

Research Brief

First Generation Students in the Graduate Management Education Pipeline

For many years, graduate business schools have focused on increasing the enrollment of underrepresented groups in the classroom. Initially, efforts centered on class composition and the representation of racial and ethnic groups, women, and students from various geographies. Over time, attention expanded beyond this definition to encompass inclusion and belonging of difference: from race and ethnicity to gender identity, to sexual orientation and differently abled. As the experiences of these groups are more widely explored and appreciated, the graduate management community at large can develop a better understanding of the differences in the candidate journey for each population. Uncovering these differences can equip business schools to best support students in their journey to becoming successful business professionals. Recently, GMAC has identified a new segment of focus for business schools: first generation college students.

First generation students are defined in GMAC's Prospective Students Survey as candidates whose parents' highest level of educational attainment did not exceed an associate degree. The National Association of Student Personnel Administrators' (NASPA), [Center for First-Generation Student](#)





Success aligns with this definition; “being a first-gen student means that your parents did not complete a 4-year college or university degree.” While first generation students are frequently targeted and provided safety nets at the undergraduate level, they often are an invisible identity in the GME pipeline and classroom. An intersectional group, first-generation students are not always provided the attention and specific resources necessary to ensure they’re encouraged to pursue graduate education. In addition, these students often experience substantial barriers in pursuing GME, spanning from a lack of financial resources to a reduced social network and a smaller pool of family members able to model the higher education experience.

Though as a group they may be often overlooked, first generation students make up a notable percentage of the business school classroom. In fact, 31 percent of global respondents from GMAC’s 2022 Prospective Students Survey are classified as first-generation students. Out of this 31 percent, 62 percent identify as male, 34 percent are 31 years old or older, and 38 percent are from a US racial or ethnic group underrepresented in business school. Many of these students enter graduate school later, seeking to enrich their life, increase their income, or support their family. As they do, these first-generation students are frequently entering business school at a disadvantage, coming from households with lower average income and less access to institutional knowledge. To ensure first-generation students advance through the pipeline into the business school classroom, the business school classroom, schools must hone their understanding of the unique challenges that first generation students face. This brief leverages data from the 2022 GMAC Prospective Students Survey as well as expert perspectives to examine the experiences of first-generation students and explore how schools can attract and support these students in becoming successful business professionals.

The First-generation candidate

The first-generation identity is unique from other identity groups in that it is determined through the parents' academic background. Despite this, there are still some common trends among the students themselves. The majority of global first-generation prospective students identify as male (62%), and 38 percent identify as female. The population also skews older; 34 percent of first-generation students are entering business school at 31 years or older (compared to 21 percent of non-first-generation students). At a statistically significant level, more first-generation students are likelier to seek business school after being in the professional world. Twenty-five percent of first-generation students have 7 or more years of work experience when they begin pursuing business school compared to 19 percent of non-first-generation students.

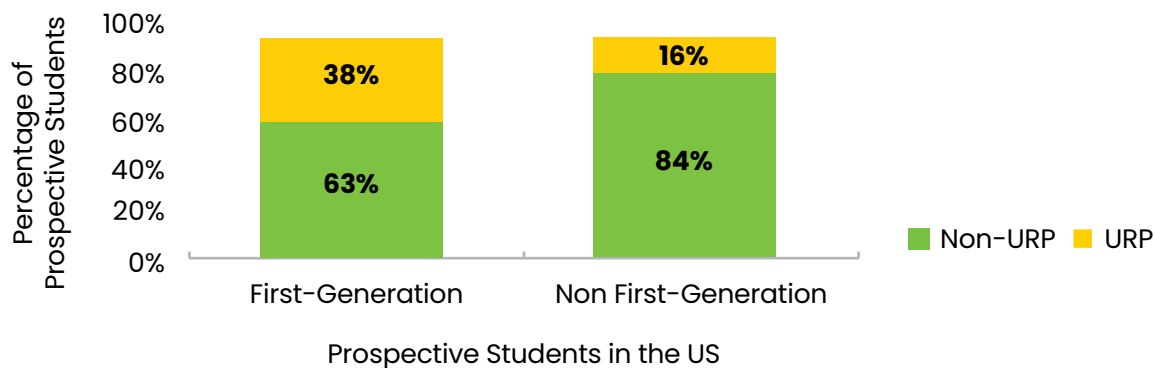
In the US context, this segment of the population is more likely than their counterparts to be from a racial or ethnic group traditionally underrepresented in the business school classroom. Thirty-eight percent of first-generation students identify as Black or African American, Hispanic American or Latino, Native Hawaiian or Pacific Islander,

or Native American or Alaska Native, whereas only 16 percent of non-first-generation students are from an under-represented population (URP) (**Figure 1**). Providing support for first-generation students likely means that more candidates from underrepresented populations will be supported, too.

Globally, these candidates are likelier to go into business school with a foundation in business from their undergraduate studies. More first-generation students studied business or economics in undergrad than their counterparts (59% first-generation vs. 52% non-first generation). Studying engineering or computer science is also less common among first-gen students; 26 percent of first-generation students studied engineering or computer science in undergrad compared to 30 percent of non-first-generation students. While first-gen students lag slightly behind peers when it comes to their education in STEM-related disciplines, having a strong foundation in business, means they are likely to have key, relevant skills and education experience to bring into the business school classroom.

Figure 1: Distribution of prospective students from underrepresented populations (URP) in the US

First-generation vs. non-first-generation prospective students, 2022



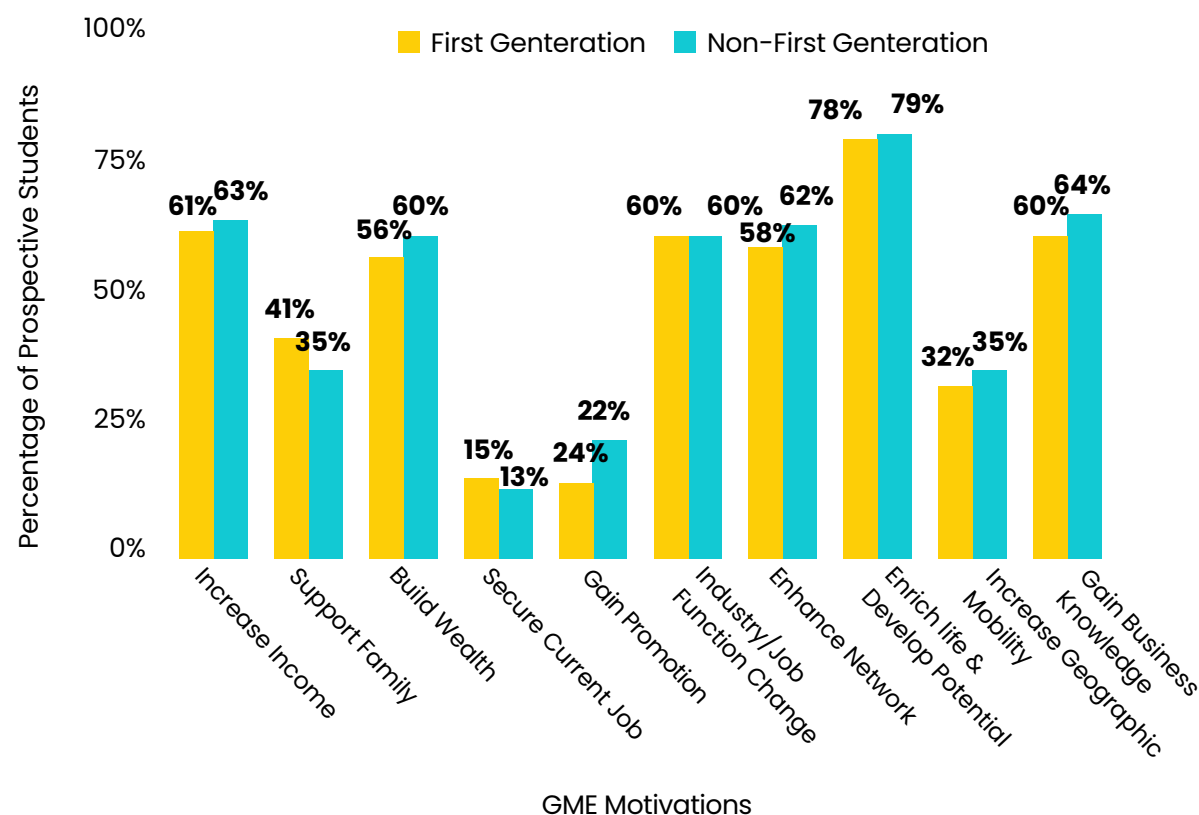
Impetus to pursue graduate management education (GME)

Students who come from households where one, or both, of their parents have a bachelor's degree or higher, are often motivated to get their degree for different reasons than continuing-generation students. In fact, many first-generation students are driven to go to school to better support their family (41% first-generation vs. 35% non-first generation) (**Figure 2**). Commonly, first generation students are also pursuing business school to increase their income (61%), change their industry or job function

(60%), gain business knowledge (60%), and build wealth (56%) (**Figure 2**). While a shared motivator for both student groups is a desire to enrich their lives and develop potential (78% first-generation and 79% non-first generation), business schools may need to devote additional resources to assist first-generation students in self-discovery and harnessing potential that may be untapped due to differences in opportunity (**Figure 2**).

Figure 2: Motivation to pursue graduate management education

First-generation vs. non-first-generation prospective students, 2022



What's stopping them: barriers to GME entry

Despite shared motivations, first-generation candidates face barriers to pursuing education that can be appreciable enough to halt their studies all together. With parents likely to receive lower wages than those with higher education, many first-generation students have financial limitations that make pursuing graduate business education even more challenging.

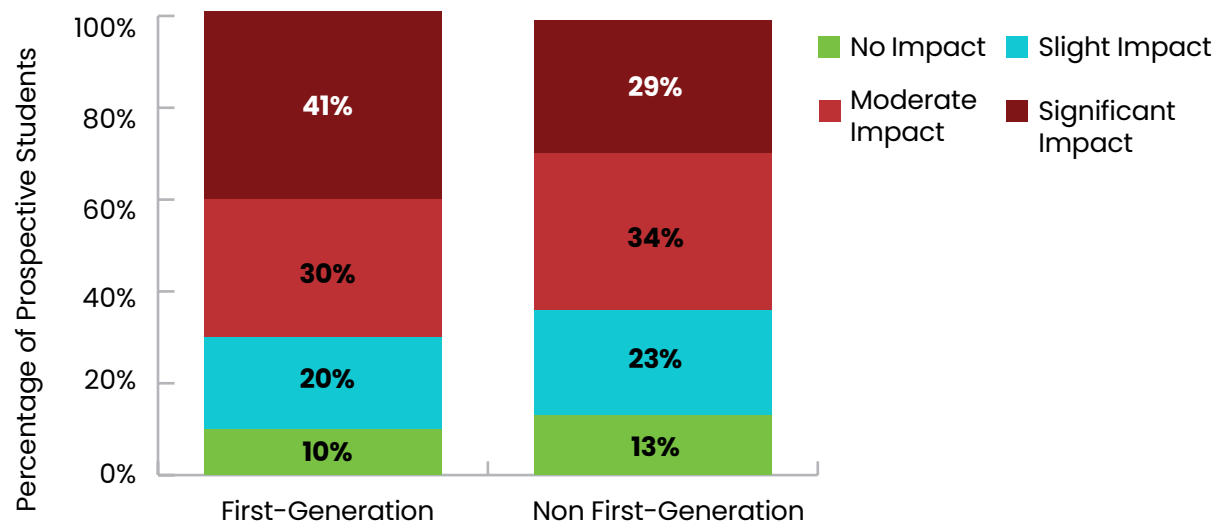
For example, the cost of a business degree is enough to potentially prevent a first-generation student from pursuing school; more than forty percent of candidates say the cost is a "significant impact" that may prevent their pursuit (**Figure 3**). This is a statistically significant difference compared to non-first-generation students where only 29 percent said that the cost of the program was a significant impact to their pursuit of business school. Other financial barriers like current debt level and future debt burden also impact a

first-generation student's pursuit of graduate management education. When compared to non-first gen candidates, first gen candidates are more impacted moderately or significantly by current debt level, at a statistically significant level (39% first-generation vs. 29% non-first generation). Even the debt burden first gen students could have in the future impacts them more than it does non-first gen (26% first gen vs. 21% non-first gen).

Another distinction for first-gen candidates is in their preference for school choice. First-generation students are more likely to say that not getting into their preferred school has **no** impact on their pursuit of GME as compared to students who have a parent who has earned a bachelor's degree. (21% first-generation students vs. 13% non-first-generation students).

Figure 3: Level of impact to pursuing graduate management education due to 'Cost of the program'

First-generation vs. non-first-generation prospective students, 2022



Different perceptions of GME

By definition, first-generation students likely have a different degree of familiarity with higher education constructs than students whose parents have undergraduate and graduate degrees. Their perceptions on the value of GME and their preference in degree type may vary from their non-first-generation peers. First-generation students are more likely to value online and in-person degrees strongly, perhaps because of a greater appreciation for the impact receiving a business degree can have on one's career.

They are also more likely to agree that a graduate business education received on campus has the same value as one delivered online (24% first-generation agreed vs. 14% non-first generation). This contrasting perception could be credited to several factors: the appreciation a student might have for receiving higher education in general, irrespective of delivery method; a lack of understanding of the impact an advanced degree can have on one's network and lifetime earnings; or even a closed social group with limited influence due to insufficient knowledge of degree modalities.

Plans for financing their degree

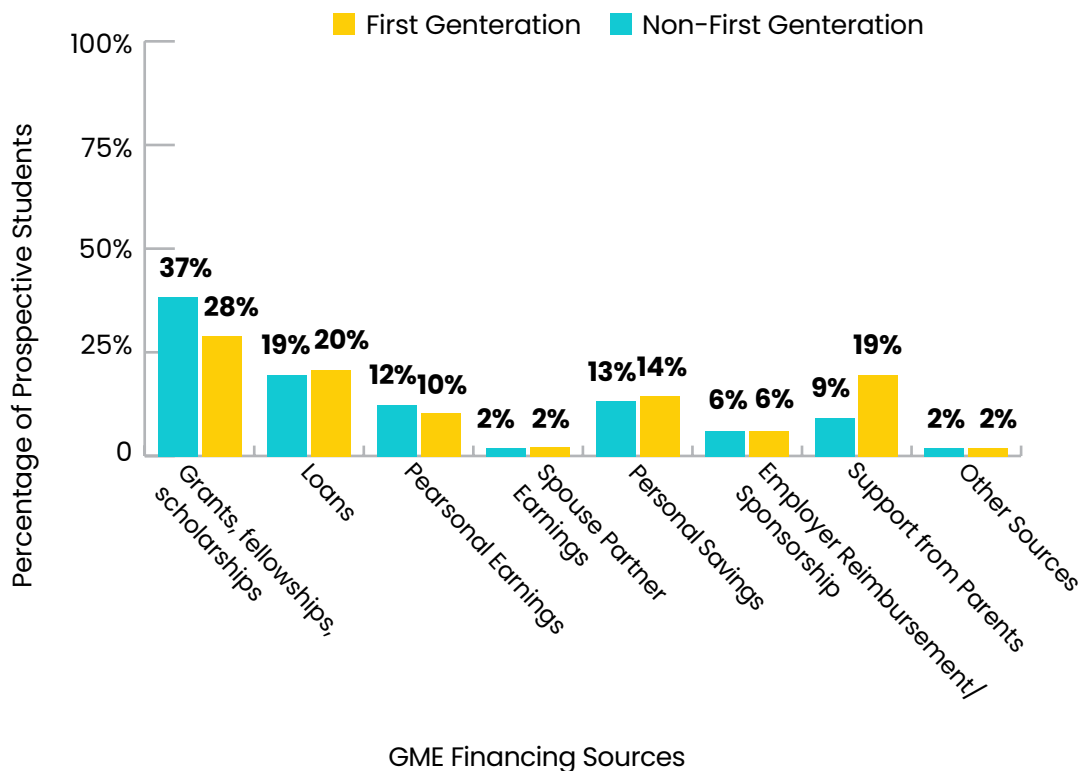
Discussing the support needs of first-generation students is fruitless without acknowledging the financial disparity among many first-gen students and students from families with parents who have higher education backgrounds. [The Center for First-Generation Student Success](#) illustrates that, among dependent students, the median parental income for continuing-generation students is \$90,000, but for first-generation students that median parental income is less than half that amount (\$41,000).

With an almost \$50,000 difference between household incomes, first-generation students are likely to enter the business school pipeline with less generational wealth than their counterparts. More so, Pew Research Center data show that more first-generation students owe at least \$25,000 in student loans than those who are continuing-generation students (65% first-generation vs. 57% non-first-generation) ([Pew Research Center, 2021](#)).

Referencing our Prospective Students Survey findings, students' answers further affirm the presence of these financial barriers. Financial support from parents is not equal across student groups, with just 9% of first-generation expecting to receive support from their parents vs. 19% non-first generation (**Figure 4**). First-gen students also have a discernably larger reliance on grants, fellowships, and scholarships than their peers (37% first-generation planning to use these sources vs. 28% non-first generation) (**Figure 4**). To adequately provide support and ensure inclusion of first-generation students, schools can increase their funding for students from low-income, first-generation backgrounds, and amplify promotion of these funding opportunities to this segment of the candidate pipeline and incoming students.

Figure 4: Planned financing sources of prospective students

First-generation vs. non-first-generation prospective students, 2022





A Closer Look: Serving First Gen at the Fuqua School of Business

To garner a stronger understanding of how schools can, and do, serve first-generation students, GMAC spoke with Shari Hubert, the Associate Dean of Admissions from the Fuqua school of business, and Ashlynn Polanco, a current Fuqua MBA first-generation student and president of LIFE, Duke's organization for low-income, first-generation student engagement. Both stress the criticality of engaging with first-generation candidates as they enter the GME pipeline and prepare to apply to graduate school to ensure they are not left behind.

According to Hubert, Fuqua has been working to identify first-generation students for close to twenty years. They find it important to recognize “the differences in lived experience and socio-economic status, and how these factors may play out in a student's education: how differences in resources impact the “likelihood of [a student] being successful.” Concrete examples of Fuqua's work to support low-income, first-generation students include offering an application fee waiver to students that attend their events as well as scholarship opportunities. Fuqua has also hosted webinars and events on funding an MBA and has connected students with financial aid resources (prior to matriculation).

Polanco shared that her experience as a low-income, first-generation student included challenges of insufficient financial resources, and acting as a “financial safety net” to her own family. Hubert and Polanco both shared that imposter syndrome can often be part of this low-income, first-generation experience, since many first-gen students may not have seen people with the same background modeled for them in higher education. “Right now, it's even just important to focus on people

not dropping out of the pipeline,” Polanco emphasized regarding the frustrations she and fellow candidates share with the admissions process, standardized testing, and remaining in school. “I almost quit the application process three times... a lot of my friends go through things of not wanting to do the GRE... I've had to talk to people a lot [through] admissions,” says Polanco. Many students do not have the same starting point in education, Polanco points out, due to differences in education across incomes. These disparities “[start] at birth,” but Polanco remains hopeful that as “more and more [first-gen students] enter the system,” changes can be made to support these students.

Experiencing GME as a first-generation student also means that Polanco has had less social capital than her continuing-generation peers. As defined by Britannica, social capital refers to the potential of individuals to secure benefits and invent solutions to problems through membership in social networks. “Social capital plays a huge factor [in business school] ... Your lack of networks when your parents [aren't] C-suite executives,” as compared to some non-first-generation students' parents, shape the access to opportunities of first-generation students. Awareness of varying levels of social capital is vital to understanding where first gen students might need additional support. As Polanco points out, “it would be unfair to say that there aren't more systemic opportunities for people who come from more wealthy and privileged backgrounds.”

Due to differences in shared life experience, Hubert and Polanco both emphasize the role schools can play in creating awareness for the resources that are available to first-generation students, as well as the positive impact receiving a business degree could have on a graduate's career and income. Polanco shared that Fuqua's student

run club, LIFE (Low-Income, First-Generation Experience), has worked to not only provide support, but resources for students that share this background. LIFE was chartered by two-second year students at Fuqua, with support from alumni from the already-chartered undergraduate chapter at Duke. Once chartered, the co-presidents of Fuqua secured a budget for the organization and established a community with programming and a cabinet in place. The 80-90-person club encompasses low-income and/or first-generation college students, and is composed of an admissions, alumni, professional development, student affairs, and international cabinet to drive different initiatives forward. LIFE has facilitated panels to share student experiences, held workshops on personal finance and salary negotiation, and hosted social events to create a network for students from low-income, first-generation backgrounds.

As first-generation students strive for success in business school and as business leaders, they would benefit from examples of leaders and students like them that have been able to achieve similar success. Students must be “[encouraged] to take a bet on themselves,” says Hubert, and to see “business degrees as options and opportunities for them.” Being extended the resources and support to enter business school can lead to better inclusion in business school. Polanco says identifying this community and providing support can lead to “the opportunity for more first gen students to enter these spaces and [be able to] create that impact or change” and “bring a voice [to the corporate world] that is very much lacking.” In other words, more graduates of different economic and familial backgrounds working in the corporate world can mean more business leaders with greater compassion for the impact their companies can have across socio-economic groups.



Conclusion

For first-generation students to be supported in the graduate management education pipeline and during the academic experience, schools must have an increased awareness of how this segment’s life experiences may differ from those of their peers. With increased barriers to entry including potentially fewer financial resources and less established social capital, institutions should work intentionally to recognize the unique needs of first-generation students and provide them with support to navigate the GME journey successfully. First-generation students bring a unique perspective to the business school classroom, one that can enrich the academic experience for the cohort and larger school community. Extending necessary resources to these students, such as financial support and guidance, mentors, role models and a wider network can aid first-gen students in becoming successful in the business school classroom and beyond.

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