



Recruiting Trends Spring 1995

"The Graduation Update"

"A Study of 231 Businesses, Industries and Governmental Agencies Employing New College Graduates"

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To determine anticipated demand for new college graduates each year, a nationwide sample of businesses, industries and governmental agencies is surveyed. For the 24th consecutive year, this survey was conducted in September 1994.

This *Spring Update 1995* contains summary data on actual hires of new college graduates during the 1994-95 school year (September 1994 to August 1995). Included are data on contract and temporary personnel hired this year (1994-95), new graduates hired last year (1993-94) and total salaried employees (excluding clerical and laborer staff) on the payrolls of surveyed organizations.

Hiring Totals for 1994-95 Graduates

When compared to actual new college graduates hired a year earlier (1993-94), surveyed employers reported an increase this year (1994-95) in new full-time and contract/ temporary employees hired by their organizations. Already hired through May 1995 were 1.5% more new college graduates that surveyed employers hired a year ago. At the time of this survey, an additional 3,281 job openings remained within surveyed organizations for new college graduates and were expected to be filled before September 1995.

Although a smaller sample of em-

ployers reported data for this spring survey, this increase compares closely with the 5.9% anticipated by employers responding to the Recruiting Trends survey reported in December 1994. Questionnaires received for the 1994-95 report of anticipated hiring totaled 545, but responses to this spring survey were received from 231 employers. Nevertheless, results from this spring survey confirm some improvement in hiring of new college graduates compared to 1993-94.

Job Openings Still Available

Among job openings remaining available in surveyed organizations when this research was completed were: accountants, engineers, physical therapists, nurses, occupational therapists, dieticians, financial analysts, local area network analysts, programmers, computer system analysts, pharmacists, sales representatives, restaurant managers, social workers, dentists, editors, illustrators, designers, architects, customer service representatives and insurance underwriter trainees. The surveyed employers expected to fill these positions before September 1995—almost 5% of their anticipated job openings for 1994-95.

Portrait of the Current Job Market

The current job market will remain "tight" but somewhat more favorable than the job market experienced at this time last year by new college graduates.

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The Most Difficult Academic Majors and Degree Levels to Find during 1994-95

Surveyed employers listed the academic majors and degree levels that were most difficult to find for job openings this year (1994-95). The academic majors and degree levels reported most frequently are listed below. The number of employers indicating difficulty with filling job openings this year in each academic area are provided in parentheses ().

Business occupations - (17)

Accountants
Financial analysts (especially MBA's experienced with futures and options)
Marketing and sales representatives (especially MBA graduates)
Logistics management
Retail management trainees

Computer-related occupations - (30)

Computer scientists (both B.S. and M.S. graduates, especially individuals with C Language, Unix and Oracle experience)
Management information systems (MIS) specialists (especially Novell network specialists)
Programmer/analysts

Engineering specialties - (41)

Chemical engineers (B.S., M.S. and Ph.D. degree levels)
Civil engineers (especially B.S. graduates with transportation experience)
Electrical engineers
Geological engineers
Heavy equipment management and maintenance
Industrial engineers
Integrated circuit design engineers (M.S. required)
Mechanical engineers (both B.S. and M.S. graduates and especially Ph.D.s with an emphasis on heat transfer)
Metallurgical engineers
Operations research engineers
Process/project engineers (B.S. and M.S. levels)
Software engineers (M.S. and Ph.D. levels)
Wood composite engineers (with specialty in wood technology)

Health care and medical specialists - (37)

Clinical psychologists (Ph.D. required)
Counselors (M.S. required)
Exercise physiologists (M.S. required)
Health care administrators (M.S. required)
Nurse anesthetists (M.S.N. required)
Nurse practitioners (especially for cardiac laboratory director, home care director, Ob/Gyn and pediatrics)
Registered nurses
Occupational therapists
Physical therapists
Pharmacists
Physician's assistants
Psychiatrists (Ph.D. required)
Registered dieticians
Social workers (MSW required)
Speech and language pathologists (M.S. required)

Scientists - (16)

Chemists (especially for environmental applications)
Clinical/analytical chemists (Ph.D. required)
Environmental scientists (M.S. or Ph.D. required)
Food scientists (Ph.D. required)
Horticulture sales and service majors
Hydrologists
Meteorologists
Microbiologists (M.S. or Ph.D. required)
Molecular biologists
Organic chemists (M.S. required)
Polymers managers
Research biologists
Statisticians
Toxicologists (Ph.D. required)

The economy "appears" to have recovered, but employers are still remaining conservative on their hiring approaches with some replacement hiring and a little new growth hiring.

Conducting a job campaign during the next six months for a new college graduate will be challenging. On-campus recruiting for the 1994-95 academic year has already been completed by most employers of new college graduates, so

graduating seniors will need to approach employers at their geographical locations regarding any unfilled positions.

Job growth will be most promising among smaller and medium-sized organizations. However, these employers rely on "just in time" hiring to fill their openings. Recruitment for these organizations does not occur until a job opening arises or the requirement for an additional staff member is identified.

Then their preferences are more experienced individuals who can manage multiple projects, a variety of job tasks and constant change.

Graduating students with higher grade point averages (GPAs) and cooperative education/internship experiences will have a relatively easier time securing employment. Candidates having "real world" experiences look more beneficial to the companies hiring them. At the present time, the workforce is balanced more towards the companies than the workers. The companies have the edge. So prior work experiences will continue to be an important qualification.

A few sectors of the job market are expanding more rapidly than others. Hotel, restaurant and institutional management; management information systems; physical therapy; occupational therapy; chemical engineering; geology; and computer science graduates are experiencing fine job prospects.

Hiring freezes are continuing for many employers. Of 231 employers responding, 15.1% indicated no hiring during 1994-95. So additional information about employment trends in specific organizations is needed before venturing forth and expecting job openings. No all employers are hiring.

Factor Influencing Job Prospects in the Next Six Months

When reporting on factors expected to most influence the job market for new college graduates during the next six months, surveyed employers indicated that the economy was the most persuasive determinant. Amassed with the economy were low inflation rates, stable interest rates, a strong worldwide value for the American dollar, a modest stock market gain and continuing balance in international trade.

On the negative side of the ledger were corporate right sizing, potential layoffs, potential consolidation of business operations, slower employee turnover, cost-cutting measures and

increased utilization of technology and automation. However, organizations focusing on cost savings may look for new college graduates as a "cheaper" payroll expenditure. Also, new college graduates may have an edge with recent experiences in the latest computer technologies and automated applications.

Other factors mentioned as possible positive influences on the job market for new college graduates in the next six months were business expansion prospects, increased sales volumes, more high-technology usage and specialized expertise only available in recent graduates.

Employers Responding

Responding to this Spring Update to the *Recruiting Trends* report were 231 organizations (5.7%) and all responses were complete enough for statistical analysis. An adequate representation of organizations recruiting on college and university campuses during 1994-95 was included in these survey responses to satisfactorily reflect the job market for new college graduates of this year.

A total of 4,054 employers were invited to participate and represented (1) members of the National Association of Colleges and Employers (formerly the College Placement Council) or a regional placement association, (2) employers registered with Career Development and Placement Services at Michigan State University and (3) employers randomly selected from a list of small businesses in the *Standard and Poor's Register*. Spring Update questionnaires were initially mailed first-class to employers from April 4-7, 1995. No follow-up reminder notices were mailed because of the tight timeline required for responses. Any responses received through May 12, 1995, were included in this final report.

Employed by organizations responding to this Spring Update were 1,369,073 salaried employees (excluding clerical and laborer staff). This total represents approximately 2.4% of all salaried employees on the payrolls of all business, industry and governmental agencies in the United States.

Organizations with 100 to 499 employees and 1,000 to 4,999 employees

were each represented by 26.3% of the respondents. Employers with 1 to 99 employees represented 21.5% of the respondents; those with 10,000 or more represented 10.5% of the respondents; those with 500 to 99 employees represented 8.6%; and organizations with 5,000 to 9,999 employees represented 6.7% of the respondents.

Contract/Temporary Employment

Hiring of contract and temporary employees continued for surveyed employers. Many large employers are holding staff levels at a minimum and hiring outside contractors. Of the new college hires reported by 131 surveyed organizations, 1,897 were contract and temporary employees (38.5%). These 131 employers hired 4,933 new college graduates. New college graduates could do well to get a contract position for gaining experience.

Employers Using Internet for Recruitment Efforts

Of the employers responding to this survey, 14 organizations (6.1%) had established a "Home Page" on the Internet

for communicating human resources information to new college graduates. These employers were all communicating the Internet addresses for their Home Pages to college/university career services offices and graduating college students.

Utilizing Internet resources for identification of new college graduates for job openings were 20 surveyed employers (8.7%). Specific Internet resources used by these employers included: World Wide Web (www) Home Pages, On-Line Career Center, Career Mosaic, America On-Line, Prodigy, selected university on-line applicant databases and JobWeb.

Hiring of new college graduates by surveyed employers from Internet resources was minimal. Of 7 employers reporting hires from Internet, a total of 12 new hires were found.

Establishing databases for collecting resumes of new college graduates on the Internet were 5 surveyed organizations. The Internet addresses for these databases have been publicized to college placement offices, according to these employers.

ACKNOWLEDGEMENTS

To the **employers** who responded to this survey, please accept my gratitude. Your efforts are recognized and applauded, especially during a very busy segment of the recruitment season when few human resources staff are available to assist with this task.

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