

Council of University Presidents Employer Perceptions of New Mexico Universities Survey

Executive Summary

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EXECUTIVE SUMMARY

The New Mexico Council of University Presidents (CUP) conducted a telephone survey of 500 New Mexico business managers who were interviewed in October 1999 by Research & Polling. The major objectives of the survey were to ascertain employer satisfaction with the educational preparation of students by the four-year public universities in New Mexico, identify employers' suggestions for how these universities may be improved from the perspective of the end-user, and identify employer hiring practices.

The survey focused strictly on the four-year public universities in New Mexico, which are comprised of: the University of New Mexico (UNM), New Mexico State University (NMSU), New Mexico Highlands University (Highlands), the New Mexico Institute of Mining and Technology (Tech), Eastern New Mexico University (ENMU), and Western New Mexico University (WNMU). The random sample of New Mexico businesses represented all types, sizes, and regions of employers. These are categorized into five major employment sectors: education, marketing/sales/retail, finance, government at all levels, and healthcare. Other sectors were captured in the survey; however, since their representation is smaller in the state, statistically reliable data regarding these subgroups was unattainable. The sample was generated by Research & Polling and stratified by five geographic regions, including: the Albuquerque Metropolitan Area, North Central New Mexico, Northwest New Mexico, South/Southwest New Mexico, and Eastern New Mexico.

The survey results attest to the high importance New Mexico businesses place on four-year college degrees with sixty percent of the employers rating such degrees above the mid-point on a five-point rating scale, where '5' is the highest rating possible. Thirty-four percent have actively recruited employees from these campuses. Ninety-one percent of all businesses have hired a graduate of these campuses within the last four years, and twenty-nine percent of all the employees at these businesses are graduates of one of these campuses.

In general, the four-year public universities receive a favorable evaluation from employers, with a majority giving an academic grade of 'A' or 'B' for: work place preparation (78%), providing a well-rounded education (77%), and in employee preparation for their current positions (68%).

The employers were given an exercise in which they were asked to first evaluate the importance of fourteen work skills and attributes, and then to rate how well the four-year public New Mexico universities had prepared their employees on these skills. Employers rated all fourteen skills as important and they gave universities the highest ratings for student preparation in reading skills, teamwork, positive work ethics, responsibility, honesty and integrity, and inspiring students with the willingness to learn new skills. The universities were rated as doing well on all the skill areas, ranging from 4.3 to 3.6 on the five-point rating scale. There was also a high correlation between the relative rankings of the skills most valued by employers and their rating of the preparation of students on these skills by the universities.

Open-ended questions were also presented to the business managers so as to further probe about how the four-year public universities can best prepare students and benefit employers in their enterprises. A major finding resulting from this exercise is that employers desire for university students to be involved in on-the-job training and internship experiences prior to their graduation. This is perceived as benefiting both the educational system and the employer. Also surfacing from this exercise is additional validation that employers desire for employees to have leadership skills, teamwork skills, analytical skills, and communication skills.

Fifty-seven percent of the employers are also of the belief that the four-year New Mexico public universities can benefit them in areas other than the academic preparation of students. Nearly one-half (42%) of the employers again mentioned the desirability of having students from these universities in their labor force as part of an on-the-job training program. Also mentioned were consulting and technology transfer functions, and the general spirit of the partnering of the academic and business entities.

Other suggestions from business management for the public universities is that there be more flexibility in the time and location of classes offered, that universities impose exit testing for various skills as a reassurance to employers, and that the four-year public colleges be affordable.

In conclusion, New Mexico employers are favorably disposed to the New Mexico four-year public universities; yet there is a desire for more collaboration with these institutions through on-the-job training programs and internships for students of these universities, including technology transfer and consultation from these universities. Based on the survey results, it appears that there is very good potential for more collaboration between the business sector and the four-year public university sector. It would be worthwhile to consider the short-term and long-term economic benefits of instituting programs that will facilitate greater academic and business sector partnership. Ultimately, such programs could benefit New Mexico's economy by developing local talent and encouraging employers to hire from New Mexico's work force.

Importance of A Four-Year College Degree to New Mexico Employers

Among all New Mexico employers, the importance of a four-year college degree receives a mean rating of 3.8 on a five-point rating scale, where '5' represents 'very important,' and '1' represents 'not at all important.' Sixty percent of all New Mexico employers consider a four-year college degree to be either 'very' or 'somewhat' important. Those placing the most importance on a four-year college education are described here.

NEW MEXICO EMPLOYERS MOST LIKELY TO CONSIDER A 4-YEAR COLLEGE EDUCATION IMPORTANT

	<u>MEAN</u>
▪ Employers in the education field	4.8
▪ Employers with 6+ graduates from New Mexico 4-year public universities	4.4
▪ Employers with 30+ employees	4.0
▪ Those hiring graduates of UNM, NMSU, Highlands, and ENMU	4.0
▪ Employers in Albuquerque, North Central New Mexico, and Eastern New Mexico	3.9
▪ Mean rating on this issue from all employers	3.8

Hiring Practices and Employment Recruitment

Among New Mexico businesses that have hired at least one attendee of a New Mexico public university, these employees were recruited from the universities shown here.

PERCENT OF NM EMPLOYERS HIRING FROM EACH 4-YEAR NM PUBLIC UNIVERSITY

University of New Mexico (UNM)	65%
New Mexico State University (NMSU)	50%
Eastern New Mexico University (ENMU)	25%
New Mexico Highlands University (Highlands)	21%
Western New Mexico University (WNMU)	11%
NM Institute of Mining and Technology (Tech)	7%

The profiles of the employers most likely to hire those who attended each of the following four-year New Mexico public universities are presented here.

**PROFILES OF EMPLOYERS HIRING
 THOSE ATTENDING SPECIFIC NM 4-YEAR UNIVERSITIES**

<u>UNM</u>	<u>NMSU</u>	<u>ENMU</u>
<ul style="list-style-type: none"> ▪ Employers in Albuquerque and Northwestern New Mexico ▪ Employers with 30+ employees ▪ 6+ new hires from NM 4-year public universities in 4 years ▪ Consider 4-year college degree to be 'very' important ▪ All business sectors: education, retail, finance, government, healthcare. 	<ul style="list-style-type: none"> ▪ Employers in South/Southwestern New Mexico ▪ Employers with 100+ employees ▪ 16+ new hires from NM 4-year public universities in 4 years ▪ Consider 4-year college degree to be 'very' important ▪ Education and government sectors 	<ul style="list-style-type: none"> ▪ Employers in Eastern New Mexico ▪ Employers with 100+ employees ▪ 16+ new hires from public universities in 4 years ▪ Consider 4-year college degree to be 'very' important ▪ Education sector
<u>WNMU</u>	<u>Highlands</u>	<u>Tech</u>
<ul style="list-style-type: none"> ▪ Employers in Northwestern and Southwestern New Mexico ▪ Employers with 100+ employees ▪ 16+ new hires from NM 4-year public universities in 4 years ▪ Consider 4-year college degree to be 'very' important ▪ Education sector 	<ul style="list-style-type: none"> ▪ Employers in Northwestern and North Central New Mexico ▪ Employers with 100+ employees ▪ 16+ new hires from NM 4-year public universities in 4 years ▪ Consider 4-year college degree to be 'very' important ▪ Education & government sector 	<ul style="list-style-type: none"> ▪ Employers in Northwestern New Mexico ▪ Employers with 100+ employees ▪ 16+ new hires from NM 4-year public universities in 4 years ▪ Consider 4-year college degree to be 'somewhat' important ▪ Government sector

**EMPLOYERS ACTIVELY RECRUITING
 FOR EMPLOYEES AT NEW MEXICO 4-YEAR PUBLIC UNIVERSITIES**

34% of all New Mexico employers hired
 at least one attendee from these universities in the past 4 years

**NEW MEXICO 4-YEAR PUBLIC UNIVERSITY GRADUATES
 EMPLOYED BY NEW MEXICO EMPLOYERS**

91% of all businesses have hired a graduate of a New Mexico Public 4-Year University
 in the last four years

29% of the employees at New Mexico businesses are graduates
 of a New Mexico Public 4-Year University

Evaluation of Student Preparedness and Work Skills Employers Desire

Employers were asked to rate the four-year public universities as a group using an academic grade system of A, B, C, D, and F on the attributes shown below.

GENERAL PREPARATION OF STUDENTS

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>F</u>
Preparation of students for the work place	23%	55%	16%	2%	0%
Providing students with a well-rounded education	24%	53%	15%	1%	0%
Preparing employees for current jobs	25%	43%	22%	3%	1%

Employers were asked to rate the importance of specific skills for their employees. All of the listed skills were considered to be important, the ranking is shown here. Employers also rated how well the New Mexico four-year public universities had prepared their students for these skills using a five-point rating scale, where '5' represents the highest rating. The results of this exercise are shown here.

IMPORTANCE OF SKILLS TO EMPLOYERS AND EVALUATION OF UNIVERSITY PREPARATION ON SKILLS

<u>Employer Ranking</u>	<u>Skills</u>	<u>Mean Ratings of University Preparation</u>	<u>Ranking of Preparation Ratings</u>
1	Integrity and honesty	4.3	1
2	Positive work attitude	3.9	6
3	Responsibility	3.9	7
4	Reading skills	4.1	2
5	Willingness to learn	4.0	3
6	Listening skills	3.8	8
7	Problem solving skills	3.7	11
8	Decision-making skills	3.8	9
9	Teamwork	4.0	4
10	Writing skills	3.6	14
11	Computer skills	3.9	5
12	Creative thinking	3.8	10
13	Math skills	3.7	12
14	Leadership skills	3.6	13

Employer Suggestions For the Universities' Preparation of Students and General Needs

Employers were asked in an open-ended format for suggestions of how the four-year public universities can best prepare students for jobs. The results are summarized here.

- On-the-job training programs
- Emphasis on 'people skills'/teamwork/community involvement
- Ensure basic secondary school skills

Employer Suggestions For the Management of the Four-Year Public Universities

- Flexibility in time and location of classes offered
- Required exit skill testing of students
- Affordability/scholarships
- Business and university partnerships
- Consulting
- Technology transfer

Data Sources

DATA

Annual undergraduate tuition/required fee rates compared with regional peers
 State personal per capita income for New Mexico and regional peers
 Financial aid awarded and average unmet financial need per recipient (For needy students only) (Unmet financial need calculated by subtracting award and expected family contribution from cost of attendance.)
 Enrollment by race/ethnicity
 NM high school graduates
 NM ACT test takers
 Freshman persistence rates

Graduation rates

Primary mission (instruction, research & public service) as a percent of Education and General expenditures
 Administrative cost (institutional support) as a percent of Education and General expenditures
 Faculty and staff profile by race/ethnicity and sex

Full-time faculty with terminal degrees

Comparison of average faculty salaries/compensation with peers
 Percent of student credit hours taught by tenured/tenure-track faculty
 External Accreditations

SOURCE

IPEDS *Institutional Characteristics* survey for 1997-98

University of New Mexico - Bureau of Business and Economic Research
 CHE *Financial Aid File* and *Student-Financial Aid File*, FY98

CHE *Student Files*, Fall 1997
 NM State Dept. of Education
 ACT - The College Board
 Institutional files

IPEDS *Graduation Rate Survey 1997*

IPEDS *Finance Survey, FY1997*

IPEDS *Finance Survey, FY1997*

IPEDS *Fall Staff Survey 1997*

Institutional files

AAUP Full-time Instructional Faculty Salary Survey, Fall 1997. (Academe)
 Institutional files

Institutional files