Student Attitudes in a Depressed Market

Setting the Stage

Seniors from the Class of 2009 faced the worst job market for college graduates since the Great Depression

- Overall unemployment rate reached 10.2%, the highest since January 1983 (10.8%)
- Current unemployment rate for “new graduates” is the worst recorded.

Unemployment Rate: College Graduates
Market Update: An Improving Picture?

Class of 2010 continues to face a difficult market but there are signs of improvement

• NACE Job Outlook Survey reported an expected continuing decrease in college hiring but at a slower rate than for the class of 2009.
• Newly created NACE index of college hiring has improved every month since initiation in October. Index has gone from 86.8 to 98.4.
• For the first time since August 2008 a higher percentage of employers are reporting plans to increase college hiring than to decrease their college hires.

Trends in the College Job Market

Student Response to a Depressed Job Market

• A change in plans?
• Searching for and finding a job
  – How aggressive; how flexible
  – Resources used; resources ignored
• Attitudes toward the job
  – Work ethic
  – Most important elements of the job
A Change in Plans?

- Surprising little drop in plans to enter the workforce immediately after graduation
  - 2007 – 70.6%; 2008 – 70.4; 2009 – 69.3
- Change is the focus within the workforce
  - Away from for-profit sector
- An increased interest in continuing education

Plans after Graduation

Trends in Searching and Finding a Job

- The class of 2009 did not differ a great deal in when it began the job search or in assessing its job offers
  - Seniors in 2009 were about as active in looking for a job as previous classes
  - Seniors in 2009 were just as selective, even with fewer opportunities, as previous classes
Getting the Job

Offers and Acceptances 2

- The acceptance rate for the class of 2009 is nearly identical to the rate for the class of 2008.
- Why did students not accept job offers?
  - Compensation
  - Job Location
  - Job Status
  - Confidence?
Salary Expectations
Accepted Offers vs. Rejected Offers

Top Reasons beyond Salary for Accepting or Rejecting an Offer (Students who rejected offers)

Concerned but Confident
Students who rejected offers
Most broadly used activities
Seniors looking for a job

- The activities used by the largest percentage of seniors who reported that they had begun looking for a job were:
  - Visiting company websites (96.2%)
  - Looking for job postings on company websites (91.6%)
  - Networking (88.5%)
  - Attending career/job fairs (86.7%)
  - Searching job postings on career center websites (85.4%)

Social Networking Websites
And the Job Search

- Expectations are great that social networking websites will significantly transform college recruiting in the near future
  - Belief is shared by both employer/recruiters and college career center members
  - NACE 2009 Future Trends Survey showed that recruiters ranked technology as the most important factor to affect college recruiting in the near future, and career center representatives ranked technology second
  - In Job Outlook employers reported that the most significant change in recruiting this year will be a greater use of social networking websites.

Seniors and Social Networking Websites
Social Networking Websites in the Job Search

- Clicked on an employer ad: 14.8%
- Searched employer ad: 13.5%
- Used site to job network: 3.2%
- Connected by employer through site: 3.1%

Use of Career Services

- Search Job Listings
- Research Employers
- Prepare for Interview
- Develop Resume
- Career Coaching

- All Students
- Seniors
- Seniors looking for a job
- Seniors with an offer

Student Perspectives on Career Services

- Helped with Career Plans
- Helped in Skills needed to find a Job
- Helped in Job Search

- Maximum Use
- Minimal Use
- Seniors

Percentages

0 20 40 60 80
Perce
Career Services: Impact on the Job Search

<table>
<thead>
<tr>
<th>Job</th>
<th>Offer</th>
</tr>
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<tbody>
<tr>
<td>Intense use</td>
<td>Resume only</td>
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<tr>
<td>20.8</td>
<td>17.8</td>
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Student Attitudes: Concerned but Confident

- Students expressed concern that the general health of the economy would impact their job search, but
- Students remained quite confident that they would be competitive in the job market and would ultimately prevail.

Concerned

<table>
<thead>
<tr>
<th>Expect to rely on parents' financial help</th>
<th>Economy will affect finding a job</th>
<th>Worried about finding a job</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underclassmen</td>
<td>Seniors</td>
<td>Underclassmen</td>
</tr>
<tr>
<td>36.9</td>
<td>43.6</td>
<td>36.9</td>
</tr>
</tbody>
</table>
Confident

College education has prepared me for job
Resume ready to be presented
Will be employed within 3 months

A Changing Work Ethic?

- There is an indication that students are responding to the prospect of diminished opportunities by decreasing their commitment to the prospective job.
  - Less willing to work long hours
  - No change in willingness to travel

Commitment to the Job
Preferred Attributes of the Job

• Impact of the current economic climate clearly reflected in how the class of 2009 ranked various aspects of a preferred job/employer.
• Number one: Job Security followed by:
  – Opportunity for advancement
  – High starting salary
  – Company’s location
  – Opportunity for personal development

Perspectives on Benefits

• Growing concern with economic security reflected in ratings of individual benefits
• Emphasis on direct financial benefits; declining importance of interest in time-off benefits

Top Five Rated Employee Benefits

2009 vs. 2008

• 2009
  – Employer paid medical insurance
  – Annual salary increases
  – 401 (k) plan
  – Dental insurance
  – Life insurance
• 2008
  – Employer paid medical insurance
  – Annual salary increases
  – 401 (k) plan
  – Dental insurance
  – More than 2 weeks vacation
Make or Break Issues

- Respondents asked to identify the one issue beyond salary that would cause them to accept/reject a job offer
- Topping the list:
  - Comprehensive employer paid medical & dental
  - Job location close to family
  - Assistance with student loan repayments

Make or Break Issues
The List

Summary

- 2009 survey suggest the following:
  - Grads reacted slowly to the rapidly changing market situation
  - Despite some recognition that conditions had changed students appeared to be unwilling to compromise on their job expectations
  - Contrary to much of the literature the current generation of graduates places more emphasis on satisfying individual financial goals than personal development objectives or community-related values.
Questions?

Edwin Koc
Director, Strategic and Foundation Research
National Association of Colleges and Employers
E-mail: ekoc@naceweb.org
www.naceweb.org