

Melina Saxman

Professor Jim Drinkwine

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Employing Recent Graduates- an Objective Analysis

As college students graduate, many find themselves overwhelmed by the process of entering the workforce. It can be difficult to find a sustainable job that lines up with their education, degree, and intended career path, especially in today's crowded labor environment. As Hillary Hoffower's article *Gen Z College Grads are Having the Toughest Time Finding a Job Right Now* puts it, this is largely due to the fact that recent college graduates are being pushed out of the job market by younger teenagers and more seasoned workers alike, and this phenomenon is resulting in a concept referred to as underemployment. Underemployment, defined simply as working a job you are overqualified for (Vedder, et al.), is currently plaguing recent graduates trying to enter the workforce—according to the Bureau of Labor Statistics, 48% percent of employed US college graduates are working jobs that require less than a four-year college degree (Vedder, et al.), and students who begin their careers underemployed are more likely to remain so for 5-10 years (*Signs You're Underemployed and How to Change It*).

Within a company, a manager is often assigned the task of hiring, among many other roles, which are divided into three main categories (*Principles of Management* 1.2). In the information role, a manager acts as a monitor, disseminator, and spokesperson of information; in the decisional role, a manager acts as an entrepreneur, resource allocator, and disturbance handler; in the interpersonal role, a manager acts as a liaison, figurehead, and leader— and that

duty includes hiring. Managers are required to make many decisions for their employees throughout their employee life cycle, or “the various stages of engagement of an employee—attraction, recruitment, onboarding, development, retention, separation” (*Principles of Management* 9.6), and one important topic to consider on the front end of that process is some of the benefits and drawbacks to hiring recent college graduates.

One benefit to hiring recent graduates is that they are significantly more technologically adept than older generations (Cherwick). These recent graduates, largely comprised of Generation Z, are set apart from the rest of the workforce through the concept of digital nativism, simply meaning that the internet has existed for the entirety of their lives. In fact, according to Erin McClure’s article *Digital Natives: How to Win the Trust of Gen Z and Millennials*, over 38% of digital natives currently make up the workforce. This means that these students are inherently more technologically adept, having grown up alongside the internet itself in their homes and schools alike, compared to the more seasoned members of the workforce—according to a study conducted by the Pew Research Center, over 52% of the American workforce is “relatively hesitant” to adapt to using digital tools (Horrihan). This is due to a variety of reasons, including a lack of awareness of digital safety, lack of willingness to learn new skills, and loyalty to more traditional ways of learning.

Regardless of the reason, technology is evolving faster than ever before, and companies need employees that not only keep up, but push the growth and development of tech within a business. Organizations use technology in four primary ways, as outlined in the popular business management textbook Principles of Management, Chapter 18.2: “designing systems and processes, identifying communication needs, implementing training and development to address change, and using excellent change management processes” (Bright, et. al.). Hiring workers such

as recent college graduates that need little to no training on how to use most of these technological systems saves both time and money for companies and employees alike and can exponentially increase their long-term productivity.

Another benefit to employing recently graduated college students is that their salary expectations are inherently lower than more seasoned, experienced employees. As Zoryana Cheriwick puts it in her article *7 Reasons You Should Hire a New Graduate*, this provides “the opportunity for companies to hire a talented employee at an entry-level rate and to invest in developing that employee to become a top performing star within your organization.” The relatively low upfront cost of onboarding an employee is an obvious pro, but the ability to pay that employee more as they become more experienced and reward them with raises, promotions, and benefits will also significantly aid in long-term employee retention. Freshly graduated students are often desperate for a sustainable job that aligns with their intended career path—in fact, 27.8% of post-grad students are not able to get a job within six months of graduating (What Percentage of College Students Get a Job After They Graduate?). This combination results in low salary expectations and a strong desire to obtain a job, which couples well with companies looking to hire eager employees while saving money.

These are just a few of the many benefits of hiring freshly post-grad students, not to mention that they are practiced and willing collaborators, can offer fresh perspectives and innovative ideas, and are passionate about their personal development as human beings (Cherwick). In light of these clear pros, underemployment is still abundantly prevalent—according to a study conducted by the Pew Research Center, “recent college graduates are more likely than graduates overall to be underemployed – that is, working in jobs that typically do not require a college degree,” (Schaeffer). So, why are the statistics on underemployment in college

students so exorbitantly high? As it turns out, hiring recent college graduates does have a handful of drawbacks from a managerial perspective.

One concern that a manager may have when hiring a prospective college graduate is that they have little to no experience in the field that they are entering. Managers are often looking for workers that can be productive and effective in their role right off the bat, and that often means having at least two years of experience, and at the very least, a related college degree. For instance, take a sales job—someone who has worked in sales for two years is most likely going to be more successful in the first two months of a new job than someone who is entirely new to the industry. The right prospective employee could be equally as successful, if not more so further down the road, but might not be the right fit for a company right now. More experience is a major benefit to a company when a job is highly complex, requiring “a wide range of abilities; think neurosurgeons, physicists, or air traffic controllers” (Dault.) These jobs don’t require as many repetitive tasks as lower complexity jobs do, and instead rely on decision making skills that can only be developed by working in the industry.

Hiring an employee with little experience in the field creates a need for additional training that a more seasoned member of the workforce would not require. If a company needs an employee to start right away at full capacity, an inexperienced worker could not satisfy this need in the same time frame. As an article from Betts Recruiting writes, “From basic office protocol to generic systems, candidates without experience need to learn how to be a part of the company before they can excel there. Hiring managers need to set a more lenient timeframe for on-boarding” (*Pros and Cons of Hiring New College Grads*). A longer training period is not necessarily an end all be all, but certainly a consideration to be made prior to hiring a recently

graduated student over a more experienced employee in the case of a shorter time frame and limited funds.

Hiring recent college graduates has several pros and cons, but prospective future employees can do a number of things to set themselves up for success upon entering the workforce and avoid the trap of underemployment. As Arlene Hirsch writes in her article *Why Hiring Managers' Expectations for New College Graduates May Be Unrealistic*, companies are starting to focus “on a defined set of transferable skills: a healthy mix of soft and hard skills that really matter in the workplace. Recruit for competency rather than pedigree or even degree. Transferable skills like leadership, communication, resilience and problem-solving are often far better predictors for future success,” within their employees. In fact, in a survey conducted by the Association of American Colleges and Universities, “At least nine in ten employers viewed fourteen skills as “very important” or “somewhat important,” especially teamwork, critical thinking, data analysis and interpretation, applying learning in real-world settings, and digital literacy” (*How College Contributes to Workforce Success*). This is great news for prospective workers because all of these skills can be developed outside of a formal career.

One step that college graduates can take before officially entering the workforce is participation in an internship. Having an internship while attending school or even directly after graduating can be an invaluable way to gain industry knowledge as well as soft skills like teamwork, critical thinking, and decision making and application, as aforementioned. Internships also allow for invaluable networking, or making connections with people and companies within the industry that can provide potential opportunities for growth. According to a survey by the AAC&U, “nearly half (49 percent) of employers say they are “much more likely” to consider hiring candidates who have had an internship or apprenticeship, with another 41 percent saying

they are “somewhat” more likely to consider hiring such candidates” (*How College Contributes to Workforce Success*)—which shows a clear benefit of participating in an internship.

In addition to having an internship, prospective employees can prepare to successfully enter the workforce by volunteering (*Signs You’re Underemployed and How to Change It*). Volunteerism can be cultivated from a very young age and be easily catered to an individual’s interests but shows employers that they say yes to new opportunities and are eager to expand their skill set. On top of internships and volunteering, one can better their position post-graduation by compiling a comprehensive portfolio of work and special project experience in their intended field. Not only do portfolios showcase any relevant past experience that may make a prospective employee an excellent candidate, but portfolios show employers that their candidate can effectively communicate their skills, abilities, and experience, a transferrable skill that will undeniably help them in the job itself. In fact, the AAC&U survey states that, “Nearly nine in ten employers find college graduates to be at least “somewhat effective” (47 percent) or “very effective” (40 percent) in communicating the skills and knowledge they gained in college through ePortfolios” (*How College Contributes to Workforce Success*).

From a managerial perspective, people in leadership may have inhibitions about hiring recent college graduates because they are inexperienced and require additional training. However, their undeniable digital literacy and low salary expectations, among many other benefits, might just override the concerns in many settings. Coupled with adequate preparation, such as participating in internships, volunteering, and effectively communicating their skills and abilities, hiring recent graduates could prove to strengthen and grow companies through new perspectives and creative innovation.

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