

College labor market remains strong

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Employers will face tough competition for talent in the 2017-18 job market, thanks to a seven-year growth streak in the college labor market, according to Michigan State University's Recruiting Trends, the largest annual survey of employers in the nation.

This year's graduates will enter one of the longest sustained periods of job growth, which puts them at an advantage, said Phil Gardner, [survey](#) author and director of MSU's Collegiate Employment Research Institute.

Fueled by turnover and company growth, hiring is expected to increase 19 percent, driven by a 15 percent increase for bachelor's degrees and 40 percent for associate's degrees.

"I'm still wowed at how strong this market is," Gardner said. "There should be no complaints anywhere about jobs. So if students aren't ready, they're going to get passed over."

Recruiting Trends 2017-18 summarizes data from 3,370 employers from every major industrial sector from every state. The employers represented in the survey plan to hire 74,000 new graduates.

Of note, small companies plan to add two to four more new hires than last year and are recruiting actively at the associate's level.

The competitive [college](#) labor market has provided employers with challenges, Gardner said. For small companies, the largest challenge is finding candidates with "soft skills," such as cultural appreciation,

flexibility, empathy and teamwork. At the same time, larger companies report competition from other employers as their largest hurdle in hiring college graduates.

Other key findings from the survey:

- The construction industry continues to grow, especially in the aftermath of recent weather incidents, with the most construction companies reporting in the survey since 2007. In addition, retail trade will hire in larger numbers this year.
- Even though the college labor market remains strong, only 39 percent of employers said they would increase salaries, averaging 4.1 percent. Sixty-one percent reported salaries would stay the same. However, the number of employers offering signing bonuses nearly doubled.
- Fewer employers are seeking specific groups of majors, such as technical or business. Employers who selected "all majors" report the highest level of growth at 18 percent. The jobs most difficult to fill are skilled trades, skilled medical, scientists and mathematicians.
- Employers plan to hire more than 40,000 interns and co-ops with an average of 40 per organization. But only 65 percent will pay interns, continuing a decline that returns intern payments to the level reported in 2011-12.

If college grads are struggling to find employment, they need to seek help, such as career coaching and interview practice, Gardner said. And soon-to-be-graduates should take advantage of their university's career planning resources.

Provided by Michigan State University

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