



Why an M.B.A.?
Why Now?



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If you're considering a master's degree in business, you're likely in one of two groups of people: Students who are looking to move straight from undergrad to graduate school, or individuals who have professional experience and are looking to advance to the next level of their career.

In either case, this guide will show you the immediate and long-term benefits of earning an M.B.A. degree. In this guide, we will discuss the return on investment (ROI) of an M.B.A. in terms of earning potential, job security and career advancement opportunities. You will also learn how an M.B.A. degree has helped many prominent business people rise to professional success.

How Much is a Master's Degree Worth?

Pursuing an M.B.A. is a significant investment, in terms of both time and money. How does that investment pay off?

In earnings alone, the ROI can be significant. For starters, simply earning a master's degree can be a step towards higher income. Each year, the Bureau of Labor Statistics calculates the [increases in salary](#) that accompany a master's degree. In its latest report, the BLS noted that employees with a master's degree earn on average approximately 20 percent more than employees whose highest level of education is a bachelor's degree. What's more, the report states that among all occupations, "business, financial, and sales occupations had some of the highest wage premiums for workers with a master's degree."

Considering this fact, it's not at all surprising that the M.B.A. became one of the most popular advanced degrees in recent years. According to statistics obtained by the Department of Education's National Center for Education Statistics, M.B.A.s accounted for more than 25 percent of all master's degrees in 2011. The next year, M.B.A.s moved even further ahead.

How Much Can You Earn with an M.B.A.?

"Higher levels of educational attainment are associated with higher earnings for a variety of reasons," says a 2014 report by the Urban Institute. "Earnings differentials have grown most in recent years for those with advanced degrees."

When the M.B.A. class of 2014 graduated, students expected an average increase in salary of 80 percent over their pre-M.B.A. earnings, according to the 2014 [Global Management Education Graduate Survey](#). Indeed, the average salary increase was 79 percent for full-time M.B.A.s and 58 percent for part-time or flexible M.B.A.s. New hires expected to earn \$95,000 in the United States and \$83,000 in Western Europe. And when alumni from M.B.A. classes from 1959-2013 were surveyed, 88 percent said that their salaries increased post-graduation. Their salaries in the United States today average \$110,000, and 33 percent said their total net worth was more than \$1 million.



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"The expected median starting salary for recent M.B.A. graduates in the United States will be \$100,000 this year," said Fortune magazine. "That's an increase of \$5,000 from last year's salaries and a \$45,000 advantage over candidates with bachelor's degrees."

Job Outlook for M.B.A.s

Both salaries and business-school enrollment dropped during the U.S. recession between 2007 and 2009, but both are bouncing back, according to the Graduate Management Admission Council (GMAC). "Worldwide, more than half (54 percent) of companies say they're [increasing] starting pay for M.B.A.s. U.S.-based employers plan to offer median salaries of \$105,000, up from \$100,000 last year," wrote Fortune magazine in a 2016 article titled *The Job Market for M.B.A.s is the Best Since 2010*.

Even during the recession, M.B.A. graduates continued to find jobs while those with less education had much more difficulty. A report by Georgetown University's Center on Education and the Workforce found that workers with master's degrees gained 253,000 jobs from December of 2007 to January of 2010, a time period in which employment statistics fell for every other group.

U.S. News and World Report recently highlighted 6 top jobs for M.B.A. grads:

1. Marketing Managers
2. Human Resources Specialists
3. Logisticians
4. Medical and Health Services Managers
5. Financial Advisors
6. Fundraisers

According to *U.S. News and World Report*, these popular M.B.A. career paths "offer robust growth, comfortable salaries and modest unemployment rates."

What is the Demand for M.B.A. Holders?

According to responses by more than 800 corporate recruiters who participated in the GMAC's 2016 Corporate Recruiters survey, employer demand for recent M.B.A. and non-M.B.A. business master's graduates is high. "Nine out of 10 U.S. employers (91 percent) report plans to hire recent M.B.A. graduates this year, compared with 84 percent who hired these candidates last year," the report said. In addition, 88 percent of those companies say they plan to recruit M.B.A. graduates on campus, five percent higher than in 2015.

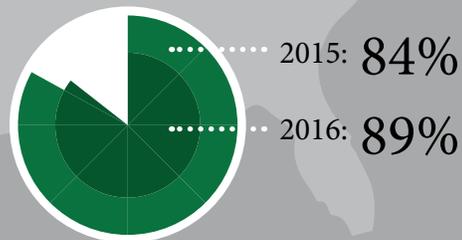
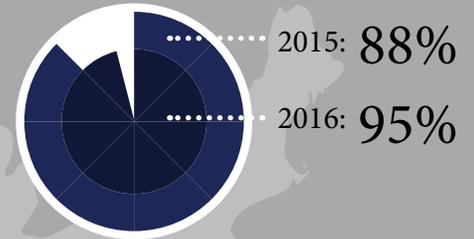
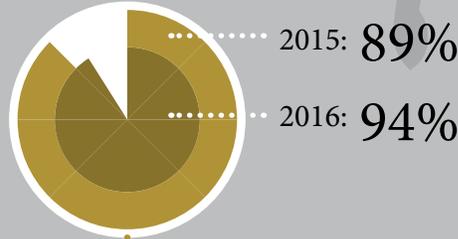
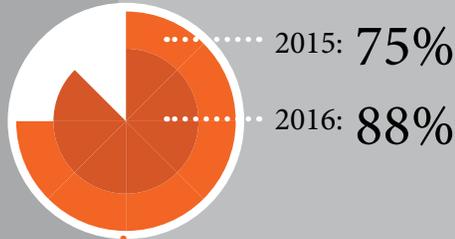
The M.B.A. Career Services & Employer Alliance confirms that on-campus recruitment of M.B.A. graduates is increasing. It surveyed 104 business schools and found that 51 percent have seen an increase in M.B.A. recruitment, especially the fields of technology, consulting and health care. The Bureau of Labor Statistics expects a 6 percent increase in the number of economists, a 14 percent increase in the number of management analysts (consultants) and a 17 percent increase in the number of medical and health services managers from 2014-2024.



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That growth holds true in all four major regions of the United States. According to the GMAC's 2016 Corporate Recruiter Survey Report:

- In 2015, 88 percent of companies in the Northeast hired M.B.A. grads; in 2016, that number is expected to grow to 95 percent.
- In the Midwest, the numbers were 89 percent in 2015, 94 percent projected in 2016.
- In the South, it was 84 percent in 2015 and 89 percent projected in 2016.
- In the West, actual hiring in 2015 was 75 percent; it is projected to be 88 percent in 2016.

Emsi, a company that studies market data about education and employment, analyzed job postings for positions that require an M.B.A. degree.

From November 2015 to May 2016, the top 10 companies in postings for product management positions were, in order, Oracle, Amazon, Anthem Insurance, General Electric, Anthem Southeast, Honeywell International, Amazon Corporate, Cisco Systems, Microsoft and Apple. During those six months, the number of postings requiring an M.B.A. increased 146 percent.

Demand is high enough, in fact, that many companies reimburse some or all of the tuition for their employees seeking to earn an M.B.A., including online M.B.A. programs. Nearly 75 percent of all respondents to the GMAC Corporate Recruiters Survey said that employees who have earned M.B.A.s add value to their companies, and nearly half of their companies reimburse or sponsor employees who are pursuing graduate business degrees.



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Is an M.B.A. Your Path to a Leadership Position?

Not everyone who pursues an M.B.A. desires a career in upper management, but for those who are pursuing such career paths, an M.B.A. is a valuable degree to have. Nearly 40 percent of the Fortune 100 CEOs and almost a third of the CEOs at companies in the Financial Times 500 have M.B.A. degrees. Why is this the case?

Ed Batista, a Stanford M.B.A. alumnus, instructor and coach, often gets asked about the benefits of earning an M.B.A. His first answers are not about compensation, though. Rather, he says that an M.B.A. gives you leadership and management skills, adds a credential to your resume that employers respect and places you into a network of alumni that helps you long after you graduate, according to an article he penned for the Harvard Business Review in 2014. Organizations realize the business acumen M.B.A. graduates possess and often look to them to fill leadership positions.

This belief is reflected in the 2016 Corporate Recruiters Survey: 70 percent of corporate recruiters surveyed believe that M.B.A.s translate into skills that give employees versatility in taking on more roles, 67 percent agree that the degree provides “a fast track to upper-level positions,” and 66 percent say that leaders in their own companies tend to have an M.B.A. degree.

Turning an M.B.A. into an Executive Career

An M.B.A. will give you the hard and soft skills needed to understand, analyze and implement organizational leadership at the highest levels. If you plan on becoming a high-ranking business executive, pursuing an M.B.A. degree might be the first step in turning your dream into a reality.

Here’s a closer look at some of the top executive positions, and M.B.A. graduates who are leading their companies:

CEO: Chief Executive Officer

Job Description

The CEO is the top executive in a company and is responsible for its success. The rest of the top managers report to him or her. CEOs set the vision, build a team of executive leaders and have final oversight of the budget.

CEO Earnings

Depending on the company, the earning potential for a top paid CEO can be upwards of tens of millions of dollars. In addition to a handsome salary, bonuses, perks and stock in the company typically are part of the package.

CEOs with M.B.A.s

- **Lowell C. McAdam, CEO Verizon Communications** – Before joining Verizon in 2000, McAdam worked at Pacific Bell, AirTouch, and PrimeCo Personal Communications. He served as Verizon’s executive vice president and chief operating



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officer before becoming CEO in 2011 and Chairman in 2012. His total compensation was just over \$18 million in 2015, according to Salary.com.

- **Mary Barra, CEO General Motors** – Barra began her career at GM in 1980, and earned her M.B.A. in 1990 with a GM fellowship. She served the company in multiple vice-president roles; she has been CEO since 2014 and was elected Chairman of the GM Board of Directors in 2016. Her compensation in 2015 was \$28 million, according to an article in Fortune.

CIO: Chief Information Officers

Job Description

CIOs oversee a company's technology structure, security and growth. Areas of expertise include hardware/software, cloud-sharing, management of data breaches and the process of how the business interacts with customers.

CIO Earnings

Base salaries start at about \$150,000 and can reach up to about \$250,000, according to a Network World analysis of Fortune 500 CIOs. These executives could also receive bonus packages, increasing their salaries exponentially.

CIOs with M.B.A.s

- **LaVerne H. Council, CIO United States Department of Veterans Affairs, Office of Information and Technology** – Council served in executive information capacities for Johnson & Johnson and the March of Dimes; she was named one of the Top 4 CIOs in America in 2010. She became CIO for Veterans Affairs in 2015.

- **Jason D. Molfetas, CIO Amtrak** – Molfetas worked in IT at Recall, Westcon Group, Xerox, Pearson Publishing, Pepsi Co., Dannon and Unisys before coming to Amtrak, where he is CIO and Executive Vice President.

CFO: Chief Financial Officers

Job Description

CFOs oversee the company's financial picture-- past, present and future. They are responsible for financial reports, day-to-day operations, investments, capital spending and forecasting future success.

CFO Earnings

Bonuses and profit-sharing increase the bottom line, and Payscale.com puts the range for CFOs at \$67,000-\$210,000, with a median of almost \$122,000, but executive bonuses can take it into the millions of dollars.

CFOs with M.B.A.s

- **Anthony Noto, CFO Twitter** – Noto had experience with Kraft Foods, the National Football League and Goldman Sachs before joining Twitter in 2014. His salary, stock options and other compensation added up to more than \$70 million in 2014, making him the highest-paid CFO on Business Insider's list of the 25 highest-paid CEOs.
- **Ruth Porat, CFO Alphabet (Google)** – Porat was 27th on a list of Forbes' "Power Women" for 2016. She moved to Alphabet after years on the east coast with Morgan Stanley, Smith Barney and Dean Witter. The move made big headlines with the announcement that Google would pay Porat more than \$70 million in total compensation for the move.



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CSO: Chief Strategy Officers

Job Description

CSOs act as implementers, carrying out a CEO's strategies for his or her company. They define, decide and follow through on management decisions and planning processes in order to achieve the company's goals.

CSO Earnings

The general baseline range is between \$230,000 and \$360,000 on average, with the median salary being about \$280,000, according to Salary.com.

CSOs with M.B.A.s

- **Kanuj Malhotra, CSO Barnes & Noble** – Before he joined Barnes & Noble, Malhotra served as Vice President and Finance Head for Kaplan Test Prep. He also worked at Sloane Square Partners, the Cendant Marketing Group and Lehman Brothers.
- **Nicholas Lehman, CSO TEGNA** – Lehman was president of digital for NBC Universal before joining TEGNA. Prior to that, he had worked at Plum TV and IAC, and in several roles at MTV Networks.

CPIO: Chief Process Innovation Officers or Chief Innovation Officers

Job Description

CPIOs are charged with the responsibility of looking at a company's products and processes and figuring out innovative ways to improve them, including scouting new ideas, building teams and implementing training.

CPIO Earnings

The majority of CPIOs earn between \$150,000 and \$199,999, according to Innovation Leader's compensation survey.

CPIOs with M.B.A.s

- **Eduardo Conrado, CIO Motorola Solutions** – Conrado has been with Motorola since 1992, and held positions in marketing and IT before working in strategy and innovation. In 2011 he was named B2B Magazine's Marketer of the Year.
- **Amy Radin, CIO Daily Innovator** – Radin has held positions in innovation with E*TRADE Financial Corporation, AXA, Citi and American Express. Radin was one of America's first CIOs in her position at Citigroup.



“An M.B.A. will give you the hard and soft skills needed to understand, analyze and implement organizational leadership at the highest levels.”



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Other Job Opportunities for M.B.A.s

The positions profiled in the previous section are those of top executives, people who run entire divisions or companies. But plenty of other individual careers exist in which an M.B.A. enhances your skills and effectiveness while also increasing your earning potential. Here's a brief look at some popular career paths for M.B.A. holders.

Management Consultants

- **What they do:** Management consultants work with businesses in areas of strategy, management and operations. Their mission is to help a company accomplish its goals, whether those be in marketing, revenue, management or innovation.
- **Career trends:** The Bureau of Labor Statistics (BLS) predicts 14 percent growth in this career through 2024, which it classifies as "much faster than average." The BLS also reports the median pay for management analysts and consultants was \$81,320 in 2015.
- **How an M.B.A. prepares you for this career:** An M.B.A. teaches you leadership skills, organizational behavior, entrepreneurial management, critical thinking and change management.

Operations Managers/Directors

- **What they do:** They are responsible for a company's general business operation, including personnel, technology, budget matters and customer experience.

- **Career trends:** *U.S. News & World Report* ranks Business Operations Manager as 8th in Best Business Jobs. BLS predicts 7 percent growth through 2024 (as fast as average) and reports a mean annual wage for operations managers of \$119,460.
- **How an M.B.A. prepares you for this career:** You'll study technology and operations management, leadership and organizational behavior, strategy and management.

Business Development Managers/Directors

- **What they do:** Business development managers look toward the future, seeking opportunities to enhance a company's growth by growing its customer base and developing new markets.
- **Career trends:** "Business development managers (BDMs) are increasingly in demand as organizations ramp up their efforts to gain market share and expand," writes Robert Walters, a company that specializes in professional recruitment.
- **How an M.B.A. prepares you for this career:** You'll take courses on strategy, management, designing creative organizations, business marketing, entrepreneurial sales and sales force management.

Senior Financial Analysts

- **What they do:** Manage teams of financial analysts who evaluate accounting data, financial and economic risks and make recommendations based on a company's goals.



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- **Career trends:** The BLS predicts a 12 percent increase in the employment of financial analysts through 2024 (faster than average) and reports a median salary of \$80,310.
- **How an M.B.A. prepares you for this career:** M.B.A. students study financial reporting and controlling, big data and critical thinking, business analysis and valuation, the international economy and corporate accountability.

What Steps do I Need to Take Now?

1. **Find the right school:** If you've decided that you're interested in pursuing an M.B.A., the first thing to do is to find the program that's right for you. Some students choose to go to campus full-time, while many others pursue a flexible, online M.B.A. while they continue to work in their careers.

Once you determine your program modality, you'll want to investigate the program accreditation, quality rankings and the return on investment (ROI) you'll get with your degree.

2. **Find an executive mentor:** As you pursue your degree, seek a mentoring relationship with someone who can advise you as you grow. "Finding a mentor is one of the best investments you can make in yourself and your career," says the World Economic Forum. "Whether you are an entrepreneur or a goal-oriented professional, you need advice from someone who has already been where you are headed."

A mentor teaches you, advises you and inspires you—and can be a reference and a guide after you earn your M.B.A. degree.

3. **Learn to network with peers and executives:** Networking can seem intimidating, especially with people who have more education or experience than you. However, networking is a learned skill, just like other skills you value in your career. "When I think about my own career, I owe every job I've ever had to networking," says Thomas Farley, the president of the New York Stock Exchange, in an article he wrote for Fortune in 2015.

Farley suggests four key principles to building a network and maintaining those relationships:

- **Don't limit yourself to those in your business.** Smart, experienced, interesting and powerful people transcend their industries.
 - **Do your homework.** Once you've met someone, take the time to learn about him or her.
 - **Don't network for specific outcomes.** Networking is not about asking for favors. Rather, the point of it is to create a circle of people around business relationships.
 - **Aim high.** Farley acknowledges the intimidation factor, but doesn't worry about it. "There is very little danger to aiming high," he writes. "The worst that can happen is they say 'no.'"
4. **Be innovative at work:** The Innovation Management website says that innovation "is a word that's been heard on the lips of more CEOs, read in more broadsheet papers, and detailed in more business magazines" than ever before.



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As you work on your M.B.A., put the leadership, vision and innovation skills you learn into practice whenever you can. When those efforts pay off, the results will enhance your resume down the road—not to mention the recognition you'll get from senior leadership when they notice your exceedingly high efforts at work.

The M.B.A.: Invest in Your Career and Yourself

In the last few years, the M.B.A. degree has become one of the most popular graduate business degrees in the United States for a variety of reasons. Employees with master's degrees in business are seen as skilled leaders that enhance a company's performance.

Earning an M.B.A. has been shown to increase an employee's value, with higher salaries and greater benefits beginning with graduation and increasing over the lifetime of a career.

Manhattan College offers a fully [online Master of Business Administration \(M.B.A.\)](#) program,

accredited by the AACSB, a distinction that is earned by less than 5 percent of the world's business programs.

The school has earned distinctions on such lists as Money magazine's Best Colleges (41st out of 736 institutions in 2015) and **U.S. World & News Report's** Best Regional Universities (17th overall). Manhattan College was ranked in the top 10 universities that increase mid-career earnings by Brookings in the 2015 report Beyond College Rankings, and was ranked 15th out of 900 colleges in the 2014 College Return on Investment Report.



Discover how an M.B.A. from Manhattan College can accelerate your career.

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