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# Are you the weakest link?

Strengthening your talent supply chain

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This year's college grads are more practical and job-ready than any crop in recent memory. But many of them are indicating they don't want to work for your type of company. New grads have strengthened their link in the overall talent supply chain while many employers have not. Are you ready to meet that challenge?

## Uh-oh

Only 15 percent of this year's U.S. college graduates want to work for a large-size company. Just 12 percent want to work in the communications industry, 11 percent in electronics and high tech, 10 percent in finance/banking, and just 4 percent in energy and 2 percent in insurance.

What are you going to do about that?

These are just some of the insights from the Accenture Strategy 2015 U.S. College Graduate Employment Study. According to our survey, new college graduates are increasingly savvy and practical. They're responding to the growing need for STEM degrees. They're thinking about potential jobs before choosing a major field of study. They're pursuing internships. They're looking for ongoing training and education opportunities. Their colleges, they report, have done a good job getting them ready to go and helping them look for work.

They're even committed to the possibility of long-term employment, but in return they're looking for substantive work, ongoing training and development opportunities, and a more personalized organizational culture.

What these graduates are likely to find in the job market often falls well short of those ideals. High percentages of recent graduates tell us they are underemployed; salaries are low; and they are not being offered learning experiences to help them advance in their careers. Recent grads report that positive cultures and work environments are rare.

In other words, new college graduates have been doing everything they can to strengthen their link in the overall talent supply chain, and colleges have increased their role in the chain, as well. But employers' lack of commitment and investment makes things like entry-level hiring, development and culture the weakest links in the chain.

This spells trouble for the long-term competitiveness of many companies—but it's an opportunity for others.

# Ready to go

This year's grads know what they want (and what they don't want). They are prepared, pragmatic, hopeful and confident.

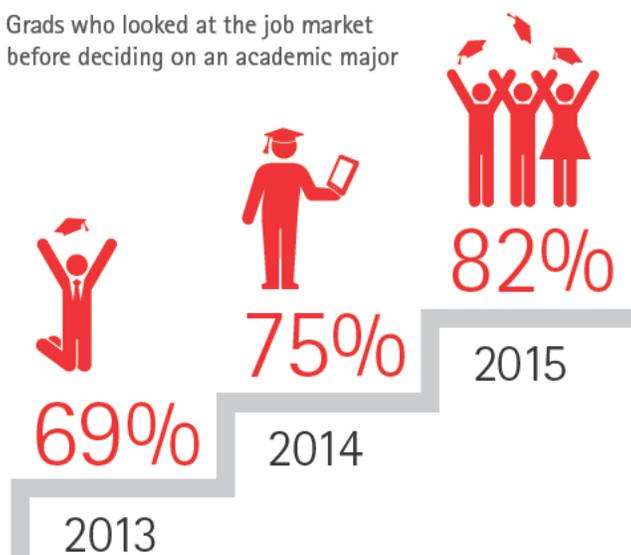
## STEM sells

They've been reading the news. They understand that STEM skills (science, technology, engineering and math) are in demand, and they've been choosing their college majors appropriately. STEM degrees were the most popular majors among this year's crop of grads. Nearly two-thirds of 2015 grads (63 percent) were encouraged to pursue a STEM degree, compared to 52 percent of grads from 2013 and 2014.

## Eyes on the prize

We also see an increase this year in the number of grads who looked at the job market before deciding on their academic major—82 percent among 2015 grads versus 75 percent of 2014 grads and 69 percent of 2013 grads. And the universities themselves are doing their part, at least from grads' perspective: 80 percent of grads agree or strongly agree that their education prepared them for a career. Seventy-four percent say their college has been effective at helping them find jobs.

Grads who looked at the job market before deciding on an academic major



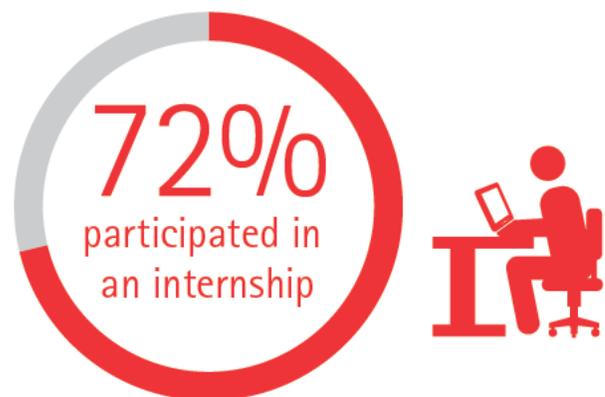
## Surprisingly loyal

Heard that younger workers change jobs all the time? Maybe in some areas and industries, but our data points to a surprisingly loyal generation. Almost three-fourths of 2015 grads (74 percent) expect to be with their first job for at least three years, up from just 43 percent of 2013-2014 grads. And one-third of grads expect to be with an employer for more than five years.

## Confident and prepared

Grads have an ample degree of confidence based on their education and experience. They've worked hard to prepare themselves: about seven in 10 (72 percent) participated in an internship, apprenticeship or co-op during college, up from 65 percent of prior-year graduates.

2015 grads who participated in an internship, apprenticeship or co-op during college



# Expectations, meet reality

The optimism and expectations of new college graduates stand in stark contrast to the realities experienced by those who have been in the workforce for a couple of years. The feeling of being underemployed is rampant.

Part-time work, at low salaries, is a fact of the job market for recent grads. And, while many organizations are focusing on attracting top young talent, they're often failing to provide learning and development opportunities.

## Underemployment

Nearly half of 2013 and 2014 graduates (49 percent) consider themselves underemployed, or working in a job that does not require a college degree—an increase from 47 percent of 2012 and 2013 grads and 40 percent of 2011 and 2012 grads.

## Training shortfalls

Although about three-quarters of new grads (77 percent) expect to receive formal training at their first job, in fact, only about half of recent grads report that their employer provided such opportunities.

Grads expecting formal job training vs. recent grads who were actually provided with training



## Lack of full-time, relevant work

Although more than two-thirds of soon-to-be graduates (67 percent) expect full-time employment, barely half of 2013-2014 respondents (52 percent) are employed full time (down from 68 percent in 2011/2012). And while 90 percent of the 2015 graduating class has expectations of working in their field of study, in fact that has proven to be true for only 64 percent of recent grads.

## Low pay

Salary expectations are high. More than a quarter of this year's grads (27 percent) expect to make more than \$50,000, while only 17 percent of recent grads actually do so. In fact, 41 percent of recent grads are making less than \$25,000.

# Small is in

Particularly concerning to large companies is that only 15 percent of new grads express an interest in working for a large company, while 45 percent prefer a mid-sized organization or a small/start-up company. In large measure, this is an issue related to organizational culture. New grads appear to be apprehensive about being lost in the shuffle of a large company. In short, "small is in."

What do grads want from the culture of a company that could make even a large organization "feel" smaller? Here are a few things grads desire:

## A positive work environment

Most recent grads place a premium on a positive work environment, with 60 percent of 2015 graduates saying that they would prefer to work at a company with a good social atmosphere and receive a lower salary, than receive higher pay at a company that is less fun. Those currently in the working world are even more likely to agree, with 69 percent of 2013 and 2014 grads prioritizing work environment over salary.

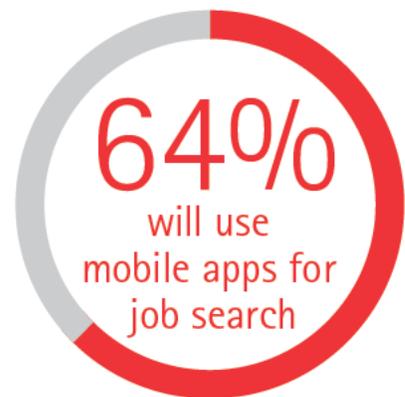
## Continuing education

Ongoing education is a stepping stone to a great career, according to grads. Almost two-thirds (64 percent) believe they need to pursue further education to get the job they want; the majority expect to return to school for graduate studies.

## A digital experience

This is now a fully digital generation. For example, nearly two-thirds (64 percent) of 2015 grads plan to or have used a mobile app to search and apply for jobs, compared to just 36 percent of 2013 and 2014 grads. And social networking is considered the most effective method of finding a job (27 percent), beating out word of mouth (15 percent) and electronic job boards (14 percent) for new grads.

Grads who will use a mobile app to search or apply for a job.



# Strengthening the chain

As competition for top talent heats up, companies need to take a hard look across their entire talent supply chain: finding qualified, educated and engaged workers; recruiting and hiring them; developing and retaining them. Insights from this year's college grads study can help identify ways to strengthen your talent supply chain.

## Get small

Even a large company can act like a small one with the right organizational structure and the right attention to building a positive work environment. Employers need to offer entry-level employees challenging work and also create a culture of growth and advancement within the organization.

## Get digital

Digital is no longer an option; it's the reality. Because young people use digital channels such as social networking while prospecting, employers must ramp up their investments in those channels as a way to attract entry-level talent and differentiate the recruitment experience.

## Engage earlier

It's important to engage with recruits earlier in the supply chain. Grads already have broad experience with internship programs, and such experiences are a way to promote your brand with promising talent. If you don't have an internship program, it's time to start one.

## Show your social consciousness

New grads are idealistic and altruistic (their top-two career choices are education and health care). Profile your environmental and social activities in recruiting and use those activities to build a stronger culture among current employees.

## Differentiate on talent development

The gap between expectations for training and the reality of what recent grads have experienced presents employers with a significant opportunity to differentiate during the recruiting and retention parts of the talent supply chain. It's also a way to strengthen the organization through ongoing talent development.

The Accenture Strategy 2015 U.S. College Graduate Employment Study finds that college graduates are entering the job market highly skilled, highly motivated and even highly loyal. Is your talent supply chain strong enough to attract, develop and retain the best and the brightest?



## Join the conversation:

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Accenture is a global management consulting, technology services and outsourcing company, with more than 323,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US\$30.0 billion for the fiscal year ended Aug. 31, 2014. Its home page is [www.accenture.com](http://www.accenture.com).

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## About the Research

Accenture conducted an online U.S. survey of 1,001 students graduating from college in 2015, and 1,002 participants who graduated college in 2013 or 2014. Survey conducted in March, 2015. Note: Data has been rounded to the nearest whole number.

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