Becoming an Employer of Choice

By Marilyn Mackes

At a recent career fair, a college student approached a recruiter and—after a brief introduction—very confidently stated that she could successfully market the company’s product.

“We design nuclear weapons,” the surprised recruiter said later. Needless to say, it was a job candidacy that quickly imploded.

This true story illustrates a step in the job-search process that college students often skirt but employers expect—research. At the National Association of Colleges and Employers (NACE), we regularly survey our employer members about the job market, best practices in recruiting candidates and the expectations they have of the college students they hire.

Employers responding to NACE’s Job Outlook 2005 survey say they seek candidates who demonstrate, among other things, a strong work ethic, sharp analytical skills, enthusiastic motivation/initiative, and keen attention to detail. Researching the organization is an outstanding way for students to exhibit these traits. Employers take note when students ask detailed and well-thought-out questions that demonstrate an understanding of the employer and/or its industry. They want candidates to ask relevant and creative questions, not questions that could be readily answered by visiting the organization’s Web site.

A question such as “what does your organization do?” is a dead giveaway that the candidate hasn’t bothered to learn about the organization.

Still, taking the initiative to conduct research is just part of the package that employers look for in the students they hire. And it’s not even the biggest part. Just as they have every year since 1999, employers participating in NACE’s Job Outlook 2005 survey rated verbal and written communication skills (along with honesty and integrity) as the quality/skill they seek most in the candidates they hire. Ironically, it’s also the quality/skill employers say is most lacking in the candidates submitting resumes for job openings.

With that in mind, new college graduates with good communication skills have an advantage over their competitors in the job market, and employers want to see evidence of these skills during all contact, from the initial meeting at a career fair, to the cover letter and resume, to the interview.

Of course, this is all assuming that a candidate meets the employer’s basic criteria for job candidates, such as the requisite degree, experience, or GPA. For example, nearly 70% of employers reported that they screen college job candidates based on GPA, and the largest group said they use a 3.0 as their “cutoff.”

A candidate’s work experience is also important to employers. Many employers look to hire new college graduates who have “relevant” work experience, gained through an internship or cooperative education experience, but even unrelated work experience can help a candidate stand out.

Why is it so important? According to our research, hiring students with internship or co-op experience can increase the efficiency of the organization and positively affect the bottom line by lowering costs associated with turnover.

Nearly 80% of the employers responding to NACE’s 2005 Experiential Education Survey reported higher retention among their college hires who have internship/co-op experience—even if the college hire gained that experience with another organization—versus those...
who had no such experience.

Almost as many (76%) said they see higher retention among those who have come directly from their own internship or co-op program compared with all other college hires.

Employers are looking for evidence that a candidate has the skills, qualities, and abilities they believe are important to workplace success, and work experience—even if it’s not directly related to the job at hand—can provide that evidence.

**What college students are looking for in potential employers**

What is an “employer of choice?” As part of its 2005 Graduating Student & Alumni Survey, NACE asked students about the things they most seek in potential employers. Just as personal integrity is a characteristic employers seek in the employees they hire, students also look for an organization with integrity; in other words, an organization that treats its employees with honesty and fairness.

However, above all, students value employers who give them the opportunity to enjoy what they do. Furthermore, students prefer organizations that provide employees with a secure future, don’t cut corners or break laws, and have a good benefits package.

For the most part, respondents to this survey have realistic salary expectations. The largest group of respondents (40.1%) expects to earn between $20,000 and $30,000 in their first job after graduation. The second largest group (31.8%) have slightly higher expectations. They believe their first salary will be somewhere in the range of $30,001 to $40,000. Almost 16% (15.9%) expect to earn between $40,001 and $50,000 as they enter the workforce after graduation, and the remaining 12.2% expect to earn either less than $20,000 or more than $50,000.

Salary expectations of engineering majors are not out of line with actual starting offers. National starting salary averages for engineering majors reported in the NACE Fall 2004 Salary Survey found that 46% of these majors indicated that they expected an average starting salary between $40,000 and $50,000. That falls right in line with the average starting salary offer to these grads of $48,085 reported in this survey.

In terms of benefits, students and new graduates continue to rate medical insurance as the most desired job benefit. Students participating in NACE’s 2005 Graduating Student & Alumni Survey were asked to rate the importance of a variety of benefits and policies offered by employers. Rounding out the top five after medical insurance are yearly salary increases, 401(k) retirement plans, tuition reimbursement, and dental insurance.

Benefits are so valuable to students and new grads that when asked about reasons for choosing an employer, they rated a good benefits package higher than the starting salary offer, opportunity for advancement, and job location.

Although today’s students have been immersed in technology, they still want to connect with people. Past years’ survey results bear this out. They show that students accept the use of technology in the recruiting process as long as it doesn’t cause them to “feel like a number.” Employers may need to find the right balance of technology and personal contact so that they can recruit efficiently while maintaining good relationships with prospective candidates.

When students were asked to rate the various ways employers use technology, they gave higher ratings to the methods that provided efficiency without losing the personal touch. For example, e-mail messages sent from a specific interviewer/manager at a company in response to an inquiry/resume was an acceptable use of technology to students and was given a higher rating than any of the others. But at the bottom of the list were generic e-mails from companies in response to an inquiry/resume. For employers, generic e-mails may be efficient, but are less appealing to students, who rated these “less than okay.”

Students were also asked how they prefer to receive information from employers. The largest group of students (41.4%) would rather receive information by phone. Another 31.6% prefer e-mails from employers, and 15.4% prefer the information via regular mail. The remaining 11.6% prefer a combination.

It’s obvious that, as a group, college students have definite expectations of the employers who recruit them. Becoming an “employer of choice” requires that organizations not only operate with an eye on the bottom line, but also with the expectations and desires of college students in mind.

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**Table 2: Students’ top 10 criteria for choosing an employer, where 1 equals “not at all important” and 5 equals “very important.”**

<table>
<thead>
<tr>
<th>Criterion</th>
<th>Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Enjoying what I do</td>
<td>4.8</td>
</tr>
<tr>
<td>• Integrity of organization (treats employees with honesty and fairness)</td>
<td>4.7</td>
</tr>
<tr>
<td>• Stability (provides secure future)</td>
<td>4.6</td>
</tr>
<tr>
<td>• Ethical business practices (doesn’t cut corners or break any laws)</td>
<td>4.5</td>
</tr>
<tr>
<td>• Good benefits package</td>
<td>4.5</td>
</tr>
<tr>
<td>• Continuing education/training opportunities</td>
<td>4.4</td>
</tr>
<tr>
<td>• Opportunity for advancement</td>
<td>4.4</td>
</tr>
<tr>
<td>• People you will work with</td>
<td>4.1</td>
</tr>
<tr>
<td>• Job location</td>
<td>4.0</td>
</tr>
<tr>
<td>• High starting salary</td>
<td>3.9</td>
</tr>
<tr>
<td>• Social conscience</td>
<td>3.9</td>
</tr>
</tbody>
</table>

Source: NACE’s 2005 Graduating Student & Alumni Survey