

Bridge That Gap: Analyzing the Student Skill Index

We live in an era of massive cultural change, and the institution of higher education has not escaped these forces. The popular imagination has been captured by technology moguls who pride themselves on having dropped out of college. The ease of access to information and, some say, education via the Internet is causing students and academic institutions alike to experiment with every element of the college experience. The President himself has signaled a future in which a school's eligibility for federal funding will be tied to the data documenting its students' post-collegiate successes – and struggles – in the workplace. Among student populations, there is a grave concern about paying for college and being unable to find work after graduation.

Something at the intersection of higher education and workforce preparedness is misaligned.

At Chegg, we believe that understanding the contours of this concerning truth will help all parties involved – school administrators, employers, students and parents – understand what changes they can make to resolve this dilemma. So, we set about doing just that, taking a deep dive inside the minds of students and hiring managers with the mission of excavating the crevasse between their beliefs about students' post-collegiate career readiness for insights that point the way to solutions.

The study, commissioned by Chegg and conducted online in the U.S. by Harris Interactive® in August 2013, interviewed 2,001 18-24 year olds enrolled in a 2-or 4-year public or private college and 1,000 hiring managers.

We Listened to Students

Once upon a time, students graduated from college nearly assured they'd find rewarding work in their field of study. Those days have long since passed, and students are scrambling to assess the professional landscape and prepare before they enter it. In their scramble they are forming beliefs, assumptions and misconceptions about what it will take to succeed in the marketplace.

Chegg wanted to hear about those beliefs, ideas and assumptions from the students themselves. We wanted to truly understand what students think about their preparedness – we asked students about which skills they think are truly important, where they believe their education will take them, what they think the world of work expects out of them and how prepared they are to enter it.

Our survey explored today's U.S. college students' opinions about finding employment and their perceptions of their own preparedness to land a job. The purpose of the research is twofold: one is to examine the opinions of college students in depth, and two is to provide a source of comparison with a separate study we conducted exploring the opinions of hiring managers about their professional experiences hiring recent college graduates.

We Listened to Employers

Hiring managers are on the frontlines of America's schism between what the workforce demands and what higher education supplies. They sit in a position where hundreds of thousands of resumes cross their desk, giving them invaluable perspective on what today's graduates offer and which skills they lack. Chegg asked U.S. hiring managers for their opinions regarding the recent college graduates they or their organization have interviewed within the past two years, in particular their level of preparation for the interview process as well as for the roles they were seeking. Particular focus was paid to the differences between hiring managers specifically looking for STEM majors (science, technology, engineering or mathematics) vs. those not seeking these majors. This research not only allows us to examine, in depth, the opinions of hiring managers but it also gives us the opportunity to compare college student perceptions of their own qualifications against how they are being received by the people tasked with hiring them.

We Compared What We Heard From Students and What We Heard From Employers

Social myths and the evolution of the economy has created a significant disconnect between what hiring managers value and what students imagine to be important. Student misconceptions about the importance of school prestige, the cachet of professional connections and the weight employers give to grade point averages are the three biggest misconceptions students have about their employability. And when it comes to business basics, students over-estimated their skill-mastery on every measure.

The Student Skill Index

The Student Skill Index is Chegg's way of illustrating the disconnect between students' estimation of their own workforce readiness and post-collegiate success skills and the estimation of hiring managers.

Our studies revealed a gap between the skills hiring managers reported seeing in recent graduates and the skills the students perceive themselves as having mastered.

Students put more importance on the name of the institution listed on their diploma, versus an employer's view of the importance of school prestige. A full 45% of students, from schools across the nation, believe a degree from a prestigious school is very or extremely important to make them more attractive to employers. By contrast, only 28% of hiring managers found this important. This 17-point gap creates a false sense of disadvantage in students from less-prestigious schools and misleads prestigious schools' students about how far school status alone will take them.

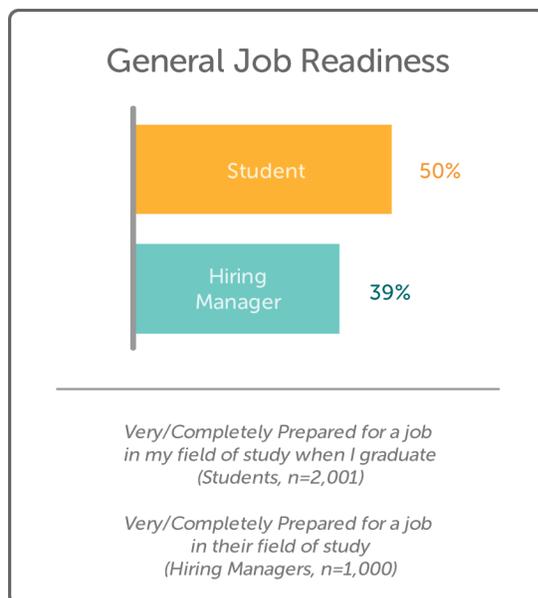
Students have an even more inflated sense of the traction personal connections will give them. More than three-quarters of surveyed college students, 77%, believed professional or personal connections in their field of interest was important for securing a job. Thankfully, employment opportunities aren't based exclusively on "who you know" – only 52% of hiring managers agreed that those connections are very or extremely important for a graduate to land a job in their field of study.

Maybe the threat of schoolyard antics making their way onto students' "permanent records" created the false impression that one's performance in school would really matter to employers in the long-term. But when it comes to grade point averages, employers are much more forgiving than students expect. Sixty-eight percent of students think a high GPA is very or extremely important for landing a job. 48% of hiring managers think it is very or extremely important.

What Matters to Hiring Managers

There are a number of collegiate experiences that hiring managers deemed at least somewhat important in their hiring decisions about recent graduates:

- » 93% of hiring managers want to see that the graduates they hire have demonstrated the initiative to lead.
- » 91% of hiring managers hope to see that applicants they hire have participated in extracurricular activities related to their field of study.
- » 82% think the recent graduates they hire should have completed a formal internship before graduating from college.

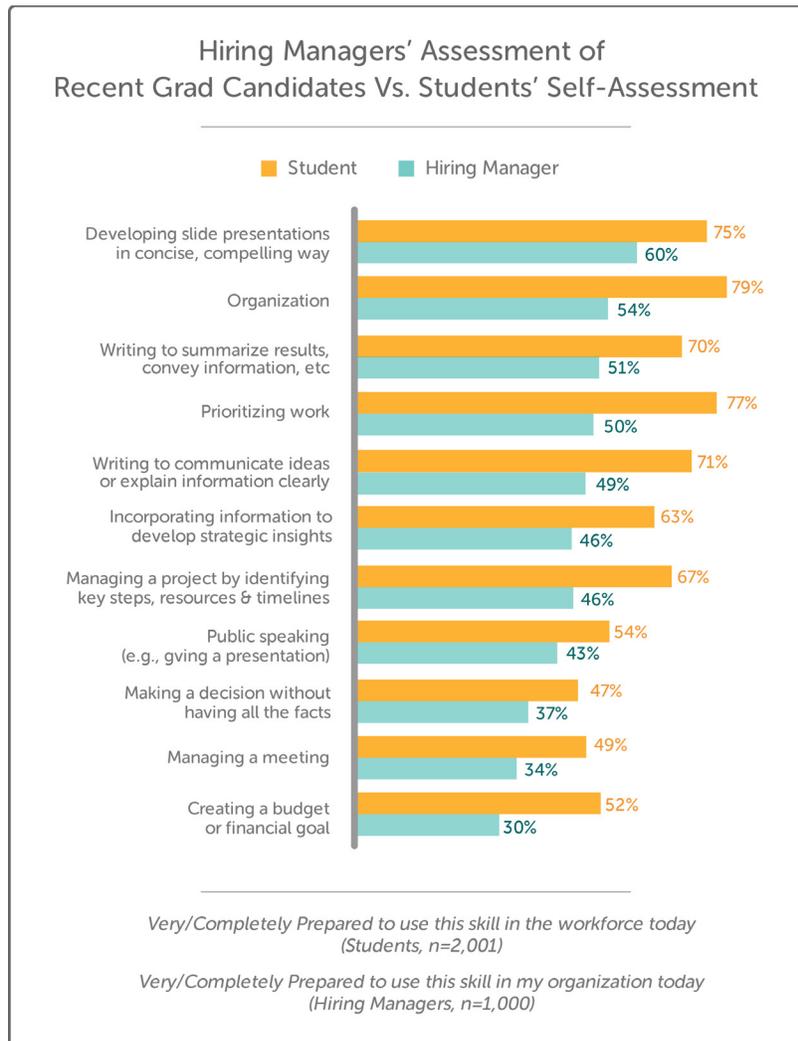


These nuances in how important skills and experiences are to hiring managers also begin to shine the light on the concerning direction of the trend that held strong across nearly every data point: students have a propensity to ascribe more importance to experiences than employers do.

Fewer than two in five hiring managers (39%) say the recent college graduates they have interviewed in the past two years were completely or very prepared for a job in their field of study, in general. This is in sharp contrast to the 50% of college students who rate themselves in the same terms.

Assessment of skill level is particularly disconnect in terms of prioritizing work, organizational skills and leading a group toward a common goal. Hiring managers rate applicants much lower on the level of preparedness to use these skills than the graduates rate themselves.

Skills Gap: Business Basics



When it comes to business basics, students’ assessment of their own skill-mastery exceeded hiring managers’ assessments of recent graduates they have interviewed, on every measure. The greatest distance between students’ perception of their skills and hiring manager perception lay in the student’s ability to create a budget or financial goal. Fifty-two percent of graduates felt completely or very prepared to use their budgeting abilities, while only 30% of hiring managers were convinced new graduates were this prepared to use this skill in the workplace.

The 22 point difference between managers’ and students’ assessment of financial planning skills is alarming, as are the gaps between the groups’ estimations of readiness to prioritize work (27 point gap), manage a project (22 point gap), communicate in writing to explain ideas clearly (23 point gap), stay organized (25 point gap) and manage a meeting (14 point gap). These disconnects between student and hiring manager perception are all the more concerning given that students aren’t actually rating themselves 100% prepared to meet the challenges of a business environment.

The Student Skills Index measuring a student’s ability to organize their work shows a 25 point

gap, and the 23 point gap for their ability to write to explain information or communicate ideas deserves special attention. The notion that college graduates exit universities and lack the ability to clearly organize and communicate information suggests institutions are failing to meet their mandate of forming critical thinkers.

STEM Students Are (Slightly) Better Prepared

The outlook improves somewhat for graduates in the fields of science, technology, engineering and math (STEM). Less than half of all hiring managers, but the majority of those looking for STEM majors, say recent graduates are completely or very prepared to solve problems through experimentation (49% total; 59% of hiring managers looking for STEM majors vs. 41% not looking for STEM majors). Manager assessment of graduates' preparedness to explain information or communicate ideas clearly through writing was higher among those specifically looking for STEM majors, but still unimpressive (49% total; 56% STEM hiring managers vs. 43% non-STEM hiring managers).

A Point of Alignment: Technical Skill Preparedness

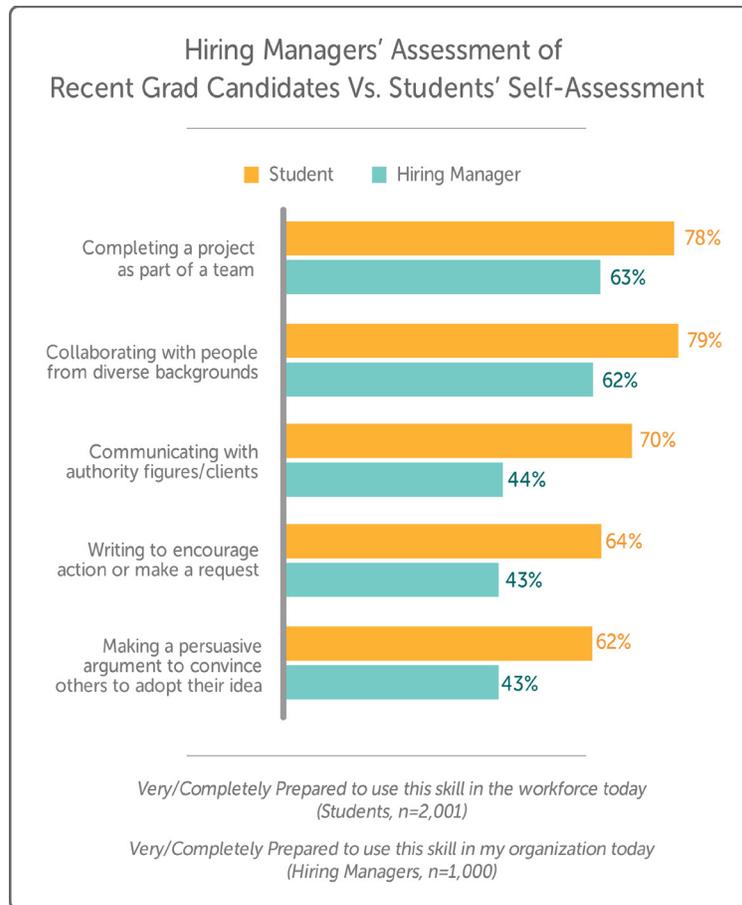
One thing students and managers agreed on was students' preparedness to use the technical skills specific to their field of study and interest. Sixty-six percent of students and 63% of hiring managers, respectively, believe students are very or completely prepared to put their technical skills to work at the organization that hires them.

That said, Peter Drucker once famously declared: "that which gets measured gets managed." Given academia's focus on testing students on their mastery of the technical coursework they learn, students have a fairly accurate understanding of their core skillset. But many of the non-technical workplace skills do not get truly tested until entry into the workforce. So, it is not surprising to see students and graduates fall short on other career-readiness skills.

Office Street Smarts

Success in business is about more than crafting budgets and developing slide presentations. It is also, to a large extent, about effectively working with others. We call the ability to get along with the variety of office personas and stakeholders "Office Street Smarts". We quantified Office Street Smarts by asking five unique questions:

1. Can graduates make a persuasive argument to convince others to adopt their ideas?
2. Can they write to encourage action or make a specific request?
3. Were they able to communicate with authority figures and clients?
4. Can they collaborate with people from diverse backgrounds?
5. Can they complete a project as part of a team?



Again, we didn't see an overwhelming vote of confidence for recent college graduates, and the trend continues for students to have an over-inflated sense of their Office Street Smarts. On average, there was a 19 point gap between hiring managers' estimation of recent graduates' Office Street Smarts and students' evaluation about their readiness to be successful in the workplace.

What is creating this skill deficit? How might students better prepare themselves for the workforce? To get at the answer to this question we asked students to tell us what activities they spend the most time doing besides schoolwork.

Outside of schoolwork, the activity that college students identify spending the most time doing is socializing with friends (49%). This was followed by:

- » Working at a job not related to their field of study (31%)
- » Working out (29%)
- » Extracurricular activities not related to their field of study (22%)
- » Volunteering (15%)
- » Working at a job related to their field of study (14%)
- » Extracurricular activities related to their field of study (11%)
- » Working in an internship related to their field of study (8%)
- » Attending networking events (2%)
- » Working in an internship not related to their field of study (1%)
- » Other (4%)

CONCLUSION

The responsibility for aligning student preparedness with workplace demands lies with all of us. Experienced professionals, institutions, employers and parents have a responsibility to talk with college students about the skills they should develop to be competitive in the workplace and which activities are a good use of their time. Students are equally responsible for taking that advice seriously and acting on it. We've outlined below a handful of specific steps everyone can take to reduce the discord between what employers need and what college graduates have to offer.

- » Commercial and educational institutions need to continue to work to drive meaningful internship and co-operative programs that mix book smarts and on the job experiences for students. The combination will not only drive experiential learning, but will also allow students to benchmark their assumptions against the realities of the workplace.
- » Students should listen to what employers are telling them about their workforce readiness and proactively seek out ways to augment their skills through self-paced learning, coursework, co-ops and self-study.
- » Parents should emphasize the importance of extra-curricular learning and project opportunities while students are still in school. These types of activities generate the Office Street Smarts employers are looking for and most applicants lack.
- » Students who feel anxiety over perceived disadvantages due to grades, school stature or immature personal networks should take comfort knowing that there is much in their control to build skills and the evidence of employability that hiring managers truly look for when assessing candidates.

Methodology

The Hiring Manager survey was conducted online within the United States by Harris Interactive on behalf of Chegg Inc. between August 7-14, 2013 in the United States among 1,000 hiring managers, defined as full-time employees at a company with at least 2 employees and who work in their organizations' human resources department or a position in which they have a significant influence in hiring decisions; in addition, they have hired a recent college graduate in the past 2 years and are at least somewhat likely to do so again in the next 12 months. Of these hiring managers, 503 are specifically looking to hire college graduates with majors in STEM subjects (science, technology, engineering, and mathematics), while 497 are not specifically looking for STEM majors. Figures for company size were weighted where necessary to bring them into line with their actual proportions in the population.

The college student survey was conducted online within the United States by Harris Interactive on behalf of Sutherland Gold and their client, Chegg Inc. between July 29 and August 9, 2013 among 2,001 US residents age 18-24 who are enrolled in a 2- or 4-year public or private college.

These online surveys are not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated. For complete survey methodology, including weighting variables, please contact press@chegg.com.