

iCIMS Class of 2023 Report

An annual survey report to help HR professionals engage Gen Z talent and build their 21st-century workforce.





Class of 2023 Report

Meet the Class of Y2K

What employers need to know about how new grads are approaching today's job market

They are the first wave of 21st century babies to hit the workforce, and the Class of 2023 has already lived through a lot. After a global pandemic upended most of their college experiences this class of graduates isn't taking any chances on their next act. In their quest for stability, they are steering away from companies that have announced recent layoffs and would even consider expanding their post-grad options to give the market more time to settle.

Our Class of 2023 Report digs deep into this cohort's expectations and where employers are willing — and able — to meet them. We'll look at how this year's graduates differ from their predecessors, why AI technology is changing the way they apply for jobs and just how much they expect to get paid in their future roles. On the flip side, we reveal how entry-level jobs aren't so "entry level" nowadays, with more employers requiring at least one year (and sometimes three) of professional experience.

Who is the Class of 2023, anyway?

- **This is the first class born in the 21st century.** They grew up with cell phones in their pockets, having to remove their shoes at airport security and had less than a year of college under their belts before COVID hit.
- **Born at the turn of a new millennium,** the Class of 2023 came into a world bracing for a technological crisis and rocked by the rupture of the dot-com bubble.
- This year's grads are part of Gen Z, **which makes up 25% of the U.S. population.**
- Nearly **half of this generation** is composed of people of color.
- The **U.S. birth rate has continued to drop** since this class was in grammar school.
- **Snapchat, Instagram and TikTok** are their social media platforms of choice.



Top stats at a glance:

97%

of college seniors have considered alternate job-seeking options due to uncertainty about landing a job in the current market. These include applying to more jobs, getting an hourly job or taking a job unrelated to their major.

43%

of college seniors would not apply for a job if the salary range wasn't included in the job posting.

44%

Application volume for early-entry jobs was 44% higher in March 2023 than March 2022.

\$66,467

Recent grads expect an average salary of \$66,467, over \$8,000 more than employers expect to pay entry-level candidates (\$58,317).

2/3

of Class of 2023 expect the entire process, from application to job offer, to take three weeks — about half the actual time (six weeks).

53%

of HR professionals say they plan on increasing their early career hiring.

89%

of HR professionals require some previous work experience for entry-level roles.



ChatGPT: All the kids are doing it

For better or for worse, it didn't take long for ChatGPT and similar AI technology to seep their way into the job application process — especially for younger job seekers.

47%

of college seniors

are interested in using ChatGPT (or other AI bots) to write their resume or cover letter

25%

of Gen Z

have already used an AI bot to help write their resume or cover letter

But they should proceed with caution — **39% of HR professionals say the use of AI tech during the hiring process is a deal-breaker.**

“Generative AI bots (like ChatGPT) have the potential to help both candidates and employers be more productive and communicate better. From resumes and job descriptions to offer letters and onboarding material, the technology offers employers and recruiters a better starting point as they move through the hiring journey.”

— **AI Smith,**
Chief Technology Officer, iCIMS



So no one told you life was gonna be this way

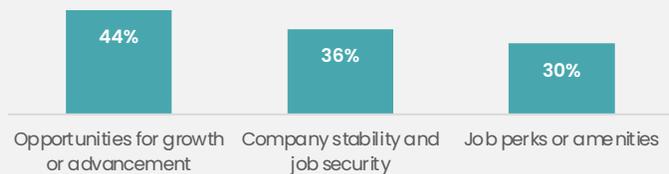
The comparison between this year’s college grads and their Y2K counterparts goes way beyond the reemergence of velour track suits and low-rise jeans.

Just as in the early aughts – when this cohort was born – an uncertain economy is making college seniors wary of their labor market prospects. **Nearly all college seniors (97%) have considered alternate job seeking options as a way of covering all their bases. These include applying to more jobs, taking an hourly job, applying to a wider variety of industries, taking a job unrelated to their major, taking a job in the gig economy or going to grad school.**

New grads are not leaving finding employment to chance, with **60% planning to take on a gig or hourly job** and **66% planning to cast a wider net** for the type of jobs they are applying to.

What they’re expecting

Advancement, job security top concerns for college seniors in job search



A class that’s not taking any chances

When contemplating their next step, the Class of 2023 is not leaving anything to chance in the job search and pressing “submit” on job applications far more often than in previous years. Application volume for early career roles in March 2023 was 44% higher YoY and 54% higher than before the pandemic (March 2019). Applicants per opening also jumped to 26 in the first quarter of 2023 compared to 20 applicants per opening just one year earlier.

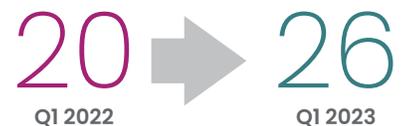
The search for stability: This graduating class is also not interested in any bad breakups – **52% said news of layoffs in a company they are interested in would make them less likely to apply.** And once they get in a role, they’d like to put down roots and grow. 65% of college students say they care how long they stay with an employer, and more than a third (35%) are looking for a long-term career path and a place they can grow well into the future. They are done with drama.

Applications

March 2023 are



Applications per opening





Adulting takes time: Overall, the class of 2023 just wants a job, and they want it fast. On average, nearly two-thirds of college seniors (64%) expect the entire job application process to last three weeks or less – from applying for the position to receiving an offer, up from 52% who anticipated such a short process in 2022. **According to our platform data, the overall time to fill for entry level roles is about double candidates’ expectations, at about six weeks.**

65%
of college students

say they care how long they stay with an employer

35%
of college students

more than a third are looking for a long-term career path

Interview sweet spot

According to Americans:

The ideal number of interviews for a job:

3

Beyond that, job applicants will start to become frustrated with the process.

COVID changed career aspirations

COVID-19 changed a lot in our economy, including how workers view different industries. According to our Insights data, while application volume for entry level roles increased between March 2019 and March 2023, that jump doesn’t spread evenly across all industries.

The volume of applications for tech-related jobs increased a whopping 143% from March 2019 to March 2023. Interest in working in the finance industry grew as well, with an increase in application volume of 101% during that same period. Early entry roles in retail also saw an uptick in application volume, increasing 93% from March 2019 to March 2023. And while application volume for manufacturing positions was up 64% during that four-year window, applications for healthcare roles dipped 9% lower than pre-pandemic times.

+143% Between March 2019 and March 2023
Tech jobs application volume

-9% Between March 2019 and March 2023
Healthcare industry application volume

How to appeal to the TikTok generation



HR professionals in these spaces have said they are having to work harder and use different mediums, like video and texting, to court young candidates to give their field a try.

Recently, the talent team at Hospital Sisters Health System began creating video testimonials with its early career employees to help college students envision their own journeys.

“They think, ‘Hey, that person was in my shoes just one year ago, and they really like working there,’” the TA System Director said. “That really helps them see that they might like working for HSHS, too.”



It's like you're always stuck in second gear

Most companies are looking for more entry-level employees or hiring at a steady rate. Over half of companies (53%) said that they plan to increase entry-level hiring this year, which is on par with what HR pros told us in 2022 (54%). **In particular, 58% of HR professionals working in STEM, healthcare and education plan to increase hiring, while only 49% of HR pros in accounting, finance, HR, insurance and general business plan to increase hiring.**

Overall, 32% of companies will maintain their previous early-entry hiring pace.

According to iCIMS platform data, the number of early-career hires in March 2023 is about even with hiring activity one year earlier and about 14% more than in 2019.

The truth about first jobs

In 2023, the road to starting a professional career begins long before graduation day. When it comes to the experience required for many entry-level jobs, internships alone don't cut it anymore. **Almost 90% of HR pros said they require entry-level candidates to have some experience — with 26% expecting 3 or more years' experience and 21% reporting that it can't come from internships.**

This is not to say that internships no longer matter and aren't a steppingstone to landing an entry-level job after graduation. Over a quarter (28%) of HR pros expect a recent college grad to have 1-2 years of experience, including internship work, while 14% expect a recent college grad to have 1-2 years of experience excluding internship experience.

Companies rely on internships as a training ground for their new employees rather than offering an official training program for entry-level employees. **Over half (53%) of Americans said they were not offered an entry-level training program** to help them develop the skills they needed to succeed at their employer.

Nearly half the people surveyed (49%) said it is somewhat difficult to find a job in their profession.

42% seeing 1-2 years of internship experience as ideal for new hires.



TikTok is for more than viral dance moves.

Gen Z is the first digitally native generation, so it's no surprise they are using social media to level up their careers.

20% of Gen Z noted they use TikTok to find job openings

15% said they've created a TikTok video or other social media post to apply for a job.

TikTok is also Gen Z's main source for news and trends around the job market and job openings (57%), and only 29% of Gen Z uses traditional news sources like print and broadcast media to keep up with the job market. Half of Gen Z job seekers use social media to learn about a company's culture more than its career page.

YoY entry level hires in

2023  2022



on par with

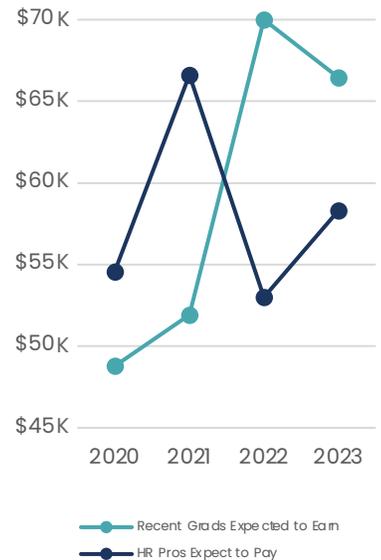


Salary expectations fall (slightly) back to earth

Recent grads expect an average salary of \$66,467, over \$8,000 more than employers expect to pay entry-level candidates (\$58,317). Compared to 2022 grads, who expected a starting salary of more than \$70,000, this year's grads have tempered their expectations as they prepare to enter a more turbulent economy marred with layoffs and bank collapses.

iCIMS platform data alert! They might be fresh out of college, but that's not stopping entry-level applicants from trying to grab the golden salary ring. Our data show that applications for six-figure jobs were 66% higher than in 2022 and a whopping 84% higher than in 2019.

Salary expectations vs. realities



Women still expect to be paid less

Recent female grads expect to earn around \$5,500 less a year than their male counterparts expect to earn (\$64,926 vs. \$70,625). Since iCIMS began commissioning this research eight years ago, women have consistently had lower salary expectations than men.

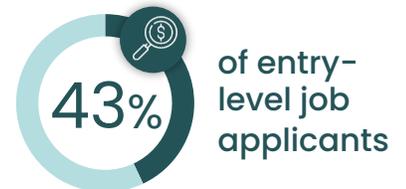


While female job seekers don't apply for roles with \$100k salaries at the same rate as men (42% vs. 58%), they are more likely to get hired, with just over half (53%) of six-figure jobs going to women.

But here's some hope for younger women: Our research shows incremental increases in women and candidates from historically excluded groups hired into top exec roles. Notably, the share of women and Black professionals saw an uptick between 2021 and 2022, with YoY increases of 4 and 3 percentage points, respectively.

According to [Handshake](#), the largest career network, trends in online salary transparency follow what's happening at the national level, even in states without legislation around pay transparency. Since January 2023, 73% of Handshake's full-time job postings include salary range.

Show them the money:



noted that they would not apply for a job if the salary range wasn't included in the job posting.

When we look at female and male students specifically, 48% of women noted they wouldn't apply, while only 30% of men would not apply for a role that doesn't include the salary range in the job posting. Similarly, Black students are almost twice as likely not to apply as white students if the salary is not listed (14% vs 8%).



Getting their financial ducks in a row: College students are relying on their employer to help improve their financial situation beyond just salary – top benefits the class of 2023 want to see are:

Bonuses Bonuses or overtime pay for working more hours than contracted (50%).

Retirement 401(k)/401(k) matching (42%).

Future planning Financial advisory programs (i.e.: investing, home buying, paying student loans or other debt) (34%).

Loans Student loan repayment programs (28%).

Women want more: Women are looking to secure their future economic prosperity – 47% of women want to see a 401(k)/401(k) matching benefit from their employer (vs. 32% of men) and 54% of women want to receive overtime pay (vs. 44% of men).

This class isn't confusing fun perks for benefits. Instead, they're looking for employers to help champion their quality of life holistically – including benefits for financial, physical and mental wellness.

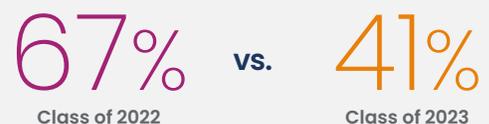
While previous generations grew accustomed to office ping pong tables, this generation is craving offerings that represent an investment into their personal lives outside of work."

– **Laura Coccaro**,
Chief People Officer, iCIMS

Mental health: While expectations around mental health support at work remain a consistent trend, this year's graduating class places less emphasis on it. 67% of the Class of 2022 expected their employer to support their mental health and participate in open conversations compared to 41% of this year's grads.

Looking at how that drop in expectations splits by gender, 70% of the female members of the Class of 2022 expected mental health support compared with 42% of their 2023 sisters. Their Class of 2022 male counterparts also prioritized mental health support (63%) compared with male members of the Class of 2023 (38%).

Fewer grads expect their employer to support their mental health and participate in open conversations about it





Seeing is believing

The Class of 2023 is part of a wave of diversity coming into the workforce, as part of a generation that's composed 50% of people of color and only two-thirds who identify as exclusively heterosexual.

When it comes to evaluating a company's commitment to DEI, women are more likely to look for diversity in leadership than men (46% to 35%), and Black students are more likely to look for diversity in leadership than white students (53% to 41%)

In general, 96% of college students would look for information to evaluate a company's commitment to DEI, and 63% would like to see that DEI commitment demonstrated on a company's site, social media and career page.



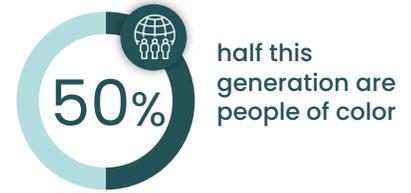
The American Heart Association uses employee-generated video to give candidates an insider's look at the organization's culture.

Mind the (skills) gap

The looming skills gap has gotten a lot of airtime recently, and it's not just hype. There is a very real void that's impacting both candidate readiness and HR's ability to hire right-fit employees. iCIMS data reveals that hard skills and digital skills are not as top of mind in the entry-level application process. HR professionals said communication skills and creativity are the top skills/attributes they are looking for in an entry-level job seeker.

46% of Americans with a bachelor's degree believe their college education provided the digital skillset required to be successful in their career, while 36% of the same cohort said they had minimal to no digital skills education but are confident that they'd be technically proficient in the workplace.

The Class of 2023



Measuring soft skills can support DEI

When recruiters and hiring managers examine soft skills during the hiring process, they shift the focus from who the candidate is to what the candidate is capable of. This change in perspective reduces bias in the hiring process – the first step in promoting a diverse workforce.

The workplace continues to benefit from a focus on soft skills long after the hiring process concludes. When organizations identify and improve their employees' soft skills, they cultivate the behaviors necessary not only for diversity, but for inclusion.

Myth busters

Younger people just care about “securing the bag.”

Yes, they want a solid starting salary and additional financial support, but it's not all about dollar signs. Other than salary, some of the top criteria they consider when deciding whether to apply to a job include company stability/job security and opportunities for growth and advancement. When thinking about the perks or benefits provided by an employer, top expectations for Gen Zers are for flexible work hours, bonus or overtime pay for working more hours than contracted, 401(k) and mental health support.

Working for a boss your parents' age is such a drag.

The stereotype of Gen Z workers not wanting to work with Boomers is proving to be false – **three in four Gen Z employees would accept a job if their direct manager was substantially older than them.**

Kids today have short attention spans.

It turns out, in today's screen-filled world, everyone's attention span is shrinking. The average attention span in 2004 was about 2.5 minutes. Almost 20 years later, that time has dropped to 47 seconds. But don't think it's the younger generation that's dragging those numbers down. According to iCIMS data, 18-24-year-old job seekers spend on average more time on career sites than older job seekers, at about 3 minutes and 18 seconds. Interestingly, job seekers aged between 35-44 showed the shortest attention spans, spending just under 3 minutes on a career page.

Session duration



decreased over 20%
year-over-year

Job seekers



on average
view only 4 pages
of a career site



Methodology

The iCIMS HR Survey was conducted by Wakefield Research among 500 HR/recruiting professionals, defined as those employed full-time and responsible for recruiting, between March 6 and March 17, 2023, using an email invitation and an online survey. The iCIMS College Senior Survey was conducted by Wakefield Research among 1,000 U.S. college seniors, defined as those enrolled in the last year of a BA program, between March 6 and March 17, 2023, using an email invitation and an online survey. The data has been weighted for tracking purposes.

iCIMS commissioned an online survey with Dynata in March 2023 of 1,000 U.S. consumers, 18 years and older, to understand their attitudes and preferences in a variety of topics related to the workplace. Dynata utilizes a variety of sample sources such as panel, web intercept sample and specialty lists to deliver data insights that are diverse and representative.



About iCIMS' proprietary platform data

iCIMS Insights provides a deep understanding of the talent market through data drawn from the iCIMS platform. iCIMS' proprietary database of employer and job seeker activity includes hundreds of millions of data points across job openings, job applications and hires. iCIMS customers represent key sectors of the U.S. economy, with expansive geographic, industry and occupational representation. iCIMS' expertise and data intersect to deliver unparalleled insights, helping business and HR leaders better understand workforce trends and drive competitive advantage.



About iCIMS

iCIMS is the talent cloud company that empowers organizations to attract, engage, hire and advance the right talent that builds a diverse, winning workforce. iCIMS accelerates transformation for a community of nearly 6,000 customers, including 40% of the Fortune 100, that collectively employ more than 33 million people around the world.

For more insights and perspectives, visit www.icims.com/insights.