



# JOB OUTLOOK 2008

November 2007



National Association of  
Colleges and Employers  
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**TABLE OF CONTENTS**

**ABOUT THE JOB OUTLOOK  
2008 SURVEY ..... 3**

**OVERVIEW: INTENSE COMPETITION  
FOR 2008 GRADS ..... 4**

**HIRING UP 16 PERCENT ..... 5**  
 Graph 1: Employers' hiring expectations  
 Graph 2: Employers' overall job market ratings  
 Graph 3: Employers' intentions for on-campus recruiting during Spring 2008  
 Employers to Keep Close Eye on Hiring Needs  
 Graph 4: How often employers will reassess hiring needs

**2008 GRADUATES: WHO'S IN DEMAND ..... 7**  
 Business, Engineering, Computer-Related Fields Top the List  
 Employers Turn to International Students to Fill Needs  
 Service Sector Employers Most Interested in Associate Degree Graduates  
 Graph 5: International and associate degree hiring for 2007-08, by region

**THE PERFECT CANDIDATE ..... 9**  
 Communication Skills, Strong Work Ethic Are Key  
 Chart A: Employers rate the importance of candidate qualities/skills  
 Graph 6: Employers who screen candidates by GPA  
 What Candidates Lack  
 Which Candidate Would You Choose?  
 Experience: The Great Candidate Attribute  
 Graph 7: Employers' preferences as to how a student's work experience was gained, by percent of respondents

**COMPENSATION: SALARIES,  
SIGNING BONUSES, BENEFITS ..... 12**  
 Employers to Raise Salaries for Bachelor's, Master's Degree Candidates  
 A Sign of the Times: Signing Bonus Use Up  
 Graph 8: Percent of employers offering signing bonuses (planned vs. actual)  
 Benefits Offered to New College Graduates  
 Chart B: Benefits and policies, 2007-08 vs. 2006-07

**EFFECTIVE COLLEGE RECRUITING ..... 16**  
 Competition Is Top Challenge for Recruiters  
 Trend Watch: Use of Social Networking Sites

**ANALYSIS BY SECTOR ..... 18**  
 Service Sector  
 Manufacturing Sector  
 Government/Nonprofit Sector  
 Do Salary Plans Match Reality?

**ANALYSIS BY REGION ..... 21**  
 Northeast  
 Midwest  
 South  
 West

**APPENDIX ..... 25**  
 Figure 1: Top 10 degrees in demand (bachelor's degree level)  
 Figure 2: Top 5 degrees in demand (master's degree level)  
 Figure 3: Top 5 degrees in demand (doctorate degree level)  
 Figure 4: Who's hiring, by type of employer (bachelor's degree level)  
 Figure 5: Who's hiring, by region (bachelor's degree level)  
 Figure 6: Employers rate the influence of attributes when deciding on two equally qualified candidates  
 Figure 7: Employers' hiring preferences relative to experience, by percent of respondents  
 Figure 8: Percent of employers offering signing bonuses to 2007-08 graduates  
 Figure 9: Average signing bonuses by major (bachelor's degree level)  
 Figure 10: Average signing bonuses by major (master's degree level)  
 Figure 11: Employers rate the effectiveness of recruiting methods  
 Figure 12: Employers planned uses for social networking sites

**SURVEY RESPONDENTS ..... 32**  
 Figure 13: Respondents by sector and type of employer Responding Organizations



Job Outlook 2008

## ABOUT THE *JOB OUTLOOK 2008 SURVEY*

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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.

To date, two sections of the *Job Outlook 2008* survey have been conducted. The first part, the *Job Outlook 2008 Fall Preview*, was conducted July 24 through August 14, 2007. The survey went to 1,164 employers holding NACE membership; 203, or 17.4 percent, responded. Results were released to members via NACE's Spotlight Online newsletter on September 12, 2007. (Those results can be accessed at [www.naceweb.org/pubs/JobOutlook/default.htm](http://www.naceweb.org/pubs/JobOutlook/default.htm).) Selected results from that survey are reported here again to provide context and for the convenience of NACE members.

From mid-August through October 5, 2007, NACE collected data for the second part of the *Job Outlook 2008* survey. The survey was distributed to 1,199 members; 234 members returned paper surveys and 42 submitted responses through an online form—a total of 276 usable surveys for a 23 percent response rate. This report focuses largely on the results of that survey.

Of those responding, 48.2 percent were service sector employers, 46.4 percent were manufacturers, and 5.4 percent were government/nonprofit employers. (Please note: When assessing data for government/nonprofit employers, please take into account the low number of responses from this group.) In addition, 34.8 percent of respondents were from the South, 26.4 percent were from the Midwest, 21.4 percent were from the Northeast, and the remaining 17.4 percent were from the West. A breakdown of respondents by type of organization as well as a partial list of organizations that responded to the most recent survey can be found in the "Survey Respondents" section, page 32.

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

Graphs and charts illustrating some of the report data appear with the text; however, figures are contained in the Appendix, page 25.

NACE plans to update the job market information once more in the 2007-08 academic year through the *Job Outlook 2008 Spring Update*. Data for this report will be collected in March; results will be available in April. In addition, NACE expects to release additional findings that deal specifically with M.B.A. recruiting in January 2008.

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Job Outlook 2008

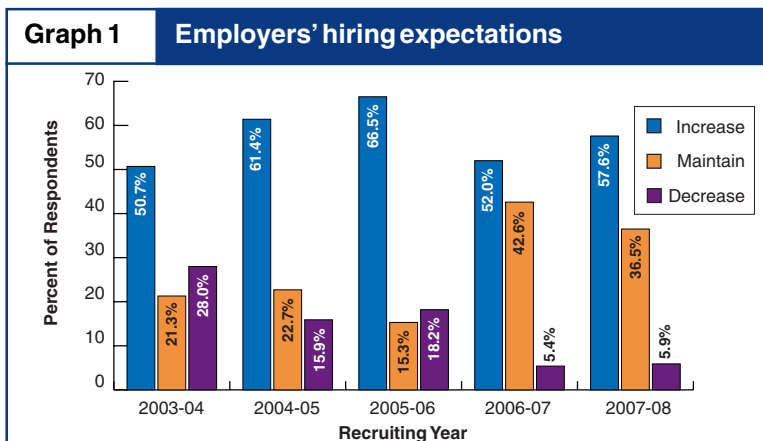
## OVERVIEW: INTENSE COMPETITION FOR 2008 GRADS

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Results of the *Job Outlook 2008* survey suggest that the 2007-08 recruiting season will be highly competitive as employers vie for this year's crop of new graduates.

- Overall, employers expect to increase college hiring by 16 percent. This is the fifth consecutive year in which employers have projected double-digit increases.
- Hiring projections are strong across the board—regardless of industry, economic sector, or geographic region. Hiring expectations are especially strong in the Midwest, where employers anticipate hiring 25 percent more new college graduates this year.
- Employers cite competition as their biggest obstacle to hiring 2008 graduates. One sign of the level of competition: The average planned signing bonus to new hires is up 25 percent.
- Competition is expected to be particularly fierce for graduates in the engineering, computer science, and accounting fields.
- Couple an increase in competition with trend data that indicate that the number of Americans graduating with degrees in the technical fields is not increasing to meet rising demand: Consequently, more employers are turning to foreign-born students to meet their employment needs. One-third of employers responding to the survey reported that they plan to hire international students this year. In fact, approximately, 40 percent of respondents in the Northeast reported plans to hire international students.

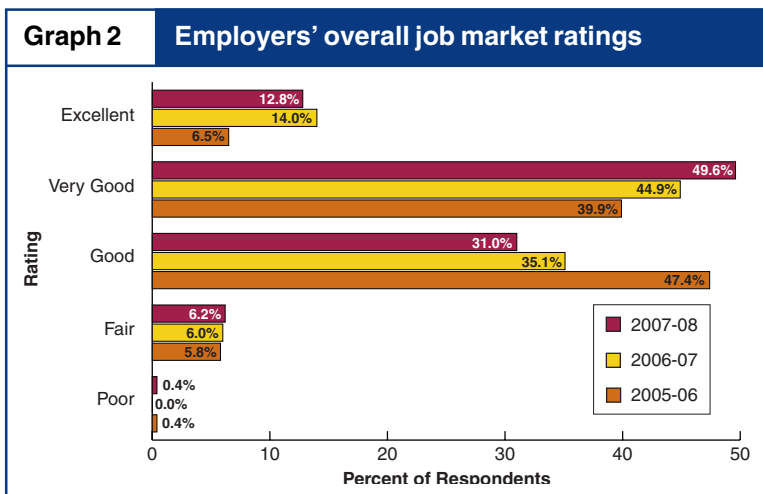
## HIRING UP 16 PERCENT



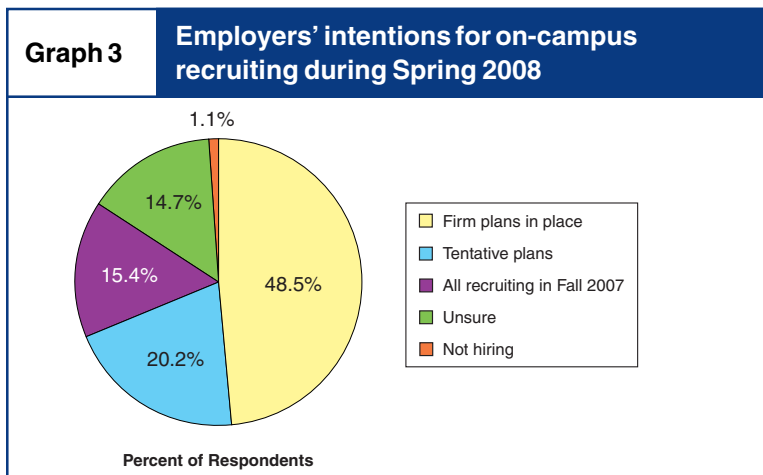
Employers expect to hire 16 percent more new college graduates in 2007-08 than they hired in 2006-07.

This is the fifth consecutive year for double-digit increases in hiring plans.

Service sector employers are most optimistic, projecting a 17.8 percent increase in college hiring, but all sectors have positive expectations. Manufacturers anticipate a 14.8 percent increase and government/nonprofit employers say they'll hire 11.8 percent more new college grads this year than they did last year.



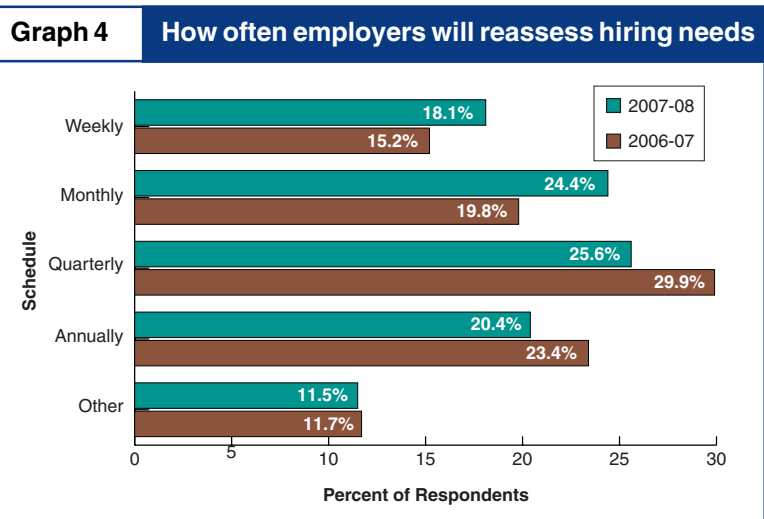
Two pieces of data help illustrate the robust nature of the job market for this year's college graduates: The majority of respondents expect to increase their hiring, and more than 60 percent of employers characterized the job market for 2008 grads as "very good" or "excellent." (See Graphs 1 and 2.) Perhaps most importantly, this assessment of the job market crosses all economic sectors, geographic regions, and types of employers.



Moreover, nearly half of responding employers reported firm plans to recruit on campus in spring 2008. (See Graph 3.)

### EMPLOYERS TO KEEP CLOSE EYE ON HIRING NEEDS

Employers plan to keep watch on their hiring needs, with more than two-thirds planning to assess those needs on a weekly, monthly, or quarterly basis. (See Graph 4.) Interestingly, significantly more employers expect to reassess their hiring plans on a weekly or monthly basis than has been seen in previous *Job Outlook* surveys. This may be a reflection of the unsettled economic picture at the time the survey was conducted, particularly as to the cost of oil and instability in the financial markets.



## 2008 GRADUATES: WHO'S IN DEMAND?

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### **BUSINESS, ENGINEERING, COMPUTER-RELATED FIELDS TOP THE LIST**

Little has changed over the past several years in terms of which majors are most sought after by employers: At all degree levels, business, engineering, and computer-related fields continue to generate the most interest among employers responding to the *Job Outlook* survey. (See Figures 1, 2, and 3 for data for bachelor's, master's, and doctoral degree candidates, page 25; see below for information about associate degree candidates.)

Details about which types of employers are most interested in specific majors at the bachelor's degree level can be found in Figure 4, page 26, and data regarding demand for specific disciplines by region is offered in Figure 5, page 27.

### **EMPLOYERS TURN TO INTERNATIONAL STUDENTS TO FILL NEEDS**

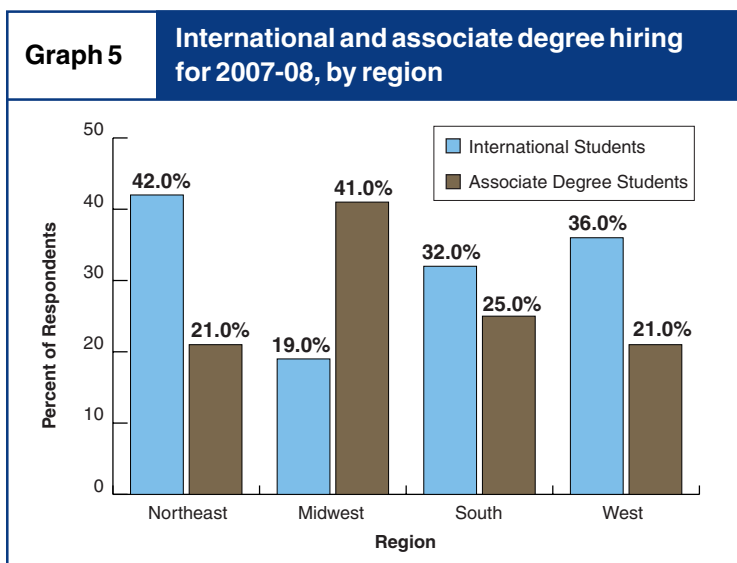
The outlook is promising for international students graduating in 2008. Just over 31 percent of responding employers report that they plan to hire international students. That's not a significant increase over last year, when 30.5 percent of employers reported such plans, but compare current results to those of two years ago: In the *Job Outlook 2006* survey, less than one-quarter of respondents said they intended to hire international students.

What has changed? Although the *Job Outlook* survey doesn't delve specifically into the "whys," one has only to look at which majors employers are targeting—respondents expressed the most interest in international students with degrees in electrical, civil, and mechanical engineering, and computer science—to understand what is driving employers. At the entry level, current domestic supply is not keeping pace with demand, and employers are looking to international students to fill gaps in their work forces. (For more on the subject of the dearth of students graduating with degrees in critical areas, see the NACE position statement, "The U.S. Talent Crisis," at [www.naceweb.org/promail/2007/presmessage102207.htm](http://www.naceweb.org/promail/2007/presmessage102207.htm).)

Manufacturers are most interested in tapping international students, with more than one-third reporting plans, but service sector employers aren't far behind; nearly 30 percent saying they expect to hire these students. Just over 21 percent of government/nonprofit employers plan to do so.

By type of employer, scientific equipment manufacturers (80 percent), consulting services (64 percent), computer software development firms (50 percent), and computer & business equipment manufacturers (50 percent) expect to target international students.

By region, employers in the Northeast are showing the most interest in hiring international students. (See Graph 5.)



### SERVICE SECTOR EMPLOYERS MOST INTERESTED IN ASSOCIATE DEGREE GRADUATES

This year, 27.4 percent of employers said they plan to hire associate degree graduates. (In comparison, last year, nearly 40 percent of respondents reported such interest, and the previous year more than one-third reported plans to hire associate degree graduates.)

Service sector employers are most interested in these students (nearly one-third reported hiring plans), while manufacturers are least interested (just 22 percent say they expect to hire associate degree graduates). Just over one-quarter of govern-

ment/nonprofit employers have plans to hire 2008 graduates with associate degrees.

Following the pattern established with other degree levels, employers are most interested in students with associate degrees in the business, engineering, and computer-related fields: Employers cited technology/engineering, business administration/management, and computer science and information sciences as majors of interest.

By type of organization, “best bets” for associate degree candidates include utility companies, state/local government employers, consulting firms, and electrical/electronic machinery manufacturers.

By region, employers in the Midwest are most interested in hiring associate degree graduates in 2007-08. (See Graph 5.)



## THE PERFECT CANDIDATE

Chart A	Employers rate the importance of candidate qualities/skills
Communication skills	4.6
Strong work ethic	4.6
Teamwork skills (works well with others)	4.5
Initiative	4.4
Interpersonal skills (relates well to others)	4.4
Problem-solving skills	4.4
Analytical skills	4.3
Flexibility/adaptability	4.2
Computer skills	4.1
Technical skills	4.1
Detail-oriented	4.0
Organizational skills	4.0
Leadership skills	3.9
Self-confidence	3.9
Friendly/outgoing personality	3.8
Tactfulness	3.8
Creativity	3.6
Strategic planning skills	3.3
Entrepreneurial skills/risk-taker	3.2
Sense of humor	3.1

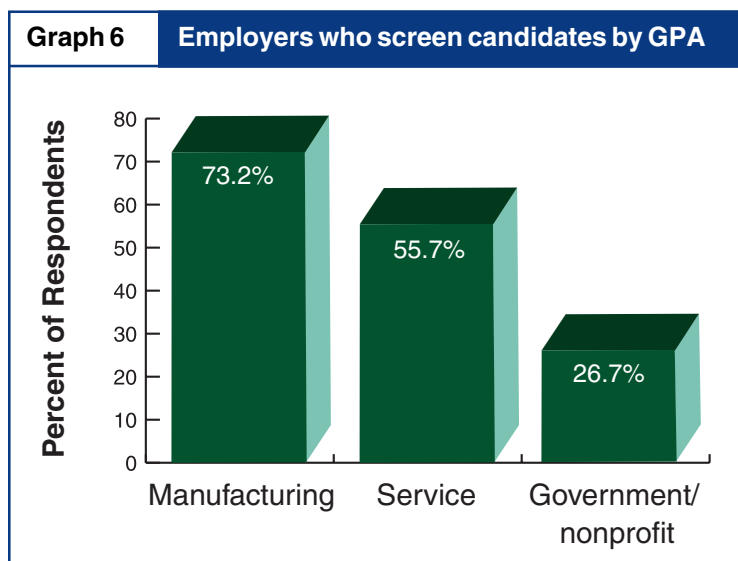
(5-point scale, where 1=not important; 2=not very important; 3=somewhat important; 4=very important; and 5=extremely important)

### COMMUNICATION SKILLS, STRONG WORK ETHIC ARE KEY

Generally, the skills, qualities, and attributes that employers value in candidates vary little from year to year. (See Chart A.)

There are, however, some new items to note. Employers were provided with a list of skills to rank order; this year, problem-solving skills, technical skills, and strategic planning skills were added to the list. Of the three, problem-solving skills received the highest rating while strategic planning skills was deemed least important. This suggests that employers want entry-level hires to be able to deal with problems at hand and recognize that strategic planning would likely require more knowledge of and experience with the organization.

Employers were not asked specifically to rate the importance of having a GPA of 3.0 or better, but they were asked separately if they screen candidates by GPA. The majority of respondents (62.3 percent) do screen candidates by GPA, and manufacturers are most likely to do so. (See Graph 6.)



Of the employers who screen candidates by GPA, 61 percent use 3.0 as the cutoff. There were, however, a small number of respondents who reported using cutoffs as low as 2.0 and as high as 3.5.

### **WHAT CANDIDATES LACK**

The failings of new college graduates fell into three general areas: communication skills, workplace skills, and experience.

As has been the case in the past, the biggest group of respondents faulted new college graduates for their lack of communication skills—the skills that employers prize most. Fully one-third of respondents cited failings in communication skills, with most specifically noting that new graduates lack writing skills. Others reported that new graduates lack face-to-face skills, saying that new graduates prefer e-mail communication. Interview skills, presentation skills, phone skills, and overall interpersonal skills—all skills that fall under the communications skills umbrella—were also cited by respondents.

The next largest group cited a lack of skills associated with conduct in the workplace; these respondents said that new graduates lack a good work ethic, analytical and problem-solving skills, business acumen, initiative, specific computer skills, flexibility, and professionalism. Also mentioned were independence, patience, and the willingness to work long hours to get the job done.

The third group of respondents complained about the lack of work experience in new college graduates. Some specifically cited a lack of internships or any type of hands-on experience as well.

### **WHICH CANDIDATE WOULD YOU CHOOSE?**

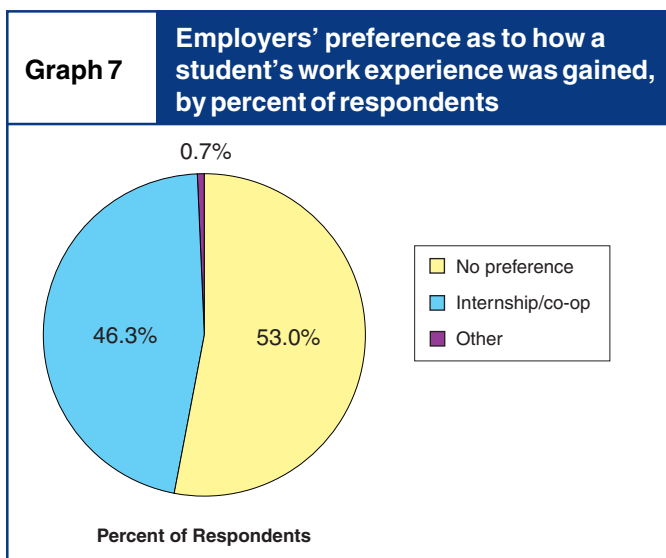
If an employer has two equally qualified candidates for a position, how does he or she decide which to hire?

Employers were given a list of certain attributes and asked to rate the amount of influence each would have on their hiring decision for one candidate as opposed to another candidate, assuming all other attributes were equal. Leadership experience, closely followed by major, a high GPA (3.0 or above), and involvement in extracurricular activities, topped the list. (See Figure 6, page 28.)

Many respondents cited other attributes not on the list; among those, one-third said they would strongly prefer a candidate who had completed an internship over one who had not, while another 21 percent listed work experience as a deciding factor, and 14 percent cited co-ops. Still others gave weight to the candidate's interpersonal skills, academic course work, and interview performance in choosing one candidate over another.

### EXPERIENCE: THE GREAT CANDIDATE ATTRIBUTE

Perhaps no candidate attribute is more valued than experience: Approximately 95 percent of respondents factor in candidate experience when making hiring decisions. (See Figure 7, page 28.)



More than three-quarters of respondents reported a preference for relevant work experience, but nearly 20 percent are willing to look at any type of work experience.

Does it matter how the candidate gains experience? More than half of respondents don't have a preference, but nearly as many look for internship or cooperative education experience. (See Graph 7.)

## COMPENSATION: SALARIES, SIGNING BONUSES, BENEFITS

### EMPLOYERS TO RAISE SALARIES FOR BACHELOR'S, MASTER'S DEGREE CANDIDATES

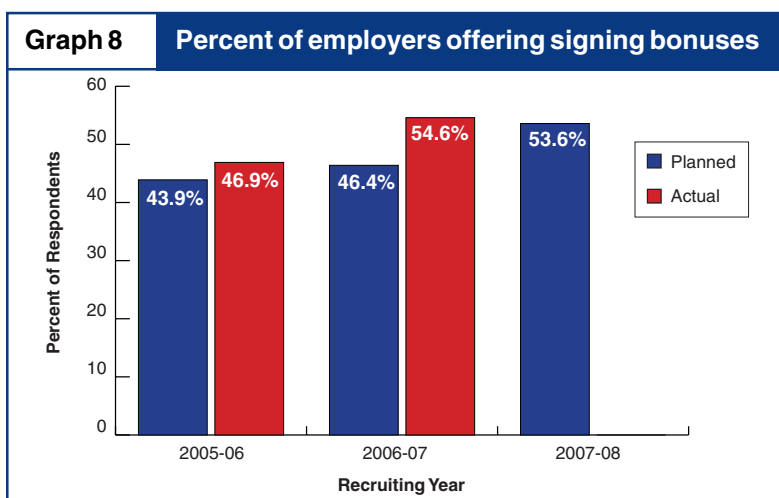
Nearly eight out of 10 employers (78.5 percent) report plans to increase starting salaries to 2008 graduates holding bachelor's degrees. Overall, the average projected increase is 4.6 percent; the median increase is 4.0 percent.

Similarly, more than three-quarters of respondents (75.6 percent) expect to ratchet up salaries for master's degree graduates. The average projected increase is 5.2 percent; the median is 4.5 percent.

Will these increases hold? NACE tracks salary trends throughout the academic year; the first report for the 2007-08 year will be released in early February.

### A SIGN OF THE TIMES: SIGNING BONUS USE UP

More than half of respondents (53.6 percent) say they will use signing bonuses to sweeten the deal for potential hires, but even more may actually end up using bonuses to compete.



As Graph 8 illustrates, employers tend to underestimate the need to use signing bonuses. For example, in *Job Outlook 2006*, approximately 44 percent of employers said they planned to use signing bonuses, but nearly 47 percent eventually reported using them. The discrepancy is even greater among respondents to the *Job Outlook 2007* survey: Although approximately 46 percent said they expected to offer bonuses, more than 56 percent actually used signing bonuses to woo Class of 2007 graduates.



## Job Outlook 2008

If this pattern holds, then more than 60 percent of employers could end up using signing bonuses to attract and hire 2008 graduates. Regardless, the increase in those planning to use signing bonuses alone serves as yet another sign of the competitive nature of the job market.

Two-thirds of employers who plan to offer bonuses this year say they will use them with selected graduates—not all. Not surprisingly, students with degrees most in demand are most likely to get such offers. At the bachelor's degree level, electrical engineering graduates head the "most likely to get a bonus" list, while computer science graduates hold that spot at the master's degree level. Although data are limited for doctoral candidates, those with degrees in engineering are most likely to get a bonus.

As a group, manufacturers are most likely to use signing bonuses, with 60 percent reporting plans to do so, compared to 52 percent of service employers and 20 percent of government/nonprofit respondents. (For details about which types of employers are most likely to offer signing bonus, see Figure 8, page 29.)

By region, nearly 62 percent of employers in the Northeast plan to offer signing bonuses, compared to 57 percent in the South, 49 percent in the Midwest, and 44 percent in the West.

Among employers who reported an average bonus amount that they plan to offer all entry-level college hires in 2007-08, the average signing bonus is \$4,450, up 25 percent over last year's average of \$3,568. The median bonus for 2007-08 graduates falls at \$3,000. However, again, most employers who expect to give out bonuses will do so to just selected hires. Figures 9 and 10, page 30, provide average signing bonus data broken down by major for bachelor's and master's degree candidates.

## **BENEFITS OFFERED TO NEW COLLEGE GRADUATES**

In general, there is little change in the benefits/policies that employers plan to offer new graduates in 2007-08. And, in large part, employers appear to be in tune with new grads, offering the benefits/policies that students consider most important. (See Chart B.)

Some changes, however, warrant comment. For example, bonus/commission plans are being offered by about 7 percent more employers this year, and those employers offering stock options has also increased by 7 percent. These may be signs of company growth and a strong economy.

On the other hand, employers appear to be offering fewer pension plans to new college graduates, a trend that has been evident in Job Outlook surveys over the past few years. (The percentage has been steadily dropping from the *Job Outlook 2004* survey, when more than 70 percent of respondents offered pension plans.)

The largest decrease can be seen in the number of employers offering flextime; this year, the percentage of employers offering flextime dropped 9 percent compared to last year. This comes as somewhat of a surprise, since new college graduates of “Generation Y” seem to value work-life balance. (In fact, students responding to the *2007 Graduating Student Survey* rated “flextime” as “important”—3.3 on a 5-point scale. For more on student’s attitudes, see “Moving On: Student Approaches and Attitudes Toward the Job Market for the College Class of 2007,” the report based on the survey’s results, at [www.naceweb.org/infocenter/surveys/gradstud\\_2007.htm](http://www.naceweb.org/infocenter/surveys/gradstud_2007.htm) or read the executive summary at [www.naceweb.org/public/survey/2007gradstudentexsum.htm](http://www.naceweb.org/public/survey/2007gradstudentexsum.htm).)

Of the employers who indicated “other” benefits than those found on the list, about 20 percent reported that they offer profit sharing, while others cited certain employee discounts, flexible spending accounts, lunch/cafeteria benefits, and wellness benefits such as subsidized gym memberships.



Job Outlook 2008

<b>Chart B Benefits and policies, 2007-08 vs. 2006-07</b>			
<b>Benefit/Policy</b>	<b>Percent of 2007-08 respondents</b>	<b>Percent of 2006-07 respondents</b>	<b>Student rank*</b>
Medical insurance	99.6%	100%	1
Life insurance	98.9	99.6	5
401(k) retirement plan	98.6	97.3	3
Dental insurance	98.2	98.1	4
Annual salary increases	96.7	95.5	2
Employee assistance counseling program	90.9	90.2	15
Tuition reimbursement	88.0	89.7	6
Casual dress policy	84.7	86.2	14
Bonus/commission plans	72.9	65.5	12
Planned social activities	72.2	74.6	16
Frequent performance reviews (more than one per year)	60.0	59.2	11
Flextime	55.9	64.8	10
Family-friendly benefits	54.9	56.4	9
More than two weeks vacation	51.5	49.0	7
Pension plan	43.2	49.4	8
On-site fitness center	37.7	40.7	17
Stock options	29.4	22.4	13
Telecommuting	26.7	25.2	18
Day care facilities	9.8	11.1	20
Company car	8.1	6.6	19
Payback of existing student loans	2.2	4.2	N/A

\*Source: NACE 2007 Graduating Student Survey

## EFFECTIVE COLLEGE RECRUITING

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In both this year's and last year's surveys, employers rated on-campus recruiting and internship programs as the most-effective recruiting methods—no surprise given the competitive nature of the job market. When competition heats up, employers rely on “high touch” recruiting to build relationships with candidates.

In fact, employers who hold membership in NACE, and thus serve as the pool for this survey, are heavily invested in on-campus recruiting and internships as key tools. In the *NACE 2007 Recruiting Benchmarks Survey*, nearly 90 percent of responding employers reported that they participate in on-campus recruiting, and about 88 percent of employers said they have internship programs in place.

For a complete listing of the effectiveness of various recruiting methods, see Figure 11, page 31.

### COMPETITION IS TOP CHALLENGE FOR RECRUITERS

Respondents face some daunting challenges this year, chief among them competition, a shortage of specific types of graduates, and industry/location issues.

Competition is the number one challenge employers face in recruiting 2007-08 graduates, with more than one-third of respondents reporting concerns. How will that competition affect recruiting? In all the obvious ways: Look for multiple offers, earlier offers, increases in salaries, and signing bonuses as by-products of competition.

Nearly as many respondents offered a “spin” on competition as their chief challenge—a shortage of graduates. More than half of these employers reported concerns over limited supplies of graduates in engineering, computer science, and accounting; others cited a lack of candidates with specific skills, and others cited shortages and competition for diverse candidates.

Many respondents reported that attracting students to work in their particular industries and/or locations is the biggest challenge they face. Building their organization's image among candidates who are unfamiliar with the industry (60 percent of responding utility companies cited this problem) and/or unaware of the types of opportunities that exist requires an ongoing commitment from these employers.

Attracting candidates to specific locations may be an even tougher challenge to meet. Most students express a preference for jobs that are near their hometown or near their college's town, according to results of NACE's *2007 Graduating Student Survey*. Consequently, employers who require relocation must find other organization attributes that will make them attractive to students.



### TREND WATCH: EMPLOYERS USE OF SOCIAL NETWORKING SITES

“Go where the students are” has long been a staple of a successful recruitment effort. Consequently, given the popularity of social networking web sites, such as MySpace and Facebook, among students, it’s no surprise that employers would look to this new venue as a way to connect with students.

Last year, 11 percent of employers responding to a Job Outlook survey said they would visit social networking web sites to view the profiles of job candidates from the Class of 2007. A much larger group—40.5 percent—said they weren’t sure if they would visit these sites to gauge candidates. A year later, where do employers stand?

Nearly 17 percent of employers responding to the *Job Outlook 2008* survey said they expect to use social networking sites as part of their recruiting effort, but most (65 percent) said they don’t plan to do so. The remaining 18 percent were unsure at this time whether or not they will use these sites as a part of their recruiting process for this year’s crop of graduates.

How employers plan to use the sites, however, is varied, with the majority planning to advertise on social networking sites as opposed to using the sites to gauge candidates. (For details on how responding employers expect to use social networking sites, see Figure 12, page 31.)

## ANALYSIS BY SECTOR

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All sectors report positive plans; here is a look at specifics for each.

### SERVICE SECTOR

- **Average hiring increase: 17.8 percent**
  
- **Spring 2008 on-campus recruiting plans**
  - Firm plans: 49.2 percent
  - Tentative plans: 20.5 percent
  - All recruiting completed in Fall 2007: 18.2 percent
  - Unsure: 10.6 percent
  - Not hiring: 1.5 percent
  
- **Salary plans**
  - ♦ Nearly three-quarters of service employers (74.5 percent) expect to increase starting salary offers to bachelor's degree graduates.
  - ♦ The average projected increase is 4.4 percent—the same increase service employers projected last year.
  - ♦ The median projected increase is 4.0 percent.

• Undergraduate majors of most interest (top 5)		
Major	% of Service Employers Who Will Hire	% of Total Employers Who Will Hire
Accounting	61.0%	56.0%
Business Administration/Management	55.0	47.0
Computer Science	54.0	47.0
Economics/Finance (incl. banking)	54.0	43.0
Information Sciences & Systems	50.0	42.0

## MANUFACTURING SECTOR

- **Average hiring increase: 14.8 percent**

- **Spring 2008 on-campus recruiting plans**

Firm plans: 48.8 percent

Tentative plans: 19.2 percent

All recruiting completed in Fall 2007: 13.6 percent

Unsure: 17.6 percent

Not hiring: 0.8 percent

- **Salary plans**

- ♦ More than four out of five manufacturers (81.2 percent) expect to raise starting salary offers to new college graduates with bachelor's degrees.

- ♦ An average increase of 4.7 percent is planned.

- ♦ The median increase is 4.0 percent.

- **Undergraduate majors of most interest (top 5)**

Major	% of Mfg. Employers Who Will Hire	% of Total Employers Who Will Hire
Mechanical Engineering	78.0%	54.0%
Electrical Engineering	62.0	48.0
Accounting	53.0	56.0
Business Administration/Management	39.0	47.0
Chemical Engineering	38.0	29.0

### GOVERNMENT/NONPROFIT SECTOR

- **Average hiring increase: 11.8 percent**

Of interest: Although just 10 government/nonprofit employers responded to the *Job Outlook* survey, all 10 reported plans to hire 2008 new college graduates.

- **Spring 2008 on-campus recruiting plans**

Firm plans: 40.0 plans

Tentative plans: 26.7 percent

All recruiting completed in Fall 2007: 6.7 percent

Unsure: 26.7 percent

Not hiring: 0.0 percent

- **Salary plans**

- ♦ All but one of the government/nonprofit respondents expect to raise starting salary offers to bachelor's degree candidates.
- ♦ The average anticipated increase is 5.9 percent. (Two respondents anticipate whopping increases—14 and 15 percent, respectively. Without those responses, the average increase would be 3.4 percent.)
- ♦ The median increase is 4.0 percent.

### DO SALARY PLANS MATCH THE REALITY?

Not always.

Last year, service employers reported plans to raise salaries to bachelor's degree candidates by 4.4 percent; however, according to *Salary Survey* results, in the end, service employers offered starting salaries that were 5.6 percent higher on average than the salaries they offered the year before.

The story repeats with manufacturers and government/nonprofit employers.

In 2006-07, manufacturers reported plans to raise starting salaries by 4.9 percent, but ended up offering an average salary that was just 2.9 percent higher, according to *Salary Survey*.

Last year, government/nonprofit employers expected to raise salaries 4.4 percent on average; the reality, according to *Salary Survey*, translated into a 3.4 percent increase.

- **Undergraduate majors of most interest (top 5)**

Major	% of Govt./Nonprofit Employers Who Will Hire	% of Total Employers Who Will Hire
Computer Science	64.0%	47.0%
Mechanical Engineering	45.0	54.0
Information Sciences & Systems	36.0	42.0
Business Administration/Management	36.0	47.0
Electrical Engineering	36.0	48.0

## ANALYSIS BY REGION

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Hiring is up across the country, but particularly strong in the eastern half. Here is a look at the specifics of each region.

### NORTHEAST

- **Average hiring increase: 15.7 percent**

Of interest: Nearly all—98 percent—of respondents from this region are hiring this year.

- **Spring 2008 on-campus recruiting plans**

Firm plans: 41.4 percent

Tentative plans: 25.9 percent

All recruiting completed in Fall 2007: 20.7 percent

Unsure: 10.3 percent

Not hiring: 1.7 percent

- **Salary plans**

- ♦ Slightly more than 70 percent plan to increase starting salary offers to bachelor's degree candidates.

- ♦ On average, the anticipated increase is 4.2 percent.

- ♦ The median increase is 4.0 percent.

• Undergraduate majors of most interest (top 5)		
Major	% of Northeast Employers Who Will Hire	% of Total Employers Who Will Hire
Accounting	61.0%	56.0%
Electrical Engineering	54.0	48.0
Computer Science	52.0	47.0
Mechanical Engineering	50.0	54.0
Information Sciences & Systems	48.0	42.0

## MIDWEST

- **Average hiring increase: 25.4 percent**

Of interest: Not only does the Midwest have the biggest hiring increase among the regions, but also it is the only region in which all respondents report plans to hire new college graduates.

- **Spring 2008 on-campus recruiting plans**

Firm plans: 53.4 percent

Tentative plans: 15.1 percent

All recruiting completed in Fall 2007: 17.8 percent

Unsure: 13.7 percent

Not hiring: 0.0 percent

- **Salary plans**

- ♦ The Midwest is the region with the largest group of respondents (84.5 percent) who expect to increase starting salary offers to bachelor's degree candidates.
- ♦ The average projected is 4.1 percent.
- ♦ The median increase is 4.0 percent.

- **Undergraduate majors of most interest (top 5)**

Major	% of Midwest Employers Who Will Hire	% of Total Employers Who Will Hire
Accounting	62.0%	56.0%
Mechanical Engineering	61.0	54.0
Business Administration/Management	58.0	47.0
Economics/Finance (incl. banking)	52.0	43.0
Information Sciences & Systems	46.0	42.0

## SOUTH

Employers in the South have a bright outlook for 2007-08 grads and are planning an 18.3 percent increase in the hiring of new college grads. Although last year's projected increase was 25.5 percent for southern employers, this year's planned increase in new college hiring is up from the increase in hiring of 17.6 percent planned for 2005-06 graduates.

- **Spring 2008 on-campus recruiting plans**

- Firm plans: 46.3 percent

- Tentative plans: 23.2 percent

- All recruiting completed in Fall 2007: 14.7 percent

- Unsure: 14.7 percent

- Not hiring: 1.1 percent

- **Salary plans**

- ♦ More than three-quarters of employers in the South plan to increase starting salary offers to new graduates with bachelor's degrees.

- ♦ The average planned increase is 5.1 percent. (Seven employers predict large increases of 10 percent or more; without those responses, the average increase would be 4.3 percent.)

- ♦ The median increase is 4.8 percent.

• Undergraduate majors of most interest (top 5)		
Major	% of Southern Employers Who Will Hire	% of Total Employers Who Will Hire
Mechanical Engineering	51.0%	54.0%
Accounting	47.0	56.0
Electrical Engineering	46.0	48.0
Business Administration/Management	40.0	47.0
Computer Science	36.0	47.0

## WEST

- **Average hiring increase: 4.1 percent**

Of interest: At first glance, the average hiring increase among employers in the West may suggest a less dynamic market for new college graduates. However, it is important to note the big increases in hiring projections reported last year (23 percent) and the year before (15.8 percent) by employers in the West.

- **Spring 2008 on-campus recruiting plans**

Firm plans: 54.3 percent

Tentative plans: 15.2 percent

All recruiting completed in Fall 2007: 6.5 percent

Unsure: 21.7 percent

Not hiring: 2.2 percent

- **Salary plans**

- ♦ In the West, more than four out of five employers (83.3 percent) plans to raise starting salary offers to bachelor's degree candidates.
- ♦ The average expected increase is 5.1 percent.
- ♦ The median increase is 5.0 percent

- **Undergraduate majors of most interest (top 5)**

<b>Major</b>	<b>% of Western Employers Who Will Hire</b>	<b>% of Total Employers Who Will Hire</b>
Computer Science	64.0%	47.0%
Accounting	60.0	56.0
Mechanical Engineering	53.0	54.0
Information Sciences & Systems	51.0	42.0
Economics/Finance (incl. banking)	49.0	43.0



## APPENDIX

<b>Figure 1</b>		<b>Top 10 degrees in demand (bachelor's degree level)</b>	
<b>Major</b>	<b>% of Total Respondents Who Plan to Hire</b>		
Accounting	56.0%		
Mechanical engineering	54.0		
Electrical engineering	48.0		
Computer science	47.0		
Business administration/management	47.0		
Economics/finance (inc. banking)	43.0		
Information sciences and systems	42.0		
Marketing/marketing management	35.0		
Computer engineering	33.0		
Management information systems/business data processing	31.0		

<b>Figure 2</b>		<b>Top 5 degrees in demand (master's degree level)</b>	
<b>Major</b>	<b>% of Total Respondents Who Plan to Hire</b>		
M.B.A.	58.0%		
Electrical engineering	39.0		
Mechanical engineering	37.0		
Computer science	31.0		
Accounting	30.0		

<b>Figure 3</b>		<b>Top 5 degrees in demand (doctorate degree level)</b>	
<b>Major</b>	<b>% of Total Respondents Who Plan to Hire</b>		
Computer engineering	44.0%		
Electrical engineering	44.0		
Computer science	41.0		
Mechanical engineering	40.0		
Business administration/management	24.0		

<b>Figure 4 Who's hiring, by employer type (bachelor's degree level)</b>		
<b>Major</b>	<b>Most Interested Employers</b>	<b>Percent of Respondents</b>
Accounting	Accounting (public)	100%
	Financial services	100
	Food & beverage processing	100
	Petroleum & allied products	89
Mechanical engineering	Utilities	100
	Chemicals & allied products	100
	Scientific equipment & industrial measuring instruments manufacturers	100
Electrical engineering	Utilities	100
	Electrical & electronic machinery & equip. manufacturers	92
	Computer & business equipment manufacturers	83
Computer science	Computer software development & data processing services	100
	Financial services	87
	Computer & business equipment manufacturers	83
Business admin/mgmt.	Food and beverage processing	100
	Insurance	100
	Financial services	93
	Merchandising (retail/wholesale)	93

<b>Figure 5 Who's hiring, by region (bachelor's degree level)</b>		
<b>Major</b>	<b>Most Interested Region</b>	<b>Percent of Respondents</b>
Accounting	Midwest	62%
	Northeast	61
	West	60
	South	47
Mechanical engineering	Midwest	61
	West	53
	South	51
	Northeast	50
Electrical engineering	Northeast	54
	West	49
	South	46
	Midwest	44
Computer science	West	64
	Northeast	52
	Midwest	45
	South	36
Business admin/mgmt.	Midwest	58
	West	49
	Northeast	43
	South	40

<b>Figure 6</b>		<b>Employers rate the influence of attributes when deciding on two equally qualified candidates</b>	
Has held leadership position			4.0
Major			3.9
High GPA (3.0 or above)			3.7
Has been involved in extracurricular activities (clubs, sports, student government, etc.)			3.6
Has done volunteer work			3.0
School attended			2.9
(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)			

<b>Figure 7</b>		<b>Employers' hiring preferences relative to experience, by percent of respondents</b>	
I prefer to hire candidates with <b>relevant</b> work experience			76.2%
I prefer to hire candidates with <b>any type</b> of work experience (doesn't matter if it's relevant or not, just some type of experience)			18.2
Work experience doesn't typically factor into my decision when hiring a new college graduate			4.8
Other			0.7

**Figure 8**      **Percent of employers offering signing bonuses to 2007-08 graduates\***

<b>Employer Type</b>	<b>Percent Offering Bonuses</b>	<b>Number of Respondents</b>
Computer & Business Equipment	100%	6
Public Accounting	89.0	9
Utilities	80.0	5
Consulting Services	71.0	14
Electrical & Electronic Machinery & Equipment (including Communications)	67.0	24
Petroleum & Allied Products	67.0	9
Food and Beverage Processing	63.0	8
Engineering/Surveying	62.0	21
Aerospace	60.0	5
Building Materials & Construction	56.0	18
Financial Services	53.0	15
Chemicals & Allied Products	50.0	6
Automotive & Mechanical Equipment	44.0	9
Government (Federal)	40.0	5
Scientific Equipment & Industrial Measuring Instruments	40.0	5
Insurance	33.0	12
Merchandising (Retail/Wholesale)	33.0	15
Government (State & Local)	20.0	5
Computer Software Development & Data Processing Services	17.0	6

\*Only categories with five or more respondents are included.

**Figure 9** Average signing bonuses by major (bachelor's degree level)

Degree	Major	Avg. Bonus (projected)	Number of Respondents
Bachelor's	Computer Science	\$3,959	16
Bachelor's	Mechanical Engineering	\$3,667	15
Bachelor's	Chemical Engineering	\$3,361	9
Bachelor's	Computer Engineering	\$3,286	7
Bachelor's	Economics/Finance (incl. banking)	\$3,275	10
Bachelor's	Electrical Engineering	\$3,190	21
Bachelor's	Accounting	\$2,763	19
Bachelor's	Management Information Systems/ Business Data Processing	\$2,750	5
Bachelor's	Business Administration/Management	\$2,417	6
Bachelor's	Civil Engineering	\$2,222	9

**Figure 10** Average signing bonuses by major (master's degree level)

Degree	Major	Avg. Bonus (projected)	Number of Respondents
Master's	M.B.A.	\$14,571	7
Master's	Marketing/Marketing Management	\$10,300	5
Master's	Computer Science	\$7,000	9
Master's	Accounting	\$3,806	9
Master's	Electrical Engineering	\$3,321	7

<b>Figure 11</b>		<b>Employers rate the effectiveness of recruiting methods</b>
On-campus recruiting		4.2
Organization's internship program		4.2
Employee referrals		4.0
Organization's co-op program		4.0
Career/job fairs		3.8
Faculty contacts		3.7
Internet job postings (campus web site)		3.6
Internet job postings (own company web site)		3.6
Student organizations/clubs		3.5
Internet job postings (commercial career web site)		3.3
Job postings to career offices (printed)		3.1
Request resumes from career offices		3.1
Internet resume data bases		3.0
Recruitment advertising (print)		2.7
Internet banners		2.5
Newspaper advertising (campus and/or local newspapers)		2.4
Career/job fairs (virtual)		2.3
Video interviewing		1.9
(5-point scale, where 1=not at all effective; 2=not very effective; 3=somewhat effective; 4=very effective; and 5=extremely effective)		

<b>Figure 12</b>			<b>Employers planned uses for social networking web sites</b>
<b>Use</b>	<b>Percent of Respondents Who Indicated Plans to Use Social Networking Web Sites</b>	<b>Percent of Total Respondents</b>	
Our organization will <b>advertise</b> on social networking web sites	65.6%	14.3%	
We will <b>network</b> with possible job candidates on social networking web sites	52.5	11.4	
We will <b>check profiles</b> of potential hires on social networking web sites	37.7	8.1	

## SURVEY RESPONDENTS

**Figure 13 Respondents by sector and type of employer**

Employer Type	Number of Respondents	Employer Type	Number of Respondents
<b>SERVICE EMPLOYERS</b>		<b>MANUFACTURING EMPLOYERS</b>	
Accounting (Public)	9	Building Materials & Construction	19
Advertising	2	Chemical & Allied Products	7
Architecture	1	Computers & Business Equipment	6
Banking (Commercial)	4	Electrical & Electronic Machinery & Equipment (incl. Communications)	26
Banking (Investment)	2	Food and Beverage Processing	8
Communication Services	3	Household & Personal Care Products	2
Computer Software Development & Data Processing Services	6	Metals & Metal Products	4
Consulting Services	14	Mining	1
Engineering/Surveying	21	Packaging & Allied Products	2
Environmental/Waste Management	1	Paper & Wood Products	1
Financial Services	15	Petroleum & Allied Products	9
Hospitality (Amusements/Recreation/ Fast-Food Restaurants)	1	Pharmaceuticals	3
Hospitality (Hotels/Motels/ Full-Service Restaurants)	2	Printing	2
Insurance	12	Rubber Products	2
Merchandising (Retail/Wholesale)	15	Scientific Equipment & Industrial Measuring Instruments (incl. Medical Supplies)	5
Personnel Supply Services	3	Stone, Clay, Glass & Concrete Products	4
Publishing	2	Textiles & Apparel	3
Research Organizations	3	Widely Diversified	4
Transportation	2	Other Manufacturing Employers (NEC)	5
Utilities	7	<b>GOVERNMENT/NONPROFIT EMPLOYERS</b>	
Other Service Employers (NEC)	8	Education	2
<b>MANUFACTURING EMPLOYERS</b>		Government (Federal)	5
Aerospace	5	Government (State & Local)	5
Agriculture & Products	1	Membership Organizations	1
Automotive & Mechanical Equipment	9	Social Services/Private Agencies	2
		Other Nonprofit Employers (NEC)	1





## Job Outlook 2008

### RESPONDING ORGANIZATIONS

Below is a list of the organizations that responded to the *Job Outlook 2008* survey. (Please note: Although 276 organizations responded, the list below includes 204, as 72 organizations preferred not to be listed.)

ACUITY	Convergys Corporation - Convergys	Ingersoll-Rand Company	Questar Market Resources
AEON Corporation	Cooper Industries, Inc.	InterDigital Communications Corporation	Raytheon Company
Aetna Inc.	Countrywide Financial Corporation	J. Ray McDermott, S.A.	RETTEW Associates, Inc.
Agilent Technologies, Inc.	Croda Inc.	Jacobs Technology Inc.	Rhodia Inc.
AIG	Dal-Tile Corporation	JDSU	S&C Electric Co.
Airvana, Inc.	DCS Corporation	JELD-WEN, Inc.	Saint-Gobain Vetrotex America Inc.
Amazon.com	Dell Inc.	JLG Industries, Inc.	SAP America Inc.
American Electric Power	Devon Energy Corporation	John Hancock	Schneider Electric
Ameriprise Financial	DNC Parks & Resorts at Yosemite, Inc.	Kaplan Higher Education	Schwan Food Company
Amgen Inc.	Doeren Mayhew	KBC Financial Products	Sherwin-Williams Company
Amica Mutual Insurance Company	Dudek & Associates, Inc.	L-3 Communications Integrated Systems	Simpson Gumpertz & Heger Inc.
Andersen Corporation	Dynetics Inc.	Lehigh Cement Co.	Smurfit-Stone Container Corporation
Apache Corporation	Edward Jones	Lexmark International Inc.	Solar Turbines Incorporated
Apex Systems, Inc.	Electronic Arts Inc.	Linbeck Corporation	Southwest Research Institute
Applied Signal Technology Inc.	Ellis & Associates, Inc.	Lincoln Electric Co.	Southwestern Company
Archer Daniels Midland Company	Ellison Group	Linde BOC Process Plants LLC	St. Jude Medical, Inc.
Argon ST	ELTECH Systems Corporation	Link-Belt Construction Equipment Co.	Stanley Consultants Inc.
Armstrong World Industries	EnCana Oil & Gas (USA) Inc.	M&T Bank Corporation	Steve & Barry's
Aronson & Company	Energizer	Manhattan Associates, Inc.	STMicroelectronics
Arup & Partners	Ernst & Young LLP	Marnell Corrao Associates	Stockamp & Associates Inc.
ATK Launch Systems	Exelon Energy Company	Marsh Inc.	Structural Group
Audit Bureau of Circulations	Farm Credit Financial Partners Inc.	Marshall & Ilsley Corporation	SWIFT
Avanade Inc.	Federal Reserve Bank of New York	Martin Marietta Materials	Technisource
Babcock Power Inc.	Federated Department Stores, Inc.	Maryland State Highway Administration	Tektronix Inc.
Becton Dickinson & Company	First Investors Corporation	McDermott International Inc.	Terracon
Berry, Dunn, McNeil & Parker	FM Global	McKesson Corporation	Tesoro Companies, Inc.
Bibb & Associates, Inc.	FMC Technologies, Inc.	Mercer Human Resource Consulting	Thales Communications Inc.
Black & Veatch Corporation	Ford Motor Company	Mervyns	Thomson Corporation
Blackbaud, Inc.	Forrester Construction Company	Messer Construction Co.	Thrivent Financial for Lutherans
Blizzard Entertainment	Foster Wheeler Inc.	Metro	Tindall Corporation
BOC Gases	Franklin Templeton Investments	Milliken & Company	Toshiba Business Solutions
Bosch	Freddie Mac	Modern Woodmen of America	Total Quality Logistics, Inc.
Boston Beer Company	Gallup Organization	Musco Sports Lighting, LLC	Trinity Consultants Inc.
Boston Scientific Corporation	Gas Technology Institute	NCR Corporation	TTI, Inc.
Bridgestone/Firestone Americas Holding, Inc.	General Mills Inc.	Nestle Purina Petcare	Turner Construction Company
Broadcom Corporation	Georgia Tech Research Institute	Network Appliance	Tyco Electronics
Burke Incorporated	Goodrich Corporation	New West Technologies, LLC	U.S. AgBank, FCB
C&S Companies	GreenbergFarrow	Newell Rubbermaid	U.S. Department of State
CA, Inc.	Hajoca Corporation	NORDAM Group	U.S. Space & Rocket Center
Cargill Meat Solutions	Halliburton Company	North Star Resource Group	Union Pacific Railroad Company
Caterpillar Inc.	Hallmark Cards	Northrop Grumman Corporation	USS-POSCO Industries
Ceco Concrete Construction LLC	Harris Corporation	O'Connor Davies Munns & Dobbins, LLP	Valpak Direct Marketing Systems, Inc.
Charles Schwab & Co., Inc.	Hershey Entertainment & Resorts	Office of Legislative Audits	Veris Consulting, LLC
Cisco Systems, Inc.	Hilton Americas - Houston	Ohio Auditor of State	Washington Mutual
City Furniture	HNTB Corporation	Osram Sylvania, Inc.	West Coast Environmental & Engineering
Claritas Inc.	Hospira Worldwide, Inc.	Owens Corning	Westfield Group
Coca-Cola Enterprises	Huron Consulting Group	Pennsylvania State Civil Service Commission	Westinghouse Electric Company
College Pro Inc.	Hutchinson Technology Inc.	Permian Basin Community Centers	Whirlpool Corporation
Compass Group, The Americas	Hyundai Motor Manufacturing Alabama, LLC	PPL Corporation	Williams Companies
Con Edison	IMS Health	PrimeSource Building Products, Inc.	Wipfli LLP
Consolidated Graphics	INEOS	Questar GAS	Zachry Construction Corp.