

# College Hiring Outlook

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# Foreword

## **Dear Colleagues and Partners,**

I am delighted to present the 2025 College Hiring Outlook report, a resource designed to provide valuable insights into the evolving job market for new graduates across the United States. This year's report continues a tradition of excellence and dedication first established by Phil Gardner, PhD, who led this survey for 52 years at Michigan State University. Gardner's commitment to understanding the needs and priorities of both employers and students has built a legacy that we are honored to carry forward.

At Drexel University's LeBow College of Business, we aim to bridge the gap between academia and industry, equipping our students with the real-world skills that employers value most. Reflecting on this mission, our report highlights the key factors shaping today's hiring landscape. This year's findings offer valuable insights for students, educators and employers on how best to align our efforts to build a strong, adaptable and ethically-minded workforce. While demand remains steady for bachelor's degree holders, particularly in fields such as technology, finance and healthcare, employers are also refining their hiring practices for advanced degrees as they navigate economic realities and sector-specific needs.

The report emphasizes the skills that employers value most: ethical judgment, adaptability and critical thinking. These findings reinforce the importance of fostering a learning environment where students build not only technical skills but also the integrity and resilience necessary to make meaningful contributions to society.

As we observe adjustments in starting salaries and hiring incentives, we are reminded of the need to continuously adapt, ensuring our students are well-prepared to thrive in a competitive landscape.

Looking to the future, I am confident that this report will provide a foundation for collective action and informed decision-making, helping students, career advisors and employers move forward together toward a shared vision of progress.

Thank you to everyone who has supported this work and for your commitment to advancing opportunities for the next generation.

Sincerely,

**Murugan Anandarajan, PhD**

**Senior Associate Dean**

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# Executive Summary

The **2025 College Hiring Outlook report** provides a comprehensive analysis of the current hiring landscape for recent graduates. This year's findings reveal notable shifts in employer optimism, sources of talent, compensation trends and skill demands. These insights are crucial for educators, career advisors, students and employers to navigate the evolving job market and make informed decisions.

## Key Findings

**1. Employer Confidence in the College Labor Market:** Employer optimism has declined sharply, reaching its lowest level since 2014, with only 21% of organizations rating the job market as "excellent" or "very good." This drop reflects heightened economic uncertainty and cautious hiring approaches, especially among organizations in industries sensitive to economic fluctuations.

**2. Diversity in Talent Sourcing:** The share of talent sourced from underrepresented groups has decreased from 54% in the previous year to 44% in 2025. This shift is partly attributed to reduced investment in Diversity, Equity and Inclusion (DEI) initiatives by some organizations, particularly those with conservative hiring practices.

**3. Skills in Demand:** Ethics, adaptability and critical thinking are top skills that employers value, indicating a shift towards hiring candidates capable of navigating complex environments. Demand for digital fluency remains significant, though there is caution around candidates using similar AI tools for job preparation.

**4. Reduced Compensation Incentives:** Signing bonuses and relocation support have seen reductions, with fewer organizations offering these incentives compared to prior years. Salary growth is also more conservative, with over half of the employers maintaining last year's salary levels, reflecting budget constraints.

**5. AI and Technology in Recruitment:** AI integration in recruitment continues to grow, especially in large firms where AI is used for interview scheduling and resume screening. Smaller organizations are slower to adopt these technologies due to resource limitations. Virtual recruitment strategies are more common in larger firms, while mid-sized and smaller organizations rely on traditional methods.

**6. Upskilling and Reskilling:** A significant majority (88%) of large organizations provide structured upskilling and reskilling programs, indicating an expectation for continuous learning. Mid-sized and smaller firms also support skill development, though resource constraints often limit the scope and depth of these programs.

# College Hiring Landscape

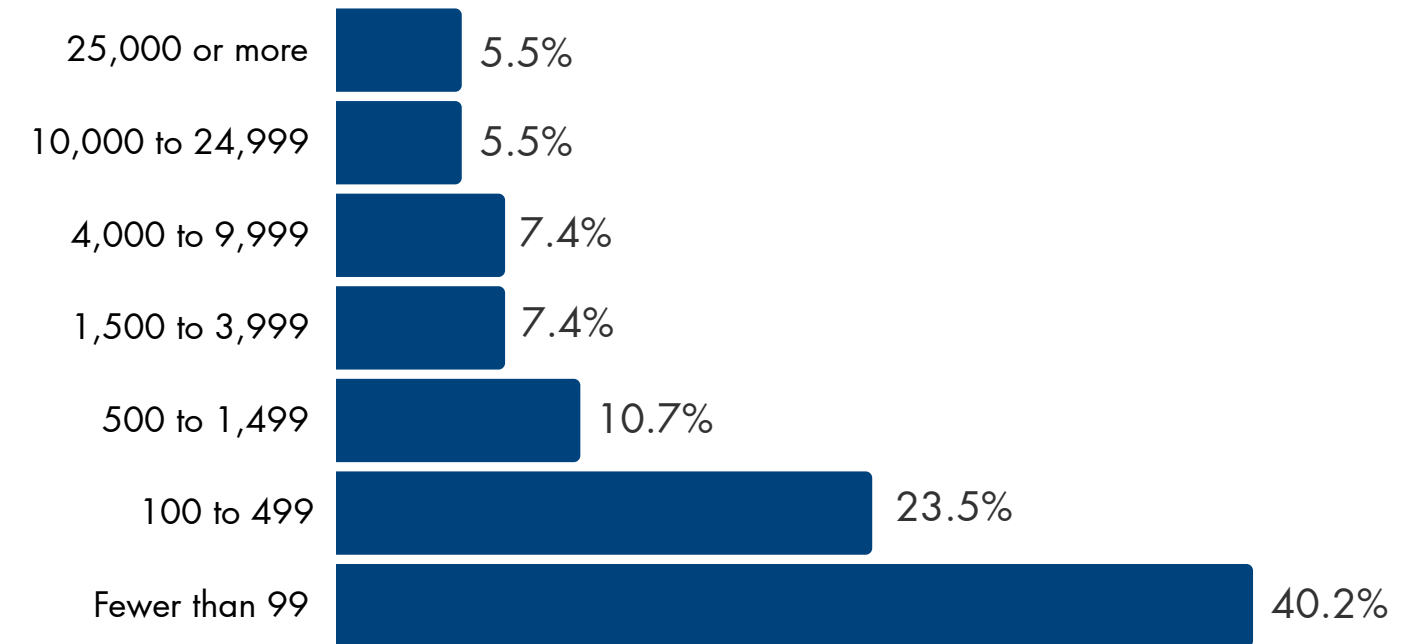
## Current Influences:

- The 2025 college hiring landscape is shaped by technological advancements, economic uncertainties and changing workforce expectations.
- Employers are emphasizing ethics, professionalism and digital fluency, while AI and automation are becoming integral to recruitment processes, particularly for streamlining tasks.

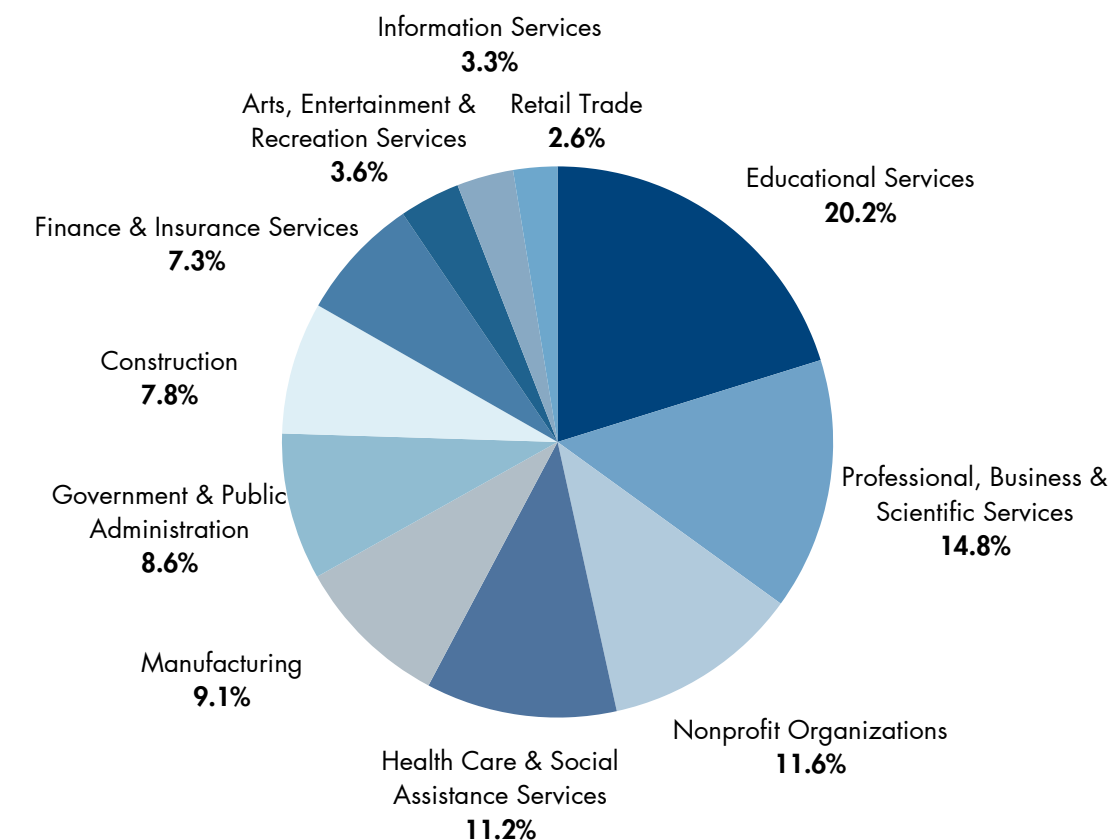
## Demographics:

- The 2025 College Hiring Outlook survey gathered responses from a diverse group of organizations across various industries, company sizes and regions.
- A total of 1,322 participants contributed to this year's insights, representing sectors such as technology, finance, healthcare, education and manufacturing.
- Organizations ranged from small businesses to large enterprises, ensuring a broad perspective on hiring practices. The survey included respondents from across the U.S.

Respondent Characteristics - Company Size



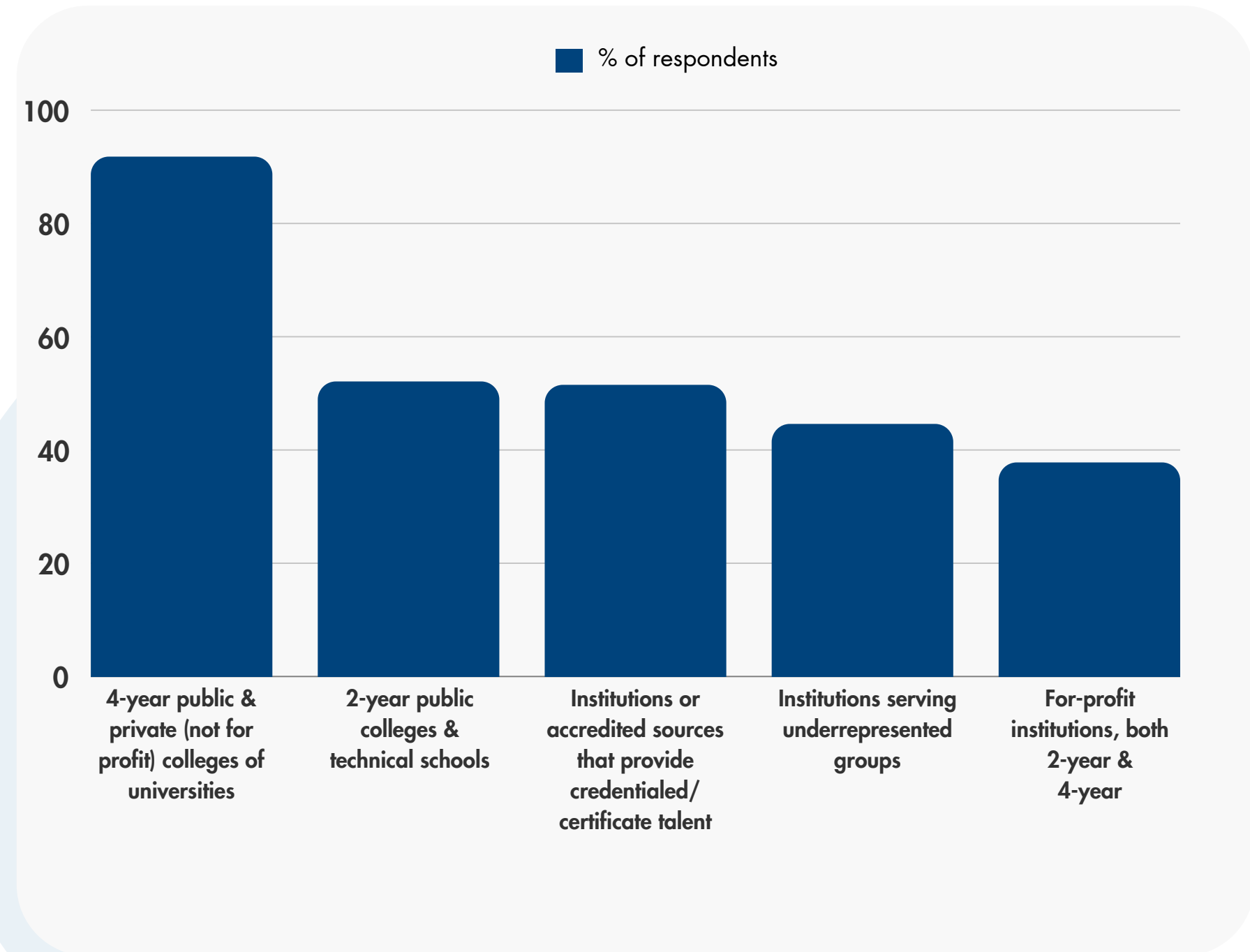
Respondent Characteristics - Industrial Sector



# Sources of Talent

- The 2025 outlook report indicates a shift in talent sourcing, with a noticeable decline in hires from underrepresented groups, decreasing from 54% last year to 44%. This trend may reflect budget constraints and reduced support for Diversity, Equity and Inclusion (DEI) initiatives in certain sectors, particularly among conservative organizations. This reduction impacts overall diversity within talent pools, influencing the strategies employers use to attract, develop and retain talent.
- The reduced focus on DEI initiatives could affect workforce diversity and inclusion. Career advisors and institutions may need to support underrepresented students by connecting them with employers who actively prioritize DEI.
- As DEI programs become more targeted, organizations that remain committed to DEI and sustainable recruitment practices will be better positioned to attract diverse talent.

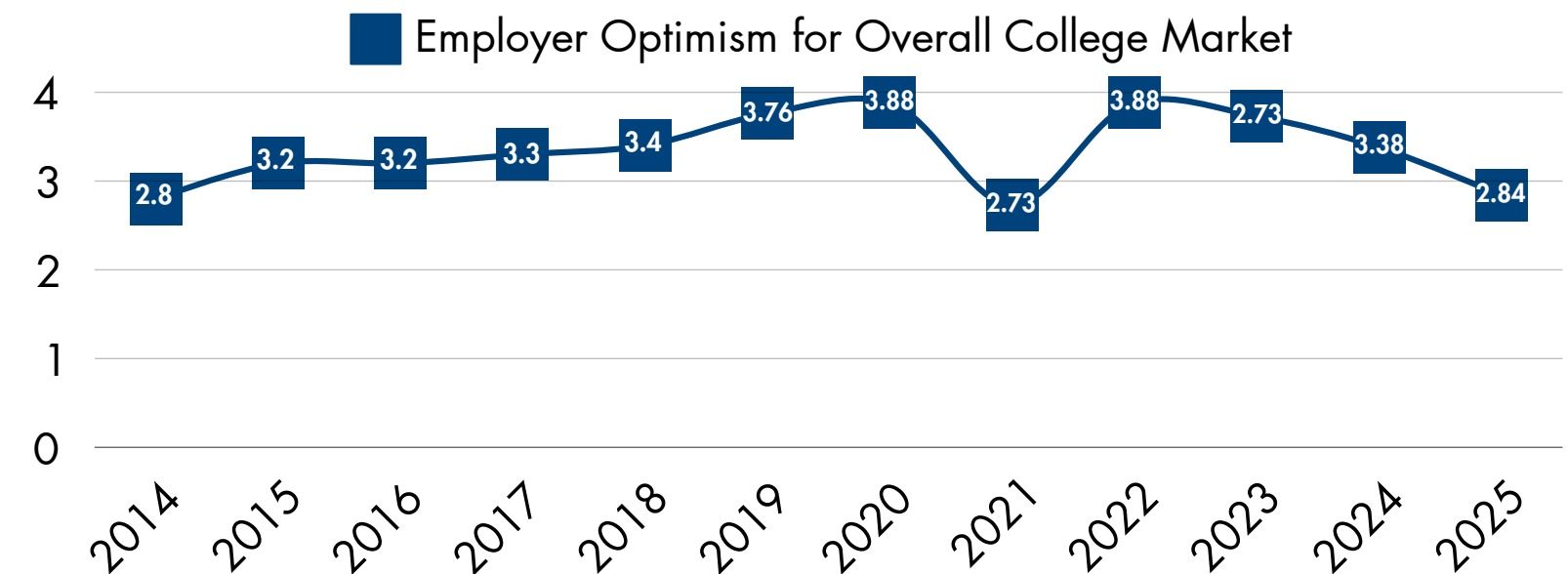
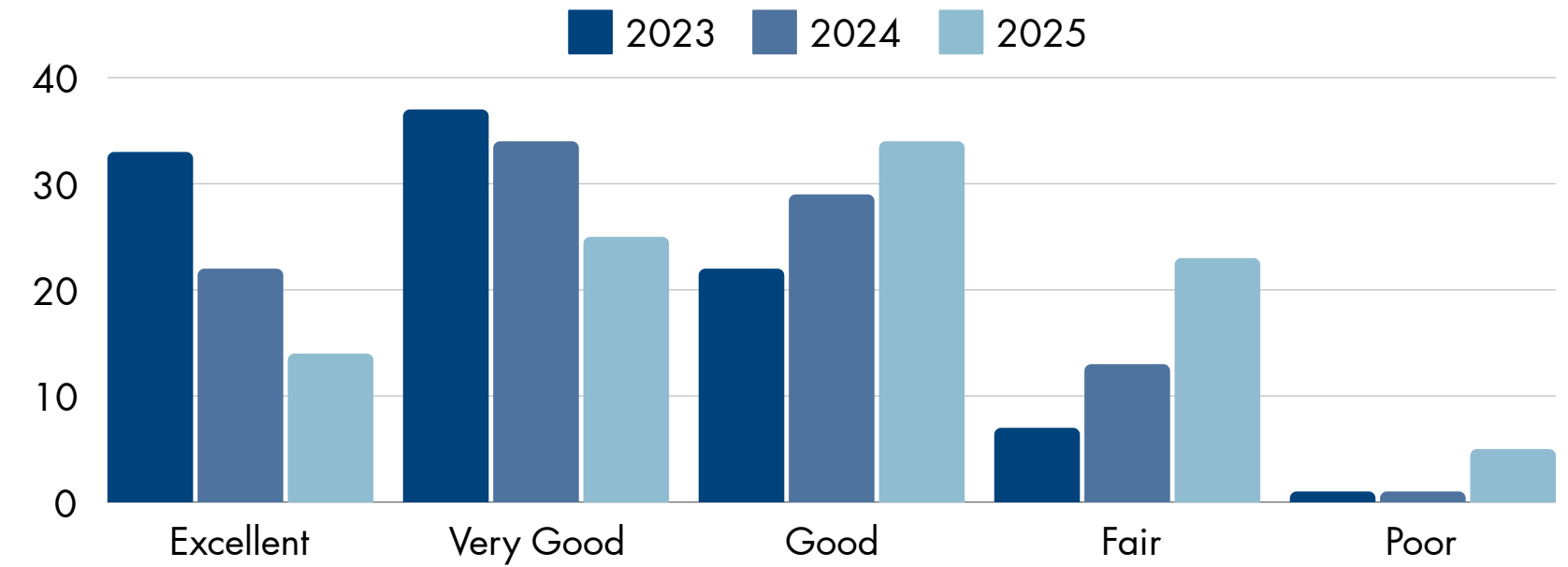
Which of these institutional groups you will be sourcing your new talent this year



# College Labor Market

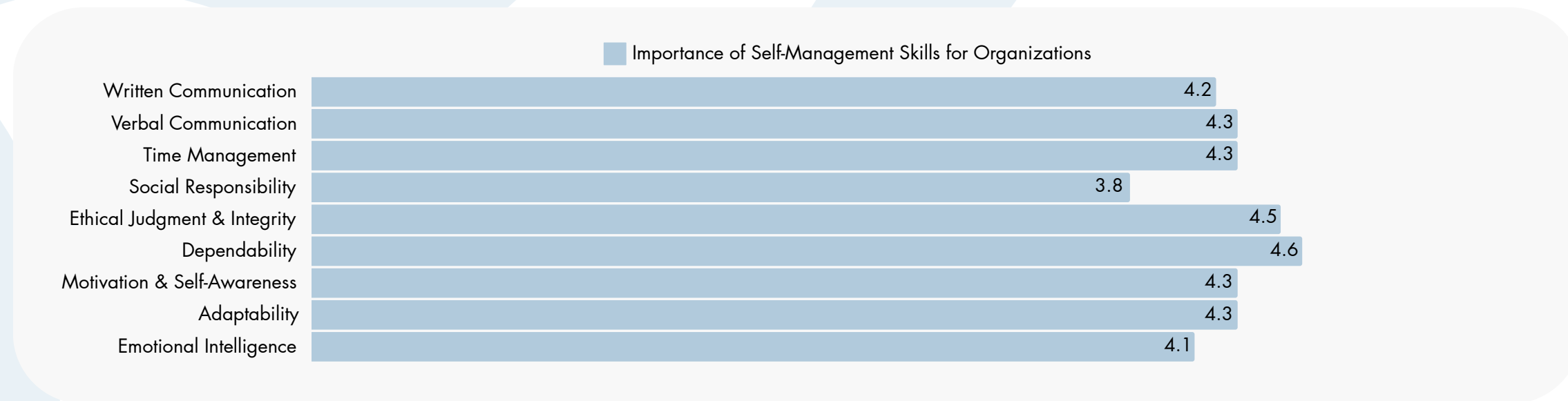
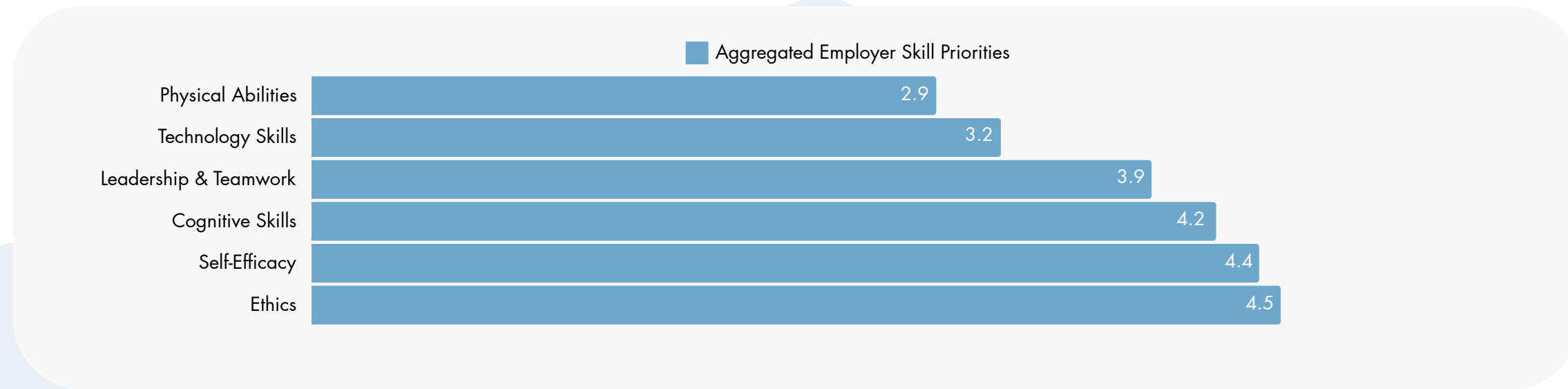
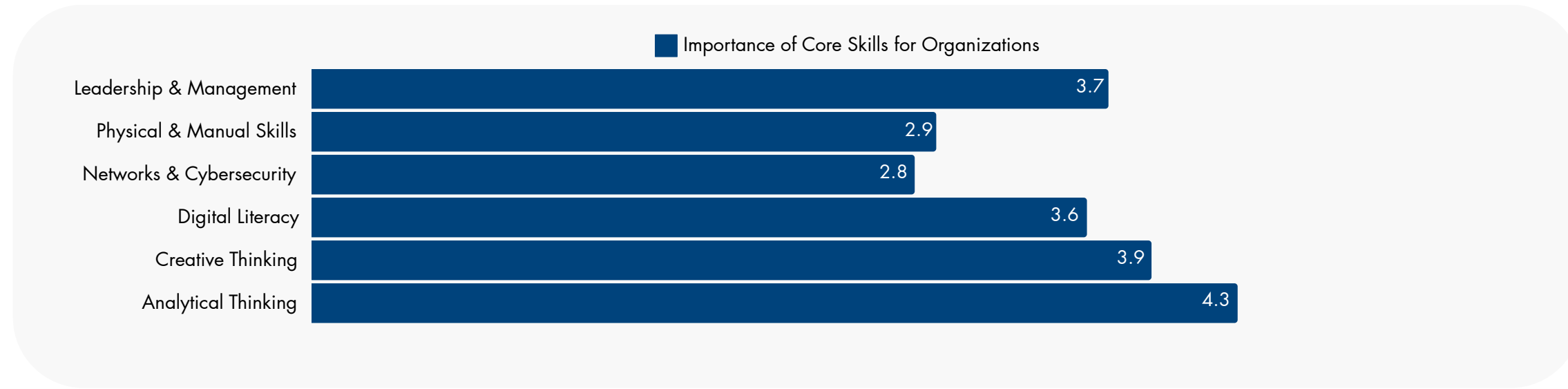
- Employer optimism has sharply declined, reaching its lowest point since 2021, with only 21% of employers rating the job market as "excellent" or "very good."
- The data indicates a steep and sustained drop in employer confidence in both the broader market and specific industries regarding hiring from the college talent pool. This trend reflects increasing economic uncertainty and growing pessimism over the past three years.
- For new graduates, this means a challenging job market. Employers are adopting a more cautious approach driven by economic pressures and budget constraints. Graduates may need to adjust their expectations and be ready to demonstrate strong adaptability and essential core skills.
- With reduced optimism, employers are likely to prioritize selective hiring, focusing on essential skills and expanding internships and co-op programs to build a strong talent pipeline.
- Career advisors should prepare students for a competitive market by emphasizing transferable skills, resilience and continuous skill development, particularly in high-demand areas. Networking and flexibility in job roles and locations are crucial, with early career positions serving as valuable stepping stones for long-term growth.

Job Outlook for new College Graduates by Industry



# Employer Skill Priorities

- Employers prioritize a blend of core skills, self-management and technological competencies in today’s job market. Key core skills include ethics, cognitive abilities and adaptability, while self-management skills—such as dependability, time management and effective communication—are highly valued.
- Graduates can enhance their career prospects by fostering a growth mindset and strengthening adaptability, critical thinking and continuous learning.
- Career advisors play a critical role in preparing students to meet these expectations. They should guide students to develop adaptability, critical thinking and digital literacy, aligning their preparation with the skills employers prioritize. Advisors can also encourage students to pursue internships, co-ops and networking opportunities that emphasize these core competencies.





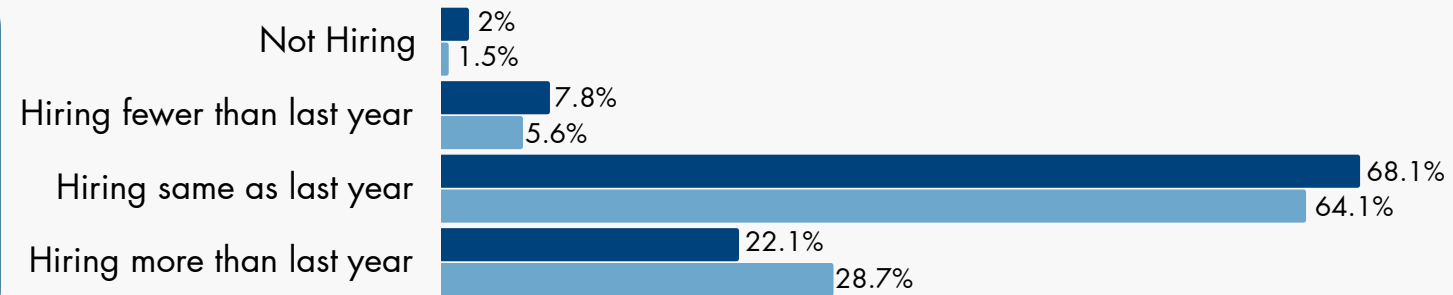
# Hiring Outlook by Degree Level

- The hiring outlook for 2025 indicates a decline in the percentage of organizations hiring more graduates compared to 2024.
- Despite this, bachelor's degrees remain the most in-demand, with 68.1% of organizations planning to hire at the same or higher rates.
- For associate degrees and advanced degrees (MBA, Master's, PhD), hiring is more restrained, with most organizations maintaining or reducing hiring levels.
- Overall, while the demand for hiring more graduates has declined, organizations are generally sustaining consistent hiring levels across most degree types.
- To remain competitive in this restrained market, graduates should focus on developing core and transferable skills, gaining practical experience through internships and co-ops and demonstrating adaptability.
- Career advisors can enhance student readiness by aligning their guidance with industry needs and the specific skills valued at each degree level.

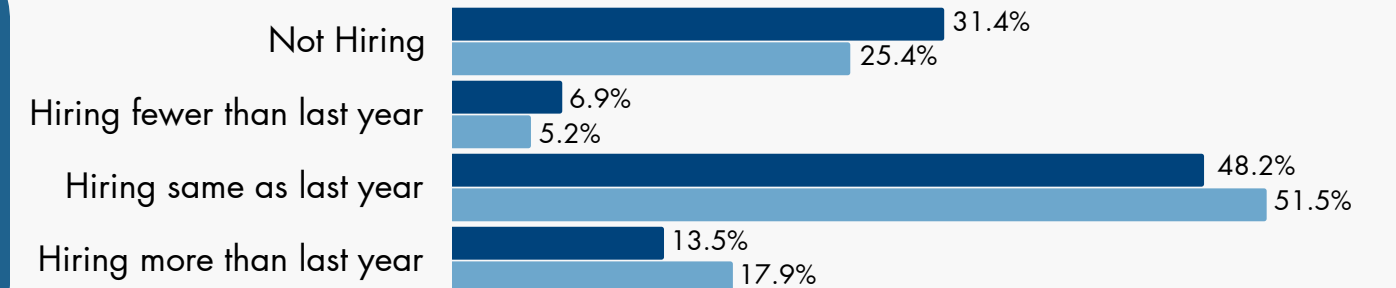


■ 2025 ■ 2024

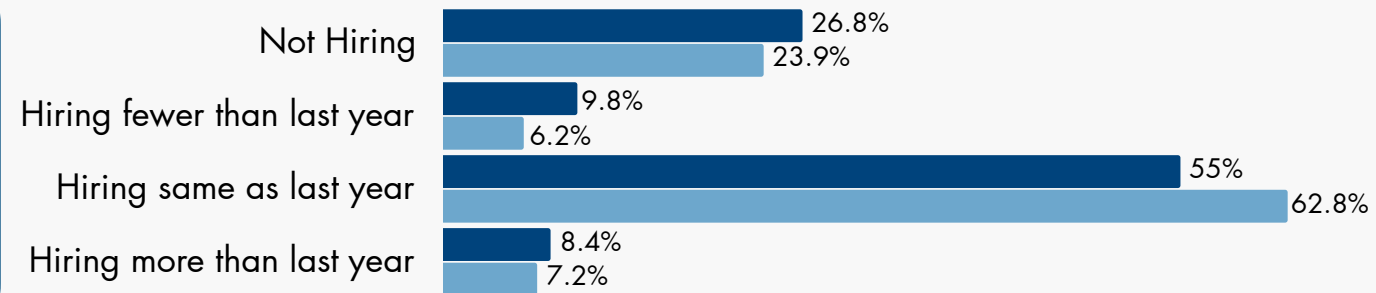
**Hiring Outlook for Bachelor's Degrees**



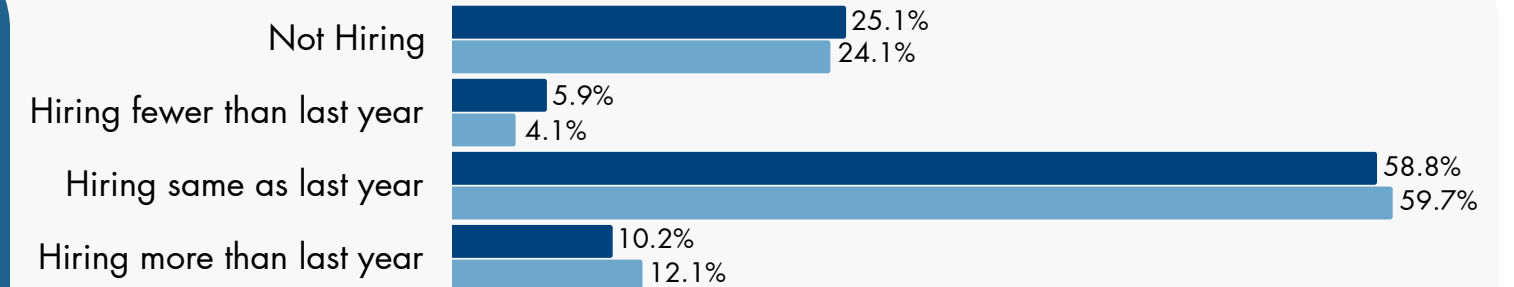
**Hiring Outlook for Credentials & Certificates**



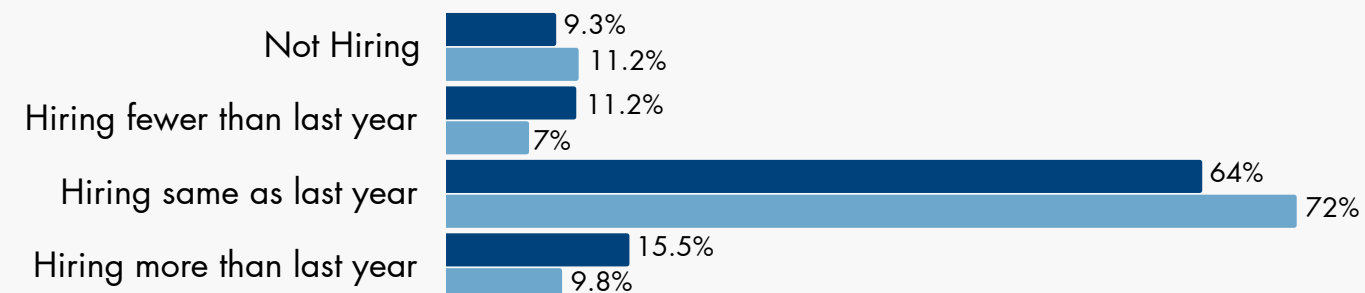
**Hiring Outlook for MBA's**



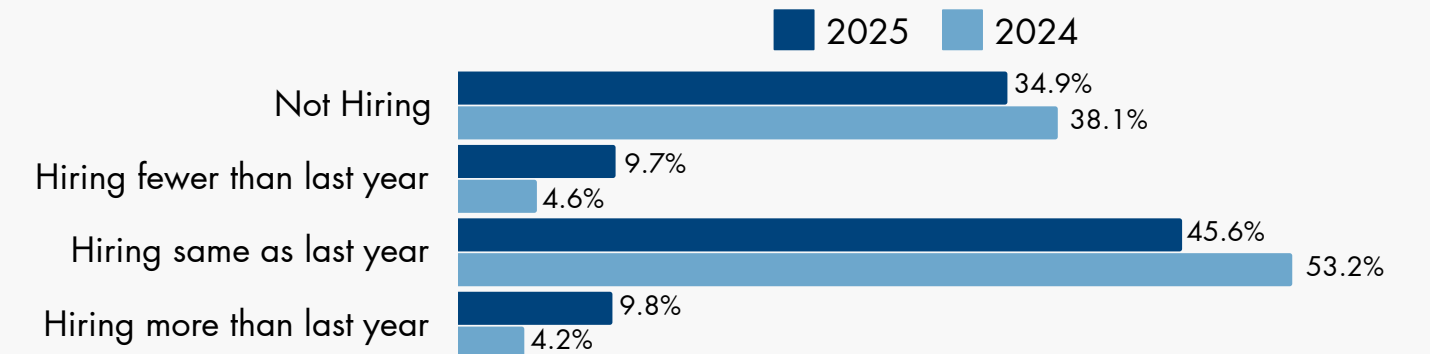
**Hiring Outlook for Associate's Degrees**



**Hiring Outlook for Master's Degrees**



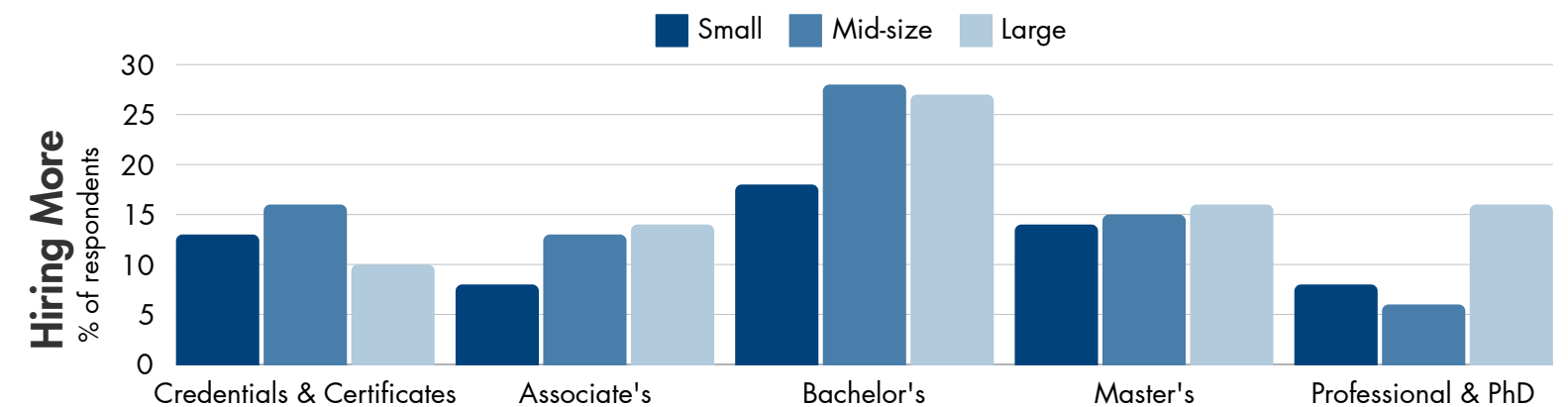
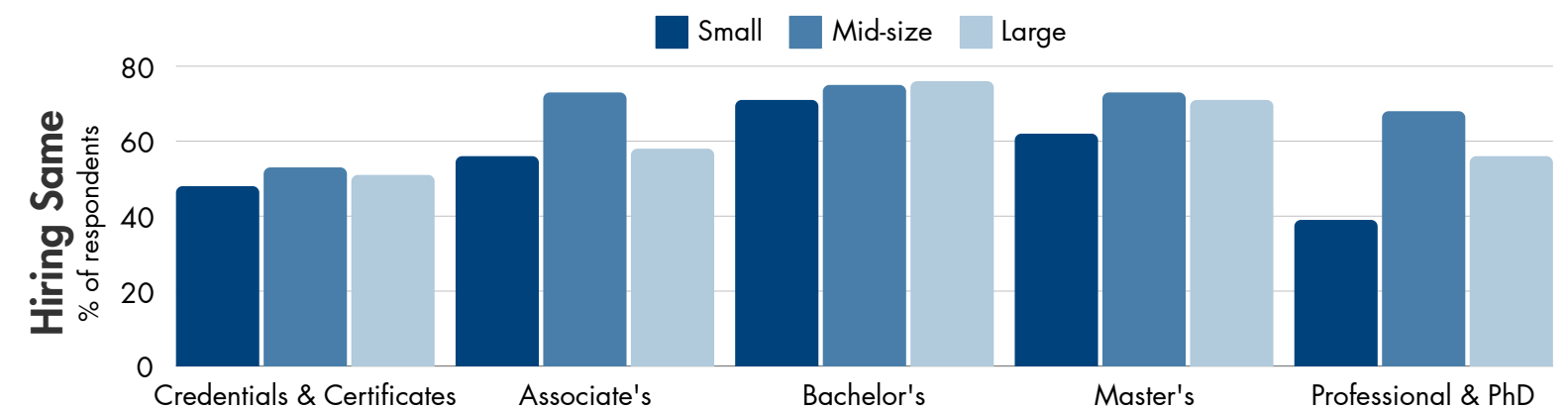
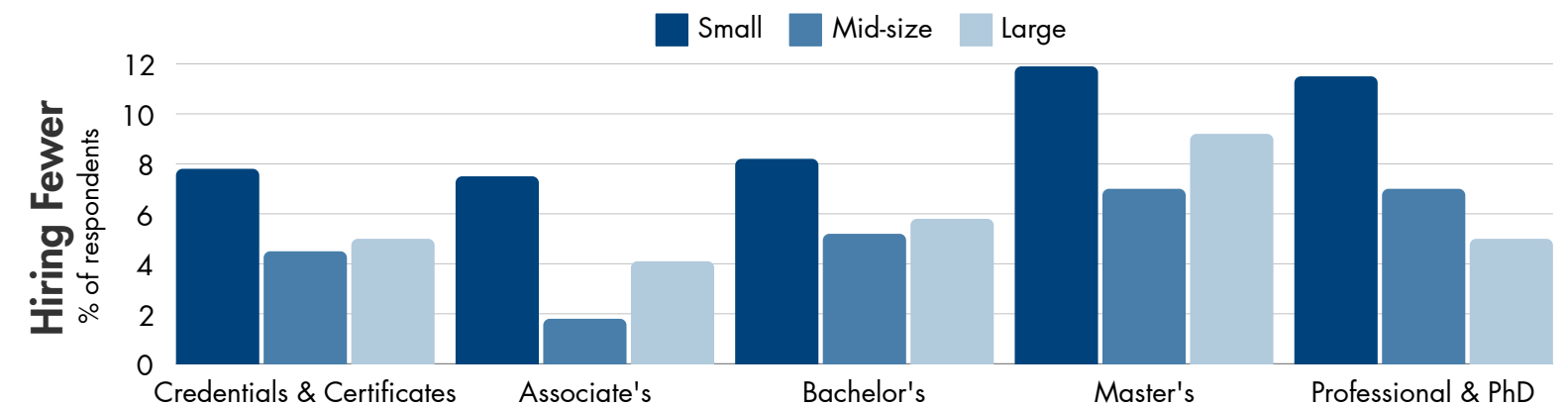
**Hiring Outlook for PhD, Law & Professional Degrees**



# Hiring Outlook by Organization Size

- In 2025, hiring expectations have generally decreased across organizations of all sizes, with larger companies more likely to maintain consistent hiring levels than smaller ones, which are adopting a more cautious approach.
- Bachelor's degree holders remain in the highest demand, particularly among larger organizations planning to hire at the same or increased rates. Organizations of all sizes show conservative hiring for advanced degrees (MBA, Master's, PhD), with most maintaining or lowering hiring levels for these qualifications.
- To stay competitive, graduates should develop core and transferable skills, seek internships and co-op experiences and build adaptability, particularly when targeting smaller organizations with more selective hiring practices.
- Career advisors should tailor their guidance to organizational hiring trends, helping students align their skills with the needs of larger employers, which may offer more stable hiring opportunities.

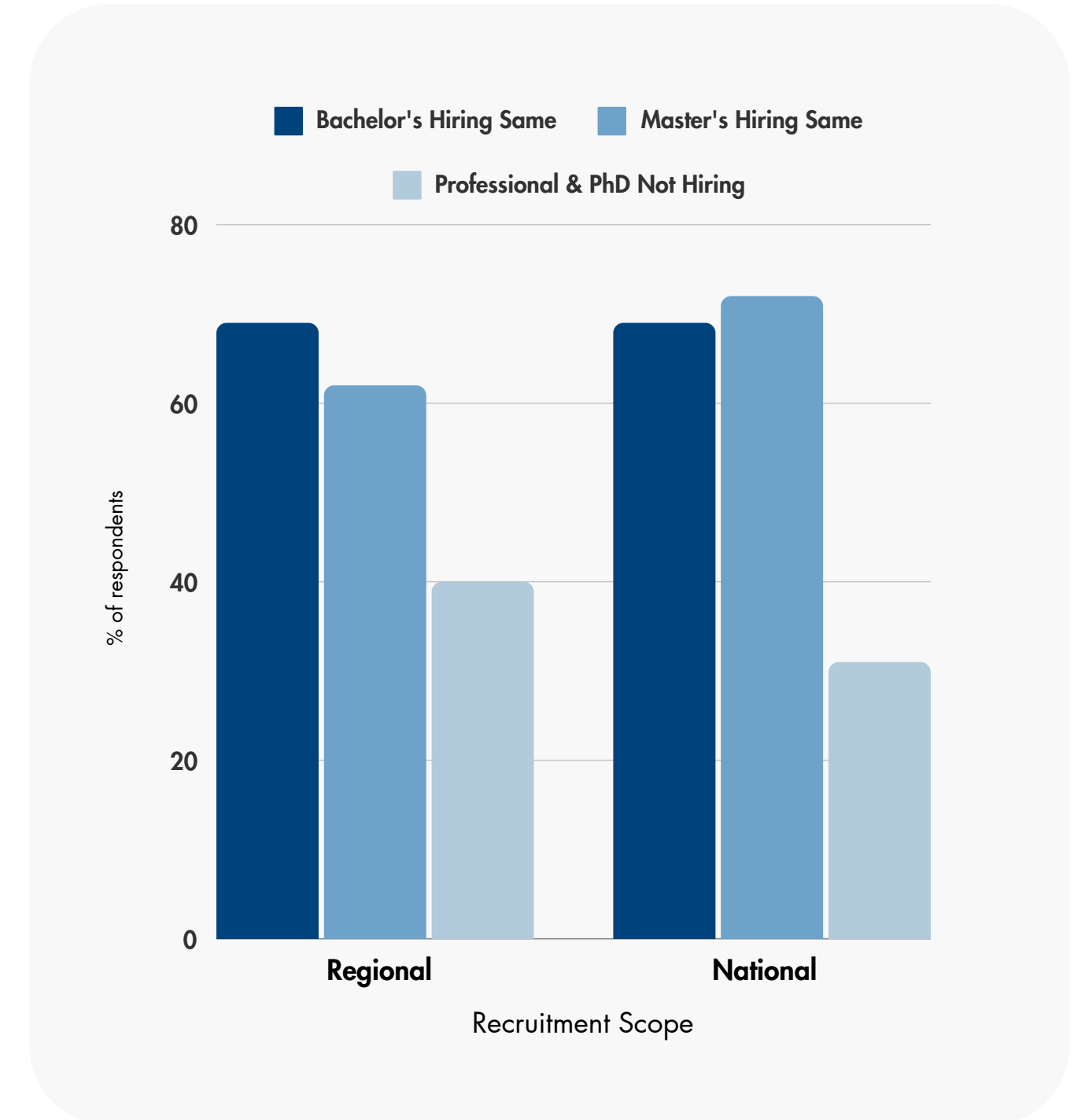
Hiring Outlook by Organizational Size, Degree Level, & Hiring Decisions (2025)





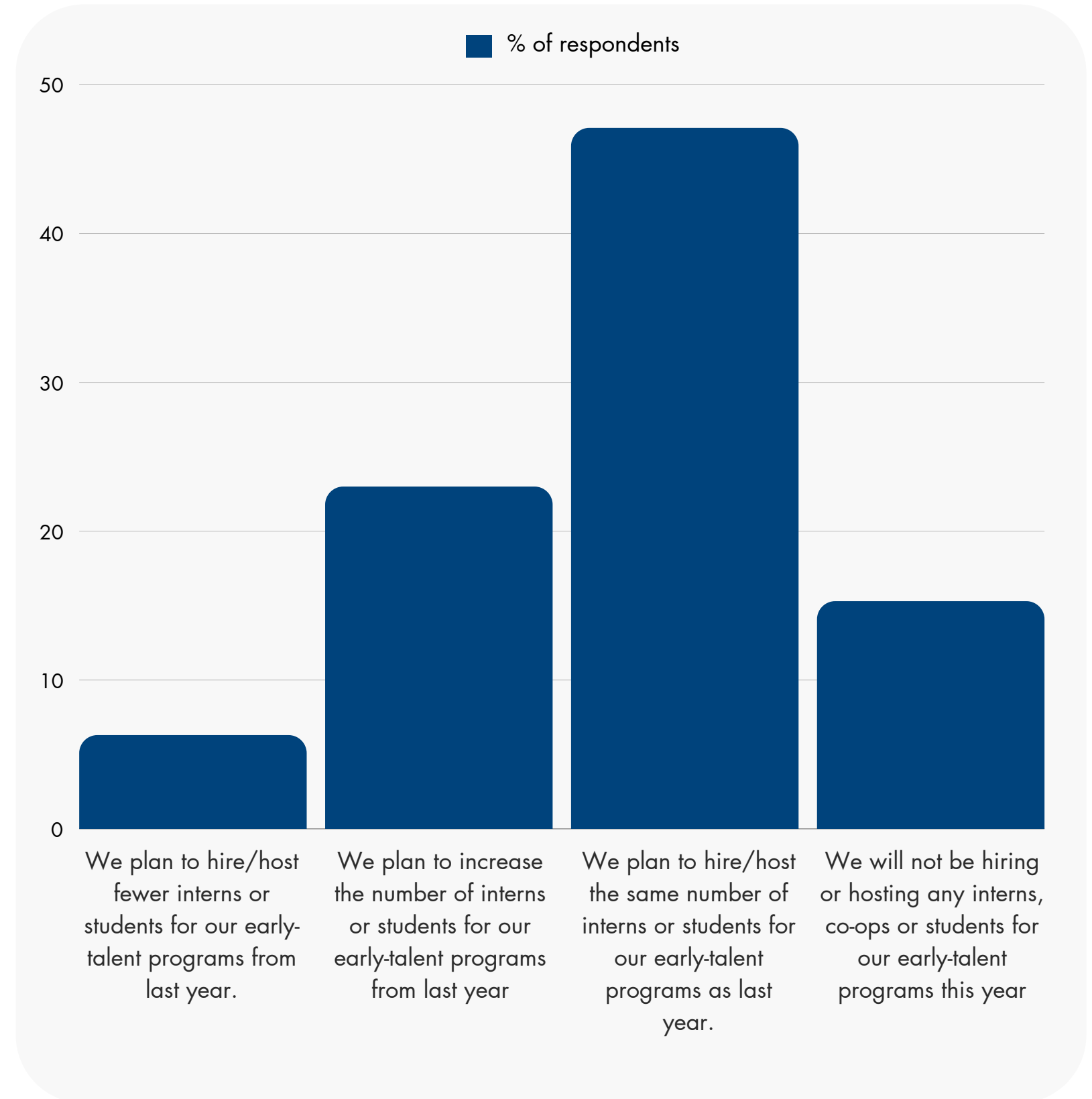
# Hiring Outlook by Geographical Region

- Approximately 65.6% of employers prefer recruiting regionally or within selected states, with only 34.4% recruiting nationally. This trend reflects a preference for local talent, likely due to logistical convenience, cost considerations and the availability of candidates willing to work in specific locations.
- Both regional and national recruiters maintain stable hiring for bachelor’s graduates (68%), highlighting consistent demand for foundational skills across regions.
- Up to 40.4% of regional recruiters are not hiring Professional or PhD holders, suggesting a preference for practical skills over advanced credentials.
- National recruiters demonstrate higher stability in master’s degree hiring, with 72.6% hiring at consistent levels, indicating demand for specialized skills at the national level.
- Career advisors should encourage students to be geographically flexible and emphasize practical skill development over credentials, particularly for those targeting regional roles. Local networking and regional internships can further enhance employability.
- Regional recruiters should prioritize practical skills, while national recruiters could benefit from offering remote roles to broaden their talent pool.



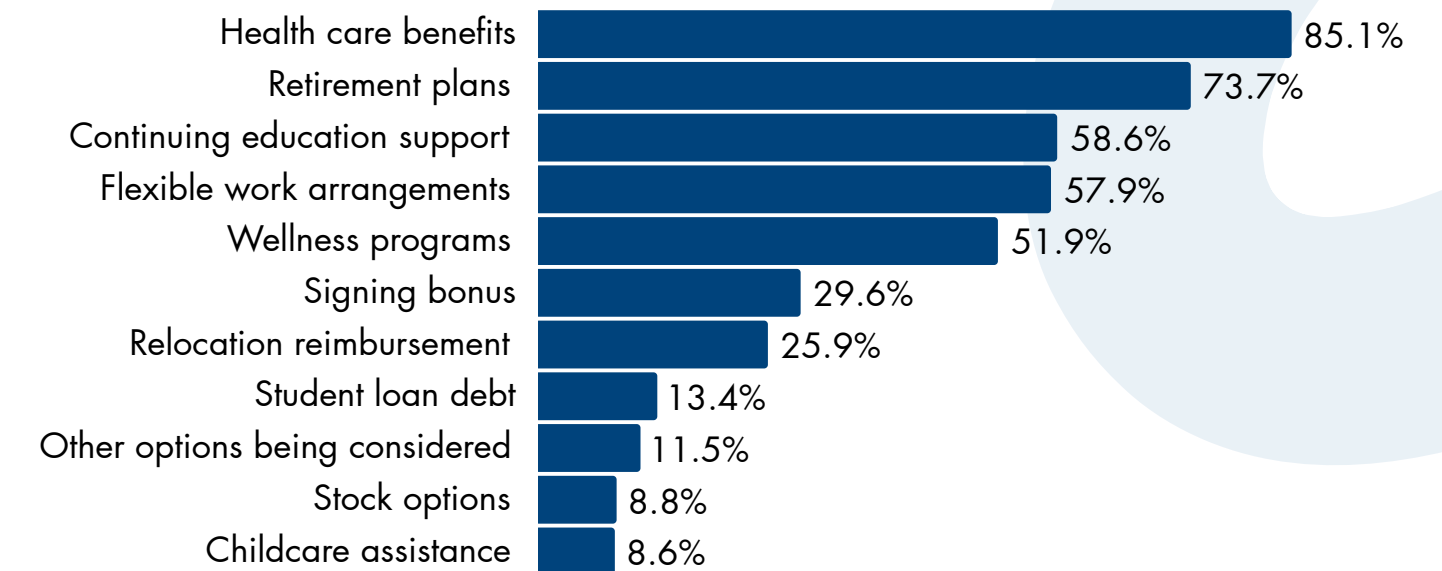
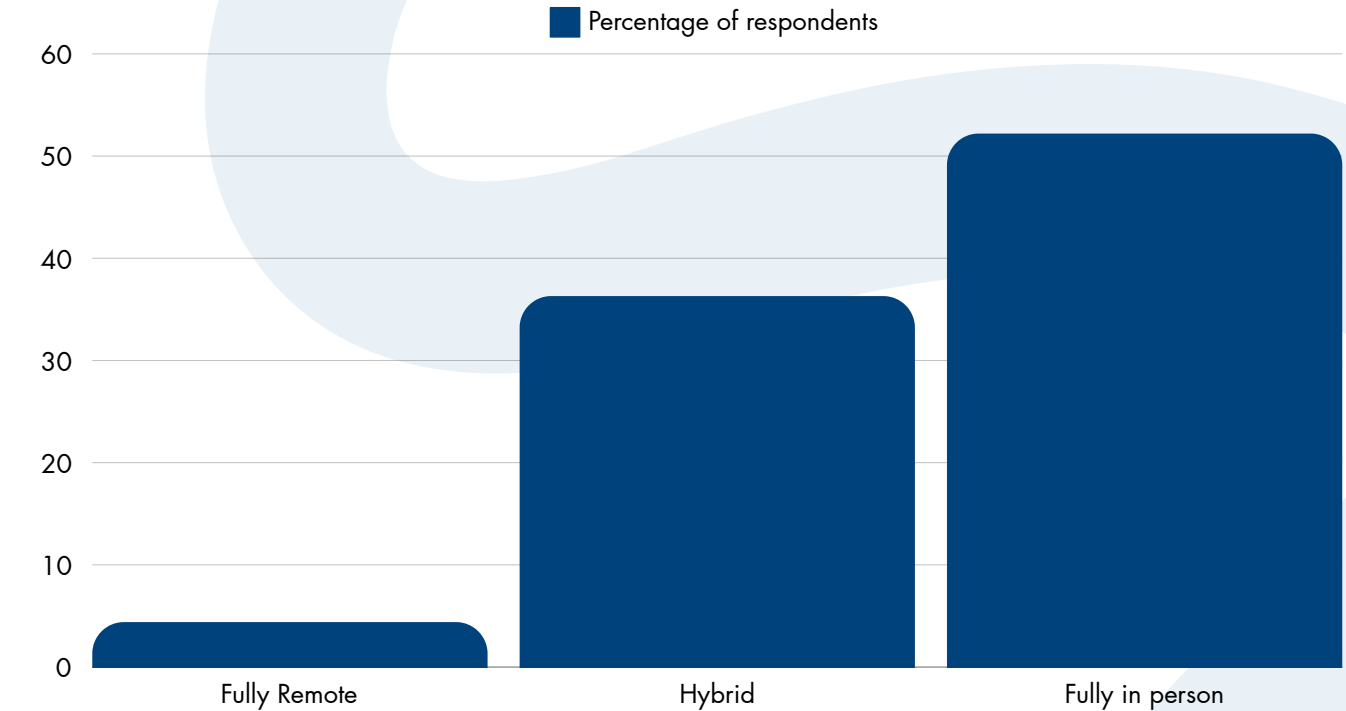
# Early Talent & Internship Programs

- Nearly half of employers (47.1%) plan to maintain their internship and co-op hiring levels from last year, reflecting a stable commitment to early talent programs despite economic uncertainties.
- About 23% of organizations aim to increase their intake of interns and co-op students, showing continued investment in building future talent pipelines.
- While most employers are maintaining or increasing their programs, 6.3% plan to reduce early talent hiring and 15.3% will not host any interns or co-op students this year. These reductions are likely driven by budget constraints or strategic shifts.
- Employers can use stable or expanded early talent programs to create strong pipelines for future full-time hires. These programs provide opportunities to evaluate and train potential talent before they enter the full-time workforce. Organizations facing budget challenges might consider virtual or project-based internships to reduce costs while continuing to engage with early talent.
- With some reductions in early talent programs, career advisors should guide students in enhancing their resumes and preparing for competitive application processes. Advisors should also encourage students to develop skills that align with industry demands, increasing their appeal to employers who view internships as integral to their future hiring strategies.



# Compensation & Work Agreements

- More than half of organizations (55.5%) are maintaining starting salaries at last year's levels, reflecting caution due to economic pressures. Only 42.2% plan to increase starting salaries, marking a shift toward a more conservative approach to compensation.
- Health benefits (85.1%) and retirement plans (73.7%) remain the most common offerings. Support for continuing education (58.6%) and wellness programs (51.9%) demonstrate a commitment to employee development, while less frequent incentives like signing bonuses and relocation assistance reflect selective use of financial perks.
- A majority of entry-level positions (52.2%) are fully in-person, while 36.3% offer a hybrid arrangement. Fully remote roles are rare, accounting for only 4.4% of positions, indicating a preference for in-office presence, particularly among small and mid-sized companies.
- To attract top talent, employers might consider offering additional benefits such as signing bonuses or flexible work arrangements. Companies that provide hybrid options can appeal to graduates seeking flexibility while still supporting the in-person experience.
- Career advisors should prepare students for the predominantly in-person job market, helping them develop strong interpersonal and professional skills for office environments. For students pursuing hybrid or remote roles, advisors should emphasize the importance of virtual communication and time management skills to ensure success in flexible work settings.

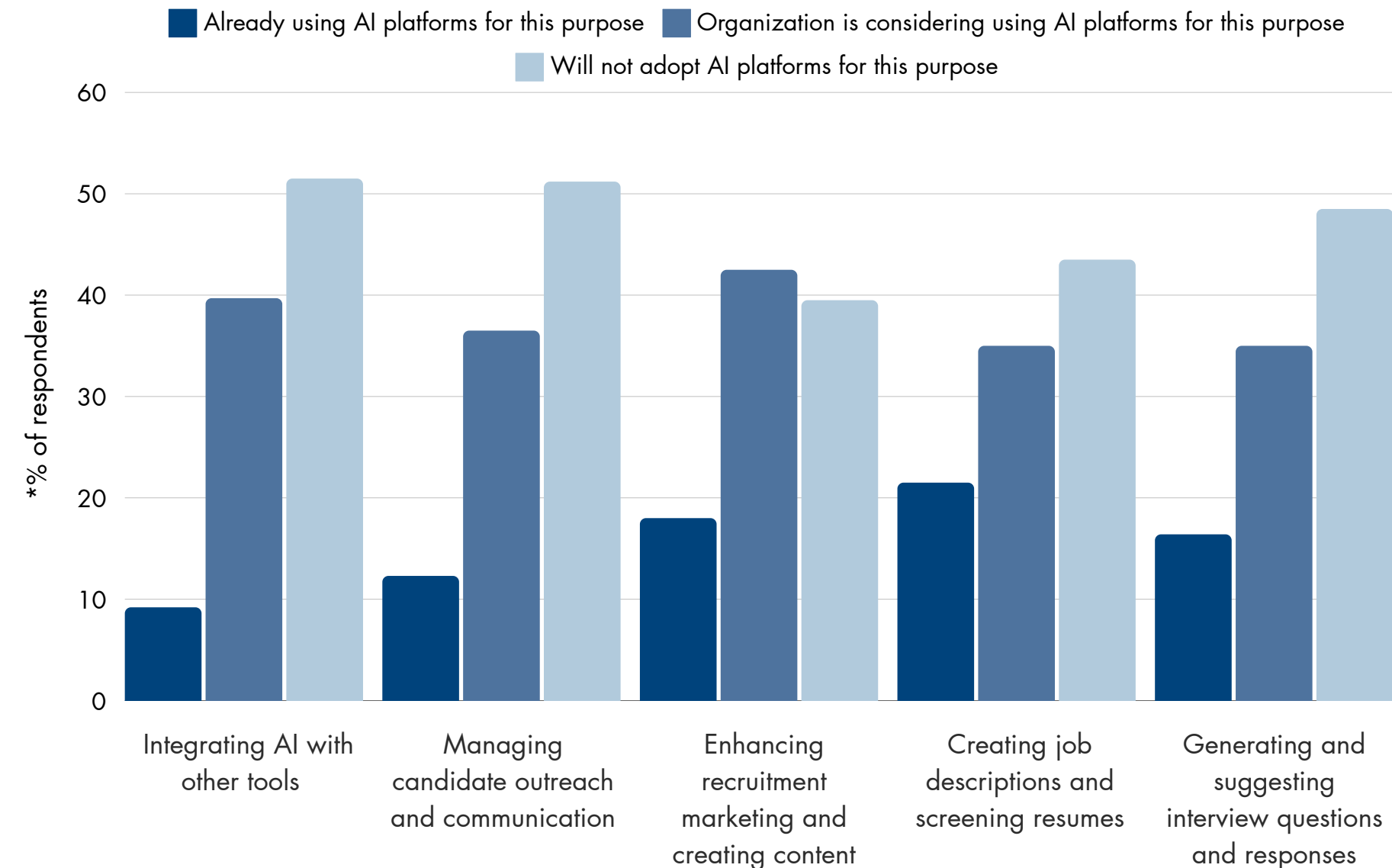




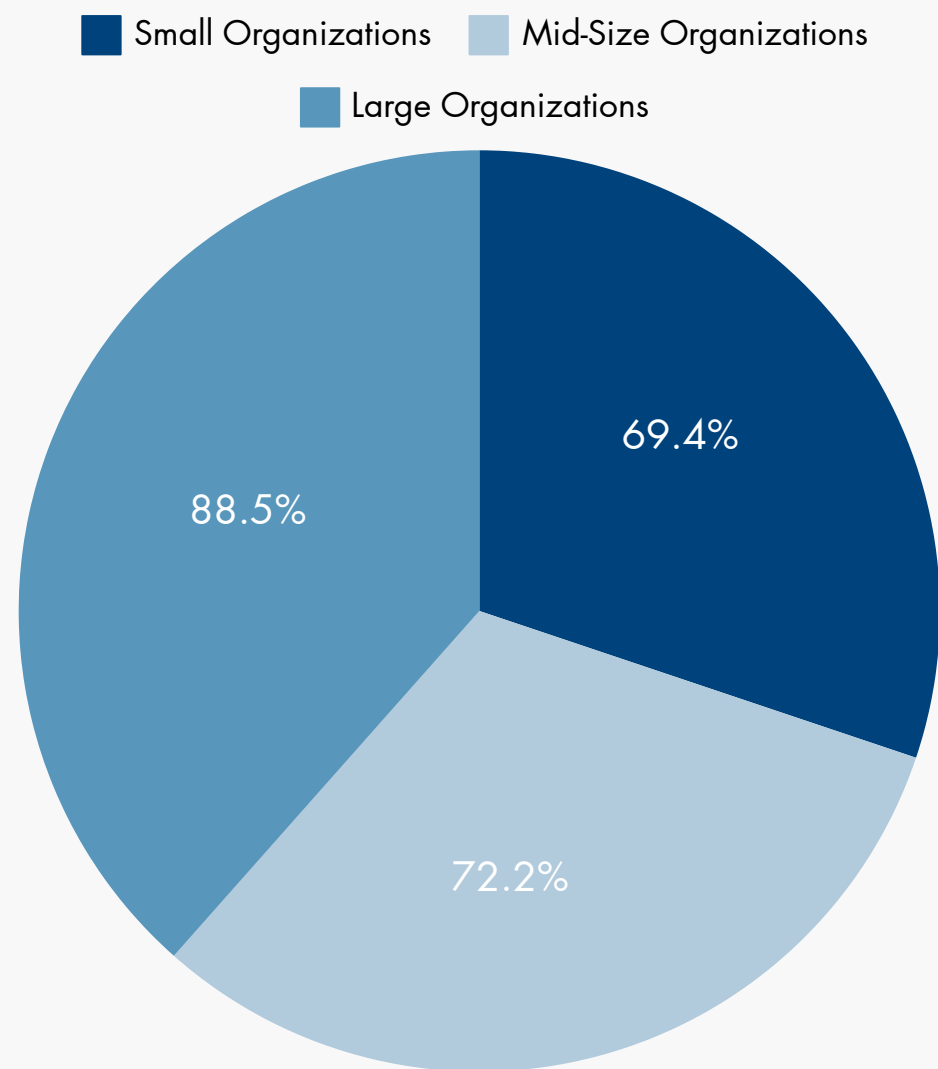
# AI-Driven Recruitment & Workforce Development

- The adoption of AI in recruitment processes is steadily growing, with larger organizations leading the way in integrating AI tools for tasks such as interview scheduling, resume screening and outreach. These technologies streamline hiring, particularly for high-volume applicant pools, making them valuable assets for larger firms. However, smaller organizations are slower to adopt AI, often due to limited resources.
- AI in recruitment marketing is also gaining traction, particularly among large organizations looking to enhance their employer branding and reach a broader pool of candidates. Employers show moderate acceptance of candidates using AI tools for job preparation, such as resume enhancement or interview practice, though some skepticism remains regarding AI-generated materials in applications.
- Virtual recruitment is becoming a standard practice among larger firms, leveraging resources to conduct online interviews and outreach. Mid-sized and smaller organizations, however, often face challenges in adopting these strategies due to budget and technology constraints. These firms continue to rely on traditional, in-person methods to identify talent.
- For graduates, proficiency in virtual communication and interview techniques is essential when applying to larger companies. In contrast, targeting smaller and mid-sized firms may require building local connections and engaging in community-focused job opportunities, where face-to-face interactions remain prevalent.

Application of AI (ChatGPT)- By Employers

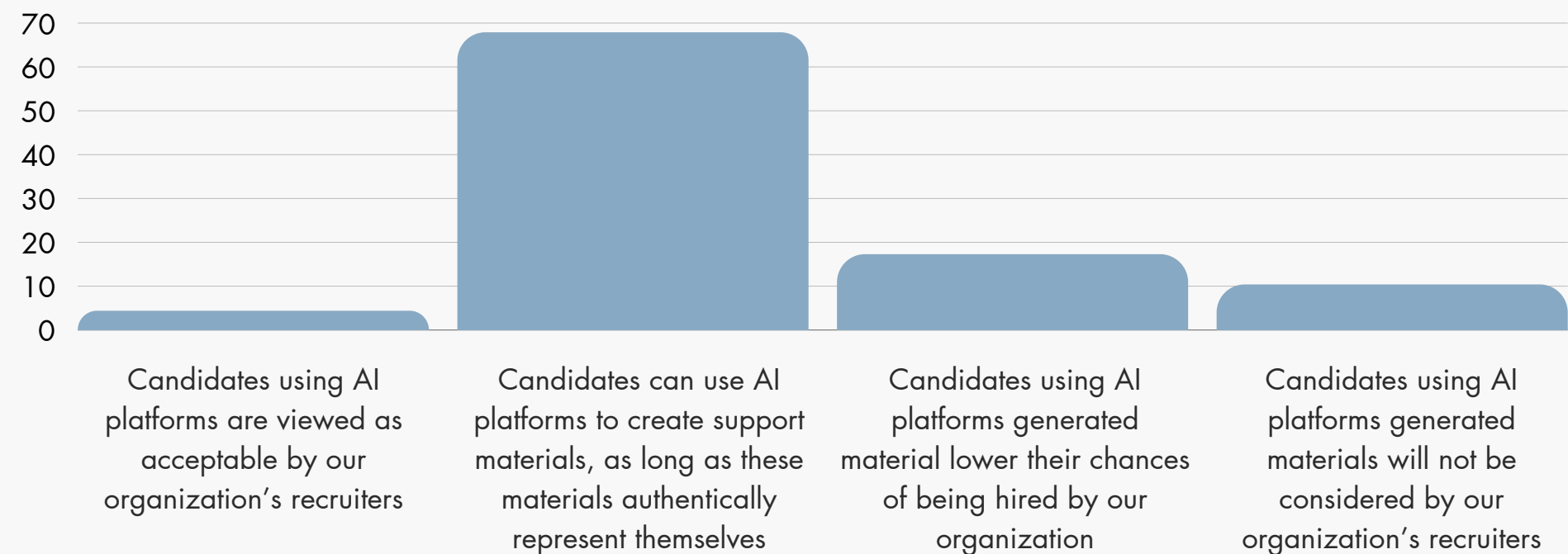


### Upskilling and Reskilling Programs



- The emphasis on upskilling and reskilling is evident, with 88.5% of large organizations offering structured programs to prepare employees for evolving roles. These programs highlight the expectation that college graduates will adopt a mindset of continuous learning and adaptability. Mid-sized and smaller firms also recognize the importance of upskilling but often face resource limitations, making self-directed learning critical for employees in these environments.
- Graduates can improve their prospects by seeking additional training opportunities, networking actively and staying informed about industry trends. Demonstrating flexibility and a willingness to learn will position candidates favorably across organizations of all sizes, equipping them to navigate a dynamic job market effectively.

### How do recruiters in your organization feel about candidates using AI for preparing applications, resumes and communications?





# Conclusion

- The 2025 hiring landscape underscores a challenging environment for new graduates, with employers adopting cautious hiring strategies.
- Demand for bachelor's degree holders remains consistent, particularly in fields such as technology, healthcare and finance. However, the focus on skill-specific competencies highlights that employers prioritize adaptability, ethics and critical thinking.
- Economic pressures impacting salary growth and hiring incentives mean graduates will need to demonstrate flexibility and practical skills to remain competitive.

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# Next Steps for Stakeholders



## For Colleges & Career Advisors

- Emphasize the development of core skills such as adaptability, ethical judgment and professionalism.
- Encourage students to pursue internships and co-op programs that align with high-demand skills.
- Support students in building proficiency in virtual communication to effectively navigate hybrid and remote job environments.



## For Employers

- Invest in structured training programs to foster a resilient workforce.
- Leverage AI in recruitment processes while providing clear guidance on acceptable AI tool usage for candidates.
- Balance in-person and virtual recruitment strategies to access a broader talent pool.
- Consider offering hybrid work arrangements to attract top graduates.



## For Students

- Focus on developing technical skills and self-management abilities.
- Actively engage in upskilling opportunities, including online certifications and networking, to stand out in a competitive market.
- Adaptability and continuous learning will be essential for thriving across diverse organizational environments.