

What MBA Recruiters Want

Barry Friedman & Thomas Tribunella

To be competitive, MBA program administrators must make decisions based on the perceptions of key constituencies such as corporate executives, recruiters, and graduates. This study extends research that address factors corporate MBA recruiters use to determine where they will recruit to fill open positions with MBA graduates. We study the perceptions of 6,601 recruiters from six industries to determine what they value when they fill positions with MBA students. Recruiters rated the importance of school and student characteristics in their decision to recruit from a particular MBA program. Significant differences existed among industrial sectors. For example, recruiters from health care organizations rated students' ethics and integrity, leadership potential and social responsibility commitment as more important than recruiters from other industries. Aligning school and student characteristics with what MBA recruiters value is important for MBA program differentiation and competitiveness. Implications of the study findings are discussed.

Keywords: recruiter satisfaction, recruiter perceptions, MBA programs.

Acknowledgement: We acknowledge Harris Interactive, Inc. for providing data used in the study.

To be viable, MBA programs must monitor and make decisions based on several factors such as school rankings and starting salaries of graduates (Davies & Cline, 2005; Tracy and Waldfogel, 1997). The perceptions of key constituencies such as corporate executives, recruiters, and graduates represent another important information source for MBA program continuous improvement. This study extends research that address factors corporate MBA recruiters use to determine where they will recruit to fill open positions with MBA graduates. In the following sections of this paper, we review the literature, analyze the data, review results, and discuss the implications.

LITERATURE REVIEW

Previous research has taken several approaches when making decisions about the content of MBA programs. These approaches include published rankings (e.g., *The Wall Street Journal*, *Financial Times*, and *BusinessWeek*), graduate starting salaries, and stakeholder perceptions. Each approach has its critics. The most prominent scrutiny of MBA programs are compiled by media rankings that are controversial. Some worry that many MBA programs will ignore substance to compete for higher rankings (Gioia & Corley, 2002; Zimmerman, 2001). Furthermore, the external constraints encouraged by media rankings may limit the strategic flexibility of an MBA program (Martins, 2005). Fee, Hadlock & Pierce (2005) argue that school administrators often embark upon dysfunctional short-term strategies to improve school rankings. DeAngelo, DeAngelo, & Zimmerman (2005) propose that a long-term decision making strategy that incorporates faculty research productivity would be more beneficial to business schools.

Zimmerman (2001) argues that research adds significant value to MBA education while practical skills only prepare students for entry-level jobs leaving them unprepared for successful management careers. For example, business education in the 1950s lacked creditability because of the narrow trade school approach to teaching. At that time, business schools provided vocational training with little attention to the underlying economic theories.

In response to criticisms of the vocational approach, U.S. business schools started employing research faculty to increase scholarly standards up to the level of other fields such as economics and psychology. The more rigorous research orientation created important innovations such as agency theory, the efficient markets hypothesis, option pricing, and the capital asset pricing model (Zimmerman 2001). Supporters of this approach posit that it improves decision making while yielding value-added benefits for society (DeAngelo, DeAngelo, & Zimmerman, 2005; Zimmerman, 2001). The more theoretical approach allows business students to apply a foundation of rigorously researched concepts that can be used to analyze management problems.

Mitra & Golder (2008) found that academic research has positive long-term effects on the perceptions of academics, recruiters, and applicants. Armstrong and Sperry (1994) examined the relationships between the research productivity, student satisfaction, and published rankings of school prestige. Research productivity was positively correlated to prestige based on the perceptions of academics, firms, and student candidates. They also found that the satisfaction of graduates was not related to school prestige and research productivity was not associated with lower satisfaction among graduates.

Bennis & O'Toole (2005) assert that practical skills and ethics training are relevant to MBA education. They posit that business schools have gone astray since they accepted the scientific research models of physicists and economists rather than implementing the professional practices of doctors and lawyers. They assert that practical skills and ethics training would be more relevant to MBA education than teaching the scientific model. Other researchers assert that business schools should base management education in practical experience and that management education and practice should be concurrent and integrated (Mintzberg, 2005; Gosling and Mintzberg, 2004). On the other hand, Dreher and Ryan (2004) found that, relative to experienced MBAs, MBAs without prior work experience received more promotions and earned higher salaries.

Tanyel, Mitchell, and McAlum (1999) studied 16 skills that were rated from one (very important) to five (less important) by employers and professors. Employers ranked ethics much higher than professors while both groups gave low scores to global awareness. Ghoshal (2005) argues that MBA programs have neglected ethical considerations in their curriculum, a claim supported by other authors (Trank & Rynes, 2003). Tribunella, Neely, and Tribunella, (2005) found significant differences between what practitioner and academics ranked as important.

Previous research has also investigated MBA program curriculum issues. Eberhardt, Moser and McGee (1997) surveyed 505 human resource managers that indicated that MBAs lacked leadership training and business experience and that oral, writing, and interpersonal skills

were critical for MBA job candidates. Rynes, Lawson and Ilies (2003) found that recruiters gave the same employability ratings to students who took only functional courses (e.g. finance, accounting) as to those who focused both on functional and behavioral courses. Safon (2007) found that recruiter perceptions of student characteristics, program rankings, and research productivity influenced recruiter MBA program assessments. Kane (1993) found that recruiters value strong interpersonal, communication, and team-oriented skills. Kane (1993) concluded that recruiters valued soft skills over analytical functional skills.

Finally, some authors have investigated the type of employee recruiters should seek out. The debate centers on the long-term value of average versus star employees. Groysberg, Nanda & Nohria (2004) argued that organizations should increase their recognition of “B” (average) employees rather than stress the recruitment and motivation of “stars”. These authors argue that stars are more likely to leave the organization before the organization regroups their recruitment and development investment.

Contribution of this Study

We extend the current literature by analyzing an exclusive data set that was collect by Harris Interactive. As far as we know, this data set has been used in only one other study. Rindova, Williams, Petkova, and Sever (2005) examined the impact of organizational reputation on economic outcomes. They found that there is a tuition price premium was related to favorable rankings and reputation. Our study differs since it focuses on recruiter perceptions rather than economic outcomes. We further contribute to the literature by investigating the difference in recruiter perceptions by industry sector.

METHOD

Sample

Harris Interactive (2008), in conjunction with the Wall Street Journal (WSJ), has surveyed MBA corporate recruiters for the past seven years

(Wall Street Journal, 2007). From December 20, 2006 to March 23, 2007, 17,000 MBA corporate recruiters that hire full time business school graduates were surveyed via the Internet regarding their perceptions of the schools at which they had recently recruited. Six thousand, six hundred and one ($n = 6,601$, 39% response rate) responded to the survey and were included in the study. To qualify for the survey, recruiters needed to have recruited for at least eighteen months.

Eighty three percent of the recruiters were employees or managers, and 17% were corporate human resource professionals. Respondents' job titles included executive (24%), department managers or supervisor (15%), division or district manager (13%), consultant (12%) or analyst or associate (12%). Recruiters were from six business sectors: management consulting (23.5), financial services (37.5), consumer products and services (11.7%), computer technology (8.7%), health care (9.5%) and industrial products and services (8.6%). Seventy three percent were male, and 77% had an MBA. Forty-nine percent worked for organizations with revenues of more than \$10 billion (USD), and only 4% worked for organizations with revenue of \$10 million or less.

Analysis

Recruiters rated the importance of school and student characteristics in their decision to recruit from a particular MBA program. Recruiters rated ten school characteristics: success with past hires, likelihood of recruiting stars, relocation willingness, curriculum content, student average number of years experience, value given the recruiting investment, experiential learning offered in the curriculum, school's career services, faculty expertise, and international knowledge. Recruiters also rated eleven student characteristics: interpersonal communication skills, analytical and problem solving skills, ability to work on teams, ethics and integrity, work ethic, corporate culture fit, leadership potential, strategic thinking, well roundedness, student chemistry, and social and environmental responsibility commitment. An ANOVA and Scheffe comparisons were conducted to ascertain differences between the industry sectors on the recruiters' importance ratings of school and student characteristics.

RESULTS

Tables 1 and 2 contain descriptive statistics and ANOVA results for the school and student characteristics, respectively. With respect to school characteristics, recruiters rated success with past hires, likelihood of recruiting stars, willingness to relocation, and curriculum content as most important. Recruiters in the present study may be recruiting stars that provide rapid organizational improvement in a poor economy. Recruiters rated faculty expertise and international knowledge the least important. Recruiters rated communication skills, analytical skills, teamwork, and ethics as the most important student characteristics. Social responsibility commitment, student chemistry, and well roundedness were rated the least important.

The ANOVA overall F statistic for each school and student characteristic was significantly different across the industry sectors. Scheffe comparisons highlighted where the differences among industry sectors resided (see Tables 3 and 4). For example, recruiters from health care organizations rated students' ethics and integrity, leadership potential, well roundedness, and social responsibility commitment as more important than recruiters from other industries.

Recruiters from industrial products and services organizations rated students' years of experience, experiential learning, and international knowledge higher than other industries. Recruiters from management consulting firms did not value relocation willingness, curriculum content, the schools' career services, or faculty expertise as highly as recruiters from other industries.

DISCUSSION

The results reported in this study could be helpful for deans, department chairs, directors, and other MBA program administrators in assessing a school's effectiveness at responding to the demands of the market place. By gaining insights as to what recruiters value by industry segment administrators can modify the curriculum or make changes to the career

TABLE 1. ANOVA results of recruiters' ratings of MBA school characteristics by industry sector: descriptive statistics and overall F score.

	Total (n = 6601) Mean	sd	Management Consulting (n = 1553)		Financial Services and Banking (n = 2487)		Consumer Products and Services (n = 778)		Computer and Technology (n = 577)		Health Care Products and Services (n = 632)		Industrial Products and Services (n = 574)		F
			Mean	sd	Mean	sd	Mean	sd	Mean	sd	Mean	sd	Mean	sd	
Success with Past Hires	3.72	.51	3.77	.49	3.71	.51	3.72	.47	3.67	.54	3.69	.55	3.69	.56	4.75 ***
Likelihood of Recruiting Stars	3.60	.61	3.64	.60	3.50	.67	3.74	.50	3.53	.59	3.69	.51	3.65	.55	26.34 ***
Relocation Willingness	3.32	.80	3.01	.88	3.30	.79	3.55	.69	3.43	.74	3.52	.68	3.67	.57	97.57 ***
Curriculum Content	3.15	.68	3.05	.71	3.22	.66	3.11	.67	3.14	.69	3.18	.70	3.13	.65	13.45 ***
Students' Ave. Years Experience	3.11	.72	3.08	.72	3.04	.72	3.06	.73	3.26	.66	3.23	.70	3.28	.65	21.08 ***
Value Given Investment	3.01	.82	3.06	.78	2.94	.86	3.04	.80	3.07	.76	3	.84	3.05	.78	5.73 ***
Experiential Learning	2.96	.79	2.95	.83	2.89	.80	3.03	.74	3.04	.76	3.06	.76	3.04	.73	10.11 ***
School's Career Services	2.93	.77	2.88	.76	2.91	.80	2.97	.77	3.04	.74	2.99	.73	2.91	.74	5.21 ***
Faculty Expertise	2.88	.76	2.69	.77	2.96	.77	2.92	.73	2.82	.73	2.98	.72	2.92	.69	29.28 ***
International Knowledge	2.69	.88	2.68	.88	2.59	.90	2.56	.88	2.83	.75	2.71	.90	3.12	.73	40.71 ***

*** $p \leq .001$.

TABLE 2. ANOVA results of recruiters' ratings of MBA student characteristics by industry sector: descriptive statistics and overall F score.

	Total (n = 6601)		Management Consulting (n = 1553)		Financial Services and Banking (n = 2487)		Consumer Products and Services (n = 778)		Computer and Technology (n = 577)		Health Care Products and Services (n = 632)		Industrial Products and Services (n = 574)		F	
	Mean	sd	Mean	sd	Mean	sd	Mean	sd	Mean	sd	Mean	sd	Mean	sd		
Communication																
Interpersonal	3.86	0.36	3.88	0.35	3.84	0.38	3.86	0.35	3.88	0.32	3.88	0.36	3.83	0.36	3.92	***
Analytical and Problem Solving	3.85	0.35	3.92	0.27	3.86	0.34	3.82	0.38	3.79	0.41	3.81	0.39	3.78	0.40	21.52	***
Ability to Work on Teams	3.84	0.39	3.90	0.30	3.81	0.43	3.84	0.38	3.87	0.36	3.86	0.34	3.76	0.45	15.85	***
Ethics																
and Integrity	3.82	0.39	3.75	0.45	3.84	0.37	3.80	0.41	3.82	0.39	3.89	0.32	3.87	0.34	17.85	***
Work																
Ethic	3.78	0.42	3.73	0.47	3.84	0.37	3.71	0.46	3.75	0.45	3.76	0.43	3.78	0.42	17.60	***
Corporate Culture Fit	3.71	0.49	3.68	0.50	3.75	0.47	3.75	0.45	3.61	0.56	3.72	0.49	3.67	0.52	10.48	***
Leadership Potential	3.66	0.51	3.67	0.49	3.56	0.57	3.82	0.39	3.62	0.51	3.83	0.37	3.77	0.44	54.81	***
Strategic Thinking	3.64	0.52	3.75	0.45	3.56	0.55	3.68	0.51	3.52	0.55	3.70	0.47	3.63	0.50	35.07	***
Well Rounded	3.59	0.62	3.40	0.63	3.41	0.62	3.32	0.59	3.37	0.63	3.49	0.58	3.35	0.63	6.12	***
Student Chemistry	3.30	0.68	3.30	0.70	3.41	0.66	3.16	0.66	3.15	0.69	3.28	0.67	3.21	0.62	29.07	***
Social Responsibility Commitment	2.64	0.79	2.52	0.78	2.63	0.80	2.66	0.77	2.69	0.71	2.84	0.83	2.77	0.79	19.10	***

*** $p \leq .001$.

TABLE 3. Post hoc Scheffe comparisons by industry sector between MBA recruiters' rated importance of school characteristics.

	<i>F</i>	Lower Importance ¹	Higher Importance
Success with Past Hires	4.75 ***	CT	MC
Likelihood of Recruiting Stars	26.34 ***	FS, CT	MC, IP, HC, CP
Relocation Willingness	97.57 ***	MC FS	IP
Curriculum Content	13.45 ***	MC	FS
Students' Ave. Years Experience	21.08 ***	FS, CP	HC, CT, IP
Value Given Investment	5.73 ***	-	-
Experiential Learning	10.11 ***	FS	CP, CT, IP, HC
School's Career Services	5.21 ***	MC, FS	CT
Faculty Expertise	29.28 ***	MC	FS, HC
International Knowledge	40.71 ***	CP	IP

¹ MC = Management Consulting, FS = Financial Services and Banking, CP = Consumer Products and Services, CT = Computer and Technology, HC = Health Care Products and Services, and IP = Industrial Products and Services.

*** $p \leq .001$.

TABLE 4. Post hoc Scheffe comparisons by industry sector between MBA recruiters' rated importance of student characteristics.

	<i>F</i>	Lower Importance ¹	Higher Importance
Communication Interpersonal	3.92 ***	-	-
Analytical and Problem Solving	21.52 ***	IP	MC
Ability to Work on Teams	15.85 ***	IP	MC
Ethics and Integrity	17.85 ***	MC	HC
Work Ethic	17.60 ***	CP, MC, CT	FS
Corporate Culture Fit	10.48 ***	CT	FS, CP
Leadership Potential	54.81 ***	FS	CP, HC
Strategic Thinking	35.07 ***	CT	MC
Well Rounded	6.12 ***	CP, IP	HC
Student Chemistry	29.07 ***	CT, CP	FS
Social Responsibility Commitment	19.10 ***	MC	HC

¹ MC = Management Consulting, FS = Financial Services and Banking, CP = Consumer Products and Services, CT = Computer and Technology, HC = Health Care Products and Services, and IP = Industrial Products and Services.

*** $p \leq .001$.

services offices to increase the attractiveness of the MBA graduates and improve placement. Faculty and students can also gain useful information from these results. Students can give themselves an edge by knowing what to highlight on their resumes and what to discuss during interviews. Faculty members can add value to course work by addressing issues that are important to stakeholders in the marketplace, thereby grounding the subject matter in professional practice.

Employers can use this information to gain insights about the attitudes of their recruiters. If the recruiters are valuing attributes that are not consistent with organizational strategy then more training may be needed. Organizations could also develop a human resources balanced scorecard (Kaplan and Norton, 1996) that takes into consideration a set of attributes. Accordingly, this study provides interested parties with a variety of useful information that could help administrators, managers, and students making decisions related to human resource issues.

Study Limitations

This study used secondary data collected by Harris Interactive, Inc. However, it complements other data sources reported in *BusinessWeek* and *U.S. News and World Report*. Additionally, some survey items are general and require greater specificity. Another study limitation is the 39% response rate. However, this response rate is considered acceptable for surveys administered online (Thompson, Foster, & Surface, 2007).

Future Research

Considering the many advantages of online surveys (e.g., Dommeyer & Moriarty, 2000; Falletta & Combs, 2002), future research should explore ways of increasing the response rate of online surveys. For example, one could employ cover letters from top managers, shorter surveys, and other techniques (Wright & Schwager, 2008). In addition, another methodological extension of this study could be related to performing a time series analysis of the data to measure the association of changes in student and program characteristics. One could also further this research by testing the school and student attributes as predictors of salary or career success.

CONCLUSION

Using an extensive database, this study extends the literature related to stakeholder perceptions of MBA graduates by exploring differences between industry sectors. In addition, a surprising finding was that many recruiters do not rate social and environmental responsibility as relatively important in their selection decisions. This outcome is clearly missing from the current literature on this subject. Recruiters do not appear to be aligned with their organizations' strong public relations efforts that promote social responsibility. Future research should examine recruiter and other stakeholder assessments in detail, and study their implications for MBA program competitiveness.

REFERENCES

- Armstrong, J. S., & Sperry, T. (1994). The ombudsman: Business school prestige—Research versus teaching. *Interfaces*, 24(2): 13–43.
- Bennis, W. G., & O’Toole, J. (2005). How business schools lost their way. *Harvard Business Review*, May: 96–104.
- Davies, A., & Cline, T.W. (2005). The ROI on the MBA. *BizEd*, January/February: 42–45.
- DeAngelo, H., DeAngelo, L., & Zimmerman, J. L. (2005). What’s really wrong with U.S. business schools? *Working Paper*, http://ssrn.com/abstract_766404, Accessed December 14, 2008.
- Dreher, G. F., & Ryan, K. C. (2004). A suspect MBA selection model: The case against the standard work experience requirement. *Academy of Management Learning and Education*, 3(1): 87–91.
- Dommeyer, C. J., & Moriarty, E. (2000). Comparing two forms of an e-mail survey: Embedded vs. attached. *International Journal of Market Research*, 42, 39–50.
- Eberhardt, B. J., Moser, S., & McGee, P. (1997). Business concerns regarding MBA education: Effects on recruiting. *Journal of Education for Business*, 72(5): 293–296.
- Falletta, S. V., & Combs, W. (2002). Surveys as a tool for organization development and change. In J. Waclawski & A. H. Church (Eds.), *Organization development: A data-driven approach to organizational change* (pp. 78–102). San Francisco: Jossey-Bass.
- Fee, C. E., Hadlock, C. J., & Pierce, J. R. (2005). Business school rankings and business school deans: A study of nonprofit governance. *Financial Management*, 34(1): 143–166.
- Ghoshal, S. (2005). Bad management theories are destroying good management practices. *Academy of Management Learning & Education*, 4(1): 75–91.

- Gioia, D. A., & Corley, K. G. (2002). Being good versus looking good: Business schools rankings and the Circean transformation from substance to image. *Academy of Management Learning and Education*, 1(1): 107–120.
- Gosling, J. & Mintzberg, H. (2004). The education of practicing managers. *MIT Sloan Management Review*, Summer: 19–22.
- Groysberg, B., Nanda, A., & Nohria, N. (2004). The Risky Business of Hiring Stars. *Harvard Business Review*, 82(5), 92–100.
- Harris Interactive (2008). *About us*. <http://www.harrisinteractive.com/about>, Accessed January 1, 2009.
- Kane, K. F. (1993). MBAs: a recruiter's-eye view. *Business Horizons*, January-February: 65–71.
- Kaplan, R.S. & Norton, D.P. (1996). Using the balanced scorecard as a strategic management system. *Harvard Business Review*, 74(1), 75–86.
- Martins, L. L. (2005). A model of the effects of reputational rankings on organizational change. *Organization Science*, 16 (6): 701–720.
- Mintzberg, H. (2005). The magic number seven – Plus or minus a couple of managers. *Academy of Management Learning & Education*, 4(2): 244–247.
- Mitra, D., & Golder, P.N. (2008). Does academic research help or hurt MBA programs? *Journal of Marketing*, 72(September): 31–49.
- Rindova, V. P., Williamson, I. O., Petkova, A. P., & Sever, J. M. (2005). Being good or being known: An empirical examination of the dimensions, antecedents, and consequences of organizational reputation. *Academy of Management Journal*, 48(6): 1033–1049.
- Rynes, S. L., Trank, C. Q., Lawson, A. M., & Ilies, R. (2003). Behavioral coursework in business education: Growing evidence of a legitimacy crisis. *Academy of Management Learning and Education*, 2(3): 269–283.

- Safon, V. (2007). Factors that Influence Recruiters' Choice of B-Schools and their MBA Graduates: Evidence and Implications for B-Schools. *Academy of Management Learning and Education*, 6(2): 217–233.
- Tanyel, F., Mitchell, M. A., & McAlum, H. G. (1999). The skill set for success of new business school graduates: Do prospective employers and university faculty agree? *Journal of Education for Business*, 75(1): 33–37.
- Thompson, L.F., Foster, L., & Surface, E.A. (2007). "Employee Surveys Administered Online: Attitudes Toward the Medium, Nonresponse, and Data Representativeness." *Organizational Research Methods*, 10(2): 241–261.
- Tracy, J., & Waldfogel, J. (1997). The best business schools: A market-based approach. *Journal of Business*, 70(1): 1–31.
- Trank, C. Q., & Rynes, S. L. (2003). Who moved our cheese? Reclaiming professionalism in business education. *Academy of Management Learning and Education*, 2(2): 189–205.
- Tribunella, T.J., Neely P., & Tribunella, H.R. (2005). Academic and Practitioner Interests Regarding Emerging Technologies in Accounting, *Journal of College Teaching and Learning*, 2(5): 31–41.
- Wall Street Journal (2007). Where the schools rank. Retrieved on January 1, 2009 from online.wsj.com/public/resources/documents/MB_07_Scoreboard.pdf.
- Wright B, & Schwager P. 2008. Online Survey Research: Can Response Factors Be Improved? *Journal of Internet Commerce*, 7(2):253–269.
- Wright & Schwager, (2008). Online survey research: Can response factors be improved? *Journal of Internet Commerce*, 7(2): 253–269.
- Zimmerman, J. L. (2001). Can American business schools survive? *Simon School of Business Working Paper* No. FR 01-16, http://ssrn.com/abstract_283112. Accessed December 14, 2008.