2010 Recruiting Benchmarks Survey

KEY FINDINGS

The National Association of Colleges and Employers conducted its annual survey of employer members from June 15, 2010 to August 15, 2010, to benchmark data relevant to college recruiting. From a base of 861 employers holding organizational membership, there were 268 responses for a response rate of 31 percent.

Following are some of the major findings of the 2010 survey:

The Scope of College Recruiting

• Globalization in college recruiting is, at this point, a relatively specialized aspect of the overall recruiting scene.

  • The firms that participate in this specialized aspect of college recruiting can be identified by the relative concentration of global recruiting among specific industries, locations, and the size of companies.
The profile of global recruiters would first of all include the largest employers. Companies with more than 20,000 employees are the most likely to engage in global college recruiting. Slightly more than 32 percent of the firms in this size category recruit internationally for both U.S. and foreign operations. This compares with just under 4 percent of small businesses (companies with 500 or fewer employees).

- There is a distinct regional flavor to the firms that report recruiting college graduates outside of the United States.

- Firms from the Far West are far more likely to be involved in international recruiting than the firms in any other part of the country. Nearly 38 percent of firms from the Far West report international college recruiting efforts. By comparison, the region with the next heaviest concentration of international recruiters, the Southwest, includes less than 25 percent of their respondents that have recruiting efforts outside of the United States.

**New College Hires As Percent of Entry-Level Hires**

- Overall, employers reported that, on average, 49.5 percent of their entry-level hires for 2009-2010 were new college graduates. This is a sharp increase from the 41.5 percent reported in the 2009 survey and continues a decade-long trend where employers responding to the survey are placing a greater emphasis in their overall employment recruiting on new college hires.

- There are some considerable variations among industry sectors when it comes to depending on new college graduates for overall new hires.

- Several industry categories report hiring more than 50 percent of their new employees from the ranks of new college graduates. These industries include: accounting services (61.7 percent); government (55.7 percent); oil and gas exploration (56 percent); and education, health, and welfare services (52 percent). By contrast, there are the industries where less than 30 percent of new hires come from the ranks of new college graduates: recreation and hospitality (27.5 percent); information (25.4 percent); miscellaneous professional services (22.7 percent); and utilities (19.8 percent).

**Offers**

- There was considerable variation in offer rates across industry categories.

- A number of industries had average offer rates that exceeded 40 percent, matching rates more consistent with stronger college labor markets. These sectors included construction, pharmaceutical/chemical manufacturing, transportation, accounting services, and management consulting.
On the other hand, there were several industries that exhibited significantly low offer rates indicating a high degree of selectivity in their recruitment process or a process that used an initially very wide net. These industries are oil and gas extraction, utilities, finance, and engineering services.

Diversity Recruiting
- Diversity recruiting efforts are successful in terms of African-American and Hispanic-American candidates.
- The one area where diversity recruiting efforts do not seem to be successful is in the hiring of new female graduates.
- Firms with diversity recruiting efforts hire a smaller percentage of female new graduates than are either available in the population overall or are hired by firms without diversity recruiting efforts.
- Thirty-four percent of new college hires by firms that have diversity recruiting efforts were females. By comparison, approximately 41 percent of new college hires by firms without diversity efforts were female, and the overall base of graduates was 57 percent female.

Branding Techniques
- Two techniques saw substantial increases in the percent of respondents employing those techniques. These were social networking, which grew from 35.2 percent in 2009 to 47.8 percent in 2010, and advertising in student job publications, which increased to 43.2 percent in 2010 from its usage rate of 35.6 percent in 2009.
- Three other techniques saw substantial declines in the percent of firms employing the technique. They were supporting the activities/events of student organizations, which declined from 80.2 percent to 75.1 percent; advertising on a campus web site, which dropped from 70.6 percent to 60 percent; and the use of DVDs, which declined from 22.4 percent to just 12.8 percent of 2010 respondents.
- The most widely used techniques are generally perceived as the most effective in communicating the company’s brand to potential employees. Attendance at career fairs is the highest rated technique in terms of effectiveness, scoring a 3.85 on a 5-point scale (5=extremely effective). It is followed closely by building relationships with key faculty (3.83).
- Although it was the biggest mover in terms of usage, social networking is still one of the lowest rated in terms of effectiveness scoring only 2.87 on the 5-point scale.
Career Fairs
- Recruiters anticipate a slight rebound in on-campus activity this coming recruiting season. On average the number of career fairs respondents expect to attend during the 2010-2011 recruiting season will be just over 26—an increase of approximately one fair per respondent or 5 percent.

On-Campus Interviews
- For the past several years an interesting, and somewhat perplexing, trend has developed. First, the percentage of employers that are going on campus to interview prospective recruits has been decreasing. Between 2004 and 2007, the year-to-year decline was very small but steady. In 2008, the drop off was substantial, and since then the decline has been further reinforced. In 2010, the percent of firms who conducted on-campus interviews dropped to 77.7 percent from the 80 percent figure recorded for 2009.

- The second trend appears to run counter to the first. While the percentage of companies engaging in on-campus interviewing has been steadily decreasing, the percentage of hires emanating from on-campus interviews has generally increased over these years; the trend has not been as steady, but the overall change is noticeable, especially since 2007. The results of the 2010 survey also reinforce this trend.

Technical Applications
- There is a clear trend taking shape with respect to video interviewing. In 2008, it was the least used and perceived as the least effective technical application for college recruiting. It is now still used by a relatively small (although substantially larger) niche, and its perceived effectiveness has increased to the point where it ranks second on the list.

Staffing
- The average number of full-time staff for all respondents reporting a formal recruiting department increased from 5.9 full-time personnel in 2009 to 7.7 in 2010. This represents a continuing trend to expand the number of individuals involved in college recruiting operations and may point to a trend that places greater emphasis on college recruiting as a critical aspect of an organization’s talent acquisition strategy.

Cost-Per-Hire
- The average cost of recruiting a new college graduate for a full-time position appears to have increased dramatically between 2009 and 2010. The average cost-per-hire reported by employers responding to this survey was $8,947, an increase of 56.7 percent.
PARTICIPATING ORGANIZATIONS

A total of 268 organizations took part in the survey; however, only 205 agreed to be listed.

Actuant Corporation
Adaptive Methods
Aerospace Corp.
Aetna Inc.
Affiliated Engineers, Inc.
Agilent Technologies, Inc.
Air Products & Chemicals Inc.
Alcatel-Lucent
Amazon
American Electric Power
American Woodmark Corporation
Ameriprise Financial
Amica Mutual Insurance Company
Analog Devices, Inc.
Anheuser-Busch Companies, Inc.
Apollo Group, Inc.
ARAMARK
ARCADIS US Inc.
Armstrong World Industries
Arup & Partners
ATI Allegheny Ludlam
Baker Hughes Incorporated
BASF Corporation
Bechtel Plant Machinery Inc.
Becton Dickinson & Company
Bell Helicopter Textron Inc.
Bentley Systems, Incorporated
Best Buy Co., Inc.
Boy Scouts of America
BP
Burns & McDonnell Engineering Co. Inc.
Cameron
Campbell Soup Company
Cardinal Health
CGI
CH2M HILL
Charles Schwab & Co., Inc.
Chevron Corporation
Chevron Phillips Chemical Company LP
Cisco Systems, Inc.
Coca-Cola Enterprises
Collective Brands
(Payless ShoeSource)
Colorado Springs Utilities
Compass Group, The Americas Division
comScore, Inc.
ConAgra Foods, Inc.
Consolidated Graphics
Country Insurance and Financial Services
Covance Inc.
Cree, Inc.
Cropa Inc.
Cummins, Inc.
Dallas Central Appraisal District
Daymon Worldwide
Devon Energy Corporation
Dewberry
Dick’s Sporting Goods
Dominion Resources Services, Inc.
Duff & Phelps LLC
DuPont
E.J. Gallo
Eastman Chemical Company
Eaton Corporation
EchoStar
Edwards Lifesciences
Emerson Climate Technologies
Emerson Process Management - Fisher Controls Division
Entergy Services, Inc.
Exel
Farm Credit Bank of Texas
Federal Deposit Insurance Corporation
Federal Energy Regulatory Commission
Federal Management Partners, Inc
Federal Reserve Bank of New York
Ferguson Enterprises, Inc. - a Wolseley Company
Fidelity Investments
FMC Technologies, Inc.
Freddie Mac
GEICO
General Electric Company
General Mills Inc.
Genworth Financial
Georgia Tech Research Institute
Global Tax Management, Inc.
Gorton’s Inc.
Great Lakes Dredge & Dock Company
GreenbergFarrow
Hajoca Corporation
Hazen and Sawyer P.C.
Herbert, Rowland & Grubic, Inc.
Hitachi Consulting
Honeywell International Inc.
Hormel Foods Corporation
Huron Consulting Group
IBM Corporation
IGT
J. Ray McDermott, S.A.
Johnson Lambert & Co. LLP
Kennedy & Coe LLC
L-3 Communications Integrated Systems
Lafarge North America
Lennox International Inc.
Liberty Mutual Insurance Company
Life Technologies Inc.
Lowe's Companies, Inc.
Lutron Electronics Co. Inc.
LyondellBasell
Macy's, Inc.
Marathon Oil Corporation
Mattress Firm
Maxim Healthcare Services, Inc.
McCain Foods Limited
McKesson Corporation
Mercer
Messer Construction Co.
Michelin
Milliken & Company
Murphy Oil USA, Inc.
National Grid
National Instruments
Nationwide
Naval Acquisition Career Center
Naval Air Systems Command (NAVAIR) - Patuxent River
NCR Corporation
Nestle Purina Petcare
Newell Rubbermaid
Newmont Mining Corporation
Niagara Bottling, LLC
Norfolk Southern Corp.
Northrop Grumman Corporation
Office of Legislative Audits
Oregon Department of Transportation
ParenteBeard
Pennsylvania Transformer Technology, Inc.
Philips
PPG Industries, Inc.
PPL Corporation
PrimeSource Building Products, Inc.
Principal Financial Group
Procter & Gamble Co.
Progress Energy Service Co.
Prudential
PSEG
QUALCOMM Incorporated
Questar Corporation
Rayonier Inc.
Raytheon Company
Rogers Corporation
ROHM Semiconductor USA, LLC
Roux Associates, Inc.
Ryan & Company Inc.
S&C Electric Co.
Sabre Holdings
SAP America, Inc.
Schlumberger Oilfield Services
Scottrade
Sears Holdings Corporation
Sensata Technologies
SES AMERICOM
Smith International, Inc.
Starwood Hotels & Resorts Worldwide Inc.
Stryker Corporation
Suffolk Construction Company, Inc.
Sunoco, Inc.
Swagelok Companies
SWIFT
Tata Consultancy Services
Tennessee Valley Authority
Teradata Corporation
Texas Instruments Incorporated
The Hertz Corporation
The LPA Group Incorporated
The MITRE Corporation
The New England Center for Children
The Northern Trust Company
The PNC Financial Services Group, Inc.
The Royal Bank of Scotland
The Ryland Group, Inc.
The Schwan Food Company
The Timken Company
The Vanguard Group
The Williams Companies
Tindall Corporation
Titan America
Toyota Motor Manufacturing North America
Toys “R” Us, Inc.
Triage Consulting Group
Turner Construction Company
Tyson Foods, Inc.
U.S. Comptroller of the Currency
U.S. Department of Labor
U.S. Department of State
U.S. General Services Administration
U.S. Office of Personnel Management
U.S. Postal Service
Union Bank of California
UnitedHealth Group
USG Corporation
VistaPrint USA, Inc.
W.W. Grainger, Inc.
Washington Division of URS Corporation
Watson Pharmaceuticals, Inc.
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