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PATHS TO PROFESSIONS | SEPTEMBER 13, 2010

Penn State Tops Recruiter Rankings

Companies Favor Big State Schools With One-Stop Shopping for Graduates With Necessary Skills

By TERI EVANS

(Please see Corrections & Amplifications item below.)

State universities have become the favorite of companies recruiting new hires because their big student populations and focus on teaching practical skills gives the companies more bang for their recruiting buck.



Jennifer Merritt discusses a new Wall Street Journal survey, which reveals recruiters are shifting their attention away from elite private schools to focus instead on state universities.

Under pressure to cut costs and streamline their hiring efforts, recruiting managers find it's more efficient to focus on fewer large schools and forge deeper relationships with them, according to a Wall Street Journal survey of top corporate recruiters whose companies last year hired 43,000 new graduates. Big state schools Pennsylvania State University, Texas A&M University and University of Illinois at Urbana-Champaign were the top three picks among recruiters surveyed.

Recruiters say graduates of top public universities are often among the most prepared and well-rounded academically, and companies have found they fit well into their corporate

cultures and over time have the best track record in their firms.

Employers also like schools where they can form partnerships that allow them to work with professors and their students, giving them an inside track when it comes time to make offers for internships and jobs.

Paths To Professions



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Schools for Hires**

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Big Role in Jobs**

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The Top 25 Recruiter Picks

Why State Schools Top the List

Corporate budget constraints also play a role. Recruiter salaries, travel expenses, advertising and relocation costs run upwards of \$500,000 to recruit 100 college grads, according to the National Association of Colleges and Employers. "We're all accountable to the bottom line," said Diane Borhani, campus recruiting leader at Deloitte LLP, who said she recently narrowed her roster to about 400 schools from 500.

The impact on students is significant. Steve Canale, head of General Electric Co.'s recruiting efforts, said it is critical for prospective students to ask which companies recruit on

Journal Community

campus before deciding where to matriculate. GE, for example, focuses on about 40 key schools—many of them state schools—to hire 2,200 summer interns; upwards of 80% of its new-graduate hires come from its internship pool, said Mr. Canale.

The Wall Street Journal survey of recruiting executives set out to identify the majors and schools that best prepare students to land jobs that are satisfying, well-paid and have growth potential. The Journal collaborated with Seattle-based salary and career-data provider PayScale.com and Boston-based human-resource management firm Cambria Consulting to seek feedback from large public and private

companies in nearly 30 industries, including finance, consulting, technology, engineering, marketing and health care, as well as nonprofits and government agencies.

The Journal asked companies to rank schools that produce the best-qualified graduates—overall and by major. Recruiters made clear they preferred big state schools over elite liberal arts schools, such as the Ivies. A number of state schools were added to recruiters' lists in the last two years, including Penn State and Arizona State University (No. 5) and Ohio State University (No. 12).

So where are Harvard University and other exclusive schools? While many companies that answered The Journal's survey say they recruit and hire Ivy League graduates, far fewer ranked them as top picks.

Claudia Goldin, a Harvard economics professor and lead researcher on a study tracking Harvard graduates' career paths, said, "We have none of the basic bread-and-butter courses that serve you well in much of industry." What's more, Ms. Goldin said, at Harvard, more than 55% of graduates went on to a doctorate degree, according to a recent survey, so they tend to stay in a first job for a short period of time—often a year or less. It's an observation recruiters in the Journal's study also made.

A Harvard spokesman said, "Harvard College graduates consistently experience success in the job market and in their chosen fields."

Monica Wilson, acting co-director of career services at Dartmouth College, said it's partly a numbers game: "How can you compare a large state school to a small liberal arts school that produces less than 750 students who go into employment each year?"

While companies didn't rate Ivy League grads best overall, several did favor them in some specific majors. Stanford University, for example, was ranked No. 11 in engineering recruits and No. 16 in business/economics; Harvard was No. 4 in business and economics.

Some companies like certain schools so much they set up offices nearby. The University of Michigan (No. 6) "was a huge selling point" in Google Inc.'s decision to open a sales and operations office in Ann Arbor, Mich., in September 2006, said recruiting manager Kyle Ewing. The company also opened an office in Pittsburgh where it hires computer-science graduates from Carnegie Mellon University (No. 10 overall, No. 1 for computer science), for the same reason.

Campbell Soup Co., Aernnova Aerospace SA and Spanish tech company Barracuda Networks Inc., among others, also set up facilities near the University of Michigan, which ranks in the top 10 across six majors.



Many recruiters say they are closely eyeing schools in their own backyard. Aside from the obvious convenience of proximity, companies are drawn to nearby schools for year-round access to interns and a greater chance that new-graduate hires reside locally, which eliminates relocation



Ross Mantle for The Wall Street Journal

expenses.

Partnerships also play a key role. Universities and companies strike research collaborations that often include student participation. Companies get an early look at promising students, leading to internships and job offers.

Partnerships can help boost brand awareness among talented students. The economic climate led Dennis Cornell, head of recruiting for LSI Corp. of Milpitas, Calif., to narrow his on-campus recruiting to three schools where the tech firm wanted to expand its reputation: Purdue, University of Colorado-Boulder and University of California at Berkeley (No. 15 on the overall list, No. 2 for computer science majors and No. 12 for engineering majors).

Corrections & Amplifications

The current annual in-state tuition for the University of Michigan, which ranked sixth in Monday's Wall Street Journal survey of college recruiters, is \$11,837 and its annual tuition for out-of-state students is \$36,001. A chart detailing how schools ranked in the survey incorrectly gave its in-state tuition as \$5,824-\$6,577 and its out-of-state tuition as \$17,906-\$19,170; this article incorrectly said that Michigan ranked seventh. In addition, Stanford University isn't a member of the Ivy League, which is composed of eight East Coast colleges and universities. The article incorrectly identified Stanford, based in Palo Alto, Calif., as an Ivy League school.

—Alexandra Cheney contributed to this article.

RANK	SCHOOL	RECRUITING COS.*	SAMPLE OF RECRUITER COMMENTS
1	Penn State	436	'Bright, well-rounded students...with the core competencies we desire'
2	Texas A&M	Not available	'Proximity to key operations, quality of candidates and breadth of programs which match our recruiting needs'
3	University of Illinois	420†	'Graduates...perform well and tend to stay with the company'
4	Purdue University	414	'Longstanding relationships, great deal of executive involvement, well-rounded programs'
5	Arizona State	261‡	'Strong ties between our employees and the professors'

*Companies that came to campus to recruit in 2009 †Employers interviewing at career fairs ‡Recruiters in main university career center only; individual career centers at internal colleges have additional recruiters
Source: WSJ survey, schools

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