

From the Classroom to the WORKPLACE

*So, where are
the jobs?*

BY JULIA R. TAYLOR

It's that time again. College students are graduating and looking for jobs. On the bright side, more than 3.1 million jobs have been created since June 2003, an encouraging trend for job seekers. And the demand for skilled employees continues to rise, making this the best hiring period for college graduates since the 2001 recession. Still, landing that first position is often challenging. Many grads are finding that education isn't enough — employers want experience, the type often gained during internships.

According to the Department of Labor, as of May, the national unemployment rate stands at 5.1 percent, down considerably since the peak of the most recent recession. But these numbers vary from state to state. Here in the Fifth District, for instance, Virginia enjoys a relatively low unemployment rate of 3.6 percent, while South Carolina's stands at 6.3 percent, according to numbers released in May 2005. Not all jobs are created equal, of course, and if graduates want to maximize their potential, they need to consider where the jobs are, in terms of both location and industry.

Not surprisingly, some industries are simply "hotter" than others. Nationally, demand is high for teachers and people with health-care and high-tech training. Also, the increased emphasis on national security has spawned many new government positions, a large share of which are in or near Washington, D.C.

Ray Owens, who directs the Richmond Fed's regional economics program, says that the Fifth District is in a good position for job growth because of relatively concentrated employment in the region's metropolitan areas — that is, because of "agglomeration." Simply put, there are benefits to a large number of firms

locating near each other, benefits that can lead to even greater population and job growth. The Fifth District has several cities that illustrate this concept — for instance, Charlotte, Raleigh-Durham, and Richmond, the last of which recently joined the ranks of the nation's 50 largest metropolitan areas. But no metro area in the Fifth District seems better positioned for job growth than the Washington-Baltimore corridor, with its large and growing number of service-sector jobs.

Many students are keenly aware that some degrees are more marketable than others. One sophomore from the University of Richmond describes her decision the following way: "I need to figure out my major soon, and I don't know whether to major in something I like or something that will get me a job."

But as Andy Ferguson of the University of Richmond's Career Center is quick to stress, a strong liberal arts education, thought by many as not particularly practical, can provide many valuable job skills. "When you start looking down the road, the major doesn't matter anymore. Employers want someone who is bright and motivated." The student who successfully completes a degree in history or English will have learned analytical skills through paper writing and communication skills through giving presentations. As Ferguson explains, these are attractive qualities for any candidate for any job. "Students make the mistake of listening to the job market too much. If the only reason you get into finance is because that's where you think the jobs are, it is going to make you a less competitive candidate."

Still, it is hard not to be at least a little driven by where the jobs — and the money — are. CNN Money

recently stated that the national average starting salary for a computer engineer is \$51,496, about \$20,000 more than someone with a liberal arts degree can expect to earn. Here in the Fifth District, the numbers are roughly comparable, but vary across the region, depending on the cost of living.

Although the job market for recent grads is better than it was five years ago, it still takes work, career counselors say. When times are tough, as during the 2001 recession, people tend to go back to school — for at least two reasons. First, they may simply need more education to gain an edge over fellow job seekers. Second, the "opportunity cost" of going back to school is lower, since they may be out of work already. The result: a larger number of skilled people in the market competing for prized jobs. And this means that students need to look for ways to set themselves apart — before they graduate.

Even employers offering "entry-level" positions prefer experience, such as time spent in college doing internships or volunteering. These endeavors speak to the ambition of a student. Students also need to develop skills that they can build upon and will carry over into future jobs.

Sue Story, the director of the career center at Virginia Commonwealth University in Richmond, explains. "What it boils down to is most employers want students with experience. Students are realizing this in college. They're getting internships and co-ops so they can get that first job." So while some students about to graduate have completed their internships and volunteer work, and have their prospective jobs in line, others are still sweating it out in the college career center. **RF**