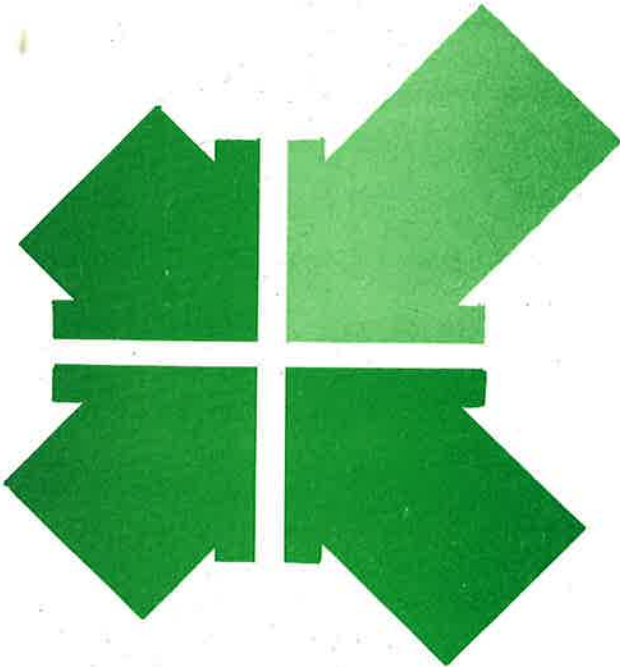


EMPLOYMENT TRENDS SURVEY

1972-73

A study of 219 businesses, industries and governmental agencies employing new college graduates.



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Introduction

Briefly, the over-all employment picture for 1972-73 graduates appears to be brightening. Based on this survey of 219 employers from business, industry and government, there will be an increase in the quotas of employers hiring college graduates this year over last year of approximately 10%. Salaries will increase approximately 3-4% across the board and the number of employers visiting college campuses to interview college graduates will increase about 4% from 6,306 last year to 6,558 this year.

The greatest increase in demand appears to be for accountants in the public accounting fields. This is followed by a substantial demand for engineers in all areas with particular emphasis on chemical engineers, electrical engineers and mechanical engineers.

Government hiring at the federal level is at a standstill and latest reports indicate that very few new hires will be made this year. Military hiring will also be down substantially, which will put quite a few more people on the employment market that would normally be absorbed by the military.

SIZE OF EMPLOYER ORGANIZATION

NUMBER OF EMPLOYERS

1-99	21
100-499	22
500-999	20
1000-4999	58
5000-9999	24
10,000- or more	73

PARTICIPATING ORGANIZATIONS

AIS CONSTRUCTION EQUIP.
ACME MARKETS INC.
AETNA LIFE & CASUALTY
ALLIED CHEMICAL CORP.
ALLIED SUPERMARKETS INC.
ALLIS CHALMERS
ALL STEEL EQUIP CO.
ALLSTATE INSURANCE
AMERICAN APPRAISAL CO.
AMERICAN OIL COMPANY
AMERICAN SEATING
AMERICAN UNITED INNS INC.
APPLIED PHYSICS LAB
 JOHN HOPKINS UNIV.
ARMCO STEEL CORPORATION
ARTHUR YOUNG & COMPANY
ATLANTIC RICHFIELD CO.
AYERST LABS INC.
BALTIMORE POLICE DEPT.
BANK OF AMERICA
BEENE GARTER HRUDA & ORCHARD
BELL & HOWELL
BETHLEHEM STEEL CORPORATION
BOARD OF WATER & LIGHT
BOOTH NEWSPAPERS INC.
BUCYRUS-ERIE COMPANY
BURROUGHS CORPORATION
C & O RAILROAD COMPANY
CAMP CHI JEWISH COM CTR
CAMP HOLIDAY
CARGILL INCORPORATED
CARRIER AIR CONDITIONING
CARRIER CORP RES DIV
CELANESE CORPORATION
CENTRAL COMPANIES
CHARLES PFIZER COMPANY
CHECKERS SIMON & ROSMER
CLAIROL INCORPORATED
CLARK EQUIPMENT COMPANY
COMMONWEALTH ASSOCIATES INC.
CONSUMERS POWER COMPANY
CONTINENTAL CAN CO. INC.
CONTINENTAL OIL COMPANY
CONTROL DATA CORPORATION
COOPERATIVE EXTENSION NY
CUMMINS ENGINE CO. INC.
CUTLER-HAMMER INC.
CYPHERNETICS CORPORATION

DAVEY TREE EXPERT
DAYTONS
DEKALB AGRIC ASSOC INC.
DETROIT BANK & TRUST
CITY OF DETROIT
DETROIT EDISON COMPANY
DONALDSON & ASSOCIATES
R. R. DONNELLEY & SONS
DOW CHEMICAL COMPANY
DOW CORNING CORPORATION
DUN & BRADSTREET INC.
E. I. DUPONT DE NEMOURS
EBASCO SERVICES INC.
PETER ECKRICH & SONS
ELECTRO-VOICE
ENTREKIN COMPUTER INC.
EX CELL O CORPORATION
FACTORY MUTUAL ENG DIV.
FARM BUREAU INS GROUP
FARM CREDIT BANKS OF ST. PAUL
FIRESTONE TIRE & RUBBER
FIRST NAT BANK OF KALAMAZOO
FISCHER & PORTER COMPANY
FOOTE CONE & BELDING
FOX & JACOBS CONSTRUCTION
FRANKS NURSERY SALES
FUNK BROS SEED COMPANY
GENERAL FILMS INCORPORATED
GIBSON REFRIGERATOR DIV.
B. F. GOODRICH COMPANY
GOODYEAR TIRE & RUBBER CO.
GRAND METROPOLITAN HOTELS LTD
GRAND UNION COMPANY
GREEN GIANT COMPANY
GRUMMAN AIRCRAFT
HACKLEY UNION NAT BANK & TRUST
JOHN HANCOCK MUTUAL LIFE INS
HEATH SURVEY CONSULTANTS
HENRY FORD HOSPITAL
HEWLETT PACKARD COMPANY
HIMELHOCH'S
HOERNER WALDORF CORPORATION
HOLIDAY INNS OF AMERICA
HOLLY'S INCORPORATED
HONEYWELL INCORPORATED
HOOKER CHEMICAL CORPORATION
HOOVER COMPANY
GEORGE HORMEL & COMPANY

J.L. HUDSON COMPANY
IBM CORPORATION
INDIANA NATIONAL BANK
INTERLAKE INCORPORATED
JACOBSONS DEPT. STORE
JOHNSON SERVICE COMPANY
JOHNSON WAX
JOURNAL COMPANY
KASSUBA DEVELOPMENT COMPANY
KAWNEER COMPANY
KEELER BRASS COMPANY
KOHLER COMPANY
LAMDA CORPORATION
F & R LAZARUS CORPORATION
LIBBY OWENS FORD GLASS
LIBERTY MUTUAL INSURANCE COMPANY
LINDSAY SCHAUB NEWSPAPERS
MACK TRUCKS INCORPORATED
MAGNAVOX COMPANY
MANUFACTURERS LIFE INS COMPANY
MANUFACTURERS NATIONAL BANK
MARTIN MARIETTA CORPORATION
MC DONNEL DOUGLAS CORPORATION
MC GILL MANUFACTURING COMPANY
MC LOUTH STEEL CORPORATION
METROPOLITAN SANITARY DISTRICT
MICHIGAN CIVIL SERVICE COMM.
MICHIGAN DEPT. OF EDUCATION
MICHIGAN DEPARTMENT OF HOUSING
DEVELOPMENT AUTHORITY
MICHIGAN DEPT. OF TREASURY
MICHIGAN VOCATIONAL REHABILITATION
MICHIGAN CONSOLIDATED GAS
MICHIGAN NATIONAL BANK
MICHIGAN DEPT. OF STATE POLICE
MILWAUKEE CITY
MILWAUKEE JOURNAL COMPANY
MINNESOTA FABRICS
MINNESOTA MUTUAL LIFE
MONROE MICHIGAN CITY HALL
MOORE BUSINESS FORMS INCORPORATED
MORGANS RESTAURANTS INCORPORATED
MORSE-CHAIN COMPANY
MUTUAL BENEFIT LIFE
MUTUAL OF NEW YORK
NASA-LEWIS RESEARCH CENTER
N L INDUSTRIES, INCORPORATED
NATIONAL STEEL CORPORATION
NORTHERN ILLINOIS GAS
OHIO DEPT. OF HIGHWAYS
OLD KENT BANK & TRUST COMPANY
OLIN CORPORATION
ORTHO PHARMACEUTICAL CORPORATION

OWENS-ILLINOIS INCORPORATED
PACKAGING CORP. OF AMERICA
PEAVEY COMPANY
PENN CENTRAL RAILROAD
PENNSYLVANIA SECURITIES COMPANY
PENNWALT CORPORATION
PET MILK INCORPORATED
PHILADELPHIA CITY OF
PITTSBURGH DES MOINES STEEL
PLANTE & MORAN
PRICE WATERHOUSE & COMPANY
PROCTER & GAMBLE COMPANY
PURE OIL COMPANY
RADIATION INCORPORATED
RADIO CORP OF AMERICA
RAYTHEON COMPANY
REED CITY STATE BANK
REYNOLDS METALS COMPANY
R J REYNOLDS TOBACCO
ST. LOUIS DEPT. OF POLICE
SANGAMO ELECTRIC COMPANY
SANTA FE RAILROAD
SARKES TARZIAN INCORPORATED
SERVICE SYSTEMS CORPORATION
SIGNODE CORPORATION
SIMPSON TIMBER COMPANY
SKY CHEFS INCORPORATED
SOUTHERN OAKLAND GIRL SCOUT COUNCIL
SOUTHEAST MICHIGAN COUNCIL GOVT.
SOUTHLAND CORPORATION
SEVEN-ELEVEN FOOD STORES DIV.
SPERRY RAND CORPORATION
STANDARD OIL OF CALIFORNIA
STANLEY HERMAN HOMES INCORPORATED
STARR COMMONWEALTH
STATE MUTUAL OF AMERICA
STRUCTURAL DYNAMICS RES.
SUPER VALUE STORES
TRW SYSTEMS GROUP
TARGET STORES INCORPORATED
TRANE COMPANY
TRANSCON LINES
TRAVELERS INSURANCE COMPANY
TROY HILTON INN
UNIROYAL INCORPORATED
U S GYPSUM
UNIVAC DATA PROCESSING
UNIVERSAL ELECTRIC COMPANY
UPJOHN COMPANY
VINEYARD DEVELOPMENT CO., INC.
WESTERN ELECTRIC COMPANY
WESTERN INTERNATIONAL HOTELS
WHEELABRATOR CORPORATION

WILLIS DRAKE & WATTERS CPA's
WINKLEMAN STORES INCORPORATED
YALE NEW HAVEN HOSPITAL
YORK AIR CONDITIONING
YOUNG SKUTT BREITENWISCHER
AIR FORCE DEPT. OF
ARMY OFFICER CANDIDATE SCHOOL
BUREAU OF NARCOTICS
CIVIL SERVICE COMMISSION
DEFENSE INTELLIGENCE AGENCY
FARMERS HOME ADMINISTRATION
U S GENERAL SERVICES ADMIN.
GEOLOGICAL SURVEY
HOUSING & URBAN DEVELOPMENT
MARINE OFFICER SELECTION OFFICE
N O A A COMMISSIONED OFFICERS CORP.
NAVAL AIR STATION
NAVAL AMMUNITION DEPOT
NAVAL ORDINANCE TEST STATION
NAVAL UNDERWATER SYSTEMS CENTER
NAVY U S RECRUITING STATION
TREASURY DEPARTMENT

EMPLOYMENT PICTURE BY INDUSTRY

February 12, 1973

Accounting

Increase in total number of new graduates to be hired. Anticipate a small but steady increase for next several years. Salaries: 5-6% increase. Public accounting continues to stress hiring top graduates only. Hiring: up 20%. Continued efforts to recruit women and minorities, although these candidates are in short supply. Over-all supply not adequate for demand.

Aerospace and Components

Limited hiring. Slight increase over last year. Salaries: slight increase of 1-2%. Emphasis up slightly for women and minorities, although the numbers affected will be small. Would like to see more women engineers graduating.

Agribusiness

No increase to slight increase. Replacement of attrition. Hiring: about the same. Salaries: 1-2% increase. Slight increase in demand for women. Substantial increased demand for minorities. Practically no supply in Agribusiness of minorities.

Automotive and Mechanical Equipment

Better than last year but screening will be more selective. Anticipate hiring for sales and engineering positions especially. Hiring: up 10%. Salaries: 3-5% increase. Substantial optimism for next three or four years.

Banking, Finance, and Insurance

Outlook bright and healthy for short run and long run. Hiring: up 5%. Salaries: 2-3% increase. Anticipate continuing strong emphasis on highly-qualified minority and female candidates. As usual, limited number of qualified candidates in minority and female categories.

Chemical Drugs and Allied Products

Slight increase. Very slow but steady improvement in demand for well-qualified candidates. Constant future growth. Hiring: up 5% after very slow year last year. Salaries: 2-3% increase. Strong emphasis on recruiting female graduates in business and engineering.

Construction and Building Material Manufacturing

Slow to moderate increase in employment. Growth potential gradual. Hiring: up 10%. Salaries: up 2%.

Electrical Machinery and Equipment

Slight increase in demand for college graduate. Some new hires in specialty areas, but generally leveling out. Salaries: about the same. Anticipate increases in female and minority hiring with emphasis still on minorities.

Food and Beverage Processing

High demand for exceptional students. Hiring: up slightly. Salaries: 1-2% increase.

Electronics

Hope for constant improvement. Still not "out of the woods" on governmental spending programs upon which this industry is so dependent. Could break wide open on short notice. Keener competition facing graduates. Good opportunities. Hiring: up 10%, including women and minorities after slow year last year. Salaries: up 3%.

Glass, Paper, Packaging, Etc.

Steady market for mature students especially those with strong career orientation. Industry seems to be "Stabilizing." Hiring primarily for replacements. Salaries: 2-3% increase. Strong demand for female and minority graduates.

Government Administration

Cautiously optimistic but opportunities few and far between. Employment frozen. Make do with present personnel. Hiring: down at least 10%. Salaries: 3-5% increase due to built-in increases. Federal government employment prospects poor. State and municipal prospects good. Will continue to stress female and minority hiring in professional positions when possible.

Hospitals and Health Services

Steadily rising. Excellent prospects in the long run. Hiring: up 10%. Salaries: 3-4% increase.

Hotels, Motels, Etc.

Good to excellent opportunities. Good growth potential excellent in industry. Hiring: quotas up 30%, including minorities and women. Salaries: 3-5% increase. Strong emphasis on graduates with practical experience.

Merchandising

Slight to moderate improvement in market. Strong growth potential for some and others losing rapidly. Hiring: up slightly. Salaries: 2-3% increase. Continuing demand for qualified minority candidates in management training.

Metals

Slow with limited improvement. Slight growth. Hiring: up 5%. Salaries: 3-5% increase in technical areas. Hiring objectives up considerably for women and minorities over last year.

Military

Decrease in hiring. Selective with applicants. Opportunities for above average applicants. Outlook cloudy. Hiring: down 10-20%. Salaries: 6-10% increase.

Petroleum

Slight increase. Continue to be selective. Visiting fewer campuses. Hiring: quotas up 5%. Salaries: 2-3% increase. Female candidates in demand, especially chemical engineers. Supply limited however.

Printing

Moderate increase for most disciplines. Best opportunities for those interested in sales. Steady rising trend projected. Hiring: up 10%. Salaries: 2-3% increase.

Public Utilities

Making do with fewer people in midst of significant technical improvements. Continued expansion. Environmental challenges. Fewer people handling more equipment, however. Employment opportunities not good. Hiring: no change. Salaries: 2-3% increase.

Tire and Rubber

Improving gradually. No change in hiring quotas. Salaries: up about 1%.

Employers were asked to respond to a number of questions pertaining to the college graduate employment market for 1972-73.

A consensus of the information received from the various employers on various subjects follows.

Under-Employment

Employers estimate that the percentage of college graduates that are under-employed in their respective organizations averages out at approximately 20%, under-employment being defined as employees performing work that is substantially below their competence.

This under-employment is basically due to an over-supply of college graduates, especially in certain disciplines. The employer, responding to a buyer's market, tends to hire the best people available and this results in serious under-employment consequences. Both the employer and the employees are beginning to ask, however, whether under-employment is advantageous to either the employer or the college graduates.

Problems of under-employment to the employer mentioned include turnover costs, employee morale problems, and increased wage costs. This is a subject that will undoubtedly be given considerable review in the days ahead.

Sources of College Graduates

It appears quite obvious from the data that the large state-supported institutions will be the major suppliers of college-trained manpower for business, industry and government in the days ahead. The primary reason for this is because the employer can be much more efficient in terms of hiring the numbers needed where vast manpower resources are available. In addition, the large state-supported institutions seem to have developed a vast selection of disciplines from which the employer can choose his prospective employees.

This emphasizes again the point that employers hire college graduates from where they get results. Those institutions not making it easier for employers to hire their college graduates or who have cumbersome placement operations are at a distinct disadvantage with those institutions that have solid placement programs. Small and large private institutions may have to adjust their thinking on curriculum and placement procedures if the graduates are to be marketable to business and industry.

Applying for Employment

The most popular means for applying for a job is by sending a letter of application and a resume to the Personnel Department.

While this is the most frequently used method by college graduates, it is by no means the most successful. The most successful method experienced by employers is the campus interview. The next most successful method is through the write-in method. The least successful method for getting a job is the phone-in method. From the employers' point of view, the least preferred methods of application is as follows:

1. Sending a letter and a resume to the Department Head in the area of preference.
2. Having the Placement Office send credentials for an unsolicited job.
3. Visiting the Personnel Office personally.
4. Visiting the Department personally.

Demand by Discipline

In a nutshell, accounting seems to be the most rapidly-increasing discipline in terms of the relationship of supply to demand. The technical disciplines continue to be in high demand with chemical engineering, electrical engineering and mechanical engineering being in increased demand in the engineering categories.

The areas of least demand in relation to supply include the social sciences, humanities, liberal arts, and communication arts.

Solutions to Over-Supply of Graduates

Employers were requested to indicate their solution to the current trend of more college graduates being available than the labor market needs. By far the most popular recommendation was for universities to offer more information to students on career planning and job placement.

A second recommendation was that universities' enrollments should be restricted and standards raised in oversupplied areas.

Pass-Fail Grades

Employers significantly preferred grades to the pass-fail system. Employers indicated that grades show a great deal of a person's motivation. They say a pass-fail system advantages only the poor student and hurts the good student. Employers are skeptical about ungraded courses. Ungraded courses allow no basis for comparison. Grades indicate performance. Employers would prefer a specific measure of accomplishment. Pass-fail grades are basically meaningless. With engineers, grade point averages are vital. Grades are important to know how students competed with other students. Most employers favor the grading system. Pass-fail grades with accompanying written statement on each student are good, but cumbersome.

Student Attitudes Toward Business

Employers were requested to indicate their thoughts on student attitudes toward business and their change during the last two years.

Students seem to be developing an awareness of their bargaining position and that getting a job is a two-way street. There are fewer students condemning the "Establishment" than a few years ago. Most students seem more than willing to be able to work within the system. There is no question but that there has been a marked change in student attitudes toward business from the attitudes that existed in the late 60's. Most students are beginning to realize that they must work in order to obtain the things they want out of life and that in more instances, working provides the best means of reaching their objectives and goals.

In the interviewing situation, students are more considerate of the interviewer and the position of business. Students seem to be more realistic than they were a few years ago in their approach to the job market and employers felt that students are more aggressive in their approach to getting a job than in the late 60's. More and more students are concerned about happiness on the job and fulfilling their lifestyle than in the monetary rewards of jobs. Students' utilization of employer expense accounts has even moderated in recent years.

STATUS OF RECRUITING

According to a general concensus of employers, the status of recruiting has improved or increased somewhat. However, in areas where the demand for new employment has decreased, the status of recruitment has also decreased.

PROBLEMS IN COLLEGE RECRUITING

Employers were requested to indicate their biggest problems in college recruiting today. In order of frequency they were as follows:

1. Finding exceptional candidates (getting the right man for our jobs, getting students with career objectives).
2. Not enough jobs.
3. Recruitment of minority and women candidates.
4. Changing the attitudes of students toward us and our business (getting our name on campus, selling our organization, communications with students, placement officers, and faculty members).

5. Evaluating applicants (selection).
6. Lack of pre-screening on college campuses.
7. Inadequate staffing of personnel office.
8. Salary competition (starting salaries).
9. Informing management about our activities.

Hiring Students Who Have Lived In Communes, Had Experiences With Drugs, Etc.

In answer to the question, "Do you hire rehabilitated drug users, campus demonstrators with police records and students living in communes?", there was a great assortment of answers. The general summary, however, would indicate that there is a definite wariness and hesitancy to hire graduates who have had experience in these three categories. None of the employers stipulated that they would not hire graduates with these factors in their background, but there appears to be an overall reluctance to hire these people. Most of the companies stated they would want to handle each situation on its own merits with the ultimate question being answered, "Can the person do his job and will these past experiences affect current and future productivity?"

Recommendations for Higher Education

Employers were asked to suggest recommendations to institutions of higher learning that might better prepare college graduates for employment in business, industry and government. They were also asked to identify items that would make college graduates more marketable. The one response that seemed to run through all of the replies was the suggestion that students be more thoroughly introduced to the world of reality and the world of work. Many employers suggested that the current liberal arts education tends to leave a wide gap between the expectations of the graduate and the reality of the world of work.

More employers believe that there should be increased emphasis in higher education on production and its results, the profit motive, and the importance of work to a person's life. Employers felt that students who require long training programs and orientation are at a disadvantage when competing with students that are productive more immediately. Employers today are not seeking out the Idealist. In fact, many employers are wary of such candidates.

Some employers suggested that students need help in forming goals and a sense of direction, and that employment goals should be more clearly defined to the students in the educational process.

Employers felt that more consideration should be given to part-time and summer employment that is career-related. Some employers suggested that professors should work summers in industry to get some real world-work experience. Most employers felt that there was not enough rapport between the world of business and the academic world to the disadvantage of both.

