

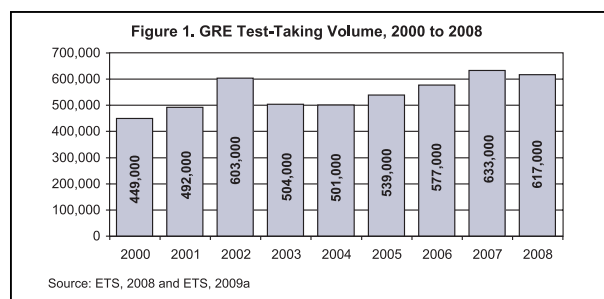
Data Sources: GRE and GMAT Test-Taking Trends

In December 2008, ETS announced that it expected GRE test-taking volume to fall in 2008, following three years of steady increases in the numbers of test-takers (ETS, 2008; Jaschik, 2008). Now, ETS has confirmed that its final numbers for 2008 show a decline to 617,000, down about 3% from 633,000 in 2007, and down 9% from ETS' initial projection of 675,000 at the start of 2008 (ETS, 2009a).

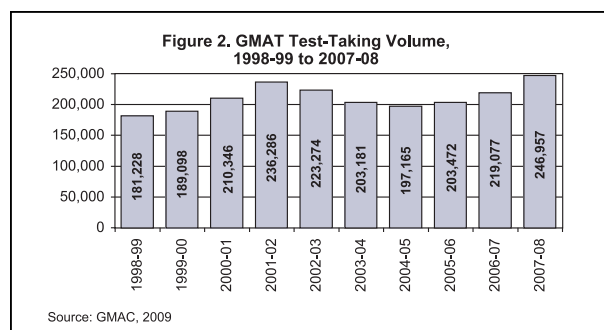
While the GRE is often required for admission to graduate school in the arts and sciences, business programs often require the GMAT (the Graduate Management Admission Test) rather than the GRE. In this article, we focus on recent trends in GRE and GMAT test-taking volumes and on the demographics of GRE and GMAT test-takers.

GRE and GMAT Test-Taking Trends

As shown in Figure 1, GRE test-taking volume reached a record high of 633,000 in calendar year 2007. The previous peak was in 2002, immediately following the last recession. Although test-taking volume dipped considerably in 2003, it grew steadily from 2005 to 2007. While test-taking volume declined slightly in 2008, the number of test-takers remains strong.



GMAT test-taking volume hit a record high of 246,957 in academic year 2007-08 (see Figure 2). Similar to the trend seen with the GRE, the previous peak was in 2001-02. Three years of declines from 2002-03 to 2004-05 were followed by three years of steady growth from 2005-06 to 2007-08.



Demographics of GRE and GMAT Test-Takers

Overall, GRE test-takers are more likely than GMAT test-takers to be women or U.S. citizens (see Table 1). Nearly six out of 10 GRE test-takers in 2006-07 were women, compared with only four out of ten GMAT test-takers. And, nearly three-quarters of the GRE test-takers in 2006-07 were U.S. citizens, compared with slightly more than half of the GMAT test-takers. Among U.S. citizens, the racial/ethnic distribution

of GRE and GMAT test-takers is similar, with one notable exception: Asian American students account for 6% of all GRE test-takers, but 11% of GMAT test-takers.

Table 1. Demographics of GRE and GMAT Test-Takers, 2006-07

	GRE	GMAT	Total Graduate Enrollment
Gender			
Male	41%	61%	41%
Female	59%	39%	59%
Citizenship			
U.S. Citizens	73%	54%	84%
Non-U.S. Citizens	27%	46%	16%
Race/Ethnicity *			
White	75%	73%	72%
African American	9%	9%	13%
Asian	6%	11%	6%
Native American	1%	1%	1%
Hispanic	6%	6%	8%
Other	4%	--	--

* U.S. citizens only.

Notes: Percents shown are for those for whom demographic data were available. Not all test-takers supplied demographic information. Graduate enrollment data are for Fall 2007.

Sources: ETS, 2009b; GMAC, 2009; and Bell, 2008

Not surprisingly, total graduate enrollment closely reflects the demographics of GRE test-takers (see Table 1), but the citizenship distribution does differ. Non-U.S. citizens comprise a larger percentage of GRE test-takers than they do total graduate enrollment. This is due in part to the higher representation of international students in programs and institution types that require the GRE for admission, but also reflects the interest of international students in studying in the United States and lower graduate school acceptance rates for non-U.S. citizens than U.S. citizens.

The difference in citizenship distribution is more pronounced when GMAT demographics are compared with the demographics of students in business programs (not shown in the table). Overall, 46% of GMAT test-takers in 2006-07 were non-U.S. citizens, yet only 18% of business students enrolled at the graduate level in Fall 2007 were non-U.S. citizens (Bell, 2008). Once again, this likely reflects lower graduate school acceptance rates for non-U.S. citizens and the international demand for U.S. graduate education.

Although the citizenship distributions of GMAT test-takers and business students vary considerably, the gender distributions do not. Women account for about 39% of all GMAT test-takers and 42% of all graduate students in business programs.

The age distributions of GRE and GMAT test-takers are similar, but different age groupings in the data prevent an exact comparison. For the GRE, 33% of test-takers in 2006-07 were under the age of 23, 48% were between 23 and 30 years old, 12% were 31 to 40, and 7% were over the age of 40. For the GMAT, 27% were under the age of 24, 53% were between 24 and 30 years old, 17% were 31 to 39, and 3% were 40 or older. The growth in the

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number of GMAT test-takers in 2006-07 was driven almost entirely by an increase in the number of test-takers under the age of 24, with a 31% increase in that age group that year, compared with a 4% increase in test-takers 24 to 30 years old, and slight declines in test-takers in the 31 to 39 and 40 and older categories.

Implications

GRE and GMAT test-taking volumes are important early indicators of first-year graduate enrollment. A sudden decrease in test-taking volume might indicate that first-year graduate enrollment could drop in the coming academic year. While the decline in GRE test-taking volume in 2008 might be seen by some as troubling, the drop follows a record high and was quite minimal at 3%. The one-year decline on its own is unlikely to significantly impact graduate enrollment in Fall 2009.

The increase in GMAT test-taking in 2007-08 is a sign that interest in graduate business programs remains strong, particularly among international students and younger applicants. When available, data for 2008-09 will shed light on whether that growth continued as the recession deepened.

Enrollment in graduate school typically increases during economic recessions, but it is still too early to know for sure what will happen in Fall 2009. During the last recession,

first-time graduate enrollment increased 5% in Fall 2001, and increased an additional 5% in Fall 2002, according to data from the *CGS/GRE Survey of Graduate Enrollment and Degrees*. Fall 2008 data from the survey, scheduled for release in early fall of this year, will provide the first national data on the affect of the current recession on graduate enrollment in 2008-09.

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