



Fall 2019

Recruiting Trends 2019-2020 49th Edition

Phil Gardner, PhD

Collegiate Employment Research Institute
Michigan State University

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Introduction

The college labor market continues to advance for the tenth consecutive year as we project another strong year for new graduates seeking jobs.

This year is the tenth consecutive year of expanding job opportunities for new college graduates. Troubling signs swirl around the world's economy in many guises, as these examples suggest:

- Institute for Supply Management's non-manufacturing index continues to move downward but remains above 50 indicating a slight expansion. ISM's factory gauge, however, has plunged with a more pessimistic outlook for manufacturing.
- Construction while sluggish moves ahead slowly because of non-residential and heavy construction activity.
- Auto sales have slowed and short-term outlook is poor for sales to improve.
- NY Federal Reserve Bank injects over \$200 billion in to money supply over past month to control short-term money markets that banks depend upon. While this move is rather obscure, economist disagree whether it is merely paper transactions or more troubling "glitch in the plumbing" of the financial system.
- World trade is down to the 2009 level at the height of the recession. Tariffs are taking a toll around the world. A recent World Trade Organization decision permits the U.S. to raise taxes on European goods, including wine and airplanes. Tension between the U.S. and China remains high, despite claims of recent thawing, over tariff agreement (at the time of releasing this report).
- U.S. labor market continues to grow jobs at a slower rate. Previous months projections (prior to October) by the Department of Labor revised downward tamping down future hiring growth. However, the unemployment rate is at historical lows. The U6 data points to concerns that many people are stuck in part-time, low paying jobs. Salary growth that showed promise nine months ago faltered over the past several months.

Even with these warning signs, the college labor market's historic run appears to have plenty of opportunities, according to this year's group of respondents. Challenges exist as possible signs of future trouble pop up but nothing eminent to crash the party.

2800

Survey
Responses

Our employers. In planning for this year's Recruiting Trends project, we shortened the survey by half to encourage participants to provide complete information. This year approximately 2,800 employers provided information that can be included in this report. The number providing complete hiring information exceeded the previous three years by 450 individuals. Seventy-two percent (1991 respondents) are recruiters seeking full-time talent or hiring managers overseeing talent acquisition within their organizations. Other contributors include

internship and co-op program managers (11 percent), recruiters seeking experienced talent (10 percent), and those filling short-term assignments of six months or less (7 percent). The results presented in this report use the information provided by full-time recruiters, hiring managers, and internship and co-op program managers.

The respondents represent the rich diversity of companies and organizations seeking new college talent. Sixty-five percent represented organizations with fewer than 500 employees and thirty-five percent with more than 500 employees. The number of large organizations is down slightly from levels reported the past several years.

SIZE

< 100 employees – 39%
100 – 500 employees – 26%
500 – 4,000 employees – 20%
4,000 + employees – 15%

Every major industrial sector
(based on major NAIC codes)
provided information for this

survey. Sectors providing the highest number of respondents included Construction, Educational Services, Finance and Insurance Services, Healthcare and Social Assistance, Manufacturing, and Business, Professional, and Scientific Services (BPSS). Even though BPSS represents a large proportion of the respondents, their share decreased from a high of 30 percent several years ago. Education Services and Health Care & Social Assistance grew in the meantime. This shift mirrors the Department of Labor review of job growth driven by these two sectors. The number of respondents for Financial and Insurance Services has also declined, primarily from the portfolio management and personal financial service segment.

An employer from every state and several territories appeared among the respondents. States providing the highest number of respondents included California, Colorado, Florida, Kansas, Massachusetts, Michigan, Texas, Utah and Wisconsin. (Employers also responded from several foreign countries.)

Sectors

BPSS – 21%
Manufacturing – 12%
Education – 11%
Health – 8%
Non-profits – 7%
Government – 7%
Construction – 6%
Finance – 6%

Part I: College Labor Market: Outlook & Influencers

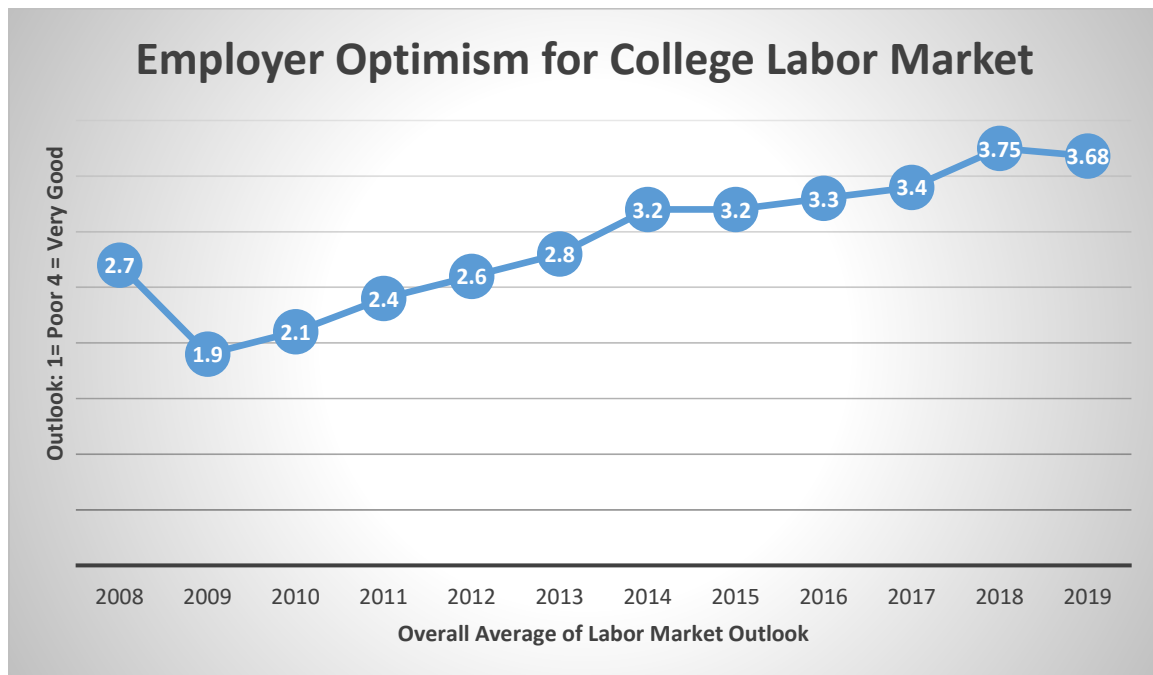
Optimistic outlook. Eighty-five percent of respondents reported that they hired at least one new college graduate during the 2018-19 academic year. For employers who did not hire any college graduates last year, 87 percent indicated that they expect to hire at least one graduate this year. In examining these expectations in more detail, we find only two percent of those who hired last year do not intend to hire any new personnel this year.

The employer outlook remains bright. Ninety-two percent (down slightly from last year) described the overall new college labor market as good to excellent. Their average annual rating of 3.68 is nearly the same as last year.

**Employer
Optimism**
Very
High

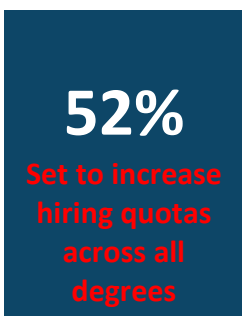
About 92 percent (down 2 percentage points) described the new college labor market in their industrial or economic sector as good to excellent. Their average rating was 3.9, placing the level of optimism at “very good.” Obviously, employers are excited about the employment prospects in their industrial segments, as this figure reaches an all-time high.

Figure 1. Employer Outlook for Overall College Labor Market 2008/09 through 2018/19.



In a comparison by organization size, large companies with more than 4,000 employees rated both the overall market ($F=13.269$, .000) and their industrial sector market ($F=7.605$, .000) significantly higher than those organizations with fewer employees. Large organizations reported a mean of 3.95 for the overall market and 4.1 for their industrial sector.

Fifty-two percent expect to increase hiring across all degree levels (slightly less than last year by 2 percentage points). The increase in hires provides an additional gauge on the level of optimism in the market. The breakdown by degree shows that 56 percent of employers seeking associate's degree candidates and 47 percent seeking bachelor's degree (down for a second year by three percentage points) will increase hiring over last year.



About 39 percent of employers recruiting MBAs (same as last year) expect to increase hiring while 37 percent of employers seeking master will add more positions. This latter figure is a six-point percentage drop from last year.

For those organizations that will decrease the number of new college hires compared to last year, the decreases generally fell in the range from one to two positions. Organizations that plan to increase hiring will likely add between 1 and 2 positions.

Organizations seeking associate degrees find 63% of these organizations who plan to reduce the number of positions will likely be in the range of one to five positions. For those organizations increasing hires, 70% will add one to five positions.

Factors shaping hiring goals for 2019-2020. We have been tracking several potential influences on the college labor market for ten years: organizational growth, turnover and retirement. We included two additional factors for this year: economic policy (trade and tariffs) and global economic outlook. A modification to the wording for the organizational growth factor appeared in this year's survey as: *organizational growth outlook for next year* rather than simply organizational growth. The survey response prompt did not specify the direction of growth. Slightly more than seventy percent (71 percent) indicated that their organization's growth outlook was *quite to very important* in driving their hiring decisions. Turnover, another important factor, shaped the hiring goals with 60 percent expressing that turnover was *quite to very important* to their hiring decisions.

While baby boomer retirements loom large across the national labor market, this factor continues to have only a modest impact on the demand for new graduates (28 percent rated this factor *quite to very important*). Sectors facing pressure from retirements are Government, Educational Services, Transportation, Manufacturing, Construction, and Utilities. Global growth issues affect 20 percent of respondents who rated this factor *quite to very important*. Likewise, sixteen percent felt that tariffs, trade policy and political machinations were *quite to very important* to their hiring outlook this year.

Organizational growth continues to stress organizations' workforce outlook. For growth-oriented organizations, adding additional staff is a challenge in a competitive labor market. If uncertainty about their growth outlook enters into an organization's planning, plans to curtail

hiring can also be painful. Organizations from BPSS, Education Services, Health Services and Construction hold growth as *quite to very important*. Government, Non-profits and Manufacturing appear to be less concerned about growth at this time.

Turnover continues to affect the workforce in many organizations. Sixty percent of employers

Turnover

60% indicate shapes hiring decisions for college grads

indicated that turnover was *quite to very important* in framing their hiring decisions. Sectors particularly concerned about turnover (*quite to very important*) included Educational Services, Health Care and Social Assistance, Government, and, to a lesser extent, Manufacturing and BPSS.

Large organizations with more than 500 employees reported higher level of concern about retirements than smaller companies.

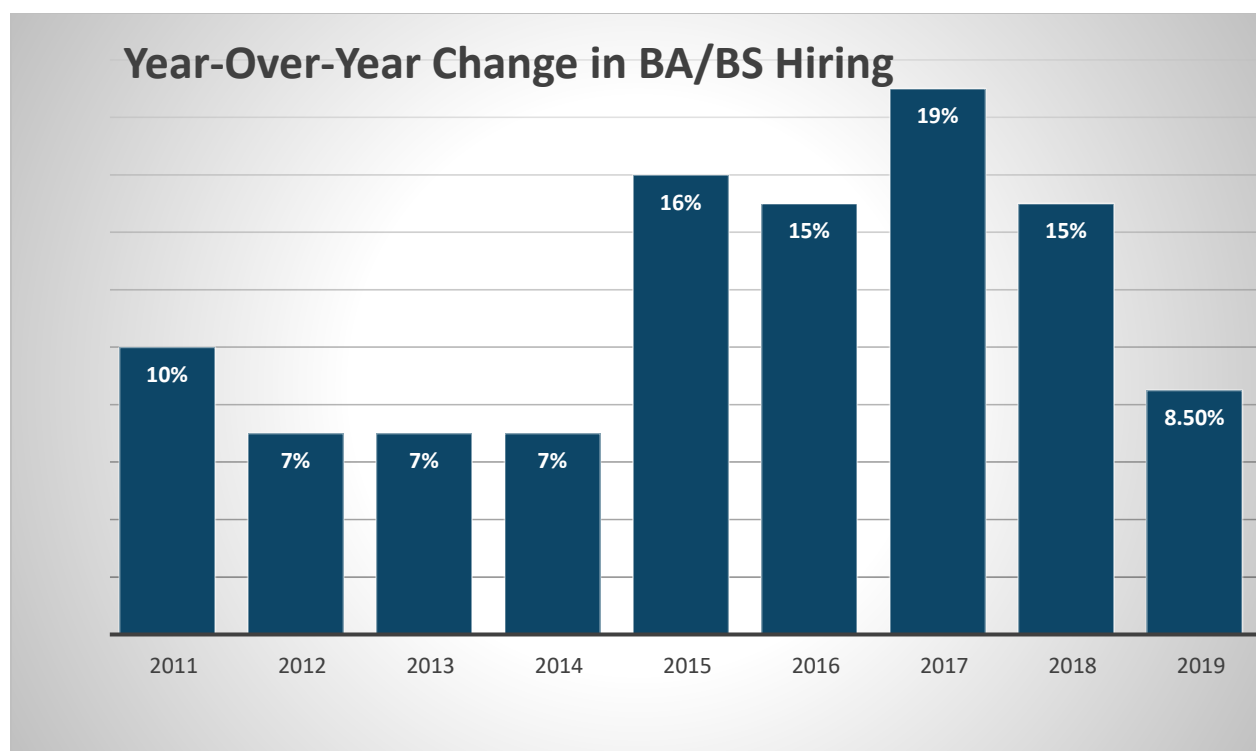
Industrial sectors where retirements are of higher concern include Education Services, Government, and Manufacturing.

Large organizations were adjusting their hiring goals to accommodate tariffs, trade and political disruptions. Industrial sectors with a high proportion of respondents consider tariffs and trade policy to be *quite to very important* include Manufacturing, BPSS, and Construction. A very similar comparison emerges for concern over the outlook for global growth. Smaller organizations influenced more by global growth than with trade/tariffs.

Part II: Talent Acquisition Goals for 2019-2020

Since the 2008 recession bottomed out in 2010, the college labor market has experienced nine years of solid, if not spectacular, growth. The figure below uses the year-to-year change for the bachelor's labor market to illustrate the story for historical period in job growth. From 2010-11 through 2013-14 employers slowly advanced the college labor market by expanding opportunities at a steady growth around 7 percent. Then in 2014-15 opportunities exploded as organizations across all economic sectors began to recruit aggressively. Growth exceeded 15 percent four consecutive years. This past year saw growth moderate to 8.5 percent. This moderation appeared to fit the pattern of a mature market, coupled with a slowing economy. Results from this year indicate that employers are expanding opportunities at a faster rate than last year, especially for associates and bachelor's degrees. Hiring growth across all degrees expected to increase 12 percent. Bachelor's level opportunities increase by 10 percent.

Figure 2. Historical Overview of Change in the Bachelor Labor Market (2011-2019)



New college hiring targets 2019-2020. The employers represented in this sample plan to hire nearly 63,555 new graduates this year. This figure is nearly the same as reported last year. The slight shift in organizational size (fewer large employers) offers an explanation.

**Bachelor
Hiring
UP
10%**

Approximately 71 percent of the new hires will be at the bachelor's level and 15 percent at the associate's level. About 1,535 recruiters or hiring managers whose tasks is to fill full-time positions provided complete hiring data for this section. This is approximately 400 more than last year. Another 300 either failed to provide this information or reported that they planned to hire but had no specific hiring targets at the time of the survey.

Total hires (across all degree levels) will be up 12 percent compared to hiring levels of a year ago. This figure reflects a return to double-digit growth after slowing last year to 9 percent.

Comparison of growth levels find that associates and bachelor's degree fuel this year's market with hiring increases of 29 percent and 10 percent, respectively. Employers expect to reduce MBA hires after several years of strong growth. Master's job opportunities decline slightly this year after some rather robust years. The employers seeking doctoral and professional degrees also expect to offer more opportunities this year.

Table 1 Hires per organization, 2018-19

Degree	Number of Employers	New Hires 2018-19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate	554	11.3	14.6	29
Bachelor	1434	26.5	29.2	10
MBA	271	7.8	7.2	-8
Master	560	10.3	9.8	-4
PhD	129	3.7	4.3	17
Professional	118	5.2	6.3	21
Total	1535	37.0	41.4	12

Hiring by organizational size. Small organizations contributed consistently to the improved performance of the college labor market over the past nine years. This year is no exception. The smallest companies with fewer than 99 employees (composed of entrepreneurial start-ups, fast-growth companies, and established local firms) are poised to increase new college graduate hiring by 37 percent. This active hiring is being led by firms from computer and engineering services, marketing and business consulting in the Professional, Business and Scientific Services sector (30 percent), Non-profit organizations (11 percent), Education Services (9 percent), Health Services (8 percent) and Manufacturing (7 percent). Job opportunities increased across all degree levels with associate's degree hiring up 100 percent and bachelor's degree up 31 percent.

Small Employers Lead Hiring

Employers with 100 to 499 employees also indicated that they would hire more associate (up 27 percent) and bachelor (up 10 percent) talent but were paring back hires for advanced degrees. Firms in this size category included Professional, Business and Scientific Services (19 percent), Manufacturing (14 percent) Education Services (10 percent), Health Services and Government (both 8 percent) and Construction and Financial Services (both 7 percent).

For organizations with 500 to 3,999 employees hiring improves across all degree levels, except for Professional degrees. While growth for associate's graduates is up 27 percent, the anticipated growth at the bachelor's level is more modest at 7 percent. This group of employers intend to hire slightly more MBAs and master's graduates than last year. Employers represented in this group include Manufacturing (14 percent), Professional, Business and Scientific Services (12 percent), Education Services (15 percent), Government (12 percent), Construction (9 percent) and Health (8 percent).

The largest organizations expect to hire approximately 96 new associate graduates for a 23 percent increase compared to last year. Hiring at the bachelor's level increases by 10 percent. Employers in this group expect to make some deeper cuts in anticipated hiring numbers at the MBA and master's levels. Manufacturing (20 percent), Professional, Business and Scientific Services (13 percent), Education (11 percent), and Government (8 percent) comprise 52 percent of this group.

Large companies nudged up hiring this year compared to last year. The drop in MBA hiring reverses the trend in growth of opportunities reported over the past several years. At advance degree levels, large organizations expect to adjust hiring quotas upward slightly for doctoral graduates and professional graduates.

In disaggregating the size categories to the original nine categories, more nuanced changes emerged, especially for organization with more than 1500 employees.

- Organizations with 1,500 to 3,999 employees reported the only contraction in bachelor's-level hiring by 3 percent and total hiring across all degrees down one percent.
- For organizations with 4,000 to 9,999 employees, total hiring projection increases a modest 8 percent, and those organizations with more than 25,000 employees their projection is to increase total hiring by 5 percent.
- Organizations with 10,000 to 24,999 employees, project total hiring increasing by 14 percent, led by a surge in opportunities for associate graduates.
- Organizations in the three categories with 4,000 or more employees plan to decrease MBA hires.

Table 2A. Hiring Intentions for Organizations with less than 99 Employees

Degree	Number of Employers	New Hires 2018-19. (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate	209	1.4	2.8	100
Bachelor	568	2.8	3.7	31
MBA	71	1.0	1.9	98
Master	193	1.9	2.1	10
PhD	29	1.1	1.4	23
Professional	43	1.0	3.7	>100
Total	638	3.9	5.3	37

Readers should use caution when interpreting the above figures due to the small number of responses for some response cells. These figures provide a snapshot of the current situation that you should verify through hiring trends in your area and discussions with employers or colleagues.

Table 2B. Hiring Intentions for Organizations with 100 to 499 Employees

Degree	Number of Employers	New Hires 2018-19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate	183	5.9	7.6	27
Bachelor	404	10.7	11.8	10
MBA	67	2.5	2.3	-9
Masters	159	3.8	4.3	11
PhD	30	1.7	2.0	16
Professional	29	2.7	2.4	-10
Total	417	15.2	17.2	13

Table 2C. Hiring Intentions for Organizations with 500 to 3,999 employees

Degree	Number of Employers	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate	119	13.0	16.8	29
Bachelor	282	28.7	30.7	7
MBA	76	5.1	5.4	6
Master	137	14.2	14.6	2
PhD	40	4.7	5.6	19
Professional	31	8.1	7.4	-9
Total	293	42.6	50.2	18

Table 2D. Hiring Intentions for Organizations with more than 4,000 employees

Degree	Number of Employers	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate	43	77.4	95.6	23
Bachelor	180	132.9	146.3	10

MBA	57	26.2	22.0	-16
Master	71	39.8	34.3	-14
PhD	30	6.8	7.7	14
Total	187	189.7	204.7	8

Hiring by economic sector (segment). All 20 of the major industry groups designated through NAIC codes reported hiring information for 2019-20. The small number of responses with complete hiring information for Accommodation and Food Services, Administrative Services, Arts, Entertainment & Recreation, Mining & oil, Utilities and Wholesale Trade caused us not to include their information in this section. Wholesale Trade hiring outlook appears to be on the same level as last year while Accommodation and Food Services expects to pare back hiring. All the remaining sectors show improved hiring, at least for these respondents.

Information at the associate's and bachelor's degrees provide the strongest industry-based measure of the labor market. For advanced degrees, we include only the sectors with sufficient information to produce reliable averages.

An examination of the change in total hires in 2018-2019 and this year reveals three clusters characterized by their expected growth outlook. The slow growth group includes Government, Information Services, Non-profits, and Transportation Services where hiring is expected to increase from one to four percent. For Business, Professional and Scientific Services, hiring growth is a modest 8 percent. The group that includes Construction, Education, Finance, Health, Manufacturing, and Retail Trade report growth in opportunities above 10 percent. Insights from examining subsectors:

- The Agricultural sector, despite disruptions from trade conflicts and spring weather shows resilience with hiring up, especially among Agricultural Support and Service Providers.
- Education and Health Services contribute solidly to hiring this year, reflecting the broader labor market.
- Finance and Insurance Services organizations, led by insurance companies and agencies, report a strong hiring outlook. Banking, after a period of retrenchment and very slow growth, activated aggressive hiring plans this year.
- Business, Professional and Scientifics Services appears to be more cautious, especially among computer and engineering companies. Marketing, advertising

and public relations companies have slowed their growth compared to the past few years.

- Building Material and Clothing companies anchored hiring in the Retail Trade sector.
- Construction hiring outlook remains strong with growth generated from non-residential and heavy, civil engineering construction organizations.
- Manufacturing companies plan to increase hires at the associate and bachelor's levels reversing a recent decline in hiring activity. Several subsectors account for most of the gains, including Food and Beverage Manufacturing; Machinery Manufacturing; and Air, Missile, Space and Armored Vehicle Manufacturing. Automotive hiring is more cautious with slow growth in opportunities, possibly reflecting the recent decline in auto sales (Note: the data collection phase was completed a month before autoworkers went on strike at GM.)

Table 3A. Total Hires at All Degree Levels for 2019-2020 by Industry Sector

Industry Segment	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Agriculture & Natural Resources	11.2	16.3	46
Business, Professional & Scientific Services	16.3	17.6	8
Construction	33.2	39.5	19
Educational Services	68.2	76.7	12
Finance and Insurance	18.1	24.2	39
Government	146.2	148.1	1
Health Care Services	35.2	40.9	16
Information Services	20.4	22.4	4
Manufacturing	36.3	46.9	25
Non-profits	22.2	22.4	1
Retail Services	47.9	54.2	13
Transportation	49.4	51.6	4

The following tables present industrial sector hiring outlooks for different degree levels. Total hiring outlook offers a global picture of the total college labor market. Employers hiring intentions differ by degree level. Sectors not included in the tables

failed to meet the criteria we use for including information. Please be cautious in interpreting the reported changes. They reflect only a small portion of each sector and are not generalizable. Remember small numbers produce large percentage changes that may overstate the hiring outlook for that degree.

Momentum for college hiring in 2019-20 comes from strong gains at the associate's and bachelor's degrees. The associate appears particularly healthy. MBAs and master's degree outlook is shakier. After several years of strong growth, MBA and master's hiring opportunities shrink this year.

Table 3B. Hiring Targets for Associate Degree Graduates 2019-2020 by Industry Sector

Industry Segment	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Agriculture & Natural Resources	4.0	6.7	67
Business, Professional & Scientific Services	5.9	6.1	2
Construction	25.3	37.7	49
Educational Services	11.3	12.3	9
Finance and Insurance	6.1	8.2	33
Government	27.9	31.1	11
Health Care Services	14.4	18.6	29
Manufacturing	3.0	7.7	>100
Non-profits	8.6	11.5	32
Transportation	17.0	20.3	20

Table 3C. Hiring Targets for Bachelor Degree Graduates 2018-19 by Sector

Industry Segment	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Agriculture & Natural Resources	8.2	11.8	44
Business, Professional & Scientific Services	11.8	12.9	9

Construction	23.2	24.9	7
Educational Services	55.8	62.9	13
Finance and Insurance	13.4	19.9	48
Government	85.9	86.0	NC
Health Care Services	21.2	23.5	11
Information Services	16.3	17.5	7
Manufacturing	31.1	34.9	12
Non-profits	14.5	14.1	-3
Retail Services	39.5	46.0	16
Transportation	36.7	35.9	-2

Table 3D. Hiring Targets for Advanced Degrees for 2018-2019 by Sector

Industry Segment	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
MBA			
Business, Professional & Scientific Services	4.6	4.7	2
Construction	1.7	1.4	-18
Finance & Insurance	6.5	8.8	48
Government	18.0	14.7	-18
Manufacturing	11.2	8.5	-24
Masters			
Business, Professional & Scientific Services	5.4	5.5	1
Education Services	16.8	18.8	12
Financial Services	5.6	3.8	-31
Government	11.1	10.0	-10
Health Services	13.6	16.2	19
Manufacturing	16.4	8.0	-51
Non-profits	6.9	6.9	NC
PhD			
Business, Professional & Scientific Services	3.8	4.3	15
Education Services	3.4	3.4	NC
Government	6.3	11.7	84
Professional			

Business, Professional & Scientific Services	7.0	8.2	17
Government	6.6	6.9	4
Health Services	4.3	6.1	41

Academic discipline outlook. The hiring outlook across disciplines with similar academic majors appears strong, especially among organizations that are accepting applicants from all academic majors. We organized this section differently than in the past. Respondents were asked to provide a profile of their new hires according to the academic disciplines they expected to recruit. This profile indicates the percentage of hires expected from each group. Options ranged from not hiring anyone from the academic discipline to all hires (100 percent) from this group. In the next table we have collapsed the composition units into five categories.

Twenty-nine percent of employers plan to fill 75 percent to 100 percent of this year's hires with candidates from all majors. Twenty percent have no positions open to all majors. Most employers do not exclusively hire from one major. Employers who seek engineers are more likely to focus exclusively on these majors. Patterns from this table suggest that employers, regardless if they primarily come to campus for business or engineering candidates, are seeking talent across a wide range of disciplines.

Table 4. Hiring Profile at Bachelor's Level (% expect to hire from each category)

Academic Discipline	Will not hire %	100% of all hires	75-99% of all hires	45-74% of all hires	15-44% of all hires	1-14% of all hires
All Majors	20	21	8	10	15	24
Agriculture & Natural Resources	61	2	5	4	7	22
Arts, Humanities	48	2	4	7	14	25
Business	32	5	11	10	15	27
Comm., PR, Advertising	39	2	6	7	14	32
Computer Science & IT	33	3	8	7	17	33
Education	57	6	10	5	7	15
Engineering & Technical	38	8	16	8	10	18

Health Sciences	62	4	7	3	8	17
Sciences (physical, biological) & Math	51	2	5	7	15	21
Social Science	60	3	6	5	8	18
Construction	57	4	8	6	9	16

Calculations of the change in hiring bachelor hiring for each composition level reveals that nearly all categories will experience growth this year. A couple exceptions found that in engineering, organizations where engineers comprise 45 percent to 50 percent of the hiring pool and all hires from engineering would decrease hiring this year. Those seeking exclusively science candidates also expect to pull back their hires.

Locational comparisons in Hiring. Location plays an important role in shaping the labor market whether globally, nationally or within specific regions of the U.S. Respondents first indicated whether they recruited globally, nationally or within specific regions of the U.S. While regional employers are likely to identify recruiting in only one region, some employers may recruit in multiple regions. For the regional information presented below, keep in mind that an employer counts in each region they designated for recruiting.

Globally oriented recruiters dropped for the second year, possibly in response to a weakened global economy and the continuing trade disruptions from tariffs. Likewise, the number of nationally focused employers has declined slightly from recent years. Regional employer input remained strong. The good news reflects increased opportunities at the associate's and bachelor's degree level. Organizations recruiting across the U.S. show more caution this year with bachelor's degree hiring up only 6 percent. Weaknesses appear for MBA among global recruiters and master's degrees among global and regional employers.

Table 5A. Outlook for Globally Oriented Recruiting

Degree Level	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate	17.9	19.2	7
Bachelor	57.1	64.5	13
MBA	24.8	17.9	-27
Master	21.5	20.4	-5

PhD	3.9	4.4	13
Total Hires	77.2	81.9	6

Table 5B. Outlook for Nationally Oriented Recruiting

Degree Level	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate	16.4	19.2	17
Bachelor	43.4	46.2	6
MBA	9.3	9.3	NC
Master	11.0	11.8	7
PhD	4.2	5.1	20
Professional	8.6	9.9	15
Total Hires	61.8	65.9	7

Table 5C. Outlook for Regionally Oriented Recruiting

Degree Level	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate	8.5	12.0	40
Bachelor	14.9	17.3	16
MBA	2.9	3.4	16
Master	7.9	6.5	-17
PhD	2.8	2.7	-2
Professional	2.9	4.0	37
Total Hires	20.4	23.7	16

Regional comparisons reveal strong markets for both associates and bachelor's degrees across all regions. Growth at the bachelor's level, for example, ranges from 6 percent to 13 percent. For MBA and master's degrees, employers plan to cut back hiring, some modestly and others to a significant extent. Each regional section includes a brief description on key industry sectors and size of organizations contributing information.

Region 1: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont

All industrial sectors appeared in this region with Professional, Business and Scientific Services, Education Services, Health Services and Non-profits being the most represented. Organizations with more than 4,000 employees comprise 33 percent of regional recruiters with the remaining spread equally across the other three size categories. Hiring growth is positive for all degree levels except the MBA that is down 4 percent. The 8 percent growth in bachelor-level hiring is lower than in other regions.

Table 5D-1. Region 1 Outlook for Hiring

Degree Level	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate's Degrees	28.9	34.8	21
Bachelor's Degrees	96.5	104.4	8
MBA	27.1	26.0	-4
Master's Degrees	23.3	23.7	1
PhD Degrees	6.4	8.2	28
Professional Degrees	16.4	16.4	NC
Total Hires	142.3	151.7	7

Region 2: Delaware, New Jersey, New York and Pennsylvania

All industrial sectors appeared in this region with Professional, Business and Scientific Services, Education Services, Financial Services, and Manufacturing being the most represented. Organizations with more than 4,000 employees comprise 32 percent of regional recruiters followed by organizations with 500 to 3,999 employees at 28 percent. Small organizations under 499 employees comprise 40 percent of this group. Hiring is strong for associate's and bachelor's graduates, but down slightly for MBA and master's graduates.

Table 5D-2. Region 2 Outlook for Hiring

Degree Level	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate	23.0	28.8	25
Bachelor	85.7	96.1	12
MBA	18.3	17.8	-3
Master	27.7	26.0	-6
PhD	5.5	8.0	46
Professional	17.3	17.7	2

Total Hires	123.1	134.6	9
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Region 3: District of Columbia, Maryland, Virginia and West Virginia

A traditionally strong region in terms of responses saw a drop in respondents this year. Particularly noticeable was the decline in responses from government agencies. Professional, Business and Scientific Services and Construction were leading industry sectors in Region 3. Respondents in this region were concentrated among large employers with 63 percent with 500 or more employees. MBA and master's degrees outlook points toward reduced opportunities. Positive outlook for associate and bachelor graduates.

Table 5D-3. Region 3 Outlook for Hiring

Degree Level	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate	20.6	25.4	23
Bachelor	103.9	114.4	10
MBA	30.1	25.6	-15
Master	37.8	30.2	-20
PhD	6.3	8.6	35
Professional	10.5	21.6	11
Total Hires	151.2	161.0	6

Region 4: Florida, Georgia, North Carolina and South Carolina

Table 5D-4. Region 4 Outlook for Hiring

Region 4 maintains a balance across the four size categories with approximately 25 percent of respondents in each category. Major contributors are from these sectors: Professional, Business and Scientific Services, Manufacturing, Construction, Health Services, Education Services, and Financial Services. Outlook is positive except for master's degrees, where employers are cutting back on their hires by 21 percent.

Degree Level	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
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Associate	22.2	31.4	41
Bachelor	70.4	77.7	10
MBA	15.3	14.6	-4
Master	22.3	19.9	-21
PhD	5.2	6.9	33
Professional	12.1	12.7	5
Total Hires	98.0	107.3	9

Region 5: Alabama, Kentucky, Louisiana, Mississippi, and Tennessee

This region is tough to obtain a strong response from employers. Employers recruiting in this region are likely to be recruiting in neighboring regions as reflected by 60 percent with more than 500 employees. Leading industry sector contributors were Professional, Business and Scientific Services and Education Services. As reported for other regions, Region 5 shows strong growth for associate's and bachelor's degree but a reduction for MBA and master's degrees.

Table 5D-5. Region 5 Outlook for Hiring

Degree Level	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate	24.5	28.2	15
Bachelor	110.7	122.2	10
MBA	24.9	22.0	-11
Master	29.0	23.9	-18
PhD	6.5	9.7	50
Professional	16.5	21.8	31
Total Hires	153.3	164.16	7

Region 6: Illinois, Indiana, Michigan and Ohio

The only disappointment within Region 6 was the lack of responses from Illinois employers. Usually a very reliable source of input, the number of Illinois responses have fallen sharply the last two years. Strong responses from Michigan, Ohio and Indiana helped cover this loss. Small employers dominate in this region with 59 percent having 500 or fewer employees. Manufacturing remains a major industrial sector along with Professional, Business and Scientific

Services. Education Services and Government also contributed a solid number of respondents. Employment opportunities improve for associates and bachelor's degrees with MBA and master's degrees down slightly.

Table 5D-6. Region 6 Outlook for Hiring

Degree Level	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate	10.2	13.1	28
Bachelor	46.6	51.2	10
MBA	13.2	12.7	-3
Master	15.8	14.0	-11
PhD	5.0	6.5	30
Professional	7.7	8.7	12
Total Hires	63.1	70.3	11

Region 7: Iowa, Minnesota, North Dakota, South Dakota and Wisconsin

This region's number of responses dropped compared to recent years. The distribution of employers across industrial sectors achieved better balance than other regions with eight sectors providing 8 to 12 percent each. Employers in this region tended to be large (over 500 employees) with 55 percent of total respondents. While growth in opportunities for associate's degrees at 42 percent, hiring at the bachelor's degree increases by a modest 6 percent compared to other regions.

Table 5D-7. Region 7 Outlook for Hiring

Degree Level	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate	11.6	16.5	42
Bachelor	60.5	64.3	6
MBA	15.2	11.8	-22
Master	11.8	13.4	13
PhD	4.1	5.6	37
Professional	5.8	5.9	2
Total Hires	84.8	90.6	7

Region 8: Arkansas, Kansas, Oklahoma, Missouri, Nebraska and Texas

Region 8 had a strong showing by employers across the entire region. With all industry sectors covered, the largest contributors came from Professional, Business, and Scientific Services, Education Services, Manufacturing, Construction and Government. The majority of Agriculture and Mining & Oil employers came from this region. Respondents across the three size categories below 3,999 employees was approximately 26 percent each and the large organizations comprised 21 percent. Employers in this region made cuts in hiring at the MBA and master's level. Growth in opportunities appear strong for associates and bachelor's degrees.

Table 5D-8. Region 8 Outlook for Hiring

Degree Level	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate	12.2	13.4	10
Bachelor	45.7	51.1	12
MBA	15.8	13.2	-17
Master	15.4	12.8	-17
PhD	4.6	6.4	38
Professional	7.7	9.6	24
Total Hires	64.6	69.2	7

Region 9: Arizona, Colorado, Idaho, Montana, New Mexico, Nevada, Utah and Wyoming

Region 9 provided strong employer input with Professional, Business and Scientific Services, Education Services, Manufacturing and Construction being key contributors. In this region, Mining and Oil companies comprised approximately 40 percent of firms in this sector. Small organizations under 100 employees made up 33 percent of employers, and those firms with 100 to 500 employees another 25 percent. Mid-size and large organizations each represented 21 percent of employers. Hiring outlook shows strong growth across all degrees with the exception of the MBA.

Table 5D-9. Region 9 Outlook for Hiring

Degree Level	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate	11.1	13.1	18
Bachelor	43.1	47.3	10
MBA	12.8	12.3	-3
Master	9.2	9.9	7
PhD	4.4	5.8	31
Professional	6.7	9.2	37
Total Hires	60.6	66.0	9

Region 10: Alaska, California, Hawaii, Oregon and Washington

This region relies heavily on employers from California, especially this year as the number responding from the Pacific Northwest states decreased. All industrial sectors appear in this region with Professional, Business and Scientific Services, Health Services, Construction, and Manufacturing as key sectors. California also provided important input into the outlook for the agricultural sector. Mid-size organizations (500 to 3,999) comprised 29 percent of employers recruiting in this region, followed by large organizations (over 4,000 employees) and small organizations (less than 100 employees) with 25 percent each, and organizations with 100 to 499 employees at 21 percent. The hiring outlook in Region 10 mirrors hiring in the other regions with strong growth at the associate's and bachelor's degrees and decreased hiring at the master's level and MBA.

Table 5D-10. Region 10 Outlook for Hiring

Degree Level	New Hires 2018/19 (avg.)	New Hires Anticipated 2019/20 (avg.)	Change from 2018/19 (%)
Associate	12.7	15.5	22

Bachelor	58.4	65.8	13
MBA	16.2	15.2	-6
Master	20.9	18.3	-12
PhD	6.4	7.4	15
Professional	12.4	15.2	22
Total Hires	87.6	94.9	8

Part III: Starting Salary Offers and Other Compensation

Starting salary, commissions, and bonuses. For 42 percent of reporting organizations, starting salary offers increase this academic year; a six-percentage point decrease from last year. Fifty-eight percent plan to keep starting salary offers at the same level as last year.

Career advisors and students have multiple sources of information on evaluating starting salary offers (NACE Salary Report, Glassdoor and Payscale for example). In addition, the vast improvement in post-graduation information collected by colleges and universities offers immediate access to a reliable source of salary information. With these available resources and in an effort to shorten the Recruiting Trends survey, employers only reported the percentage raise for their salary offers this year. Career advisors who assist students in assessing job offers can use the expected level of increase to frame realistic expectations around the salary offered. Just keep in mind that nearly 60 percent of employers will not be raising offers.

Salary offer increases for 2019-2020 range from one to 20 percent. Employers report an average 4.3 percent increase across those organizations raising offer levels. Approximately 85 percent of organization will increase offers by two to six percent.

Salary offer increases are consistent across organizational size categories, ranging from 4.2% to 4.6%. However, the number of organizations increasing their starting salary offers vary from a low of 37 percent for organizations with fewer than 100 employees to 49 percent for organizations with more than 4,000 employees.

Starting salary increases vary across different sectors of the economy. One group that includes Construction, Mining & Oil, Accommodations and Food Service (Hospitality), and Utilities expect to raise salaries more than 5 percent. Another group with expected increases between 4 percent and 4.9 percent includes Agriculture; Business, Scientific and Professional Services; Manufacturing; and Finance & Insurance. A third group that includes Government, Health Services and Non-profits expect to raise offers from 2 percent to 3.9 percent. The figure following the sectors listed below indicate the percentage of organizations in this sector that

expect to increase salary offers. Most sectors range from low 30 percent to mid-40 percent in offering increases, with a few sectors above 50 percent.

- Starting salary offers expect to an average increase of 5 percent more (percent employers increasing salary in parentheses).
 - Accommodations and Food Services (42%)
 - Administrative Services (52%)
 - Arts, Entertainment and Recreation (53%)
 - Construction (39%)
 - Mining and Oil (31%)
 - Real Estate and Rental Services (32%)
 - Transportation Services (38%)
 - Utilities (63%)
- Starting salary offers expect an average increase between 4.0% and 4.9%.
 - Agriculture and Natural Resources (41%)
 - Business, Professional and Scientific Services (40%)
 - Educational Services (60%)
 - Finance and Insurance (32%)
 - Information Services (30%)
 - Manufacturing (32%)
 - Retail Trade (39%)
- Starting salary offers expect an average increase between 2.0% and 3.9%.
 - Government (67%)
 - Health Services (39%)
 - Non-profits (38%)
 - Wholesale Trade (41%)

A benchmarking measure obtained in this report shows whether an organization believes its starting salary offers are competitive with offers of other organizations. One might assume that those organizations who feel they are less competitive would try to close the gap by increasing starting salary offers at a higher rate than organizations who believe they are more competitive. By comparing information across salary competitiveness, employers who feel their salaries are “much more competitive” report 61 percent will raise salaries by an average 6%. Those organizations who expressed they were “much less competitive” will increase offers an average of 5%, but only 38 percent will do so. Organizations who believe they are highly competitive with their salary offers strive to remain in that position.

- Much less competitive: 38 % increasing starting salary offers by an average of 5%.
- Slightly less competitive: 45% increasing starting salary offers by an average of 4.2%.

- Comparable salary offers: 36% increasing starting salary offers by an average of 4.1%.
- Slightly more competitive: 47% increasing starting salary offers by an average of 4.3%.
- Much more competitive: 61% increasing starting salary offers by an average of 6%.

Not all compensation will be in the form of base salary. While 83 percent of respondents avoid commission-based compensation, 18 percent combine base salary with commission, with only a few entirely commissioned based.

In highly competitive labor markets, employers are tempted to use signing bonuses as extra incentive to candidates to accept the offered position. Few employers reported offering signing bonuses over the past several years, usually less than 10 percent. Last year saw this number double to 20 percent. This year the upward trend continues with 40 percent having some type of additional incentive for signing an employment contract. Nearly 75 percent of organizations extend signing bonuses up to \$5,000, and another 21 percent offer \$5,000 to \$10,000. Six percent offer more than \$10,000 to sign, with some bonuses exceeding \$25,000.

Part IV: Are Storm Clouds Gathering?

The last two recessions (2000 and 2008) occurred after the release of the Recruiting Trends report in the respective year. Both reports indicated that employers were optimistic about the hiring outlook, only to have their enthusiasm crushed a few months later. Is there possible hidden indications in this survey of trouble lurking in the months ahead?

Our first step examined hiring intentions based on organizational responses to the influence of retirement, turnovers, growth, global economic outlook and trade/tariffs. We focused on the bachelor's degree with more data points.

- Retirement. The direction of hiring (up, same or down) was similar across all the response options concerning retirements. One figure did pop out in that those most concerned about retirements intentions to decrease hiring with 30 percent in this group. Those organizations least concerned about retirements expect to increase hiring by 23 percent. For organizations with moderate concerns hiring plans expect a 5 percent increase and for those most concerned about retirement hiring quotas increase by 9 percent.
- Turnover. The direction of hiring for fifty-two percent of organizations who rated turnover as very important was to be up this year. However, their increase amounts to only 6 percent over last year. Organizations who are quite concerned about turnover plan to grow by 9 percent; those slightly concerned by 27 percent and those not concerned by 10 percent.

- **Growth:** The direction of hiring for fifty-seven percent of organizations where growth is to be up. Among organizations who indicated that growth not important, 38 percent indicated the direction of their hiring would be up with 32 percent reporting a decline in hiring. Based on their hiring targets, organizations who indicated growth is not important expect to increase three percent; organizations at moderately important by 10 percent; organizations at quite important by percent; and organizations at very important by 12 percent.
- **Adjustments to tariffs and trade policy.** No differences were found in comparisons of organizations direction of hiring. For organizations who are modestly concerned hiring increases by six percent. Where policies are quite to very important in shaping hiring targets, organizations do not plan to change hiring level from last year.
- **Global Economics.** Organizations who indicated that global economic outlook to be quite to very important in hiring plan to decrease hiring by one percent. For all other categories hiring plans are to increase 10 percent or more.

Modest adjustments are being made in anticipation of possible economic trouble with those facing global forces initiating some curtailment in hiring. For those dealing with tariffs and trade policy, they are being more cautionary by not increasing workforce above what they need. Retirement, turnover and growth outlook produced muddled results with no clear insight into future intentions.

From scanning the data degree substitution may be occurring. In this situation employers maintain the same level of hiring as last year but pursue lower, less expensive degrees. For an example, an organization that hired 10 graduates last year including three MBAs plan to hire 10 graduates this year but only one MBA, increasing bachelor hiring by two. Degree substitution usually occurs when employers become more cautious and do not want to commit labor that is more expensive. After some very rough calculations, it appears that for every MBA being lost an additional 1.5 to 1.75 bachelors degrees are being added. Associate degrees may also be benefitting from degree substitution but it is harder to calculate.

Other clues present themselves in some of the shifts in the respondent profile this year. Fewer large organizations may suggest these organizations are being more cautious about hiring. The loss of firms in the Business, Professional and Scientific Services, Finance and Insurance and Manufacturing sectors may suggest areas where employers are being more cautious. Fortunately, no change or pattern stands out to indicate possible rough patches ahead.

Part V: Internships and Co-op Outlook

Employers offer a range of work experiences for students to pursue depending on student interest and academic requirements. These experiences include clinicals, practicums,

professional practice, and apprenticeships, for example. The most common option is the internship (51 percent) coupled with cooperative education (12 percent). Nearly one-quarter of respondents provide salary-based employment in a professional setting, specifically during the summer.

Focusing on respondents who have assignments for interns and co-ops, 93 percent indicate they are or are likely to have positions available for interns or co-ops this year. While 57 percent plan to hire the same number of interns as last year, 38 percent will increase their intern hiring. Only 5 percent will lower the number of intern positions. An organization plans to hire an average 23 interns/co-ops; a figure influenced by size of the organization. Small companies with fewer than 100 employees expect to hire six to seven interns (average) with larger organizations employing more:

- Organizations with 100 to 499 employees: 9 interns/co-ops (average)
- Organizations with 500 to 3,999 employees: 24 interns/co-ops (average)
- Organizations with more than 4,000 employees: 82 interns/co-ops (average)

Employers will be seeking intern/co-op candidates from all academic backgrounds. For this survey, respondents were more likely to be recruiting for Business, Engineering, Computer Science, and Communications, especially Public Relations and Advertising. Ten percent indicate their internships are open to all majors.

Paid internships are the norm this year with 70 percent of respondents indicating all their internships are paid. Another 15 percent offer both paid and unpaid internships depending on the assignment. The final 15 percent offer only unpaid experiences. Unpaid experiences appear mostly in Education, Health Care, Non-profits and Government.

Part VI: Benchmarking College Recruiting 2018-2019

As a special section to Recruiting Trends, we present some basic benchmarks for college recruiting for the 2018-2019 recruiting period. We responded to a request from our employer partners to assemble some basic information on the outcomes of college talent initiatives. The measures solicited in this report were selected by employers. When using this information be cautious as the variation across size and industry sector can be large. For this reason, we present both the mean and the median with a wide difference suggesting non-normal distribution of responses. Notes will be included to clarify results.

Only one-third (32%) of organizations report they regularly evaluate their college recruiting program. Among large organizations (more than 4,000 employees), 65 percent evaluate their programs. For organizations with fewer than 100 employees, just 18 percent assess their

recruiting; for organizations with 100 to 499 and 500 to 3,999, 29 percent and 41 percent report evaluating their recruiting efforts.

Benchmark 1: The number of full-time staff responsible for college recruiting

Mean: 2 to 3 Median: One

Large organizations have more full-time staff with an average of nine. Within this group, the variation is wide with the largest organizations reporting having several hundred full-time recruiters. Organizations with fewer than 500 employees tend to have only one active full-time recruiter and those in the group with 500 to 3,999 employees two to three. Retail, Transportation, and Financial Services are sectors that reported higher averages for full-time college recruiting staff compared to other sectors.

Benchmark 2: Use of non-human resource personnel for college recruiting

Seventy-six percent responded affirmatively they used organizational members outside the recruiting staff

Benchmark 3: The number of non-human resource staff

Mean: 9 Median: 3

Organizations with fewer than 500 employees typically augment recruiting staff with two to five additional staff. At mid-size organizations (500 to 3,999 employees) eleven to twelve additional staff assist, and for largest firms the average is 30 with some using several hundred staff to support recruiting. Manufacturing, Retail and Financial Services tended to report higher number of non-human resource staff involved in recruiting.

Benchmark 4: Number of colleges and universities represented among your full-time hires

Mean 10 Median: 5

Small organizations (less than 500 employees) report 4 to 7 schools represented among full-time hires. Mid-size organizations (500 to 3,999) indicated 13 to 14 and large organizations (over 4,000 employees) indicated 32 on average. Very little difference found across industrial sector though Education Services and Health Services reported higher number of schools represented among their full-time hires.

Benchmark 5: Number of colleges and universities considered core (regularly visit, support)

Mean: 5 Median: 3

Smaller organizations focus on 3 to 4 core schools, mid-size (500 to 3,999) 7, and large organizations 14 core schools on average. No noticeable difference found across industrial sectors.

Benchmark 6: Percent of internship/co-op offers accepted

Mean: 76% Median: 85%

Benchmark 7: Percent of all professional hires last year direct result of college recruiting

Mean: 36% Median: 25%

Three major clusters: 38% with less than 15% of professional hires from college recruiting; 20% with 20% to 30% of professional hires from college recruiting; and 20% with 70% or more from college recruiting.

Benchmark 8: Percentage of full-time offers extended that were accepted

Mean: 65% Median 75%

Clusters included: 34% with 90% to 100% acceptance rate; 19% between 70% and 80% acceptance rate and 13% with less than 10% acceptance rate.

Benchmark 9: Percentage of new full-time hires former interns or co-ops with organization

Mean: 32% Median: 20%

Benchmark 10: Percent of accepted offers later reneged

Mean: 4% Median: 2%

Benchmark 11: Competitiveness of compensation

- Much less competitive: 5%
- Slightly less competitive: 20%
- Comparable: 54%
- Slightly more competitive: 18%
- Much more competitive: 4%

Benchmark 12: Retention of hiring class at the end of the first year of employment

Mean: 72% Median: 80% 11% retained 30% or fewer of new hires

Benchmark 13: Retention of hiring class at the end of the third year of employment

Mean: 59% Median: 61% 12% retained 20% or fewer at the third year; 12% retained 30% to 40% at the end of the third year; and 46% retained 70% or more of their hires at three years.

Benchmark 14: Retention of former interns/co-ops at the end of the third year of employment

Mean: 59% Median: 70% 51% retained 70% or more of their interns/co-ops at the end of three years; 12% retained 20% to 40% of former interns/co-ops at three years; 15% retained 10% or fewer of their interns at the end of three years.