



Quarterly Career Trends Report

Conducted quarterly, the SoFi Career Trends Report aims to identify current employment trends, gauge the demand for undergraduate and graduate level talent, and provide insight into hiring practices across industries and regions

KEY FINDINGS

The U.S job market is conflicted as we enter the second half of 2015. While data published by the U.S Bureau of Labor Statistics suggests strong employment trends, but wages continue to lag far behind job creation. SoFi members should enter the job market with caution, if the primary reason for change is salary progression (check out our [online class](#) if you need help answering the “should I stay” or “should I go” question). Here are a few highlights from this quarter’s report:

- Unemployment is at its lowest level in seven years.
- SoFi members should consider number of job listings rather than unemployment rates when evaluating metropolitan areas.
- Wage growth remained flat quarter over quarter, but data may be misleading.
- Prospective graduate students can use a new metric, return on education or ROEd, to gauge the effectiveness of investing in a graduate program.

EMPLOYMENT TRENDS

The national unemployment rate fell to 5.3% at the end of July - a seven-year low as job creation remains strong across all functions and industries. Improvement in the market has been consistent, averaging well over 200,000 new jobs created each month for the past year. This trend is expected to continue given the number of new jobs posted, which is currently at an all-time high.

Month-over-Month Increase in New Job Postings

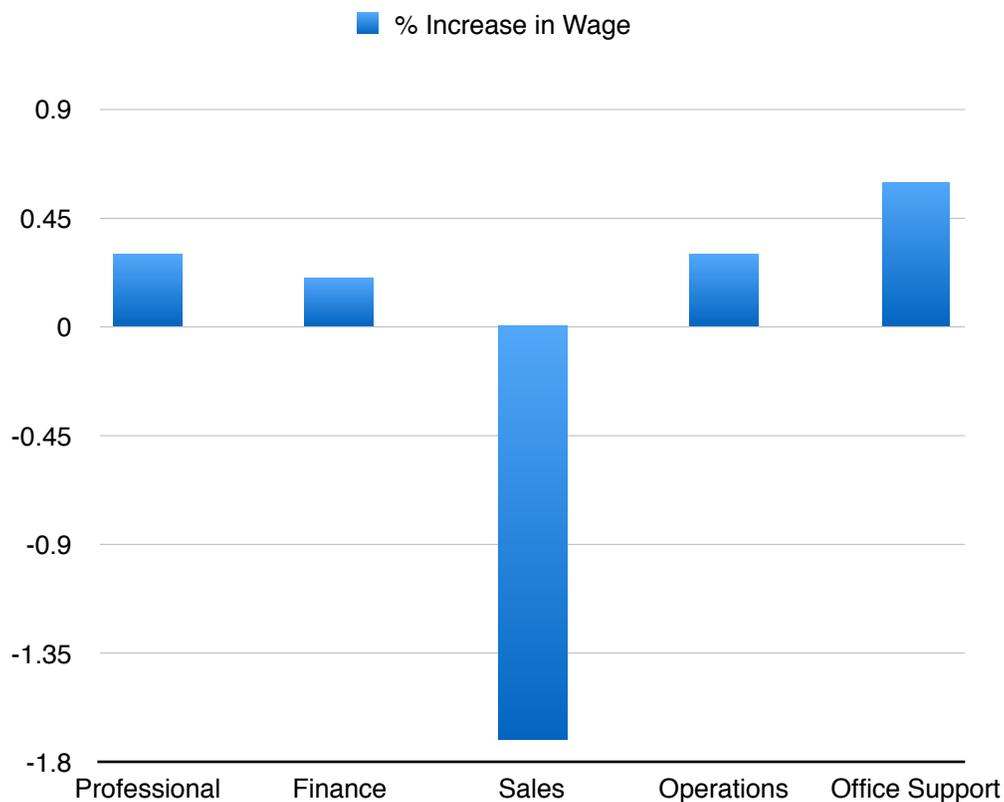
Metro Area	Increase in Postings
Las Vegas	5.87%
Denver	5.84%
Minneapolis-St. Paul	5.71%
Philadelphia	5.60%
Nashville	5.59%
San Diego	5.49%
Houston	5.12%
Atlanta	5.09%
Chicago	5.08%
Hartford & New Haven	4.89%

Source: Employment Report, SimplyHired.com (July 2015)

SoFi members should pay particular attention to markets with the highest percentage increase in new job listings, rather than markets with the lowest unemployment rates. For example, San Francisco boasts one of the country's lowest unemployment rates at 4.2%, indicating a hot market for job seekers, but it ranked 47th out of the top 50 metropolitan areas in terms of new job opportunities with a meager 1.44% month-over-month increase. In contrast, Philadelphia ranked 4th in new job listings, and is a market that many candidates may pass on due to a high unemployment rate of 7.4%. The key takeaway: consider where the jobs *are* rather than where the jobs *were*.

COMPENSATION TRENDS

Wage growth continued to disappoint in the second quarter, posting the lowest percentage increase in over thirty years - a sign there is still little pressure on hiring managers to raise pay in order to attract talent.



Source: U.S. Bureau of Labor Statistics (July, 2015 Data)

However, the data on wage growth may be a bit misleading since the slowdown was particularly large among sales jobs as well as those who received bonuses in the month of February. Such outsized increases in the first quarter may have created the perception that wage growth remains soft, so there is hope that wages are on solid footing and will rise as the supply of talent tightens in the second half of the year.



SPOTLIGHT - ROEd

Given the flattening of wages over the past decade (real wages are still below 2006 levels) and the rising cost of education, it's more difficult than ever to gauge whether a graduate degree will be worth the investment. Many people look to the various graduate school rankings published by magazines and other publications each year to help make the decision. However, the criteria these outlets use to develop their rankings don't always provide the necessary information to make a fully informed decision.

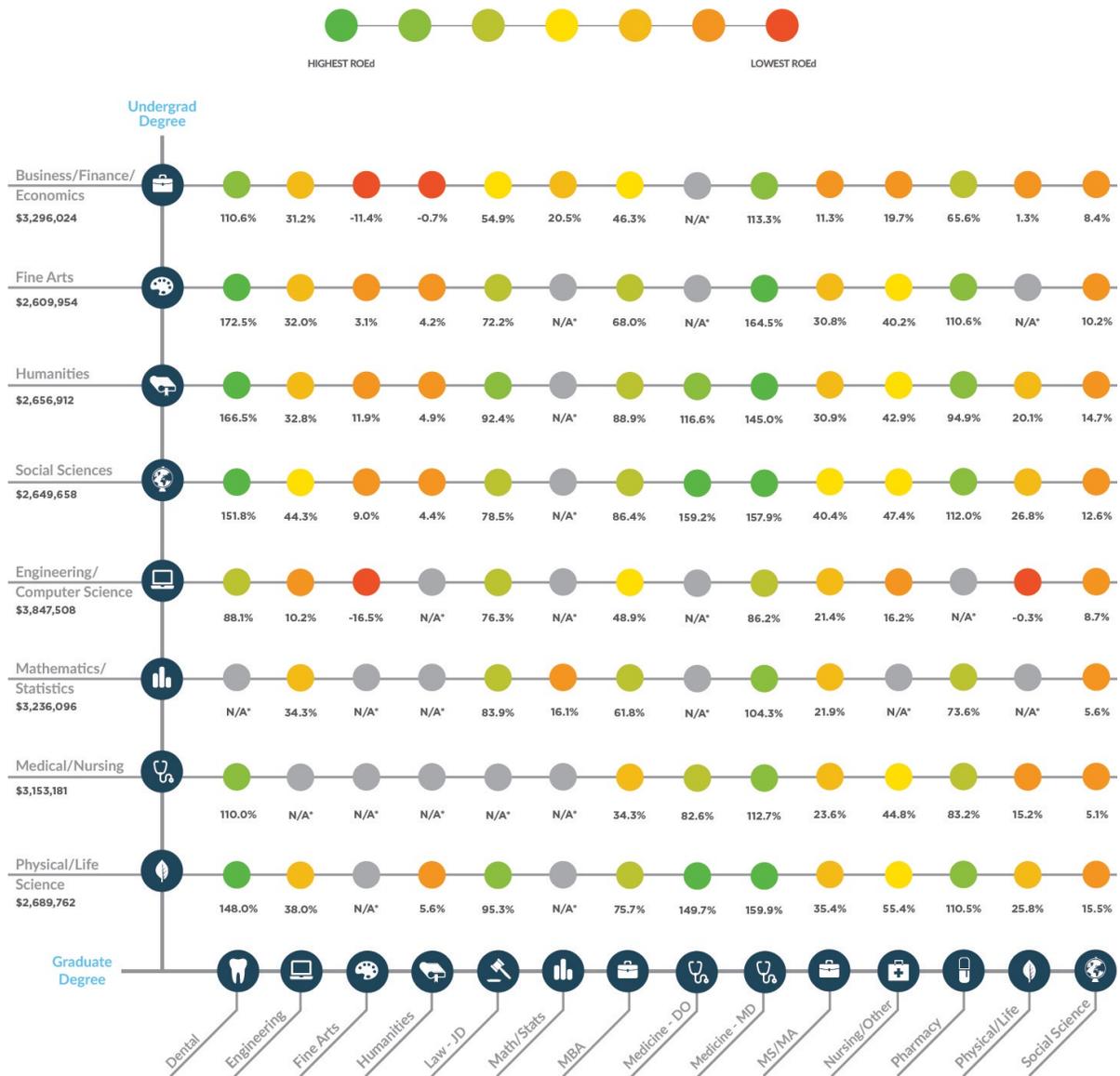
For example, a graduate program in computer science may point to post-grad placement rates, average starting salary, and student satisfaction as valid reasons to attend. But a candidate with an undergraduate degree in computer science or a similar technical field may not get a positive return on their educational investment if they enroll in the program.

SoFi offers a different metric to consider when making such an important decision - the Return on Education or ROEd.

To determine ROEd, SoFi analyzed more than 200,000 applications received over the last two years and calculated a number of factors, including earnings today, earnings until retirement, graduate school cost, and years of experience. The results show that graduate degrees are often worth the investment, but that some combinations can produce a better return on your educational investment than others.

See graph on next page.

% Change in Lifetime Earnings



*Insufficient sample size

Five takeaways when weighing degree combinations:

1. An undergraduate degree in business, engineering, humanities, and even fine arts combined with a medical or dental degree scored highest in lifetime earnings. Specific courses like organic chemistry should be considered as part of your curriculum, but it is more important to perform well academically in order to get into Medical School.



2. Humanity undergrad degrees, which includes Social Sciences, Humanities, and Fine Arts, post strong improvement in lifetime earnings when combined with certain graduate programs, demonstrating the value of post-grad degrees for this demographic.
3. Undergraduate degrees in applied mathematics and engineering increase the probability of securing higher-paying jobs post-graduate school.
4. With some exceptions, the JD outperforms the MBA in lifetime earnings as well as expected increase in compensation across degree combinations.
5. Adding a technical graduate degree to a technical undergraduate degree has minimal ROEd, and may even yield a negative return as is the case when combining a bachelors degree in engineering with a masters in life sciences.

SoFi's Career Consultants can provide more information on the ROEd of different degree combinations. Please contact us at careerservices@sofi.com, if you'd like assistance with the graduate school decision.

SOFI'S IMPACT ON CAREER SUCCESS

In addition to providing our members with significant savings on their student loans, we invest in the professional success by offering customized, one-on-one career management and job search advisory services. Whether it's maximizing compensation during offer negotiation, improving your professional online presence or providing assistance with career-related questions and goals, SoFi is committed to having a positive impact on your career. Since the beginning of the year, SoFi has assisted more than 70 borrowers with finding new, improved career opportunities. [Contact us today](#) to learn more about the benefits and services offered by our Career Services team.