

Experiences and Outcomes of the MBA by Gender and Race

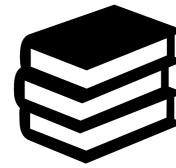
Forté and Dr. Michelle Wieser
September 2021

Comprehensive Three-Part Study



MBA Admissions

Essay, Interview,
Application



Student Experience

DEI Perceptions of the
Learning Experience



Career Outcomes

Extrinsic and Intrinsic by
Race and Gender

Respondent Overview



Total Participants



Women



Underrepresented
Minority (URM)



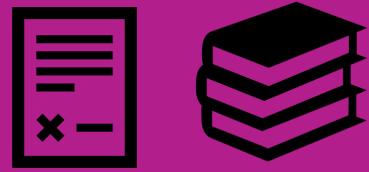
Reside in the US



Number of Programs
Represented

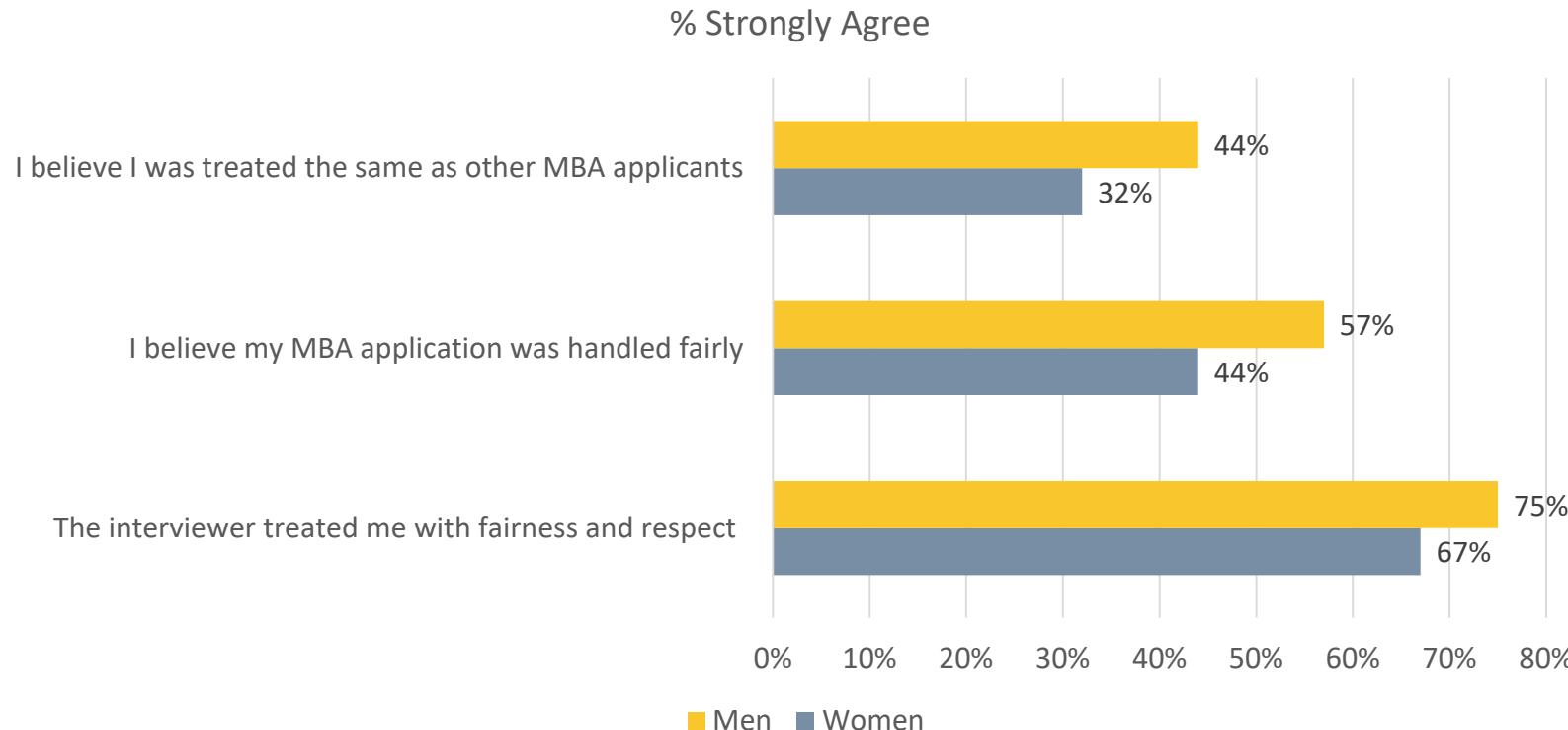


Average Years of
Work Experience



MBA Admissions and Student Experience Highlights

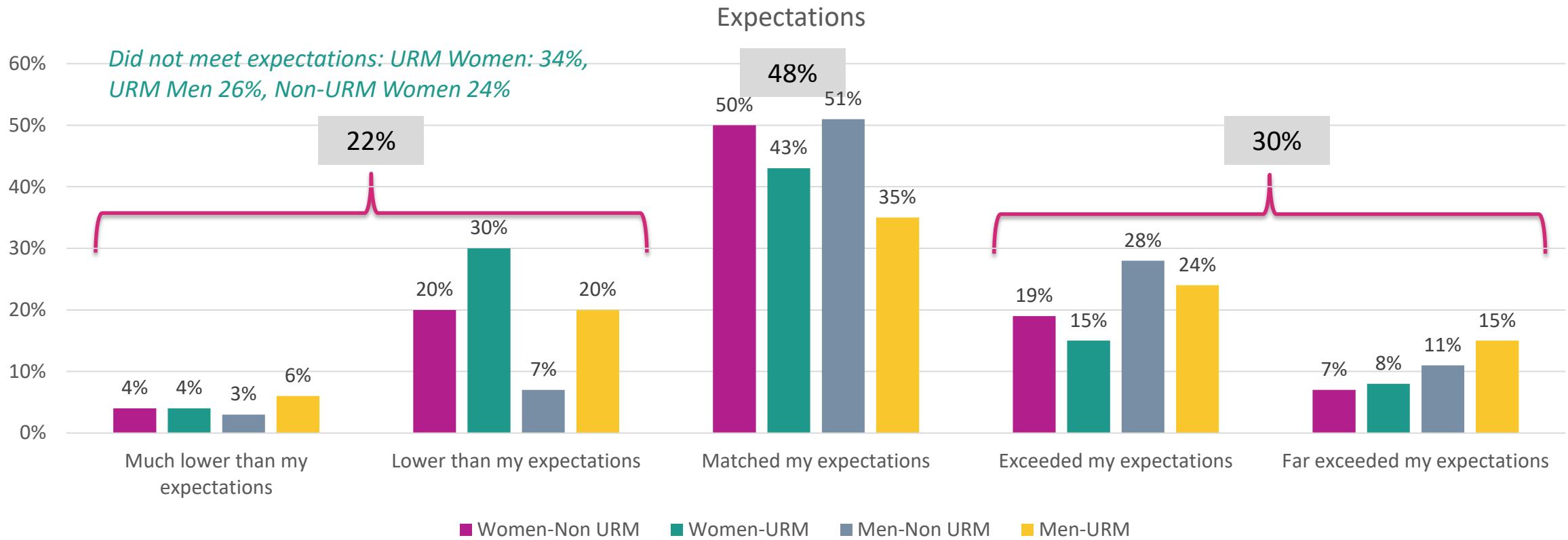
Overall Perceptions of Equity and Inclusivity in the Admissions Process



Overall, respondents felt favorably about equity and inclusivity in the admissions process. Men had a more favorable impression than women and were more likely to say they “strongly agreed” in these three key areas.

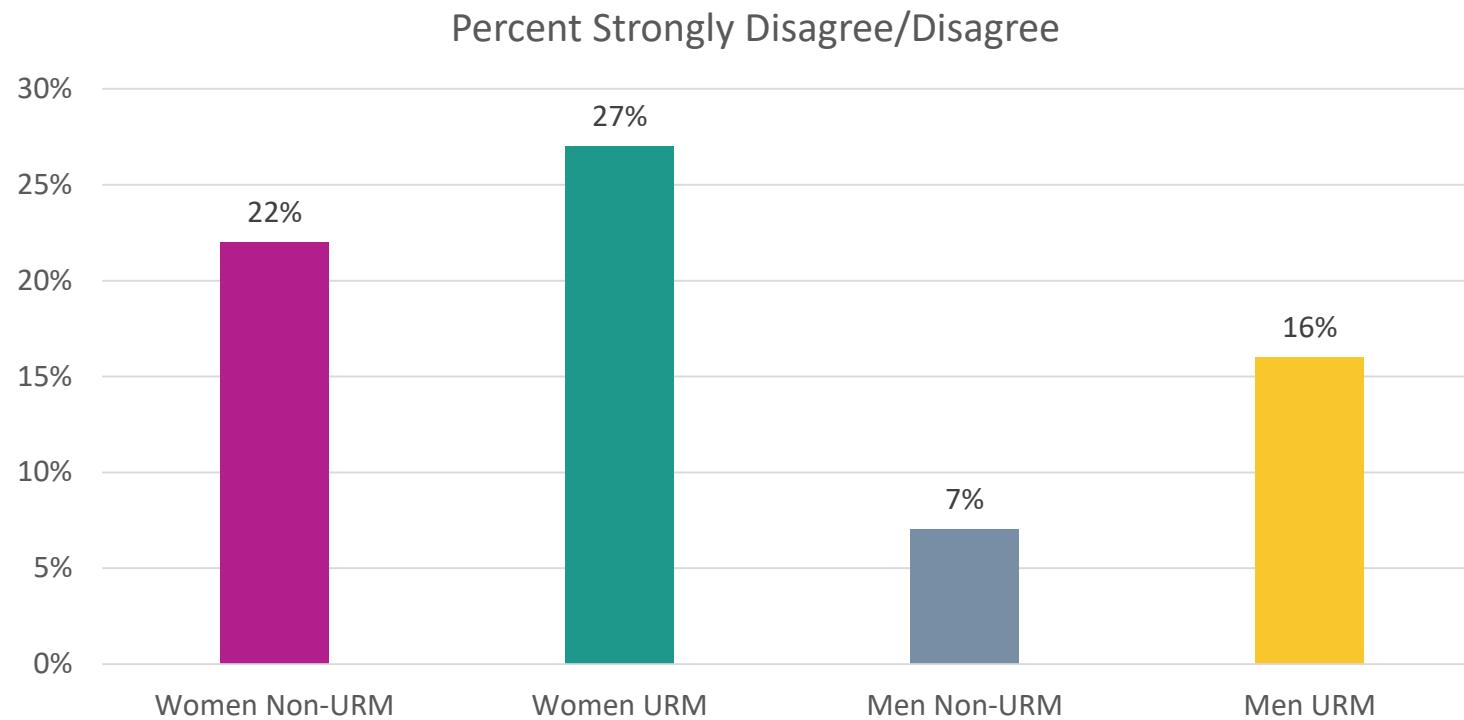
Expectations

How closely did the diversity, equity, and inclusion topics or initiatives within your MBA program match your expectations?



Course Materials

The case studies, course materials, classroom examples, and guest speakers presented in my MBA classes covered a wide range of diverse perspectives on business.

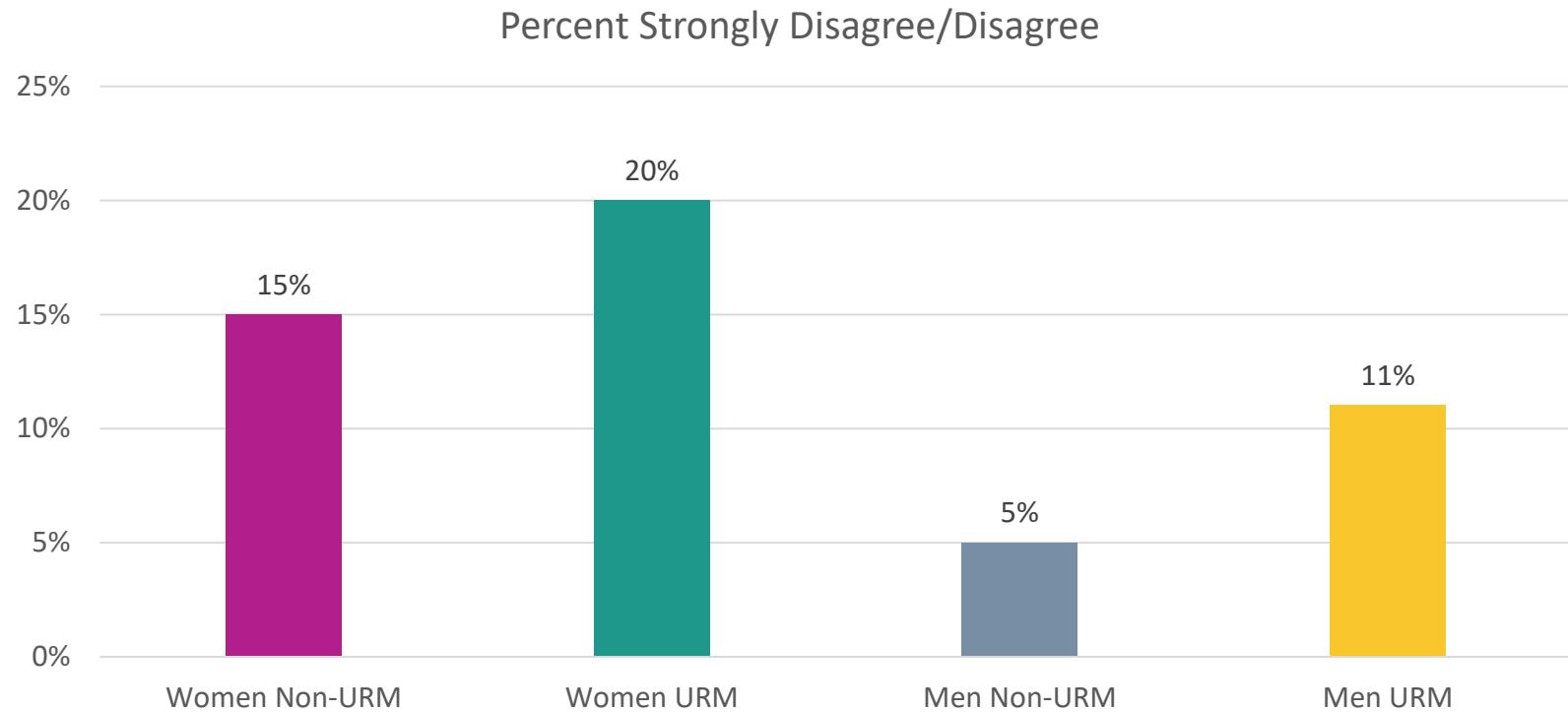


There is a large demographic divide with more than one in four URM women and one in five non-URM women who disagreed/strongly disagreed, a much higher percentage than non-URM and URM men.

Faculty

The faculty in my MBA program created an academic experience that incorporated diverse perspectives and approaches to business leadership.

Women, particularly minority women, were most likely to disagree/strongly disagree with this statement



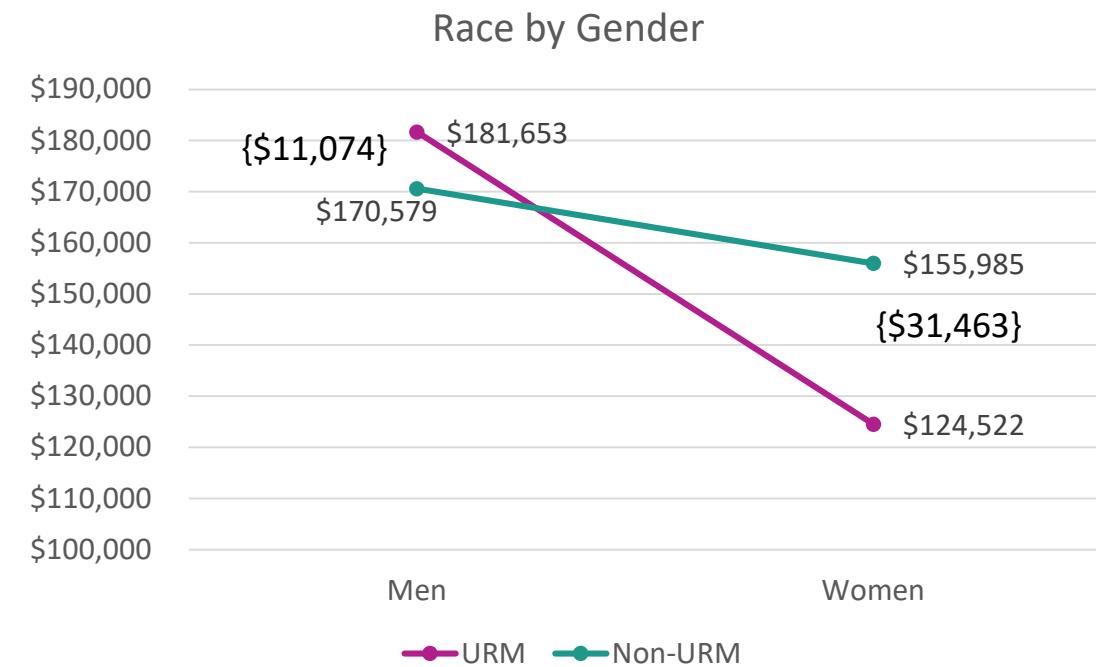
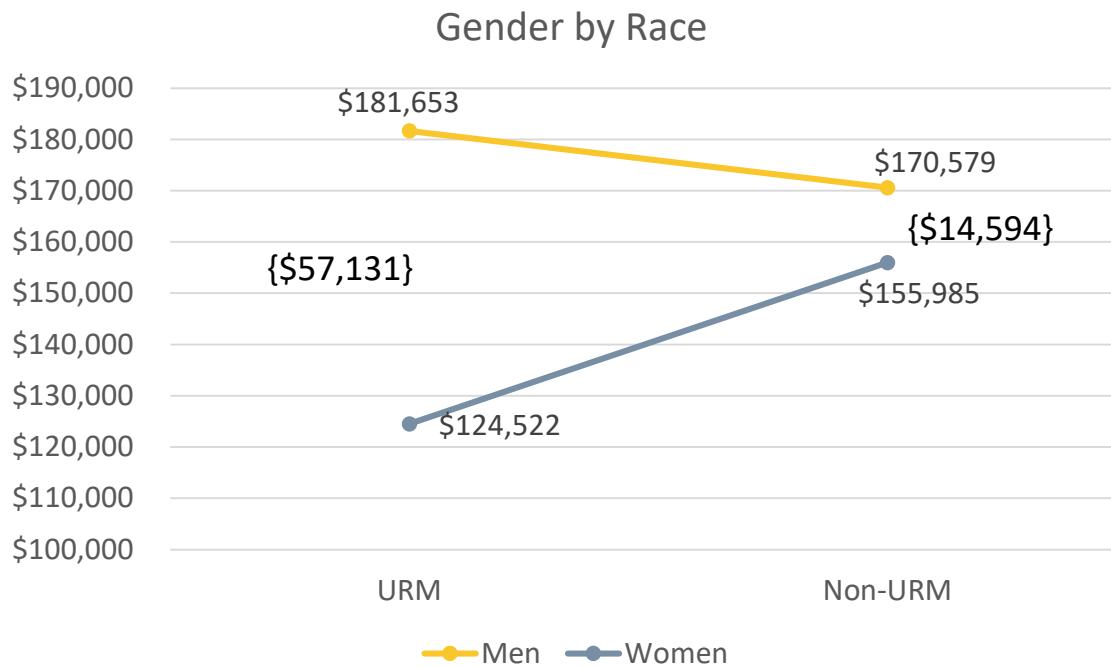


Career Outcomes

Compensation by Gender and Race

On average, men earn more than women, and non-URM respondents earn more than URM:

Men: \$177,112; Women: \$147,412 / URM: \$141,857; Non-URM: \$160,635

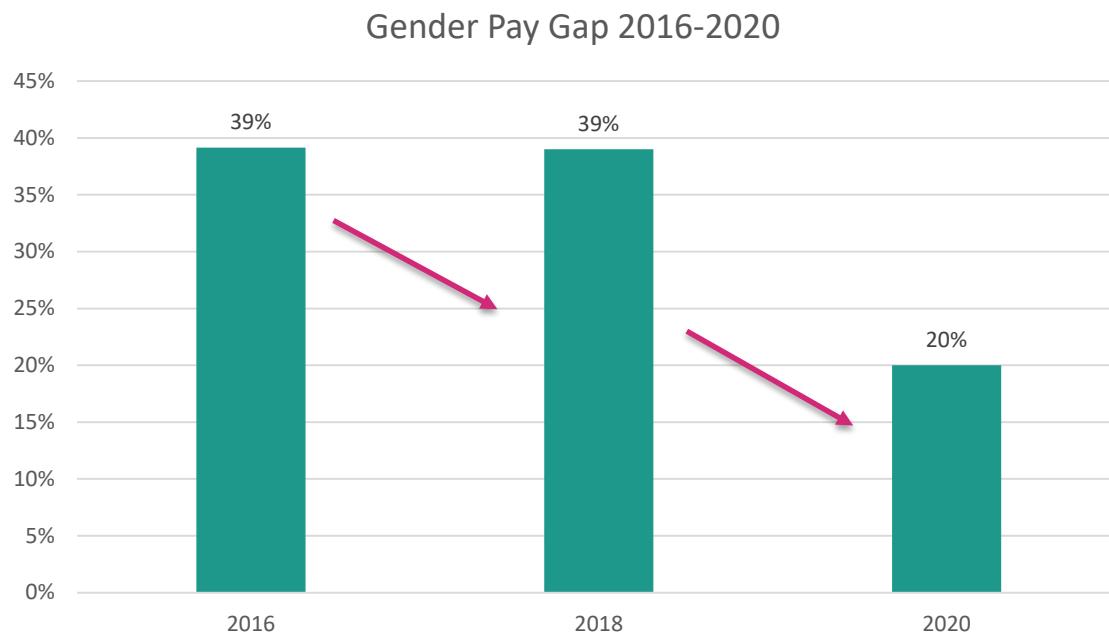


Adjusted for work experience differences

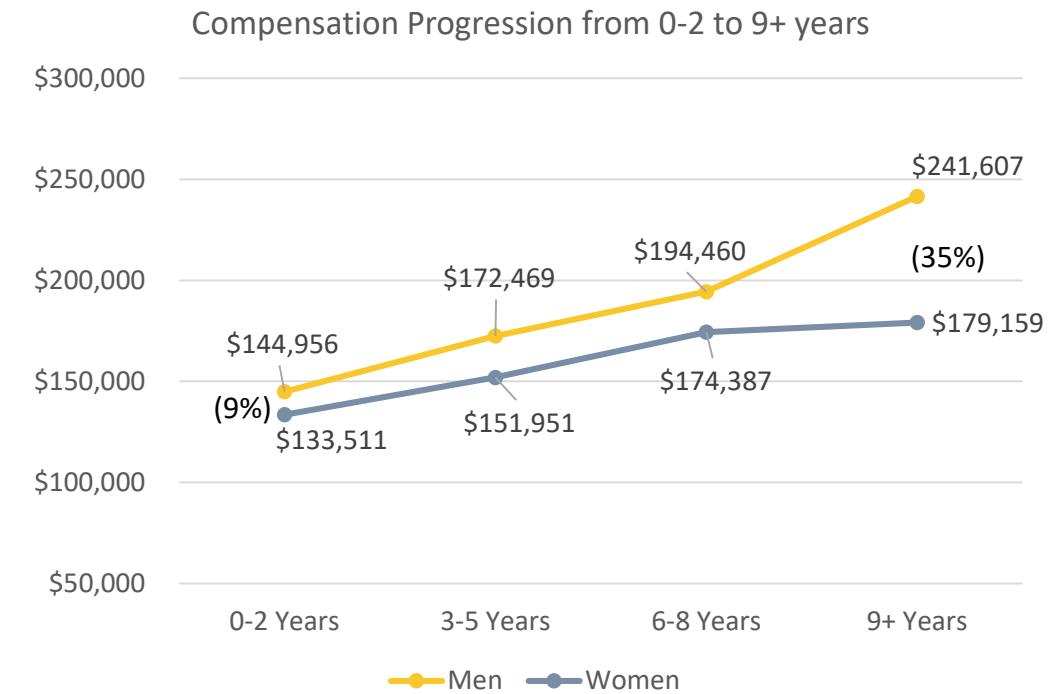
MORE WOMEN LEADING

Compensation Gender Gap

MBA alumni gender pay gap narrows overall ... but widens as women progress in their careers.



The gap in total annual compensation between women and men narrowed from 39% in 2016 to 20% in 2020



When examining the 2020 data by post-MBA work experience, the compensation gap increases from 9% to 35% as MBA graduates progress in their careers

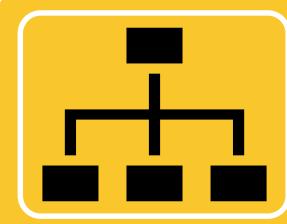
Extrinsic Career Outcomes: Variables

In addition to compensation, the study examined three additional measures of career success: level of the organization, number of direct reports, and number of promotions since completing the MBA. Results are as follows:



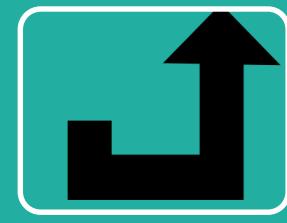
Level of the Organization

On average, men have achieved one organizational level higher than women (Men – Director; Women – Senior Manager)



Number of Direct Reports

Results showed that men average 2.6 direct reports as compared to women with an average of 1.4 direct reports



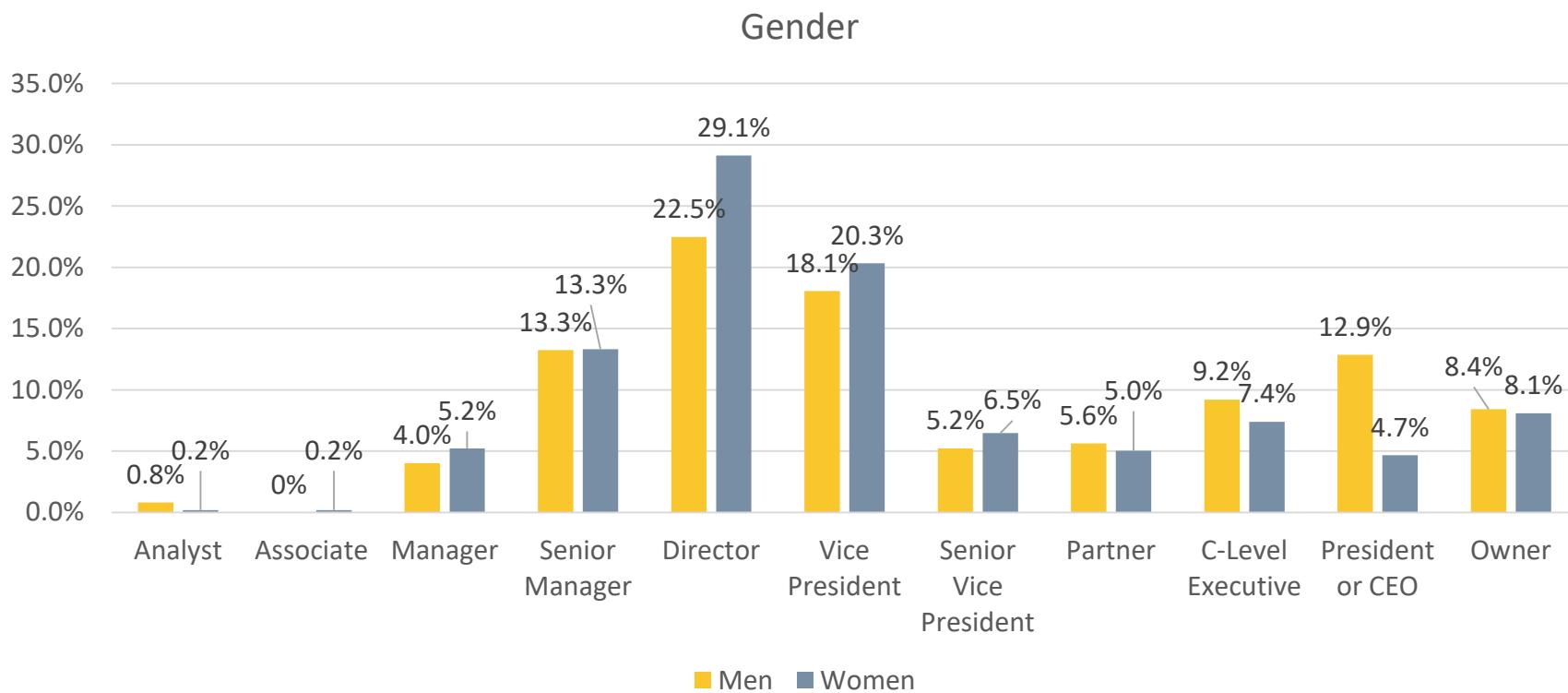
Number of Post-MBA Promotions

Men averaged 1.7 promotions, while women averaged 1.2

For each variable, men achieved better outcomes than women; however, it is important to remember that men had 1.6 more years of post-MBA work experience than women (4.9 vs. 3.3 years).

Career Aspirations - Gender

When asked to select their ideal job title/level 5 years from now, exactly 50% of TOTAL alumni respondents selected either Senior Manager (13%), Director (27%), or Vice President (20%). When breaking this down first by gender and then by race, we see some interesting differences:

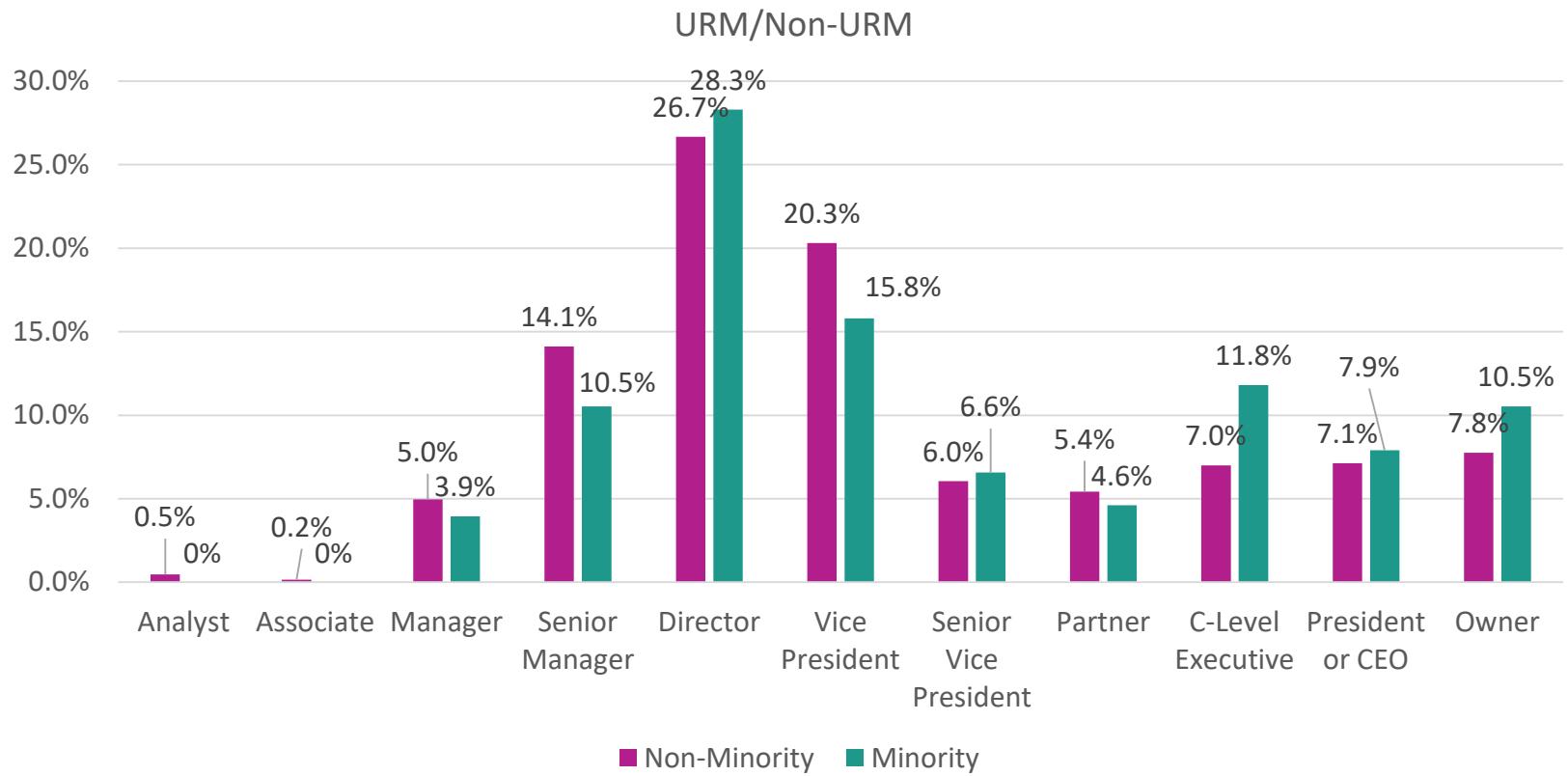


Women outpace men in the “early leadership” categories of senior manager, director and VP (Women 63%, Men 54%). Then, men outpace women in the senior levels of C-level exec and president/CEO - with 22% of men aiming for these levels vs. only 12% of women. Relatively equal numbers (8%) want to own a business.

Career Aspirations – URM/Non-URM

Examining this same question by race, reveals some interesting insights:

Non-URM respondents aim more for the early leadership levels of senior manager through VP (61% vs. 55%). URM respondents aim for the senior levels of C-level exec and president/CEO (20% vs. 14%) and are more likely to desire to own their business (11% vs 8%). When combining owner with C-level and president/CEO, it's a significant difference (URM 31%; non-URM 22%).



Intrinsic Career Outcomes: Variables

Career Satisfaction

Overall, how satisfied are you with:

- Current role
- Current organization
- Current level within the organization
- Number of people you manage
- Current salary
- Career progression since obtaining the MBA

Assessment of Success

I believe I have achieved success in the following areas:

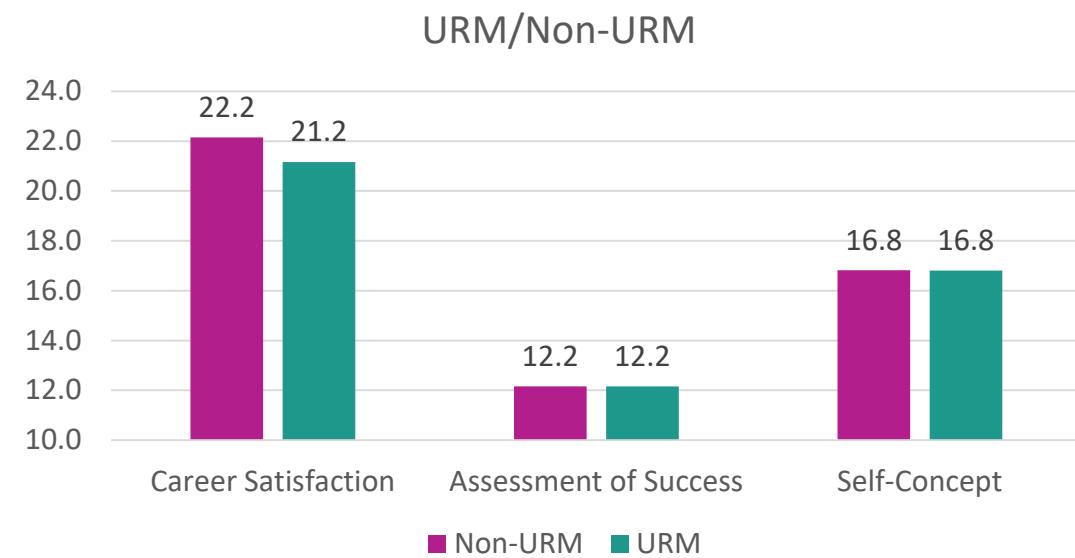
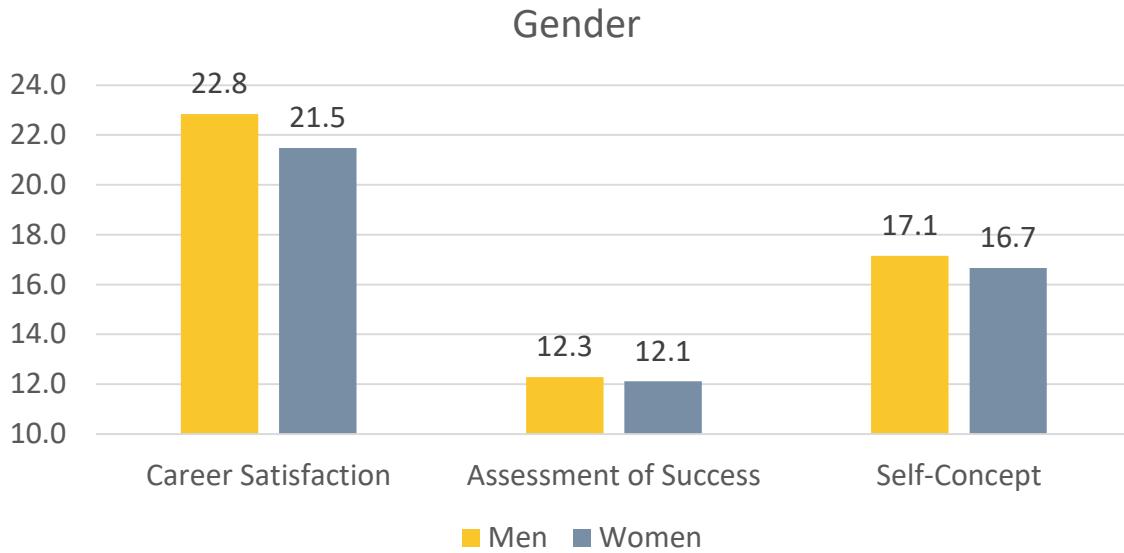
- Professional/career
- Academic
- Personal

Self-Concept

Because of the MBA...

- I have greater self-confidence
- I have better job prospects for the future
- I believe I will achieve my long-term professional goals
- I have the business skills needed to grow my career

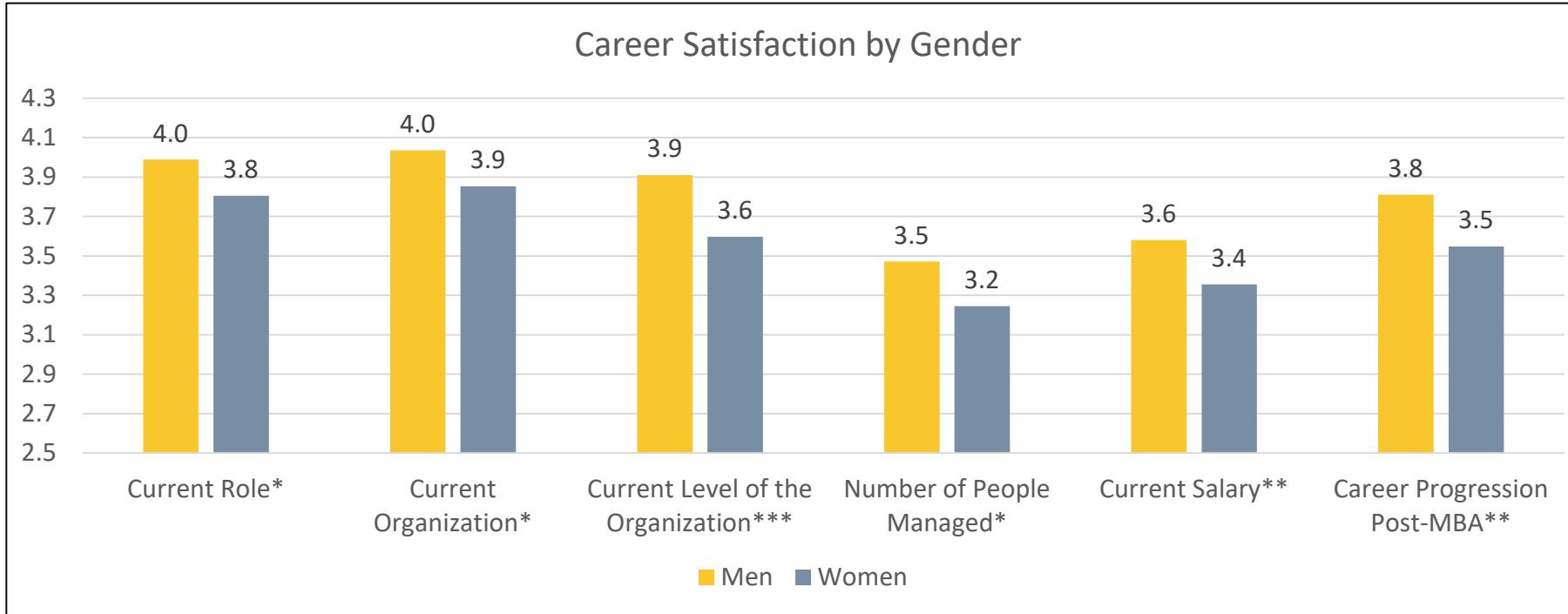
Intrinsic Career Outcomes by Gender and Race



Men showed higher levels of overall career satisfaction ($p < .01$) and self-concept ($p < .05$) than women; however, when looking at personal assessment of success, men and women were relatively equal.

When looking at intrinsic career outcomes by race and ethnicity, none of the three categories showed statistically significant differences between URM and non-URM participants.

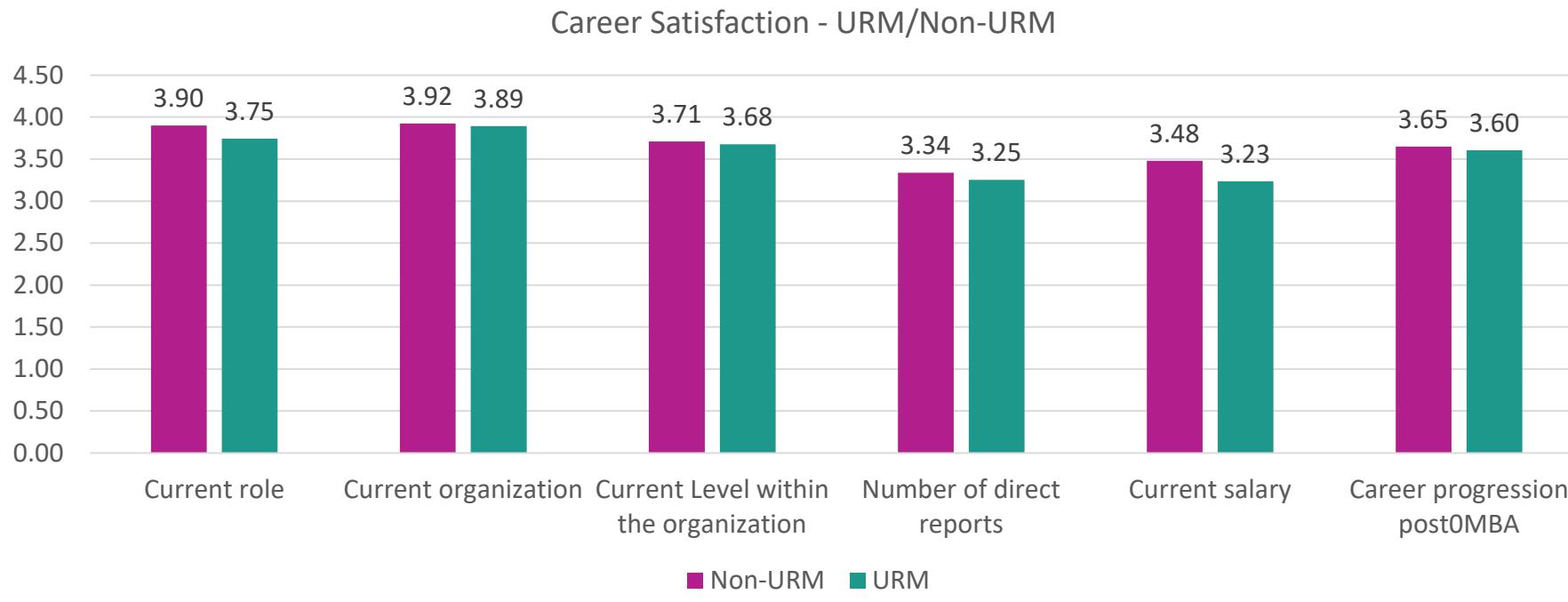
Career Satisfaction: A Deeper Dive by Gender



* $p < .05$, ** $p < .01$, *** $p < .001$

Taking a deeper look at career satisfaction by gender reveals some key differences between women and men. Men showed higher levels of career satisfaction across each variable. The largest difference between men and women was *satisfaction with current level of the organization* ($p < .001$).

Intrinsic Career Outcomes: A Deeper Dive by Race



Taking a deeper look at career satisfaction by race that non-URM participants had slightly higher satisfaction than their URM peers; however, only *satisfaction with current salary* was statistically significant ($p < .05$).