

## THE PULSE OF THE JOB MARKET FAQS ABOUT THE FOR-PROFIT EDUCATION JOB MARKET



I used to get asked what was happening in the for-profit education job market about once a week. Now, with all the news headlines and rule proposals, I get asked several times a day. In an effort to answer all the FAQs at once, here is what I am seeing:

- About all the layoffs: Most of the recent layoffs included part-time employees and low-level positions comprised of non-performers. We have seen little to no hiring changes at the management level because of it.
- Arrivederci bonuses: With all the new regulations, how we pay our campus administration has changed forever. I expect this to create a sharp rise in base salaries this year to offset the loss of employee bonus earnings. This past year we witnessed approximately a 6-9 percent increase.
- President's club for everyone: For the last few years, admissions professionals have looked like all-stars. With record enrollments and growth every year, it appeared no one could miss a start. 2011 and 2012 will quickly distinguish the true performers. Anyone can catch fish at the aquarium!
- No more used car salespeople: I have nothing against any salesperson; it's just a term, but you get the idea. New admissions policies are weeding out the individuals who had no place in our sector to begin with.
- Some schools still don't get it: Organizations continue to hire available, typically unemployed, job-hopping talent on the cheap. Then they wonder why things go wrong when their houses were made of straw.
- No degree, no job: This has been a trend over the last decade but has really come full circle. You need a degree to work in our schools, with very few exceptions. The notion of offering education, without an education yourself, just doesn't add up for schools and their students.
- Relocation is back: The slow return of the housing market has brought the return of candidates willing to relocate.
- Specialization: Many schools now have separate admissions teams for adult and high school admissions. I expect this trend will continue and also expect a sharp rise in military admissions teams.
- The recession is over: It has been for about 18 months or so. We need to get over it.
- Hiring out of sector won't be so easy: As the shortage of candidates in education continued, many organizations started hiring people with no education experience. The recession created an abundance of these folks willing to work inexpensively. Now that the economy is recovering, these candidates will return to their original sectors and prior salaries.
- It better be right: Potential candidates will listen to your story, but they won't make a move unless the compensation is excellent, and the opportunity is ideal. Candidates are very savvy today, and if they don't believe in you and your organization, they are not going to make a move.
- Demographics tell the story: Unemployment is approximately at 9.6 percent. When you remove individuals who do not have a college degree, those under age 25 and the chronically unemployed, this rate drops to about 4.5 percent. With 70 million baby boomers starting to retire and only about 35 million of Generation X to replace them, it equals a huge shortage of workers.
- Social networking: Many think social networking tools like Facebook and LinkedIn will replace recruiters. While they are useful tools, everyone has access to them, watering down their effectiveness. When Facebook had to hire a C-level position, they hired a search firm, and they ARE Facebook!
- Regulations, regulations, regulations: The agenda of some on Capitol Hill is influencing our sector more than ever. Brilliant people and strong leaders will navigate this difficult time swiftly and continue to succeed. The others will fade from our memories. The battle for talent will be epic. The ability to have the right people, at the right time, this time, working for your schools, will be all the difference.

## EXECUTIVE SEARCH

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