

The class of 2023 forges ahead

Short-term anxious, long-term optimistic: six things to know about the next cohort of college job seekers



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Introduction

This fall, the class of 2023 will enter their final year of college having experienced a global pandemic, an unprecedented shift to remote instruction, the Great Resignation, and rising inflation. Given a steady stream of news around a potential recession and possible contraction in hiring, how will the newest cohort of college jobseekers respond?

To find out, **we asked the incoming class of 2023 how they feel about the economy, the actions they'll take to secure a job, and whether they think they can find a well-paying job** that aligns with their interests when they graduate.

And, we plan to re-survey these same users over the course of the year to see how their feelings change, so stay tuned for more insights in the months ahead.

In this report, we find a group anxious about the near-term, but optimistic about their long-term future. Worries about money and stability pervade responses to every question, even as the group by and large expresses a positive outlook about what's ahead.

This split between optimism and anxiety is reflective of mixed trends economists and policymakers are confronting in the broader labor market: for instance, continued warning signs of a recession alongside record-breaking unemployment rates (3.5 percent as of July—a 50-year low). [\[Bureau of Labor Statistics, Employment Situation July 2022\]](#)

Read on for six takeaways on how the class of 2023 is responding to news about the job market, as well as actions for companies, career educators, and students to take as a result.

The news about the economy makes me feel...

“Optimistic about my ability to find a job but also **worried because there are so many people searching.**”

Survey respondent

Strategic communications major

Skills and location preferences for the class of 2023

The class of 2023 gravitated towards business and tech majors, with the exception of psychology—a possible nod to the psychological turmoil of the past three years. The top cities reflect explicit student job location interests when onboarding onto Handshake.

Most popular majors for the class of 2023

1. Business Administration
2. Psychology
3. Computer Science
4. Biology
5. Computer Systems Networking

Top cities of interest for the class of 2023

1. New York
 2. Los Angeles
 3. San Francisco
 4. Washington, D.C.
 5. Chicago
-

Methodology

Between June 13–July 6, 2022, Handshake surveyed 1,432 jobseekers from the classes of 2022 and 2023 about their thoughts on the economy, job market, and future of work. This report summarizes the findings of the survey, foregrounding respondents from the class of 2023 (n=691) to understand the mindset and approach of this class of rising graduates. Generally, sentiment is similar for class of 2022 and 2023 students, though differences are highlighted within the report.

We will be re-surveying the class of 2023 throughout the year in order to see how their opinions and feelings change in response to news about the economy and the job market, as well as their transition from college to career.

Takeaway 1

The class of 2023 is worried about the economy

Does economic news impact how students in the class of 2023 feel about their future careers?

Yes. Half of the class of 2023 say that the current economic news is affecting how they feel about their future careers.

How do students describe the impact of economic news?

When asked to describe their feelings, survey respondents gave answers that centered around anxiety and trepidation. The top words mentioned across all responses were: "anxious," "worried," "stressed," and "concerned."

The news about the economy makes me feel...

"Very nervous about paying back student debt and has me thinking more about money than ever before."

Survey respondent

Biology major

Do feelings about economic news differ by demographic?

Women are more likely to feel that news about the economy affects their future career. A majority of women respondents (52%) say that the current economic news affects how they feel about the job search compared to only 44% of men.

Has the current economic news affected your feelings about your future career?

Half of respondents say that current economic news affects their feelings about their career, which in turn spurs changes in how they approach the job market and search process.

Overall



Men



Women



Has affected my feelings Has not affected my feelings

Takeaway 2

The class of 2023 plans to apply to *more* jobs, sooner

How has economic news influenced the job seeking behavior of the class of 2023?

Economic uncertainty is motivating the class of 2023 to shift their job search strategy by applying to more jobs, a more diverse range of jobs, and, for some, sooner than they'd planned.

Applying to more jobs: Almost half of the respondents plan to apply to more jobs than they would have because of what they are sensing about the economy. For instance, one respondent said they were changing tactics because, "[I feel] uneasy as to how many jobs will actually be available when I graduate."

Applying to a wider range: Over a third are open to new industries they hadn't previously considered.

Applying sooner: Almost one fifth plan to start their job search sooner as a result of the economic news. Said one respondent: "[I feel] a little concerned about how the economy will be when I'm ready to look for a job."

"I need a high paying job. With entry level experience, that will be challenging to find, especially since I hope to graduate soon. **Money is an issue and I worry all the time** that I may not be able to pay for my last two semesters."

Survey respondent
Biology major

A change in strategy

Many in the class of 2023 are planning to start their search sooner and showing openness to new industries.

44%

plan to apply
to more jobs

35%

open to new
industries

18%

starting the job
search sooner

Are class of 2023 sentiments reflected in their actions around the job search?

Apparently, yes: comparing the actions taken by both the class of 2022 and class of 2023 in the eight months preceding their graduation year shows that the class of 2023 is more engaged than previous cohorts.

Leading product indicators on Handshake, such as responses to employer messages, job views, and applications, show that **the class of 2023 is already engaging more than the previous cohort in early job search activities**—unsurprising for a class that is worried about their career prospects in an uncertain economic environment.

“My job search has been affected by rising costs of living in that **I started the search earlier than I originally intended**, but I am still being selective in which jobs I apply for because I don't want to have to restart the search in a few months if I rush and choose a poor fitting job this time around.”

Survey respondent

Psychology and Software Development major

More engagement, sooner from the class of 2023

Leading indicators, such as views of job postings and applications, show that this year's seniors are already engaging more in their search than last year's seniors.

	Class of 2022 (Jan 21–Aug 21)	Class of 2023 (Jan 22–Aug 22)
Job views (per user)	31.4	36.6
Message engagement	28%	30%
Application rate (apps per user)	4.2	5.2

Date range indicates the behaviors taken by users in the months leading up to their reported graduation year. Overall message engagement rate=total number of message recipients that clicked at least one link within a message/ total number of message recipients.

Takeaway 3

The class of 2023 is paying attention to industry behavior

Is the class of 2023 tracking industry-level job market changes?

Yes. The much-publicized shift in the hiring behavior of the tech sector has not gone unnoticed by the class of 2023 as they weigh employers.

As of August 1st, 2022, **cumulative full-time job postings by tech employers on Handshake fell below the number of postings from the same point in time last year.** Shifting tech sector strategies, along with highly publicized layoffs, have been a warning sign to the class of 2023—as one respondent notes, they are “highly concerned about layoffs especially going somewhere as a new hire and the uncertainty with companies right now (i.e. Netflix has done layoffs, other companies are doing them as well).”

The news about the economy makes me feel...

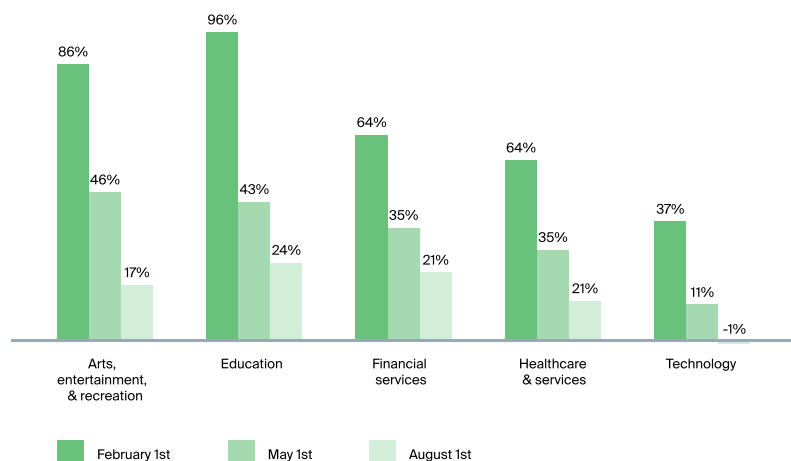
“...highly concerned about layoffs especially going somewhere as a new hire and the uncertainty with companies right now (i.e. Netflix has done layoffs, other companies are doing them as well).”

Survey respondent

Computer Information Systems major

Change in full-time job postings by industry on Handshake

Across all industries, the gap between jobs created in 2022 and 2021 has shrunk. As of August 1, 2022, the technology sector saw one percent less jobs created than 2021.



Takeaway 4

The class of 2023 is seeking stability and salary

What makes the class of 2023 more likely to apply for a job?

Compensation and stability. Driven by inflation and concerns around layoffs, the majority of students in this cohort prioritize stability and salary from employers over other factors, such as benefits or friends at the company.

Although Gen Z is sometimes characterized as more mission- than material-focused, the prioritization of money over mission tracks to an earlier [Handshake Network Trends report](#) from April 2021, which found that Gen Z respondents ranked salary/compensation as the most important factor when choosing a job and employer, as well as the number one motivator for staying in a job.

“I think with the perception of a slowing economy, **a stable job is more of a target.** For a while it seemed there were several jobs on the market but now the job market is drying up a bit with hiring freezes.”

Survey respondent

Finance and Business Administration major

What makes the class of 2023 more likely to apply for a job?

A high starting salary and stability top the list, far ahead of seemingly more "fun" aspects of a job, like company brand or friends who work there.

74%
say a high
starting salary

74%
say job
stability

66%
say overall
benefits

41%
say a known
company brand

39%
say a fast
growing field

33%
say alumni or friends
working there

How does this compare to class of 2022 grads who are currently job seeking?

When compared to the previous class of graduates, the seniors of the class of 2023 are also slightly more likely to look to external factors, like a well-known company brand or the perception of a fast-growing field, when considering their first job.

- The class of 2023 (41%) is more likely to say a company brand would make them apply versus the class of 2022 (33%)
- The class of 2023 (39%) is more likely to say a job in a fast growing field made them likely to apply versus the class of 2022 (32%)

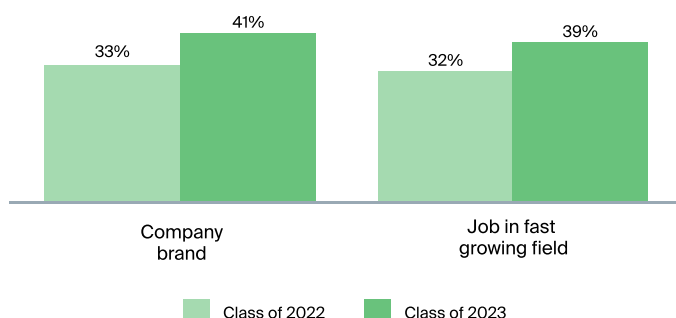
One potential reason: it could be that factors like brand and growth matter less as seekers get farther from graduation and closer to the job market.

“I feel that **I have the talent, drive, and capability to secure a career that offers an acceptable salary.** I’m also pragmatic and realize that it’s a competitive economy and **it won’t be easy to find a career** that will pay a good wage and have the constructive, inclusive culture I am looking to be part of. “

Survey respondent
English major

What makes you more likely to apply?

The class of 2023 was more likely to apply to a job based on whether the company was a recognizable brand or in a fast growing field than those in the class of 2022.



Takeaway 5

The class of 2023 prefers hybrid work—and for the *right* job, they’re willing to relocate

What is the class of 2023’s preferred way of working?

Although the majority of respondents (55%) say that it’s important that employers allow them to work remotely, entirely remote work does not seem to be the preferred outcome for the class of 2023.

More than 3 out of 5 respondents, when given the option, prefer to work in a hybrid environment. 23% respond that they prefer to work entirely in-person, while 15% say they prefer to work entirely remotely. When respondents elaborate, we see that the flexibility to work remotely is often tied to the savings associated with avoiding commutes or living in a less expensive locale.

Does the class of 2023 feel prepared to work in a fully remote workplace?

Almost **two-thirds of class of 2023 respondents say they feel prepared to work in a fully remote workplace.** However, this differs by gender: 71% of men agree that they feel prepared to work in a fully remote workplace, 10 percentage points higher than women respondents (61%). Interestingly, even though they feel more prepared, men respondents find it less important that their employers allow them to work remotely (52%) compared to women respondents (57%). This might track to the "confidence gap" documented between women and men in the workplace, where women perceive themselves to require more preparation and feel less confidence than their peers who are men. [See also [Handshake Network Trends: Gender, equity and Gen Z](#)]

“I actually prefer to work in the office, but commuting is so expensive and public transport is not good where I live.

Working from home is nice because I am not spending money on gas, but I do miss having separate work and home environments.”

Survey respondent

Biochemistry and Anthropology major

Is the class of 2023 willing to relocate?

Two-thirds of class of 2023 respondents say they would be willing to change cities for the right job, showcasing again that Gen Z isn't against the office so much as they're looking for the *right* office. [See also our previous report, [The changing map of Gen Z jobseekers](#)]

Contrary to prevailing “all or nothing” narratives around remote work, the class of 2023 is weighing a series of tradeoffs as they start their career: opportunities for advancement, cost of living, price of the commute, quality of life, and ability to be flexible with their in-person workplace attendance.

One respondent noted, “I am willing (and actually happy) to relocate since my city is too expensive in relation to its average quality of life and since there aren't enough job opportunities available here that are 1) in my field and 2) that I can actually grow into a long term career, but this isn't too relevant to my job search since I expect to be remote anyway.”

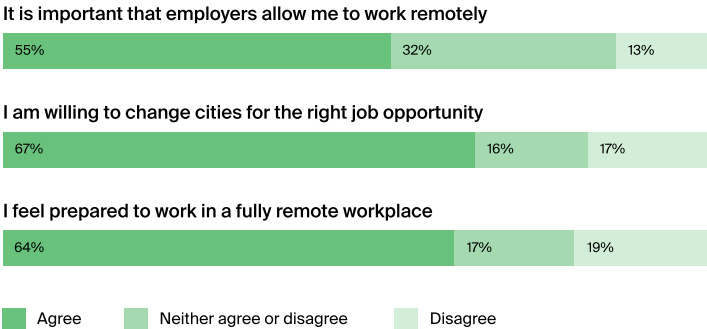
“Current cost of gas offsets any potential wage that I could be making at an entry level job.

Working remotely helps mitigate that loss. If I had the opportunity to work a decent paying job (\$23-30/hr) in my desired field (librarianship or publishing) then I would be more than willing to relocate.”

Survey respondent
English major

Neither remote nor in-person, but hybrid for the class of 2023

Most rising seniors feel prepared to work remotely, and want the flexibility of remote as an option, but would move for the right job.



Takeaway 6

The class of 2023 feels optimistic about their skills and career prospects

Is economic anxiety affecting the long-term outlook of the class of 2023?

No. Despite the uncertainty around the economy and its impact on the early career labor market, the class of 2023 feels bullish about their future careers: **four out of five respondents believe they can find a well-paying job, a personally fulfilling job, and a job in a field they are interested in.**

In fact, two out of three respondents feel that the skills they have now as rising seniors are enough to secure a full-time job they will enjoy. The question remains on whether this perception of skill actually matches the needs of employers—the so-called skills gap that exists between the rapidly changing labor market and the readiness of graduates.

Of note: today, 77% of respondents from the class of 2022 believe they have the skills to land a full-time job, significantly higher than the 67% of class of 2023, suggesting this confidence in college-acquired skills only increases with time from graduation.

“I do believe I can find a job that fits my interest and is desirable....most of the jobs I am interested in require long work hours, but I am hopeful society will head toward **better work-life balance, such as a four-day work week and a better work environment for optimal mental health.**

Survey respondent

Management Information Systems major

Optimism in a time of uncertainty

Despite a college experience rife with economic and societal upheaval, the class of 2023 is bullish about their future career.

81%

believe they can find a well-paying job

82%

believe they can find a personally fulfilling job

86%

believe they can find a job in a field they're interested in

Take action

Employers and the class of 2023

Resonate with Gen Z

Your organization's brand has always been important, but now more than ever, it's crucial that you take care of it. More than 40% of respondents say they're likely to apply to a brand they've heard of—but are you coming across as relevant?

- ✓ **Action:** check how your brand appears online, starting with how you promote compensation and hybrid work—the class of 2023 is weighing preferred work modalities with broader economic concerns (an affordable cost of living, compensation, etc.).

Index on skills

With the forward-thinking skills required to lead employers through digital transformation, Gen Z talent is increasingly valuable to the future of business. And as the class of 2023 plans to apply to a wider range of industries and sectors, you can reap the rewards.

- ✓ **Action:** focus on the underlying skills needed for a role rather than just a student's major or school and incorporate filters for candidates that match your specific needs.

Mental health and wellness

It's clear that the class of 2023 is stressed about economic uncertainty, presenting a clear opportunity for companies to showcase their commitment to mental health.

- ✓ **Action:** read this [blog post](#) for more insights about how to demonstrate mental health and wellness benefits during the recruiting process.

Take action

Career centers and the class of 2023

Support students in a stressful time

It's clear that students are absorbing news about the economy in ways that affect their stress levels and mental health.



Action: hear how three students prioritize mental health, as well as what they are looking to career services professionals to do to help them navigate the job search.

Help navigate economic headlines

The class of 2023 is paying attention to the barrage of headlines around the economy, hiring freezes, and layoffs. Yet these headlines often miss out on how different sectors are being affected and the tangible impact it will have on early talent recruiting.



Action: serve as a translator of job market data by monitoring the news (including the Handshake Network Trends blog) for the latest insights on changes in hiring trends.

Introduce students to more opportunities

The class of 2023 indicates that they plan to apply to more jobs in a wider range of industries.



Action: help students understand their underlying interests and skills beyond the scope of their major. If you need help with student engagement, use this Back-to-School Toolkit.

Take action

What to do if you're in the class of 2023

Monitor news about the economy

Despite some headlines, employers are still hiring, and job openings remain high.

- ✓ **Action:** talk to career services at your college to understand how changes in the economy are affecting the industries you're interested in.

Advertise your skills

You don't need to meet every single qualification in a job description in order to apply! Job descriptions are a list of ideal qualifications employers are seeking, and it's ok to apply if you meet at least 70% of them.

- ✓ **Action:** apply to jobs where you meet most, but not all, of the qualifications, and check out [this blog](#) for more tips.

Reach out to peers and alumni

As one class of 2023 student put it, “the job search process is really stressful, especially as a full-time student”. Our advice? Take advantage of alumni, peers, and career services professionals to [help navigate the job search](#).

- ✓ **Action:** hear how other students from the class of 2023 are prioritizing mental health in the job hunt in [this video](#). You can [message alumni and other students](#) on Handshake to ask about their work experience directly.

About

Handshake is the #1 place to launch a career with no connections, experience, or luck required.

Handshake's community includes 10 million students and young alumni around the world from 1,400 educational institutions, including four-year colleges, community colleges, bootcamps, and 290+ minority-serving institutions. The platform connects up-and-coming talent with 650,000+ employers—from Fortune 500 companies like Google, Nike, and Target to thousands of public school districts, healthcare systems, nonprofits, and even sports teams like the LA Dodgers. Handshake is headquartered in San Francisco with offices in Denver, New York, and London with teammates working globally.

Learn more at joinhandshake.com.