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Job Outlook 2011

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National Association of Colleges and Employers
62 Highland Avenue • Bethlehem, PA 18017-9085 • 800/544-5272
FAX: 610/868-0208 • www.naceweb.org

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ABOUT THE *JOB OUTLOOK 2011* SURVEY

The Job Outlook survey is a forecast of hiring intentions of employers as they relate to new college graduates. Each year, the National Association of Colleges and Employers (NACE) surveys its employer members about their hiring plans and other employment-related issues in order to project the market for new college graduates for the current class and to assess a variety of conditions that may influence that market.

To date, two sections of the Job Outlook 2011 survey have been conducted. The first part, the *Job Outlook 2011 Fall Preview*, was conducted July 26 through August 27, 2010, and was sent to 842 NACE employer members. Responses were received from 197 members, a 23.4 percent response rate. Results were released to members via NACE's Spotlight Online newsletter on September 15, 2010. Members can access the complete Fall Preview report on the NACE web site (www.nacweb.org).

From mid-August through October 15, 2010, NACE collected data for the second part of the *Job Outlook 2011* survey. A total of 172 surveys were returned—a 20.7 percent response rate. This report focuses largely on the results of that survey.

Of those responding, 12.8 percent of respondents were from the West, 29.7 percent were from the Midwest, 25.6 percent were from the Northeast, and 32 percent were from the Southeast. For a list of respondents by industry and size, and a partial list of organizations that supplied data for this report, see page 34.

Totals throughout the report may not equal 100 percent due to rounding.

NACE expects to provide a formal update of job market information once more in the 2010-11 academic year: The Job Outlook 2011 Spring Update (data collected in March) will give NACE members a final update on hiring for 2010-11 graduates. Results will be available in early April.

In addition, NACE plans to conduct "quick polls" to provide more frequent snapshots of the job market for new college graduates throughout 2010-11. Results of these polls will be available through NACE's web site (www.nacweb.org) and newsletter, Spotlight Online.

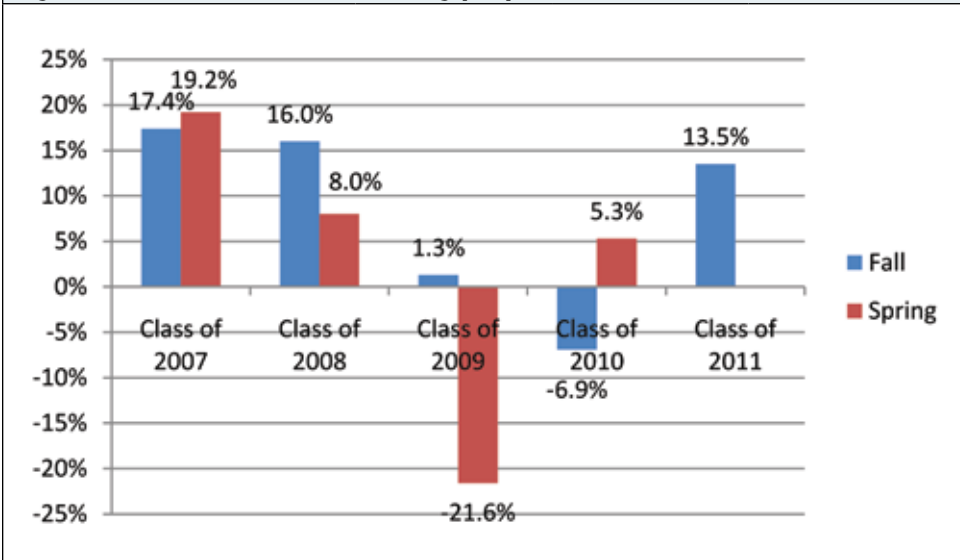
RESEARCH:

Director of Strategic & Foundation Research: Edwin Koc
Employment Information Manager: Andrea Koncz

HIRING UP FOR CLASS OF 2011

For the Class of 2011, the job market is off to a positive start. Employers responding to the NACE Job Outlook 2011 Fall Preview survey reported plans to hire 13.5 percent more new bachelor's graduates from the Class of 2011 than they did from the Class of 2010. (See Figure 1.)

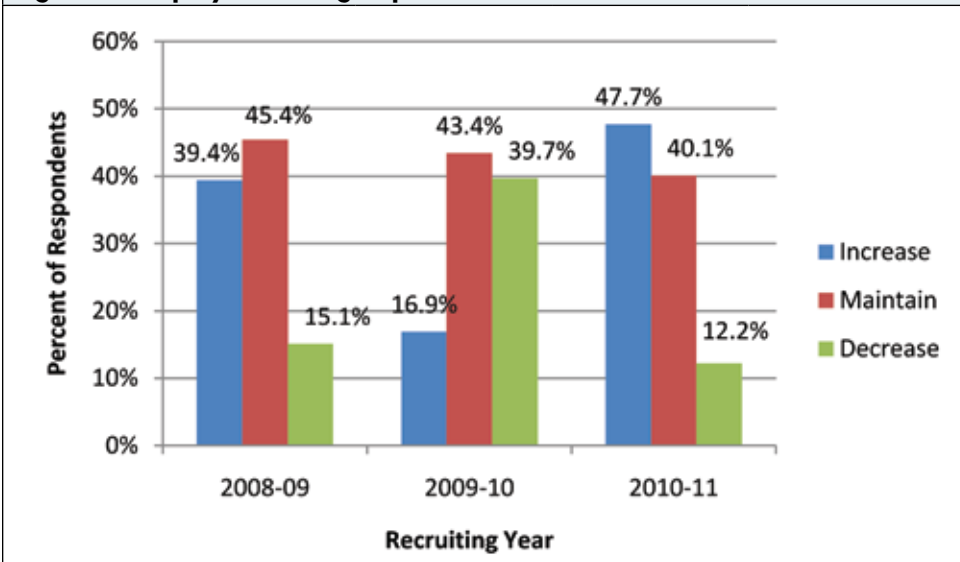
Figure 1: NACE Job Outlook hiring projections, 2007-2011



The early projection seems to fall right in line with the positive trend that began in spring 2010. The news for Class of 2010 graduates didn't start on a positive note, but by spring of 2010, employers reported that they would end the recruiting year hiring 5.3 percent more new graduates in 2009-10 than they did in 2008-09.

Providing more confidence in the encouraging news for the Class of 2011 is the fact that the number of employers with plans to increase their actual number of hires has greatly improved. (See Figure 2.)

Figure 2: Employer's hiring expectations



At the start of the 2009-10 recruiting cycle, just 16.9 percent of respondents had plans to increase their number of hires. For the 2010-11 recruiting year, the percentage of similar respondents has nearly tripled, with 47.7 percent having plans to up their hiring numbers.

By region, hiring projections for bachelor's degree candidates are positive across the board, as reported in the Job Outlook 2011 Fall Preview: Employers in the Northeast project a 13.1 percent increase; those in the Southeast expect to increase college hiring by 8.3 percent; respondents from the Midwest report a planned increase of 20.2 percent; and employers in the West anticipate hiring 23.5 percent more new college graduates in 2010-11 than they hired in 2009-10.

Figure 3: International hiring plans, 2005-11



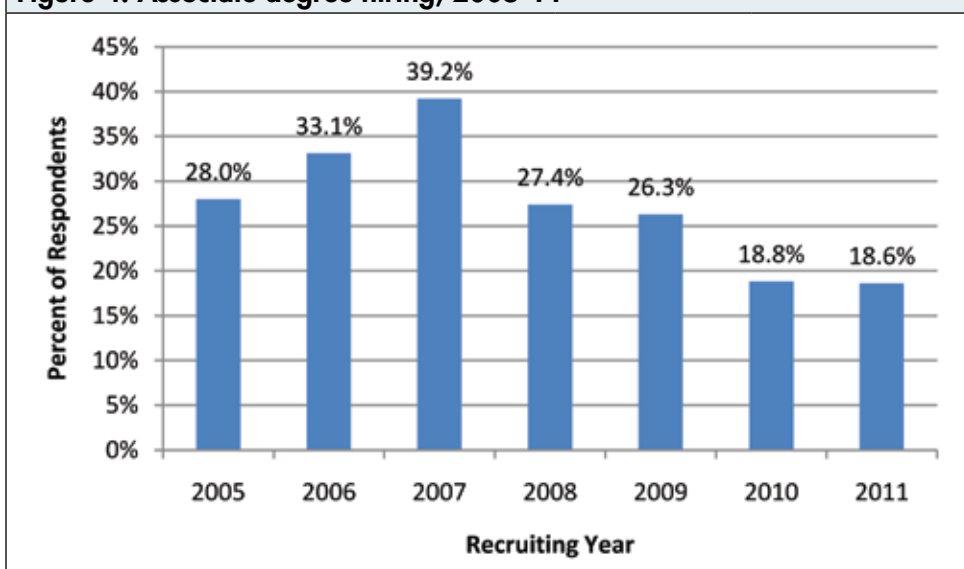
Low Demand for International Students, Associate Degree Candidates

The outlook for both international students—regardless of degree level—and for associate degree graduates is not as promising, at least among the employers responding to the survey.

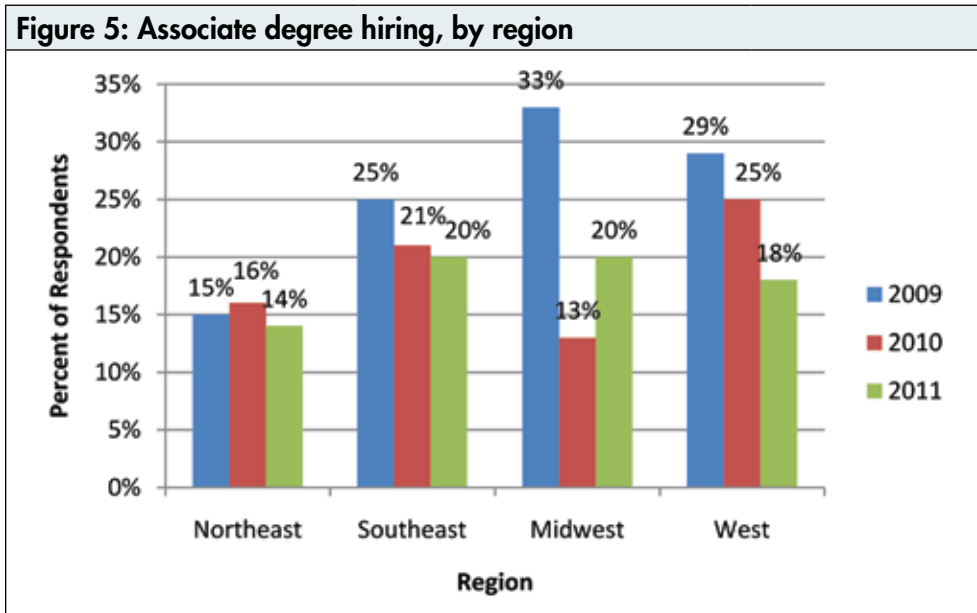
Last year was the five-year worst in terms of hiring outlook for both international students and associate degree graduates. Less than 20 percent of employers said they would hire international students from the Class of 2010, and less than 19 percent said they expected to hire associate degree grads. This year, hiring projections for international students edged up slightly, with 21.6 percent of respondents reporting plans to hire international students. (See Figure 3.) Employers reported most interest in international students earning degrees in computer engineering and computer science.

As Figure 4 illustrates, demand for associate degree candidates remains largely unchanged. Those studying engineering technology or computer-related fields are of most interest to respondents.

Figure 4: Associate degree hiring, 2005-11

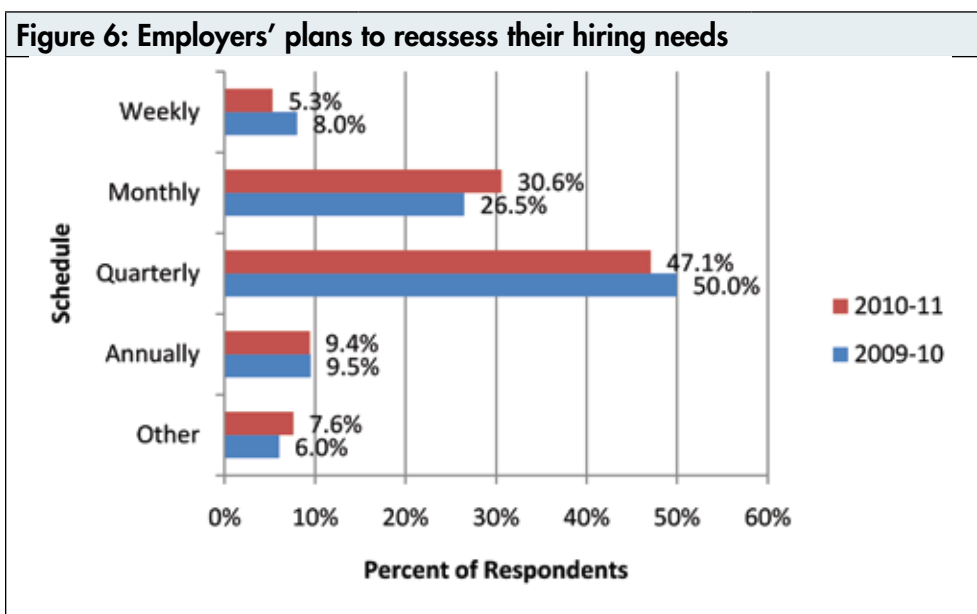


By region, employers with the most interest in hiring associate degree graduates are split evenly between the Southeast and Midwest regions. However, only respondents in the Midwest reported more demand for associate graduates this year over last year. (See Figure 5.)



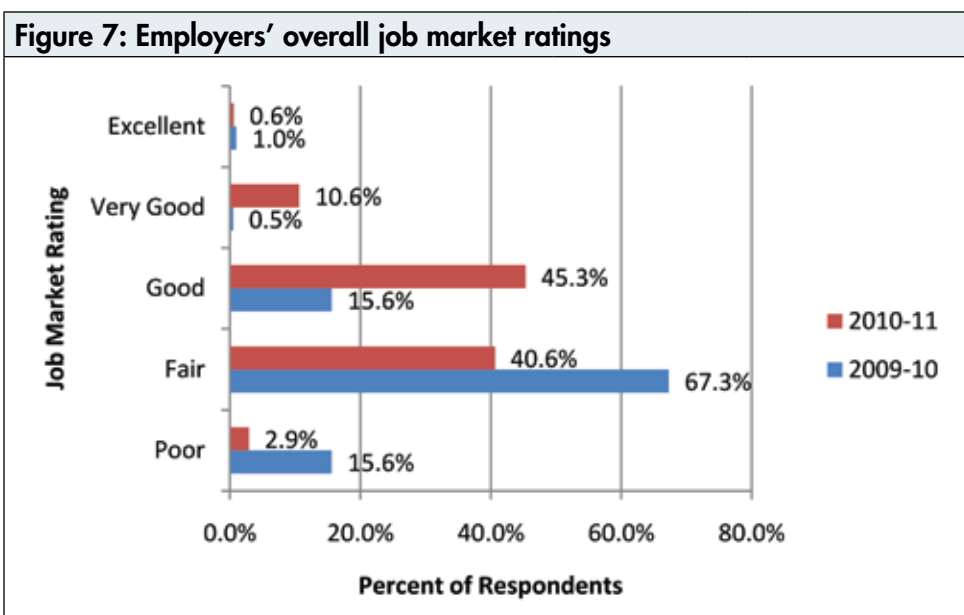
Employers to Reexamine Hiring Needs On Quarterly Basis

Regardless of their hiring intentions for the Class of 2011, employers will monitor their needs closely. Nearly half of responding employers said they will examine their college hiring needs on a quarterly basis, with almost another one-third reviewing them monthly. (See Figure 6.)



Employers Rate Job Market for Class of 2011 As “Good”

When asked to describe the overall job market for Class of 2011 bachelor’s degree graduates, the largest group—almost half of respondents—characterized it as “good.” In comparison, last year, the largest group saw the job market as just “fair.” (See Figure 7.)



Perhaps more significantly, less than 3 percent of current respondents described the job market for 2011 graduates as “poor”—a big departure from the nearly 16 percent tagged the job market for the Class of 2010 with this label last year.

On-Campus Recruiting: Employers Focus on Fall

Prior to the recent recession, the trend among employers in on-campus recruiting was, increasingly, to “front load” efforts in the fall, and use spring to plug last minute holes. Current survey results suggest a return to this pattern, with nearly one-quarter of respon-

dents indicating they plan to complete all their hiring in the fall.

What does this mean for spring recruiting? Approximately 40 percent of employers reported plans to recruit on campus in spring 2011—up from just under 30 percent last year. At the same time, however, more than 16 percent were unsure of their plans for spring, indicating that they are wary about over committing in their college hiring. (See Figure 8.)

Figure 8: Employers’ intentions for on-campus recruiting during spring 2009-2011, by percent of respondents

Recruiting Plans	Spring 2011	Spring 2010	Spring 2009
Firm plans in place	40.0%	29.9%	52.0%
Tentative plans in place	19.4%	28.4%	21.8%
All recruiting in Fall	24.1%	19.4%	15.1%
Unsure	12.9%	15.9%	8.4%
Not hiring	3.5%	6.5%	2.7%

Figures 9 through 12 detail spring recruiting plans by region.

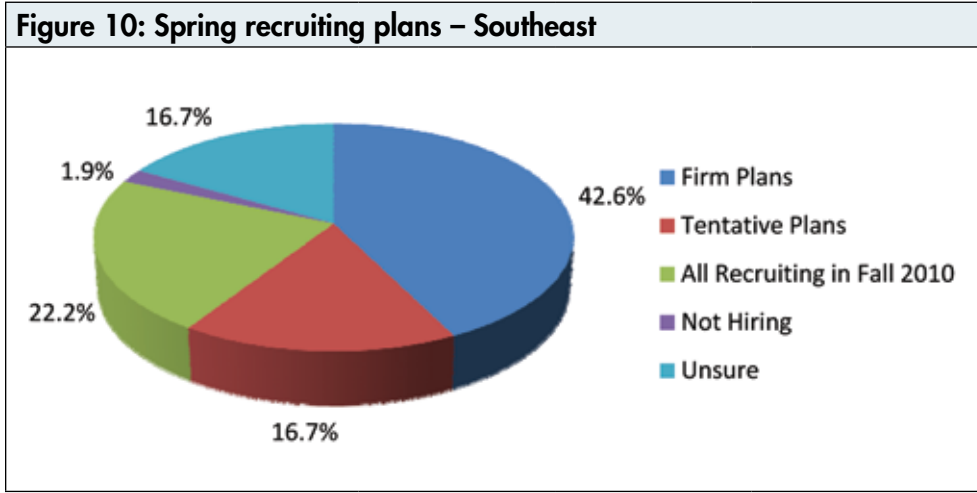
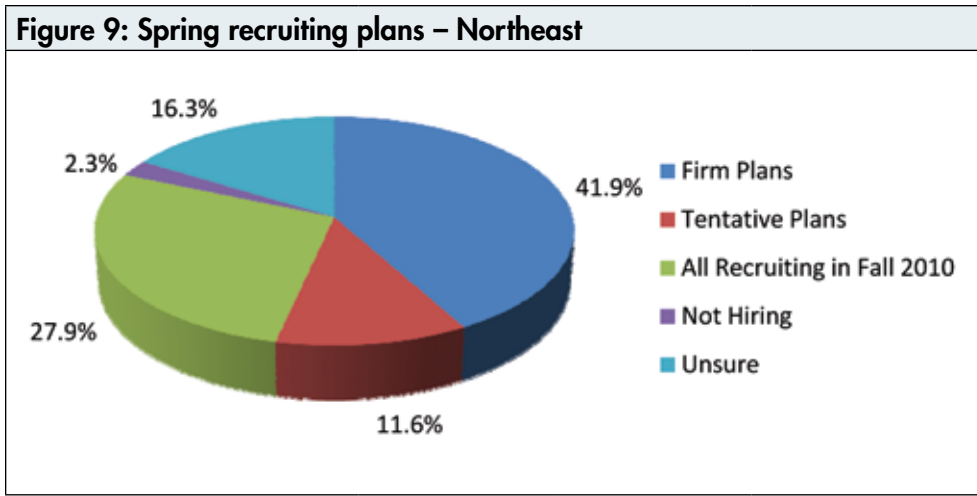


Figure 11: Spring recruiting plans – Midwest

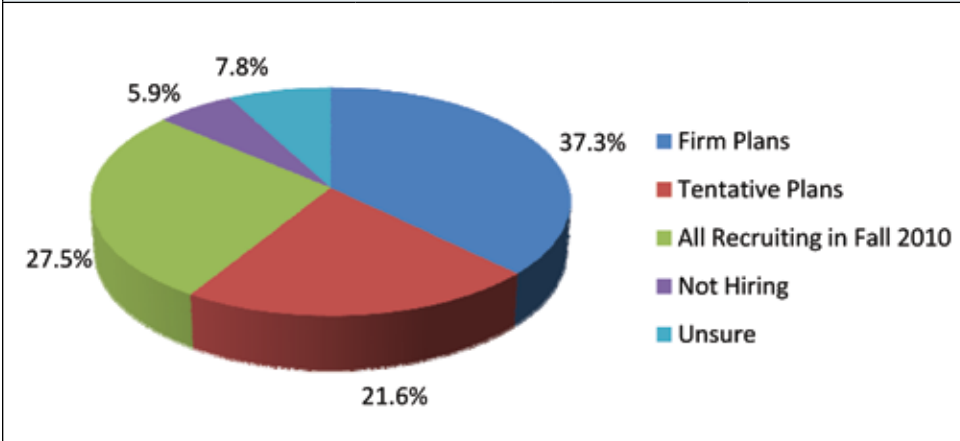
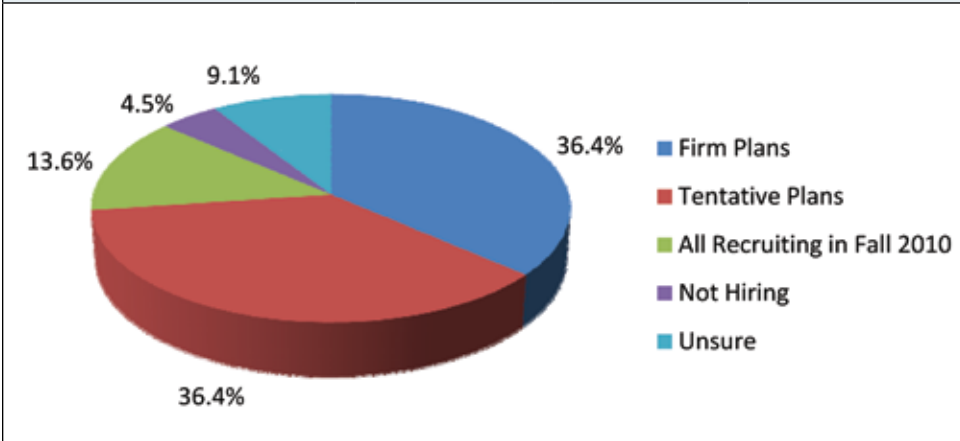


Figure 12: Spring recruiting plans – West



ANALYSIS BY INDUSTRY

More good news for the Class of 2011: As reported in the *Job Outlook 2011 Fall Preview*, nearly all industries report positive hiring projections. (See Figure 13.)

In comparison, in 2009-10, just three industries (construction, trade, and government) expected to increase their college hiring. Among current respondents, the tables are turned, and all but two industries (finance and government) expect to add more college hires in 2010-11.

Figure 13: Total change in hiring, by industry

Industry	Number of 2010 Actual Hires	Number of 2010 Projected Hires	Percent Change	Number of Respondents
Oil & Gas Extraction	1,097	1,325	20.8%	n=8
Utilities	435	564	29.7%	n=9
Construction	276	277	0.4%	n=5
Food & Beverage Mfg	615	741	20.5%	n=12
Chemical (Pharmaceutical) Mfg	1,187	1,355	14.2%	n=15
Computer & Electronics Mfg	1,676	2,067	23.3%	n=14
Motor Vehicle Mfg	447	816	82.6%	n=6
Misc. Mfg.	792	923	16.5%	n=16
Wholesale Trade	389	629	61.7%	n=8
Retail Trade	1,407	1,899	35.0%	n=11
Information	839	905	7.9%	n=6
Finance, Insurance & Real Estate	4,853	4,838	-0.3%	n=21
Accounting Services	2,716	2,853	5.0%	n=6
Engineering Services	383	543	41.8%	n=11
Management Consulting	707	707	0.0%	n=8
Misc. Prof. Services	167	196	17.4%	n=7
Government	699	630	-9.9%	n=10

With especially high increases in college hiring projected, retail organizations and wholesale firms, stand out as the “best bets” for bachelor’s degree level graduates from the Class of 2011. In addition, two-thirds of both types of employers have firm or tentative plans in place for spring recruiting. (See Figure 14.) Of interest: Of the wholesale employers that did not complete their on-campus recruiting in fall 2010, all remaining have firm plans in place to recruit on campus during spring 2011.

Figure 14: Spring 2011 on-campus recruiting plans, by industry

Industry	Firm Plans In Place	Tentative Plans	All Recruiting In Fall 2010	Not Hiring	Unsure	Number of Respondents
Oil & Gas Extraction	0.0%	40.0%	40.0%	0.0%	20.0%	5
Utilities	28.6%	14.3%	28.6%	0.0%	28.6%	7
Construction	57.1%	14.3%	14.3%	14.3%	0.0%	7
Food & Beverage Mfg	44.4%	22.2%	22.2%	0.0%	11.1%	9
Chemical (Pharmaceutical) Mfg	26.3%	15.8%	47.4%	0.0%	10.5%	19
Computer & Electronics Mfg	53.8%	7.7%	23.1%	0.0%	15.4%	13
Misc. Mfg.	47.1%	17.6%	17.6%	0.0%	17.6%	17
Wholesale Trade	75.0%	0.0%	25.0%	0.0%	0.0%	5
Retail Trade	50.0%	25.0%	12.5%	0.0%	12.5%	8
Information	60.0%	40.0%	0.0%	0.0%	0.0%	5
Finance, Insurance & Real Estate	45.0%	15.0%	30.0%	5.0%	5.0%	20
Accounting Services	33.3%	0.0%	33.3%	16.7%	16.7%	6
Engineering Services	20.0%	20.0%	20.0%	20.0%	20.0%	10
Management Consulting	22.2%	55.6%	22.2%	0.0%	0.0%	9
Misc. Prof. Services	45.5%	9.1%	9.1%	9.1%	27.3%	11
Government	37.5%	37.5%	0.0%	0.0%	25.0%	8

Moreover, both types of employers rate the job market specific to their industries as “good” or better. (See Figure 15.)

Figure 15: Employers’ job market ratings, specific to their industries

Industry	Average Rating*	Number of Respondents
Retail Trade	3.13	8
Chemical (Pharmaceutical) Mfg	3.11	19
Management Consulting	3.11	9
Accounting Services	3.00	6
Finance, Insurance & Real Estate	3.00	20
Food & Beverage Mfg	3.00	10
Information	3.00	5
Wholesale Trade	3.00	5
Misc. Mfg.	2.88	17
Misc. Prof. Services	2.82	11
Oil & Gas Extraction	2.80	5
Computer & Electronics Mfg	2.77	13
Utilities	2.57	7
Engineering Services	2.40	10
Government	2.38	8
Construction	2.00	7

*(5-point scale, where 1=poor; 2=fair; 3=good; 4=very good; 5=excellent)

International Student Hiring by Industry

Employers in the information sector, e.g. software publishers, telecommunications, data processing services and internet service providers, appear to be the most interested in international students. (See Figure 16.)

Figure 16: International student hiring plans, by industry

Industry	Percent of Respondents Who Will Hire
Information	80.0%
Oil & Gas Extraction	40.0%
Engineering Services	30.0%
Construction	28.6%
Utilities	28.6%
Computer & Electronics Mfg.	23.1%
Management Consulting	22.2%
Chemical (Pharmaceutical) Mfg.	21.1%
Food & Beverage Mfg.	20.0%
Finance, Insurance & Real Estate	20.0%
Miscellaneous Professional Services	18.2%
Government	12.5%
Retail Trade	12.5%
Miscellaneous Mfg.	5.6%

Hiring of Associate Degree Candidates by Industry

By industry, utility companies hold the most promise for associate degree candidates, with nearly 60 percent anticipating hiring these graduates. (See Figure 17.)

Figure 17: Associate degree hiring, by industry

Industry	Percent of Respondents Who Will Hire
Utilities	57.1%
Information	40.0%
Finance, Insurance & Real Estate	30.0%
Retail Trade	25.0%
Chemical (Pharmaceutical) Mfg.	21.1%
Oil & Gas Extraction	20.0%
Wholesale Trade	20.0%
Engineering Services	20.0%
Government	12.5%
Miscellaneous Mfg.	11.1%
Food & Beverage Mfg.	10.0%
Computer & Electronics Mfg.	7.7%

WHO'S IN DEMAND?

Which majors are most sought after this year? There are no surprises: As is typically the case, business and engineering majors, plus those earning degrees in technical fields, including computer science, are most in demand at the bachelor's degree level. (See Figure 18.)

Figure 18: Top degrees in demand by degree level and broad category

Degree Level	Broad Category	Number of Respondents Who Will Hire	Percent of Total Respondents Who Will Hire
Bachelor's	Business	136	79.1%
	Engineering	126	73.3%
	Computer Sciences	98	57.0%
	Sciences	82	47.7%
	Communications	42	24.4%
	Liberal Arts	34	19.8%
	Agriculture & Natural Resources	18	10.5%
Master's	Business	90	52.3%
	Engineering	71	41.3%
	Computer Sciences	49	28.5%
Doctorate	Engineering	33	19.2%
	Sciences	26	15.1%
	Computer Sciences	14	8.1%
	Business	7	4.1%
	Humanities & Social Sciences	3	1.7%
	Education	1	0.6%

By specific major, accounting tops the list. (See Figure 19.)

Looking within some of the broad categories, Figures 20 through 24 show how each major relates to others of the same type. For example, Figure 21 shows that psychology degrees are most sought-after among the liberal arts disciplines; in fact, more than three-quarters of respondents who indicated interest in liberal arts degrees reported plans to hire psychology graduates. In the engineering category (Figure 22), nearly three-quarters of respondents who are hiring engineering majors will target those with specific electrical engineering degrees. Half of respondents who plan to hire any graduates in the sciences will specifically seek out mathematics majors. (See Figure 23.) Among those interested in hiring from the communications field, more than eight in 10 are looking for general communications degrees. (See Figure 24.)

Figure 19: Top degrees in demand (bachelor's degree level)		
Major	Number of Respondents Who Will Hire	Percent of Total Respondents Who Will Hire
Accounting	106	61.6%
Finance	98	57.0%
Electrical Engineering	92	53.5%
Computer Science	91	52.9%
Mechanical Engineering	91	52.9%
Business Administration/Mgmt.	89	51.7%
Information Sciences & Systems	81	47.1%
Computer Engineering	72	41.9%
Management Information Systems	72	41.9%
Logistics/Materials Management	65	37.8%

Figure 20: Top business degrees in demand		
Major	Number of Respondents Who Will Hire	Percent of Total Respondents Hiring Business Degrees (N=136)
Accounting	106	77.9%
Finance	98	72.1%
Business Admin	89	65.4%
MIS	72	52.9%
Logistics	65	47.8%
Economics	62	45.6%
Marketing	59	43.4%
International Bus	24	17.6%

Figure 21: Top liberal arts degrees in demand		
Major	Number of Respondents Who Will Hire	Percent of Total Respondents Hiring Liberal Arts Degrees (N=34)
Psychology	26	76.5%
Political Science/Government	21	61.8%
English Language & Literature	17	50.0%
History	14	41.2%
Sociology	14	41.2%

Figure 22: Top engineering degrees in demand		
Major	Number of Respondents Who Will Hire	Percent of Total Respondents Hiring Engineering Degrees (N=126)
Electrical Engineering	92	73.0%
Mechanical Engineering	91	72.2%
Computer Engineering	72	57.1%
Chemical Engineering	62	49.2%
Civil Engineering	48	38.1%

Figure 23: Top science degrees in demand		
Major	Number of Respondents Who Will Hire	Percent of Total Respondents Hiring Science Degrees (N=82)
Mathematics (incl. Statistics)	41	50.0%
Chemistry	40	48.8%
Biological Sciences/Life Sciences	29	35.4%
Construction Science/Mgmt.	21	25.6%
Physics	13	15.9%
Geological & Related Sciences	8	9.8%

Figure 24: Top communications degrees in demand		
Major	Number of Respondents Who Will Hire	Percent of Total Respondents Hiring Communications Degrees (N=42)
Communications	35	83.3%
Public Relations	22	52.4%
Advertising	13	31.0%

At the master's degree level, M.B.A. graduates continue to top the list of majors in demand. (See Figure 25.) At the doctorate level, chemical engineering tops the list this year followed closely by chemistry majors. (See Figure 26.) Last year, the largest group of employers had their sights on electrical engineering graduates at the doctorate level.

Figures 27 through 30 detail bachelor's degrees most in demand by region.

Figure 25: Top degrees in demand (master's degree level)		
Major	Number of Respondents Hiring Master's Degree Candidates Who Will Hire	Percent of Total Respondents Hiring Master's Degree Candidates (N=124) Who Will Hire
M.B.A.	83	48.3%
Electrical Engineering	56	32.6%
Mechanical Engineering	51	29.7%
Computer Science	43	25.0%
Accounting	38	22.1%
Computer Engineering	38	22.1%

Figure 26: Top degrees in demand (doctorate degree level)		
Major	Number of Respondents Hiring Doctoral Degree Candidates Who Will Hire	Percent of Total Respondents Hiring Doctoral Degree Candidates (N=49) Who Will Hire
Chemical Engineering	21	42.9%
Chemistry	20	40.8%
Mechanical Engineering	16	32.7%
Electrical Engineering	14	28.6%
Computer Science	14	28.6%

Figure 27: Top five undergraduate majors – Northeast		
Major	% of Northeast Employers Who Will Hire	% of Total Employers Who Will Hire
Accounting	59%	62%
Business Administration/Mgmt.	55%	52%
Finance	50%	57%
Computer Science	48%	53%
Information Sciences & Systems	48%	47%

Figure 28: Top five undergraduate majors – Southeast		
Major	% of Southeast Employers Who Will Hire	% of Total Employers Who Will Hire
Electrical Engineering	56%	54%
Mechanical Engineering	53%	53%
Computer Science	53%	53%
Accounting	53%	62%
Finance	51%	57%

Figure 29: Top five undergraduate majors – Midwest		
Major	% of Midwest Employers Who Will Hire	% of Total Employers Who Will Hire
Accounting	75%	62%
Finance	73%	57%
Business Administration/Mgmt.	63%	52%
Mechanical Engineering	61%	53%
Computer Science	59%	53%

Figure 30: Top five undergraduate majors – West		
Major	% of West Employers Who Will Hire	% of Total Employers Who Will Hire
Electrical Engineering	64%	54%
Accounting	59%	62%
Finance	50%	57%
Computer Engineering	50%	42%
Mechanical Engineering	50%	53%

Who's Hiring: Best Bets for Bachelor's Degree Candidates

Not surprisingly, the number of employers planning to offer signing bonuses to Class of 2010 grads has dropped this year: Less than 41 percent have plans to do so. In fact, in comparison to the previous four years, the percentage of employers with plans to offer signing bonuses to new graduates is at its lowest level. (See Figure 38.) Of the employers with plans to offer signing bonuses to Class of 2010 graduates, nearly 58 percent plan to offer them only to selected graduates, and not *all* graduates.

As was the case last year, employers in the manufacturing industry are most likely to offer signing bonuses to 2009-10 graduates. Nearly 55 percent of responding manufacturing employers have plans to offer them compared to just 22 percent of responding government employers, who are least likely to do so. (See Figure 39.)

Figure 31: Who's hiring (bachelor's degree level), by industry

Major	Most Interested Industries	Percentage of Industry Respondents
Accounting	Accounting Services	100%
	Government	88%
	Finance, Insurance & Real Estate	85%
Finance	Finance, Insurance & Real Estate	95%
	Management Consulting	89%
	Food & Beverage Mfg.	70%
Electrical Engineering	Utilities	100%
	Computer & Electronics Mfg.	92%
	Miscellaneous Mfg.	72%
Computer Science	Information	100%
	Computer & Electronics Mfg.	85%
	Finance, Insurance & Real Estate	85%
Mechanical Engineering	Utilities	100%
	Chemical (Pharmaceutical) Mfg	95%
	Food & Beverage Mfg.	90%

By region, Midwestern employers hold the most interest in four of the top five degrees in demand. (See Figure 32.)

Figure 32: Who's hiring (bachelor's degree level), by region		
Major	Most Interested Regions	Percentage of Region Respondents
Accounting	Midwest	75%
	Northeast	59%
	West	59%
	Southeast	53%
Finance	Midwest	73%
	Southeast	51%
	Northeast	50%
	West	50%
Electrical Engineering	West	64%
	Southeast	56%
	Midwest	55%
	Northeast	43%
Computer Science	Midwest	59%
	Southeast	53%
	West	50%
	Northeast	48%
Mechanical Engineering	Midwest	61%
	Southeast	53%
	West	50%
	Northeast	45%

HOW EMPLOYERS VIEW CANDIDATES

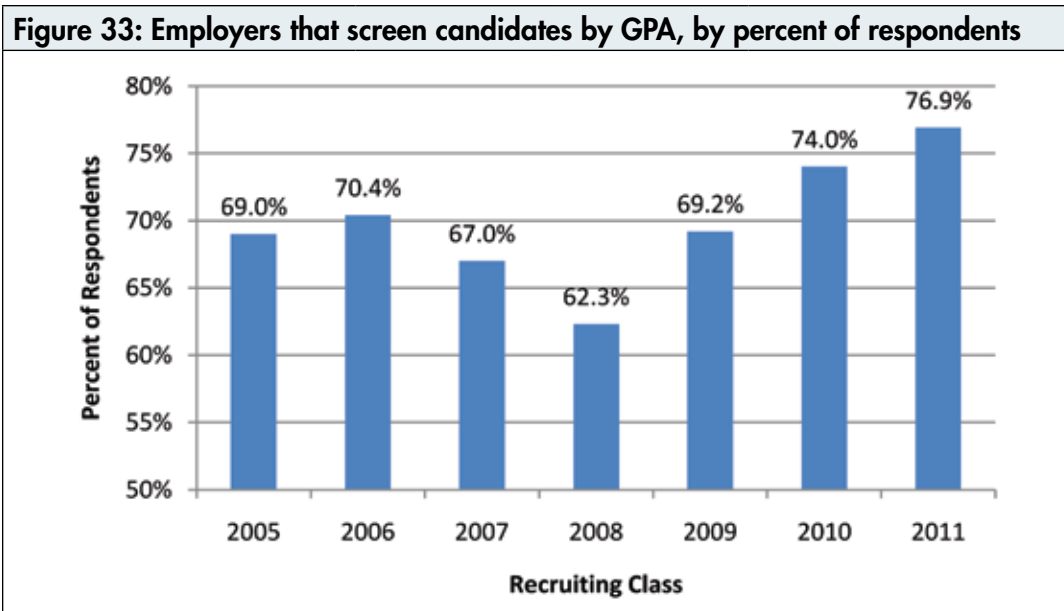
Regardless of the state of the job market and who is in the “driver’s seat,” employers gauge candidates against a list of criteria in an attempt to find the “ideal” candidate. As competition for jobs increases, the list of criteria tends to grow.

Screening on GPA

With more applicants than job openings, it is not surprising that more employers are using GPA to screen candidates.

More than three out of four respondents said they will screen Class of 2011 job candidates by GPA—an all-time high. (See Figure 33.)

The most popular GPA cut-off is 3.0, cited by 64 percent of those who reported their cut-off and consistent with results of surveys stretching back to 2003.



The use of GPA as a screening tool is consistent across industries, as is the 3.0 cut-off. (See Figure 34.) In fact, only construction firms cited a lower GPA cut-off.

Figure 34: Employers that screen candidates by GPA, by industry

Industry	Percent of Respondents	GPA Cutoff (reported median)
Accounting Services	100.0%	3.00
Oil & Gas Extraction	100.0%	3.00
Utilities	100.0%	3.00
Management Consulting	100.0%	3.00
Computer & Electronics Mfg.	100.0%	3.00
Misc. Mfg.	83.3%	2.95
Misc. Professional Services	81.8%	3.00
Food & Beverage Mfg.	80.0%	2.90
Information	80.0%	3.00
Government	75.0%	2.95
Chemical (Pharmaceutical) Mfg.	73.7%	3.00
Finance, Insurance & Real Estate	65.0%	3.00
Retail Trade	62.5%	3.00
Wholesale Trade	60.0%	3.00
Engineering Services	50.0%	3.00
Construction	14.3%	3.00

Figure 35: Employers rate the influence of attributes when deciding on two equally qualified candidates

Attribute	2011 Average influence rating*	2010 Average influence rating*
Major	4.1	3.9
Has held leadership position	4.1	4.0
High GPA (3.0 or above)	3.8	3.6
Has been involved in extracurricular activities (clubs, sports, student government, etc.)	3.8	3.6
School attended	3.2	3.0
Has done volunteer work	3.2	3.0

*5-point scale, where 1=No influence at all, 2=Not much influence, 3=Somewhat of an influence, 4=Very much influence, and 5=Extreme influence

Candidate Selection: More Scrutiny

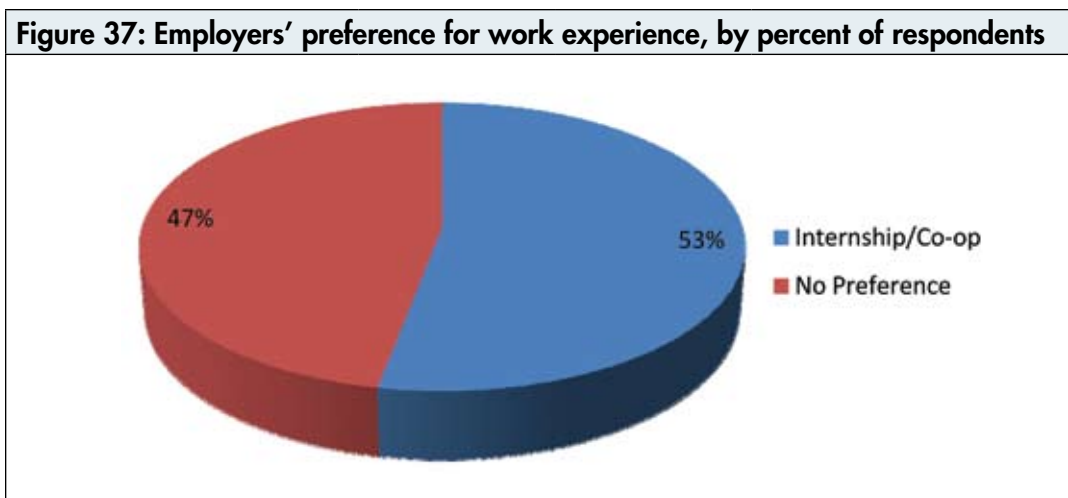
With a high GPA being the starting point for employers in screening their job applicants, what else factors into their decision, especially when two candidates are equally qualified?

The student's major and leadership experience continue to be key factors, but, overall, employers seem to be weighing a wide variety of attributes more heavily this year than last. (See Figure 35.)

Thirty percent of respondents added other attributes to those listed in Figure 35 as influencing their decision about candidates; 44 percent of that group cited internship experience, and gave that experience a high influence rating—4.6.

The importance of internships is illustrated through other results: Relevant work experience is a key factor in an employer’s hiring preferences (Figure 36), and the majority of employers view internships and co-ops as the way for college graduate candidates to acquire that experience (Figure 37).

Figure 36: Employers’ hiring preferences relative to experience, by percent of respondents			
Hiring preference	2011	2010	2009
I prefer to hire candidates with relevant work experience	72.4%	76.6%	76.3%
I prefer to hire candidates with any type of work experience (doesn’t matter if it’s relevant or not, just some type of experience)	17.6%	15.9%	18.9%
Work experience doesn’t typically factor into my decision when hiring a new college graduate	5.3%	2.5%	2.6%
Other	4.7%	5.0%	2.2%



What Employers Want: Candidate Skills and Qualities

Each year, NACE asks employers to rate the importance of certain skills/qualities when hiring possible job candidates.¹ Each year, without fail, strong communication skills come out on top. (See Figure 38.)

Figure 38: Employers rate the importance of candidate skills/qualities

Skill/Quality	Weighted average rating*
Communication skills (verbal)	4.65
Strong work ethic	4.61
Teamwork skills (works well with others)	4.59
Analytical skills	4.56
Initiative	4.50
Problem-solving skills	4.48
Communication skills (written)	4.48
Interpersonal skills (relates well to others)	4.40
Computer skills	4.38
Flexibility/adaptability	4.37
Detail-oriented	4.18
Technical skills	4.16
Organizational skills	4.05
Leadership skills	4.04
Self-confidence	3.96
Tactfulness	3.84
Friendly/outgoing personality	3.72
Creativity	3.70
Strategic planning skills	3.35
Entrepreneurial skills/risk-taker	3.19
Sense of humor	2.99
*5-point scale, where 1=Not important; 2=Not very important; 3=Somewhat important; 4=Very important; and 5=Extremely important	

In this year's survey, employers were asked to distinguish between verbal and written communication skills, and results indicate that employers place far more emphasis on verbal communication skills than on written communication abilities and all other skills. (Interestingly, NACE's *2010 Student Survey* found that, overall, students who used the career center's practice interviewing program—where the focus is on verbal communication—fared better in the job market than their peers who didn't bother to polish their skills this way.)

Using a weighted average calculation this year, a strong work ethic, teamwork skills and analytical skills also topped the list, having ratings above 4.5, indicating they are highly prized in candidates by employers.

¹ Although employers are provided with a list, they also have the opportunity to add other skills/qualities. NACE reviews the "others" each year and adds them to the list as warranted.

In general, however, it appears that new college graduates fall somewhat short in delivering on the skills employers prize most highly. When asked about those skills/qualities in connection with their new college hires, responding employers reported satisfaction ratings that largely hovered in the lower end of the “somewhat to very satisfied” realm. In addition, in comparing top five skills prized against the top five skills in terms of satisfaction, only teamwork and analytical skills make both lists. (See Figure 39.)

Figure 39: Employers rate their satisfaction in the skills/qualities of their new college hires

Skill/Quality	Weighted average rating*
Computer Skills	4.29
Teamwork skills (works well with others)	4.10
Analytical Skills	4.06
Technical skills	4.03
Interpersonal skills (relates well to others)	3.93
Friendly/outgoing personality	3.89
Problem-solving skills	3.86
Communication skills (verbal)	3.86
Initiative	3.76
Organizational skills	3.75
Self-confidence	3.75
Strong work ethic	3.74
Leadership skills	3.70
Communication skills (written)	3.66
Detail-oriented	3.66
Creativity	3.60
Sense of humor	3.58
Flexibility/adaptability	3.57
Tactfulness	3.55
Entrepreneurial skills/risk-taker	3.41
Strategic planning skills	3.37

*5-point scale, where 1=Not at all satisfied; 2=Not very satisfied; 3=Somewhat satisfied; 4=Very satisfied; and 5=Extremely satisfied

Where is the biggest gap between what employers value and what their new college recruits bring to the workplace? Number one this year is the work ethic of their new recruits. Employers rate this attribute as very important, but their satisfaction with the recruits’ work ethic is only middling. This concern over new recruit attitudes toward the job may in fact be related to a real drop in the commitment to the job recent graduates have displayed since the recession in college hiring. NACE’s 2010 *Student Survey* found that the percent of seniors who are willing to put in more than 40 hours per week on the job has declined along with the decline in average starting salary.²

² *Moving On: Student Approaches and Attitudes Toward the Job Market for the College Class of 2010.* National Association of Colleges and Employers.

Beyond work ethic, the greatest gaps appear with the softer skills that are difficult to identify in the more high-tech recruiting process that has developed in college recruiting. Communication skills, particularly writing ability, top the list. Concern over communication skills has been a consistent theme in this portion of the *Job Outlook* report for a number of years and implies that many students are graduating with a limited set of skills that are highly valued in the job market.

Interestingly, the attributes that can be relatively easily identified by employers through a relatively high-tech process that relies on a structured review of resumes and emphasizes selecting candidates based on majors and measured skill sets, such as technical and computer skills, fall near the bottom in terms relative dissatisfaction. These are skills that are generally well met by the new college recruits.

For the ranking of skills by gap margin see Figure 40.

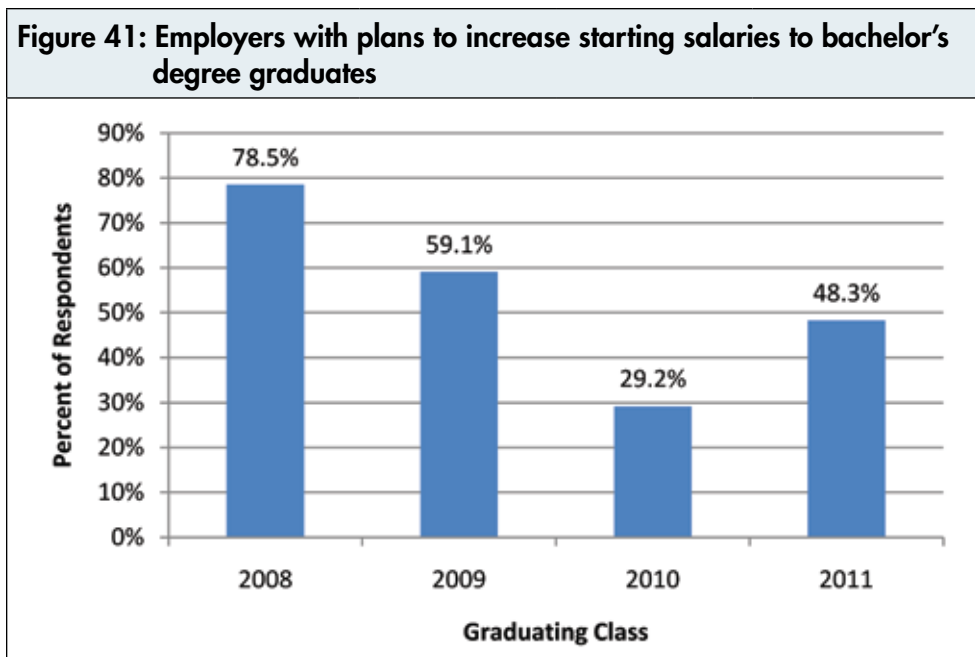
Figure 40: Difference between importance and satisfaction ratings of skills/qualities in new college hires

Skill/Quality	Difference (Importance – satisfaction) in ratings
Strong work ethic	0.87
Communication skills (written)	0.82
Flexibility/adaptability	0.80
Communication skills (verbal)	0.80
Initiative	0.74
Problem-solving skills	0.62
Detail-oriented	0.53
Analytical skills	0.51
Teamwork skills (works well with others)	0.49
Interpersonal skills (relates well to others)	0.48
Leadership skills	0.34
Organizational skills	0.30
Tactfulness	0.29
Self-confidence	0.21
Technical skills	0.13
Creativity	0.10
Computer skills	0.09
Strategic planning skills	-0.02
Friendly/outgoing personality	-0.17
Entrepreneurial skills/risk-taker	-0.22
Sense of humor	-0.59

COMPENSATION

Salaries

Nearly half of respondents expect to increase starting salary offers to Class of 2011 bachelor's degree graduates, up from less than 30 percent last year. (See Figure 41.)



Among those respondents who have plans to increase bachelor's degree starting salaries, the average projected increase is 3.3 percent. However, nearly 30 percent of respondents plan to increase bachelor's degree salaries by just 2 percent, and another 30 percent expect to increase by 3 percent.

For students earning master's degrees, the news is similar. Just over half of respondents have plans to increase starting salaries to master's degree graduates from the Class of 2011—up significantly from less than one-quarter last year. Among those planning increases, the average increase is 3.4 percent, with the largest group

planning an increase of 3 percent.

(Please note: It is important to keep in mind that these are *intentions* and could change. In fact, employers provided early projections for the Class of 2010 that indicated salary increases at the bachelor's degree level, but the class ended the year with an average starting salary that was 0.7 percent lower than the average salary for the Class of 2009. NACE will get the first glimpse of starting salary offers for 2011 graduates in the Winter 2011 *Salary Survey* report, which will be released in February of 2011.)

The intended increase appears to cut across industries. In fact, most reporting industries have at least half of respondents with plans to increase starting salaries to bachelor's degree graduates. (See Figure 42.) In contrast, last year only one industry (government employers) had more than half of respondents with plans to increase bachelor's degree salaries.

Figure 42: Employers with plans to increase starting salaries to bachelor's degree graduates, by industry

Industry	Number of Respondents W/Plans to Increase Bachelor's Salaries	Number of Total Industry Respondents	Percent of Total Industry Respondents
Misc. Prof. Services	7	9	77.8%
Oil & Gas Extraction	3	4	75.0%
Government	5	7	71.4%
Computer & Electronics Mfg.	7	10	70.0%
Transportation	2	3	66.7%
Food & Beverage Mfg.	5	8	62.5%
Misc. Mfg.	8	14	57.1%
Chemical (Pharmaceutical) Mfg.	10	18	55.6%
Construction	2	4	50.0%
Retail Trade	4	8	50.0%
Utilities	3	6	50.0%
Information	2	5	40.0%
Engineering Services	4	10	40.0%
Finance, Insurance & Real Estate	5	17	29.4%
Management Consulting	2	9	22.2%
Accounting Services	1	5	20.0%
Wholesale Trade	1	5	20.0%

By region, half of respondents in the Northeast expect to raise salaries (up from approximately 25 percent last year) by an average of 3.2 percent, but the majority will raise salaries by 2 percent; the mode for Northeast employers expecting to raise salaries is 2 percent.

In the Southeast, the story is similar. More than half of respondents expect to raise salaries, up from 25 percent last year. On average, the projected increase is 3.5, and two-thirds of those with plans to increase salaries will hike them by 3 percent or more.

In the Midwest, more than 44 percent of employers plan to increase salaries to bachelor's degree graduates—up significantly from just 16 percent last year. Their average projected increase stands at 3.2 percent; the median and mode falling right at 3 percent.

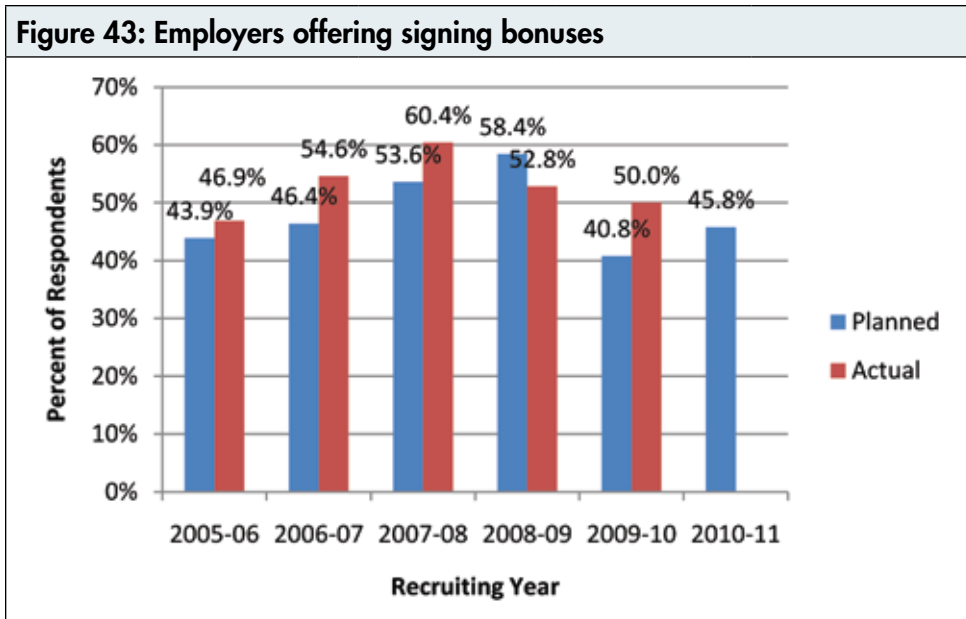
More employers in the West also expect to raise salaries. This year, 44.4 percent of respondents from the region reported plans to increase salaries, compared to 29 percent last year. Their overall average planned increase also falls in line with the other regions and stands at 3.4 percent, with the median and mode at 3 percent.

Signing Bonuses

The number of employers planning to offer signing bonuses to Class of 2011 graduates has increased slightly over last year, with more than 45 percent of respondents who have plans to offer signing bonuses compared to about 41 percent with the same plans last year. (See Figure 43.) (Of interest: Like salary increase plans, signing bonus projections are subject to change, but the trend has been to provide more—not fewer—bonuses. In fact, although 41 percent of employers reported plans to provide bonuses to the Class of 2010, 50 percent actually ended up doing so. The same pattern occurred from 2006 through 2008.)

The majority of respondents (58 percent) expect to provide bonuses to selected Class of 2011 graduates rather than handing them out to all.

Figure 43: Employers offering signing bonuses



By employer type, job offers made by chemical (pharmaceutical) manufacturers are most likely to come with a signing bonus; nearly eight in 10 of these respondents have plans to offer them. (See Figure 44.) Construction employers, on the other hand, are very unlikely to offer them—just 17 percent have signing bonus plans.

Figure 44: Percent of employers offering signing bonuses to 2010-11 graduates, by industry

Industry	Percent Offering Signing Bonuses	Number of Respondents
Chemical (Pharmaceutical) Mfg	78.9%	19
Management Consulting	66.7%	9
Finance, Insurance & Real Estate	63.2%	19
Oil & Gas Extraction	60.0%	5
Misc. Mfg.	50.0%	16
Food & Beverage Mfg	50.0%	10
Computer & Electronics Mfg	46.2%	13
Retail Trade	37.5%	8
Utilities	33.3%	6
Accounting Services	33.3%	6
Misc. Prof. Services	27.3%	11
Government	25.0%	8
Engineering Services	20.0%	10
Wholesale Trade	20.0%	5
Construction	16.7%	6

By region, Midwestern employers are most likely to offer signing bonuses, while employers in the West are least likely. (See Figure 45.) That's a big change from last year, when Western employers were most likely to provide a bonus.

Figure 45: Percent of employers offering signing bonuses to 2010-11 graduates, by region

Region	Percent Offering Signing Bonuses in 2010-11	Percent Who Planned to Offer Signing Bonuses in 2009-10
Northeast	29%	38%
Southeast	26%	34%
Midwest	32%	37%
West	13%	48%

Of the employers who plan to offer signing bonuses to all Class of 2011 graduates, the average bonus planned is \$4,347. Roughly the same number of respondents provided data last year, and the average bonus was \$4,411, but last year's median bonus fell at \$3,000, while this year's is at \$4,000. Also, of this year's respondents reporting an average bonus amount, 29 percent have plans to offer signing bonuses in the amount of \$5,000.

Data on signing bonuses by major are limited, but are provided in Figure 46.

Figure 46: Average signing bonuses by major (bachelor's degrees)*

Region	2010-11 Average Bonus (projected)	Number of Respondents 2010-11	2009-10 Average Bonus (projected)	Number of Respondents 2009-10
Computer Science	\$4,000	5	\$5,056	9
Engineering – not specified	\$3,278	9	\$3,165	7
Finance	\$3,250	8	\$4,250	10
Accounting	\$2,775	10	\$4,358	12

*Where 5 or more data points were provided

At the master's level, 14 respondents reported data on average bonuses they will offer to M.B.A. graduates. (See Figure 47.) The amounts ranged from \$5,000 to \$2,000, with 36 percent offering bonuses in the amount of \$10,000, and another 36 percent offering \$20,000.

Figure 47: Average signing bonuses by major (master's degrees)*

Region	2010-11 Average Bonus (projected)	Number of Respondents 2010-11	2009-10 Average Bonus (projected)	Number of Respondents 2009-10
MBA	\$12,857	14	\$8,333	6

*Where 5 or more data points were provided

Benefits Offered to New College Graduates

Overall, little has changed in the mix of benefits employers expect to extend to their new college hires since NACE last queried them on this topic two years ago. (See Figure 48.)

Figure 48: Benefits and policies, Class of 2011 vs. Class of 2009

Benefit/Policy	Percent of Respondents Who Will Offer in 2010-11	Percent of Respondents Who Offered in 2010-11	Percent of NACE Student Survey* Respondents Who Rated as "Very Important"
Medical insurance	100.0%	98.7%	77.1%
Life Insurance	98.8%	99.1%	41.0%
Dental insurance	98.2%	98.7%	53.0%
401(k) retirement plan	98.2%	98.7%	54.0%
Annual Salary Increases	97.0%	97.3%	49.0%
Employee assistance/counseling program	96.4%	91.2%	9.7%
Casual dress policy	87.5%	81.6%	6.4%
Tuition reimbursement	83.9%	90.8%	31.1%
Frequent performance reviews (more than one per year)	77.2%	62.1%	16.5%
Benefits to domestic partners	73.6%	60.1%	N/A
Planned social activities	73.2%	73.6%	9.4%
Bonus/commission plans	69.1%	79.0%	22.5%
Family-friendly benefits	67.1%	62.1%	33.7%
Flextime	66.9%	60.9%	20.3%
More than two weeks vacation	54.5%	52.2%	24.1%
On-site fitness center	53.6%	44.1%	7.3%
Telecommuting	43.0%	32.7%	7.2%
Pension plan	42.4%	38.7%	35.1%
Stock options	20.2%	25.6%	12.5%
Company car	10.3%	11.9%	3.8%
Day care facilities	9.9%	10.5%	4.9%
Payback of existing student loans	1.3%	1.8%	N/A
*NACE 2010 Student Survey			

However, there are some changes that merit mention, most of which tend to reflect current economic realities as employers to spend their benefit dollars where they will make the most difference. Consequently, fewer employers said they are offering tuition reimbursement, bonus/commission plans, and stock options—benefits that may be more costly—but more are providing Class of 2011 new hires with a casual dress policy, flextime, and telecommuting options—benefits that have low monetary costs. However, there is a substantial increase in the percentage of employers offering benefits to domestic partners, which carries a high price tag, underscoring that employers are looking to spend their benefit dollars where they matter most to employees. This focus is further illustrated in Figure 48, which shows the match between the five benefits employers are most likely to offer and the five students are most likely to deem as “very important.”

APPENDIX: SURVEY RESPONDENTS

Figure 49: Respondents by industry

Industry	Number of Respondents	Percent of Total Respondents
Agriculture	1	0.6%
Oil & Gas Extraction	5	2.9%
Utilities	7	4.1%
Construction	7	4.1%
Food & Beverage Mfg.	10	5.8%
Chemical (Pharmaceutical) Mfg.	19	11.0%
Computer & Electronics Mfg.	13	7.6%
Motor Vehicle Mfg.	3	1.7%
Misc. Mfg.	18	10.5%
Wholesale Trade	5	2.9%
Retail Trade	8	4.7%
Transportation	4	2.3%
Messaging & Warehouse	1	0.6%
Information	5	2.9%
Finance, Insurance & Real Estate	20	11.6%
Accounting Services	6	3.5%
Engineering Services	10	5.8%
Management Consulting	9	5.2%
Misc. Professional Services	11	6.4%
Recreation & Hospitality	1	0.6%
Misc. Support Services	1	0.6%
Government	8	4.7%

Figure 50: Respondents by size of department/business unit

Number of Employees	Percent of Total Respondents
Fewer than 500	15.7%
500 – 1,000	11.0%
1,001 – 2,500	12.8%
2,501 – 5,000	14.0%
5,001 – 10,000	12.8%
More than 10,000	33.7%

PARTICIPATING ORGANIZATIONS

Below is a list of the organizations that responded to the *Job Outlook 2011* survey. (Please note: Although 172 organizations responded, the list below includes 134, as 38 organizations preferred not to be listed.)

Adaptive Methods	Ferguson Enterprises, Inc. - a Wolsele Company	Owens-Illinois Inc.
ADP - Automatic Data Processing, Inc.	Forrester Construction Company	PPL Corporation
Agilent Technologies, Inc.	Freddie Mac	PrimeSource Building Products, Inc.
Air Products & Chemicals, Inc.	Garmin International Inc.	Procter & Gamble Co.
Albemarle Corporation	GEICO	Progress Energy Service Co.
Allscripts	General Electric Company	Progressive Insurance
American Axle & Manufacturing, Inc.	Genworth Financial	Questar Corporation
ARCADIS US, Inc.	Global Tax Management, Inc.	Raytheon Company
ArcelorMittal USA	GreenbergFarrow	RBC Capital Markets
AREVA NP	Hajoca Corporation	Roux Associates, Inc.
Arup & Partners	Hitachi Consulting	Sanofi-Aventis
BAE Systems	Honda R&D Americas, Inc.	Sapient Corporation
BDO Seidman, LLP	Huron Consulting Group	Save-A-Lot
Bell Helicopter Textron, Inc.	IGT	Schlumberger Oilfield Services
Bentley Systems, Incorporated	International Paper Company	Schneider Electric
BP	Johnson & Johnson	Stryker Corporation
Bureau of Economic Analysis	Johnson Lambert & Co. LLP	SWIFT
CBRE	Kennedy & Coe LLC	Tenaris USA
Cerner Corporation	Kimberly-Clark Corporation	Tennessee Valley Authority
CGI	Lab126	Teradata Corporation
Chevron Corporation	Land O'Lakes Inc.	Texas Instruments Incorporated
Chevron Phillips Chemical Company LP	Lennox International Inc.	The CNA Corporation
Coca-Cola Enterprises	Life Technologies Inc.	The Dow Chemical Company
Collective Brands (Payless ShoeSource)	Linbeck Corporation	The Royal Bank of Scotland
comScore, Inc.	Linde	The Ryland Group, Inc.
ConAgra Foods, Inc.	Link-Belt Construction Equipment Co.	The Schwan Food Company
ConocoPhillips	Lowe's Companies, Inc.	The Timken Company
Consolidated Graphics	Macy's, Inc.	Tindall Corporation
Daiichi Sankyo, Inc.	Mattress Firm	Towers Watson
Daymon Worldwide	Mercer	Toys "R" Us, Inc.
Dean Foods Inc.	Merck & Co., Inc.	Traylor Bros., Inc.
Deere & Company	Messer Construction Co.	Turner Construction Company
Dow Corning Corporation	Michelin North America	U.S. Comptroller of the Currency
Duff & Phelps LLC	Milliken & Company	U.S. Postal Service
DuPont	Modern Woodmen of America	Unilever
Dynetics Inc.	National Grid	Union Bank of California
Eastman Chemical Company	Naval Acquisition Career Center	Union Pacific Railroad Company
Edwards Lifesciences	Nestle Purina Petcare	UnitedHealth Group
El Paso Corporation	Newell Rubbermaid	W.W. Grainger, Inc.
Emerson Climate Technologies	Newmont Mining Corporation	Washington Division of URS Corporation
Entergy Services, Inc.	Norfolk Southern Corp.	Wiss, Janney, Elstner Associates, Inc.
Ernst & Young LLP	North Star Resource Group	Wolf Robotics, LLC
Federal Energy Regulatory Commission	Northrop Grumman Corporation	Woolpert LLP
Federal Reserve Bank of New York	Office of Legislative Audits	ZS Associates



National Association of Colleges and Employers
62 Highland Avenue • Bethlehem, PA 18017-9085 • 800.544.5272
FAX: 610.868.0208 • www.naceweb.org