

Research Corner

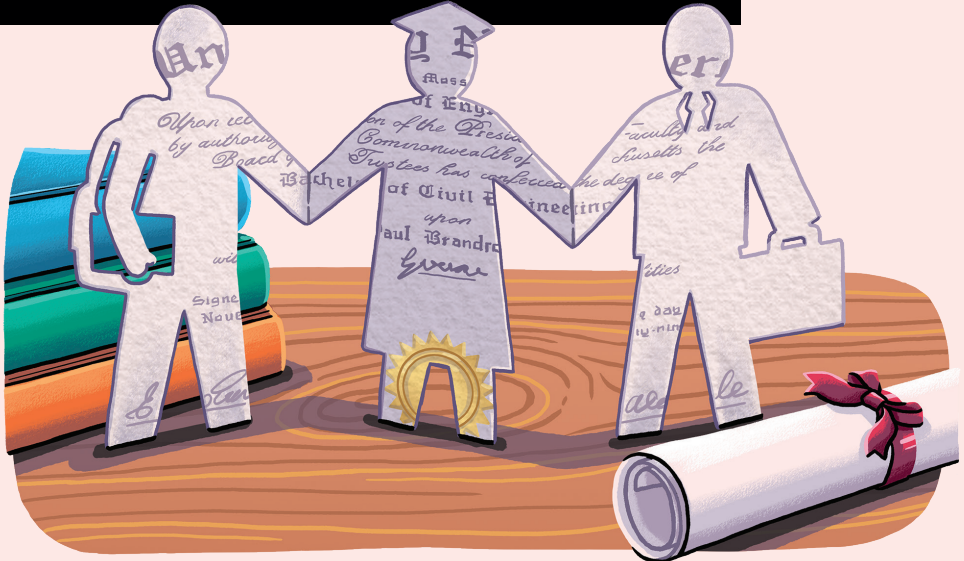
Studies and analysis from the world of liberal education

A NEW CAREER-PREP PLAYBOOK

The threat of a collapsing entry-level job market is an opportunity for higher ed

What's the purpose of college? It's a question that has served as a long-standing debate within the academy and more broadly across public opinion. In recent years, the debate has gained renewed fervor amid growing political polarization and questions about the return on investment of a degree. Americans value higher education for multiple reasons ranging from engaged citizenship and critical thinking to economic mobility. But chief among the reasons—and by a sizable margin compared to the rest—is to secure a good job. Indeed, in a 2023 Gates Foundation survey, 81 percent of high schoolers said their reason for wanting a college degree was to make more money and to be able to get a better job or promotion.

In terms of the purpose of college, there is not a single right answer. Rather, an opportunity exists for those of us in higher education to embrace the multiple reasons students enroll in our institutions while we also prioritize one of the top motivators for earning a degree. We can aim to produce engaged citizens who think



critically *and* who are gainfully employed. Amid this embrace of mutually reinforcing aims, we must operate with economic mobility and job outcomes as one of our top, unabashed priorities. We need to craft a powerful narrative that motivates faculty (at the center of student talent development) and employers (the holders of the ultimate outcome for students) alike.

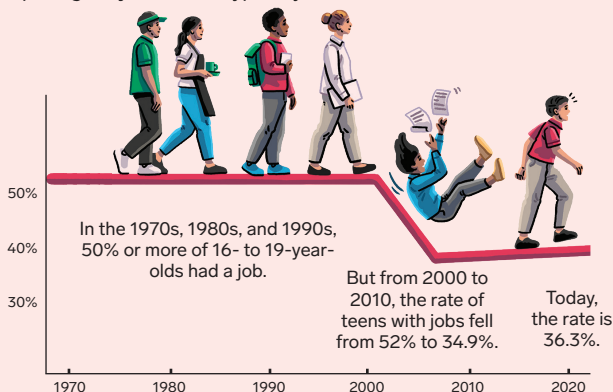
We have a clear and distressing motivator for such a goal: the potential collapse of the entry-level job, internship, and early-career pipeline. Today, the youth labor force participation rate is at one of its lowest points since the 1940s,

the gap between internship demand and supply measures in the millions, artificial intelligence is disrupting entry-level jobs, and, to top it off, rampant grade inflation is preventing graduates from differentiating themselves from other job applicants. Here, we look at the present situation and what we can do to prepare students to succeed in the changing job market.

—Brandon Busteded, CEO of Edconic, which works with organizations to create industry-immersive student experiences. Edconic operates Sotheby's Institute of Art, Vogue College of Fashion, The School of The New York Times, and Manchester City Sports Business School and has launched a program with the Mayo Clinic.

Teens lack valuable job experience.

Today, about 2.67 million fewer teens have a job than teens in the decades before 2000. The drop in the number of young people with jobs is partly due to expanding high school coursework demands and graduation requirements, such as public service. Teens are also participating in more summer programs. The number of openings for low-skilled positions are down, and older workers are increasingly competing for jobs teens typically hold.



IN 2023, 6.4 MILLION TEENAGERS, OR ABOUT 1 IN 25 WORKERS, PARTICIPATED IN THE US LABOR FORCE ALONGSIDE 106.5 MILLION ADULTS. 37.4% OF GIRLS AND 36.5% OF BOYS HAD A JOB. IN THE SUMMER, 42% OF TEENS WORKED.

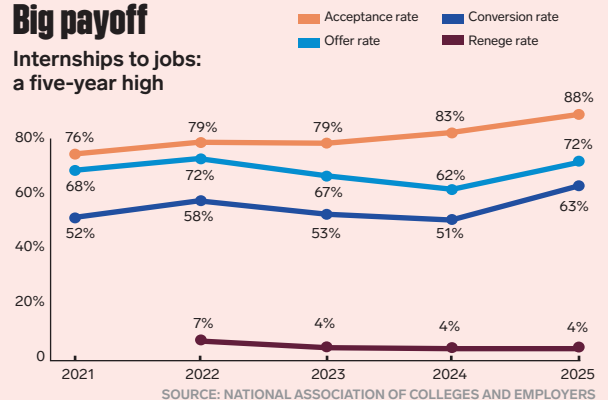
SOURCE: BUREAU OF LABOR STATISTICS

How can graduates stand out?

Nationwide, the average letter grade is an A. This means more graduates are seeking to distinguish themselves with an internship, which has become the most important differentiator for recent graduate hiring: When evaluating two otherwise similarly matched candidates, employers will favor the one who has completed an internship within their organization or industry.

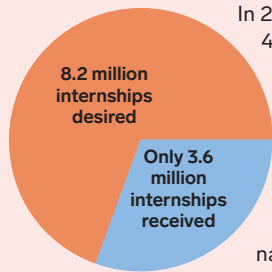
Big payoff

Internships to jobs: a five-year high



SOURCE: NATIONAL ASSOCIATION OF COLLEGES AND EMPLOYERS

Internship demand outstrips supply.

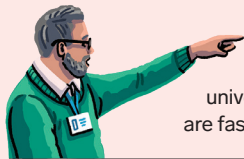
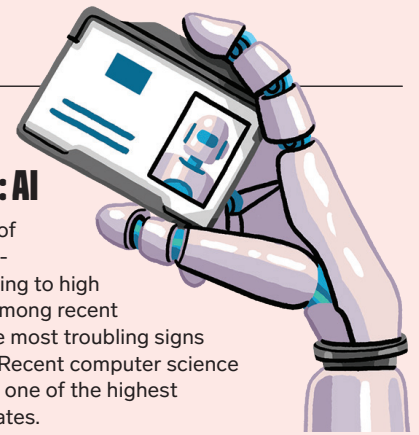


In 2023, the US had a shortage of 4.6 million internships, leaving more than half of college students seeking these opportunities without valuable work experience. From 2024 to 2025, internship openings nationally dropped 17.5%. The decline in internships in the nation's capital was 36%.



The new job competition: AI

The destruction of entry-level white-collar jobs is adding to high unemployment among recent grads. One of the most troubling signs of AI disruption: Recent computer science majors now have one of the highest unemployment rates.



So, what can higher ed do about all this?

We must start by being clear that all employers have a lot to do as well. (And, of course, colleges and universities are employers, too.) Higher ed should not tolerate a finger-pointing stance from employers who are fast to complain about the work-readiness of graduates but slow to grow internship roles in their own organizations.



Put internships at the top of your list.

Make internships an academic priority, not just a student affairs or career services priority. Local and regional employer-partnerships need to be a major focus. Consider these actions:

→ Offer academic credit for internships or work placements across all departments and majors. Most colleges and universities can point to specific programs or departments that offer robust internship opportunities for students, but few institutions have made this a prevalent feature for all students.

→ Increase outreach to local and regional employers, especially to the small and medium-size employers that are often less visible to students and that typically benefit the most from internship contributions.

→ Be an “internship intermediary” service for local and regional employers, making it as easy as possible for them to offer internships. Be sure to support the quality of the experience for both the student and employer.

→ Prioritize fundraising to support student internships for underserved students. Sadly, a good number of internships are still unpaid. Even when internships are paid, many students can't afford to take them because they are often located in expensive metropolitan locations (think DC, New York, San Francisco).

→ Remember that your own institution is an employer, and identify more campus roles that can be offered as internships. With a 5% internship goal, a campus of 1,000 employees can identify at least 50 internships annually (consider roles in IT, the registrar's office, alumni affairs, and library services).



Faculty can play a meaningful role in their own classrooms.

Research shows that when faculty have even a brief conversation with students about their career aspirations, students become more confident in their job readiness. Integrating project-based opportunities into curricula doubles the odds that a student finds career success after graduation. A number of organizations such as Riipen (riipen.com) and Podium (podiumeducation.com) provide experiential learning platforms that can support faculty with case studies.

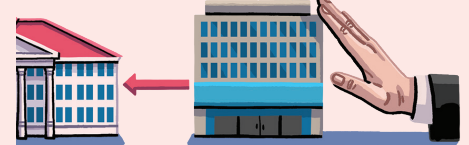


One way to combat—or at least counteract—grade inflation

Reversing grade inflation is a thorny issue. Faculty have rightfully pointed out that it has implications for student reviews and course ratings, which are more positive when students receive better grades. Many students and parents have added to the problem by placing consumer-like

demands on faculty and institutions. Whether or not the tide can be turned on grade inflation, faculty supporting work-integrated learning opportunities, such as industry-generated student projects, will allow students to differentiate themselves in the job market with portfolio-based work.

What would it take to close the 4.6 million internship gap? Not much, actually.



With the present availability of internships, US employers are at a rate of 2.2% internships to total jobs (163 million paid jobs to 3.6 million internships). To close the gap, employers need to offer internships at a rate of 5% of total jobs. With higher ed's help, employers can make it happen!

The right moves

Institutions are announcing transformative, institution-wide initiatives that have been hailed by faculty, students, alumni, and business leaders alike across the political spectrum.

- **Bates College's** Center for Purposeful Work is “preparing students for lives of meaningful work,” through a liberal arts approach.
- **Brandeis University** is investing \$25 million to embed work-relevant skills in a liberal arts curriculum. Undergrads will have a career and academic advisor their first semester.
- **Dartmouth College** raised \$30 million to support internships for all students, particularly in fields with underpaid roles.



A crucial responsibility

If young adults can't take the first steps up the career ladder, it is only a matter of time before the talent pipeline crashes. Without entry-level work and opportunities like internships, graduates will have no path to mid-career jobs or management. All employers will suffer. Work-integrated learning is the way forward for higher ed, the economy, and the country.

Colleges and universities have always played a critical role in our nation's talent-development pipeline. As broader economic forces erode the ability for young adults to get meaningful work experience, higher ed can't simply stand on the sidelines. [LE](#)

Sources: Brookings Institution, Bureau of Labor Statistics, Business Higher Education Forum, Federal Reserve Bank of New York, *Forbes*, Gallup, Gates Foundation, National Association of Colleges and Employers, Purdue University, USA Facts

