



MBA Rankings: What You Need to Know



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Introduction

Ahh, school rankings. Hated by some. Relished by others. Should you praise them? Should you damn them? Should you use them?

Yes to the last question...with a few caveats. To use them intelligently you need to understand what they are, and what they aren't.

Before we get to the analysis of the rankings, let's define our terms. First, what are the rankings?

They are surveys, collections of data, and convenient ways to compare schools on specific criteria, usually utilizing fairly superficial metrics. They measure different qualities: reputation, student stats and GMAT scores, ROI, recruiter satisfaction, and more. Consequently schools can be ranked with wildly differing results depending on the criteria used.

For example, Chicago Booth was ranked #4 by [U.S. News](#) in 2015, #1 by [Businessweek](#) in October 2012, #9 by [The Financial Times](#) in January 2014. The criteria count.

Realize that each ranking will give a different result because each one measures different factors. It is incumbent upon you, the intelligent consumer and ultimate investor in your b-school education, to understand the differences and the strengths and weaknesses of each approach.

Next, let's take a look at what the rankings *are not*.

The rankings are not objective measures of educational quality that apply across the board to all students. Nothing fits that bill. Educational quality is highly subjective, and experts debate it endlessly. Moreover, student objectives vary, so "quality" differs from student to student.

For example, a female student interested in strategy consulting wants to attend a business school with a strong women's network. She is interested in the surveys conducted by *U.S. News* and *Businessweek* on leading schools in general management. In addition, *The Financial Times* allows her to rank schools based on the percentage of women in class and on faculty. However, no single ranking replicates her criteria exactly. Furthermore, her decisive factors differ markedly from that of a married male applicant who prefers an urban school so his wife can find work more easily and who wants to go into portfolio management.

The rankings are misnamed to create excitement and sell magazines. They fulfill that mission extremely well. Understand their limitations.

How to Use the Rankings

You should use the rankings for initial research and data mining. And maybe a little reputation checking if you are lucky enough to receive multiple acceptances.

For that initial research: Let's say you are looking into schools you may apply to. You recognize that your academic qualifications are an important element in that decision so you want to know average GMAT scores and GPA for the different schools. That data is conveniently found in [U.S. News](#), [Businessweek](#), and [The Financial Times](#) rankings.

U.S. News' rankings also allow you to rank or select programs by a limited set of criteria. For example, you can filter business schools by specialty, tuition, or class size.

If you are concerned about your return on investment, then [The Financial Times](#) rankings are enlightening, as can be [Forbes](#), which currently (as of June 2014) are a little old. If you want to know what students thought of their MBA experience, turn to *BW* and [The Economist/Which MBA](#). Perhaps you seek a ranking of European programs because you intend to study in Europe: *The Financial Times* provides a [ranking of European schools](#).

Again, none of these rankings are a substitute for research, but they can be used as a launch pad.

In a nutshell, use the information in these databanks to help you rank programs according to **your** values, preferences, and criteria while taking into account your qualifications, goals, and personal preferences.



Why B-Schools Both Brag and Complain about the Rankings

The rankings reverse roles. The schools are being graded, and they don't like it any more than you do – unless of course you earn that A or receive that award. Then, of course, you want to broadcast the news. The reaction is as true for schools as it is for students.

In addition, responding to the ranking questionnaires takes hours and hours of time. It is administratively burdensome.

Finally, applicants frequently misuse and abuse the rankings. They use them as absolute and accurate measures of educational quality, which they are not. Applicants lazily use the rankings as substitutes for real research into program distinctions, strengths, and weaknesses. Maybe the rankings, especially those that have a survey component, are proxies for reputation and brand, but reputation is not the same as quality and fit. Know the difference.

How NOT to Use the Rankings

In short, don't give them too much importance. Don't replace research and self-reflection with school ranking to determine where you apply or attend. Using them mindlessly could contribute to an expensive, time-consuming mistake.

Blinding yourself to the rankings' flaws leads to poor decisions. Consider this partial list of limitations:

1. They don't measure exactly what's important to you.
2. Overall rankings hide strengths and weaknesses in particular areas. Gem programs thrive outside "the top ten" or "top twenty." MBA students accomplish their goals and gain acceptance or have a better chance of obtaining financial aid when they recognize those gems.
3. Averages are exactly that: average. They aren't a cut-off and don't reflect extenuating circumstances or the interplay between myriad factors in an admissions decision. Applicants are accepted with below average stats and are rejected with above average stats.
4. Surveys, especially surveys of students and alumni (as used by *Businessweek*, *Financial Times*, and *The Economist*) can be gamed. Students and alumni know that higher rankings increase the value of their degrees and have an incentive to think kindly of their schools.
5. Survey respondents are not always well informed. They don't necessarily know about recent developments and new programs at the schools they are ranking. They are opining based on what they experienced years ago or "heard."
6. For those rankings that survey recruiters (*Businessweek*), realize that recruiters may value factors that you couldn't care less about (e.g., good service for recruiters, excellent MBAs willing to work for low pay, comfortable interview rooms, etc.).
7. The raw rankings don't reveal the degree of difference between the various schools. For example, there could be a real difference in international or even national opportunity in a program ranked 25th as opposed to 5th. There is probably little difference in overall opportunity for a program ranked 8th as opposed to 13th.
8. ROI rankings may reflect geographic differences or differences in starting salaries in particular industries more than educational quality.

Rankings are surveys spiced with data that frequently mirror commonly held beliefs about institutions. Reputation and brand can play a role in your application and acceptance decisions, but they should **never** be the primary reason you apply or accept an offer of admission. After you research a school's strengths and weaknesses, educational approach, culture, admitted student profiles, and educational and professional opportunities, then you can consider brand.

The Rankings

Businessweek 2014 MBA Rankings

Let's start with *Businessweek's* biennial full-time MBA rankings.

Top 30 U.S. Business Schools of 2014 (2012 rankings are parenthetical)

1. [Duke Fuqua](#) (6)
2. [Wharton](#) (3)
3. [Chicago Booth](#) (1)
4. [Stanford GSB](#) (4)
5. [Columbia](#) (13)
6. [Yale SOM](#) (21)
7. [Northwestern Kellogg](#) (5)
8. [Harvard Business School](#) (2)
9. [Michigan Ross](#) (8)
10. [CMU Tepper](#) (11)
11. [UCLA Anderson](#) (18)
12. [UNC Kenan-Flagler](#) (17)
13. [Cornell Johnson](#) (7)
14. [MIT Sloan](#) (9)
15. [Dartmouth Tuck](#) (12)
16. [Indiana Kelley](#) (15)
17. Maryland Smith (24)
18. [Emory Goizueta](#) (22)
19. [UC Berkeley Haas](#) (14)
20. [UVA Darden](#) (10)
21. [USC Marshall](#) (28)
22. [NYU Stern](#) (16)
23. [Texas-Austin McCombs](#) (19)
24. [Georgetown McDonough](#) (30)
25. Rice Jones (34)
26. Washington Olin (31)
27. Brigham Young Marriott (32)
28. Georgia Tech (23)
29. [Notre Dame Mendoza](#) (20)
30. Vanderbilt Owen (25)

There were some huge changes this year! Let's take a look at some of the highlights:

- Newcomers to the top 20 this year are [Yale SOM](#), which made a huge jump from 21st place to 6th place; Maryland Smith, which went from 24th to 17th place; and [Emory Goizueta](#), which jumped from 22nd place to 18th place this year.
- There are three new schools in the top 10 this year – Yale SOM, as mentioned above; [Columbia Business School](#) (13th in 2012 and 5th this year); and [CMU Tepper](#) (which moved just one place from 11th place to 10th place).
- Beyond that, there was some major shifting in the rankings. The top 3 schools were all different this year ([Wharton](#) and [Booth](#) still there, but rearranged), with [Harvard Business School](#) falling from 2nd place to 8th place.
- [UVA Darden](#) also fell significantly this year, from 10th place to 20th.
- Big jumpers further down the rankings include Rice University Jones (from 34th to 25th); UC Irvine Merage (43rd to 31st); and Rochester Simon (50th to 38th).
- The schools that fell the most in the rankings include Texas A&M Mays (26th to 42nd); University of Wisconsin-Madison (33rd to 44th); Boston University (39th to 57th); Babson Olin (from 42nd to 58th); Thunderbird (45th to 62nd); and Arizona Carey (49th to 67th).

Top International Business Schools

1. Western Ontario Ivey (7)
2. [IE Business School](#) (3)
3. ESMT (NA)
4. [London Business School](#) (1)
5. [INSEAD](#) (2)
6. [Cambridge Judge](#) (NA)
7. Oxford Said (5)
8. IESE (8)
9. [IMD](#) (9)
10. Queen's (4)
11. [Toronto Rotman](#) (11)
12. [HEC Paris](#) (15)
13. Cranfield (NA)
14. SDA Bocconi (16)
15. McGill Desautels (10)
16. Mannheim Business School (12)
17. CEIBS (NA)
18. [Hong Kong University of Science & Technology](#) (18)
19. ESADE (6)
20. Concordia Molson (NA)

Here are some highlights:

- There are 2 new schools in the top 10 this year, both of which were unranked in 2012: ESMT (3rd place) and [Cambridge Judge](#) (6th place).
- ESADE fell dramatically, from 6th place in 2012 to 19th place this year. The other school to fall from the top 10 this year was McGill Desautels, which dropped from 10th place to 15th.
- Other schools taking a hit this year include Imperial College London (fell from 13th to 23rd); York Schulich (14th to 24th), Erasmus Rotterdam (17th to 25th), and Manchester (19th to 26th).
- New to the rankings this year are ESMT and Cambridge Judge (as mentioned above), as well as Cranfield (ranked at 13 this year), [CEIBS](#) (17th place), Concordia Molson (20th), Hult (21st), National University of Singapore (22nd), and Melbourne (27th).

BW provides a comprehensive chart where you can look at the specific ways these schools were ranked, including Intellectual Capital Rank, Employer Survey Rank, and Student Survey Rank. These are all explained in the [ranking methodology section](#).

Top U.S. Undergraduate Business Schools: (2013 rankings are parenthetical)

1. Notre Dame (Mendoza)	(1)
2. Univ. of Virginia (McIntire)	(2)
3. Cornell (Dyson)	(3)
4. Boston College (Carroll)	(6)
5. Washington Univ. (Olin)	(4)
6. Univ. of Texas at Austin (McCombs)	(9)
7. Univ. of Pennsylvania (Wharton)	(5)
8. Indiana Univ. (Kelley)	(13)
9. Emory (Goizueta)	(7)
10. Univ. of North Carolina (Kenan-Flagler)	(10)
11. Wake Forest	(18)
12. Univ. of Michigan (Ross)	(8)
13. Brigham Young (Marriott)	(12)
14. New York Univ. (Stern)	(14)
15. Univ. of California, Berkeley (Haas)	(11)
16. Univ. of Richmond (Robins)	(17)
17. Carnegie Mellon (Tepper)	(24)
18. Georgetown Univ. (McDonough)	(16)
19. Northeastern (D'Amore-McKim)	(25)
20. Bentley	(20)

Some highlights include:

- Newcomers to the top 20 are Northeastern (from 25th last year to 19th this year) and CMU Tepper (from 24th last year to 17th this year).
- The only new school in the top 10 this year is [Indiana Kelley](#), which jumped from 13th place last year to 8th place this year.
- [Michigan Ross](#) fell from the top 10, from 8th place to 12th place.
- Big jumpers include Southern Methodist Cox, which jumped from 30th to 21st place; Babson, which jumped from 36th place to 26th place; UM Amherst Isenberg, which jumped from 45th to 36th; Bryant, which jumped from 63rd to 49th; and Case Western Reserve Weatherhead which jumped from 69th to 50th.
- Big falls include Villanova, which fell from 15th place to 24th; U of Illinois Urbana-Champaign which fell from 21st to 34th; and James Madison University which fell from 29th to 40th place.

For details on *Businessweek's* ranking methodology see:

- [Best Business Schools 2014: How They Were Ranked](#)
- [Best Undergraduate Business Schools 2014: How We Ranked Them](#)

Analysis of the 2014 Businessweek Rankings

Businessweek made changes to its methodology (presented [here](#) and analyzed [here](#) by John Byrne, the founder of the *BW* rankings) this year.

The Basics of *BW*'s Rankings Remain Unchanged

This year, as in the past, *BW* surveyed recruiters and students. The recruiter satisfaction results comprise 45% of the ranking. The student satisfaction survey results comprise another 45% and the remaining 10% is determined by “expertise of each school’s faculty” as evidenced by faculty research published in prominent academic journals, AKA “intellectual capital.”

What’s New in *BW*'s Rankings Methodology?

- **The employer ranking reflects this year’s data only.** Previous rankings used data from the last three surveys or six years of biannual rankings data while weighting the most recent year most heavily.
- ***BW* surveyed fifteen times the recruiters this year than it did in previous years.** Previously, *BW* surveyed major recruiters who tended to recruit at multiple business schools. This year, *BW* attempted to survey as many MBA recruiters as possible, including “recruiters” who recruit primarily if not exclusively at their alma mater. The increased survey size is a major change in methodology. The alumni recruiters may have a certain bias towards the school they attended. *BW* attempted statistically to reduce the impact of that bias, but it probably helped smaller schools like Duke, Tepper, and Yale, and hurt the traditional leaders, like Harvard, Wharton, and Chicago.

Impact of the Methodology Changes

- **Surprise!** The results will shock many applicants. Seven programs, including Duke and Yale, rank above HBS and MIT. Indiana Kelley and Maryland Smith rank above Haas, NYU Stern, and Darden. These are unexpected results.
- **Reemphasizes the importance of understanding methodology.** The changes highlight the need for anyone using the rankings as indications of “quality” or even reputation and brand value (a bad idea in my book) to look at the underlying data. Smith is ranked overall at 17. It was ranked #1 for student satisfaction and #51 in the employer survey ranking. Applicants to Smith should inquire about what is changing in its career management center. Clearly there is a satisfaction gap that has to be addressed.
- **Increased volatility.** Since *BW* has removed older rankings data from the ranking and has dramatically widened the survey pool while incorporating alumni recruiters, you are guaranteed to see more changes and more radical changes than with the previous methodology.

- **Cognitive Dissonance.** Either *BW* rankings will lose credibility because they don't conform to expectations and will be more volatile, or people's perception of the programs will change because of the *BW* rankings.

My money is on the former: loss of credibility. If *BW*'s results become less stable and predictable ([like *The Economist's*](#)), they are more likely to lose credibility than to contribute to changes in school reputation.

As always, [my best advice to applicants reviewing the rankings](#) is to:

- Use specialty rankings to get a sense of what schools excel in your areas of interest.
- Use the data that the ranking databases provide.
- If you have any thought of actually using the overall rankings, understand what they measure, and ask yourself if those qualities are of paramount importance to you. *BW* has been wonderfully transparent and even shared the questions actually asked in the survey.
- Layer in reputation and brand, i.e. ranking, after determining what schools best support your goals and are most likely to accept you.

U.S. News Best Business Schools 2016

First we'll give you the top 20 U.S. business schools (last year's rank in parentheses) and then some additional links for your reference.

2016 Best Business Schools

- | | |
|-----------------------------|----------------------------|
| 1. Stanford (1) | 11. NYU Stern (10) |
| 2. Harvard (1) | 11. Michigan Ross (11) |
| 3. Wharton (1) | 13. Duke Fuqua (14) |
| 4. Chicago Booth (4) | 13. Yale SOM (13) |
| 5. MIT Sloan (5) | 15. UCLA Anderson (16) |
| 6. Northwestern Kellogg (6) | 16. Cornell Johnson (17) |
| 7. UC Berkeley Haas (7) | 17. Texas McCombs (15) |
| 8. Columbia (8) | 18. UNC Kenan Flagler (19) |
| 9. Dartmouth Tuck (9) | 19. Washington Olin (22) |
| 10. UVA Darden (11) | 20. CMU Tepper (18) |

25% of *US News* ranking is made up of survey responses from business school deans and directors; 15% is based on recruiters' survey responses. The remaining 60% is based on statistical data reflecting program selectivity and placement success. (For details, read up on *U.S. News* [methodology](#).)

Here are some highlights from the [Poets & Quants article on the rankings](#):

- Last year's three-way Stanford/Harvard/Wharton tie was broken this year with each school taking one of the first three spots (Stanford in first, HBS in second, and Wharton in third).
- The *P&Q* article states that Wharton's slip to third is due to lower peer assessment and corporate recruiter survey scores.
- Wharton also reported an acceptance rate of 20.7%, up from last year's 18.7% — this is another metric used by *U.S. News* in their methodology.
- Another factor contributing to Wharton's position this year is its position regarding salary and bonus. Last year it took top slot at \$141,243, while this year it slipped to fourth place at \$142,574 – yes, higher than last year, but this year, Harvard, MIT, and Stanford reported even higher salaries/bonuses (HBS took the cake at \$144,936 this year).
- Stanford's top stats this year: average GMAT – 732; average GPA – 3.74; acceptance rate – 7.1%.

- In the top 20, there weren't significant changes beyond a given school moving up or down a couple places. But further down in the rankings there were some big shifts. Texas A&M jumped 10 places to 27th place (tied with Carlson); Wake Forest jumped 13 places to 45th place; and Louisville moved up at least 31 places to 71st place – it was previously unranked.
- Big drops include Missouri Trulaske which fell 21 places from 58th to 79th place; Pepperdine Graziadio which fell at least 25 places, from last year's 76th place to its unranked position this year.

Top 10 Part-Time MBA Programs

1. UC Berkeley Haas (1)
2. Chicago Booth (2)
3. Northwestern Kellogg (3)
4. NYU Stern (4)
5. UCLA Anderson (5)
6. Michigan Ross (7)
7. CMU Tepper (10)
7. Texas McCombs (6)
9. Ohio State Fisher (9)
10. UMN -- Twin Cities (Carlson) (11)
10. USC Marshall (11)

Top 10 Executive MBA Programs

1. Chicago Booth (2)
2. Wharton (1)
3. Northwestern Kellogg (3)
4. Duke Fuqua (4)
5. Columbia Business School (4)
6. Michigan Ross (7)
7. NYU Stern (6)
8. UCLA Anderson (8)
9. UC Berkeley Haas (9)
10. UNC Kenan-Flagler (9)

Links for more info:

- [About the Rankings Methodologies](#) (*U.S. News*)
- [In Photos: Best B-Schools](#) (*U.S. News*)
- [MBA Programs Evolve to Meet Student Needs](#) (*U.S. News*)
- [How Much Do MBA Rankings Really Matter](#) (*An Accepted.com Video*)

Financial Times Global 2014 MBA Rankings

Next up is [The Financial Times top 25 global b-schools](#). (The past three years' average is in parentheses.)

First the rankings; then some thoughts:

- | | |
|---------------------------------------|--|
| 1. Harvard Business School – USA (1) | 14. HKUST Business School – China (14) |
| 2. London Business School – UK (3) | 14. Northwestern Kellogg – USA (15) |
| 3. UPenn Wharton – USA (4) | 16. HEC Paris – France (21) |
| 4. Stanford GSB – USA (2) | 17. Yale SOM – USA (10) |
| 4. INSEAD – France/Singapore (5) | 18. NYU Stern – USA (17) |
| 6. Columbia Business School – USA (5) | 19. ESADE Business School – Spain (22) |
| 7. IESE Business School – Spain (7) | 20. IMD – Switzerland (12) |
| 8. MIT Sloan – USA (8) | 21. Duke Fuqua – USA (17) |
| 9. Chicago Booth – USA (9) | 22. Oxford Saïd – UK (23) |
| 10. UC Berkeley Haas, USA (11) | 23. Dartmouth Tuck – USA (20) |
| 11. CEIBS – China (17) | 24. Michigan Ross – USA (23) |
| 12. IE Business School – Spain (13) | 25. UCLA Anderson – USA (26) |
| 13. Cambridge Judge – UK (16) | |

The big news is how little the top 10 changed. More significant movement occurred outside the top 10, as is typical of most rankings. Here are some highlights:

- New to the top 10 in 2015 is [UC Berkeley Haas](#) which climbed one spot from 11th place last year to 10th place this year.
- [Yale SOM](#), on the other hand, lost its top-10 berth and fell 7 places from 10th place last year to 17th place this year.
- Big jumpers in the top 25 include [HEC Paris](#) which moved from 21st place in 2014 to 16th place in 2015, and CEIBS which jumped from 17th place last year to 11th this year.
- IMD fell 8 slots this year from 12th place to 20th place. For possible reasons behind the drop, please see “[5 Key IMD Officials Resign](#).”
- Seven of the top 10 business schools in 2015 are programs in the USA, which is the same number as last year.
- This is the third year in a row that [Harvard Business School](#) snagged the first place position.
- Further down the rankings (top 50), we see more big jumpers, including Imperial College Business School (UK) which jumped from 49th place in 2014 to 34th place this year; Manchester Business School (UK) which went from 43rd to 35th place; The Lisbon MBA (Portugal) which jumped from 52nd to 36th place; and Lancaster University Management School (UK) which jumped from 77th place to 50th place.
- The school that fell the most in the top 50 was Warwick Business School (UK) which fell from 25th place in 2014 to 38th place in 2015.
- Overall the FT rankings reflect the growing strength of Asian and European business schools.

The *Financial Times* rankings measure average salaries of alumni along with several other factors. Its [lead article](#) on the rankings notes that “the financial returns from completing a full-time MBA have fallen over the past three years and while a graduate can still expect to nearly double their salary, the average boost to earnings is down by almost a third from the qualification’s heyday.” It continues to explain that this is particularly true among b-schools in the U.S. (which account for 50 of the top 100 global programs). For an excellent critique of the [FT methodology](#), please see [P&Q’s analysis](#).

Here are some additional highlights from that article:

- In 2015, MBAs who were three years post-MBA reported salary increases of 92%. This is compared to 110% in 2012 and 153% in 2002 and 2003.
- In 2003, b-school alumni from 82% of programs ranked saw salary increases of more than 120% over 4-5 years post-MBA. This year, only 7% saw the equivalent increase.
- A factor contributing to this trend is the drop in MBAs heading into finance and banking (25% in 2015 compared to 29% in 2005). Survey respondents from the finance sector reported an average salary of \$152,000 compared to respondents’ overall average salary of \$133,000.

My take:

In terms of the flaws in the FT rankings, I suggest you read [Poets & Quants excellent critique](#).

I also suggest you read “[Boost to earning from MBAs falls.](#)” The article reflects on the decline in earnings increase from the MBA as well as the weakness in the graduate business education market outside the top tier.

The two are related. Grads from the [top business schools](#) by definition snag the highest salaries and sometimes the biggest increase in salaries. The lower ranked schools are struggling to compete, keep themselves affordable, and provide an ROI. Consequently several traditional two-year programs have closed – notably Thunderbird and Wake Forest. One-year programs and specialized masters are increasingly popular and experiencing increasing recruiter demand along with ROI.

As a prospective student, you need to focus not on the overall trend in salary increase for MBAs, and not on your ROI today vs what it maybe could have been 13 years ago when you were middle school, but on your *anticipated return on investment today and which degree is most likely to maximize it.*

Frankly 92% increase in salary can be a phenomenal increase depending on where you start at and what you paid for it. And it’s the gift that keeps on giving, since the increased salary continues and usually climbs annually for the rest of your career.

Economist MBA Rankings

Below you'll find *The Economist's* top 20 [American business schools](#), with a rank on the left (ranking the top 20 in the U.S. and Canada) and a rank on the right (the school's place in the top 100 global rankings). As you'll see, the American programs listed are all located at the top or very close to the top of the top global programs. [The Economist article](#) highlights the legacy of American programs – their size, their history, their all-star faculties (all of Wharton's 245 professors have PhDs), and their financial magnitude.

As always when looking at rankings, you need to understand the methodology behind them. [The Economist's methodology](#) is a weighted average going back to 2011 of some fairly quirky factors including “Diversity of recruiters,” “Number of languages taught,” and “Number of overseas countries with an official alumni branch.” If those and other factors considered by the *Economist* are not important to you, then [this ranking probably isn't that useful to you](#).

North American Rank	Business School	Top 100 Rank	Country
1	Chicago Booth	1	USA
2	Dartmouth Tuck	2	USA
3	UC Berkeley Haas	3	USA
4	UV Darden	4	USA
5	Harvard Business School	6	USA
6	NYU Stern	7	USA
7	Stanford	9	USA
8	Columbia	10	USA
9	MIT Sloan	12	USA
10	Wharton	15	USA
11	Cornell Johnson	17	USA
12	UCLA Anderson	18	USA
13	Emory Goizueta	19	USA
14	CMU Tepper	21	USA
15	York Schulich	22	Canada
16	Northwestern Kellogg	18	USA
17	Michigan Ross	25	USA
18	Yale SOM	28	USA
19	Duke Fuqua	29	USA
20	UT McCombs	31	USA

There are 16 schools on the global rankings that have an average GMAT score over 700; 14 of them are American (with Stanford GSB taking the cake with an average of 729). For opening up doors career-wise, the top 5 schools in the global rankings were all Americans – [Chicago Booth](#), [Dartmouth Tuck](#), [UVA Darden](#), and [Columbia](#).

Interestingly, even with the top marks for job opportunities, graduates from American programs tend to earn less than those from European and Australian programs – the *Economist* article claims that this is likely due to the limited pre-MBA work experience of those accepted at American programs. (Even [Stanford](#)'s grads, who in America boast the highest average salary of around \$130,000, earn less than grads from less prestigious programs like IMD in Switzerland and University of Queensland in Australia.)

In terms of cost, the American schools certainly rank at the top of the chart. A [Harvard MBA](#) will run students \$112,000. A degree from [Wharton](#) costs \$130,000.

Forbes 2013 MBA Rankings

Next we have the *Forbes* 2013 U.S. MBA rankings with a focus on ROI:

School and Rank	Pre-MBA Salary	2012 Salary
1. Stanford GSB	\$80,000	\$221,000
2. Chicago Booth	\$76,000	\$200,000
3. Harvard Business School	\$80,000	\$205,000
4. Wharton	\$80,000	\$205,000
5. Northwestern Kellogg	\$73,000	\$176,000
6. Dartmouth Tuck	\$72,000	\$189,000
7. Columbia Business School	\$74,000	\$192,000
8. Duke Fuqua	\$63,000	\$152,000
9. Cornell Johnson	\$59,000	\$155,000
10. Michigan Ross	\$61,000	\$153,000
11. UNC Kenan-Flagler	\$60,000	\$141,000
12. MIT Sloan	\$70,000	\$185,000
13. UCLA Anderson	\$65,000	\$165,000
14. UC Berkeley Haas	\$71,000	\$175,000
15. UVA Darden	\$67,000	\$158,000
16. CMU Tepper	\$60,000	\$135,000
17. Brigham Young Marriott	\$50,000	\$109,000
18. Yale SOM	\$54,000	\$144,000
19. Indiana Kelley	\$50,000	\$120,000
20. Iowa Tippie	\$46,000	\$118,000

For more info, please see *Forbes*' lead article "[Stanford Tops 2013 List Of America's Best Business Schools.](#)"

Why the *Forbes* Ranking Matters

The *Forbes* ranking is interesting for one simple reason: It focuses exclusively on ROI five years after graduation. This year *Forbes* looked at the graduates of 2008, the class that graduated into the Great Recession, the financial melt-down, and the collapse of Lehman Brothers and Bear Sterns. It was a tough time to launch a career.

Forbes heard from almost 5,000 grads from 100 schools and "compared their earnings in their first five years out of business school to their opportunity cost (two years of forgone compensation), tuition, and required fees to arrive at a '5-year M.B.A. Gain.'" It ranks programs based on that pre-tax gain. (For the details of *Forbes* methodology, click [here](#).)

It does not include programs where less than 15% of alumni responded or where there was negative ROI. It also does assume reduced increase in salary without an MBA.

Potential Flaws:

- It relies on reporting from grads who have an interest in their alma mater being highly ranked. In other words, like all surveys, it can be gamed.
- While *Forbes* does attempt to reflect financial aid and differences in cost of living, it doesn't reflect disparities in varied industries and functional roles. You are going to go into a specific field and industry. The averages in that industry are going to matter to you more than the average of the graduating class at your business school.
- In its methodology *Forbes* assumes that without an MBA, the candidates would have had half the increase in salary that they had with the MBA. I don't know if there is any data supporting that assumption, or if it is generous or stingy.

Take-Aways from the Forbes Ranking

Despite the potential flaws, the Forbes ranking does have value. I noticed or took away the following:

1. *An MBA from a [top MBA program](#) pays, and pays well.* It doesn't, or didn't, pay off as quickly as it did 10 years ago, but it pays. A 3-5 year payback with gravy for the rest of your career is an excellent investment. And if you are lucky enough not to graduate into the kind of almost unprecedented financial disaster the Class of 2008 faced, you should have a shorter payback period and higher gain. This is the clearest conclusion from the *Forbes* ranking. To me, it is far more important than any individual school's actual rank or even movement of one school since 2011, when *Forbes* had its last ranking.
2. The schools with the shortest payback period were NOT the highest ranked programs. They were BYU Marriott, Indiana Kelley, and Iowa Tippie. See "[Busting Two MBA Myths.](#)"
3. There are some surprising [winners](#) (UC Davis, UCLA Anderson, CMU Tepper, Duke, Ross, and UNC Kenan-Flagler) and [losers](#) (Yale SOM, UVA Darden, and NYU Stern).

I've said it before and I'll say it again. Use rankings for the data they provide and as sources of insight into trends over time. Don't view any individual ranking as an influential factor in choosing [where to apply or where to attend](#). And for heaven's sake, take the time to understand what is actually being ranked and evaluated.

Poets & Quants 2014 Rankings

There was little significant movement at the top of P&Q's list this year, with few schools in the top 30 moving more than one place up or down (an exception being Cornell, which slipped four spots). Stanford moved up to the top position, and Emory was new in the top 20 (moving up from 21 last year).

The Top 20

2014 P&Q Rank and School	2013 Rank	BW	FT
1. <u>Stanford GSB</u>	2	4	2
2. <u>Harvard Business School</u>	1	8	1
3. <u>Wharton</u>	4	2	3
4. <u>Chicago (Booth)</u>	3	3	6
5. <u>Columbia</u>	7	5	4
6. <u>Northwestern (Kellogg)</u>	5	7	9
7. <u>MIT (Sloan)</u>	6	14	5
8. <u>Dartmouth Tuck</u>	8	15	12
9. <u>Duke Fuqua</u>	9	1	10
10. <u>UC Berkeley Haas</u>	10	19	8
11. <u>Michigan Ross</u>	11	9	13
12. <u>Yale SOM</u>	17	6	7
13. <u>UVA Darden</u>	13	20	16
14. <u>UCLA Anderson</u>	14	11	14
15. <u>Cornell (Johnson)</u>	11	13	15
16. <u>NYU Stern</u>	15	22	11
17. <u>CMU (Tepper)</u>	16	10	18
18. <u>UNC Kenan-Flagler</u>	18	12	17
19. <u>Texas McCombs</u>	19	23	21
20. <u>Emory (Goizueta)</u>	21	18	22

Other highlights:

Big movers further down the list include:

- University of Pittsburgh's Katz Graduate School of Business, which rose 18 places to a rank of 43rd this year
- Brigham Young University's Marriott School of Management, up a dozen places to finish an impressive 31st
- Pepperdine's Graziadio School of Business and Management, rising 14 spots to rank 69th
- UT-Dallas' Jindal School of Management, also up 14 places to finish 60th
- Two University of California schools, UC-Davis' Graduate School of Management and UC-San Diego's Rady School of Management, both gaining 10 positions to rank 44th and 57th, respectively.

Learn more about P&Q's composite ranking system at

<http://poetsandquants.com/2014/11/26/poetsquants-2014-best-business-school-ranking/>.

Financial Times 2013 EMBA Rankings

[FT Top 15 2013 Global EMBA Programs](#) (last year's rank in parentheses)

- | | |
|--|--|
| 1. Kellogg /Hong Kong UST Business School (1) | 9. Chicago Booth (10) |
| 2. Tsinghua University/ INSEAD (4) | 10. CEIBS (7) |
| 3. Columbia / London Business School (2) | 11. INSEAD (6) |
| 4. Trium HEC Paris /LSE/ NYU Stern (3) | 12. IESE (14) |
| 5. UCLA Anderson /National University of Singapore (5) | 13. Nanyang Business School (N/A) |
| 6. Washington University Olin (9) | 13. CUHK Business School (17) |
| 7. Wharton (8) | 15. Georgetown University (19) |
| 8. Duke Fuqua (16) | 15. ESADE Business School (19) |

In the [Poets & Quants article](#) that covers the [rankings](#), John Byrne focuses on the standalone programs, and the fact that Washington Olin beats out all other standalones including Wharton.

Byrne also mentions that the reason why the top five programs on the list are joint programs is due to the *FT*'s ranking methodology, which, he explains, “heavily weights and then ‘adjusts; the salaries of survey alumni in ways that distort compensation. The adjustment to ‘purchasing power parity’ tends to favor programs that enroll a larger percentage of sponsored students from emerging economies.”

Byrne also notes that five out of the seven schools that took double digit falls were U.S. EMBA programs. Some details:

- The biggest loser this year was U. of Texas-Dallas EMBA which dropped 21 spots from 66th last year to 87th this year.
- Minnesota Carlson EMBA fell 17 spots from 80th in 2012 to 97th this year.
- Rochester Simon fell 16 places from 80th to 96th.
- Boston University SOM dropped 15 spots from 66th last year to 81st this year.

Of the schools that gained in double digits, only one was from the U.S. – Georgia State's EMBA, which jumped 12 spots from 63rd to 51st.

What accounts for these large leaps and falls this year? Byrne quotes the *FT* which says that there were “minor changes to the calculation of international diversity measures for 2013. In addition to the percentage of schools' students and faculty that are international – the figures published – the composition of these groups by individual citizenship informs a diversity-measuring score that feeds into the calculation.”

See more of Byrne's commentary on the *P&Q* article, “[Wash U Tops 2013 FT EMBA Ranking](#).”

Businessweek EMBA Rankings

Top 20 2013 EMBA Programs (2011's rank is in parentheses)

1. [Northwestern Kellogg](#) (3)
2. [Chicago Booth](#) (1)
3. SMU Cox (7)
4. [Wharton](#) (9)
5. [UCLA Anderson](#) (5)
6. [Columbia](#) (2)
7. [IE](#) (4)
8. [USC Marshall](#) (8)
9. Ohio State Fisher (14)
10. [Michigan Ross](#) (6)
11. IESE (12)
12. [UNC Kenan-Flagler](#) (11)
13. [UVA Darden](#) (N/A)
14. [Duke Fuqua](#) (10)
15. [Notre Dame Mendoza](#) (27)
16. [INSEAD](#) (18)
17. Maryland Smith (17)
18. [Georgetown McDonough](#) (24)
19. [IMD](#) (28)
20. ESADE (19)

The changes in this year's *BW* EMBA [rankings](#) are much less dramatic than in the part-time rankings. Some major jumpers include Boston University, Rutgers, Georgia Tech Scheller, and Rochester Simon which all jumped from the second tier to the first – to 30th place for BU, 26th place for Rutgers, 34th for Georgia Tech, and 39th for Rochester Simon; Pepperdine Graziadio jumped from 31st place to 23rd IMD moved from 28th to 19th place; and Notre Dame Mendoza jumped from 27th place in 2011 to 15th place this year.

Losses were experienced by NYU Stern which dropped from 13th place in 2011 to 21st place this year; Thunderbird fell from 16th place to 27th place; Washington Olin fell from 20th to 31st place; and London Business School dropped from 25th place in 2011 to 32nd place in 2013.

See the *BW* EMBA rankings lead article, "[Kellogg Reclaims Title of Best Executive MBA Program](#)," for more details.

Businessweek Part-Time MBA Rankings

Top 20 2013 Best Part-Time MBA Programs (2011's rank in parentheses)

- | | |
|---|---|
| 1. CMU Tepper (3) | 11. USC Marshall (16) |
| 2. UC Berkeley Haas (5) | 12. Lehigh University (15) |
| 3. SMU Cox (7) | 13. UNC-Greensboro Bryan (50) |
| 4. UCLA Anderson (2) | 14. Emory Goizueta (23) |
| 5. Elon Love (1) | 15. Washington Foster (10) |
| 6. Loyola Marymount (13) | 16. Worcester Polytechnic (8) |
| 7. Rice Jones (6) | 17. San Diego (14) |
| 8. Chicago Booth (17) | 18. Nebraska (N/A) |
| 9. Rollins Crummer (44) | 19. Villanova (12) |
| 10. Michigan Ross (9) | 20. NC State Jenkins (30) |

As you can see from the above list, there were some super high jumps and drops in this year's [part-time MBA](#) rankings. There are newcomers to the top 20 list that didn't make it to 2011's rankings at all (Nebraska), and there are others that made huge strides to make to the top 20 from much further down the list in 2011 (like NC State Jenkins which jumped from 30th place to 20th place, Rollins Crummer which jumped from 44th to 9th, and UNC-Greensboro Bryan that jumped from 50th to 13th).

Other big jumpers further down the list include South Florida which jumped 31 spots from 67th place in 2011 to 36th place this year, and Utah Eccles which jumped 28 spots from 65th to 37th.

Big losses include Nevada which fell 20 spots from 4th place to 2011 to 24th place this year, and Texas McCombs which fell 24 spots from 11th to 35th place.

See the *BW* article, "[Carnegie Mellon Takes Top Spot in Part-Time MBA Ranking](#)," for more details, including a breakdown of the top part-time MBA programs according to U.S. region.

My thoughts:

Those whopping jumps and dives raise suspicion in my mind about the rankings' validity. Schools are like aircraft carriers. They don't turn on a dime. Incremental change over time is much more believable than a quantum transformation in a mere two years.

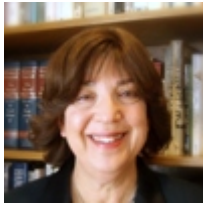
Epilogue

Thank you for downloading this exclusive Accepted.com special report. We hope you've learned valuable tips on how to mine the rankings for the information you need to choose the best business school for you.

If you are still not confident about doing school research and choosing the best programs for you, or later on, about writing effective application essays, please [contact Accepted.com](#). While our experienced professional editing staff won't write your essays for you, [we can help you](#) from the beginning, as you're defining your topics and themes, or we can [edit your essays](#) to ensure that your application is as strong as it can be. We can also help you create a timeline for your application, assess your qualifications, and help you set realistic and achievable goals with regards to the application process.

If you have any questions about this report, or have questions about MBA admissions in general, please feel free to post them to our [Facebook wall](#), or [LinkedIn group](#). We look forward to hearing from you!

About the Author



Linda Abraham is the founder and president of Accepted.com and author of numerous ebooks and articles. Linda has guided thousands of students through the application process and knows what works and what doesn't.

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