

U.S. Latinx/Hispanic Candidates

2022 Diversity Insight Series



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Introduction

Diversity is a business education buzzword for a reason. Harvard research has shown that diverse companies are more innovative and have a higher likelihood of capturing new markets.¹ In their unique position as educators of future business leaders, graduate management education (GME) institutions therefore have a particular responsibility to recruit and train diverse candidates.

2022 is a critical moment for this effort, as the ongoing political and economic instability resulting from the COVID-19 pandemic has hit candidates from underrepresented populations (URPs) the hardest. A study by Strada Education found that 44 percent of Black and 61 percent of Hispanic individuals experienced job and wage loss during the pandemic, and many are turning to education to get back on their feet.²

To better help business educators connect with URP candidates and ensure that no talent goes undiscovered, the Graduate Management Admission Council (GMAC) has launched the **Diversity Insights Series**.

Drawing on data from GMAC's Prospective Student Survey (PSS), in addition to GMAT™ test-taker data and outside research, we aim to create a more full picture of the factors influencing candidates from underrepresented groups who apply to business school. The goal of this is to help the graduate management education community craft more effective diversity initiatives to better reach these populations.

In this research report, we will be looking at Latinx and Hispanic Americans in the United States, observing trends such as where they live, when they begin the school search, and their motivations for pursuing graduate management education.

Who are Underrepresented Candidates?

The term “underrepresented population” (URP) refers to U.S. citizens who belong to certain racial or ethnic groups, including:

- Black or African American
- Hispanic American or Latino
- Native Hawaiian or Pacific Islander
- Native American or Alaska Native

These groups have been historically underrepresented in higher education, constituting disproportionately small percentages of those enrolled at institutions compared to the general population.

The term non-underrepresented populations (“non-URP”) by contrast refers to U.S. citizens identifying in racial or ethnic groups including Asian American and White (non-Hispanic).

As mentioned above, recruiting diverse candidates is not only a moral imperative for business schools, but also an effective method of promoting innovation in business at large.

In this report, we will be focusing on Hispanic American and Latinx candidates, but before we dive into the data, it's worth examining what these terms mean.

1 <https://hbr.org/2013/12/how-diversity-can-drive-innovation>

2 <https://stradaeducation.org/wp-content/uploads/2020/06/Public-Viewpoint-Report-Week-9.pdf>





Who are Latinx/Hispanic American Candidates?

The terms “Hispanic” and “Latinx” refer to two slightly different but overlapping populations. “Hispanic” refers to people who speak Spanish or who trace their roots to Spanish-speaking countries, while “Latino”, “Latina”, and the gender-neutral term “Latinx” denote people who are from or trace their roots specifically to Latin America.

In this report, as is standard practice in this area of research, the two terms will be used interchangeably to refer to U.S. citizens who trace their roots to Mexico, Puerto Rico, Cuba, Central America, South America, and other Spanish-speaking or Latin American countries. The term “Chicanx” relates specifically to Mexican Americans and their culture, and is not used in the body of this report, but is referenced in quotations of subject matter experts.

It is important to note here that Hispanic and Latinx are not racial categorizations. Hispanic candidates can be of any race, and indeed, more than a quarter of all Hispanics reported being a racial identity other than white or black, with 8 percent saying they were mixed-race.³

When we discuss the preferences and trends shown by Hispanic candidates in this report, we will not be addressing the additional segments these candidates might belong to, such as a candidate’s immigrant experience or blended ancestry.

³ <https://www.pewresearch.org/hispanic/2021/11/04/measuring-the-racial-identity-of-latinos/>



Why is it important for business schools to reach Latinx candidates?

The Hispanic population of the United States is large and ever-growing. The number of self-identifying Latinx people in the U.S. reached 62.1 million in 2020, accounting for just under one-fifth of all Americans and achieving the status of the nation's second-largest racial or ethnic group.⁴ Hispanic Americans are also one of the fastest-growing groups in the United States,⁵ and in fact, they are expected to make up almost a third of the U.S. population by 2050.⁶

This, naturally, has significant consequences for the CME pipeline. The number of Hispanic-identifying students receiving bachelor's degrees in the United States climbed steadily from just over 1 million in 2017 to almost 1.3 million in 2020. This makes for a cumulative total of over 4.7 million,⁷ accounting for a staggering 15 percent of all bachelor's degrees awarded.⁸

More Hispanic Americans than ever before are eligible for graduate management education. Neglecting to tap into this section of the pipeline fails both the broader business community and MBA students themselves.

“The Chicantx /Latinx/Hispanic population is the largest ethnic group in the country, so if we're not actively trying to bring them into the fold, we are missing out on this talent and failing to adequately serve this population in business,” says Élica M. Bautista, Chief Diversity, Equity & Inclusion Officer at the University of California at Berkeley's Haas School of Management.

“By including underrepresented populations, the benefit to our MBA programs and students as a whole is that the conversation in the classroom and co-curricular activities then reflects the critical perspectives and unique lived experiences reflective of the population at large.”

The question is, how can recruiters best reach these candidates, and how can educators cater to their goals?

4 <https://www.census.gov/newsroom/press-releases/2021/population-changes-nations-diversity.html>

5 <https://www.pewresearch.org/science/2022/06/14/a-brief-statistical-portrait-of-u-s-hispanics/>

6 <https://www.pewresearch.org/hispanic/2008/02/11/us-population-projections-2005-2050/>

7 “IPEDS Access Database” NCES, 2021. <https://nces.ed.gov/ipeds/use-the-data/download-access-database>

8 “IPEDS Access Database” NCES, 2021. <https://nces.ed.gov/ipeds/use-the-data/download-access-database>

Connecting with Hispanic American Candidates

To know how to position their programs to be attractive to prospective Latinx students, it is necessary for recruiters to understand their motivations for pursuing graduate management education in the first place.

What Attracts Latinx Students to GME?

Broadly speaking, the motivations for Hispanic candidates to pursue graduate management education align with those of the general population. Results from GMAC's wider Prospective Students Survey show that the most common career goals for candidates are:

1. To secure a raise or salary increase
2. To work for a company where they can travel internationally
3. To obtain a senior level position
4. To manage projects
5. To manage people

This rough hierarchy holds true for Latinx candidates. However, a closer look at their responses shows that they weight these areas slightly differently to non-URP students, particularly where it comes to international travel and the level of seniority they are targeting after business school.



International Work Opportunities

Our data show that obtaining a role where they can travel internationally is a much bigger draw for Latinx candidates than non-URP citizens, with 30 percent of Hispanics reporting it as a goal compared to just 23 percent of non-URP.

For both groups, another common goal is to work in their country of citizenship, in this case the US, at 19 percent vs 20 percent respectively, but Latinx candidates are less likely to aim to secure a position abroad, at 12 percent versus 14 percent of non-URPs. Just 12 percent of both populations want to live outside their country of citizenship.

One conclusion we might draw from this data is that Hispanic students, by and large, want the opportunity to experience international business, but their ultimate goal is to bring these learnings back to their home turf. Further research would be required to fully validate and explain these data, but one possible explanation can be observed in the difference between Hispanic candidates' business aspirations and those of non-URPs.

C-Suite Aspirations vs. Entrepreneurial Ambition

One of the most striking differences between the stated career objectives of non-URP candidates and Latinx students is in the positions they are aiming for after business school.

Across the board, Latinx candidates report lower interest in senior positions, with the biggest gaps occurring in the C-Suite (18% Hispanics vs 26% non-URP) and at the executive level (33% vs 37%). By contrast, they express a slightly greater interest in entry-level positions and a significantly greater interest in mid-level jobs (**Figure 1**).

There are several possible explanations for these differences.

Firstly, Hispanic candidates express greater interest in changing their job function or occupation post-GME than non-URP students (36% vs 32%; **Figure 2**). This would naturally affect the level of seniority they might hope to achieve when starting a new career.

These findings may also reflect that the ambitions of the average Hispanic business school candidate lie outside of the corporate structure altogether.

Our data shows that Hispanics are 5 percent more likely than non-URP candidates to want to pursue entrepreneurship or self-employment after business school, with just under a quarter stating this as their goal (23%).

This reflects the broader entrepreneurship trends at work within the United States, where Latinx-owned businesses are the fastest-growing business segment. According to the Latino Business Action Network (LBAN), Latino-owned businesses have had a 44 percent growth rate over the last 10 years compared to just 4 percent for non-Latino-owned firms.⁹

Not only that, but 79 percent of Latino-owned businesses report confidence that their businesses will recover from the strains of the pandemic, despite the disproportionate challenges they have faced securing funding.¹⁰

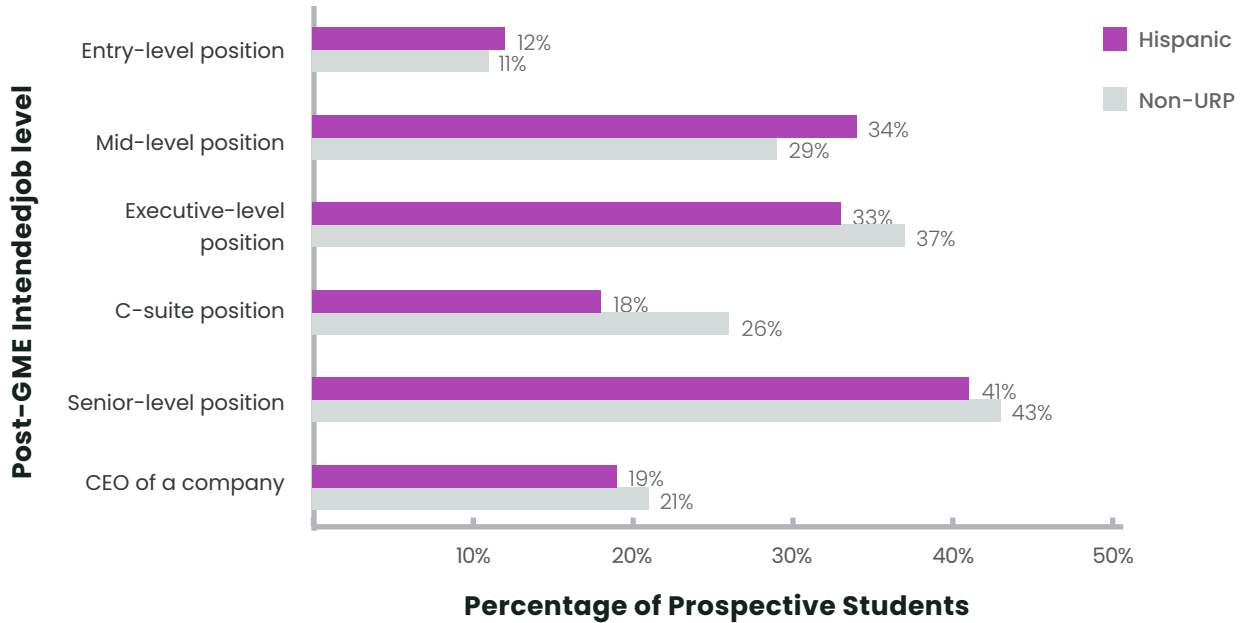
Evidently, entrepreneurial spirit within the Latinx community remains strong as the threat of COVID-19 abates, and this is reflected in the ambitions of Hispanic business school aspirants.

⁹ <https://www.gsb.stanford.edu/faculty-research/publications/state-latino-entrepreneurship-2021>

¹⁰ Ibid.

Figure 1: Post-GME Intended Career Level

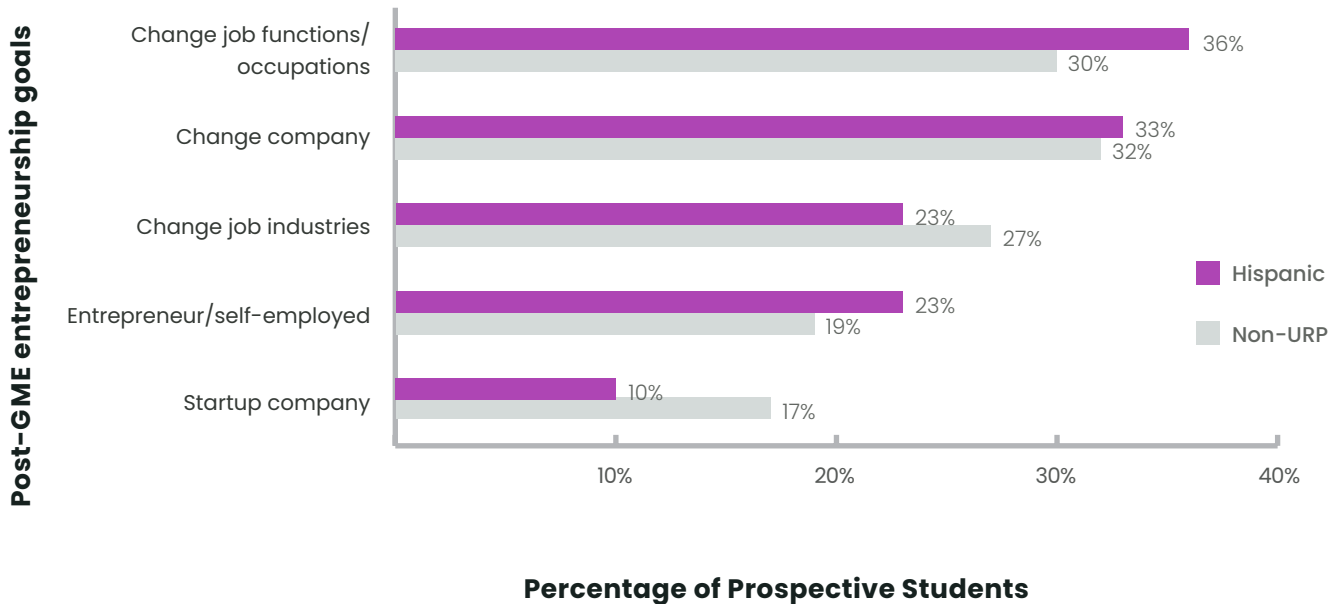
Hispanic vs. Non-URP prospective students, 2021



Data from the 2022 GMAC Prospective Students Survey.

Figure 2: Post-GME Intentions for Next Career Step

Hispanic vs. Non-URP prospective students, 2021

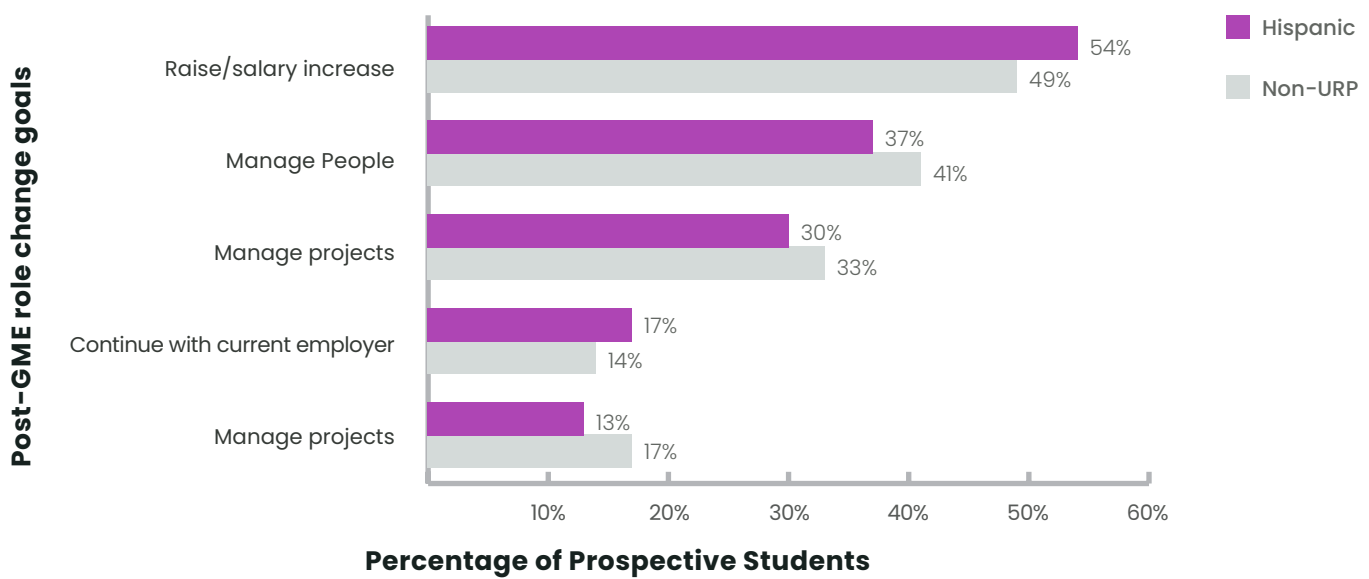


Data from the 2022 GMAC Prospective Students Survey.



Figure 3: Post-GME Career Goals

Hispanic vs. Non-URP prospective students, 2021



Data from the 2022 GMAC Prospective Students Survey.



Salary increase remains a key driver

When it comes to the ways in which Hispanic candidates would like their roles and responsibilities to change post-GME, their interests broadly align with those of non-URP students, for instance in terms of salary aspirations.

Fifty-four percent of Latinos and 49 percent of non-URPs name increasing their salaries as a priority, and for good reason (Figure 3). The wage gap between non-URP workers and Latino Americans is well-documented: a recent McKinsey study found that Latino Americans make only 73 cents for every dollar earned by White Americans, with foreign-born Latinos faring even worse than those born within the United States.¹¹

The situation is even more severe for Latinas. The National Women's Law Center found that for every dollar paid to white, non-Hispanic men, Latinas are typically paid just 57 cents, leading to a loss of over us\$1.1 million over a 40-year career¹². This is likely to have worsened still further during the pandemic, as women made up for 54 percent of overall job losses.¹³

With many MBA students at top schools doubling their pre-GME salaries, it is no surprise that Hispanic students are looking to business education to improve their compensation prospects.

Lower interest in management responsibilities

However, as is reflected in the seniority of the roles Hispanic candidates are aiming for, they express a slightly lower interest in gaining management roles than non-URP candidates. While managing people and projects and securing promotions all remain attractive prospects post-GME, they fall behind non-URP candidates (Figure 3).

Again, this might be explained by the higher incidence of career switching among Hispanic candidates, and their greater interest in entrepreneurship.

11 <https://www.mckinsey.com/featured-insights/sustainable-inclusive-growth/the-economic-state-of-latinos-in-america-the-american-dream-deferred>

12 <https://nwlc.org/resource/equal-pay-for-latinas-3/>

13 <https://www.mckinsey.com/featured-insights/future-of-work/covid-19-and-gender-equality-counteracting-the-regressive-effects>

The Hispanic Candidate Journey to Business School

The latest GMAC Prospective Students Survey showed that 75 percent of Hispanics in the GME pipeline have chosen their desired program and are actively engaged in the research or application process, in some cases, for many years (Figure 4).

In the current pipeline, 41 percent of Hispanic candidates are currently researching programs, while the next-largest segment are actively applying (34%). This is a three-year high compared to 2019 and 2020, when 64 percent and 62 percent of candidates respectively were either actively engaged in research or applications.¹⁴

Additionally, the number of Hispanic candidates postponing their graduate business degrees has declined. Whereas last year 6 percent of Hispanic candidates reported putting off their studies, this is down to just 1 percent this year, no doubt partly due to the easing of uncertainty presented by the pandemic.

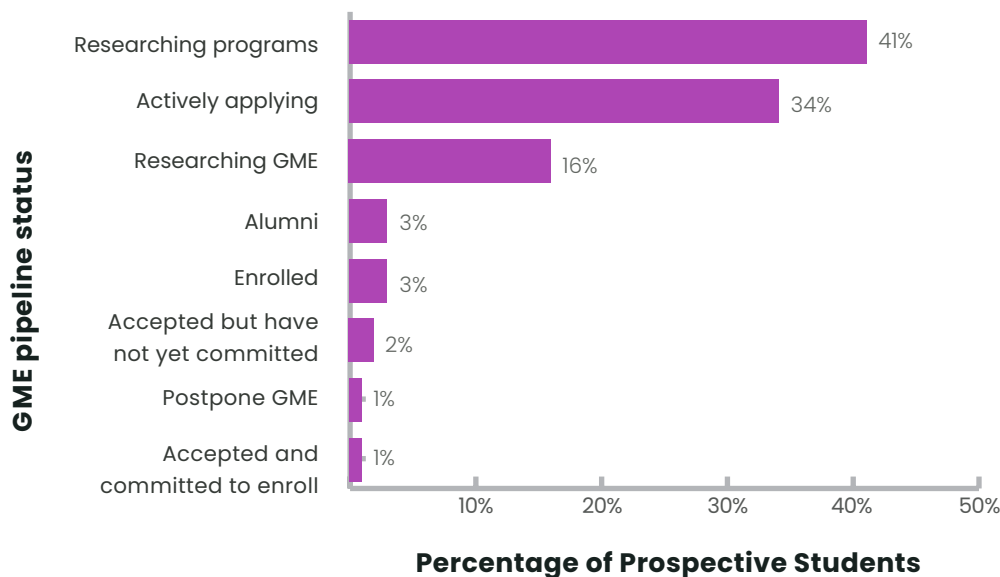
Most intend to enroll straight away, but many have longer-term plans in place

The enrollment timelines shown by Hispanic candidates support this overall picture of Latinx students as a group who tend to plan their entry into GME in advance (Figure 4).

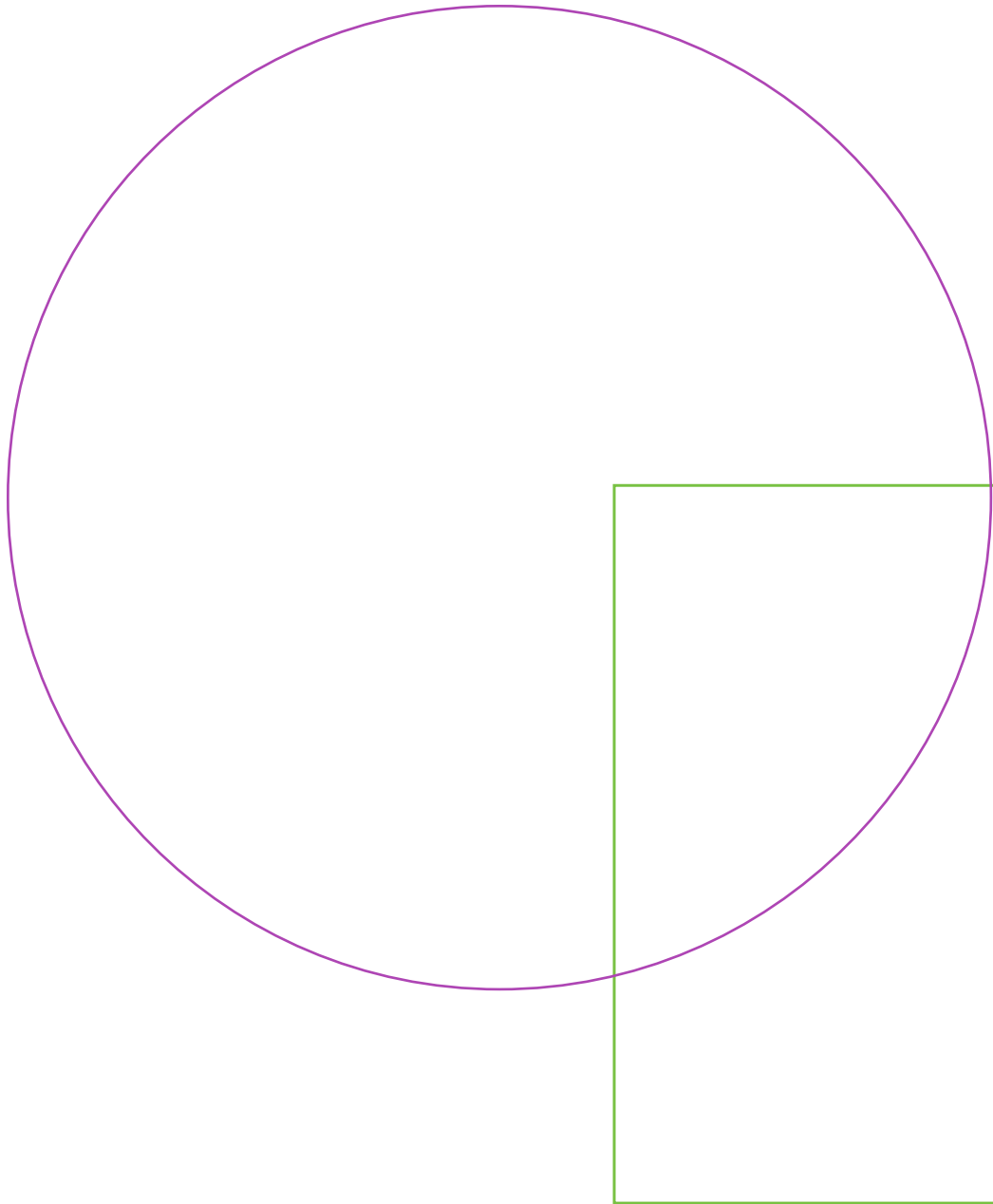
While they were equally as likely as non-URP to expect to enroll in 2022 (54%), they were more likely than non-URP to be planning their future entry into business school. Eight percent said they were planning to enroll in 2024 (vs. 6% of non-URP), 4 percent in 2025 (vs. 3%) and 3 percent in 2026 (vs. 2%). Interestingly, they were less likely to be planning a 2023 entry, at just 9 percent vs. 13 percent of non-URP.

Figure 4: Prospective Students' Status GME Pipeline

Hispanic prospective students, 2021



Data from the 2022 GMAC Prospective Students Survey.



What triggers Latinx candidates to apply to business school?

Across the board among both Latinx and non-URP candidates, pursuing graduate management education is a goal they have usually held for a long time. Fifty-one percent of Hispanics and 50 percent of non-URP candidates say that the main reason for applying to business school is simply that they had always planned to pursue GME at this point in their careers (Figure 5).

This is likely due, at least in part, to the enduring attractiveness of a business master's degree to corporate recruiters, particularly in the United States. Ninety-two percent of U.S. recruiters say they are either confident or highly confident in business schools' ability to prepare students for success in their organizations.¹⁵

As U.S. citizens interested in working in the United States after business school, it is therefore unsurprising that Latinx candidates would be aware of this attitude among recruiters and expect to study a business master's at some point in their career. But what are the other key triggers for applying?

Bridging the Latinx Skills Gap

One key trigger for Latinx candidates to pursue GME is finding themselves short on the skills required for a desired job (Figure 5).

While this is also a popular trigger for non-URP candidates, Hispanics report it at a greater rate: 40 percent compared to 36 percent. They are similarly more likely to report lacking the knowledge needed to do their current jobs (20% vs 18% of non-URP).

While their responses don't specify the skills and knowledge they are seeking from business school, it is possible that this can be attributed, at least partly, to the digital skills gap that exists between Latinx and non-URP workers.

Despite displaying similar levels of interest in STEM courses and careers to non-URP students, Latinos tend to complete fewer STEM courses, achieve lower GPAs, and overall show lower levels of confidence in their STEM skills.¹⁶

This translates to, on average, a lack of tech skills among Latinos once they enter the workforce. One study by the National Skills Coalition found that over half of Latinx workers aged 16-24 had limited or no digital skills, compared to just one-third of people in the workforce at large.¹⁷

With most top business schools offering both generalist and specialist training in digital business, this could go some way towards accounting for this difference.

Determination to Pursue GME Despite the Barriers

Another popular trigger for candidates to apply to business school is that they have reached a convenient point in their career: either simply the right time has arrived, or they now have the financial resources to pay for tuition.

While these are both strong factors for Latinx candidates, they are less powerful triggers than for non-URP students.

While 37 percent of non-URP candidates declared it a convenient time to attend business school, just 31 percent of Latinos said the same. They were also less likely to have reached a break in their career, with just 6 percent saying they were not currently in work versus 10 percent of non-URPs. This is a drastic change to the 2020 testing year, where 17 percent of Hispanics vs. 11 percent of non-URP candidates said they had pursued GME out of a lack of work.

Similarly, where over a quarter of non-URPs said they had the financial resources to pursue GME (26%), just 19 percent of Latinos said the same thing.

When taken in conjunction with what we already know about the Latino wage gap in the United States, we can surmise that although there are more barriers for Latino candidates pursuing GME, their determination to apply remains strong.

These findings may also shed light on the program formats that appeal to Hispanic candidates and the ways in which they plan to finance their degrees, both of which will be discussed later in this report.

¹⁵ GMAC Corporate Recruiters Survey 2022

¹⁶ https://www.studentresearchfoundation.org/wp-content/uploads/2020/04/Hispanics_STEM_Report_Final-1.pdf

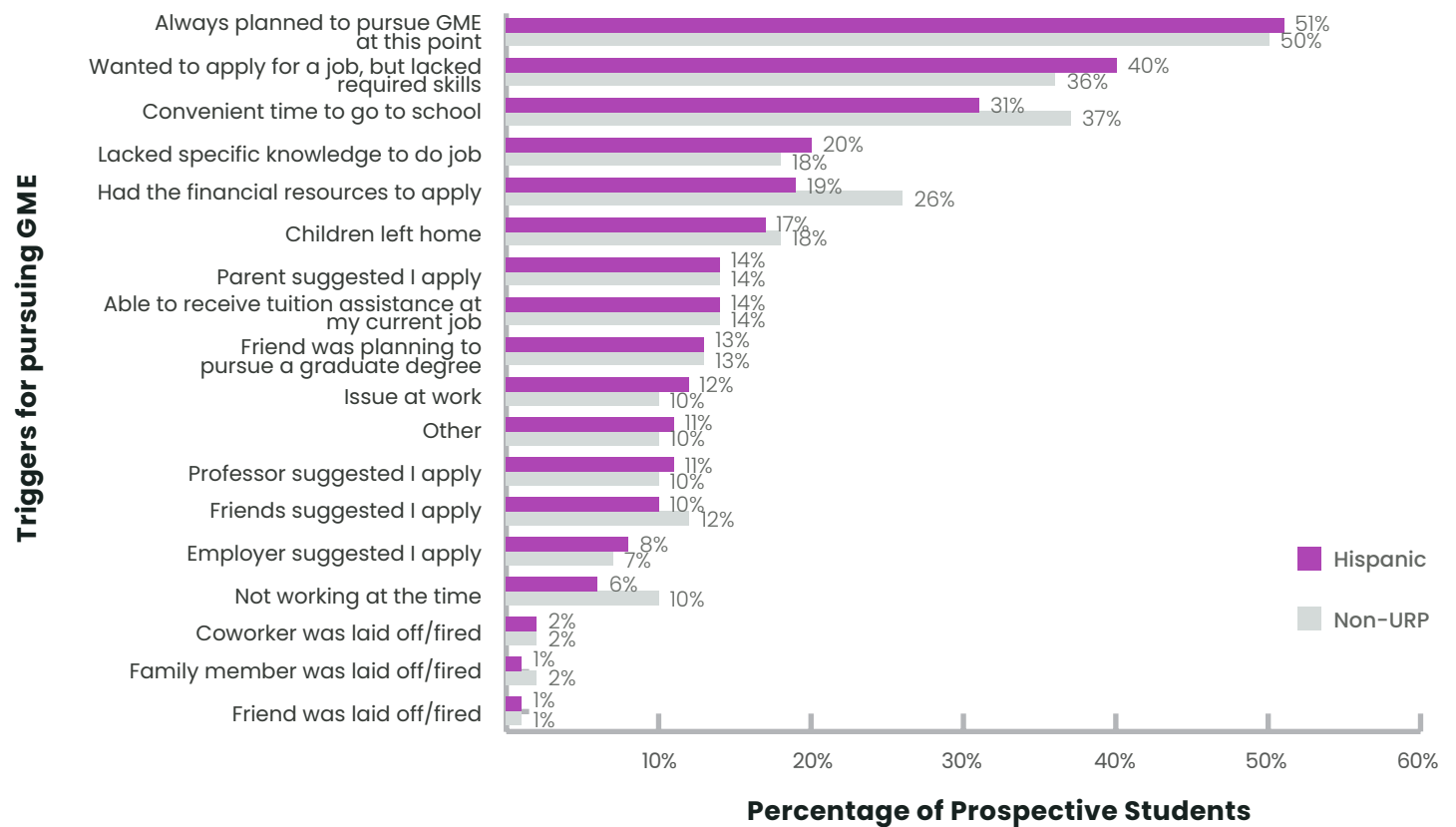
¹⁷ <https://nationalskillscoalition.org/wp-content/uploads/2020/12/Digital-Skills-Racial-Equity-Final.pdf>

What are the less important factors for Latinos when choosing to apply to business school?

The less influential factors for Latinos in applying to business school tend to mostly overlap with non-URP students. They are equally unlikely to apply because a friend or co-worker was laid off, and parents and friends' suggestions that they pursue GME are not strong factors for either group.

Figure 5: Reasons for Entering Graduate School

Hispanic vs. Non-URP prospective students, 2021



Data from the 2022 GMAC Prospective Students Survey.

How Are Hispanic Candidates Making Application Decisions?

As we have already seen, a high proportion of Hispanic candidates are actively researching the programs they want to apply to. But which areas do their research focus on, and what resources are they drawing from to make their application decisions?

Rankings and ROI Top Their List of Research Priorities

As is the case among business school applicants at large, the most-researched factor for Hispanic candidates is program rankings, with 47 percent of candidates reporting that they have done “a lot” of research in this area, and 28 percent saying their research has been “moderate” (Figure 6).

Return on investment and program costs are the next most-researched areas, with eligibility requirements following close behind.

The least-researched areas of GME for Hispanic candidates include the value of the degree to employers (perhaps due to the high level of commitment to GME study we have seen previously) and the time commitment involved.

Interestingly, financial aid options are the area in which the most candidates say they have done no research. We will explore this more fully in the discussion of Hispanic candidates’ funding plans below.

Where Hispanic Candidates Turn for Information

As for the sources used by candidates to research these programs, overall, Hispanic candidates tend to favor third parties over official school channels, though school websites remain their first port-of-call for course information (Figure 7).

mba.com is highly popular, with over half of respondents saying they have used the site for their research, surpassing even school ranking websites (Figure 8).

They particularly rely on friends and family, as well as current students and alumni, to gather their knowledge of business education. However, it is important to note the obstacles that Hispanic/Latinx students may face when accessing advice on applying to business school.

“Many of our Latinx students are first generation in higher ed,” says Berkeley Haas’s Élide Bautista. “They might lack people in their network who have navigated this process—so they aren’t as plugged into knowing about resources to support the test and application process.”

Indeed, external data shows that more than 4 in 10 Latinx students are the first in their family to have attended college, which drastically limits the support available to them during the application process from family members.

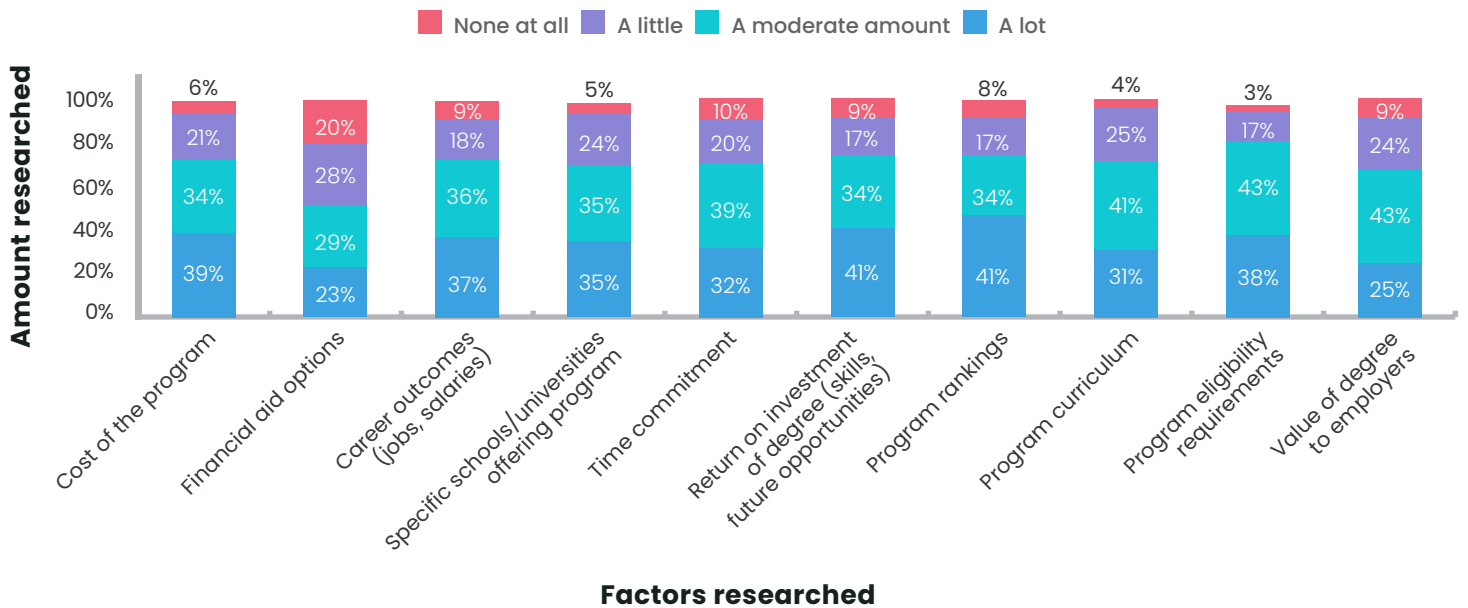
Educators at Haas work to counteract this imbalance through a variety of initiatives, including:

- Unconscious bias workshops for the admissions committee and all applicant interviewers, including students and alumni
- Processes around admissions prompts and diversity, equity, and inclusion (DEI) interview questions
- Outreach events through the Diversity Symposium, Management Leadership for Tomorrow, and the Consortium for Graduate Study in Management.

The current MBA cohort at Berkeley Haas is 15 percent Hispanic or Latino.

Figure 6: Average Amount of Research on Factors Related to GME

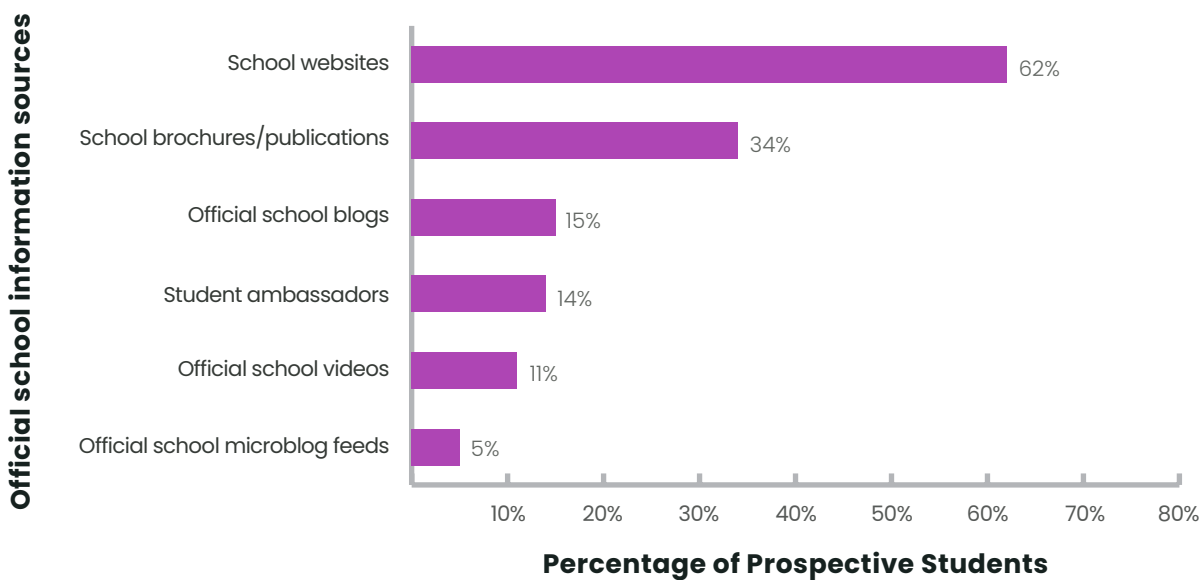
Hispanic prospective students, 2021



Data from the 2022 GMAC Prospective Students Survey.

Figure 7: Official School Information Sources Used to Research GME

Hispanic prospective students, 2021



Data from the 2022 GMAC Prospective Students Survey.

The Relevance of Virtual Business School Fairs is Increasing

The number of Hispanic candidates using virtual business school fairs to gather information on prospective programs has climbed a whopping 10 percent year-on-year, from 20 percent in 2020 to 30 percent in the latest testing year.

This may be due to the shifting value proposition of virtual business school fairs towards more high-intensity information gathering because of the pandemic.

“Before the pandemic, one of the main values of attending an MBA Tour event for candidates was to meet with a very large subset of business programs in one place at one time,” Maggie Andrews, Director of Events at The MBA Tour, told GMAC in April 2022.

“But the increased adoption of virtual products and tools across the last two years has made business schools more accessible for candidates. They can get video-based information sessions all the time, even set up meetings one-on-one with recruiting reps.”

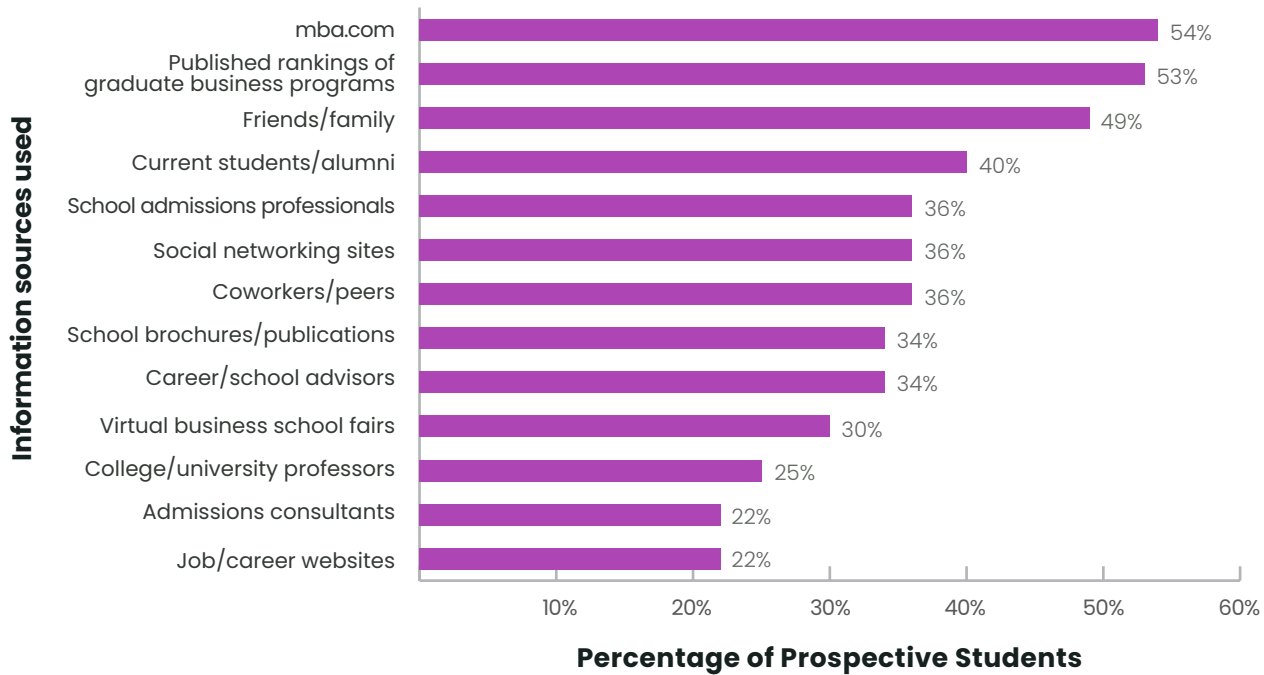
There are many ways that business schools can apply this information, but perhaps the most significant one is the difference in the effectiveness of student ambassadors versus candidates’ own connections.

Admissions teams might consider working to activate current students’ organic networks, for instance by holding URP student networking events to which they are encouraged to invite colleagues and friends.



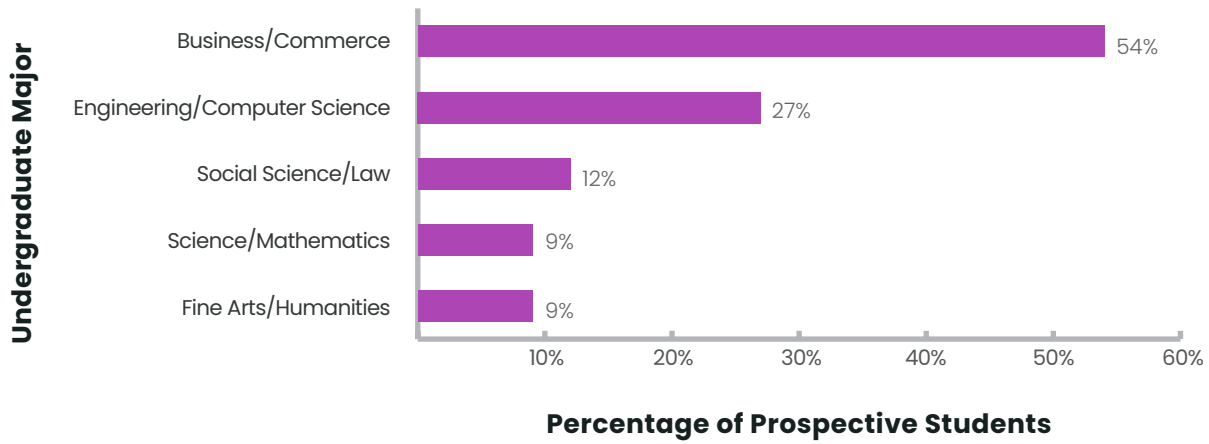
Figure 8: Information Sources Used to Research GME

Hispanic prospective students, 2021



Data from the 2022 GMAC Prospective Students Survey.

Figure 9: Undergraduate Major
Hispanic prospective students, 2021



Data from the 2022 GMAC Prospective Students Survey.



Educational Attainment and Business Studies

Our data shows that, as with non-URP candidates, the most popular disciplines for Hispanic GME candidates at undergraduate level are business studies, or engineering and computer science (**Figure 9**).

Hispanic candidates are more likely, though not significantly, than non-URP counterparts to have undertaken a business or commerce degree at undergraduate level, with just over a quarter coming from engineering and computer science (27%; **Figure 9**).

GMAT and Undergraduate GPA Performance: A Mixed Picture

At first glance, GMAT and GPA performance comparisons paint a bleak picture for Latinx candidates when it comes to gaining entry to top business schools. They are half as likely to receive scores of 700 and above in the GMAT compared to non-URP test-takers, and almost twice as likely to score less than 500 (**Figure 10**).

Hispanic candidates are also more likely to have a low or average undergraduate GPA, with 18 percent reporting a GPA of 0.0 to 2.9 compared to 11 percent of non-URP students (**Figure 11**).

These differences can, in large part, be attributed to the “achievement gap” that exists between URP and non-URP students. This is a phenomenon that sees, for example, Hispanic students drop out of high school at three times the rate of white students, with significant knock-on effects for their representation in higher education institutions.

However, this is only a limited picture. When compared with last year’s figures, gains are being made by Latinx students both in GMAT scores and GPAs.

Although the proportion of Latinx test-takers achieving a score above 700 on the GMAT has halved (down to 13% from 29% in 2020), this is in line with the scores of non-URP students (down to 26% from 49%) as well. The number of scores between 500 and 690 have also been moving steadily upwards year-on-year.

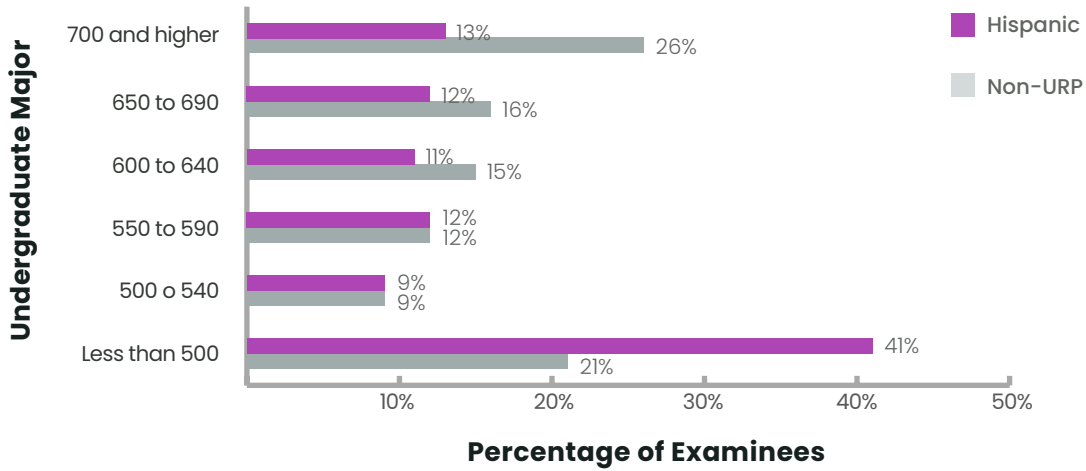
Similarly, the number of Latinx candidates reporting GPAs of 3.6 and higher has risen since last year, up to 30 percent from 26 percent, while the proportion of students receiving 0.0 to 2.9 has fallen by 2 percent.

This paints a more optimistic picture of the closing achievement gap between Latinx and non-URP candidates, at least in the short term. However, a study conducted by the Campaign for College Opportunity that looked at outcomes for Black and Latino students in Los Angeles suggests that the pandemic may be set to undo some of this progress.

The study shows that first-time enrollments in the nine community colleges in Los Angeles county plummeted 32 percent among Latino students during the pandemic, an effect that is likely to be mirrored across the country due to the strain of virtual teaching on educators. We are not likely to see the effects of this on the GME pipeline for another few years, but this is a reminder for educators to strengthen their outreach efforts.

Figure 10: Distribution of Total GMAT Exam Scores

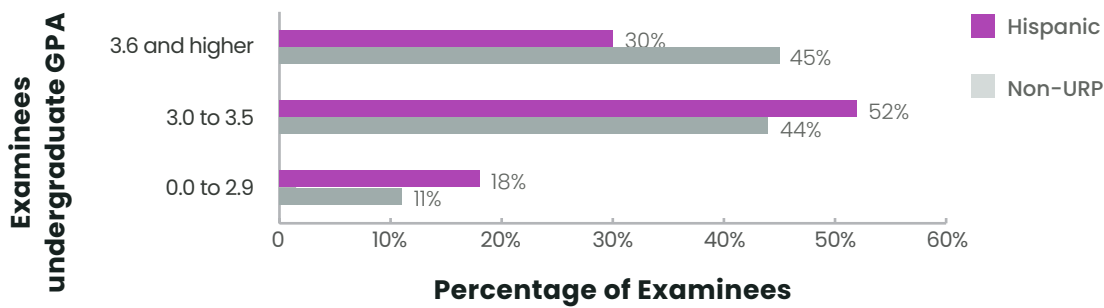
Hispanic vs Non-URP test takers, testing year 2021



Data from GMAT Examinees Data, testing year 2021.

Figure 11: Distribution of Undergraduate GPA

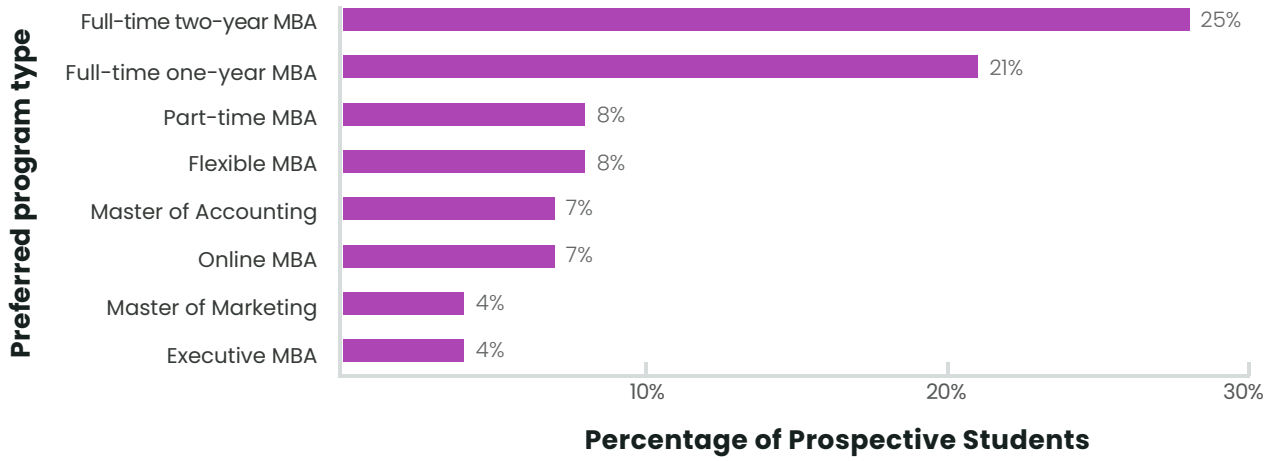
Hispanic vs Non-URP GMAT examinees, testing year 2021



Data from GMAT Examinees Data, testing year 2021.

Figure 12: Preferred Program Type

Hispanic prospective students, 2021



Data from GMAT Examinees Data, testing year 2021.



GME Program Preferences



Similar to other segments of the candidate population, Latinx candidates express a clear preference for MBA programs over other types of graduate business study. However, a key difference emerges in part-time and flexible MBA formats.

Hispanic candidates are more likely to consider shorter and more flexible MBA formats than their non-URP counterparts. Significantly, just 1 in 4 Hispanics expresses an interest in the traditional full-time, two-year MBA compared to 31 percent of non-URPs. They are also twice as likely to consider a flexible MBA, with 8 percent reporting interest in the program compared to just 4 percent of non-URPs.

The Perceived Value of Hybrid Learning

While in-person learning is still the overwhelming preference of Hispanic candidates, with over half desiring a primarily in-person program, they display a higher willingness to study online (**Figure 13**).

There are many potential reasons for this increased willingness to study online, for instance that hybrid and online learning are usually cheaper and more flexible than in-person programs.

It may also be a response to the stresses of the pandemic. Just 49 percent of Hispanics reported that COVID-19 had not impacted their original graduate school plans, compared to 56 percent of non-URPs. A greater percentage of Hispanic respondents also reported that the pandemic had made them more willing to study online: 35 percent versus 28 percent.²²

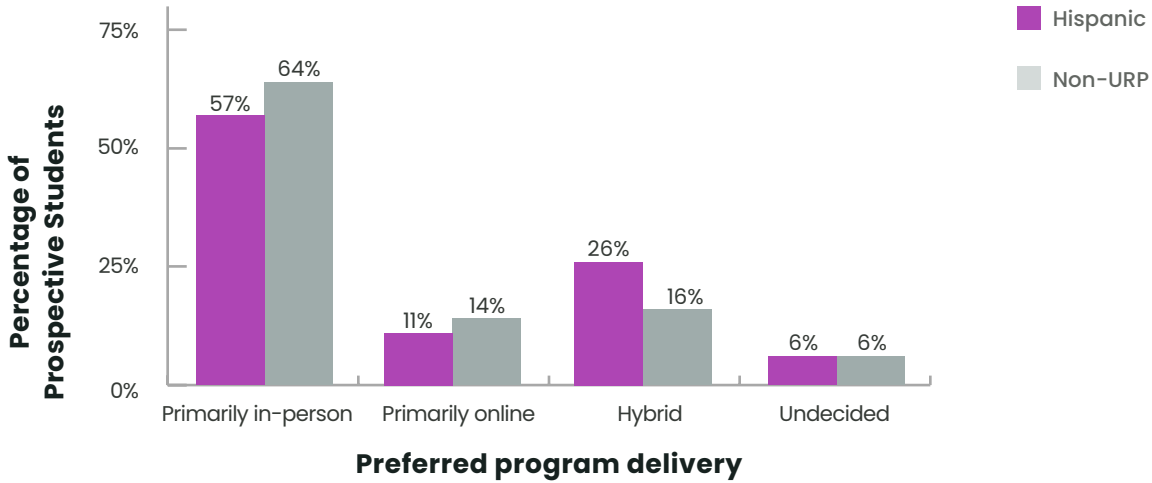
What do Hispanic candidates most want to study?

When asked to select the course topics that would be on their ideal program curriculum, over half of Hispanic candidates chose strategy, business analytics and data science, and leadership and change management (**Figure 14**). This broadly reflects the skills gap discussed earlier that drives Hispanic candidates to seek out GME, however it is notable that business analytics and data science have fallen in desirability since last year, from 62 percent in 2020 to 54 percent in 2021.

²² Note: Question only fielded May 2020 – December 2021

Figure 13: Preferred Program Delivery

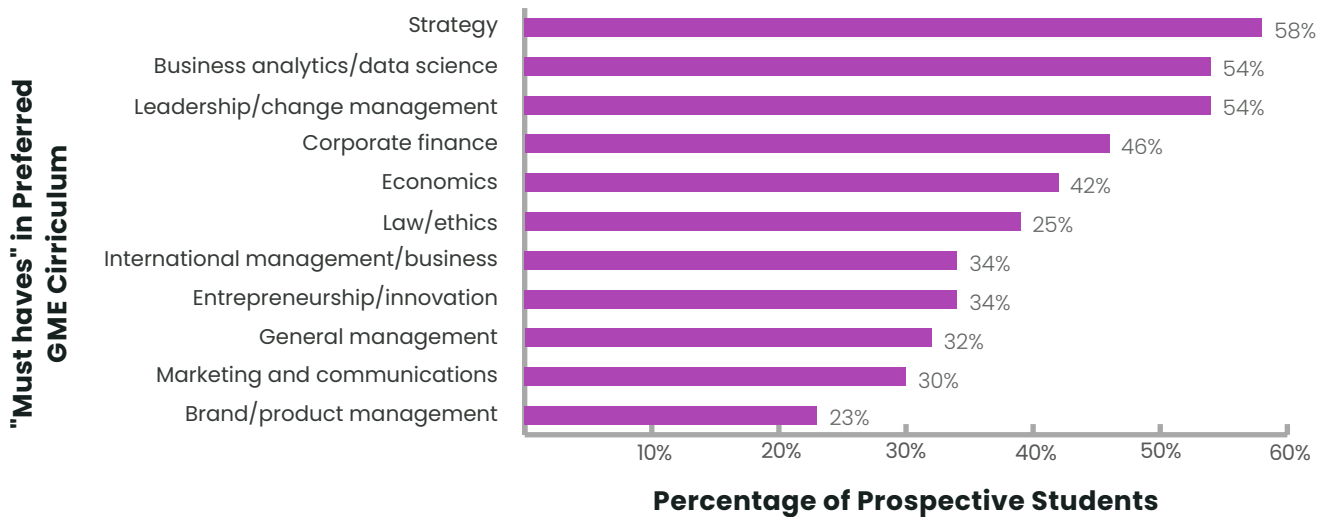
Hispanic vs Non-URP test takers, testing year 2021



Data from GMAT Examinees Data, testing year 2021.

Figure 14: "Must haves" in Preferred GME Curriculum'

Hispanic vs Non-URP test takers, testing year 2021



Data from the 2022 GMAC Prospective Students Survey.

Work Experience and Skills

In terms of the work experience Hispanic candidates bring into GME, they broadly align with non-URP. Seventy-eight percent have one or more year of work experience, with a slightly lower proportion of Latinx candidates declaring no work experience than non-URP (Figure 15).

What are the most popular target functions and industries for Hispanic candidates?

The preferred industries for Hispanic candidates to target post-GME are very similar to non-URP candidates. Half of all Latinx respondents said they were targeting the products and services industry, the same proportion as non-URP. Technology was close behind at 44 percent, along with finance and accounting at 43 percent, both of which were slightly higher than for non-URPs (Figure 16).

What skills do they want to learn?

The top five soft skills that Hispanic candidates wanted to gain from graduate management education were:

1. Oral communication and presentation (58%)
2. Written communication (47%)
3. Coachability and reflection (43%)
4. Working with others (41%)
5. Listening (41%)

This is not significantly different to non-URPs' responses, except in the case of written communication which is higher among Hispanics.

The emphasis on building written communication skills may be partly because just 5 percent of second-generation Hispanics have "elite" English

literacy skills compared to 14 percent of the overall population²³, with most Hispanic students coming from primarily Spanish-speaking households.²⁴

It is therefore advisable that business schools offer targeted coaching to address imbalances in written communication skills between Hispanic students and non-URP counterparts.

Meanwhile, the three key hard skills Latinx candidates are seeking in 2022 are:

1. Data analysis and interpretation (80%)
2. Quantitative tasks (67%)
3. Comprehension and logic (56%)

Their interest in data analysis and building quantitative skills are both markedly higher than that declared by non-URP candidates, who reported interest at 75 percent and 61 percent respectively. This supports the hypothesis that many Hispanic students are seeking to build skills relevant to computing and digital business through GME.

Consistent with their lesser interest in middle management roles, they also expressed less enthusiasm for the topic of managing human capital (Figure 17).

23 <https://cis.org/Immigrant-Literacy-Self-Assessment-vs-Reality>

24 <https://www.pewresearch.org/fact-tank/2018/04/02/most-hispanic-parents-speak-spanish-to-their-children-but-this-is-less-the-case-in-later-immigrant-generations/>

Figure 15: Years of Work Experience

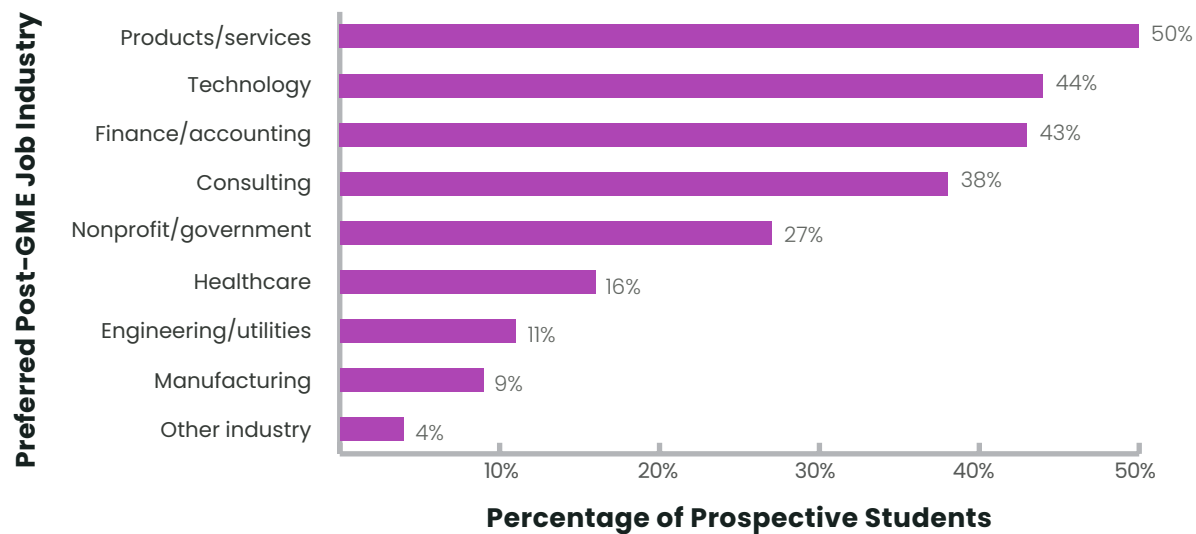
Hispanic vs. Non-URP prospective students, 2021

	Hispanic	Non-URP
No work experience	22%	25%
1 to 3 years	37%	35%
4 to 6 years	17%	17%
7 years or more	24%	23%

Data from the 2022 GMAC Prospective Students Survey.

Figure 16: Preferred Post-GME Job Industry

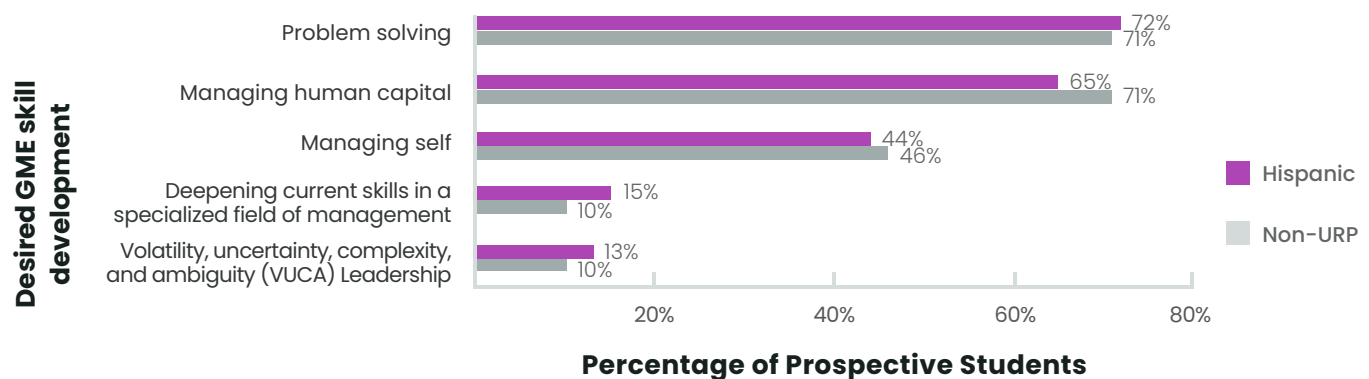
Hispanic prospective students, 2021



Data from the 2022 GMAC Prospective Students Survey.

Figure 17: Desired Skill Development in GME

Hispanic vs. Non-URP prospective students, 2021



Data from the 2022 GMAC Prospective Students Survey.

Financing Plans

Given the wealth gaps between Hispanic and non-URP candidates, it is unsurprising that their funding plans are a key area of difference.

Lesser Reliance on Personal Sources of Funding

The most popular sources of funding for Hispanic students are, similarly to non-URP counterparts, grants, fellowships, and scholarships, loans, and personal savings (**Figure 18**). However, a closer look reveals that Hispanic candidates are less able to draw from personal resources for funding than non-URP students.

There is less uptake of support from parents, no doubt due to the lower levels of generational wealth present within Latinx families. External research shows that Black and Hispanic families are less likely than white families to own various types of assets, and that while more education was associated with more wealth across racial categories, Hispanic families had less median family wealth than white ones with the same education level.²⁵

They also predicted that personal earnings, savings, and parental support would not cover as much of their tuition as their non-URP counterparts.

Despite this, the frequency with which Hispanic students are turning to parental support for funding has increased year-on-year since the start of the

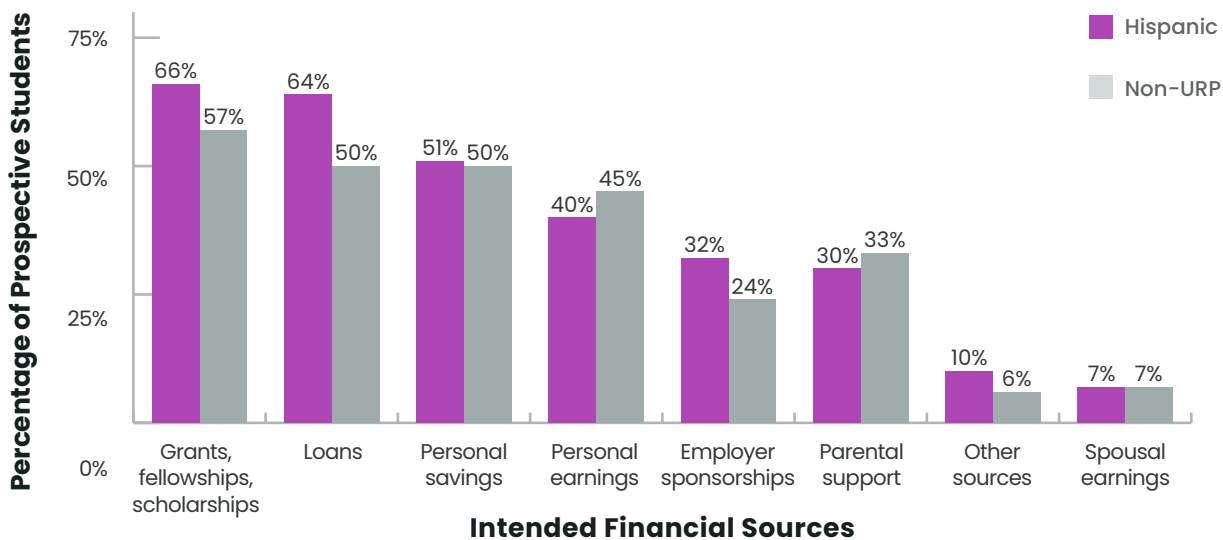


pandemic: just 21 percent of candidates said that they would seek parental support in 2020, making for a 9 percent jump in 2021.

This suggests that funding is tight for Hispanic business school candidates, and points to a widening gap in funding resources for URP business school students.

Figure 18: Intended Financial Sources for Business School

Hispanic vs. Non-URP prospective students, 2021



Data from the 2022 GMAC Prospective Students Survey.

The COVID-19 pandemic has widened funding gaps between Hispanic and non-URP candidates

Hispanic candidates consistently demonstrate more frequent recourse to financial aid, loans, and employer sponsorships, the latter of which may go part of the way to explaining their comparative preference for part-time programs that allow students to work alongside their studies.

They also expect to depend more heavily on these sources than non-URP students: when asked how much of their degree they planned to fund with each resource, Hispanic candidates allotted, on average, 27 percent each to financial aid and loans versus just 20 percent and 23 percent respectively from non-URPs (Figure 19).

However, where 61 percent of Latinos and 53 percent of non-URP U.S. citizens expected to use loans to finance their degrees in 2020, the gap has now widened to 64 percent and 50 percent respectively.

Meanwhile, the expectation of financial aid among Hispanics has reduced while it has risen for non-URP candidates. Sixty-nine percent of Latinos in 2020 planned to use grants, fellowships, and/or scholarships to pay for business school, but this has now dropped to sixty-six percent in 2021, while non-URP plans to access financial aid have risen by 2 percent.

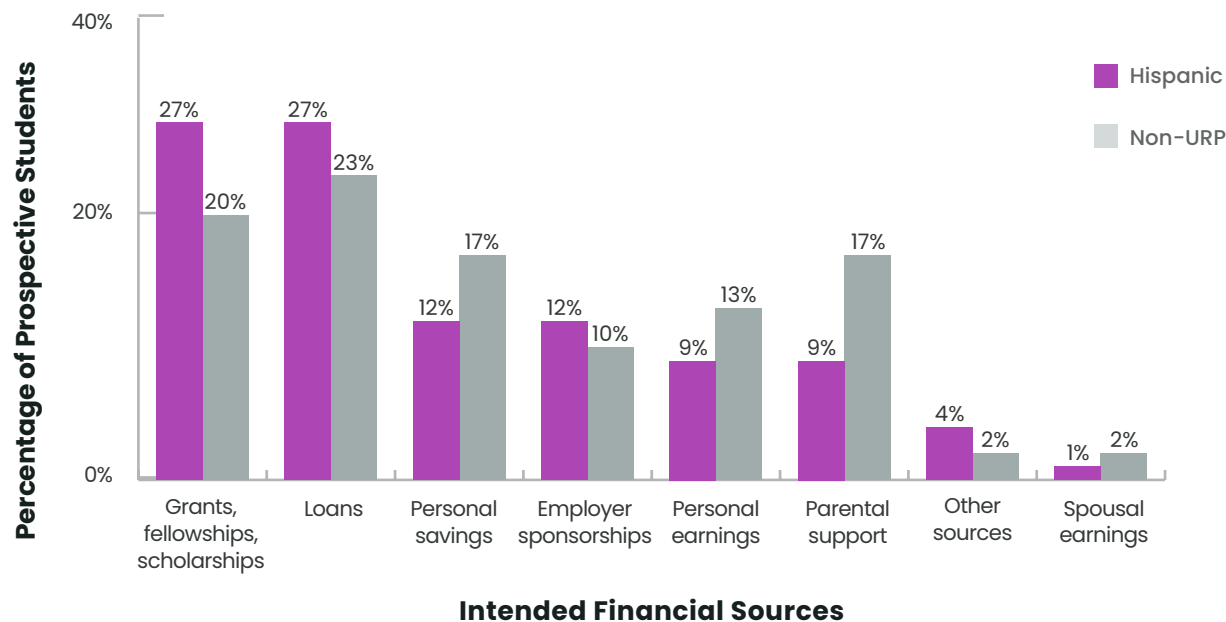
Hispanic candidates are also now 5 percent less likely to report plans to use personal earnings to support their GME journey, and more likely to seek employer sponsorship: 32 percent up from 21 percent in 2020.

Financial Aid Opportunities for Latinx Candidates

Funding is a clear area in which business schools can compete for top Latinx candidates. Though we have seen that Hispanic prospective students are looking for value for their money over a cheap education, offering financial aid opportunities will be sure-fire way to attract qualified Latinx candidates to your program.

Figure 19: Average Expected Distribution of Financing for Business School

Hispanic vs. Non-URP prospective students, 2021



Data from the 2022 GMAC Prospective Students Survey.

Many business schools already have programs in place to do this. For instance, Georgetown University McDonough School of Business offers two funds specifically for Latinx students:

1. The Modus Create Endowed MBA Scholarship for international full-time and Flex MBA students, with a particular focus on veterans from Puerto Rico, Brazil, Colombia, and Mexico.²⁶
2. The Foundation for Education, Technology and Science, which is targeted at Mexican citizens with a bachelor's degree and a minimum 8/10 GPA. The scholarship loans students up to us\$15,000, which can be paid back within 5 years.²⁷

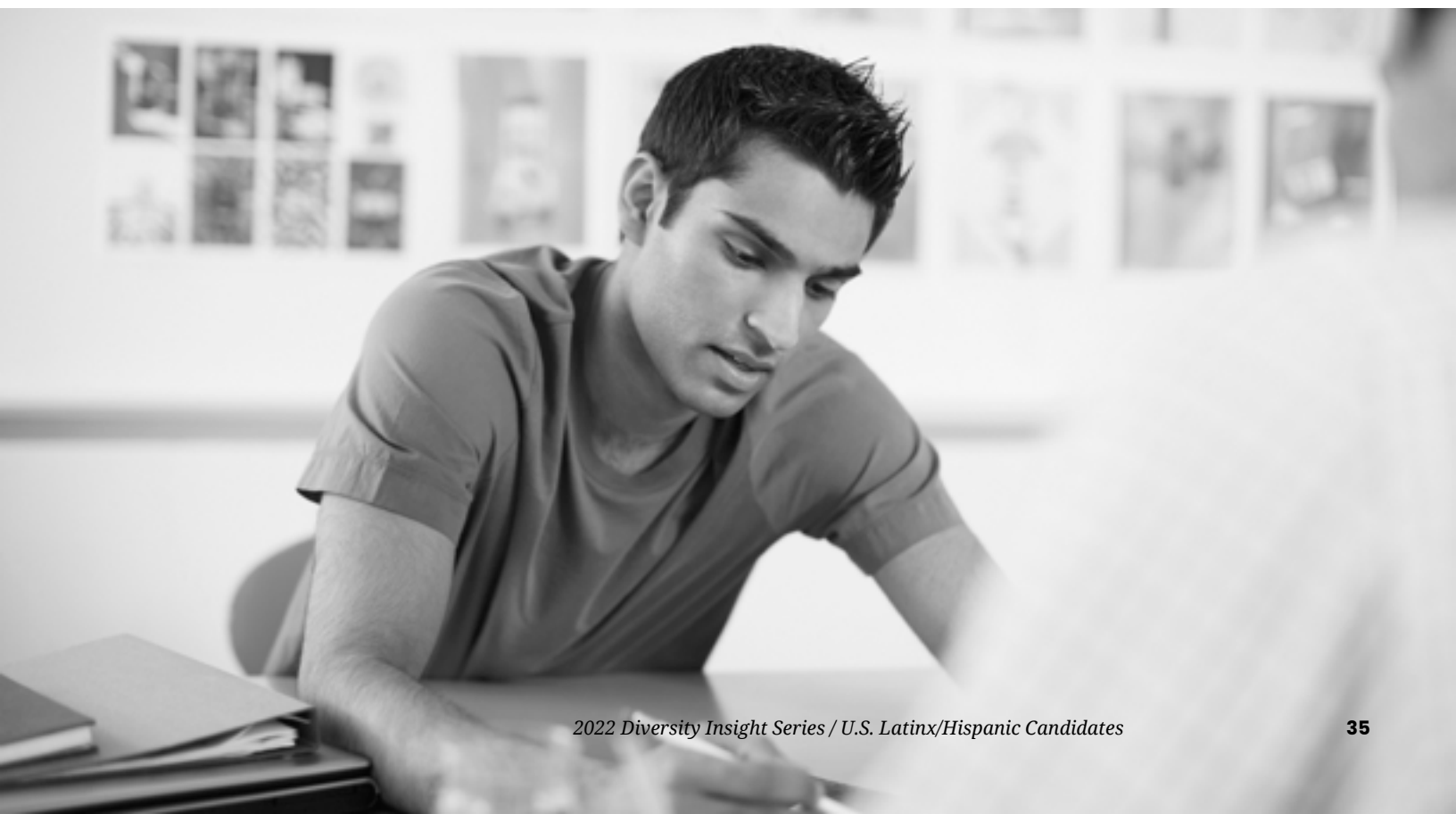
Other business schools that offer Latinx-specific scholarships include Harvard Business School, Ohio State University's Fisher College of Business, the Wharton School, and MIT Sloan²⁸. Independent organizations with similar funds include the Prospanica Foundation, the Robert Toigo Foundation, and the Cesar Chavez foundation²⁹.

²⁶ <https://msb.georgetown.edu/mba/full-time-scholarships/>

²⁷ Ibid.

²⁸ <https://www.mba.com/how-to-apply/scholarships-and-financing/top-latinx-mba-scholarships>

²⁹ Ibid.

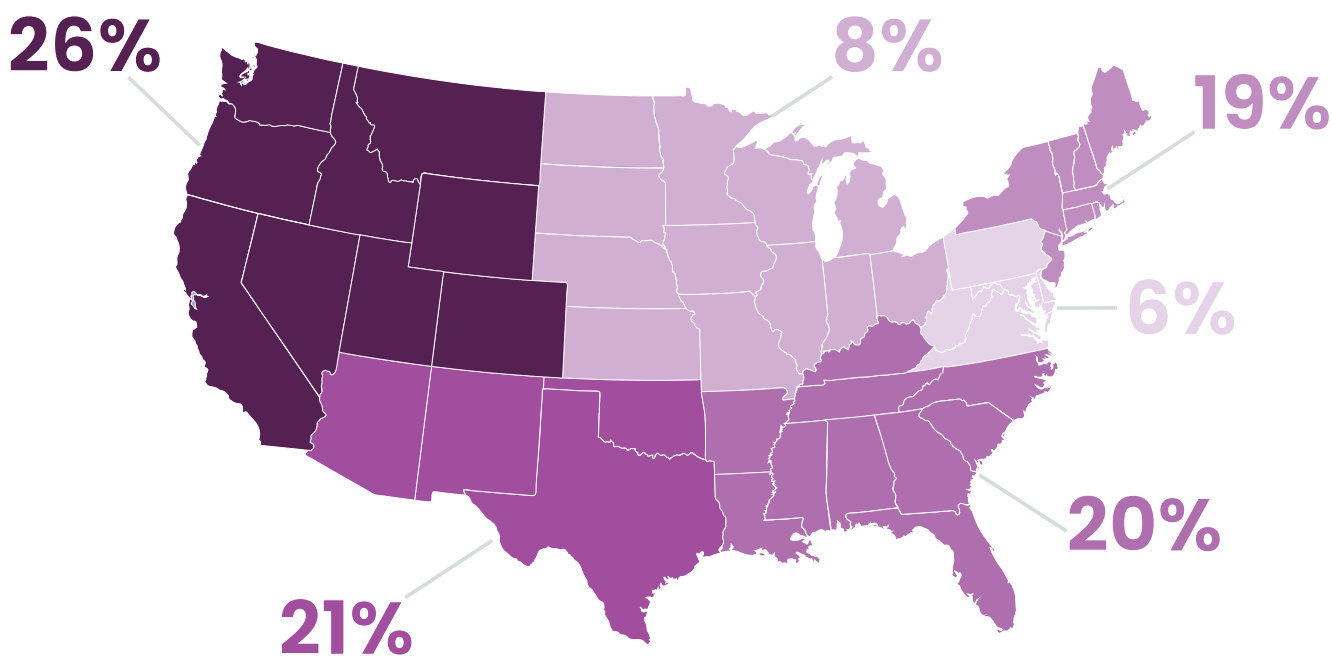


Population and Geography

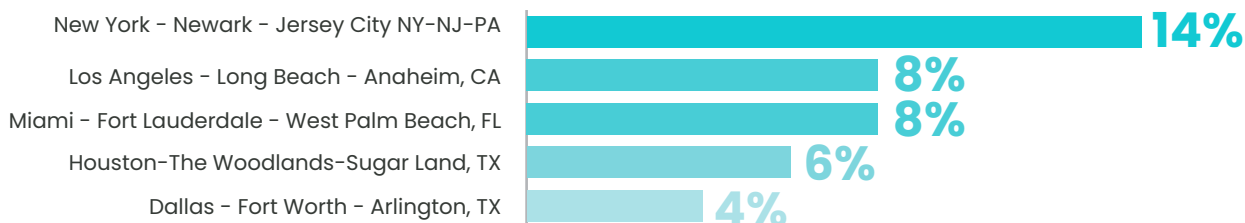
Similar to graduate management education more broadly, the gender split of the Hispanic candidate pool is weighted towards men at 54 percent versus 46 percent women. However, this represents a more balanced slate than in the 2020 testing year, when 60 percent of Hispanic candidates identified as men and just 41 percent as women.

In terms of their U.S. region of residence, Hispanic candidates are most concentrated in the West of the US, with 26 percent of candidates hailing from the region. This is closely followed by the Southwest (21%), South (20%), and Northeast (19%) regions.

The U.S. metropolitan areas where Hispanic candidates are consistently best represented are New York (14% in FY2021, a slight increase from 12% in FY2020), Los Angeles and Miami (each 8%), Houston (6%), Dallas and Chicago (both 4%), with equal distributions in San Francisco, Washington, DC, Boston, and Atlanta (all 3%).



Top Five Metro Regions



Data from GMAT Examinees Data, testing year 2021

Demographic Profile

Presented below is the demographic data for unique U.S. GMAT examinees in FY2021 who resided within the United States and self-identified as belonging to a Hispanic group, including Mexican American, Puerto Rican, or other Hispanic/Latinx. Bold information indicates the largest group within each data series.

Geographic Distribution of Hispanic Prospective Students

Hispanic prospective students, 2021

Hispanic/ Latinx Profile	
Gender	Undergrad GPA
Men: 54%	0.0 to 2.9: 18%
Women: 46%	3.0 to 3.5: 52%
	3.6 and higher: 30%
US Region	Intended degree program
Middle Atlantic: 6%	Full-time two-year MBA: 25%
Midwest: 8%	Full-time one-year MBA: 21%
Northeast: 19%	Part-time MBA: 8%
South: 20%	Flexible MBA: 8%
Southwest: 21%	Executive MBA: 4%
West: 26%	Online MBA: 7%
Undergraduate major category	Joint degree with MBA: 4%
Business/Commerce: 54%	Master in Management: 0%
Engineering/Computer Science: 27%	Master of International Management: 1%
Fine Arts/Humanities: 9%	Master of Accounting: 7%
Science/Mathematics: 9%	Master of Finance: 2%
Social Science/Law: 12%	Master of Marketing: 4%
	Master of Analytics: 2%
Years of work experience	PGP program: 0%
No work experience: 22%	Other quantitative business master program: 0%
1 to 3 years: 37%	Other non-quantitative business master program: 2%
4 to 6 years: 17%	Other program type: 8%
7 years or more: 24%	

Data from GMAT Examinees Data, testing year 2021.

Contributors



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Amy Hughes is a freelance writer covering higher education and graduate management education. She has written sponsored and non-sponsored editorial content for BusinessBecause as well as GMAC Media and works regularly on content marketing pieces for business schools around the world. Amy earned a bachelor's degree in English Literature from the University of York and a Master of Studies degree in English with American Studies from the University of Oxford.

Analysis, Design, and Review

The following individuals at GMAC made significant contributions to the execution of the survey and preparation of this report:

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