



# WORKTRENDS

AMERICANS' ATTITUDES ABOUT **WORK, EMPLOYERS, AND GOVERNMENT**

## **Unfulfilled Expectations: Recent College Graduates Struggle in a Troubled Economy**

by

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## BACKGROUND

The John J. Heldrich Center for Workforce Development at the Edward J. Bloustein School of Planning and Public Policy at Rutgers, The State University of New Jersey was founded as a research and policy organization devoted to strengthening New Jersey's and the nation's workforce during a time of global economic change. The Heldrich Center researches and puts to work strategies that increase worker skills and employability, strengthen the ability of companies to compete, create jobs where they are needed, and improve the quality and performance of the workforce development system.

Since 1997, the Heldrich Center has experienced rapid growth, working with federal and state government partners, Fortune 100 companies, and major foundations. The Center embodies its slogan "Solutions at Work" by teaming with partners and clients to translate cutting-edge research and analysis into practices and programs that companies, unions, schools, community-based organizations, and government officials can leverage to strengthen the nation's workforce.

The Center's projects are grounded in a core set of research priorities:

- Disability Employment
- Evaluation, Management, and Employment
- Industry, Education, and Employment
- Reemployment
- Work Trends and Economic Analysis

Since its inception, the Heldrich Center has sought to inform employers, union leaders, policymakers, community members, the media, and academic communities about critical workforce and education issues that relate to the emerging global economy.

To better understand the public's attitudes about work, employers, and the government, and improve workplace practices and policy, the Heldrich Center produces the *Work Trends* surveys on a regular basis. (The complete set of reports is available at [www.heldrich.rutgers.edu](http://www.heldrich.rutgers.edu).) The surveys poll the general public on critical workforce issues facing Americans and American businesses. The survey findings are promoted widely to the media and national constituencies.

The series is co-directed by Carl E. Van Horn, Ph.D., Director of the Heldrich Center, and Cliff Zukin, Ph.D., Senior Faculty Fellow at the Center and Professor of Public Policy and Political Science at Rutgers University. *Unfulfilled Expectations: Recent College Graduates Struggle in a Troubled Economy* continues to advance the goals of the *Work Trends* series to give American workers a voice in the national economic policy debates, and thereby provides policymakers and employers with reliable insights into how workers across the nation are judging and acting upon the realities of work and the workplace.

## INTRODUCTION

This report presents the findings of a nationally representative sample of 571 U.S. residents who graduated from a four-year college between 2006 and 2010. Our overall goal was to better understand the articulation between their formal education and their initial positions in the workforce. We examine how students financed their college education and how much debt they carried away from it, how well college prepared them to enter and be successful in the labor market, and what they would do differently in their college education if they knew then what they know now. We also show the diminished expectation of financial success this generation seems to manifest.

The research explores students' first jobs in some detail. Questions focused on the intersection of their areas of study in college with the skills and knowledge they need to be successful in their workplace. We note the number who took jobs that did not require a college degree, the overall satisfaction of their first job, and their overall satisfaction with salary, job responsibilities, and opportunities for advancement. We also examine how these experiences are different for those having entered the job market before the Great Recession and those entering it while unemployment raged as the economy shed eight million jobs, and what recent entrants had to give up or compromise to get started in their work life. We also examine the current job for those having had more than one job in their work history.

The survey was fielded between March 15 and April 5, 2011 by Knowledge Networks of Menlo Park, California. Knowledge Net-

works has the only nationally representative sample of young people (between the ages of 22 and 29) that can be surveyed online. The overall survey has a sampling error of +/- 4.5 percentage points. The questionnaire used and the details of the sampling methodology can be found in Appendices A and B.

## THE SAMPLE

A full accounting of the 571 men and women in the primary sample is presented in Table 1, which shows that only 53% held full-time jobs and were not in school when the survey was fielded. Because entries in the table show combinations of employment and education, categories can be added to make a number of observations:

- 82% are working in some fashion (rows 1, 2, 3, 4, and 5);
- 21% are attending graduate school either part or full time (rows 5 and 6);
- 14% are looking for a full-time job (rows 2 and 7); and
- 16% are not employed in any fashion (rows 6, 7, and 8).

## FIRST JOB AFTER GRADUATING COLLEGE

Four-fifths of the sample reported having had at least one job since they graduated. This encompasses about 90% of those having graduated in 2006 or 2007, about 80% of those who graduated in 2008 or

TABLE 1. OCCUPATIONAL DISTRIBUTION OF 2006-2010 COLLEGE GRADUATES

	Percent
<b>Employed full time</b>	53%
Working part time, looking for full-time work	7%
Working part time, not looking for full-time work	5%
Self-employed	3%
Attending graduate or professional school, employed part time or full time	14%
Attending graduate or professional school, not employed	7%
Unemployed and looking for work now	7%
Unemployed but not looking for work now	2%
Military	2%
Total	100%

2009, but just 56% of those who got their diplomas in spring 2010.<sup>1</sup> The median salary earned by college graduates in their first job was \$30,000, with a number of interesting differences by various groupings. (See Table 2.) First, men make significantly more than women. There is more than a \$5,000 difference in starting salaries, with a median for men of \$33,150 compared to just \$28,000 for women. On average, there was a 10% “penalty” for college graduates obtaining their first job during the recession, compared with those who entered the workforce just three years earlier. The median starting salary for those entering the job market in 2006 and 2007 was \$30,000; it was \$27,000 for those coming into the

1. The 20% without a job includes some who went to graduate school or did not enter the labor force.

TABLE 2. FIRST JOB SALARIES (UNWEIGHTED SAMPLE SIZES IN APPENDIX C)

Median Pay for Recent College Graduates	Median Salary
<b>All Graduates</b>	<b>\$30,000</b>
Pre-recession 2006-07	\$30,000
Recession 2009-10	\$27,000
Public school	\$30,000
Private school	\$30,000
Did internship	\$34,680
No internship	\$28,000
Male	\$33,150
Female	\$28,000
Worked in area related to their major	\$34,510
Didn't work in area related to their major	\$28,000
Paid salary	\$35,510
Paid hourly	\$25,000
First job very/somewhat related to degree	\$35,000
First job not very/not at all related to degree	\$25,000

workforce in 2009 and 2010. Students who had internships or work experiences related to their studies while in college also benefited, earning roughly 20% more than those who did not. Those doing an internship (\$34,680) had a median income of \$6,680 more than those not doing one (\$28,000). Those working during school in an area related to their major entered the labor force with a median income of \$34,510; those not having done so entered with a median salary of \$28,000. Finally, recent college graduates who were able to find work in an area that was at least somewhat related to the field in which they earned their college degree received a salary in their first job (\$35,000) that was considerably greater than those who did not (\$25,000).

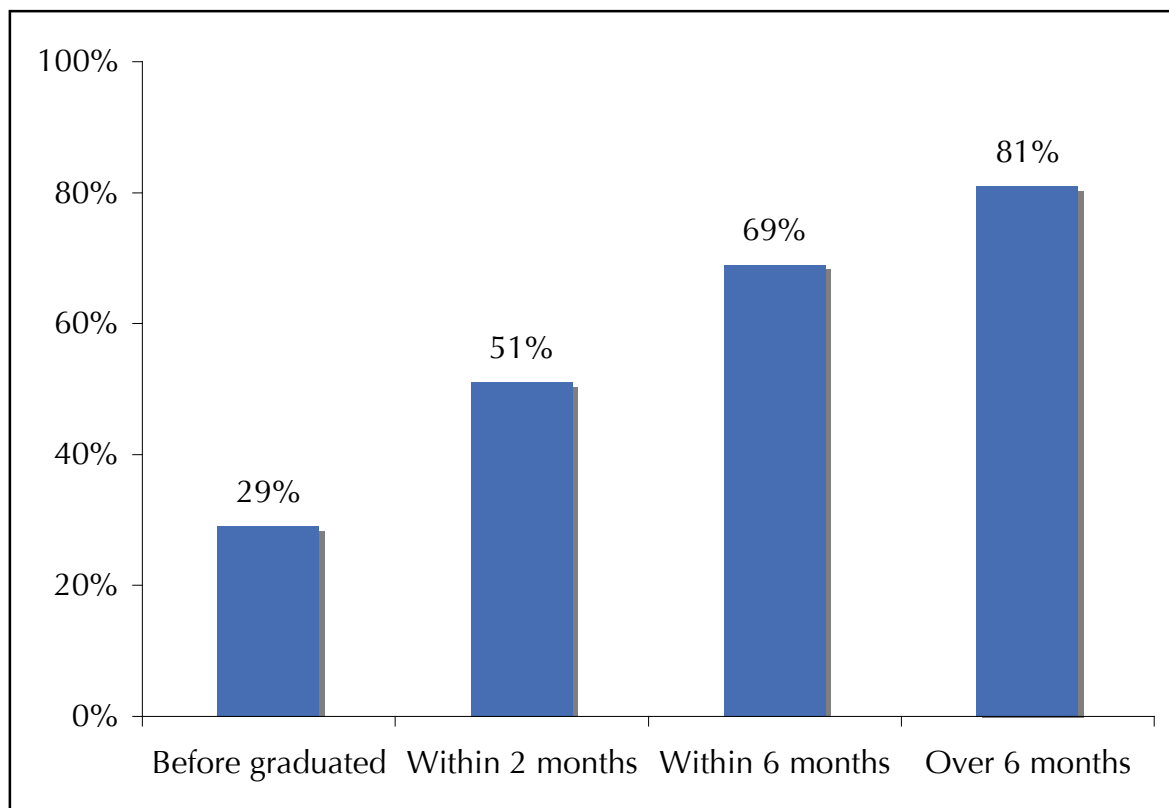
Just over one-quarter (29%) had already lined up their first job before they graduated. Adding those who found a job within two months raises this total to half. Employment after this moved more slowly. Two-thirds found a job within half a year of graduation; three quarters were employed within two years.<sup>2</sup> (See Figure 1.)

Almost all of these jobs were full time, with only 15% described as “temporary” positions. Most recent graduates found positions with large employers. Half said their company employs over 250 people, while just one-quarter said there are less than 25 people at their place of business. The remaining quarter was split between those working in firms of between 25 and 100 workers, and those with over 100 workers.

Very few first jobs were fleeting. Only about 10% kept the jobs for less than six months; including these people, just 22% left within a year. Looking at those whose first job started at least three years ago, 64% lasted at least two years, including 46% who still work there. Those who graduated in 2009 or 2010 need to be considered separately as they have had less time in their job. But here, too, 68% are still at their first job, and another 9% have been there over one year. (See Table 3.) People left their first jobs after college for a variety of reasons: 25% found a better job, 15% moved, 11% didn’t like the work, and another 11% were laid off.

Job seekers turned to two primary sources to look for their first jobs. About three-fifths used the Internet to search formal online

FIGURE 1. LENGTH OF TIME TO FIRST JOB



2. The 7% in graduate or professional schools and not working have been excluded from the computations.

TABLE 3. LENGTH OF TIME IN FIRST JOB

	2006-2008	2009-2010
Less than 6 months	8%	12%
6 months to 1 year	12%	12%
1 year to 2 years	16%	4%
Over 2 years	18%	5%
Still work there	46%	68%
Total	100%	101%

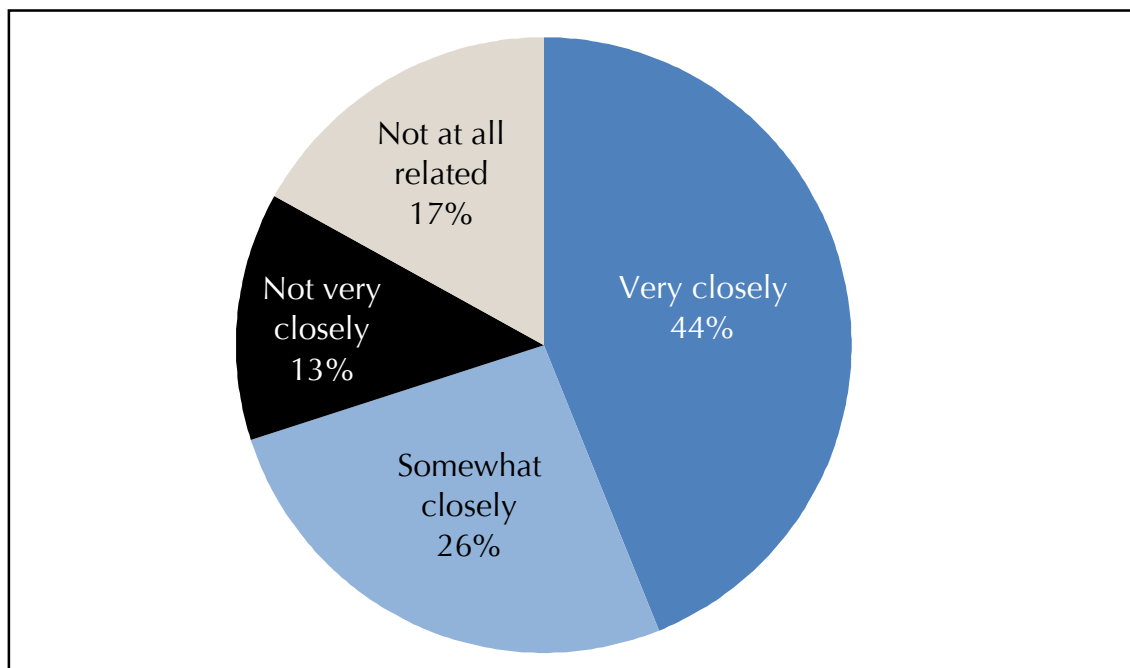
job sources, such as Monster or Career-BUILDER, or employers’ job site boards. The same number turned to personal connections — family and friends — to help find employment. There was much less reliance on college placement offices (less than one in three), and employment agencies or government job centers (16%). Few in this cohort used/read a newspaper. A slight surprise here is that only 11% used social media as a means of job hunting, a number that is likely to grow in the future given the increased usage of Facebook, LinkedIn, and other social media in the past few

years, before the 2006-2007 cohort of college graduates had entered the job market.

Recent college graduates reported a very close or somewhat close relationship between what they studied in college and their first jobs, but it is by no means always a direct, strong relationship. Forty-four percent said their major or field of study in college was **very** closely related to their initial job, while another 26% said it was at least **somewhat** related. The other 3 in 10 said their course of study in college was not very or not all related to the job that they took. (See Figure 2.)

Only about one-quarter of graduates said that their first job was the beginning of what they hoped would be their career. But another half (46%) described their first job as the first step on the way to that career path. Slightly more than one-quarter of recent graduates said they took their first job because they needed to work just to get by. (See Figure 3.) There were slight differences

FIGURE 2. RELATIONSHIP OF ACADEMIC WORK TO FIRST JOB



between those who graduated before and during the recession on this measure. For example, 30% of those having graduated in 2006 or 2007 described their first job as “a career” compared to 22% of those graduating in 2009 or 2010. In other stumbles along the career path, 32% said they had quit a job since they graduated college. Another 12% reported having been laid off, and 23% reported working for a temporary agency or having done seasonal work since they graduated.

The connection between the graduates’ degree and the requirements of their first job are also not straightforward. Perhaps reflecting the stronger competition for job openings during a weakening economy, just over half of recent college graduates (52%) took jobs that require a four-year college degree. Fully 40% obtained positions that did not require a four-year college education, with the remaining 8% saying they did

not know if their job depended on having a degree from a four-year college. (See Figure 4.)

Despite the large percentage whose first job did not require a B.A. or B.S. degree, 62% of all recent college graduates believe they will need more formal education if they are to be successful in their chosen career. Another 18% said they aren’t sure if they will need more education, leaving only one in five who said they believe they can have a successful career with the four-year diploma they have hanging on their wall. (See Figure 5.)

Between a quarter and one-third of graduating students made significant accommodations in order to get their first job. One-third took a job that paid a lot less than they expected to earn after they graduated. The effects of the Great Recession may have played a role in the economics of

FIGURE 3. CHARACTERIZATION OF FIRST JOB ON CAREER PATH

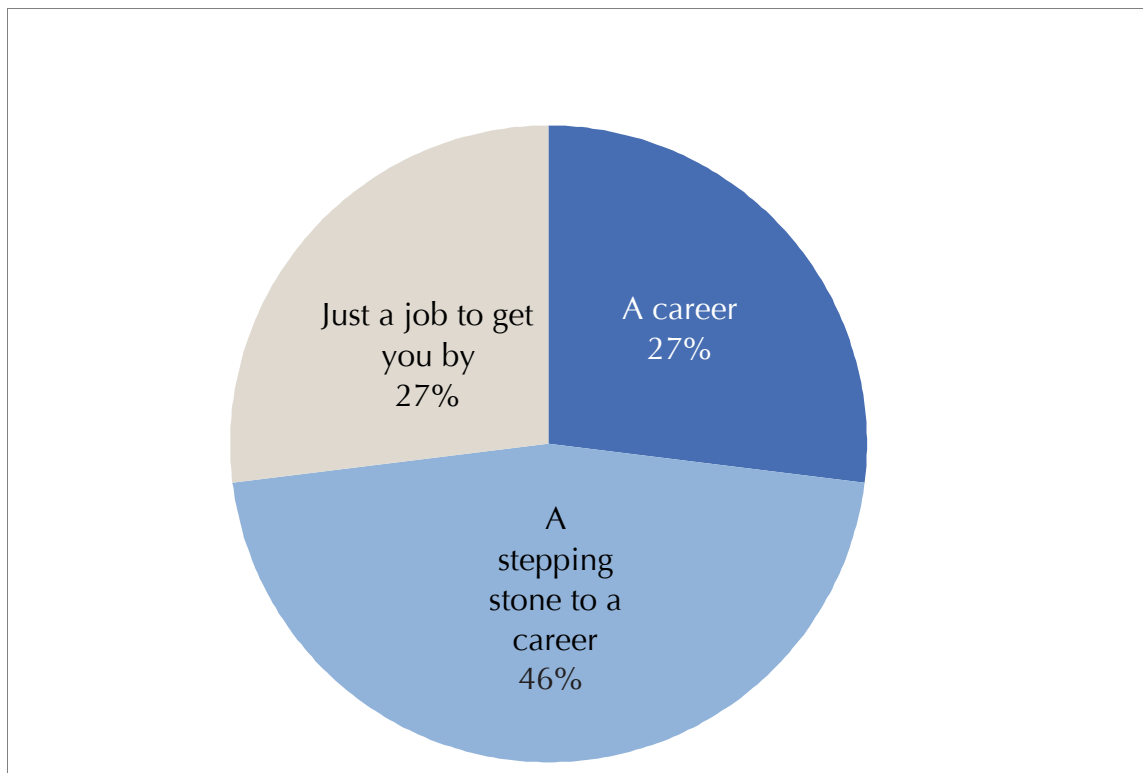


FIGURE 4. COLLEGE DEGREE NECESSARY FOR FIRST JOB

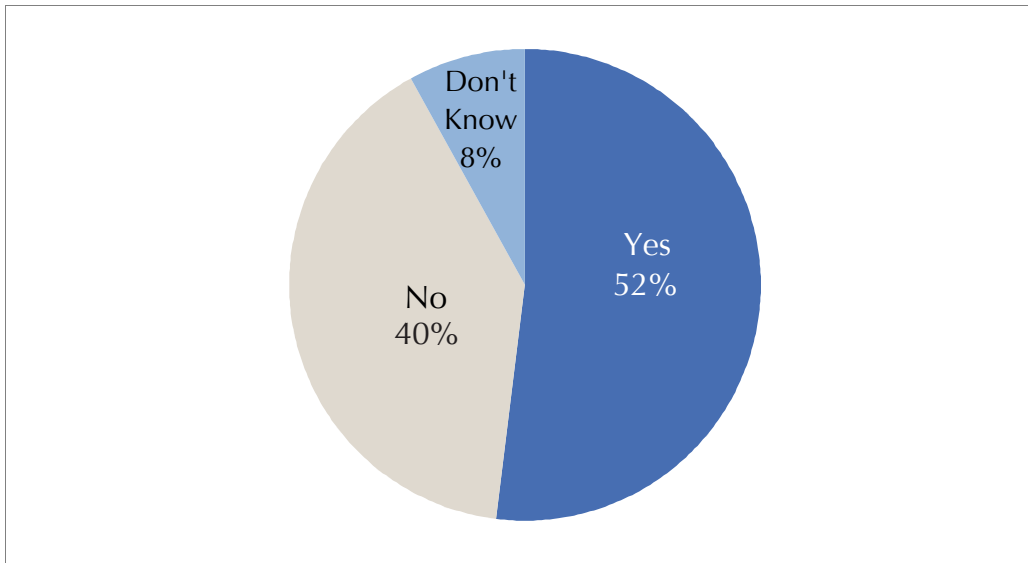
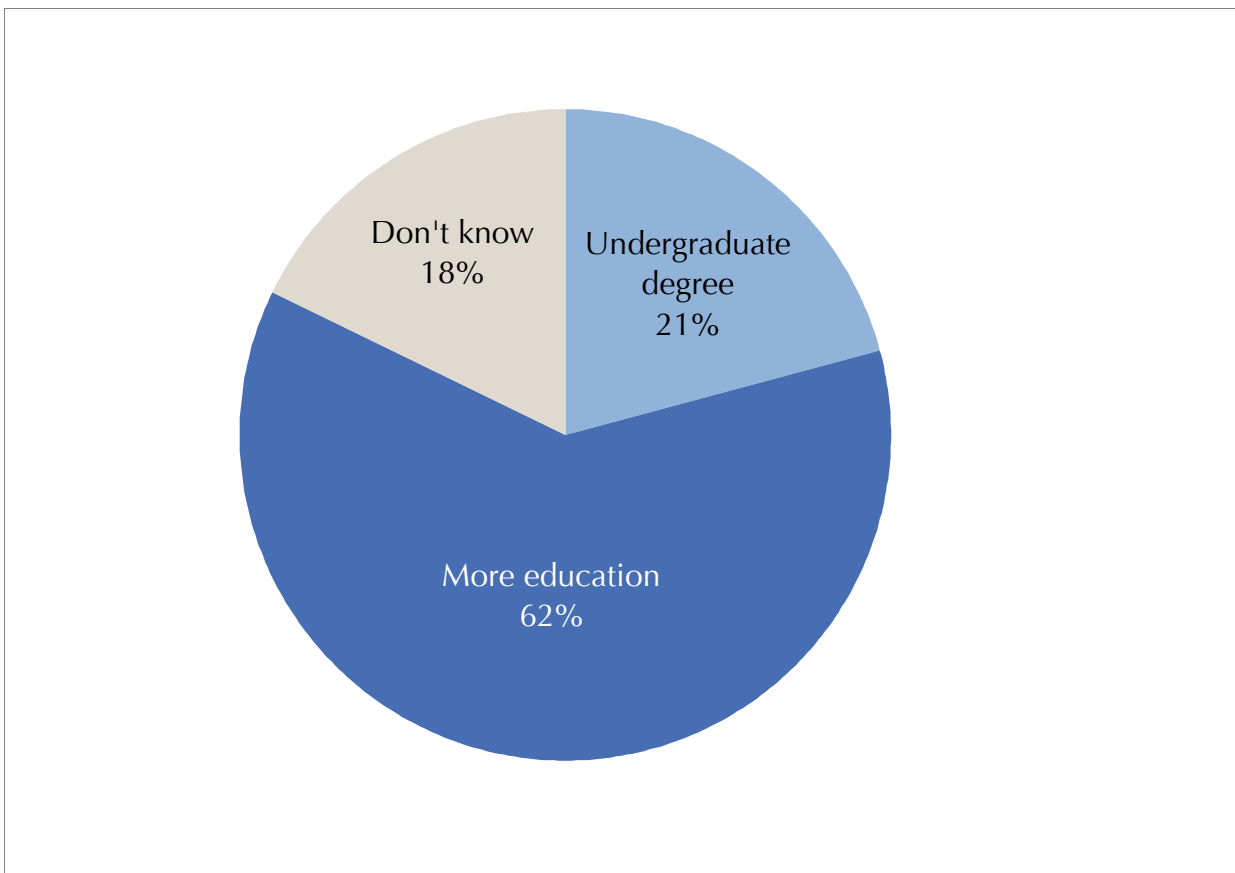


FIGURE 5. BELIEVES ADDITIONAL EDUCATION NECESSARY FOR SUCCESSFUL CAREER





## Unfulfilled Expectations: Recent College Graduates Struggle in a Troubled Economy

job-taking: 39% of those taking jobs in the recession years of 2009 and 2010 took a lot less in salary than they anticipated, compared to 28% of those having graduated in 2006 and 2007. (See Figure 6.)

Three in ten said their first post-college job had them working below what they perceived as their skill level. Among those working for employers who require a four-year degree, just 11% said they were working below their level of education, compared to 60% of those with jobs where a college degree was not a requirement. Additionally, about a quarter accepted a job outside their area of interest, a number corroborated by other survey findings. Rela-

tively small numbers made other accommodations: 19% took a job working hours they would rather not, 18% took a job without health benefits, 16% had to move to another community, and 10% had to start with a temporary job.

As illustrated in Figure 7, despite some of the expressed concerns, two-thirds of recent college graduates were satisfied with their first jobs overall. (Twenty-four percent said they were very satisfied and 44% were somewhat satisfied.) Just one in five (21%) said they were dissatisfied, with 10% saying they were neither satisfied nor dissatisfied. Again, the effects of the recession may have contributed to these responses.

FIGURE 6. ACCOMMODATIONS MADE TO GET FIRST JOB

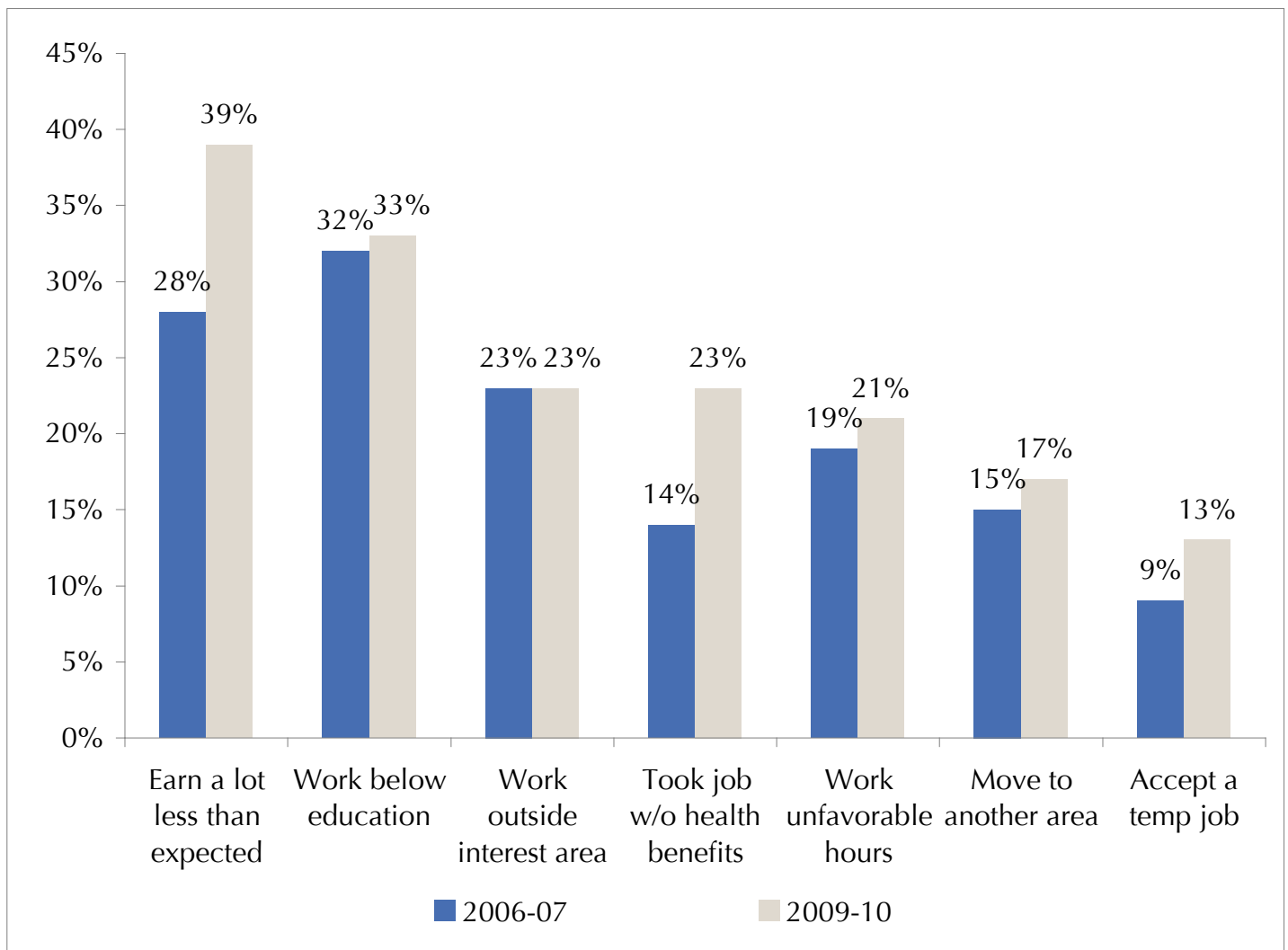
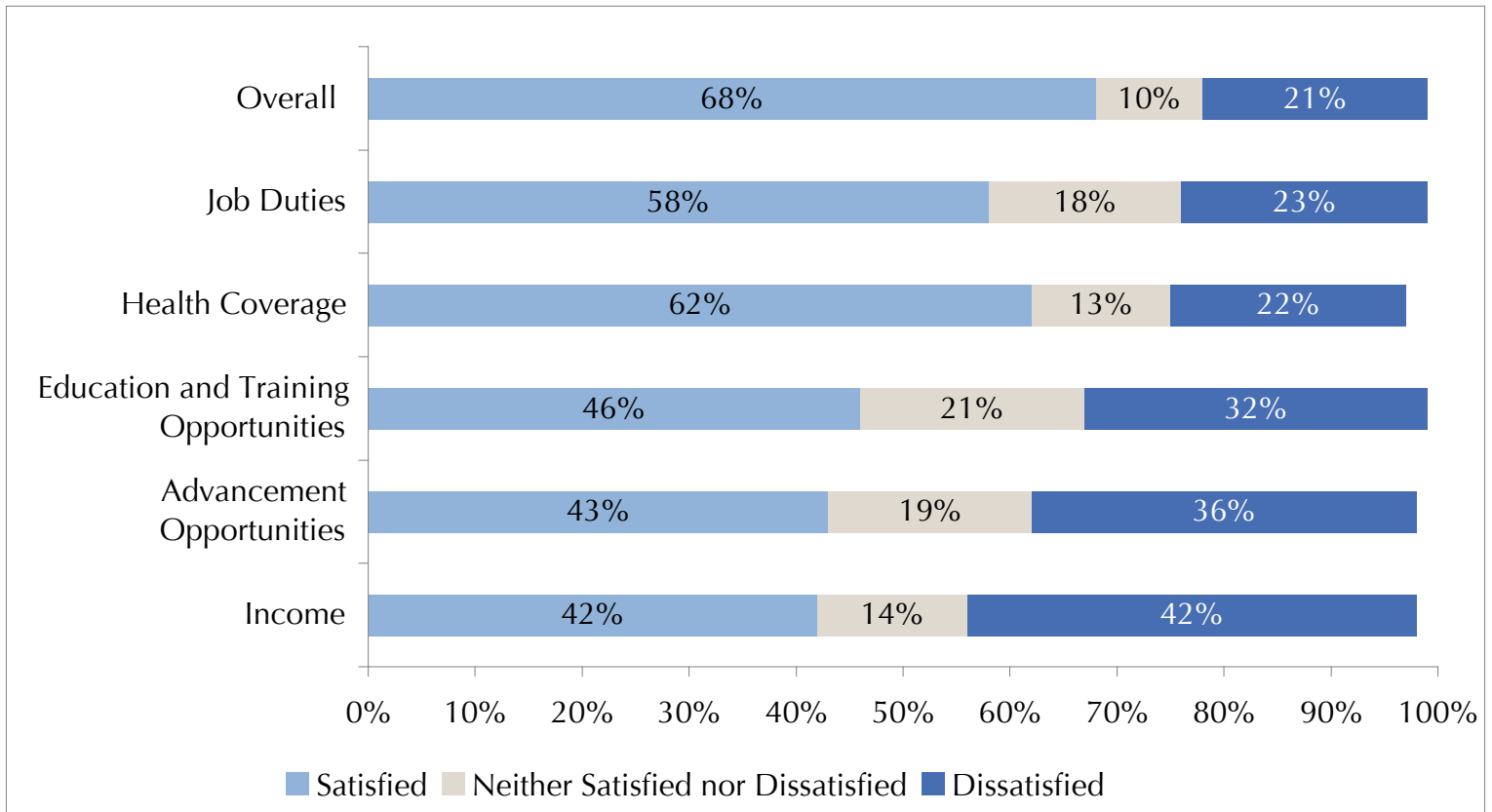


FIGURE 7. SATISFACTION WITH FIRST JOB AND VARIOUS JOB ATTRIBUTES



The depressed economy and high levels of unemployment encourage people to be grateful for what they can obtain in the job market, even if it is not what they had hoped for when they entered college.

When looking at satisfaction with five specific job attributes, job duties and health care top the list of job attributes recent college graduates were most satisfied with; 58% were satisfied with their job tasks compared to only 23% who were dissatisfied. Similar numbers reported being satisfied (62%) and dissatisfied (22%) with their health coverage. Fewer numbers of recent college graduates reported being satisfied with opportunities for training in their job and room for advancement, although more were satisfied than dissatisfied with both.

Respondents were least satisfied with their income from their jobs, with 42% saying they were satisfied with their first job in this respect and 42% saying they were dissatisfied.

## JOB MOVEMENT

At the time this survey was conducted, 4 in 10 (42%) recent college graduates had held at least one other full-time job in addition to their first post-graduation employment. Two-thirds of this group went directly from one job to the next, while 35% experienced some period of unemployment between jobs. This group was also asked a parallel set of questions about the job they currently hold.

By most of these measures, their new jobs look far more like their old ones than a change with an upward trajectory. The median income rose only from \$30,000 to \$32,000, a 7% increase. There has been no decrease in the number paid by the hour rather than a salaried position. (See Table 4.)

**TABLE 4. COMPARISONS BETWEEN FIRST AND CURRENT JOBS**

	First Job	Current Job
Job salary - median	\$30,000	\$32,000
Job is full time	97%	93%
Job requires a college degree	52%	53%
Job paid hourly	50%	54%
Job's Relation to Education		
	First Job	Current Job
Very closely	44%	37%
Somewhat closely	26%	21%
Not very closely	13%	20%
Not at all closely	17%	21%
Total	100%	99%

Moreover, there is no evidence that the relevance of their educational background increased from their first to current job, and, in fact, there is some evidence to the contrary. Whereas 70% said there was at least a somewhat close connection between their area of study in college and their first jobs, **this number declined to 58%** in their current jobs. The same number (53%) reported that their current jobs required a college degree as was true with their first jobs (52%).

**TABLE 5. OVERALL SATISFACTION WITH FIRST AND CURRENT JOBS**

Job Satisfaction	First Job	Current Job
Satisfied	68%	73%
Neither	10%	11%
Dissatisfied	21%	17%
Total	99%	101%

Nor has there been any increase in overall job satisfaction. (See Table 5.) Currently, 73% reported being very or somewhat satisfied with their job, compared to 68% who reported being very or somewhat satisfied with their first job. There has been some increase in job holders' satisfaction with their income — from 42% to 56% — and very small gains in satisfaction with opportunities for advancement, and for further education and training, but these are well within the survey's margin of error. (See Figure 8.)

A comparison of accommodations made to obtain employment does show a little improvement between first and current jobs in some important areas. The number saying they earn a lot less than expected declined from 33% to 22%, the number taking jobs without health benefits declined from 18% to 13%, and the number moving to another community for work declined from 16% to 9%. Other differences between first and current jobs were negligible. (See Figure 9.)

FIGURE 8. SATISFACTION WITH FIRST AND CURRENT JOB ATTRIBUTES

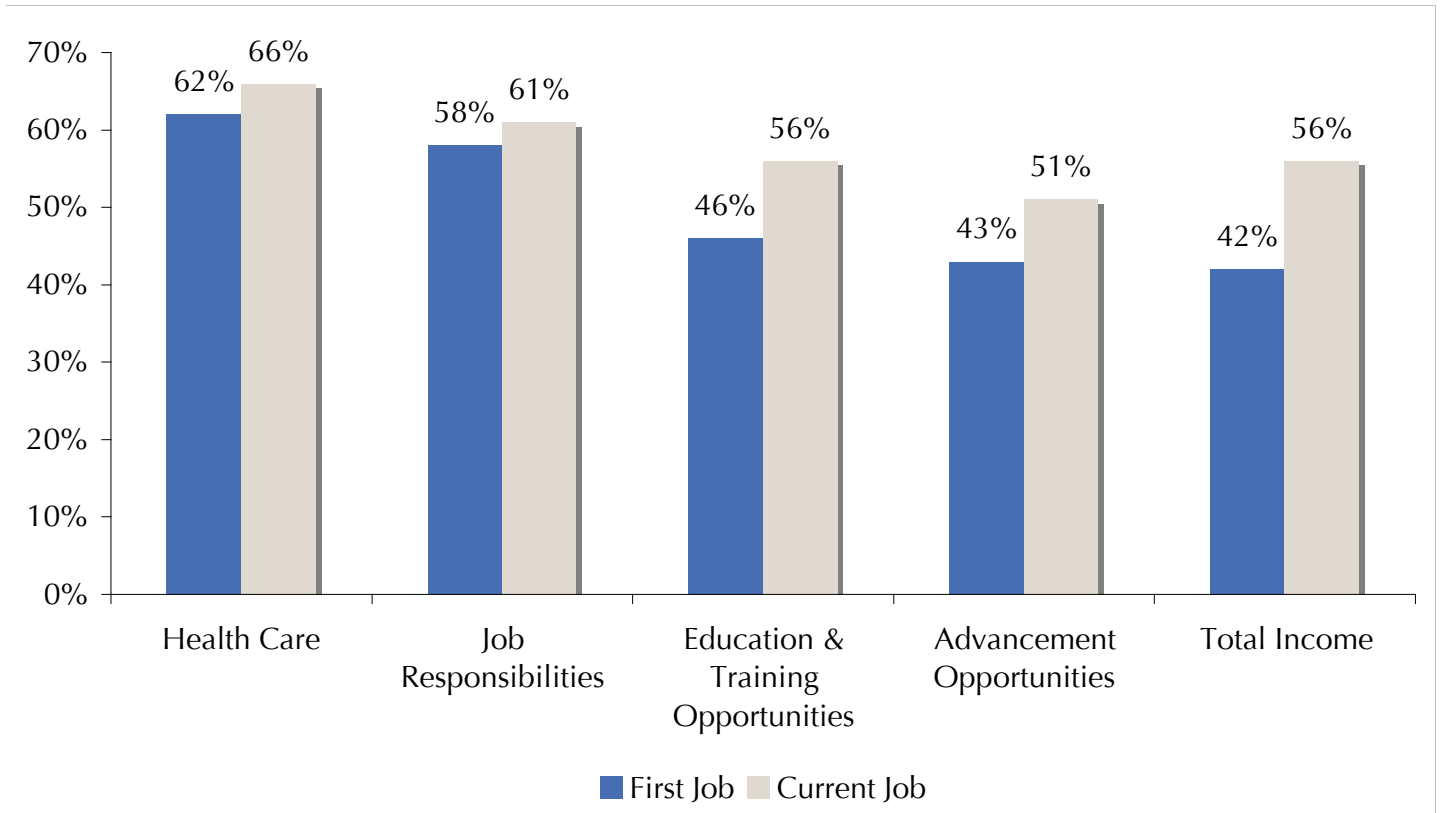
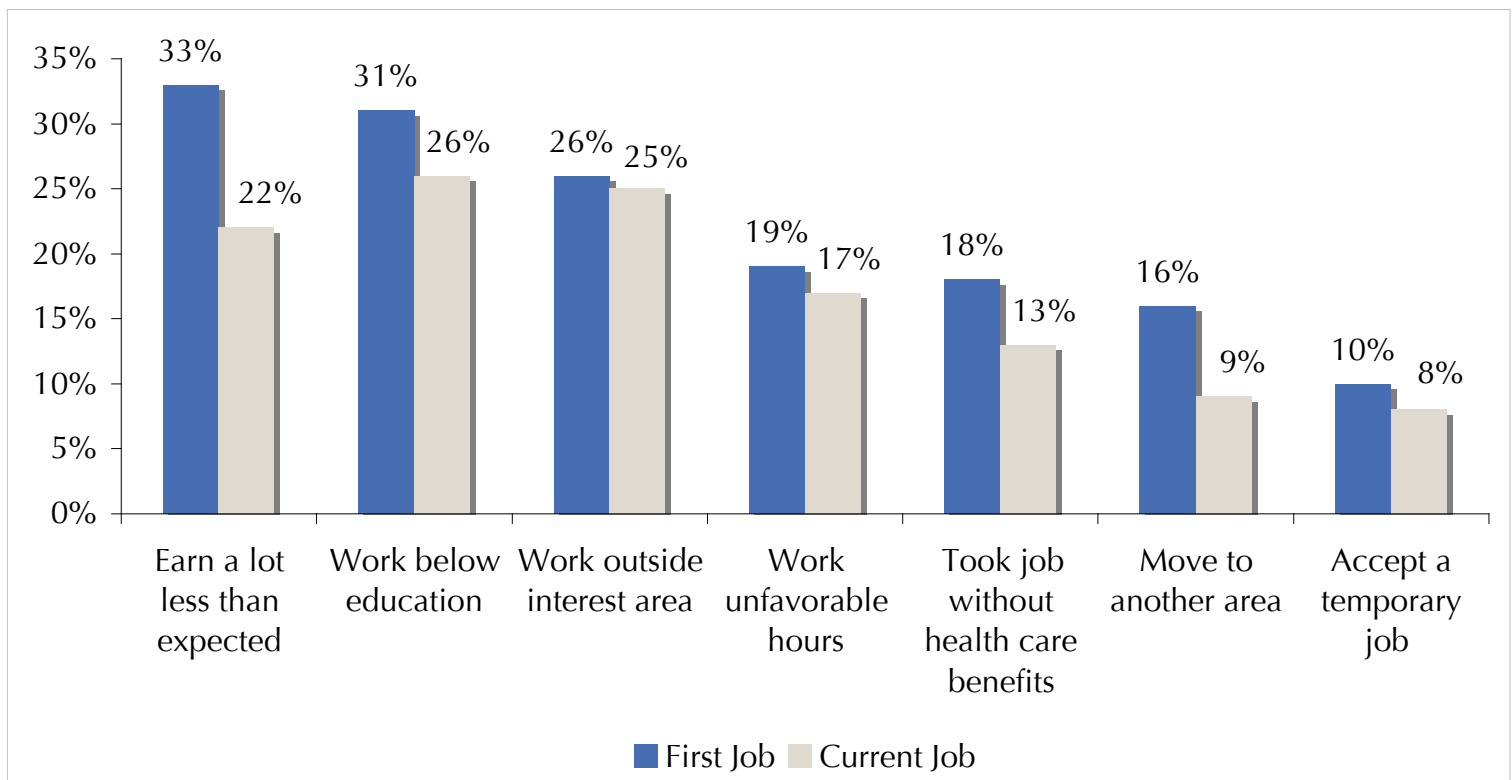


FIGURE 9. ACCOMMODATIONS MADE TO GET FIRST AND CURRENT JOBS



## FINANCIAL SHAPE

One of the tenets of the American dream is that everyone has it in their own power to succeed. The Heldrich Center's 2010 study of unemployed Americans showed just how much that belief has eroded for those unable to find work: a November 2010 survey found 57% agreeing that "hard work and determination are no guarantee of success for most people." And now it is those who should have the most reason for optimism — young graduates of four-year colleges — who are expressing doubt in another cornerstone of that dream — that each generation can work its way up and have more prosperity than the one that came before it. The vast majority expects their generation will not do better than the one that came before them. They do not even

expect to do as well. **More than half (56%) believe people in their generation will do less well than the one that came immediately before them.** When one includes those who say they expect to do only just as well, just 17% of recent college graduates expect to do better than their parents' generation. (See Figure 10.)

College graduates even have a dismal sense of their own financial possibilities. Not even half (48%) said they believe they will have more financial success than their own parents. One in five expect to do less well than their parents, and another 31% said they expect to do equally well. (See Figure 11.) Assessment of future success, compared to their parents, is of course influenced by the financial success of their parents and other family members. When

FIGURE 10. EXPECTATIONS OF THEIR FINANCIAL SUCCESS COMPARED TO PREVIOUS GENERATION

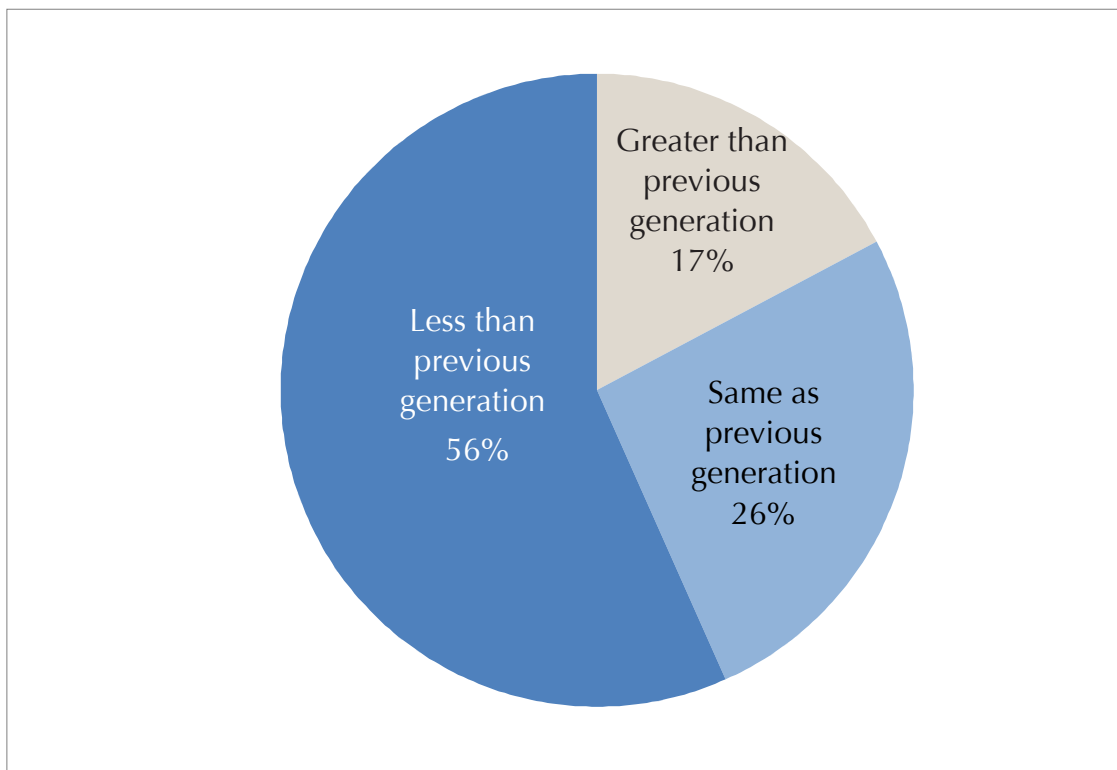
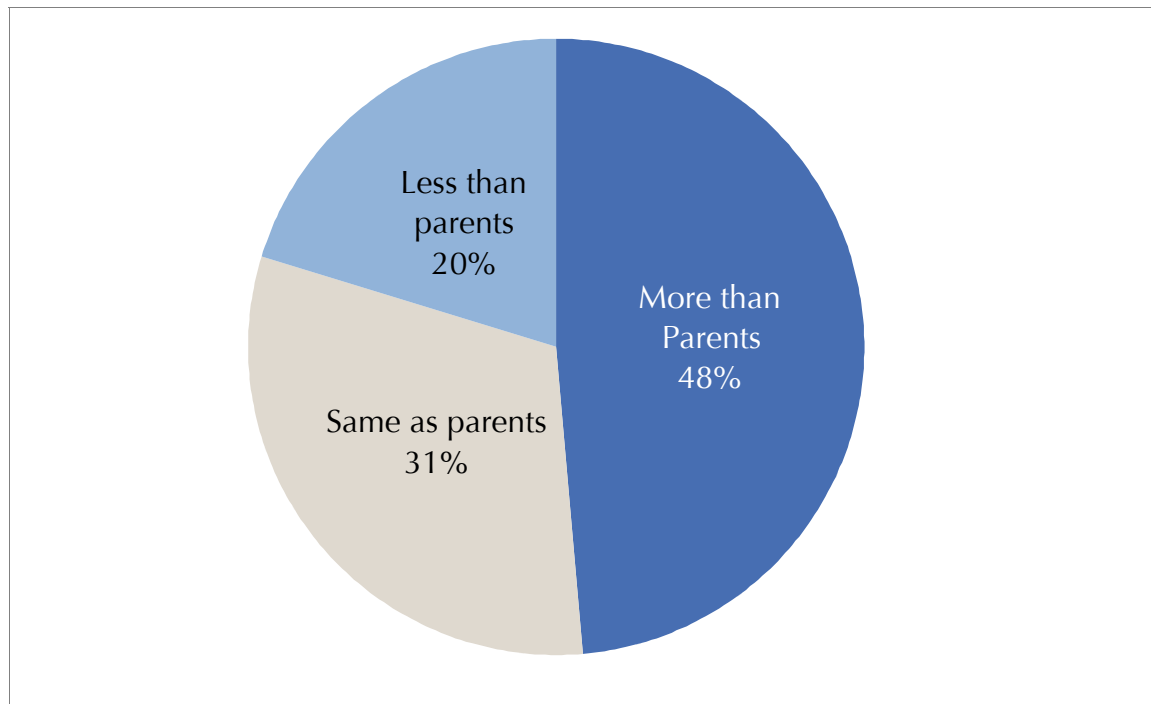


FIGURE 11. EXPECTATIONS OF PERSONAL FINANCIAL SUCCESS COMPARED TO THEIR OWN PARENTS



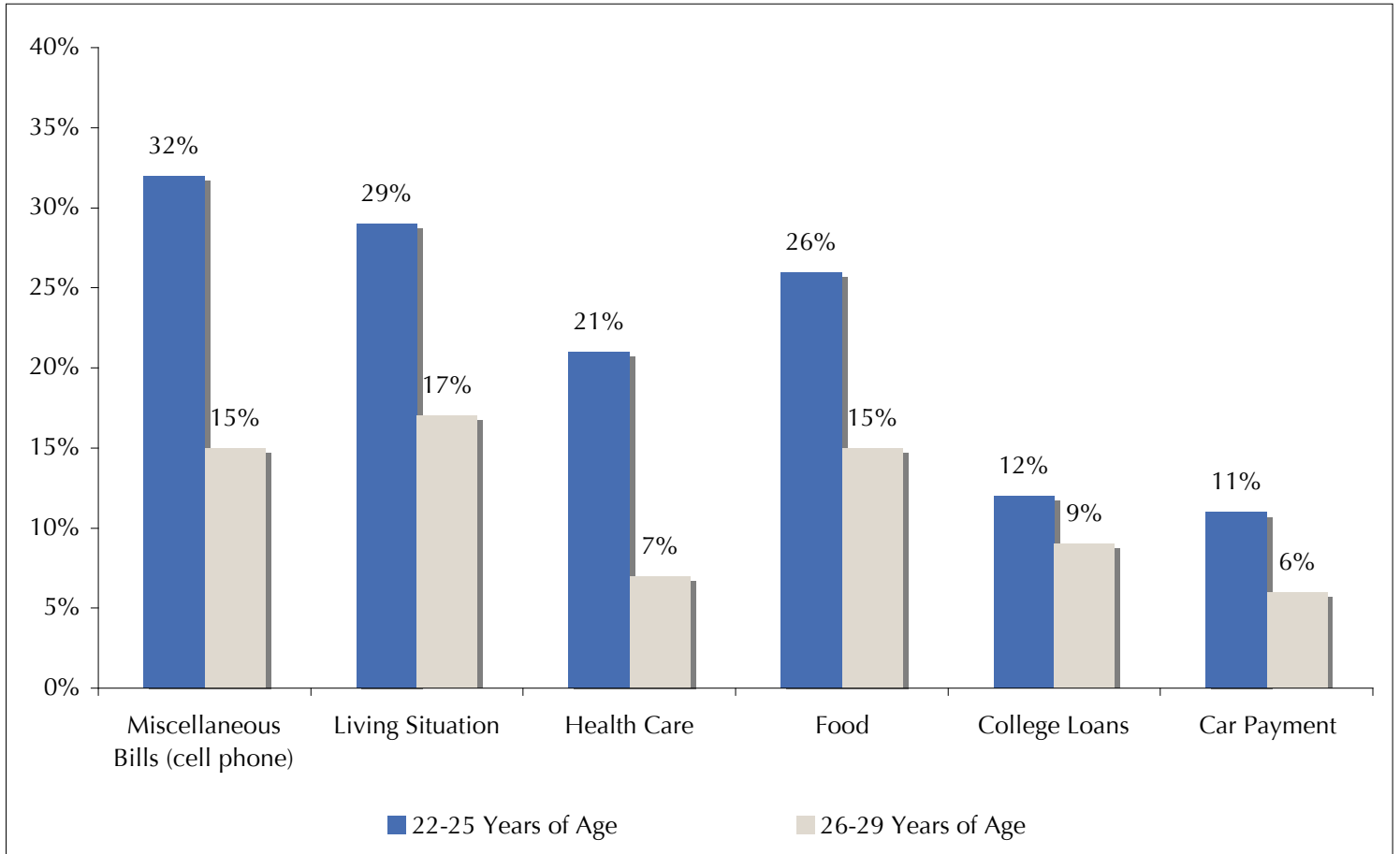
looking at likely first-generation college students — neither parent having graduated college — 62% said they expect to do better financially. Half of those who had at least one parent graduating college expect to do better than their parents, and half do not expect to do better than their parents. But only one-third (34%) of those with two parents who completed college expect to do better than their parents, even though they themselves have the same educational credential.

In a measure of the ongoing financial dependency of recent college graduates on their parents, just under half are receiving some form of financial support from their parents, including 58% of those between the ages of 22 and 25, and 35% of those between 26 and 29 years of age. The most common financial assistance is providing help with monthly bills such as phone and cable (32% in the case of 22- to 25-year-

olds), and housing expenses (29% of that group). (See Figure 12.) In living arrangements, just under one-quarter reported living with their parents, half are living with a partner, 11% are living with others, and the remaining sixth reported living alone.

Some 42% of all graduates said they are carrying some financial debt **above** what they owe for any student loans, mortgage, or rent. And, in a startling finding, **the number reporting debt actually increases with age.** While about a third (35%) of those between 22 and 25 reported being in debt, half (51%) of those between 26 and 29 owe money. Part of this may be happening as they are weaned off of parental support, but a healthier trend would be the retirement of this type of (credit card and other) debt as people have increased their time and salary in the workforce.

FIGURE 12. PARENTS' CURRENT FINANCIAL SUPPORT



While almost all characterize the present as a bad (86%) rather than good (12%) time to look for a job, there is little agreement on the meaning of the recession or the direction of the economy over the next year. By a margin of 53% to 45%, more recent college graduates characterized the economy as a “temporary downturn” rather than as one experiencing “fundamental and lasting changes.” The unemployed college graduates from all age groups that the Heldrich Center surveyed in November 2010 took the opposite view — 62% said they were witnessing fundamental and lasting changes, while 34% thought the economy was in a temporary downturn. When asked to think ahead over the next year, the recent college graduates tilted toward optimism. Two-fifths said they think economic conditions

in the nation will be better off next year. Another two-fifths expect conditions to stay the same, with the remaining one-fifth saying they expect the economy to get worse.

## COLLEGE EXPERIENCE

### COLLEGE PATHS

Two-thirds of the sample graduated from a public college or university, with slightly more than one-third (35%) attending a school with a student population of more than 20,000. The same number (35%) graduated from a school with 5,001 to 20,000 students, and fewer (29%) attended a college with less than 5,000 students.

Four in ten recent college graduates reported attending a school other than their degree-granting institution at some point during their college careers, including 16% of the total sample that began their studies at a community college. Of those who did not attend community college, the majority (63%) finished school in four years, with another 31% taking at least five years to complete their degrees.

## FINANCING COLLEGE

Recent college graduates relied on multiple sources to help them finance their education. In fact, two-thirds (65%) turned to at least two different sources. The largest number, 6 in 10 (58%), borrowed money from a source such as the federal government. A similar number (57%) reported that they were given scholarships, and about half said their parents or other relatives contributed. Slightly more students who graduated in 2006 or 2007 (58%) received financial help from family members compared to students who graduated during the recession in 2009 or 2010 (45%).

Nearly half (44%) of the sample helped finance their own schooling through work or personal savings. Slight gender differences are apparent with regard to students who paid for their own schooling: 51% of male recent college graduates used work or personal savings to contribute to their education, compared to 39% of females. In fact, more than 8 in 10 recent college graduates (83%) said they worked at least part time during the school semester, with nearly one-quarter (23%) working full time. Fully 92% reported that they worked between semesters. Many (71%) said they worked in roughly one to three different part- or full-

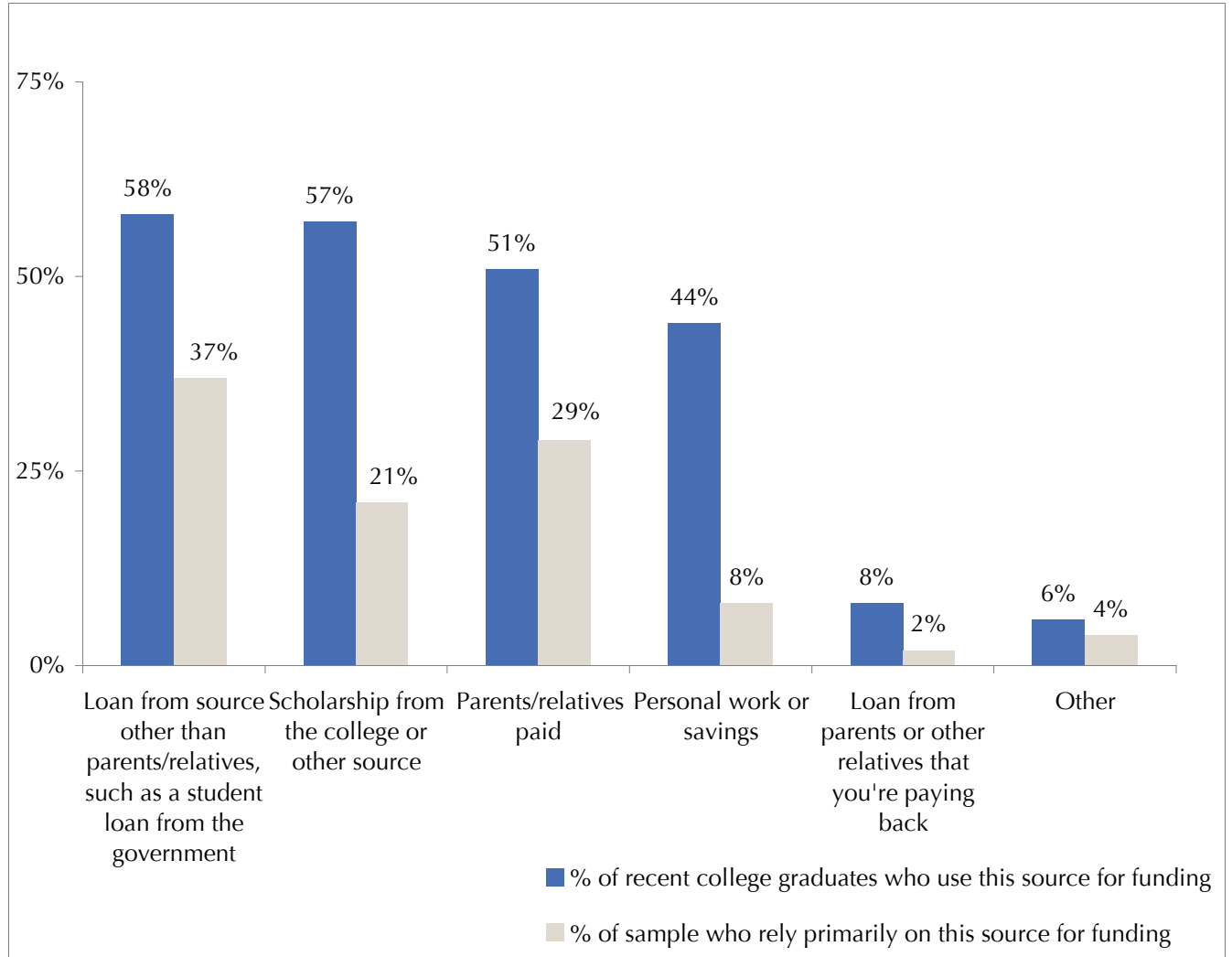
time jobs while enrolled in college, having an average of three jobs. Only half reported that at least one of these positions was related to their academic major.

Because students blend together an assortment of support to help finance their education, they were asked to choose which they considered to be their main source of funding. More than one-third (37%) relied primarily on student loans, and slightly less (29%) said their parents or relatives made the largest contribution to paying the tuition bill. This is followed by scholarships (21%), personal work or savings (8%) and other sources (4%). (See Figure 13.)

Some differences are observed across demographic sub-groups of recent college graduates. Older graduates are slightly more likely to rely on borrowing: 43% of degree holders ages 26 to 29 said their main source of funding was a student loan, compared to 33% of 22- to 25-year-olds. As expected, parents' education is associated with which sources were used to pay for school, as well as which was the primary source. Seventy-one percent of recent college graduates having both parents without a four-year college degree took out a student loan, compared to 58% of recent college graduates who have one parent with a four-year degree and 46% of recent college graduates having both parents with at least a four-year degree. Further, 43% of recent college graduates whose parents both have at least a four-year college degree said their main source of funding was their parents or other family members paying. The majority (52%) of recent college graduates having parents who both earned less than a four-year college degree reported their main source of funding for their education was a student loan.



FIGURE 13. SOURCE OF COLLEGE FUNDING



Given this heavy dependence on borrowing, 6 in 10 (59%) owed money to pay off their student loans upon graduation. Recent college graduates entered the working world with a lot of debt — on average (median), \$20,000, with no observed difference between students who graduated before the recession began and students who graduated during the recession. Not surprisingly, students who earned a degree from a public school graduated with significantly less debt, \$18,680 on average, or about 25% less, compared to students who earned a degree from a private school, who borrowed, on average, \$24,460.

A large majority of students (83%) currently owe at least half of what they borrowed; 3 in 10 said they have not paid off any of their college debt. About half (49%) of students who graduated in 2009 or 2010 still have yet to pay off any of their debt. About the same number (46%) of students who graduated in 2006 or 2007 have paid off about one-quarter of their debt, with 14% reporting that they have not paid off any of their loans.

## COLLEGE AND CAREER

Almost three-quarters of recent college graduates did not have second thoughts about their decision to attend college; students believe their degree is as valuable now as they thought it would be when they first enrolled. And just 4% said in retrospect that they would not have gone to college. Moreover, 75% said they think their college education prepared them to be successful in their first full-time job, and about 6 in 10 (61%) gave positive ratings to their colleges in preparing them to get their first full-time position (See Table 6.)

Yet, recent college graduates also are critical of certain aspects of their college education. They are somewhat critical of the preparation they received from college placement offices to look for a job. Six in 10 (58%) recent college graduates said their career planning offices did not do well in preparing them for job hunting — with no difference observed between public and private degree-holders. And one-third (32%) of recent college graduates are still not working in the area they trained for, a number that is larger for students who graduated during the recession (43%) and smaller for pre-recession graduates (22%).

While they are satisfied with their decision to attend college and graduate with a four-year degree, three-quarters of college graduates said they would do something different if they could start college over again. (See Figure 14.) Large percentages said they would have been more careful about their choice of major (48%), done more internships or worked part time (47%), and started looking for work sooner before finishing college (38%).

But only one-quarter said they would have taken more classes to prepare for a career, and just 14% would have attended a different school. Very few (4%) said they would not have gone to college in the first place.

## CONCLUSION

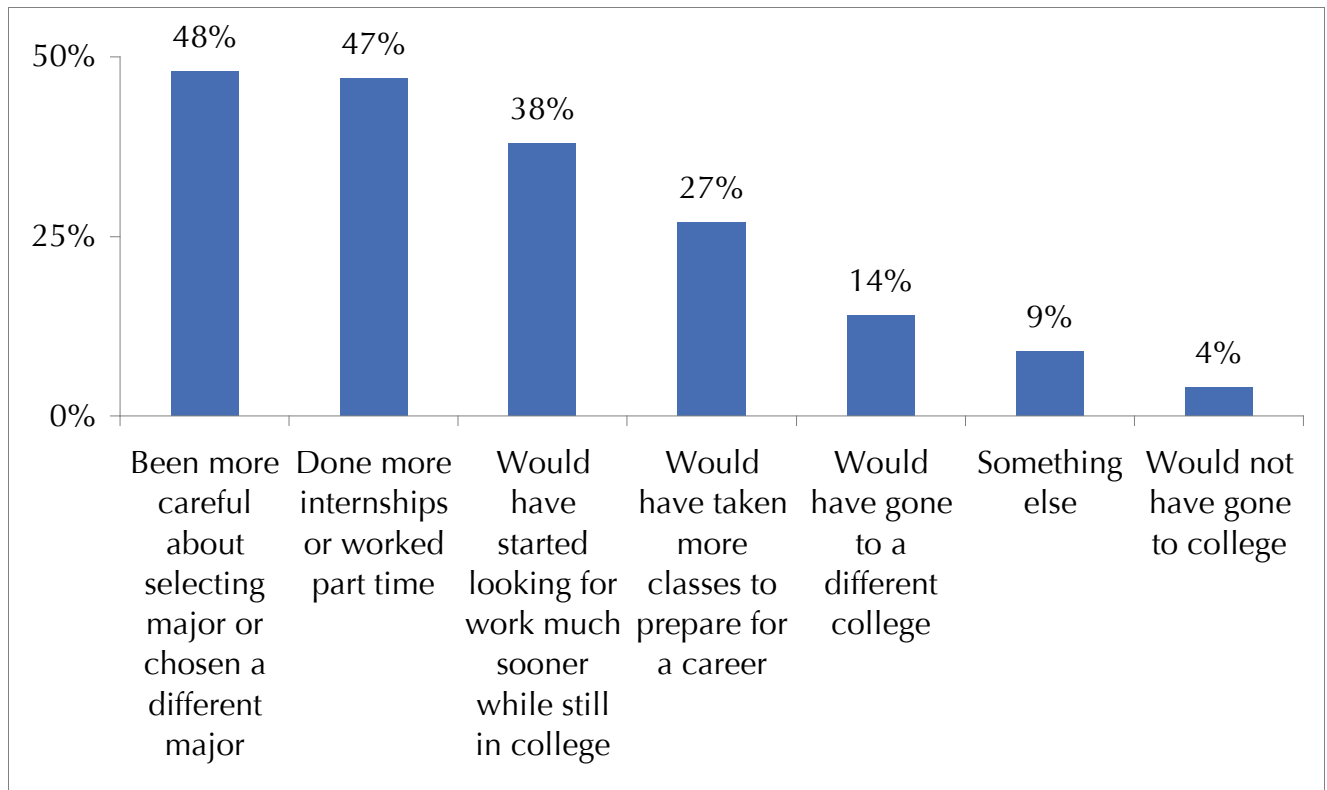
Overall, 82% of those graduating college between 2006 and 2010 are working in some fashion, although only 53% hold full-time jobs. **Two-thirds of recent college graduates reported being satisfied with their first jobs, including just one in five (21%) who said they were dissatisfied.** The assessment of how well college prepared students for the job market is mixed. Part of this is due to the lack of quality jobs

TABLE 6. ASSESSMENT OF COLLEGE PREPARATION

	Extremely Well	Pretty Well	Not Very Well	Not Well at All	Refused
To be successful in your first full-time job?	21%	54%	14%	10%	1%
To get your first full-time job?	15%	46%	20%	19%	*
For job hunting – to look for a full-time job?	10%	32%	28%	30%	1%

Note: Excludes “not appropriate” responses.

FIGURE 14. WHAT STUDENTS WOULD HAVE DONE DIFFERENTLY TO BE SUCCESSFUL IN TODAY'S LABOR MARKET/WORKPLACE



Note: Excludes “none” responses or 26% of sample.

for those unfortunate enough to graduate during a recession of historic force, but part is also due to the disjuncture between educational experiences and occupational needs. Just half of recent college graduates took jobs that required a four-year college degree; 3 in 10 said their first post-college job had them working below what they perceived as their skill level. Moreover, 62% believe they will need more formal education if they are to be successful in their chosen careers.

Only about one-quarter of graduates said that their first job was the beginning of what they hoped would be their career. But another half described that job as at least a first step on the way to that path. Roughly the same number (70%) reported a “very” (44%) or “somewhat” (26%) close

relationship between what they studied in college and their first jobs. And while the vast majority (71%) of recent college graduates has no second thoughts about their decision to attend college, three-quarters of college graduates also said they would do something different if they could start college over again. Clearly, the nexus between education and occupation could use some harmonizing.

Between a quarter and a third of graduating students made significant accommodations in order to get their first job. The median reported salary was \$30,000; one-third took a job that paid “a lot” less than they expected to earn after they graduated. One of the effects of the Great Recession was clear here: those entering the workforce during the recession received 10% less than those

graduating before the recession. Gender differences persist (it may be occupational “choice” not discrimination that causes the difference). There was about a \$5,000 difference between the median starting salaries for men (\$33,150) and women (\$28,000).

Student loans are the backbone of financing a college education. While recent college graduates rely on multiple sources to help them finance their education — in fact, two-thirds used at least two different sources — 6 in 10 have borrowed money from a source such as the federal government. Four-fifths reported working at least part time while in college, with nearly one-quarter (23%) working full time. Six in ten owed money to pay off their student loans upon graduation and averaged \$20,000 (median) in debt. A huge majority of students (83%) currently owe at least half of what they borrowed.

Recent college graduates are entering the working world with a mountain of debt. Some 42% of all graduates said they are carrying some financial debt **in addition** to what they owe for student loans, mortgage, or rent. And, in a measure of the ongoing financial dependency, just under half are receiving some form of financial support from their parents, including 58% of those between the ages of 22 and 25. College graduates even have a dismal sense of their own financial possibilities. Not even half (48%) said they believe they will have more financial success than their parents. More than half believe people in their generation will do less well than the one that came immediately before them. Just 17% of recent college graduates expect their generation to do better than their parents’ generation.

## APPENDIX A. METHODOLOGY

The latest Heldrich Center *Work Trends* survey was fielded March 15 to April 5, 2011 online with a national probability sample of 571 U.S. residents between the ages of 22 and 29 who graduated with a four-year college degree between 2006 and 2010.

All surveys are subject to sampling error, which is the expected probable difference between interviewing everyone in a population versus a scientific sampling drawn from that population. The sampling error for 571 respondents is approximately +/- 4.5%, at a 95% confidence interval. Thus, if 50% of respondents say they have financial debt other than mortgage, rent, or student loans, one would be 95% sure that the true figure would be between 45% and 55% had all U.S. residents age 22 to 29 who graduated with a four-year college degree between 2006 and 2010 been interviewed, rather than just a sample.

Sampling error increases as the sample size decreases, so statements based on various population subgroups, such as separate figures reported for women or men or recent college graduates who are currently employed, are subject to more error than are statements based on the total sample. Sampling error does not take into account other sources of variation inherent in public opinion studies, such as non-response, question wording, or contextual effects.

The survey was conducted using the web-enabled KnowledgePanel®, a probability-based panel designed to be representative of the U.S. population. Initially, participants are chosen scientifically by a random selection of telephone numbers and residential addresses. Persons in selected households are then invited by telephone or by mail to participate in the panel. For those who agree to participate, but do not already have Internet access, Knowledge Networks provides at no cost a laptop and ISP connection. People who already have computers and Internet service are permitted to participate using their own equipment. Panelists then receive unique login information for accessing surveys online, and then are sent emails throughout each month inviting them to participate in research.

## APPENDIX B. TOPLINE SURVEY RESULTS

Knowledge Networks/online

Field dates: March 15, 2011 to April 5, 2011

N = 571 (all respondents) – TOTAL SAMPLE

N = 449 (first job respondents) – FIRST JOB

N = 60 (unemployed and not looking respondents) – NOT IN LABOR FORCE

N = 120 (attending graduate or professional school)

N = 183 (currently employed respondents) – CURRENT JOB

*Percentage totals may not equal 100% due to rounding*

*\* = less than 1% reporting*

### COLLEGE EXPERIENCE (n=571)

**CE1. What college or university did you graduate from? [OPEN-END/TEXT BOX]**

**CE2. Is that college:**

Public	66%
Private	34%

**CE3. Did you attend any colleges other than the one you graduated from?**

Yes	40%
No	60%

**CE4. Did you begin your studies at a community college? (n = 222)**

Yes	16%
No	84%

Note: Percentage shown is of total sample.

**CE5. About how many students attended the college or university from which you graduated?**

2,000 or less	9%
2,001 - 5,000	20%
5,001 - 10,000	16%
10,001 - 20,000	19%
More than 20,000	35%
Refused	1%

**CE6. How many years was it from when you first enrolled in college to when you graduated? (OF THOSE WHO DID NOT ATTEND COMMUNITY COLLEGE, n = 480)**

3 years	5%
4 years	63%
5 years	20%
6 years	7%
7 years or more	4%

**CE7. What was your approximate grade point average (GPA) when you finished school?**

3.5 to 4.0	42%
3.0 to 3.49	43%
2.5 to 2.99	14%
2.0 to 2.49	1%
Less than 2.0	-
Refused	*

**CE8. Did you do an internship for any reason (pay, credit, just for the experience)?**

Yes	49%
No	50%
Refused	*

**CE10. How did you finance your college costs? CHECK ALL THAT APPLY.**

Loan from your parents or other relatives that you're paying back	8%
Loan from other source, such as a student loan from the government	58%
Personal work or savings	44%
Parents/relatives paid	51%
Scholarship from the college or other source	57%
Other	6%

**CE10A. Which of these was your MAIN source of funding (if more than one answer selected)? (Also includes those who selected one answer in CE10.)**

Loan from your parents or other relatives that you're paying back	2%
Loan from other source, such as a student loan from the government	37%
Personal work or savings	8%
Parents/relatives paid	29%
Scholarship from the college or other source	21%
Other	4%

**CE11. While enrolled in college, did you have a full- or part-time job at any time other than the summer or between semesters?**

No	17%
Yes, part time	60%
Yes, full time or both full and part time	23%
Refused	*

**CE11A. During the summers between academic years did you work in a full- or part-time job?**

Yes	92%
No	8%
Refused	*



**(IF ANY 'YES' TO CE11 OR CE11A)**

**CE12. How many different part- or full-time jobs did you have while in college? Just enter your best guess.**

**MEAN/MEDIAN = 3.00**

1	15%
2	26%
3	30%
4	16%
5	7%
6	3%
7	2%
8	*
10	*

**(IF ANY 'YES' TO CE11 OR CE11A)**

**CE13. Were any of your full- or part-time jobs while you were in college related to your academic major or field of study?**

Yes	50%
No	50%
Refused	*

**CE14. Did you owe money to pay off the costs of your education at the time you graduated?**

Yes	59%
No	41%
Refused	*

**(IF CE14 = YES)**

**CE15. About how much did you owe to pay off your college loans when you graduated? If you're unsure, just give us your best guess. (n = 333)**

**MEAN: \$27,420**

**MEDIAN: \$20,000**

(IF CE14 = YES)

**CE16. About how much of this debt have you paid off so far? (n = 333)**

All of it	12%
Three-quarters	6%
Half	9%
One-quarter	44%
None	30%

**CE17. For each question below, please input your answer: (excludes “not appropriate” responses, smallest n = 497)**

	Extremely Well	Pretty Well	Not Very Well	Not Well at All	Refused
How well did your college placement or career guidance office prepare you for job hunting – to <b>look</b> for a full-time job?	10%	32%	28%	30%	1%
How well did your college education prepare you to <b>get</b> your first full-time job?	15%	46%	20%	19%	*
How well did your college education prepare you to <b>be successful</b> in your first full-time job?	21%	54%	14%	10%	1%

**CE19. Which of the following best describes what happened to you after graduating college?**

I found a career-related job more quickly than I had expected to	24%
I found a career-related job within a reasonable amount of time	27%
It took me longer to find a career-related job than I had expected it to	16%
I still have not found a career-related job	32%
Refused	1%

**CE20. Since graduating from college, have you ever: CHECK ALL THAT APPLY.**

Quit a job	32%
Got laid off	12%
Worked for a temporary hiring agency	11%
Worked a temporary seasonal job	14%
None of the above	51%
Refused	*

Note: Twenty-three percent reported working for a temporary hiring agency or in a temporary seasonal job.

**CE21. Do you think a college degree is as valuable now as you thought it would be when you first enrolled in college?**

Yes	71%
No	29%

**CE22. Do you think you can have the successful career you want with an undergraduate degree, or will you need more education for that?**

Undergraduate degree	21%
More education	62%
Don't know	18%
Refused	*

**CE23. Thinking back to when you were in college, is there anything you would have done differently to help you be successful in today's labor market/workplace? CHECK ALL THAT APPLY.**

**Of those who said they would have done something differently to be successful in today's labor market/workplace (excludes "NO" responses, or 26% of sample; n = 420):**

Been more careful about selecting my major or chosen a different major	48%
Would have taken more classes to prepare for a career	27%
Done more internships or worked part time	47%
Would not have gone to college	4%
Would have gone to a different college	14%
Would have started looking for work much sooner while still in college	38%
Something else	9%

**FIRST JOB (n = 449)**

**FJSCREEN. Have you had at least one FULL-TIME JOB since you graduated college?**

Yes	80%
No	20%

**FJ1. From the time of graduation, how long were you actively seeking employment before you found your first job?**

Got the job while still in college	29%
2 months or less	22%
3 to 6 months	18%
7 months to 1 year	5%
1 year to 2 years	5%
More than 2 years	2%
Not sure	2%
Refused	*

Note: Those who are attending graduate or professional school and not working are excluded.

**FJ2. Please check off which of the following you used when looking for your first job: CHECK ALL THAT APPLY.**

Newspaper classifieds	22%
Online job boards (Monster, Hot Jobs, CareerBuilder), online bulletin boards (Craigslist), or company job boards	58%
Social media (Facebook, MySpace, LinkedIn)	11%
Government job placement centers	16%
College placement offices	28%
Job fairs	33%
Personal network (word of mouth, friends and family, alumni network, contacting former employers)	60%
Employment agency	16%
Other	10%
Refused	*

**FJ3. How closely related was/is this job to the field or major you received your college degree in?**

Very closely	44%
Somewhat closely	26%
Not very closely	13%
Not at all related	17%
Refused	*

**FJ4. Did the employer require people applying to have a four-year college degree?**

Yes	52%
No	40%
Don't know	8%
Refused	*

**FJ5. Was/is this job:**

Full time (at least 35 hours per week)	97%
Part time	3%
Refused	*

**FJ5. Was this job:**

Temporary	15%
Permanent	85%

**FJ7. How many people did/does the organization or company employ?**

Less than 25 people	23%
25-99 people	15%
100-249 people	13%
250 or more people	48%
Self-employed	1%
Refused	*

**FJ8. How long did you work for that first employer, or do you still work there?**

Less than 6 months	10%
6 months to under 1 year	12%
1 year to under 2 years	12%
2 years or more	13%
Still work there	54%
Refused	*

**FJ9. Thinking about your first job, were/are you:**

Very satisfied	24%
Somewhat satisfied	44%
Neither satisfied nor dissatisfied	10%
Somewhat dissatisfied	9%
Very dissatisfied	12%
Refused	*

**FJ10. Were/are you paid:**

A salary	46%
By the hour	50%
Self-employed/commission/stipend	3%
Refused	1%

**FJ11. How much was your annual starting salary in thousands? (n = 456)****MEAN: \$32,330****MEDIAN: \$30,000****FJ12. Did your first job after graduating college provide you with health care benefits?**

Yes	76%
No	24%
Refused	*

**FJ13. What was the main reason you took this job?**

Good salary and benefits	22%
Location	7%
Close to family/friends	5%
Professional development/learning	27%
No other job offer/alternative	32%
Other	6%
Refused	*

**FJ14. Did you have to accept any of the following in order to get this job? CHECK ALL THAT APPLY.**

Earn a LOT less than I originally expected to	33%
Take a job without health care benefits	18%
Work less favorable working hours	19%
Work below my level of education	31%
Accept a temporary job	10%
Accept a job outside my field of interest and education	26%
Move to another community	16%
Other	4%
None	29%
Refused	1%

**FJ15. Did you think of your first job as:**

A career	27%
A stepping stone to a career	46%
Just a job to get you by	27%
Refused	*

**FJ16. Please indicate how satisfied you were/are with each of the following aspects of your first job: (excludes “not applicable” – smallest n size in this table is n = 403)**

	Very Satisfied	Somewhat Satisfied	Neither Satisfied nor Dissatisfied	Somewhat Dissatisfied	Very Dissatisfied	Refused
Your total annual income	14%	28%	14%	23%	19%	2%
Health and medical coverage provided by your employer	29%	33%	13%	10%	12%	3%
Job responsibilities and tasks	18%	40%	18%	15%	8%	2%
Opportunities for advancement at your job	18%	25%	19%	16%	20%	2%
Opportunity to get more education/training from your employer	18%	28%	21%	15%	17%	2%

**(IF FJ8 = 1 TO 4)**

**FJ17. What was the main reason you left this job? (n=209)**

Didn't like the work	11%
Pay and benefits were too low	6%
Didn't like my boss/people who worked there	6%
Found a better job	25%
Company closed or went out of business	2%
Was laid off	11%
Was fired	1%
Went back to school	8%
Moved to another location	15%
Other	15%

**PUBLIC AFFAIRS (n = 571)**

**PA1. Overall, how well do you believe President Obama is handling the nation's economy? Is he doing an excellent, good, only fair, or poor job of handling the nation's economy?**

Excellent	4%
Good	33%
Only fair	40%
Poor	22%
Refused	1%



**PA2. Who do you trust to do a better job handling the economy?**

President Obama	31%
The Republicans in Congress	20%
Neither	44%
Both	5%
Refused	1%

**PA3. A year from now, do you expect economic conditions in the country as a whole will be:**

Better	40%
Worse	20%
Same as now	39%
Refused	1%

**PA4. Is the U.S. economy experiencing:**

A temporary downturn	53%
Fundamental and lasting changes	45%
Refused	1%

**PA5. Thinking about the job situation in America today, would you say that it is now:**

A good time to find a quality job	12%
A bad time to find a quality job	86%
Refused	1%

**EMPSTAT. Which of the following best describes your current job situation?**

Unemployed and looking for work now	7%
Unemployed but not looking for work now	2%
Working part time, not looking for full-time work	5%
Working part time, looking for full-time work	7%
Employed full time	53%
Attending graduate or professional school, not employed	7%
Attending graduate or professional school, employed part time or full time	14%
Military	2%
Self-employed	3%
Volunteer	*
Refused	1%

**NOT IN LABOR FORCE/ATTENDING GRADUATE OR PROFESSIONAL SCHOOL (n = 60/120)**

**(EMPSTAT= 6 OR 7)**

**NL2. When did you decide to go to graduate school? (n = 120)**

Before you finished your undergraduate degree	63%
After you finished your undergraduate degree	37%

**CURRENT JOB (n = 183)**

**(EMPSTAT = 3, 5, 7, OR 9)**

**CJSCREEN. Have you had at least one full-time job in addition to your first job since you graduated college?**

Yes	42%
No	58%
Refused	*

**CJ1. Were you unemployed before getting your current job, or did you go right to it from another job?**

Unemployed	35%
From another job	65%

**CJ3. How closely related is this job to the field or major you received your college degree in?**

Very closely	37%
Somewhat closely	21%
Not very closely	20%
Not at all related	21%
Refused	1%

**CJ4. Does this job require a four-year college degree?**

Yes	53%
No	40%
Don't know	7%

**CJ5. Is this job:**

Full time (at least 35 hours per week)	93%
Part time	7%

**CJ6. Thinking about your current job are you:**

Very satisfied	34%
Somewhat satisfied	39%
Neither satisfied nor dissatisfied	11%
Somewhat dissatisfied	12%
Very dissatisfied	5%

**CJ7. Are you paid:**

A salary	41%
By the hour	54%
Self-employed/commission/stipend	5%

**CJ8. How much was your annual starting salary in thousands?**

**MEAN: \$34,170**

**MEDIAN: \$32,000**

**CJ9. What was the main reason you took this job?**

Good salary and benefits	25%
Location	9%
Close to family/friends	6%
Professional development/learning	29%
No other job offer/alternative	24%
Other	7%

**CJ11. Did you have to accept any of the following in order to get this job? CHECK ALL THAT APPLY.**

Earn a LOT less than I originally expected to	22%
Take a job without health care benefits	13%
Work less favorable working hours	17%
Work below my level of education	26%
Accept a temporary job	8%
Accept a job outside my field of interest and education	25%
Move to another community	9%
Other	6%
None	36%
Refused	2%

**CJ12. Please indicate how satisfied you are with each of the following aspects of your job: (excludes “not applicable” – smallest n size in this table is n = 167)**

	Very Satisfied	Somewhat Satisfied	Neither Satisfied nor Dissatisfied	Somewhat Dissatisfied	Very Dissatisfied	Refused
Your total annual income	17%	39%	18%	16%	9%	1%
Health and medical coverage provided by your employer	31%	35%	13%	11%	9%	1%
Job responsibilities and tasks	26%	35%	18%	10%	11%	1%
Opportunities for advancement at your job	23%	28%	23%	16%	9%	1%
Opportunity to get more education/training from your employer	27%	29%	19%	11%	13%	1%

**PERSONAL VIEWS (n = 571)**

**PV2. Do you think, in general, people in your generation will have:**

Greater financial success than the generation that came before you	17%
Less financial success than the generation that came before you	56%
About the same financial success than the generation that came before you	26%
Refused	1%

**PV1. When it comes to your financial success in the future, do you think you will have:**

More success than your parents	48%
Less success than your parents	20%
About the same success as your parents	31%
Refused	1%

**PV3. Which of the following best describes your current living situation?**

Living with parents or relatives	22%
Living with a significant other or spouse	48%
Living with a roommate or roommates that you are not romantically involved with	11%
Living alone	15%
Other	2%
Refused	2%

**PV4. Other than mortgage, rent, or student loans, do you currently have any financial debt such as credit cards?**

Yes	42%
No	57%
Refused	2%

**PV5. Please check off any of the following things that your parents or other family members help you with financially: CHECK ALL THAT APPLY.**

Living situation (such as mortgage, rent, or just living with parents or relatives)	24%
Health care costs	15%
Car payment	9%
College loans	11%
Food	21%
Miscellaneous bills (such as cell phone bills)	24%
Savings	4%
Other	4%
None	52%
Refused	2%

## DEMOGRAPHICS

**D1. Do you currently have health care benefits?**

No	15%
Yes, from current employer	51%
Yes, from previous employer (COBRA, other)	1%
Yes, from other family member	23%
Yes, Medicare or Medicaid	2%
Yes, other	8%
Refused	1%

**D2. What was the highest level of education completed by your father/guardian?**

Less than high school	4%
High school graduate	19%
Some college (did not graduate)	14%
Associate's degree (two-year degree)	6%
Bachelor's degree (four-year degree)	26%
Attended graduate school (did not graduate)	1%
Graduated from graduate school (master's, professional, doctorate degree, etc.)	25%
Not sure	2%
Not applicable	1%
Refused	1%

**D3. What was the highest level of education completed by your mother/guardian?**

Less than high school	3%
High school graduate	16%
Some college (did not graduate)	15%
Associate's degree (two-year degree)	15%
Bachelor's degree (four-year degree)	27%
Attended graduate school (did not graduate)	2%
Graduated from graduate school (master's, professional, doctorate degree, etc.)	20%
Not sure	*
Not applicable	*
Refused	1%

**D4. What is your parents' or guardians' total annual household income? Just your best guess.**

\$0 - \$30K	8%
\$31K - \$60K	22%
\$61K - \$100K	28%
More than \$100K	26%
Don't know	15%
Refused	2%

## APPENDIX C. UNWEIGHTED SAMPLE SIZES FOR FIRST JOB MEDIAN SALARY CALCULATIONS

Median Pay for Recent College Graduates	unwtd n
<b>All Graduates</b>	<b>427</b>
Pre-Recession 2006-07	184
Recession 2009-10	152
Public School	278
Private School	149
Did Internship	230
No Internship	197
Male	149
Female	278
Worked in grad area	204
Didn't work in area	206
Paid salary	198
Paid hourly	215
First Job Very/Somewhat Related	283
First Job Not Very/Not at all Related	114





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