

# MN COLLEGE JOB OUTLOOK 2007

## **SURVEY BACKGROUND**

Every year, college career centers throughout Minnesota receive many inquiries regarding the job market for college students. For many years, the only source that colleges had to draw on for this information was the annual study conducted by the National Association of Colleges and Employers (NACE). Upon further investigation, it was discovered that the NACE survey, which is often cited in many major national publications, typically included responses by less than 10 Minnesota employers. To obtain information from a much greater number of employers active in recruiting at Minnesota four year colleges and universities, St. Cloud State University began conducting its own survey of Minnesota employers in 2004.

The following is a summary of the research of our third annual survey, conducted by Andrew Ditlevson, Associate Director, SCSU Career Services Center. The “Comment” sections of this document are statements written by Mr. Ditlevson.

## **SURVEY METHODOLOGY**

To develop a forecast of hiring intentions of employers as they relate to new college graduates, an email list of employers who actively recruit new college graduates in Minnesota was compiled. The employers in the survey sample were participants in at least one of the three largest four year college consortium job fairs held in MN during the past year. The three job fairs were the MN State Universities Job Fair, the MN Private Colleges Job Fair, and the University of MN Job Fair. When these three sources were combined and duplication and unreachable email addresses were eliminated, there were 293 usable employer email addresses. In July 2006, the Job Outlook survey was emailed to the 293 contacts. Two follow up emails were sent to non-respondents between late July and early August. By mid-August 2006, responses had been received from 149 of the 293 employers, a 50.9% response rate.

## **HIRING PLANS**

Plan to increase hiring	55%
Plan to maintain hiring	42.3%
Plan to decrease hiring	2.7%

Comment: “Last year was the best job market for new college graduates since 2001 and with 55% of the employers planning to increase their hiring, this year should be even better.”

## **HIRING PLANS BY INDUSTRY (for industries with 7 or more respondents)**

<b>Industry (employers per industry)</b>	<b>Respondents To Question</b>	<b>Increase Hiring</b>	<b>Maintain Hiring</b>	<b>Decrease Hiring</b>
Retail	13	10 (76.9%)	3 (23.1%)	
Financial Services	31	21 (67.7%)	10 (32.3%)	
Technology	11	7 (63.6%)	4 (36.4%)	
Business Services	16	10 (62.5%)	5 (31.2%)	1 (6.3%)
Other	27	14 (51.9%)	12 (44.4%)	1 (3.7%)
Healthcare	7	3 (42.9%)	4 (57.1%)	

Manufacturing	11	4 (36.4%)	7 (63.6%)	
Non Profit/Human Service	14	5 (35.7%)	9 (64.3%)	
Government	9	1 (11.1%)	6 (66.7%)	2 (22.2%)

### ON CAMPUS RECRUITING PLANS

Firm plans to recruit on campus	54.4%
Tentative plans to recruit on campus	26.6%
No plans to recruit on campus	6%
Unsure of plans	12.8%

Comment: “With 81% of the employers indicating firm or tentative plans to recruit on campus, college students will be well advised to take advantage of their campus career services office and on campus career fairs.”

### INDUSTRIES PLANS TO RECRUIT ON CAMPUS (for industries with 5 or more respondents)

Industry	Firm plan	Tentative plan	No plan to recruit	Unsure
Healthcare (7)	85.7%			14.3%
Technology (11)	81.8%	9.1%		9.1%
Retail (13)	76.9%	23.1%		
Business Services (16)	56.3%	31.3%		12.5%
Other (27)	55.6%	25.9%	7.4%	11.1%
Manufacturing (11)	54.5%	27.3%	18.2%	
Financial Services (31)	48.4%	29.0%	9.7%	12.9%
Government (9)	44.4%	22.2%	11.1%	22.2%
Non Profit/Human Serv (14)	35.7%	35.7%		28.6%

### SALARY PLANS

Plan to increase salary	34%
Plan to maintain salary	66%

Of the employers who plan to increase salaries, 66% plan a 1-3% increase, while 30% plan a 4-6% increase and only 4% plan to increase salaries 7% or more.

Comment: “While the majority of employers plan to maintain salaries, the good news is that one third of the employers plan to increase salaries this year as compared to last year when only a quarter of the employers planned an increase.”

### INTERNATIONAL STUDENT HIRING

Employers were asked if their organization would consider hiring international students who were authorized to work up to one year after graduation, i.e., had a work permit good for only one year. Of the 141 respondents to this question, 29.1% (41) said yes and 70.9% (83) said no. Comment: “These results are exactly the same as the previous year, so it looks like the job market for international students will be unchanged.”

### SKILLS MOST IMPORTANT FOR STUDENTS TO POSSESS

When asked for the skills they felt were most important for students to possess, here were the employers' top 10 (rated on a scale of 1 to 5 with 1 = not at all important and 5 = extremely important):

#### Top 10

1. Honesty/Integrity	4.71
2. Communication (Verbal and Written)	4.7
3. Strong Work Ethic	4.64
4. Motivation/initiative	4.59
5. Interpersonal (relates well to others)	4.54
6. Teamwork (works well with others)	4.53
7. Flexibility/Adaptability	4.37
8. Professionalism/Etiquette	4.36
9. Customer Service	4.21
10. Self-confidence	4.15

Comment: "It is interesting to note the increasing importance employers are placing on honesty and integrity as it has risen in importance each of the three years we have conducted the survey."

### SKILLS STUDENTS MOST NEED TO IMPROVE UPON

When employers were asked what skills new college graduates most needed to improve upon, here were the results. Numbers at right indicate number of employers selecting this item.

#### Top 10

1. Realistic job expectations/lose sense of entitlement	104
2. Communication (written and verbal)	77
3. Career goals/focus	74
4. Professionalism/etiquette	65
4. Knowledge of company/work environment	65
6. Work Ethic	60
7. Flexibility/adaptability	54
8. Interviewing skills	53
8. Motivation/initiative	53
10. Customer Service	41

When speaking about candidates needing more realistic expectations, employers indicated several areas including: the need for more realistic salary expectations, understanding that they need to start at entry level and work their way up (which might take some time) and that not all jobs have 8 to 5, M-F work schedules.

### MAJORS SOUGHT BY EMPLOYERS

Number of respondents 148

<u>Type of Major</u>	<u>Number of Employers Seeking</u>
Business Admin/Management	103 (69.1%)
Marketing	77 (51.7%)

Economics/Finance	71 (48%)
Communications	65 (43.6%)
Accounting	64 (43%)
Psychology/Sociology	52 (34.9%)
Management Information Systems (MIS)	43 (28.9%)
Social Work	34 (22.8%)
Computer Science	33 (22.1%)
Advertising/English	30 (20.1%)
Mechanical Engineering	26 (17.4%)
Math/Statistics	26 (17.4%)
Biological Sciences/Life Sciences	24 (16.1%)
Criminal Justice	24 (16.1%)
Nursing	23 (15.4%)
Computer Engineering	21 (14.1%)
Electrical Engineering	19 (12.8%)

The following were sought by less than 18 employers: History/Political Science/Gov't (17), Chemistry (17), Art/Graphic Design (13), Physics (11), Civil Engineering (11), Construction Science/Management (9), Chemical Engineering (8), Geological and Related Sciences (7).

Comments: The fact that business and communication majors came out at the top of the list was to be expected, as those are consistently the most sought after majors by employers. The strong demand for accounting majors is particularly impressive given that there were very few public accounting firms in the survey.

Perhaps the most interesting finding is that nearly 35% of the employers are seeking psychology/sociology majors when government, non-profit and healthcare employers represent only 20% of the survey respondents.

#### **EMPLOYERS SEEKING “ANY” MAJOR**

When asked “Do you recruit for any college degree required positions for which you will accept “any” major (no specific major required) – 56.1% of the employers responded “Yes.”

#### **WHAT COLLEGES MOST NEED TO DO TO PREPARE NEW COLLEGE GRADUATES TO BE PRODUCTIVE MEMBERS OF THE EMPLOYER’S WORKFORCE.**

This was an “open-ended” question and was new to the survey this year. Twenty-four different items were listed by at least one employer, but the most frequently mentioned ones were:

- |  |     |
|--|-----|
| 1) Help students develop realistic expectations                                  | 30* |
| 2) Help students understand the interview process and how to market their skills | 21* |
| 3) Help students understand the importance of a strong work ethic                | 12* |
| 4) Teach leadership skills, offer leadership opportunities                       | 10* |
| 5) Help students to improve their communication skills                           | 9*  |
| 6) Stress the importance of getting experience (e.g., internships)               | 8*  |

\*Indicates number of employers writing in that item

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