

## Spring 2005 Employer Survey

### *Introduction*

The College of Business and Economics (COBAE) conducted a survey to learn about the hiring needs of local employers and their assessments of our graduates' skills. This report describes the survey responses of local employers.

### *Executive Summary*

The survey response rate of 8.5 percent is fairly low. The 50 respondents are senior executives or managers who work in firms of varying size. The majority of those firms come from two broad industry categories –finance, insurance, or real estate; and professional, scientific, or technical services.

Most respondents look for a particular area of specialization when hiring an employee with a business degree. Respondents expressed the greatest interest in hiring accounting and finance majors; and the least interest in hiring business law, international business, and real estate majors.

When hiring new college graduates, most respondents indicate that oral communication, interpersonal skills, problem solving, and the ability to apply business concepts to real world problems are very important. By contrast, very few respondents indicate that leadership or global perspective is very important when hiring a new graduate.

Communication (both oral and written) and interpersonal skills are the three *most* important skills that respondents look for when hiring a recent business graduate with a bachelor's degree.

Less than half the respondents have hired any of our undergraduates in the past two years. (And only two have hired any of our MBA graduates.) Respondents express the greatest satisfaction with our graduates' (i.e., bachelor's degree) ethical reasoning, teamwork, and interpersonal skills. Respondents express the lowest satisfaction with our graduates' global perspective and written communication skills.

### *Data Collection*

In May 2005, the Dean's Office contacted local employers by emailing 84 employers who had served on the Dean's advisory council and by writing to 550 employers who had hired two or more CSUN alumnus. Some 25 (emailed) employers participated in an online survey, while 29 employers responded to a paper survey. The online and paper surveys had identical questions. The online response rate is 29.8 percent while the paper response rate is only 5.3 percent. Thus, the overall response rate is 8.5 percent.

Four employers responded to both surveys (online and paper), so only 50 employers participated in the survey. The list of survey respondents is provided in the Appendix.

### *Profile of Respondents*

Survey participants were asked for their job title, their firm's industry, and the number of employees at their firm. The survey responses are summarized in Table 1.

Respondents hold titles of partner, owner, manager, and vice president. Their firms come from a variety of industries with more than half in two categories -finance, insurance, and real estate (36 percent), and professional, scientific, or technical services (22 percent). Their firms also vary greatly in size. Some 32 percent are fairly small with fewer than 50 employees, while 20 percent are very large with more than 10,000 employees.

Table 1. Profile of Employers

Variable	Percent
Title	
Human resources manager	12
Manager or similar title	22
Owner or CEO	22
Partner	24
Vice president*	20
Industry	
Arts, entertainment, and recreation	8
Construction	2
Durable and non-durable manufacturing	6
Educational services	2
Finance, insurance, or real estate	36
Professional, scientific, or technical services	22
Public administration	2
Retail trade	4
Other industries	18
Number of Employees	
1 - 49	32
50 – 99	18
100 – 999	18
1,000 – 9,999	12
10,000 or more	20
<i>Sample size</i>	<i>50</i>

Note: \* includes senior vice presidents.

### *Preferred Areas of Specialization*

Respondents were asked whether they look for particular areas of specialization when hiring new employees with a business degree. Those who answered 'yes,' were then asked to "mark all" business degrees or majors (listed in Table 2) that "best fit" their hiring needs. Roughly 86 (14) percent indicate their firm does (not) look for a particular area of specialization. Table 2 describes which degrees or majors those respondents look for when hiring.

Accounting and finance appear to have the greatest demand among respondents. Some 58 (42) percent indicate that accounting (finance) majors best fit their hiring needs.

Respondents are much less likely to mark the other majors listed. Around 20 percent indicate general business, information systems, marketing, and systems and operations management best fit their needs. Additionally, 16 (12) percent of respondents mark economics and insurance (human resources management, management, and supply chain management).

Business law, international business, and real estate appear to have the lowest demand among respondents. Only six percent indicate that business law, international business, or real estate best fit their hiring needs.

Table 2. Majors that Best Fit Hiring Needs

Degree or Major	Percent
Accounting	58
Business law	6
Economics	16
Entrepreneurship and small business	10
Finance	42
General business	20
Human resources management	12
Information systems	20
Insurance	16
International business	6
Management	12
Marketing	20
Real Estate	6
Supply chain management	12
Systems and operations management	18
Other degree or major	2
<i>Sample size</i>	<i>43</i>

*Importance of Various Skills*

Respondents were provided with the list of skills, knowledge, and abilities in Table 3 and asked to rank their importance when hiring a new college graduate. The respondents were given four possible answers –very important, important, somewhat important, and not important. The means in Table 3 are calculated by assigning the following values to the four answers; very important = 3, important = 2, somewhat important = 1, and not important = 0.

More than 70 percent of the respondents indicate that oral communication, interpersonal skills, problem solving, and the ability to apply business concepts are very important when hiring a new graduate. More than 60 percent indicate that critical thinking, written communication, and ethical reasoning are very important. Alternatively, less than 40 percent of respondents indicate that computer skills, leadership, and global perspective are very important.

Respondents were also asked to write in the three *most* important skills, knowledge, and abilities that they look for when hiring a recent business graduate with a bachelor’s degree. Table 4 summarizes the answers of the 46 participants who responded.

Communication (both oral and written) and interpersonal skills are mentioned most frequently. Some 67 (54) percent of respondents list oral (written) communication in their three most important skills. Interpersonal skills are mentioned by 35 percent of the respondents. More than 20 percent list cognitive skills, knowledge of basic business concepts, and a strong work ethic as being the most important. Lastly, the ability to apply business concepts, computer skills, problem solving, leadership, ethical reasoning, and teamwork are listed by more than 10 percent of the employers.

Table 3. Importance of Particular Skills for New Graduates

Skill, Knowledge, or Ability	Very Important*	Mean	St dev
Apply business concepts to real world problems	72	2.7	0.6
Integrate concepts from different business areas	40	2.3	0.7
Analytical reasoning	58	2.5	0.7
Computer skills	38	2.2	0.7
Critical thinking	66	2.6	0.6
Ethical reasoning and decision making	62	2.5	0.7
Global or international perspective	8	1.0	0.9
Interpersonal skills	76	2.8	0.7
Leadership skills	32	2.1	0.7
Oral communication	78	2.7	0.5
Problem solving	74	2.7	0.5
Understanding of basic business concepts	55	2.5	0.6
Work effectively in teams	49	2.4	0.6
Written communication	63	2.6	0.7
<i>Sample size</i>	50		

Note:\* shows the percentage of respondents who indicate the skill, knowledge, or ability is "very important."

Table 4. Three Most Important Skills

Skill, Knowledge, or Ability	Percent
Apply business concepts to real world problems	17
Cognitive skills	26
Computer skills	15
Ethical reasoning and decision making	11
Interpersonal skills	35
Leadership skills	13
Oral communication	67
Other skills*	15
Problem solving	15
Understanding of basic business concepts	24
Work effectively in teams	11
Work ethic	22
Written communication	54
<i>Sample size</i>	46

Note: \* includes professionalism, experience, global perspective, and integration of the functional areas of business.

### Assessments of Undergraduates

Respondents were asked how many COBAE graduates (holding a bachelor's degree) they had hired in the past two years. Only 22 (or 44 percent of) respondents have recently hired our undergraduates –17 employers hired between one and eight; and five employers hired more than 10.

These 22 respondents offered their overall assessment of our graduates by rating the skills, knowledge, and abilities listed in Table 5. Respondents were given five possible answers – excellent, good, average, below average, and don't know. The means in Table 5 are calculated by assigning the following values to the five answers; excellent = 4, good = 3, average = 2, below average = 1, and don't know = missing.

Table 5. Rating of COBAE Graduates' Skills

Skill, Knowledge, or Ability*	Excellent	Good	Average	Below Average	Mean	St dev
Apply concepts	27	36	27	9	2.8	1.0
Integrate concepts	23	36	18	23	2.6	1.1
Analytical reasoning	18	55	18	9	2.8	0.9
Computer skills	32	41	23	5	3.0	0.9
Critical thinking	14	64	9	14	2.8	0.9
Ethical reasoning	41	45	14	0	3.3	0.7
Global perspective	12	24	52	12	2.4	0.9
Interpersonal skills	36	55	5	5	3.2	0.8
Leadership skills	19	38	38	5	2.7	0.8
Oral communication	14	59	23	5	2.8	0.7
Problem solving	23	50	18	9	2.9	0.9
Understand basic	14	55	27	5	2.8	0.8
Work in teams	48	38	14	0	3.3	0.7
Written comm.	5	33	48	14	2.3	0.8
<i>Sample size</i>	22					

Notes: \*statistics in percentages unless stated otherwise. These are the same skills listed in Table 3. Descriptions have been shortened to conserve space.

Respondents express the greatest satisfaction with our graduates' ethical reasoning, teamwork, and interpersonal skills. More than 85 percent indicate that our graduates are excellent or good in these skill areas.

Computer skills, problem solving, analytical reasoning, critical thinking, oral communication, and understanding of basic business concepts also receive fairly good marks. More than 69 percent of respondents indicate that our graduates are excellent or good in these skill and knowledge areas.

The abilities to apply and integrate business concepts and leadership skills receive average marks, as less than 64 percent of respondents marked them as excellent or good.

Respondents express the lowest satisfaction with our graduates' global perspective and written communication skills. More than 60 percent of respondents indicate that our graduates are average or below average in these areas. Dissatisfaction with our graduates' global perspective is

somewhat mitigated by the fact that it is not considered an important skill when hiring. As shown in Table 3, only eight percent of respondents view global perspective as being “very important.”

Dissatisfaction with our graduates’ written communication skills is troubling given the fact that 63 percent of respondents view writing skills as “very important” when hiring. Moreover, written communication is the second most frequently cited skill when respondents list their “three most important skills.” As mentioned previously, 54 percent list writing skills as being most important (Table 4).

The 22 respondents who hired our undergraduates were also asked if our graduates were lacking any skills, knowledge, or abilities. Only 13 employers responded to this open-ended question. Their responses are summarized below. The number of employers that expressed each concern is given in parenthesis.

- Writing skills (7)
- Presentation skills (2)
- Real world experience (2)
- Ability to set and achieve goals (1)
- Analytical thinking (1)
- Work ethic (1)
- Business operations (1)
- Basic accounting skills (1)
- Technical accounting and auditing skills (1)

#### *Assessments of MBA Graduates*

Respondents were asked how many COBAE graduates (holding a master’s degree) they had hired in the past two years. Only two (or four percent of) respondents have recently hired our MBA graduates.

These two respondents offered their overall assessment of our MBA graduates by rating the skills, knowledge, and abilities listed previously in Table 5. Means (not shown here) were calculated by assigning the following values to the five possible responses; excellent = 4, good = 3, average = 2, below average = 1, and don’t know = missing.

The mean ratings varied from a low of 1.5 on global perspective to a high of 3.0 on oral communication, problem solving, and understanding of basic business concepts.

The two respondents who hired our MBA graduates were also asked if our graduates were lacking any skills, knowledge, or abilities. Only one employer responded to this open-ended question by answering “real world problem solving” skills.

#### *Recommendations to Better Prepare Graduates*

All respondents were asked how the College could better prepare our graduates to meet their employment needs. The responses of 14 employers are summarized below. The number of employers that offered each suggestion is given in parenthesis.

- Provide internships so students gain more real world experience (5)
- Place more emphasis on written and presentation skills (4)
- Teach professionalism and integrity (2)
- Incorporate the lessons of organization, goal setting, and positive attitude taught by Franklin Covey (1)
- Encourage higher standards (1)
- Make principles of insurance a mandatory part of the business curriculum (1)

*Appendix: Survey Respondents*

21st Century Insurance  
3M  
Arthur J. Gallagher & Co.  
Bank of America  
BDO Seidman, LLP  
Brookstreet Securities Corp.  
Citibank  
City of Santa Clarita  
CMIS, Inc.  
Colmer Construction  
Community Bank  
Deloitte & Touche LLP  
Enterprise Rent-a-Car  
Ernst & Young  
Friedman Minsk Cole & Fastovsky  
Fruit Growers Supply Company  
Good Swartz Brown & Berns  
Grobstein, Horwath & Company LLP  
Haas Automation  
Hecox Horn & Wheeler CPA's  
Houlihan Lokey Howard & Zukin  
House of Blues  
HR Textron, a subsidiary of Textron Corp.  
John F. Kennedy H.S.  
Kirsch, Kohn & Bridge, CPA's  
Melino Hribal Tranter LLP  
Mercury Insurance  
Morgan Stanley  
Moss Adams, LIP  
Northwestern Mutual Financial Network  
Paris Industrial Parks  
Pearlman Borska & Way  
Performance Labs, Inc  
Pratt & Whitney Rocketdyne Inc  
Precision Dynamics Corporation  
RJMC  
Roschke & Wall, Business Advisors & CPAs, Inc.  
Roseheim & Associates  
Shamrock Capital Advisors Inc.  
Shamrock Holdings, Inc.  
Sobul, Primes & Schenkel  
Star Business Consulting, Inc  
State Compensation Insurance Fund  
Stonefield Josephson  
Teradyne, Inc.  
The Polaris Group  
The WB Television Network  
Twentieth Century Fox Television Distribution  
Valley Economics Development Center  
Walker Financial Partners, LLC