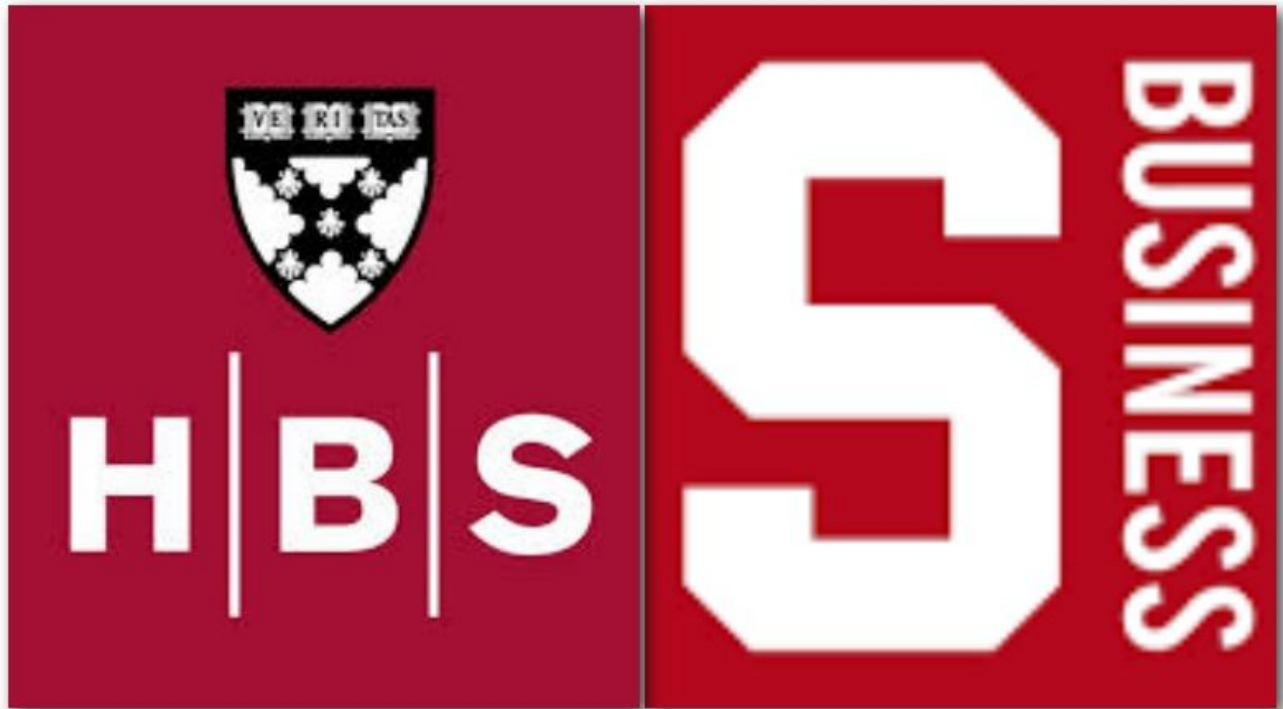


Crimson vs Cardinal

MBA Showdown



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July 5th, 2020

Introduction

Congratulations on being accepted to the MBA programs of both Stanford Graduate School of Business (GSB) and Harvard Business School (HBS). Though both being prestigious and top-ranked, Harvard and Stanford business schools offer different branding and approaches when it comes to their MBA education. We have provided you with a selected list of factors that will help you make an intelligent choice between them. In our definition, an MBA degree is not only an investment to improve career prospects, but also a learning journey to accelerate personal growth.

Career Outcomes

- Choose Stanford for salary boost, sign-on bonus upon graduation and tech sector career advancement
- Choose Harvard for career switching or placement into a balanced spectrum of industries
- Both schools are equally competitive in terms of landing jobs in finance nowadays, with Stanford leading in technology and Harvard in consulting and healthcare

Both Harvard and Stanford business schools see the majority of their graduates going into consulting, finance, technology, and healthcare industries. They reported strong employment statistics for the year of 2019: 94% of students from both schools received offers within three months after graduation. Despite similarities, there are key differences regarding compensation and job placement.

Compensation

School	Base Salary Boost (pre vs post MBA)	Post-MBA Starting median total compensation(2019)	6-8 year median compensation(2017)
GSB	59%	\$216,111	\$255,000
HBS	29%	\$172,090	\$280,000

Table 1: Median Total Compensation Comparison

Based on self-reported data for the year of 2019, Harvard graduates received a median base salary of \$148,750, a signing bonus of \$30,000 (57% receiving), and a guaranteed pay of \$52,000 (12% receiving), totaling \$172,090. In comparison, students from Stanford received a median total compensation of \$216,111, consisting of \$152,503 base compensation, \$28,328 signing bonus (56% receiving) and \$66,311 guaranteed bonus (72% receiving). According to The Economist 2019 MBA ranking, GSB and HBS provide an immediate 59% and 29% salary boost to their graduates respectively.

Stanford graduates enjoy a higher salary boost, bigger total compensation, and higher probability of receiving bonuses upon graduation than Harvard graduates do. One missing component in the chart above is that according to the GSB employment report, “an unprecedented 41% of students who reported accepting a job also reported receiving stock compensation”. This will further boost GSB’s lead in immediate earnings after graduation.

According to data posted by Bloomberg Businessweek in 2017, the 6-8 year median compensation gap between Stanford and Harvard narrows, with Harvard exceeding that of Stanford by a small margin of \$20,000. The data indicate that post-MBA pays converge in the long run. In summary, while Harvard

graduates tend to earn slightly more annual income after 6-8 years, Stanford provides a clear edge regarding earnings in the short-term.

Placement

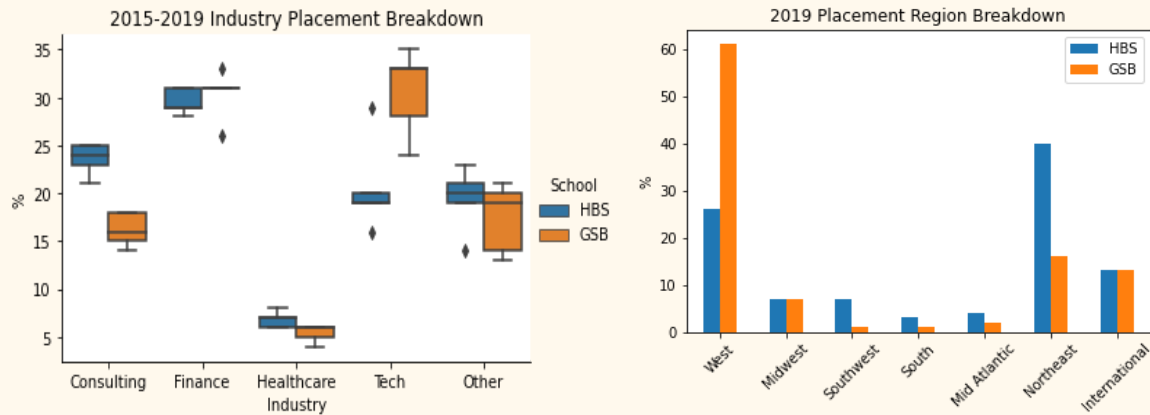


Figure 1: Placement Industry(Left), Placement Region(Right)

Figure 1 shows while HBS places more people into the consulting business, GSB places a significantly greater portion of graduates into the technology sector. Region-wise, 60% of GSB's graduates stayed at the west coast and over 40% of HBS's graduates went to work for companies in the northeastern region of the country.

The figure above also suggests that the locations of schools and industries of job placement are closely related. Stanford University sits in the heart of Silicon Valley where top tech companies such as Google and Facebook thrive. The proximity to the tech ecosystem has made Stanford a natural choice for students who come from the technology industry, want to break into the industry, or want to start their own ventures upon graduation. According to GSB's 2019 employment report, among people who pursue jobs in the West region, 33% of the graduates went into technology. Among all GSB graduates, 15% went on starting their own ventures upon graduation, doubling the portion of those (7%, as reported by Harvard) attending HBS. LinkedIn data shows that 10 out of the top 15 companies GSB alumni work at are technology firms, with Google at the top of the list. In contrast, HBS has a more balanced placement distribution among industries. It leads in terms of placements in consulting and healthcare firms, which are concentrated in the Northeastern region. Two of the three top management consulting firms, namely BCG and Bain, are headquartered in Boston. LinkedIn data reveals consulting firms take five spots among the top ten HBS employers, with McKinsey being HBS students' top company choice. A recent study released by Medbelle, a digital healthcare company based in London, ranked Boston as the No.1 healthcare hub in the US.

In addition, Harvard places more graduates into other industries on average than Stanford does and commands a lead in numbers of placement in the manufacturing and government sectors. It is worth noting that while 50% of GSB graduates report switching careers after graduation, HBS reported that 70% of their graduates made such transition post-graduation.

Learning Experiences

- Choose Harvard for a competitive, self-challenging, and formal learning environment.
- Choose Stanford for a collaborative and entrepreneurial atmosphere.

- Both schools offer abundant bonding opportunities: HBS focuses on deep bonding through section activities whereas GSB leverages small class size for connections.

Although both HBS and GSB deliver top-notch learning opportunities through their two-year full-time MBA programs, the learning experiences differ. We highlight these differences and attribute them to the unique culture each school has.

	HBS	GSB
Class Size / Faculty	900-1,000 / 217	400 / 111
Style	Serious	Laid-back
Methodology Pitch	Case Method	Entrepreneurship

Table 2: Learning Comparison

Methodology and Style

The case method is the core of HBS MBA education and it is what makes the program special. Harvard faculties produce more than 80% of all cases around the world and students participate in more than 500 cases throughout their studies at HBS. As a pioneer in this teaching methodology, Harvard believes that “the case method presents big challenges confronting organizations – including the constraints and incomplete information found in all real-world situations—and places you in the role of decision maker”. The case method, according to HBS, involves a rigorous process of “exchanging diverse perspectives, countering and defending ideas and building on each other’s thoughts”. The ultimate goal is to facilitate students to “analyze issues, exercise judgment and make difficult decisions”. As a result, 50% of the students’ grades depend on their in-class participation, whereas only 15-20% of GSB students’ final scores come from classroom activities. This approach drives students out of their comfort zone to become more competitive both in the classroom and in life. The general atmosphere, as defined by this focus of HBS education, is formal and strict.

On the other hand, GSB is built on entrepreneurship. With a focus on innovation and collaboration, it advocates for smaller groups. By promoting “intimate class sizes that support close peer-to-peer interaction, small-group collaboration, and one-to-one coaching,” GSB encourages students to “expand your mindset” and “think boldly”. GSB offers students over 60 classes on entrepreneurship, and first-year students have the flexibility to choose elective classes. Many of these classes are taught by industry professionals who have the first-hand experience in running startups of their own. In comparison, Harvard offers a fixed first-year curriculum with only one FIELD experiential course focusing on entrepreneurship and 25 entrepreneurship courses to choose from for the second year. GSB even approaches case studies from a different perspective. According to DualAdmit, a Medium.com blogger specializing in comparing differences between HBS and GSB, the case method at GSB is “a comparatively informal, highly interactive lecture discussion with higher levels of agreement between students and a more central role of the professor as a source of content knowledge”. Reviews from GMATClub, a test preparation website that also collects alumni reviews, shows many GSB alumni reflecting their experience at Stanford as personalized, considerate, collaborative, and laid-back.

Immersion

Both HBS and GSB provide on-campus housing for deep network-building opportunities. Eighty percent of HBS students live in the five on-campus dormitories while 50% of GSB students live in a residential compound nearby. Both HBS and GSB have sections, a cohort of students coming from different backgrounds who share the same classes and activities. However, section experiences are vastly different between Harvard and Stanford.

Section is a symbol of belonging and life-long identity for an HBS student. Section mates take their first-year classes together, sharing cases, facilities, and even their own dedicated team of faculty. The section chair formally plans for weekly social events for members to connect and there are numerous informal events for section members to participate. In addition, HBS students have the option of joining a diverse group of social clubs, which generally hold parties and events starting from the first week of school.

The GSB social life is much more dispersed in comparison to HBS's and provides less close-knit connecting opportunities than Harvard does. Furthermore, due to the school's Academic Adjustment Policy, club recruiting and social events are prohibited for students in their first few months of the MBA program. Nonetheless, because of the much smaller class size, GSB Students still have a higher chance of getting to know each member of their graduation class than HBS students do.

Miscellaneous

Fellowships

- Harvard provides a small number of additional fellowships with partial coverage for students who come from low-income families or have demonstrated excellence in the nonprofit, life science, or junior education sectors. It also offers fellowship opportunities for Canadian citizens.
- Stanford provides a full-tuition fellowship program that supports 50-100 students annually regardless of their nationality and a program for students from India. In addition, GSB provides the Yellow Ribbon fellowship to qualified veterans.
- Both schools provide 50% of their admitted students with need-based scholarships, averaging around \$40k each year.

Recognition

- A degree from HBS means broader recognition internationally. HBS has around 28000 alumni living outside of the US, compared to around 7000 from GSB.
- The 2020 US news recruiter survey ranked GSB No. 1, five places above Harvard Business School, indicating GSB's robust domestic brand recognition.

Conclusion

There are many other factors that can impact your MBA decisions. To conclude, here is a summary of all the factors discussed:

If you enjoy being competitive, prefer formality, like to challenge yourself and get out of your comfort zone, prefer deep cohort bonding through social events and a large alumni network across different industries around the globe, HBS is the place to go to.

If you are laid-back, tech-driven, attracted to a collaborative environment, passionate about starting your own venture, and willing to know your classmates through intimate-sized projects, GSB is the school to thrive in.

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