line		Staff	
Men	$217,969		$196,953	
Women		$184,105		$169,290
	($33,864)**	(16.8%)	($27,663)*	(15.1%)

Legend: ■ Men ■ Women

** statistically significant at p < .001

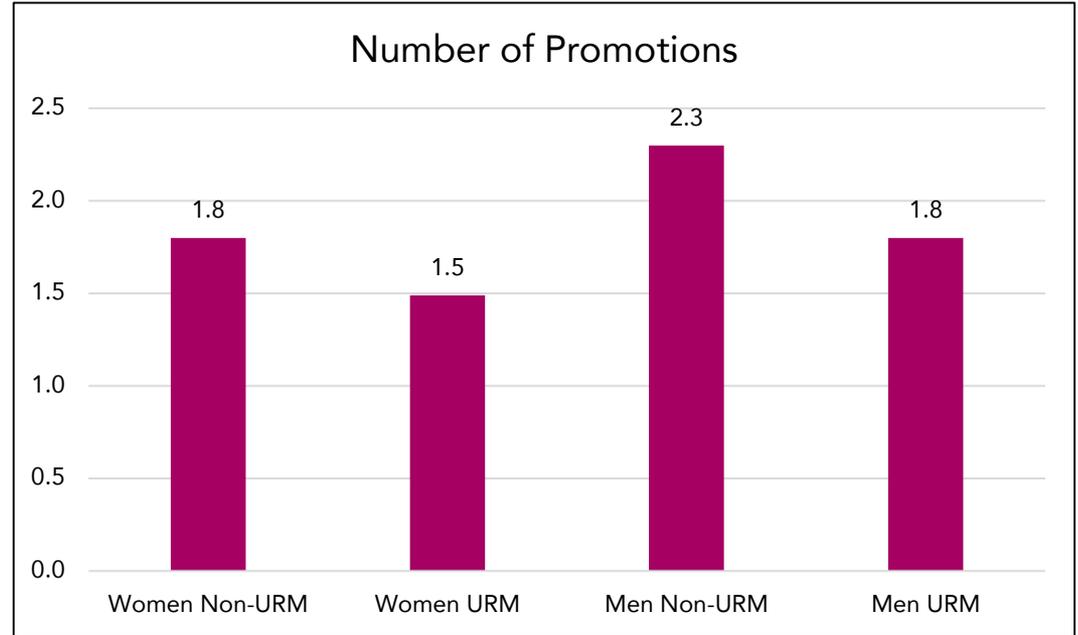* statistically significant at p < .01

When examining current compensation for line and staff roles, by gender, we see in the chart on the left that even within gender, significant compensation differences exist for line vs. staff roles, with those holding line roles earning more compensation. The gaps are wider when looking at men and women within line roles and men and women within staff roles.

Number of Promotions Since Obtaining the MBA

On average, men have received 2.2 promotions since obtaining their MBA; women have achieved 1.8 promotions. This result is statistically significant ($p < .001$).

Statistical Significance:
- Women Non-URM (1.8) and Men Non-URM (2.3): $p < .001$
- Men URM (1.8) and Men Non-URM (2.3): $p = .01$
- Women URM (1.5) and Women Non-URM (1.8): $p = .05$
- Men Non-URM (2.3) and Women URM (1.5): $p < .001$

Number of Promotions

Women Non-URM	Women URM	Men Non-URM	Men URM
1.8	1.5	2.3	1.8

The two-year age difference between men and women was accounted for in the analysis

Number of Direct Reports

On average, men have 3.4 direct reports and women have 2.3. This result is statistically significant (p < .001).

Statistical Significance:
- Men Non-URM (3.5) and Women URM (2.2): p < .001
- Men Non-URM (3.5) and Women Non-URM (2.3): p < .001

Number of Direct Reports

Women Non-URM	Women URM	Men Non-URM	Men URM
2.3	2.2	3.5	3.0
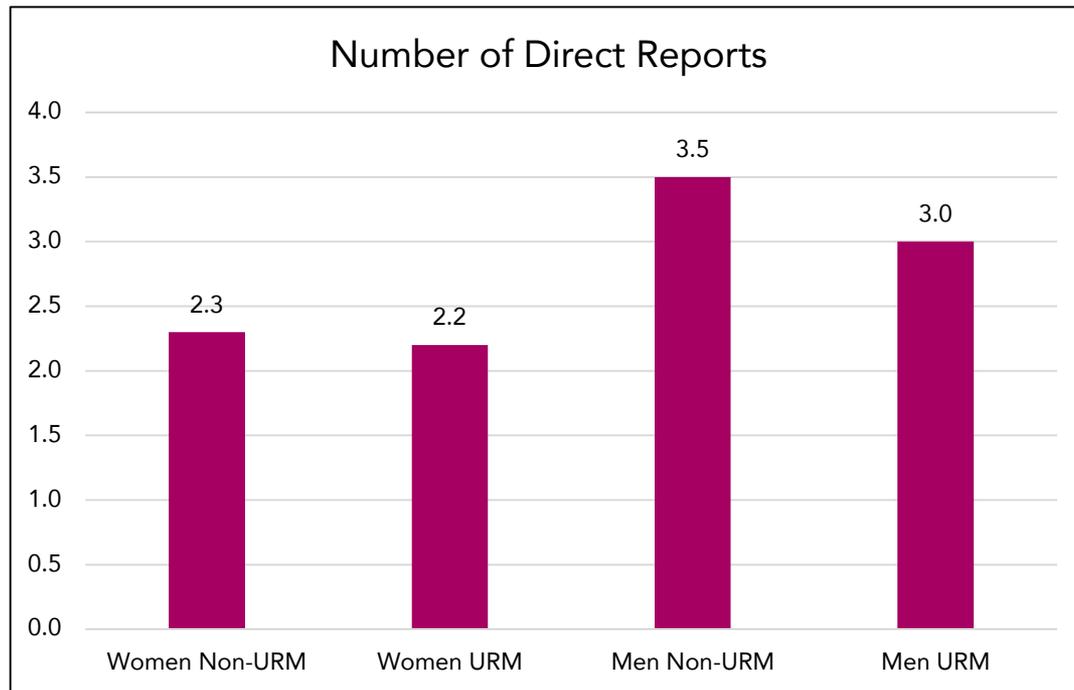
The two-year age difference between men and women was accounted for in the analysis

Intrinsic Career Outcomes by Gender and URM/Non-URM

These two broad measures aggregate various questions about an individual's satisfaction with aspects of their career and assessment of their own success. Participants were asked the extent to which they agree or disagree with each statement (**5 is the maximum level of agreement "strongly agree"**)

Statistical Significance:
Career satisfaction showed statistically significant differences as follows:

- Men Non-URM and Women Non-URM (p < .01)
- Men Non-URM and Women URM women (p < .001)

Career Satisfaction and Assessment of Success

Career Satisfaction: Non-URM Women 3.85, URM Women 3.68, Non-URM Men 4.02, URM Men 3.87

Assessment of Success: Non-URM Women 4.16, URM Women 4.07, Non-URM Men 4.18, URM Men 4.18

Legend: Non-URM Women, URM Women, Non-URM Men, URM Men
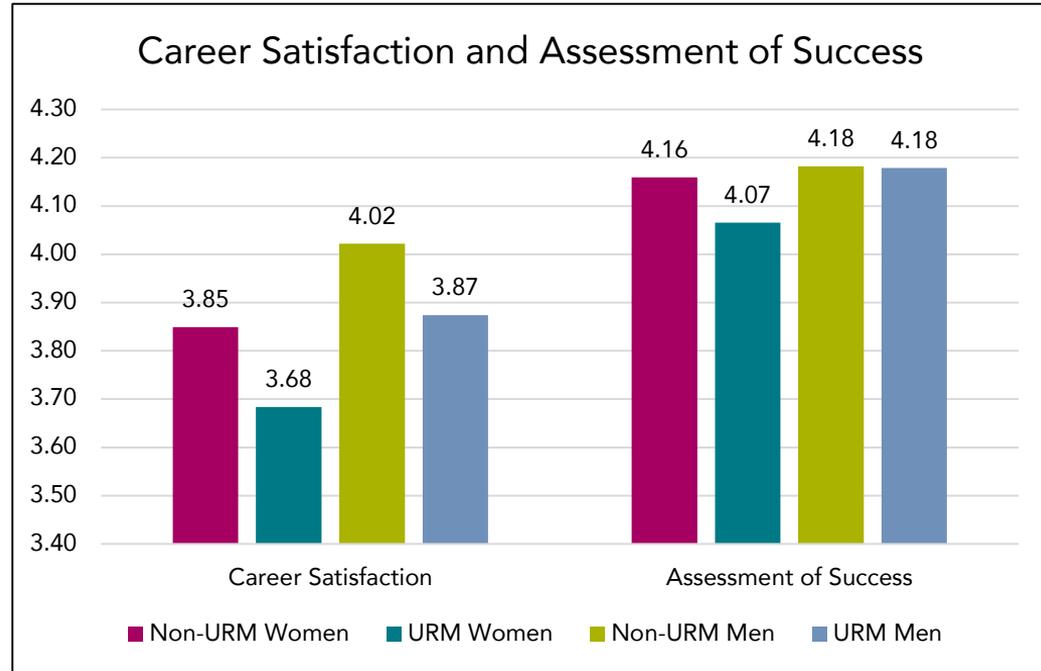
Career Satisfaction by Gender

Women rated their overall career satisfaction lower than men 3.8 out of 5 for women, 4 out of 5, for men (*p < .001).

The differences are driven by "current salary" (women 3.38 and men 3.71), "number of people you manage" (women 3.48 and men 3.72), and "career progression post-MBA" (women 3.85, men 4.08).

Career Satisfaction by Gender

Category	Men	Women
Current Role **	4.14	3.92
Current Organization	4.09	3.99
Current Level of the Organization **	3.96	3.74
Number of People You Manage **	3.72	3.48
Your Current Salary **	3.71	3.38
Your Career Progression Post-MBA **	4.08	3.85
The Investment in Your MBA *	4.30	4.19
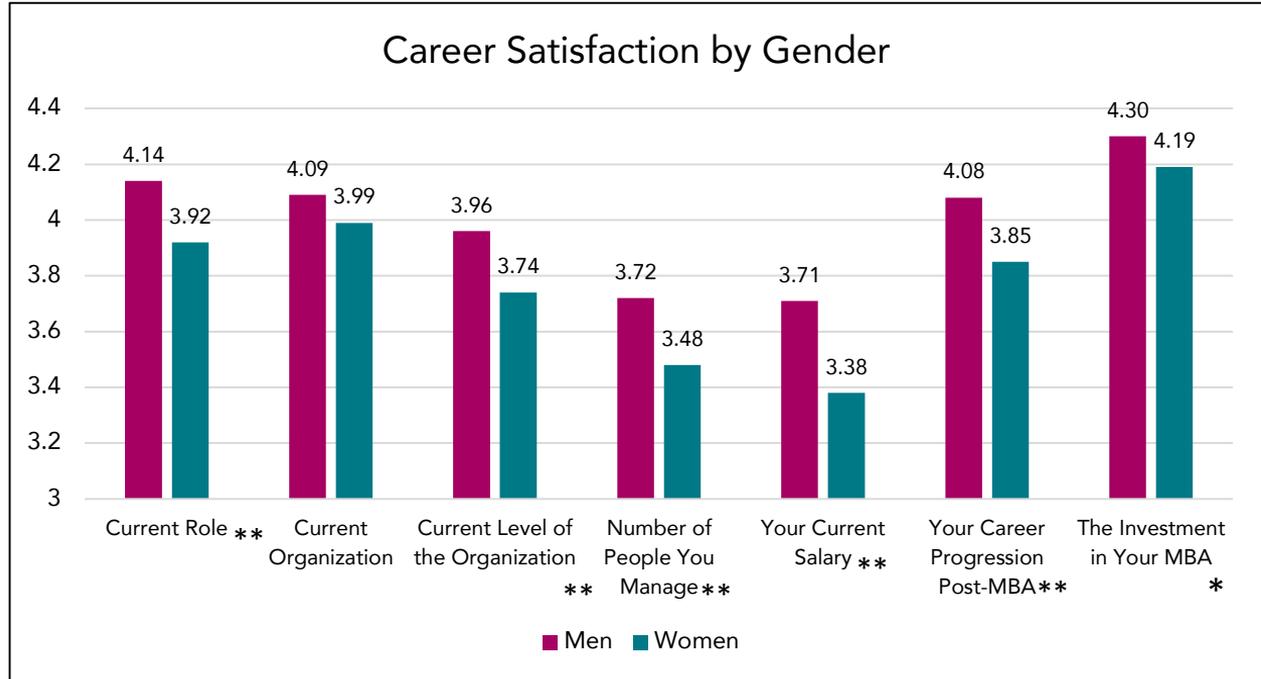
■ Men ■ Women

*p < .05, **p < .001

Career Satisfaction: A Closer Look

When examining the elements that comprise career satisfaction, Women URM are the least satisfied in each area.

For this question, 5 is the highest level of agreement or satisfaction (strongly agree or highly satisfied).

Numbers and statistical significance are presented on the following slide.
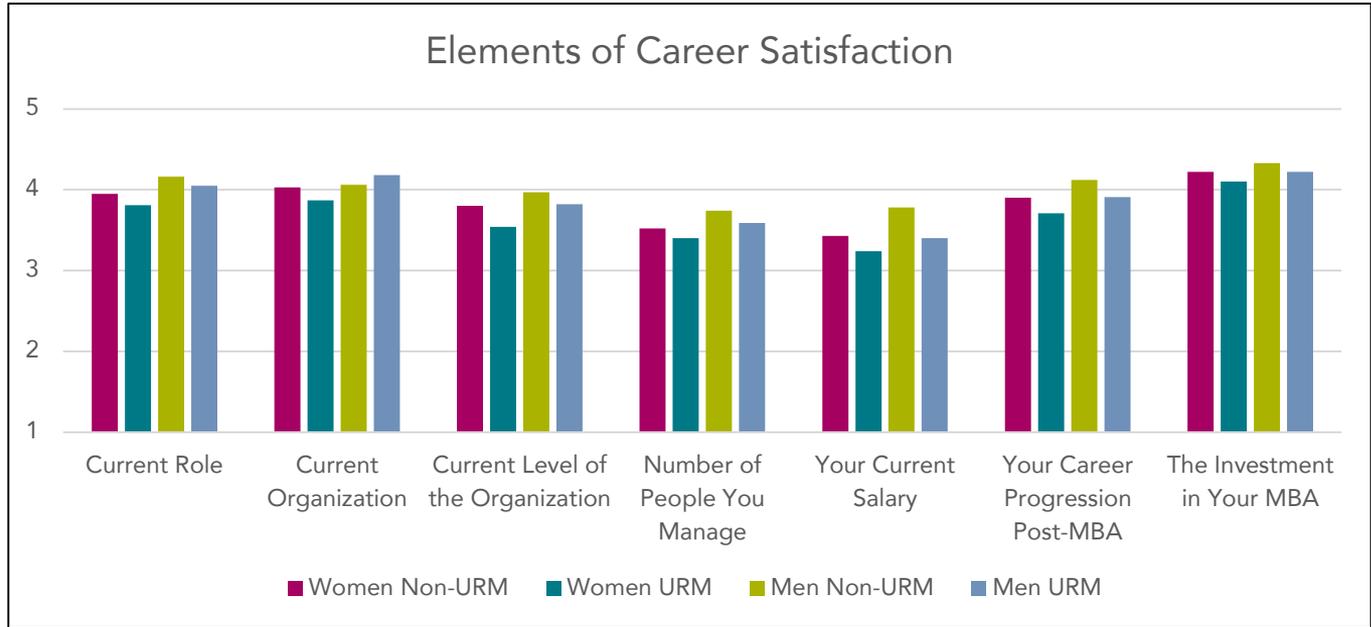
Elements of Career Satisfaction

Legend: Women Non-URM, Women URM, Men Non-URM, Men URM

Categories: Current Role, Current Organization, Current Level of the Organization, Number of People You Manage, Your Current Salary, Your Career Progression Post-MBA, The Investment in Your MBA

Career Satisfaction: A Closer Look

When examining the elements that comprise career satisfaction, the following were statistically significant:

Current Role:
- Men Non-URM (4.16) and Women Non-URM (3.95): p = .01
- Men Non-URM (4.16) and Women URM (3.81): p < .001

Current Level of the Organization
- Men Non-URM (3.97) and Women URM (3.54): p < .001
- Women Non-URM (3.80) and Women URM (3.54): p < .05

Number of People You Manage
- Men Non-URM (3.74) and Women Non-URM (3.52): p < .05
- Men Non-URM (3.74) and Women URM (3.40): p = .01

Current Salary
- Men Non-URM (3.78)and Men URM (3.40): p < .05
- Men Non-URM (3.78) and Women Non-URM (3.43): p < .001
- Men Non-URM (3.78) and Women URM (3.24): p < .001

Career Progression Post-MBA
- Men Non-URM (4.12) and Women Non-URM (3.90): p = .01
- Men Non-URM (4.12) and Women URM (3.71): p < .001

Investment in MBA
- Men Non-URM (4.33) and Women URM (4.10): p < .05

	Women Non-URM	Women URM	Men Non-URM	Men URM
Current Role	3.95	3.81	4.16	4.05
Current Organization	4.03	3.87	4.06	4.18
Current Level of the Organization	3.80	3.54	3.97	3.82
Number of People You Manage	3.52	3.40	3.74	3.59
Your Current Salary	3.43	3.24	3.78	3.40
Your Career Progression Post-MBA	3.90	3.71	4.12	3.91
The Investment in Your MBA	4.22	4.10	4.33	4.22

Assessment of Success: A Closer Look

For this question, 5 is the highest level of agreement (strongly agree). Participants were asked the extent to which they agree or disagree that they have achieved professional, academic, and career success by their own standards.

Statistical Significance:
"**Professional success**" revealed differences:

- Men Non-URM (4.15) and Women URM (3.89): p < .01
- Women Non-URM (4.12) and Women URM (3.89): p = .01

Assessment of Success

	Professional Success	Academic Success	Personal Success
Women Non-URM	4.12	4.21	4.15
Women URM	3.89	4.19	4.11
Men Non-URM	4.15	4.17	4.22
Men URM	4.10	4.20	4.24
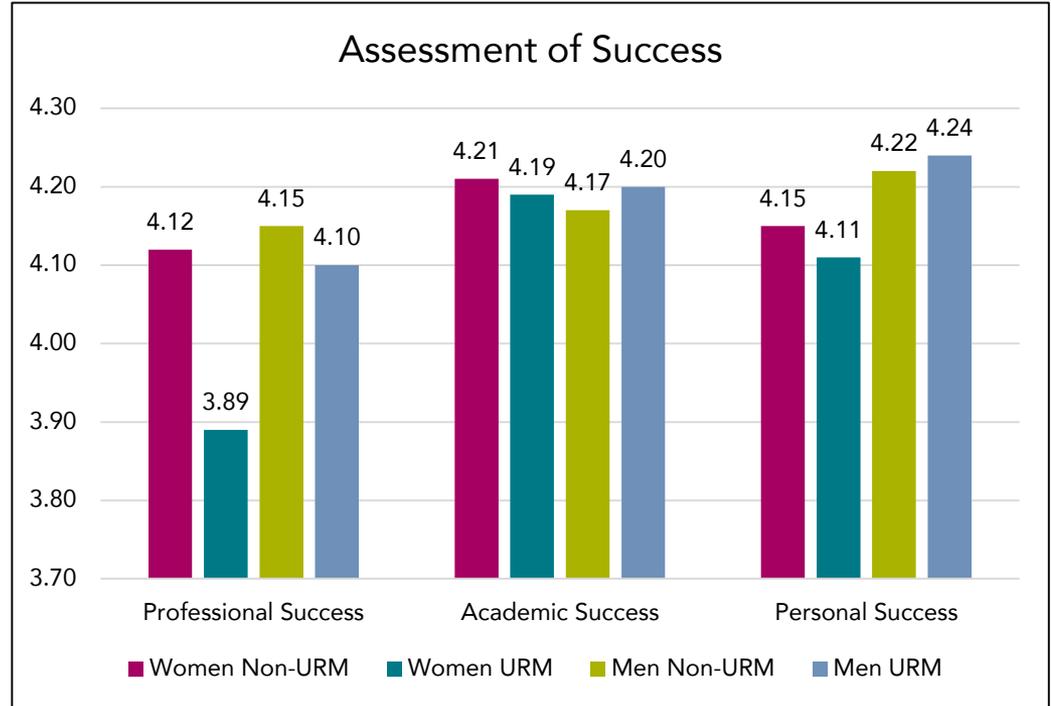
Plans to Change Jobs in the Next 12 Months

Participants were asked if they are planning to change jobs in the next 12 months (with 1 being "definitely yes"). This chart shows the percentage of each group who replied "probably yes" or "definitely yes."

Overall, women are more likely than men to seek a new position in the next year with URM women even more likely than non-URM women.

Statistical Significance:
- Men Non-URM and Women URM with Women URM having a higher likelihood of changing jobs (p < .001)
- Men URM and Women URM with Women URM having a higher likelihood of changing jobs (p < .05)
- Women Non-URM and Women URM with women URM having a higher likelihood of changing jobs (p < .05)

Plans to Seek a New Position in the Next 12 Months

Group	Percentage
Women Non-URM	28.0%
Women URM	39.2%
Men Non-URM	23.2%
Men URM	24.5%
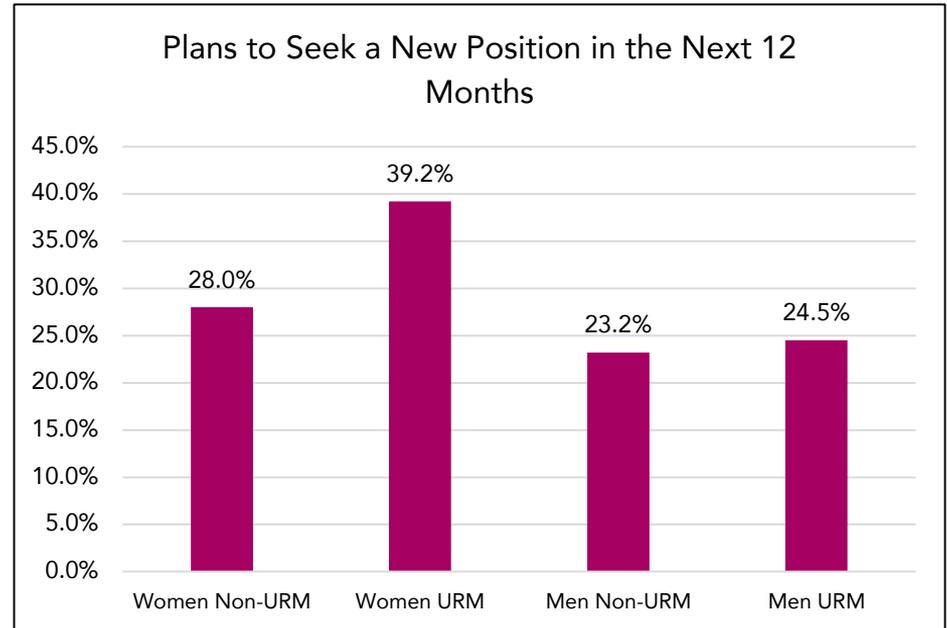
Reasons for Leaving a Past Company
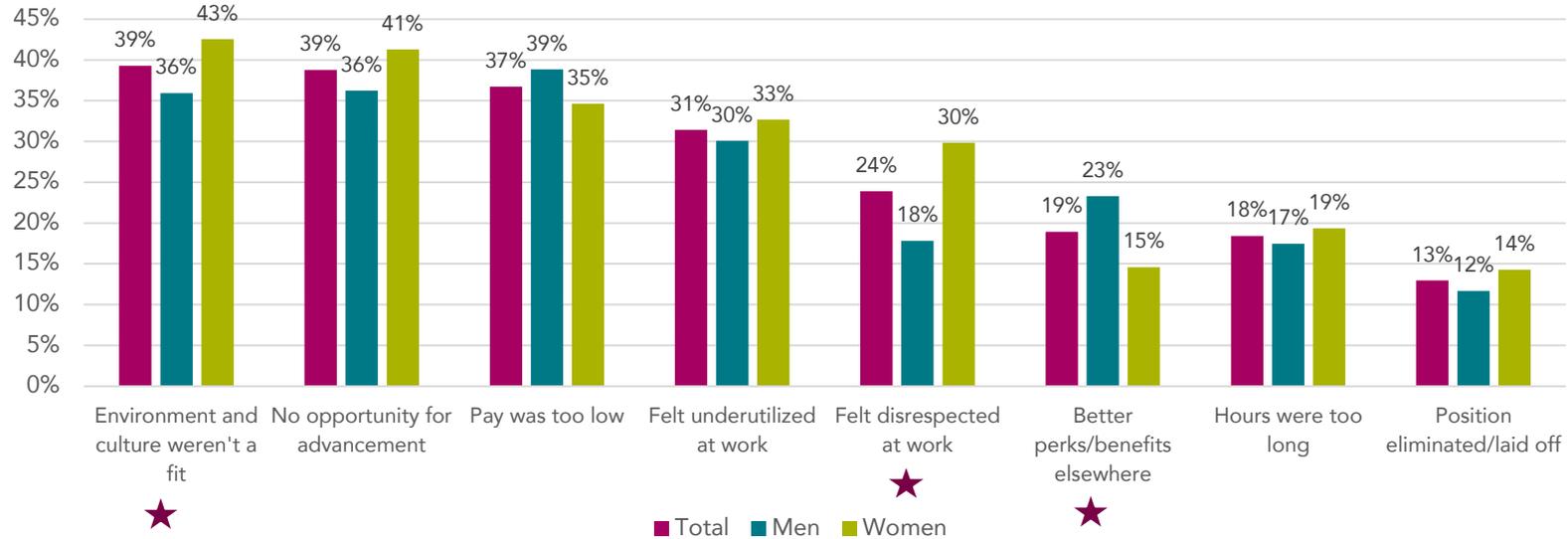
Participants were asked to identify their top four reasons for leaving a past company. The top four reasons were the same for men and women, but in a different order. Other noteworthy differences: women are more likely to leave a company because the environment is not a fit and they feel disrespected at work. Men are more focused on benefits and perks. (items with a ★ show the greatest difference between men and women).

Top 4 Reasons for Leaving a Past Company by Gender and Race

This chart shows the breakdown of the top four overall reasons for leaving a past company and how the responses vary by the intersection of gender and race.

Women, particularly URM women, are far more likely to leave a company because environment and culture weren't a fit and they do not see an opportunity for advancement.

Men non-URM were more likely than any other group to leave a past company because of low pay.

Men URM are the least likely to leave because they feel underutilized at work.

Top 4 Reasons for Leaving a Past Company

Reason	Women Non-URM	Women URM	Men Non-URM	Men URM
Environment and culture weren't a fit	43%	44%	36%	32%
No opportunity for advancement	41%	42%	38%	27%
Pay was too low	33%	38%	42%	27%
Felt underutilized at work	32%	35%	31%	22%

Reasons for Choosing a Company

Participants were asked to identify their top four reasons for choosing their current company. This chart shows the eight options that were chosen by all participants most often. The top four are in the same order for total, men, and women. There are some noteworthy differences between women and men. Women are more likely to choose a company because of flexible work arrangements and the mission of the organization, whereas men are more likely to choose due to attractive compensation or advancing to a higher level (items with a ★ show the greatest difference between men and women).
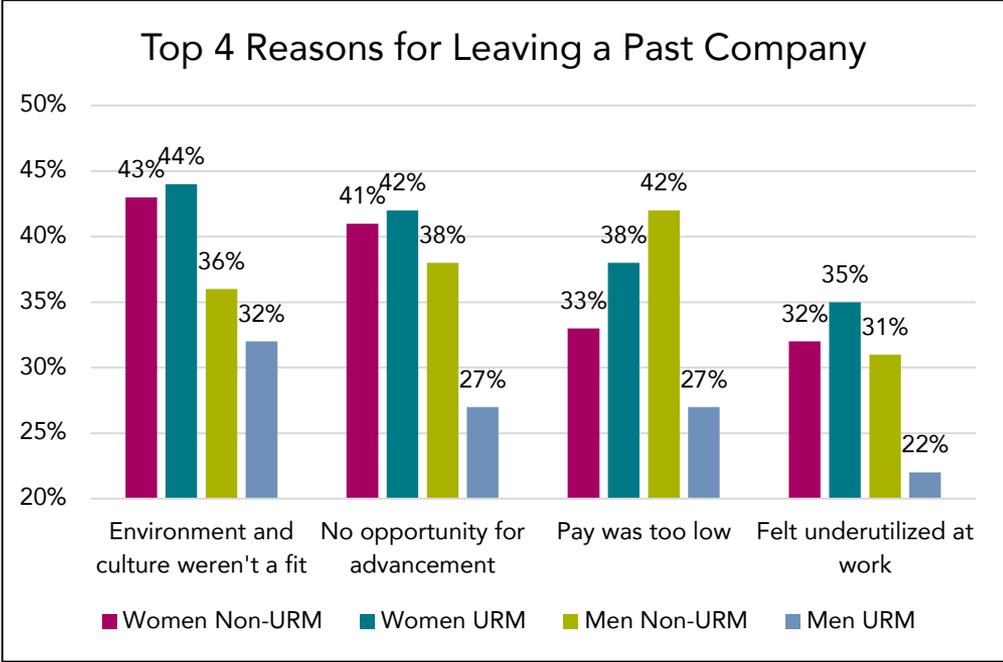
Top 4 Reasons for Choosing a Company by Gender and Race

This chart shows the breakdown of the top four overall reasons for choosing a company and how the responses vary by the intersection of gender and race.

Men URM are the most motivated by compensation whereas men Non-URM are more motivated by career advancement.

Women URM were higher than women Non-URM in their desire for advancement.

Women URM were much lower than all other groups on choosing a company based on good culture and good team/people.

Top 4 Reasons for Choosing a Company

	Women Non-URM	Women URM	Men Non-URM	Men URM
Attractive compensation	43%	42%	49%	51%
Advanced my career to a higher level	40%	42%	46%	38%
Good company culture	44%	30%	36%	44%
Good team/people	33%	27%	33%	29%
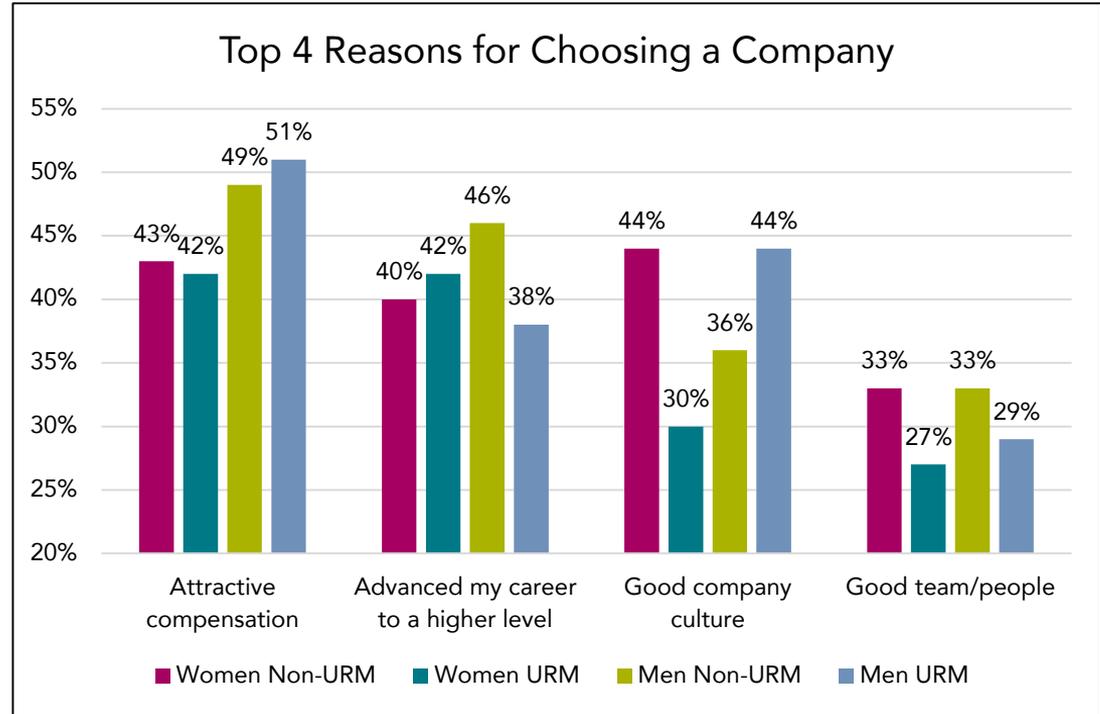
Distance from CEO

Another way of looking at the level of the organization is how many levels below the CEO an individual is.

This chart shows that women are further away from the CEO than men. Overall, men are 3.7 levels from CEO and women are 4.1. This result is statistically significant (p = .01). The differences are driven by gender rather than race with URM and non-URM being the same or very similar within each gender.

Number of Levels Below CEO

Women Non-URM	Women URM	Men Non-URM	Men URM
-4.1	-4.1	-3.6	-3.7
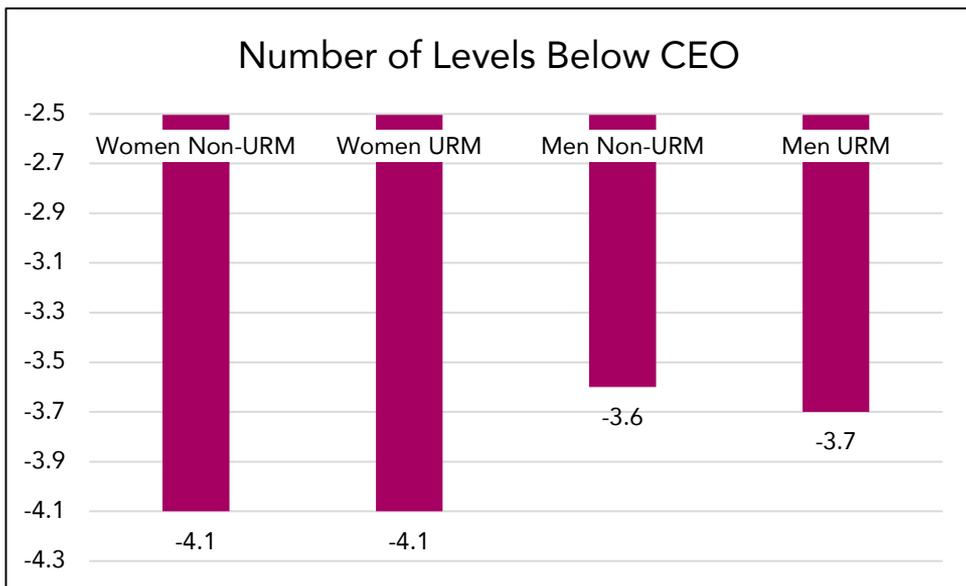
Statistical Significance:
- Men non-URM and women URM (p < .05)
- Men non-URM and women non-URM (p < .01)

The two-year age difference between men and women was accounted for in the analysis

Aspirational Level of the Organization by Gender

Ideal Level of the Organization Five Years Out
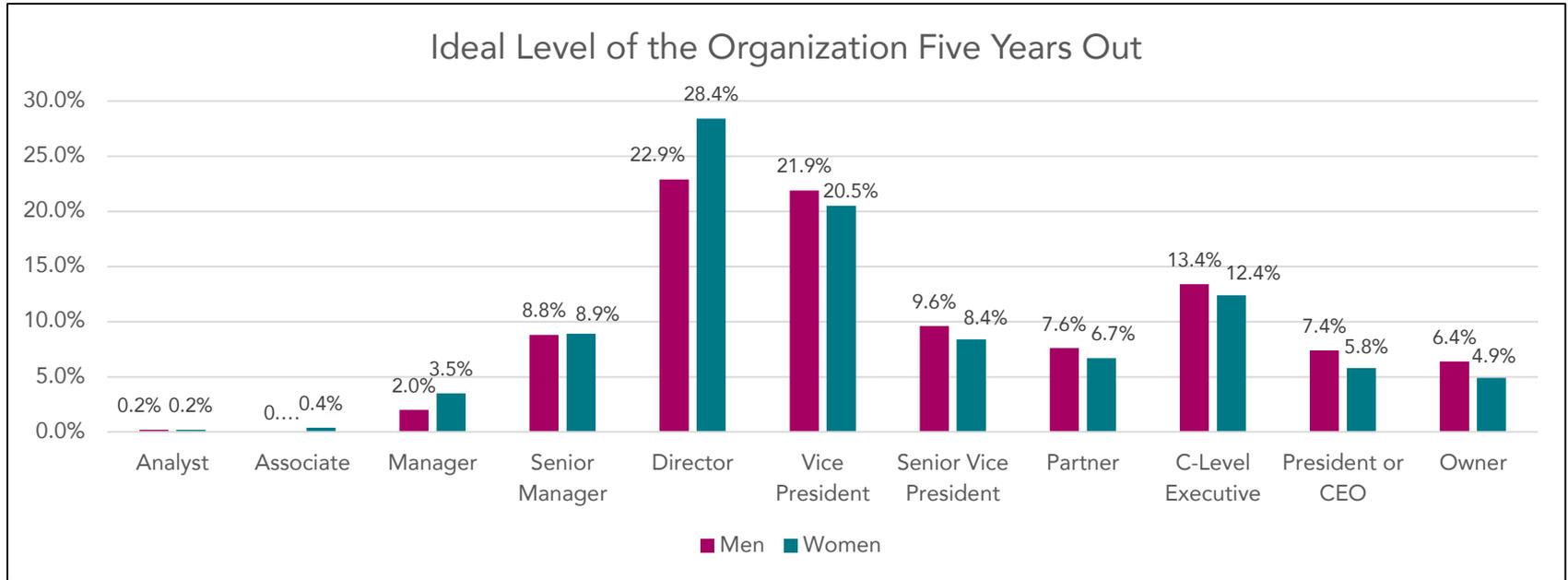
When looking at ideal level of the organization five years out, more women (40.8%) than men (33.7%) are looking at the mid-management levels of Manager through Director, whereas more men (34.8%) than women (29.8%) are aiming for partner, C-level executive, president/CEO, and owner.

Aspirational Level of the Organization by Gender and URM/Non-URM

Ideal Level of the Organization Five Years Out

Legend: Women Non-URM, Women URM, Men Non-URM, Men URM
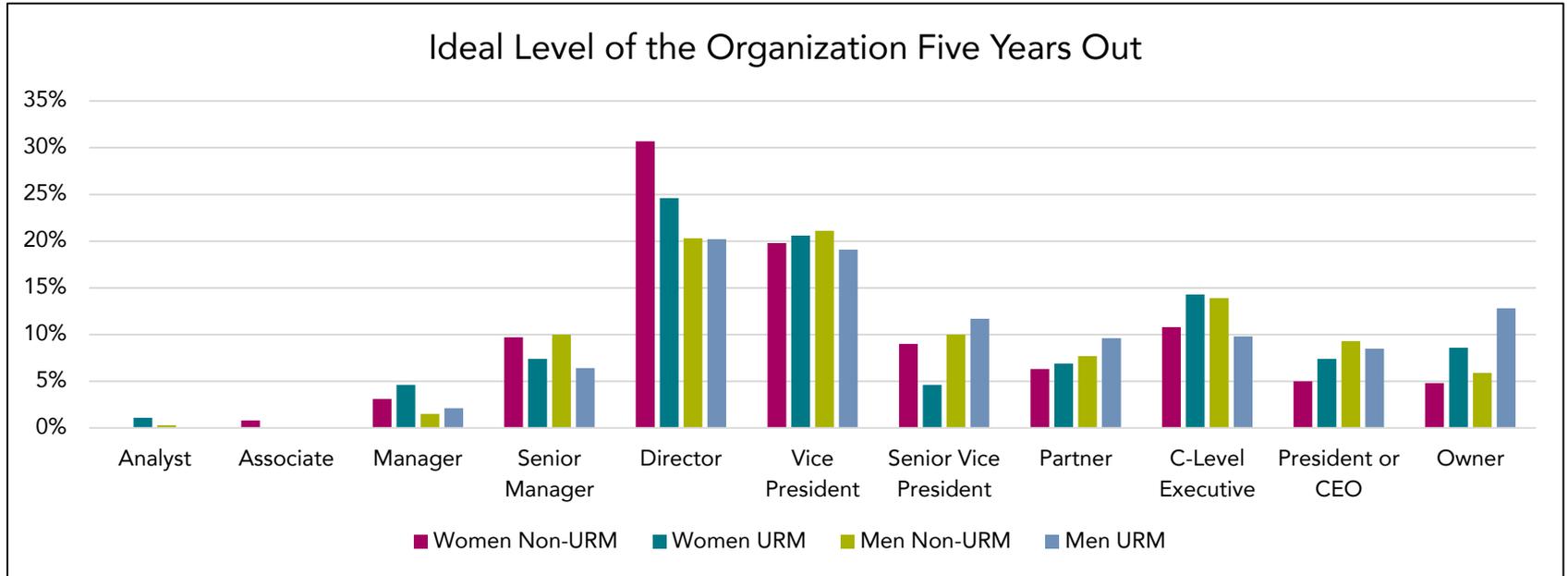
Narrative along with percentages can be found in the table on the following slide.

Aspirational Level of the Organization by Gender and URM/Non-URM

Looking at the chart on the previous slide and the data in this chart, we can extract some interesting findings:

- Women URM and Men Non-URM are the two groups most likely to aim for the C-suite (including CEO)
- Women URM are targeting the Director level more than participants from other groups
- Men URM are most likely to want to own their own company (12.8%)

	Women Non-URM	Women URM	Men Non-URM	Men URM
Analyst	0.00%	1.10%	0.30%	0.00%
Associate	0.80%	0.00%	0.00%	0.00%
Manager	3.10%	4.60%	1.50%	2.10%
Senior Manager	9.70%	7.40%	10.00%	6.40%
Director	30.70%	24.60%	20.30%	20.20%
Vice President	19.80%	20.60%	21.10%	19.10%
Senior Vice President	9.00%	4.60%	10.00%	11.70%
Partner	6.30%	6.90%	7.70%	9.60%
C-Level Executive	10.80%	14.30%	13.90%	9.80%
President or CEO	5.00%	7.40%	9.30%	8.50%
Owner	4.80%	8.60%	5.90%	12.80%

Leap Forward from Current to Aspirational

When looking at current levels of the organization and the desired level of the organization five years out, men non-URM and women URM are looking to make the largest leaps forward, followed by men URM. Women non-URM are significantly lower at only a 6.9% move forward on average.
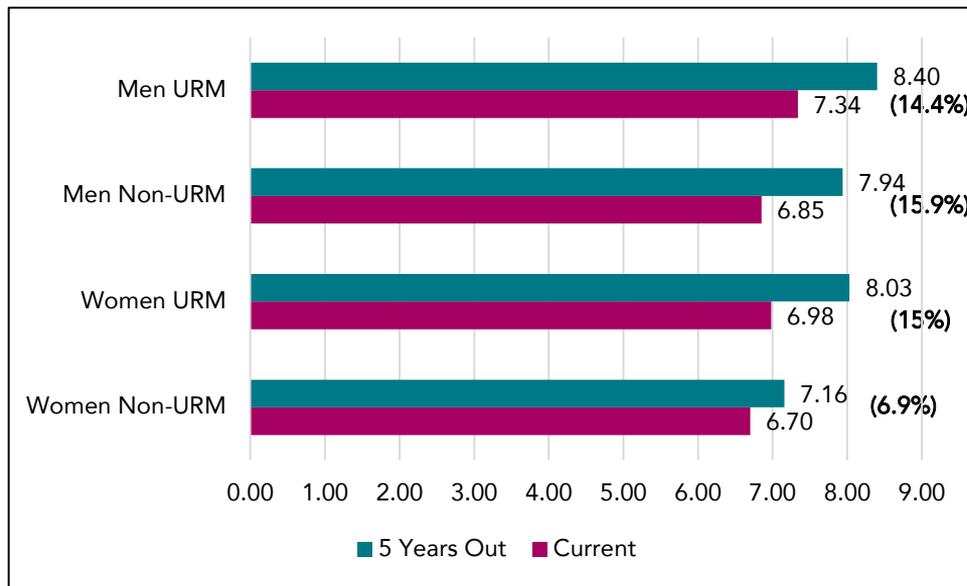
Each comparison of average current work level to average future work level are statistically significant (p < .001) for all four paired t-test comparisons

5 = Manager, 6 = Senior Manager, 7 = Director, 8 = Vice President, 9 = Senior Vice President
These results take into consideration the two year age difference between men and women

PART 2

Work and Life

Statements About Current Work Environment

Participants were asked the extent to which they agree or disagree with various statements about their current work situation or environment (**5 is the maximum level of agreement, i.e. "strongly agree"**)

Statistical Significance:
Coaching/mentoring and documented career plan showed statistically significant differences between Women and Men. (p < .05)
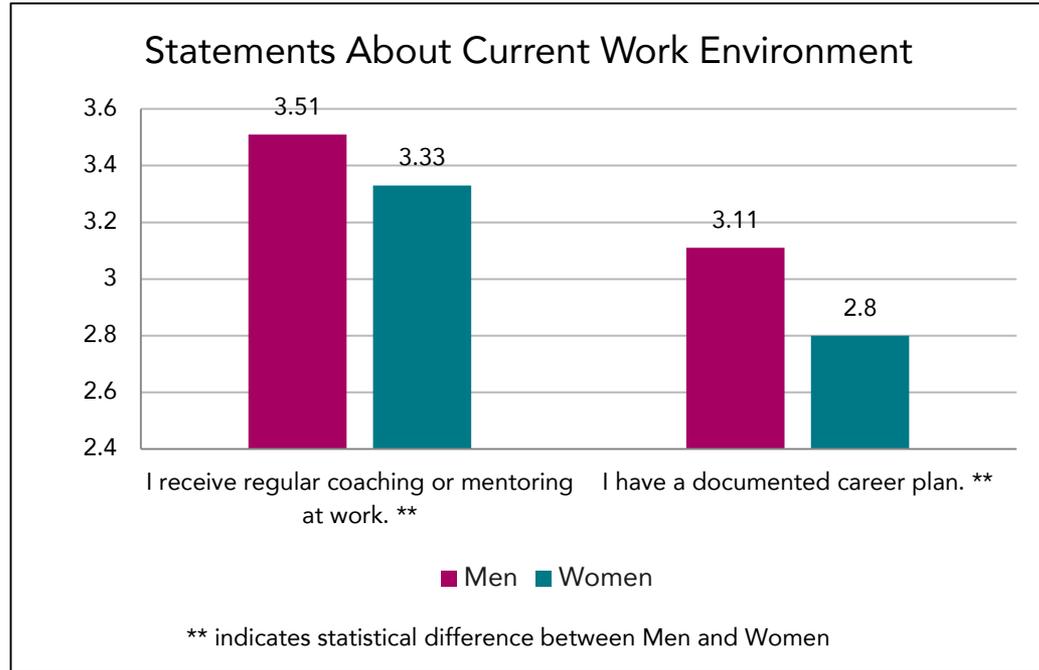
Statements About Current Work Environment

	Men	Women
I receive regular coaching or mentoring at work. **	3.51	3.33
I have a documented career plan. **	3.11	2.8

■ Men ■ Women

** indicates statistical difference between Men and Women

Statements About Current Work Environment

Participants were asked the extent to which they agree or disagree with various statements about their current work situation or environment (**5 is the maximum level of agreement, i.e. "strongly agree"**)

Statistical Significance:
Coaching/mentoring showed statistically significant differences between URM Women and the three other groups. ($p < .05$)

Documented career plan showed statistically significant differences between Non-URM Men and both URM and Non-URM Women. ($p < .05$)
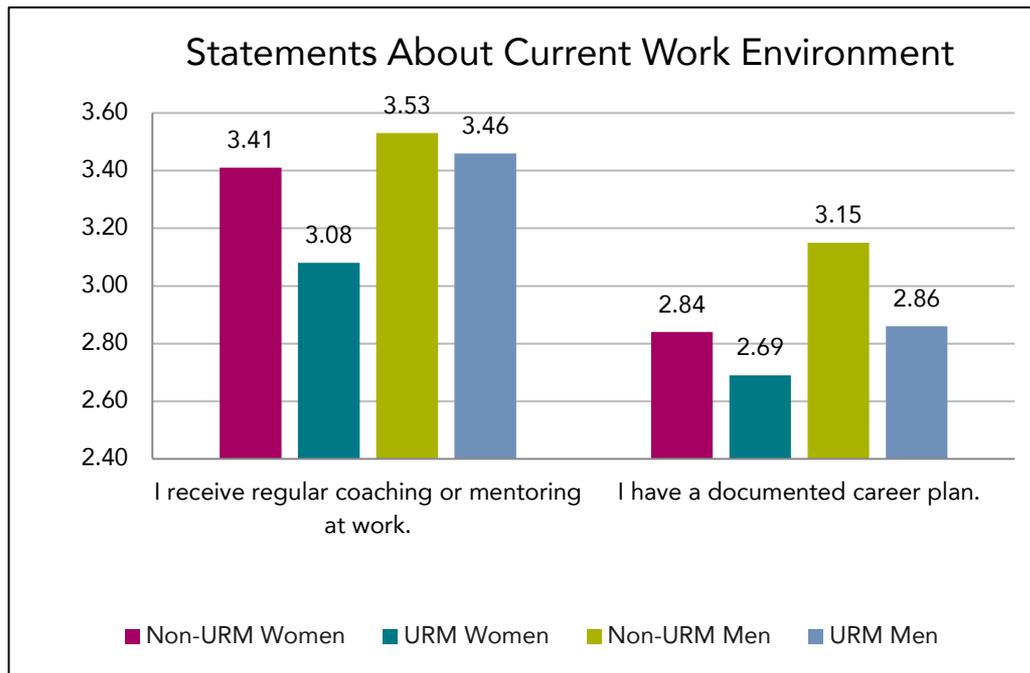
Statements About Current Work Environment

	I receive regular coaching or mentoring at work.	I have a documented career plan.
Non-URM Women	3.41	2.84
URM Women	3.08	2.69
Non-URM Men	3.53	3.15
URM Men	3.46	2.86

Importance of Workplace Initiatives to Career Advancement and Satisfaction

Participants were asked how important various workplace initiatives or opportunities were on their personal career advancement or satisfaction (**5 is the maximum level of importance, i.e. "very important"**)

Men and women had similar rankings of their top initiatives, but had statistically different responses to multiple initiatives, including support from supervisor, flexible work policies, regular performance feedback, and programs to enhance diversity and inclusivity. ($p < .05$)
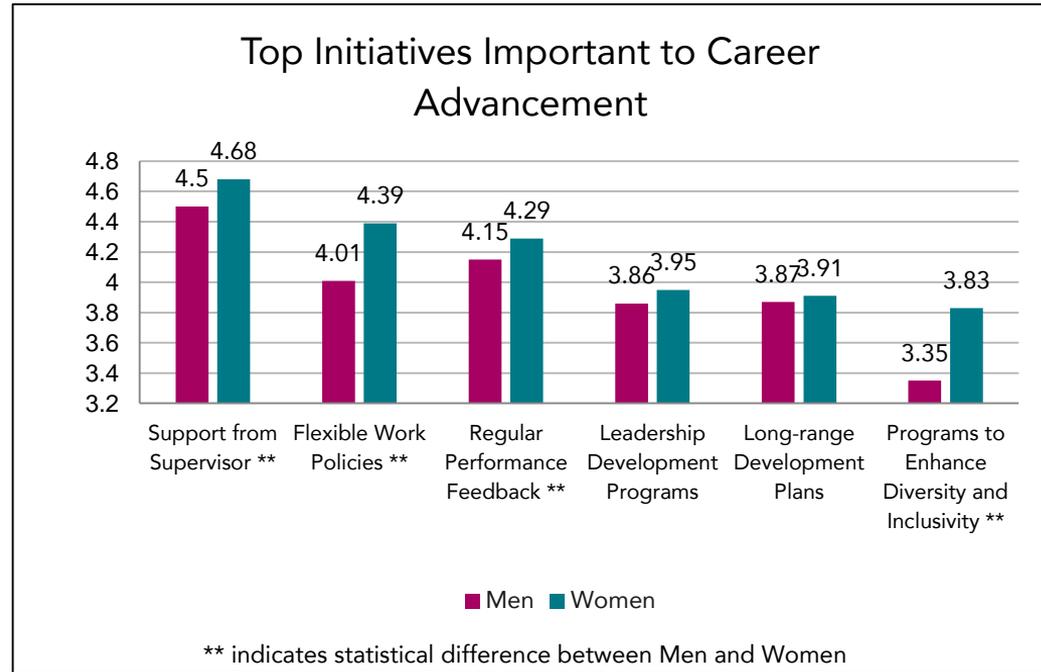
Top Initiatives Important to Career Advancement

Initiative	Men	Women
Support from Supervisor **	4.5	4.68
Flexible Work Policies **	4.01	4.39
Regular Performance Feedback **	4.15	4.29
Leadership Development Programs	3.86	3.95
Long-range Development Plans	3.87	3.91
Programs to Enhance Diversity and Inclusivity **	3.35	3.83

** indicates statistical difference between Men and Women

Importance of Workplace Initiatives to Career Advancement and Satisfaction

Participants were asked how important various workplace initiatives or opportunities were on their personal career advancement or satisfaction (**5 is the maximum level of importance, i.e. "very important"**)

URM Women had statistically different responses (from one or more of the other three groups) in flexible work policies, leadership development programs, and programs to enhance diversity and inclusivity. (p < .05)
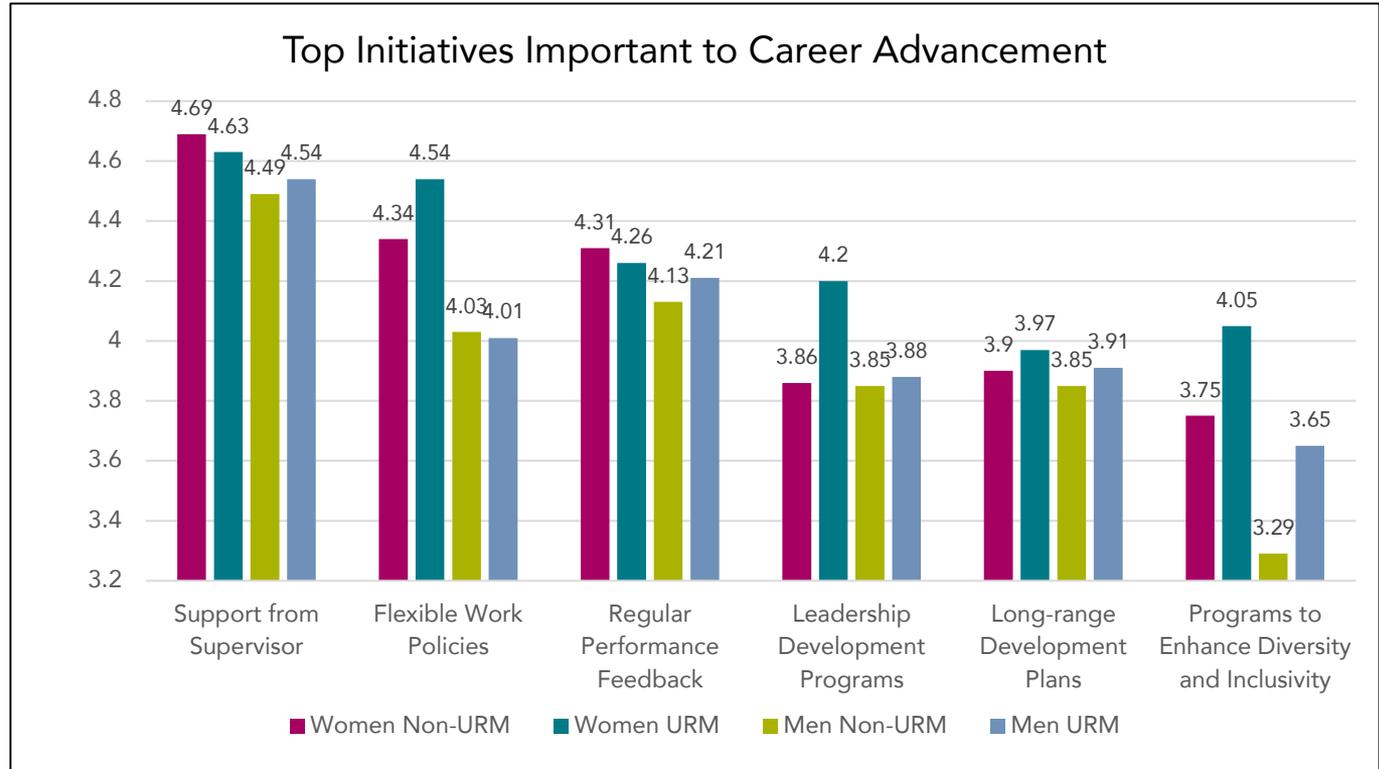
Top Initiatives Important to Career Advancement

Initiative	Women Non-URM	Women URM	Men Non-URM	Men URM
Support from Supervisor	4.69	4.63	4.49	4.54
Flexible Work Policies	4.34	4.54	4.03	4.01
Regular Performance Feedback	4.31	4.26	4.13	4.21
Leadership Development Programs	3.86	4.2	3.85	3.88
Long-range Development Plans	3.9	3.97	3.85	3.91
Programs to Enhance Diversity and Inclusivity	3.75	4.05	3.29	3.65

Professional Changes Due to Pandemic

Participants were asked which professional changes they made as a result of the COVID-19 pandemic.

Men and women had statistically different responses to two changes: relocating to a new city because of the ability to work remotely and starting a side business. (p < .05)
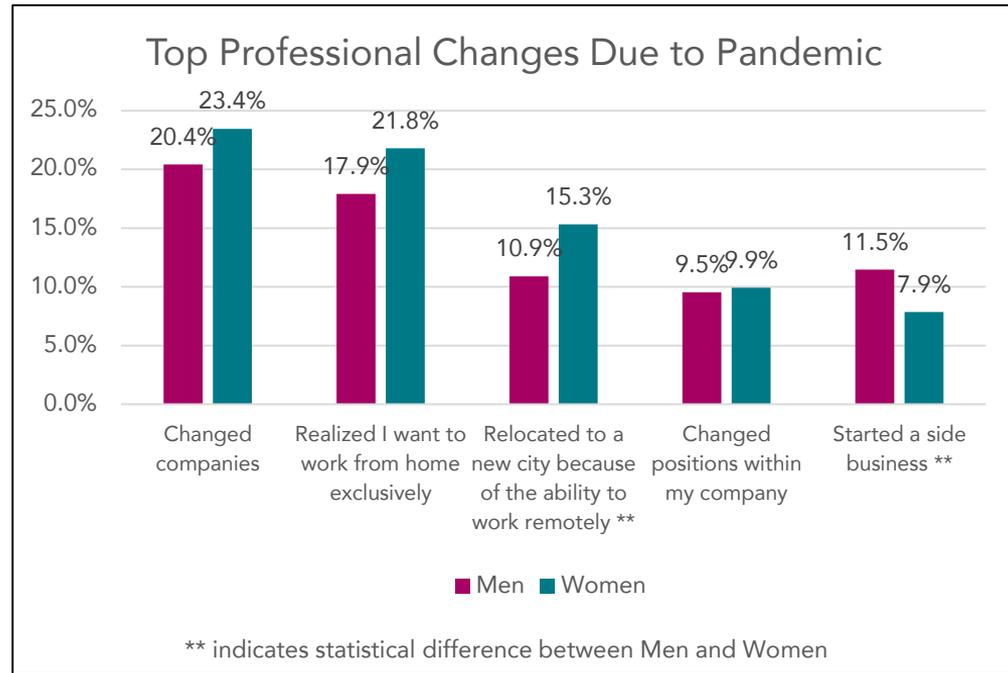
Top Professional Changes Due to Pandemic

** indicates statistical difference between Men and Women

Professional Changes Due to Pandemic

Participants were asked which professional changes they made as a result of the Covid-19 pandemic.

Women, particularly URM Women, were more likely to change companies, realize they wanted to work from home exclusively, and relocate to a new city because of their ability to work remotely.

Top Professional Changes Due to Pandemic

Category	Women Non-URM	Women URM	Men Non-URM	Men URM
Changed companies	22.70%	26.10%	19.50%	22.10%
Realized I want to work from home exclusively	19.50%	28.30%	18.20%	17.30%
Relocated to a new city because of the ability to work remotely	14.60%	17.40%	9.70%	14.40%
Changed positions within my company	10.10%	9.80%	9.70%	9.60%
Started a side business	6.90%	9.80%	11.70%	10.60%

Legend: ■ Women Non-URM ■ Women URM ■ Men Non-URM ■ Men URM

Forté 20 YEARS

Ideal Work Environment Post-Pandemic

Participants were asked about their ideal work environment.

Men were more likely than women to prefer in-person and structured hybrid (part office, part remote) environments, while Women were more likely than men to prefer remote and flexible hybrid (employee can choose in-person or remote as needed) environments.
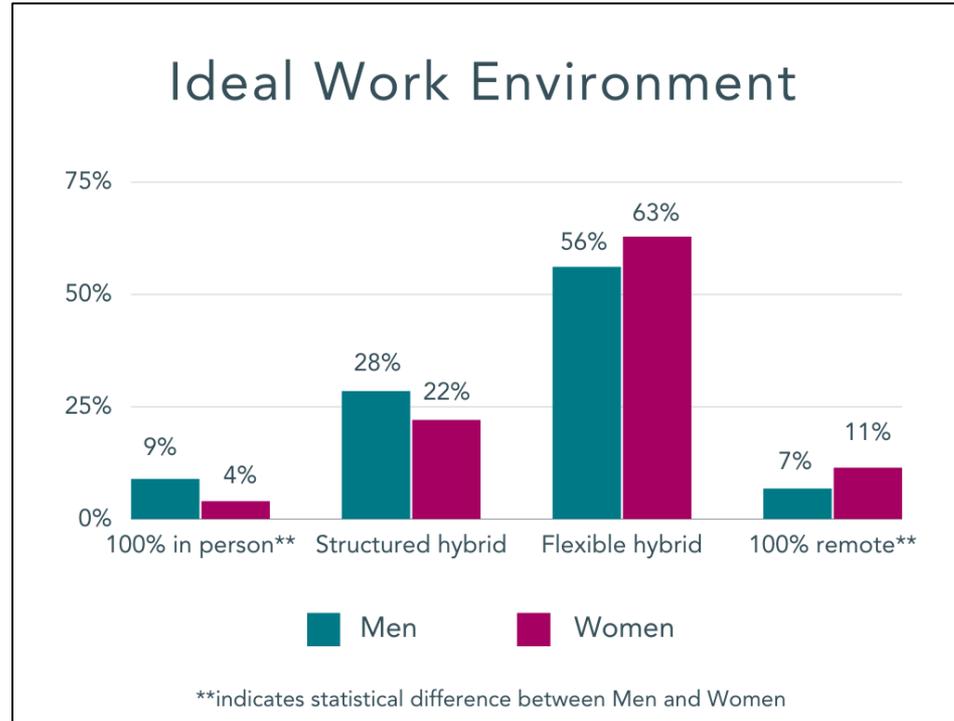
Ideal Work Environment

Environment	Men	Women
100% in person**	9%	4%
Structured hybrid	28%	22%
Flexible hybrid	56%	63%
100% remote**	7%	11%

**indicates statistical difference between Men and Women

Barriers to Senior Leadership Experienced or Witnessed

Participants were asked which barriers they have personally encountered or witnessed as they contemplated senior leadership roles.

Overall women experienced more barriers than men and they had statistically different responses to four barriers: lack of confidence, lack of female role models, lack of sponsorship, and hesitancy to share ambitions with leaders. (p < .05)
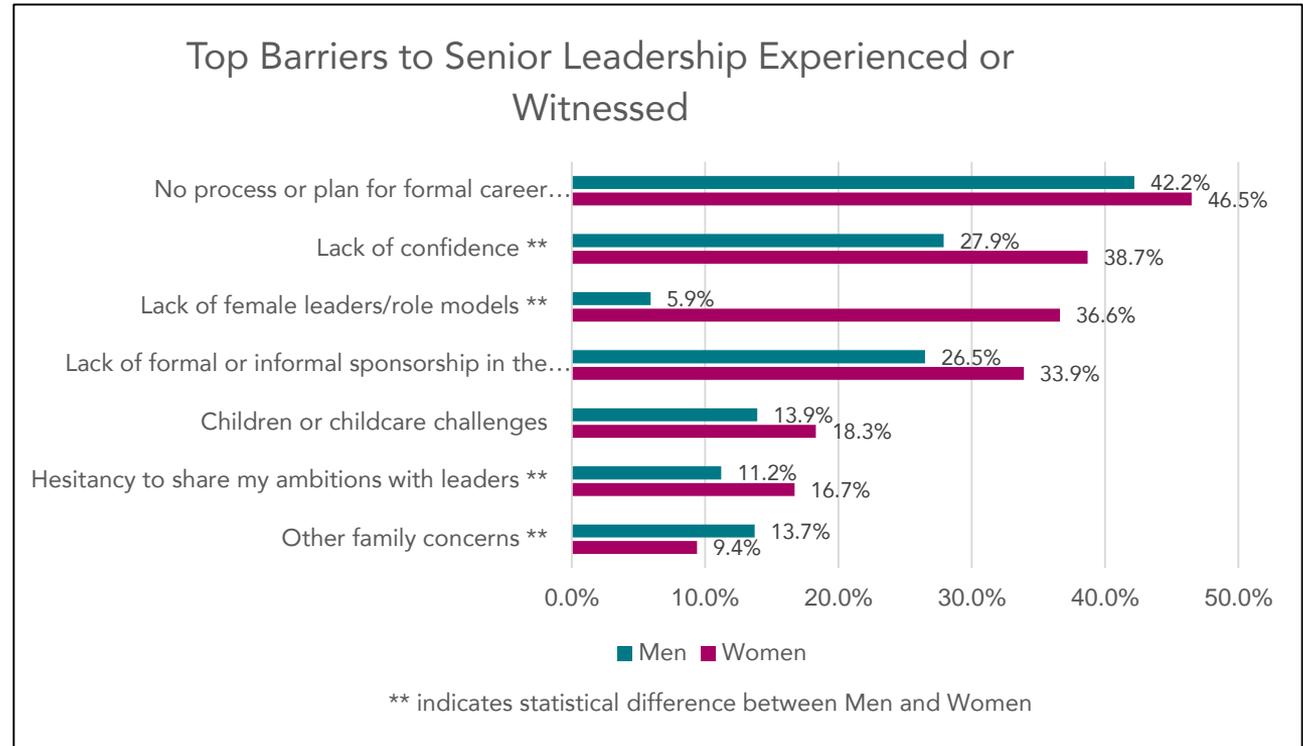
Top Barriers to Senior Leadership Experienced or Witnessed

Barrier	Men	Women
No process or plan for formal career…	42.2%	46.5%
Lack of confidence **	27.9%	38.7%
Lack of female leaders/role models **	5.9%	36.6%
Lack of formal or informal sponsorship in the…	26.5%	33.9%
Children or childcare challenges	13.9%	18.3%
Hesitancy to share my ambitions with leaders **	11.2%	16.7%
Other family concerns **	13.7%	9.4%

■ Men ■ Women

** indicates statistical difference between Men and Women

Barriers to Senior Leadership Experienced or Witnessed

Participants were asked which barriers they have personally encountered or witnessed as they contemplated senior leadership roles.
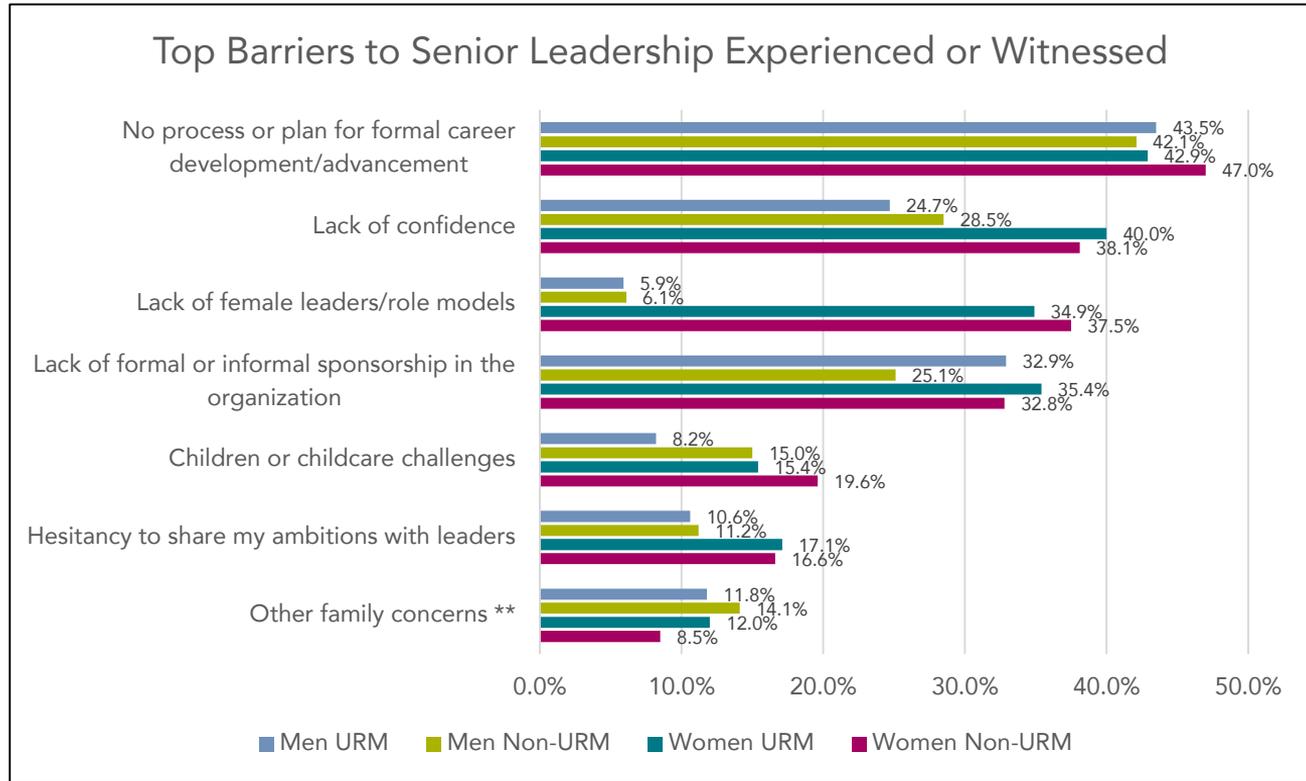
URM and Non-URM Women tended share similar responses to these barriers.

Top Barriers to Senior Leadership Experienced or Witnessed

No process or plan for formal career development/advancement
- Men URM: 43.5%
- Men Non-URM: 42.1%
- Women URM: 42.9%
- Women Non-URM: 47.0%

Lack of confidence
- Men URM: 24.7%
- Men Non-URM: 28.5%
- Women URM: 40.0%
- Women Non-URM: 38.1%

Lack of female leaders/role models
- Men URM: 5.9%
- Men Non-URM: 6.1%
- Women URM: 34.9%
- Women Non-URM: 37.5%

Lack of formal or informal sponsorship in the organization
- Men URM: 32.9%
- Men Non-URM: 25.1%
- Women URM: 35.4%
- Women Non-URM: 32.8%

Children or childcare challenges
- Men URM: 8.2%
- Men Non-URM: 15.0%
- Women URM: 15.4%
- Women Non-URM: 19.6%

Hesitancy to share my ambitions with leaders
- Men URM: 10.6%
- Men Non-URM: 11.2%
- Women URM: 17.1%
- Women Non-URM: 16.6%

Other family concerns *
- Men URM: 11.8%
- Men Non-URM: 14.1%
- Women URM: 12.0%
- Women Non-URM: 8.5%

Legend: ■ Men URM ■ Men Non-URM ■ Women URM ■ Women Non-URM

Axis: 0.0% 10.0% 20.0% 30.0% 40.0% 50.0%

MORE WOMEN LEADING

THANK YOU