

## Why endorsements may advantage MBA applicants



The graduate school application process can be daunting and highly competitive, particularly in the case of Masters of Business Administration (MBA) programmes. The process starts when candidates submit an application that typically includes their resume, cover letter, essays, transcripts, and standardised test scores. Akin to screening and hiring assessments in many of today's corporations, applications are then evaluated by admissions staff members, who use merit-based competency scoring tools to assess applicants' prior academic success, professional accomplishments, leadership and creativity, among other key qualifications.

When assessing such competencies, admissions staff members at many universities also rely on relevant information from applicants' personal and professional connections, such as peers, bosses, friends, or family members. Indeed, many programmes request work references and letters of recommendation at the time of application. These are examples of an individual's social capital at work, and such social connections may play a crucial role in application decisions.

One important form of social capital that until now has received little research attention is application endorsements. Endorsements are an informal, brief and common practice whereby certain individuals—i.e., endorsers, who may include prominent business leaders, alumni, faculty, celebrities, and politicians, among others, advocate on behalf of particular applicants.

Frequently, the endorser directly targets the person with authority over final applicant selection decisions. For instance, they may send a quick e-mail or make a brief telephone call, with the goal of encouraging these decision-makers to pay attention to a specific applicant. Despite the potentially critical role of such endorsements, their relevance to application outcomes has not been assessed quantitatively to date, in part because of the difficulty of observing and tracking this form of social capital.

To address this research gap, we analysed detailed admissions records for 21,324 applications to a full-time MBA program in the United States over a seven-year period. We also investigated the academic performance, job placement, salary, student leadership activities, and monetary donations to the studied school for both endorsed and non-endorsed MBA recipients. We find that endorsed applicants fare better than their non-endorsed counterparts during the admissions process: 82 per cent of endorsed applicants are interviewed in contrast to 34 per cent of non-endorsed ones. This advantage persists through the offer stage: Among interviewed applicants, 64 per cent of endorsed applicants receive an admissions offer compared to 52 per cent of non-endorsed applicants. What explains this advantage?

To answer this question, in a new [study](#) we assessed two key theoretical accounts for why decision-makers may favour endorsed applicants during screening and selection. On the one hand, endorsers may provide key decision makers with relevant information about a candidate, resulting in “better qualified” and/or “better performing” candidates. Endorsers would therefore help to identify particularly talented applicants. We refer to this as the *information account*.

On the other hand, endorsers may help decision makers identify candidates willing to support and contribute to the success of the school, resulting in “better citizens” and/or “better alumni.” In this view, endorsers would help to find exceptional supporters and advocates of the school. We refer to this as the *organisational support account*. By virtue of the data we collected, we are able, for the first time, to distinguish between these two accounts for why endorsed candidates may be favoured.

### **The information account: “better qualified” and/or “better performers”?**

Concerning the information account, we do not find evidence that endorsed applicants are “better qualified” compared to non-endorsed applicants. In the particular business school setting we studied, endorsed applicants do not exhibit superior competency scores as assessed by the admissions staff members tasked with reading applications (“readers”), who are unaware of endorsement status.

Examples of such evaluated competencies include measures of “professional accomplishments,” “self-direction,” “team management,” “goal attainment,” and “creativity.” Selected qualified applicants are then interviewed by admissions staff members (“interviewers”), who are also unaware of endorsement status. After evaluating applications and interviewing applicants, admissions offers are typically made by senior directors of admissions who are the recipients of application endorsements.

Endorsed applicants are selectively assessed to be stronger “on paper” when admissions readers evaluate their applications. But later, during interviews, endorsed applicants generally receive lower competency assessments compared to non-endorsed ones. Further, our analysis of data on matriculated MBA students reveals that, once admitted, individuals endorsed as applicants are not “better performers” academically, as measured by their graduate grade point averages and likelihood of receiving academic awards. Nor do endorsed individuals perform better than their non-endorsed peers in the job market after graduation. We do not find evidence that they obtain higher full-time salaries, signing bonuses, or salary growth relative to pre-MBA salaries.

### **The organisational support account: “better citizens” and/or “better alumni”?**

In contrast, we find strong evidence for the organisational support account when seeking to explain the endorsement advantage. In particular, we find that individuals endorsed as applicants appear to be “better citizens” upon joining the organisation—in our business school setting, they are more likely to participate in student club leadership roles than non-endorsed individuals. We also find that endorsed individuals are “better alumni”—in our setting, they make larger monetary donations to the school after graduating relative to their non-endorsed counterparts. Endorsed applicants thus appear to be more willing to engage in pro-organisational behaviours such as volunteering for organisational activities or contributing valuable resources to the organisation.

### **The role of endorsements in applicant assessments**

The process of screening and selecting candidates, while crucial to the success of organisations in finding top talent, often requires an immense amount of employers’ time, attention, and resources. Today’s software and internet technologies provide rigorous hiring tools to collect and assess information submitted by applicants in many academic disciplines and industries. As documented by scholars and practitioners, decision makers also rely on the information provided by candidates’ social connections when assessing and identifying talented candidates, for instance using referral programs and work references.

The endorsements examined in [our research](#)—whereby endorsers informally and quickly advocate for particular candidates—illustrate one way certain applicants may be favoured during screening and selection into educational programs and organisations. From the applicant’s perspective, an endorsement from a prominent individual may increase the chances of receiving an interview or offer. From the perspective of the organisational decision maker, such endorsements may help to identify a new generation of excellent candidates and/or organisational members willing to offer greater organisational support.

In our research setting, however, we found strong evidence only for the latter, what we term the *organisational support account*. Because selective organisational assessment systems may confer benefits on endorsed applicants, our study raises important equality and opportunity concerns regarding non-endorsed applicants. A critical question for the development of future assessment systems is how to fairly and effectively integrate qualification-based information gleaned from the candidates' applications and the information obtained through candidates' social connections during applicant screening and selection.



Notes:

- This blog post is based on the authors' paper [Best in Class: The Returns on Application Endorsements in Higher Education](#), *Administrative Science Quarterly*, 2018.
- The post gives the views of its authors, not the position of LSE Business Review or the London School of Economics.
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