

College Hiring Just Went Supernova: Trends -- 2016-2017



“Entering a Brave New World”

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Trends 2016-2017



CELEBRATING

60

YEARS

CareerNetwork.msu.edu



Publication Availability

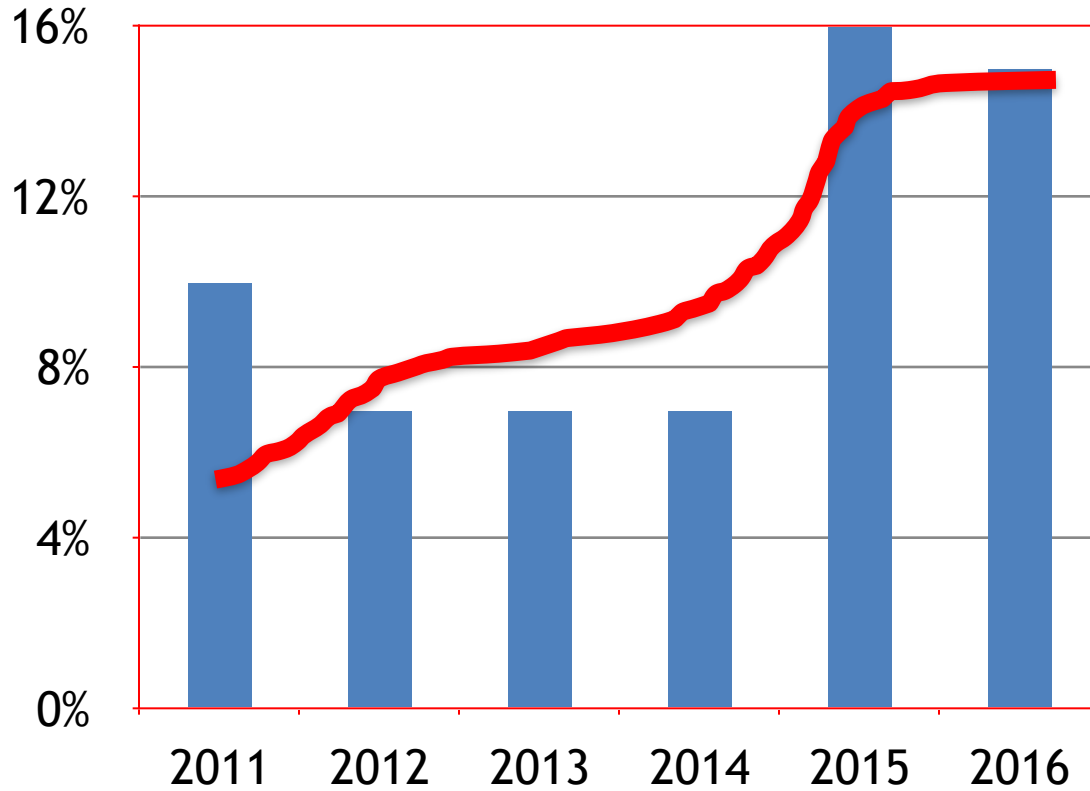
Recruiting Trends 2016-2017

- Released as a series of short briefs (3-10 pgs)
- Seven are currently available for download at www.ceri.msu.edu
- Several more to be released within next 3 weeks
- Slide deck will be made available to you by next week



Last Year's Lingering Question:

YOY Increase in BA Hires



Explosive Hiring – Why so impressive?



The Usual Suspects



- Growth: 68%
- Turnover: 58%
- Retirements: 30%



Fundamental Reasons

AND WHEN YOU
GET THE CHOICE
TO SIT IT OUT OR DANCE
I HOPE YOU DANCE





ELECTION



2016



**A VOTE
FOR ME
IS A
VOTE
FOR YOU**



Barometer of Success

College Labor Market: Remains Good to Very Good

Industrial Sector: steady at Very Good

94% Expect to hire at least one new graduate

51% Expect to increase hiring over last year

21% Have definite hiring targets as of September



Background on Respondents

- 72% looking for full-time
- Shy of 2000 reporting complete hiring numbers
- Geographically well distributed
- Size – distribution similar to past years – small employers predominate
- Sectors – mining & oil not represented



National Perspective



Hiring Targets: 2016-2017

	Number of Employers	Average Number of New Hires per Organization	Change from 2015-16 (%)
Associates	662	18.0	37
Bachelors	1789	41.7	19
MBA	448	13.8	40
MS/MA	768	14.3	32
PhD	238	6.7	12
Professional	165	11.2	15
Total	1905	56.3	23



Associate's Degrees

- Regions represented are strong
- Led by
 - Applied engineering, engineering technicians, robotics techs
 - Computer science/IT
 - Health technicians, nursing, health certification programs
- Salary offers strong



Bachelor's Degrees

- COMPETITIVE – say no more
- Led by Computer Science, Engineering & some Business
- Skills and Competencies – A NECESSITY
- Work Attitudes and Behaviors: CRITICAL
- Not a free pass



MBA & Masters Degrees

- **MBA**
 - Another solid year
 - Financial services bounced up but still weak in historical comparison (banks still struggling)
- **Masters**
 - Accounting shows their muscle
 - Health professionals
 - Niche versus general growth



Organizational Size

- All size categories – strong outlook
- Very Small (<100) – very active BA >33%
- Very Large (>10,000) – BA 16%
- MBA – strong across all groups, especially >4,000 and <10,000



Economic (Industrial) Sectors

- **Oil is a Downer**
 - Anything related to oil is continues down or reporting no hiring; important to college hiring, especially in south central
- **Manufacturing Soft**
 - Export oriented – fabricated metals
 - Food processing
 - Anything related to petroleum
- **Whiz Kids!**
 - Computer Services
 - Finance & Insurance
 - Automotive & Aerospace & Electronics
 - Education & Health Care
 - Non-profit and Government



GET THE SALARY YOU WANT
9 FAILPROOF TRICKS
 Women end to the way than salary negotiation, which leads to overall lower salaries and a dramatic loss in potential earnings. With a little preparation and the right techniques, you'll be armed to get the best possible offer.
 by KATE WHITE
 Learn the secrets of not having to settle!

1 Play Detective.
 Go to sites like Salary.com, ask around, and get a true sense of what the job might pay.

2 Determine the ZOPA.
 ZOPA, zone of possible agreement. When the range of offers you might offer overlaps with the range that will make you happy.

3 Don't Name a Number!
 Wait for them to first bring up the salary.

4 When they offer you the job and announce the salary, graciously tell them how pleased you are to have the offer and how much you'd like to work there.

5 ...then add
 "But I was really hoping for a..."

6 Now shut up... and wait...

7 When they counteroffer with *r*, assess the mood.
 "I appreciate your flexibility. Could we meet in the middle at *r*?"

8 Don't stop!
 This is a time to nail down the extras: signing bonus, or, moving expenses, cell phone, gym membership, flexible schedule.

9 If the first offer is firm, ask if there is anything else they can do.
 Additional Benefits

Starting Salary Offers

- 53% increased salaries in 2007
- 48% will increase salaries this year
- Average increase 4.2%
- Bonuses: 7% (definitely no – 32%)
- Performance Bonuses: 14%
- Commission: 8%
- Wage pressure: none to speak of BUT several high salary offers reported

Overview: Interns and Co-ops

- **77%** of organizations with internship/co-op will hire
- 35% will provide more opportunities than last year
- Paid internships **68%**
- Hourly salaries increased slightly



Special Issues for Interns and Co-ops

- Housing

- 69% no housing support
- 14% pay some form of stipend/provide
- National based more likely
- Co-op more likely
- Very large companies
- Construction, Manufacturing, Accommodation (Hospitality) more likely

- Transportation

- 83% no reimbursement for travel
- Nationally based more likely
- Very large companies
- Construction, Manufacturing, Transportation, Hospitality
- Co-op more likely (but not as much as housing)



Internships and Co-ops: a little more

1. Finding interns and co-ops

- Career Center – over 50% primary source (6% -- academic units, 5% -- other campus services)
- Current employees – 9%

2. What's looked for in potential interns

- Enthusiasm
- Fit with organization
- Hardworking

3. What makes for a great experience

- Student learns from the experience
- Student is genuinely interested in the work and organization
- Student sees the experience as valuable
- Student progresses further in their career due to this assignment



Recruiting Strategies Toolbox

- **Most used tools**
 - Posting – focus on this later
- **Action Tools**
 - Internships & Co-ops
 - Career Fairs
 - Employee Referrals
- **All the rest**
 - Social media – strengthening but still a disconnect



Resources Purchased from Vendors

- Did not include college-based systems like Symplicity, Handshake, GradLeader
- Resume depositories (CareerBuilder) and social media portals (LinkedIn)
- Secondary: Facebook, Craig's List, ZipRecruiter
- ATS – gamut of options. iCims, Taleo, Aplitracks



Selecting Core Schools



2015-2016 Benchmarks

- Reneging: 4.6%
- Professional Hires from college recruiting: 39%
- Full-time offers, acceptance rate: 65%
- Former interns or co-ops: 33%
- Salary: competitive
- Retention
 - 1st year: 76% 3rd year: 62% (same for interns)



The Road Ahead: Short-term

- Fatigue !!!
- Competitive & fast
- Diversifying talent base – top priority
- Gaining leverage through internships
- Retirements: while phasing into numbers increasing to estimated 10,000 a day
- Driving toward the edge: Don't forget the business cycle
- Sustaining Double Digit Growth YOY
 - Extra-innings?




Some things to think about

- Silicon Valley short-game: How did that go?
- Thinking ahead in college hiring/college partnerships
 - Not very strategic – more of the same
 - Do what we do better – expand some practices
 - 20% -- increase use of social media
 - 10% -- leverage web-based and mobile tools
 - Few – fit-based recruiting practices
 - Majority – strengthen internship programs or start



Job Destruction

- **Job destruction coming NOW**
 - Cognitive (AI) software
 - Robotics
 - ***“Change the technology and you change the task, and you change the nature of the worker – in fact you change the entire population of people who can operate a system.”***
 - David Mindell, MIT Our Robots, Our Selves
- Factoid: The share of all income earned from labor has been shrinking since 1990.***
- Technology deflation – it is happening every day!***
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Technology: AI and more




Facebook versus Snapchat: Digitalization Divide

1. **Micro-generation gaps**

- Venmo, Slack, Bumble
- Pew – more employees worried about company management than the growing automation; don't know what they are doing – “measuring inadequacy is tough”

2. **“Software is eating the world!”** only 16% of companies believe they have the right people to get job done; 13% have the right processes; <25% have the right culture to succeed. (CD Technologies)

3. **Digitization:** intelligent connection of people, process, data, and things. Kicked-in in 2010.

- Labor market – transformed. 80% of Fortune 100 require on-line resumes
 - Massive amount of data – need to correctly analyze information, provide insights, enable digital environment to open opportunities
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Considerations

- “College Recruiting” – not responding to digitization fast enough
- Millennials – Just like us – myth busting; too hung up on stereotypes (keep paying consultants to solve a problem that goes away with age)
- Aging – do we really see it coming
- On-the-spot Hiring
- Getting schooled at work
- Do we really have a gig economy? new definitions



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Questions and Discussion



Wrap Up

Download Recruiting Briefs & Executive Summary
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