

Record GMAT Turnout Tells New MBA Story

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The number of Indians appearing for the Graduate Management Admission Test (GMAT) hit an all time high in 2013, a year when applicants for the Common Admission Test (CAT) have dipped to a seven-year low.

Together, the two numbers capture the story of the changing management education landscape in India at a time when the economy is slowing down appreciably.

The CAT is the main entry point for freshers or those with only a couple of years experience looking for a two-year, full-time MBA. GMAT on the other hand

opens doors to global B-Schools, but has more recently been the preferred test for shorter executive MBA programs that experienced professionals tend to opt for.

In all, 22,878 candidates took the test from India in 2013 compared with 22,310 a year ago. More significantly, the number has increased by 25% since 2010. On the other hand, CAT applicants have declined four percent since 2010.

CAT's declining popularity and GMAT's growing appeal suggest that seasoned executives are keen to re-skill in the midst of this slowdown, but the lure of the full-time MBA is fading.

"GMAT takers have an average work experience of seven years. It is catering to an entirely different pool of applicants," says professor Sankarshan Basu, chairperson of career development services at IIM Bangalore.

The number of Indian institutions accepting GMAT scores has also increased. About 235 management programmes in India accepted GMAT scores in 2013, up from only 37 in 2010.

"About 6-7 years ago, if you had not done an MBA early on, chances of you



Global Advantage

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getting into management education after having had substantial work experience in India were non-existent. Now, a lot of Indian institutions offer diploma level one year management programmes for executives and take GMAT scores into account. That has also altered the equation to a great extent," professor Basu adds.

However, total GMAT applicants from all over the world declined this year, the first such drop in three years.

"2013 has been the strongest year ever for GMAT volume in India, backed by robust demand among candidates who aspire for management education at leading business schools and rising acceptance of the test's scores worldwide and in India," says Ashish Bhardwaj, vice-president, Asia Pacific at Graduate Management Admission Council (GMAC), which owns the GMAT. "At the same time, there is a slowdown in global GMAT volume in 2013 as

2012 was an exceptional year," he adds.

Another reason for the drop in global GMAT applicants is the introduction of a new section on integrated reasoning in the test pattern. This however, may give Indians an edge. "This is about integrating information across different areas and is a skill that is particularly useful for consulting jobs. Indians are normally good at integrated reasoning," says Atish Chattopadhyay, deputy director, PGDM programme, SPJIMR.

Also GMAT's growing popularity over CAT could be attributed to its flexible format. "The flexibility it offers in terms of the number of times in a year the test can be taken, longer validity makes it popular," says Chattopadhyay.

"Continued economic uncertainty in the global economy, the length and severity of the recent recession and fitful nature of the recovery has also had an impact among testing groups that are more sensitive to economic uncertainty," Bhardwaj said.

India currently has the third largest number of GMAT takers after US and China. China had 48,327 in 2012 versus 46,136 in 2011.