A look at what college seniors expect from their first post-grad job search and how this compares to recruiters’ experiences hiring entry-level talent.
College graduation season is around the corner, bringing with it a group of newly minted job seekers. This year's graduates are confident in their ability to find the job they want after graduation, and a well-paying one at that.

Young people today are the most educated generation in U.S. history, but is college equipping students with the skills they need to succeed in the real world? Is there value to earning a master’s degree in today’s tight labor market?

Our third annual report explores the professional aspirations and expectations of the Class of 2018 – including industry, role, salary expectations and grad school ambitions.

Additionally, we evaluated the realities of entry-level hiring from the perspective of recruiters and what has changed since the Class of 2016 graduated.
SECTION 1

The Class of 2018’s Most Popular Majors and Career Paths
The Top Majors College Seniors Are Graduating with This Year

The most popular majors for the Class of 2018 include healthcare/environment (healthcare, psychology, social work, and agriculture, natural resource and environmental science) and STEM (Science, Technology, Engineering and Math).

Recruiters Reveal They Are Most Interested in Hiring STEM and Business Majors

While only 24% of college seniors surveyed will be graduating with a degree in STEM, these students are in high demand – 52% of recruiters say they are most interested in hiring majors in these fields. However, employer interest is not as aggressive as it was last year, when 61% of recruiters said they were most interested in hiring STEM majors.

Additionally, iCIMS system data shows that STEM majors from years past represent a large percentage of hires in the U.S. Over the last year, 29% of hires in the U.S. from the graduating classes of 2015 – 2017 earned STEM bachelor’s degrees.

Similarly, 42% of recruiters cited being interested in hiring business/finance majors (a drop from 55% in 2017) while 18% of college seniors will be graduating with that type of degree.1

1. This represents STEM majors who recently graduated with a bachelor’s degree in 2015, 2016 or 2017 and were hired for a job since January 2017.
Where Should STEM Majors Look for Jobs?

While it’s widely known that Silicon Valley and New York City are STEM hiring hot spots, STEM majors graduating in 2018 may want to consider these other metro areas where the largest percentage of entry-level hires have a STEM degree.

According to iCIMS’ system data, outside of Silicon Valley and New York City, these are the top five U.S. metro areas where the highest percentage of their hires were STEM majors:

1. Seattle, WA
2. Tampa, FL
3. Baltimore, MD
4. Minneapolis, MN
5. San Antonio, TX
Employers Expect to Hire the Most Entry-Level Candidates in HR Roles but Only 16% of College Seniors Want to Work in Those Positions

Overall, 85% of the Class of 2018 is confident that their first job after college will be a job they are happy with.

However, the roles most college seniors want to work in will likely be highly competitive as recruiters’ hiring needs do not match those interests.

Additionally, employers may have trouble filling their most in-demand entry-level role needs (human resources and information technology) as only 16% of seniors want to work in HR roles and 14% want to work in IT roles.

Of those surveyed, 32% of the Class of 2018 want to work in roles specific to their industry, for example a nursing role in the healthcare industry.

The Business Roles Recruiters Expect to Hire the Most Entry-Level Candidates for in 2018

The Business Roles College Seniors Want to Work in After Graduation
SECTION 2

How Entry-Level Job Seekers Can Get a Foot in the Door
Timing is Everything

Most students feel their interpersonal skills are top-notch, with 87% confident they have what it takes to ace a job interview and get the job they want.

But it might be tough to ace a job interview if college seniors miss the right window to apply. While 70% of college seniors say they plan to start applying to jobs before graduation, nearly two in five students (39%) don’t start their job search process until less than a month before they graduate.

College seniors who are procrastinating their applications will still be able to land a job. According to iCIMS system data, the majority of jobs that the Class of 2017 were hired into were not posted until May – September. This may mean that even if college seniors start to apply to jobs before their spring graduation, most graduates won’t land a job until May or later.

But don’t wait too long – college seniors should expect the jobs they are applying for to be filled within 43 days of the posting date, according to iCIMS data.
Most College Seniors Are Willing to be Flexible with Their Career Paths

Despite their initial confidence, most students soon realize that they may not get a job in their chosen field on the first try after all.

In fact, 77% are willing to accept a full-time job in a field unrelated to their major.

In 2017, 82% of recruiters said they frequently hired entry-level candidates whose college major did not directly align with or relate to the job position.

Being Passionate About the Job Could Be More Important Than Earning a Relevant Degree

Even if an applicant has a less relevant degree, 79% of recruiters admit a student with profound passion and interest in the job is much more likely to secure the position than someone with a more relevant degree who doesn’t have that same interest (21%).
Here’s What Employers Think is More Important in Entry-Level Job Applicants Than Their College Major

Beyond a candidate’s college major, recruiters look for past work experience and strong communication skills in an entry-level applicant. Interestingly, GPA and the university’s prestige rank low on this list, suggesting work-related skills and abilities are more important than other accomplishments on a resume.

The Average Student in the Class of 2018 Completed Two Internships

As 69% of recruiters believe past work experience is more important than an entry-level candidate’s college major – gaining internship experience in the field they want to work in is invaluable for college students.

To gain experience and build their resumes before graduation, 77% of the Class of 2018 completed at least one internship, with the average being two internships and only 21% completed three or more.
Before You Apply - Watch Out for These Resume Pet Peeves

Recruiters (58%) are often put off by spelling or grammar errors in a candidate’s resume. And 48% of recruiters warn that forgetting to include contact information on a resume or application will generally make them stop reading an entry-level candidate’s resume.

- **58%** Typos or spelling and grammar mistakes
- **48%** No contact information included
- **33%** Not tailored to the specific job
- **27%** Lacked a formal objective
- **26%** Too long
- **26%** Did not include important education information, such as their graduation year or GPA
- **25%** Used unnecessary industry jargon
- **16%** The address was listed as out of state
SECTION 3

Salary Expectations
New grads expect an average salary of $54,010 right out of the gate, about the same as they did in 2017 ($53,483, on average).

But, There is a Huge Gender Gap for Salary Expectations

The women of the Class of 2018 are far less confident in earning higher wages than men. While 64% of males expect a salary of $50,000 or more, only 44% of women expect to earn that wage.

On average men surveyed expect a salary of approximately $65,558 while women expect $49,002 on average.
So, What Do Employers Expect to Pay Entry-Level Employees?

Recruiters and recent college grads are getting close to aligning on salary expectations. The average amount employers expect to pay entry-level employees has increased significantly.

This year, recruiters estimate they will pay entry-level employees $56,532, on average — a substantial jump of more than $10,000 since last year when their estimate was $45,361, on average.

Where in the U.S. You Work Will Shift Average Salary Expectations

As expected, the average entry-level salary varies based on the U.S. region the employer is located. While companies in the West are expecting to pay the most, about $67,482, companies in the Midwest are only expecting to pay about $45,145.
However, Many Are Still Considering Earning Extra Income Through Side Gigs

Even with salary expectations rising, 64% of college seniors said they are likely to get a job in the gig economy to supplement their main income.
A Thank-You Note Could Help You Get Hired & Negotiate a Higher Salary Offer

In 2017, recruiters reported that only 26% of entry-level applicants typically send a thank-you note after completing a job interview.

The 74% who did not write a thank-you note may have left money on the table as 63% of recruiters say they would be more likely to hire someone who wanted slightly more money and sent a thank-you note then someone who wanted slightly less money but did not send a thank-you note.

Who is More Likely to be Hired?

<table>
<thead>
<tr>
<th>Who sent a thank-you note after completing a job interview</th>
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<tbody>
<tr>
<td>Someone who wanted slightly more money and sent a thank-you note</td>
</tr>
<tr>
<td>Someone who wanted slightly less money but did not send a thank-you note</td>
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</tbody>
</table>

But, The Class of 2018 Won’t Just Go to the Highest Bidder

When the Class of 2018 finds their first job after graduation, being passionate about their work is more important than salary for 60% of this incoming group of workers.

What’s more important to the Class of 2018 in their first job after college?

- Being PASSIONATE about the work: 60%
- Being WELL PAID for the work: 40%
SECTION 4

What Employers Are Changing About Entry-Level Hiring
Filling Entry-Level Roles is Becoming More Challenging

Compared to three years ago, **79% of recruiters agree**, it is more challenging to fill entry-level roles now.

The Reason May Be That Entry-Level Applicants Aren’t Qualified

Almost all recruiters surveyed (94%) said they receive entry-level job applicants that are not qualified for a position, and on average, 34% of all entry-level applicants are not qualified.

The percentage of entry-level job applicants that are not qualified for a position they applied for:
97% of Companies Have Taken Steps to Overcome the Increased Challenge of Hiring

Many companies have invested in improving their candidate experience and increasing employee offer packages or perks to help bring in top entry-level candidates.

To overcome the increased challenge of hiring entry-level employees, companies have:

- **41%** Offered better salaries or benefits
- **40%** Introduced training and development
- **33%** Enhanced employee referral program
- **30%** Invested in new talent acquisition technology
- **27%** Shortened the online application process
- **26%** Invested in new recruitment advertising techniques like Snapchat and text-based recruiting
- **25%** Held more career sessions or events
- **22%** Enhanced external image and employment brand
- **21%** Interviewed fewer candidates
- **18%** Lowered education or skills requirements
The Way Employers & Candidates Communicate is Changing

The Class of 2018 wants more convenient communication options when it comes to finding a job. In fact, 41% of college seniors said they already have missed a potential job opportunity specifically because they weren’t able to connect with a recruiter or hiring manager (for example, because of a missed phone call or an email that went into their spam folder).

Text messaging is becoming the preferred method to communicate with not only your friends, family and colleagues, but also with recruiters and hiring managers. In fact, behind email, college seniors say text messaging is the second most preferred form of communication with a recruiter.

Almost all recruiters surveyed have forgone hiring a qualified candidate specifically because their communication wasn’t timely enough – 84% say this happens frequently.
SECTION 5

The Value of Grad School
Is Grad School Worth the Extra Cost?

Recruiters are seeing more candidates with postgraduate degrees. In fact, 54% of companies have seen an increase in the number of applicants with a master’s degree for entry-level positions. But, is it worth the extra cost on top of growing student loan debt?

While the cost of getting a master’s degree varies depending on the university and the master’s program itself, according to FinAid.org, the average cost of a master’s degree for students is between $30,000 and $120,000.

Despite the cost, many are seriously considering graduate school to enhance their job prospects and their income potential.

Among the college seniors who are considering going to grad school, these are the reasons that best describe why:

- 29% To enhance my ability to get paid more in a job
- 30% To pursue a career that requires a graduate degree
- 24% To enhance my ability to get a job
- 15% To give me more time to determine what I want to do
College Seniors Expect to Earn More Money with a Master’s Degree

Almost all college seniors (98%) believe that an advanced degree alone, no matter the career path, will earn them more cash. **On average, college seniors expect to earn 50% more with a master’s degree.**

Recruiters agree – 95% say their company expects to pay its employees who have a master’s degree more than those who do not have a master’s degree for the same position. However, post-grads may be in for a rude awakening. More than 50% of recruiters expect to pay less than 24% more, while candidates expect to earn more than 50% more for their degree. **Only 25% of employers expect to match post-grad expectation and pay at least 50% more.**
But, Earning a Master’s Degree Isn’t Necessary for Most Entry-Level Roles

A note of caution for students: a majority (72%) of recruiters believe applicants with a master’s degree would likely be overqualified for an entry-level position.

In fact, according to iCIMS system data, depending on your major or occupation you may not need an advanced degree.

Based on the percent of recent hires who earned a master’s degree, these are the top five majors in which it is important to go to grad school:

- HR
- Healthcare administration and technology
- Education
- Software engineering
- Public health and health policy

iCIMS data shows that these are the top five occupations where 20% or more of the applicants earned a master’s degree.

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<thead>
<tr>
<th>Occupation</th>
<th>Percentage of Applicants with Master’s Degree</th>
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<tbody>
<tr>
<td>Computer and mathematical</td>
<td>24%</td>
</tr>
<tr>
<td>Education, training and library</td>
<td>23%</td>
</tr>
<tr>
<td>Architecture and engineering</td>
<td>21%</td>
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<tr>
<td>Community and social service</td>
<td>21%</td>
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<tr>
<td>Management</td>
<td>20%</td>
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Backup Plans

Only 15% of college seniors who are planning on pursuing a master’s degree admitted doing so to give them more time to determine what they want to do. But for college seniors who can’t lock down the job that matches their personal passions, many would look to grad school as a backup plan.

In fact, among college seniors who are not immediately planning to attend grad school following graduation, they would consider going back for an advanced degree after an average of 9 months on the job hunt. But 52% percent say they would not consider the possibility, even if they were unable to find suitable employment several months after graduation.
About iCIMS Hiring Insights

iCIMS Hiring Insights is an online resource for labor market insights and hiring trends. Our team of researchers and writers uses iCIMS’ exclusive data, as well as proprietary and secondary research, to create reports and articles that cover the most recent developments in the workforce. Featuring iCIMS’ Chief Economist, Josh Wright, iCIMS Hiring Insights helps its readers stay well-informed about the latest in recruiting, technology and the labor market. To learn more visit: www.icims.com/hiring-insights.

Survey Methodology

This survey was conducted among 400 U.S. college seniors and 400 U.S. HR/recruiting professionals, between March 7 and March 19, 2018, using an email invitation and an online survey.

About iCIMS System Data

iCIMS system data is drawn on a database of more than 61 million applications and three million jobs posted per year by 3,500+ customers. iCIMS customers represent a broad swath of the U.S. economy, with expansive geographic, industry and occupational representation.