

Big dreams, bigger challenges

The Class of 2025 has ambitious plans for their careers. But as they enter their final year of college, they're feeling the heat of a tight job market on top of student loans, the impact of AI, and a turbulent political climate.

August 2024

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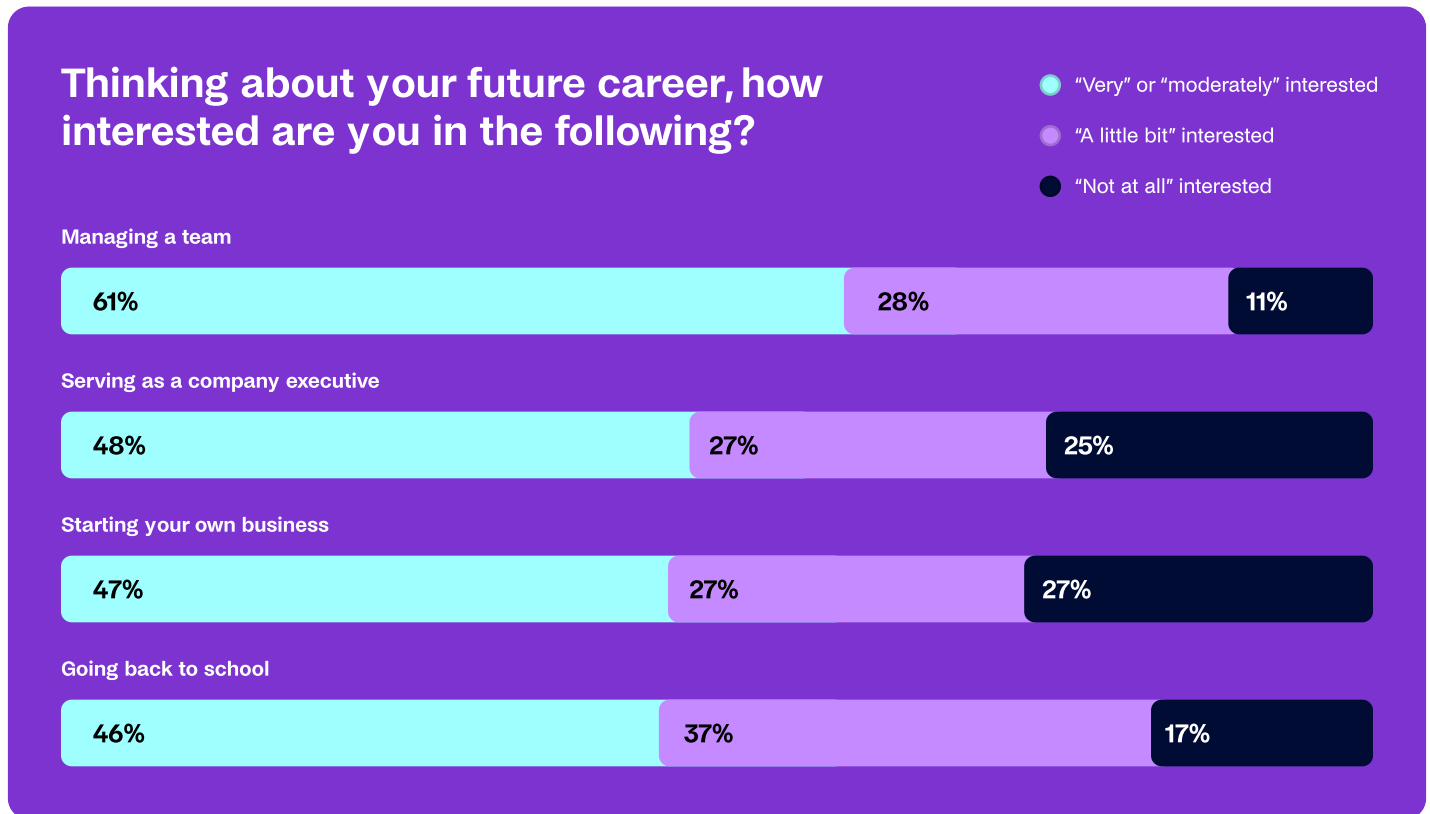
The Class of 2025 has big goals for the long term. In the short term, though, they see challenges on all sides. Competition for entry-level jobs has risen sharply, student loan debt is mounting, generative AI is poised to fundamentally change the economy, and the political climate is tense and uncertain in an election year.

As they enter this pressure cooker, this year's seniors do see one bright spot—they're confident that their college experience prepared them for what's ahead.

Daring to dream

This year's seniors are invested in their careers, and they see big possibilities for growth and success over the long term. The majority of 2025 graduates are interested in managing teams, advancing to executive roles, and starting businesses. A large majority are also interested in taking a break from paid work in the future to grow their skills or earn another degree. And although they value stability (similar to [previous classes](#)), the Class of 2025 is also open to change—more than 40% of this year's seniors expect they'll make at least one major career pivot before they retire.

Seniors have ambitious goals for their careers



"One thing I've thought about is being in a people management position. All my life, I've wanted to be kind of a lighthouse of mentorship to other people. I think being a manager is one of the best ways to do that. If I can find the right job at the right company, I can learn the hard skills while using the soft skills from my theater background to start being that lighthouse."

Class of 2025 student, Theater major

Many Class of 2025 students expect a career pivot

Thinking about your future career, do you expect to...

Pivot your career at least once

43%

Work in the same type of job for most of your career

38%

Not sure

19%

"In a meteorology program you take a lot of math and science courses. There's a lot that you could do with this degree in terms of branching out into environmental science and other related fields. I do think it would be interesting to see other ways I can use what I've learned."

Class of 2025 student, Meteorology major

Pessimistic about the present

Despite their high hopes for the long term, this year's seniors have lower expectations for the immediate future. 57% of Class of 2025 students feel pessimistic about starting their careers—a significant increase from 49% of Class of 2024 students at this time last year. When asked what's contributing to that outlook, they point to four main factors: stiff competition for jobs, student loan debt, the rise of generative AI, and the current political climate.

57% of Class of 2025 students feel pessimistic about starting their careers, based on four major factors:

Competition for jobs

Generative AI

Student loans

Political climate

63%

of these say **competition for jobs** contributes to their pessimism

45%

of these say **generative AI** contributes to their pessimism

54%

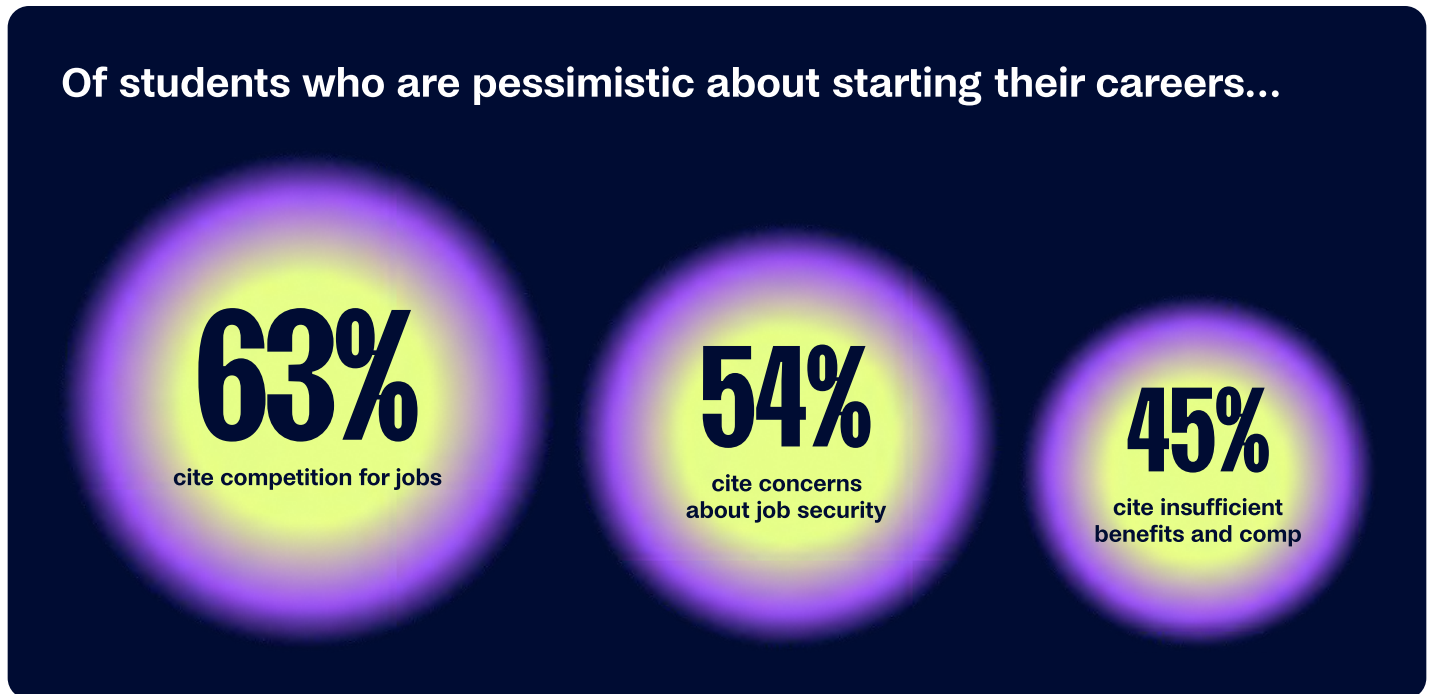
of these say **student loans** contributes to their pessimism

45%

of these say **political climate** contributes to their pessimism

Stiff competition sparks anxiety

Among Class of 2025 students who are pessimistic about starting their careers, almost two thirds say this is at least partly because they feel they're facing stiff competition for jobs in their field. Many also cite related factors, such as lack of job security and insufficient compensation and benefits.

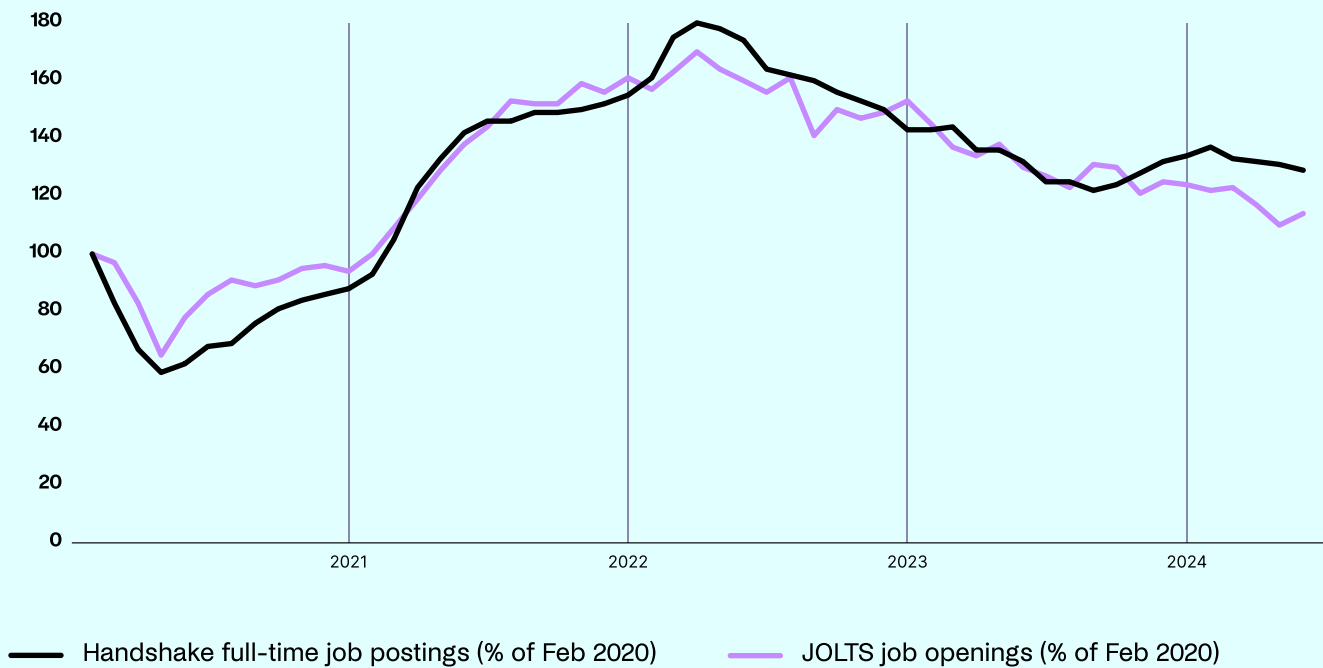


Concerns about competition are largely justified. Job creation on Handshake in 2024 so far has trailed behind 2023 levels, consistent with national trends. Meanwhile, the number of applications per job has been significantly higher than in any of the past five years.

Although some of this application growth can be attributed to an increase in the number of active job seekers on the platform, students are also applying to more jobs with greater urgency. As of last month, Class of 2024 students had submitted about 64% more applications per job than their Class of 2023 predecessors. Class of 2025 students were on track to continue that trend, having already submitted about 24% more applications per job on average than Class of 2024 students at this time last year.

Job availability has dipped over the past two years

Change in job availability, February 2020 - June 2024



"I'm nervous about seeking employment. It seems like it's a lot more difficult and competitive right now to find a job. I applied to so many internships for this summer and I wasn't able to get any, so that worries me. In January I went to a conference where I saw a lot of other students presenting their research, and I realized how many people are involved in this field and how many students my age seem to be further along in their career path."

Class of 2025 student, Meteorology major

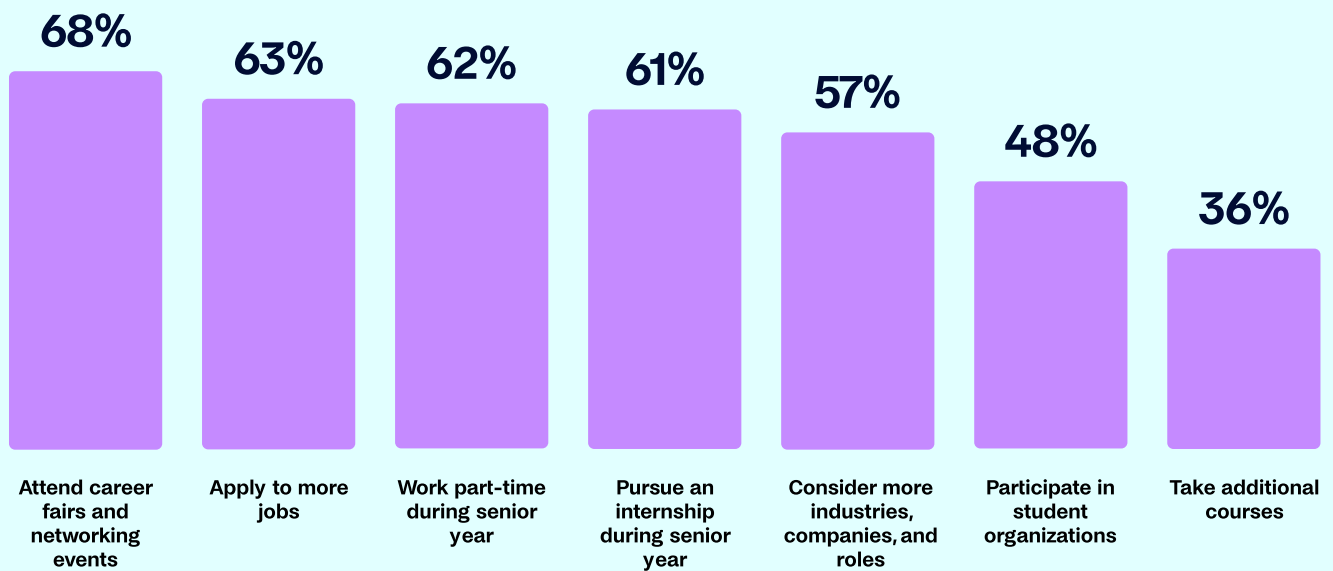
"I applied to more than 100 openings before I got my current internship. And I think applications for full-time jobs are starting very early. Some companies are already making offers to students graduating in spring 2025. I'm going through the process with one company right now and it's going well, but if that doesn't work out I'll start applying to as many jobs as I possibly can."

Class of 2025 student, Finance major

Career challenges

Competition is a powerful motivator. This year's seniors are already going above and beyond to succeed in their job search—on average, Class of 2025 students report that they've already spent upwards of 30 hours researching potential career paths. A majority of 2025 graduates expect to apply to more jobs than they initially planned, and many say they'll take additional steps in their senior year to stand out in the job market, such as pursuing an internship or increasing their course load.

Students are taking a range of steps to stand out in a competitive job market



Questions asked: "In what ways have the current economic conditions affected your job search?" "Are you planning on taking any steps in your senior year to stand out in the job market?"

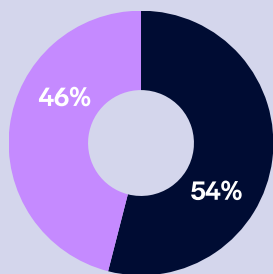
Student loan debt is a significant source of stress

Student loan debt adds another layer of financial pressure in a competitive job market. A majority of Class of 2025 students expect to graduate with student loan debt, and of those, well over half say it's a significant source of stress for them. Women, Black students, and first-generation college students are significantly more likely to carry debt, and are also significantly more likely to say it's a major stressor.

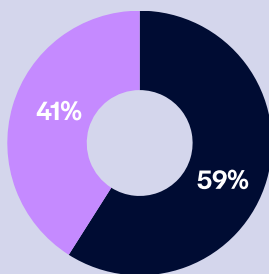
Not surprisingly, Class of 2025 students are heavily in favor of federal student loan forgiveness. 63% believe this should be a top priority for the federal government, and that number rises to 69% for first-generation students, 70% for women, and 81% for Black students.

Debt is a bigger concern for some student demographics

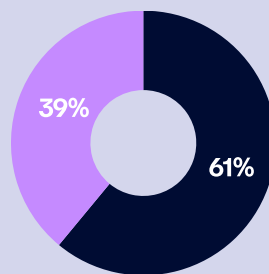
● My student loan debt feels manageable ● My student loan debt is a major source of stress



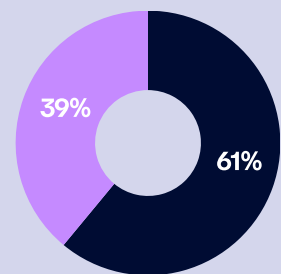
All students with debt



Women with debt



Black students with debt



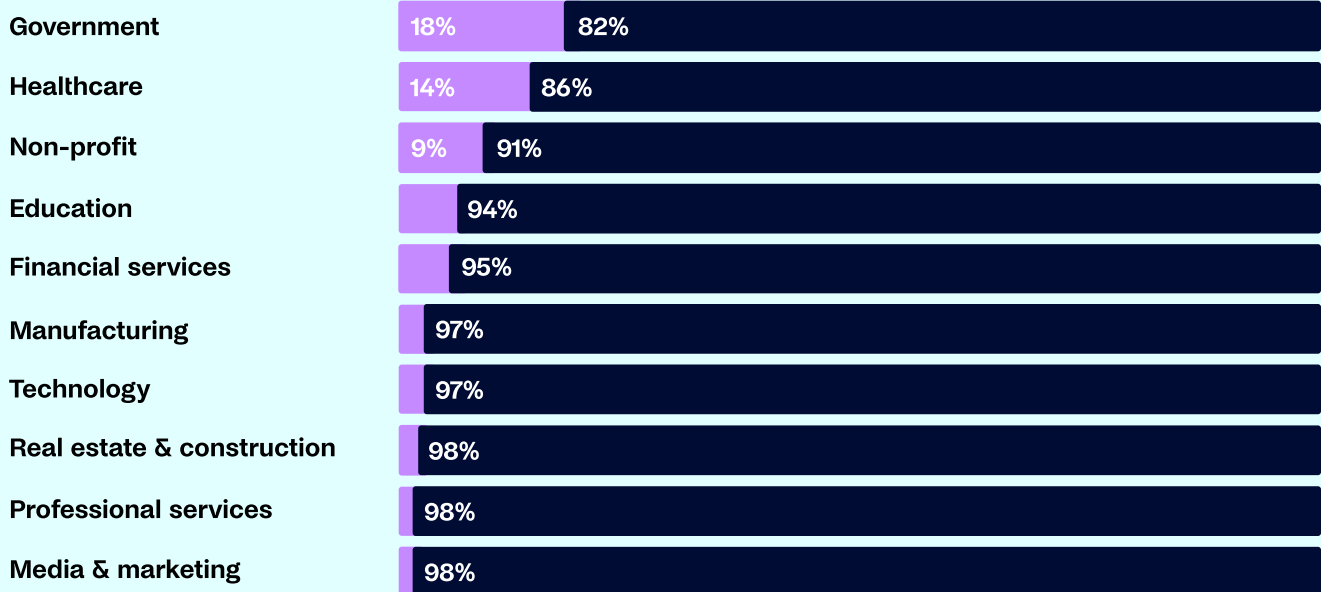
First-gen students with debt

A closer look at student loan benefits

Almost 9% of jobs posted on Handshake in the past year have offered student loan repayment support as a benefit. However, support varies widely by industry. Roles in government, healthcare, and the non-profit sector are much more likely to offer loan repayment assistance, while other industries such as tech, professional services, and marketing lag significantly behind.

Jobs in certain industries are more likely to offer student loan support

- Jobs with student loan support
- Jobs without student loan support

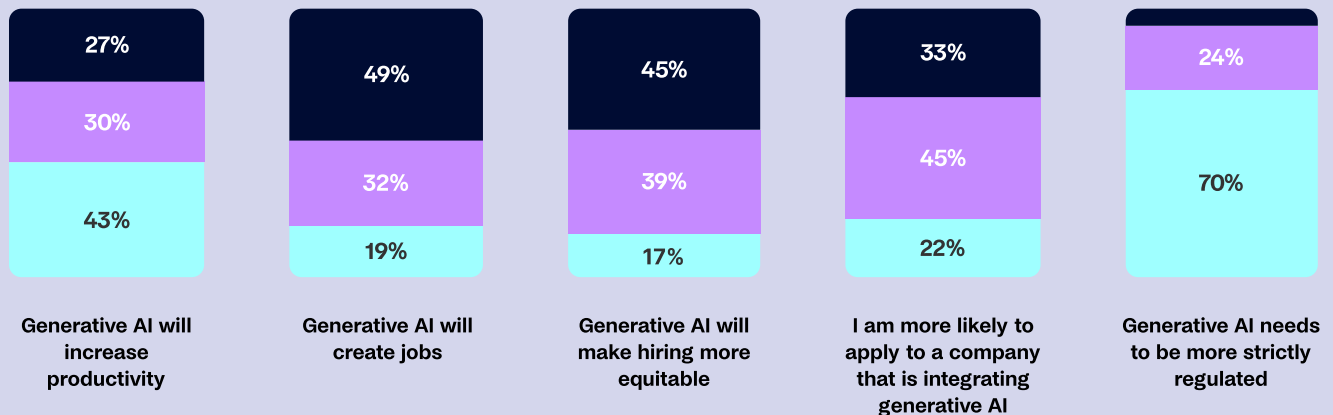


Generative AI generates unease

Today's college students are closely familiar with generative AI tools, and more than half report using them regularly. But as familiarity increases, students are also expressing more skepticism about the long-term impact of this technology. Less than half of this year's seniors believe generative AI will increase worker productivity, and less than a fifth think it will create jobs or make hiring more equitable. A large majority think AI needs to be more strictly regulated. Notably, only 22% would be more likely to apply to a company that's integrating AI tools, and 33% are actively opposed to doing so.

The Class of 2025 is skeptical of GenAI

● Agree ● Neutral ● Disagree



"In a perfect world, AI would serve to take over jobs and parts of jobs that are difficult, mundane, and otherwise not fulfilling. Unfortunately, I see a trend of AI being used to "fill" creative and personally-fulfilling niches like the arts. I am also concerned that AI is only as intelligent and objective as its creators and data pools, and we have already seen AI tools regurgitate prejudice."

Class of 2025 student, Art & Design major

Political and career outcomes are intertwined

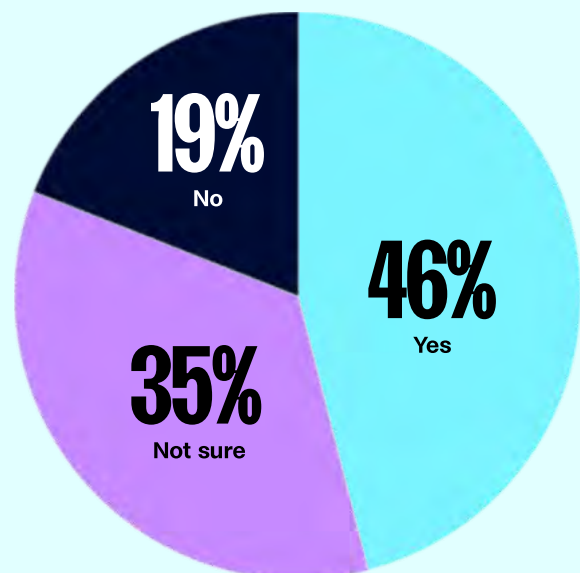
This year's seniors are acutely aware that the current political climate could have a significant impact on their job search, and almost half believe the results of the November election will influence the trajectory of their career. But this class isn't thinking of politics as something that happens "to" them—they're invested in shaping the political landscape. 77% say they will likely vote this fall, and 61% are open to working in government. Additionally, 32% are at least slightly interested in running for public office at some point in their career.

"As someone pursuing an environmental science degree, the election results will definitely affect my career. For example, if we have someone in power who is dismissive of climate issues and global warming, it will be harder for me to get a job in that field and to focus on driving positive change."

Class of 2025 student, Environmental Science major

Almost half of this year's seniors say the election will impact their career

"Do you believe the November election will significantly influence the trajectory of your career?"



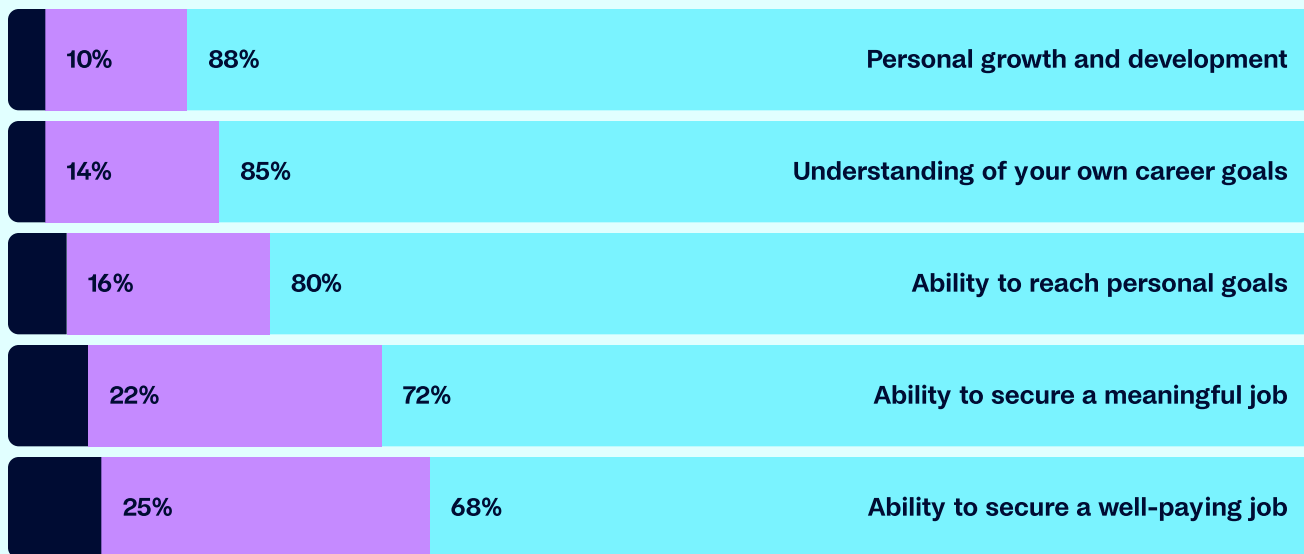
Confident in the value of college

Amid all the challenges they're facing, college is a bright spot for the Class of 2025. Well over 80% of this year's seniors say their college experience has contributed significantly to their personal growth and understanding of their career goals. A majority also say it's improved their job prospects—both their ability to secure a well-paying job, and their chances of finding a job that's interesting and meaningful to them. This positive outlook is similar to student sentiment [in 2022](#), despite significant shifts in the job market and economy over the past two years.

The Class of 2025 says college has contributed significantly to their personal and professional growth

How much do you think your college experience has contributed to your...

● "Not at all" ● "A little bit" ● "A fair amount" or "A lot"



"I would say the most helpful thing about college is how many times you can dip your foot into the pool of things to learn. I've been able to take classes on psychology, biology, things that have nothing to do with my major. Next semester I'm taking a pottery class. Who knows if I'll use those skills again in the future, but at least I'm able to test it out and have that experience."

Class of 2025 student, Theater major

For the Class of 2025, the future starts now

This year's seniors are facing plenty of uncertainty. But they haven't let that stop them from tackling the job search head-on. They're setting big goals for the long term, and in the short term, they're doubling down on researching employers, applying to jobs, and honing the skills they'll need to stand out. College has helped them build confidence and self-awareness, and they're carrying that forward into their careers. As this class navigates the challenges ahead, employers have a unique opportunity to harness their urgency and ambition.

Methodology

Student sentiment surveys

Between June 14–July 5, 2024, Handshake randomly invited students across the platform to participate in an online survey. After cleaning, 1,925 Class of 2025 students pursuing bachelor's degrees, from 521 institutions, completed the survey.

Survey weighting

In order to provide a more representative snapshot of student sentiment across four-year college students in the US, survey responses were weighted by gender, race and ethnicity, and selectivity using institutional enrollment numbers from federal NCES datasets.

Platform data

To assess the prevalence of student loan repayment benefits, Handshake analyzed data submitted by employers when creating full-time jobs. The proportion of jobs offering student loan repayment was calculated by dividing the number of jobs for which employers selected this benefit by the total number of jobs with at least one associated benefit.

Job availability

To track change in job availability over time, Handshake analyzed full-time jobs active on the platform indexed to February 1, 2020. Changes in national job openings are provided for comparison using the [July 2024 JOLTS report](#) published by the U.S. Bureau of Labor Statistics. All data are seasonally adjusted.

About Handshake

Handshake's mission is to democratize access to opportunity, and Handshake is the best place to start or accelerate a career—no connections, experience, or luck required. Our community includes 15M+ students and young alumni from 1,500+ educational institutions, including four-year colleges, community colleges, boot camps, and 300+ minority-serving institutions. We connect emerging talent with 900K+ employers—from Fortune 500 companies to thousands of public school districts, healthcare systems, nonprofits, and more. Handshake is headquartered in San Francisco with offices in Denver, New York, London, and Berlin and teammates working globally.