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Hiring Practices of North Dakota Based Firms

Blair P. Mowery

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HIRING PRACTICES OF NORTH
DAKOTA BASED FIRMS

by

Blair P. Mowery

Bachelor of Science in Business Administration,
University of North Dakota 1967

A Thesis

Submitted to the Faculty
of the

University of North Dakota

in partial fulfillment of the requirements
for the degree of
Master of Science

Grand Forks, North Dakota

June
1972

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M81

This thesis submitted by Blair P. Mowery in partial fulfillment of the requirements for the Degree of Master of Science from the University of North Dakota is hereby approved by the Faculty Advisory Committee under whom the work has been done.

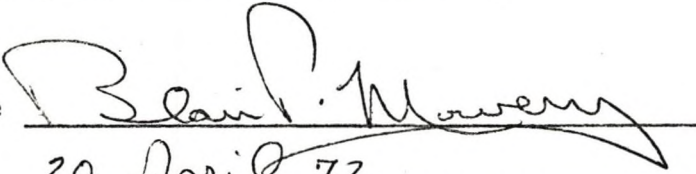
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ABSTRACT

This thesis describes and analyzes the hiring practices of North Dakota based firms. The term, North Dakota based firms, is defined as those firms organized, incorporated or originating in North Dakota. The data were obtained from firms employing a minimum of 50 individuals. It was felt that firms of this size or larger were most likely to hire college graduates. A mail questionnaire was sent to 86 firms and a 60 per cent return was received. The main topics discussed in this thesis concern the extent of demand for college graduates in North Dakota and the ways in which the North Dakota firms included in the investigation obtained college graduates for employment.

North Dakota is primarily an agriculturally-oriented state. Compared with the United States as a whole, manufacturing in North Dakota is still in an early stage of development. For this reason many firms may not have realized the need for college educated personnel.

Seventy-five per cent of the firms included in the survey indicated they hired college graduates. Most graduates hired by these firms were graduates of North Dakota colleges and universities.

Graduates were hired for a variety of positions. Manufacturing firms did not place their recruiting and hiring emphasis on any particular area. They hired graduates for sales, production, accounting and for training programs for managerial supervisory positions. Non-manufacturing establishments placed most of their emphasis on recruiting graduates for positions in sales.

Those firms that did not hire college graduates indicated they could not afford to pay the salaries expected by graduates.

Sixty-five per cent of the responding firms reported that they employed persons who had not graduated from college for positions which they considered primarily for college graduates.

Almost 60 per cent of the firms surveyed anticipated recruiting and hiring some college graduates within the period 1971-1973.

Firms recruited college graduates when the need arose to find a college graduate to fill a position vacancy.

To locate sources of supply of college graduates outside the company, respondent firms utilized a variety of methods. Both manufacturing and non-manufacturing firms depended primarily upon recommendations from acquaintances and employees to locate possible job candidates.

Employees were obtained from a number of different sources. Firms obtained most of their employees with

college degrees from names furnished by public employment agencies and college placement centers.

Starting salaries paid newly hired college graduates in North Dakota were lower than salaries paid graduates on a national level in 1971.

C H A P T E R I

INTRODUCTION

The topic of this thesis represents an attempt to describe and analyze the hiring practices of selected North Dakota based firms. The term, North Dakota based firms, is defined as those firms organized, incorporated or originating in North Dakota. To facilitate isolation of those firms that are organized in North Dakota, only firms with reporting points in North Dakota for tax purposes were initially considered. From these firms a more precise sample was drawn. Firms that were part of a larger retail chain such as Sears-Roebuck or a food retailer such as Red Owl were disregarded. Financial institutions, insurance and real estate firms that were subsidiaries of firms located outside North Dakota were not considered for this study.

Purpose

This thesis is the result of the apparent lack of job opportunities for college graduates in North Dakota. A limited number of young people with a bachelors degree in business or a related field remain in North Dakota. An analysis of some of the characteristics of the companies considered

for this study and their hiring practices may reveal a growing need for educated young people in North Dakota. The term, hiring practices, as used in this study is the process of finding and selecting qualified individuals and stimulating them to apply for jobs in the organizations.

Scope

To limit the scope of the study to only firms capable of hiring college graduates was considered. Firms employing a minimum of 50 individuals were arbitrarily selected as those that were most likely to hire college graduates. This selection was made on the basis of a classification of companies stratified as to size by the research and analysis department of the North Dakota Employment Security Bureau.

A list of companies compiled by the North Dakota Employment Security Bureau was made available to facilitate the study. The list consisted of retail firms, wholesale firms, manufacturers and financial institutions.

The study will examine the following areas: industrial characteristics of North Dakota; product considerations; location of companies sampled; extent of market coverage; age characteristics of sampled firms; ownership characteristics and employee turnover.

Recruitment policies will focus on: areas of promotion; degree of recruitment from outside the company; extent of opportunities for college graduates; whether the

company hired college seniors from North Dakota or recruits outside the state; degree of recruitment--formal or informal.

Techniques and sources utilized to obtain employees with college educations will involve an examination of those sources currently utilized to fill position vacancies. Techniques will examine the actual recruiting programs and what types of media are employed to advertise job opportunities.

Methodology

To the knowledge of the writer, there has been no published research data on recruiting practices of North Dakota based firms. Therefore it was necessary to collect and use primary data, except for census information obtained from governmental sources.

Secondary information regarding recruiting methods was also difficult to acquire. Very little has been published that deals with criteria for recruiting employees with college degrees. The purpose of this paper is not to construct a decision model that can be utilized to improve the recruiting and selection of college trained people. The information gathered was used to describe and evaluate the methods currently used by companies in North Dakota.

A mail questionnaire was used to gather the desired information. Accompanying each questionnaire was an introductory letter which explained the purpose of the study

and requested the interviewee's cooperation. Also included was a self-addressed, stamped envelope to aid the respondent and to increase the percentage of returns. Eighty-six questionnaires were mailed. Fifty-two questionnaires were completed and returned, giving a 60 percent response.

The questionnaire incorporated some open end questions requiring a short answer, but the preponderance of the questionnaire contained closed questions of the multiple choice type. Such questions facilitated completion by the respondent and perhaps increased the percentage of return.

A complete enumeration of all the companies used in this study is not practical nor in the best interests of the firms who participated in the project.

The questionnaire was sent out to the entire universe of firms who exhibited the criteria previously mentioned. The respondents were broken down into 2 separate categories for the purpose of analysis. One category consisted of all manufacturers and the other consisted of wholesalers, retailers, insurance and financial institutions. The datum was then interpreted and incorporated into this report.

Limitations

Because of the restrictions imposed on the thesis to limit its scope, a major problem was apparent. There were many firms in North Dakota with less than 50 employees who have hired college trained people. This study only examined

a segment of those firms. For this reason, the study is not meant to present a summerization of recruiting methods used by firms in the state of North Dakota. A study of firms in other employee classes might reveal different trends.

Organization of Study

Chapter II contains a brief historical review of the industrial and economic environment of North Dakota and some outstanding characteristics of the companies sampled.

Chapter III examines present recruitment policies of the sampled companies as well as their current and potential need for college graduates.

Chapter IV is a review of the recruiting techniques currently used by the companies in this study.

Chapter V is a summary and conclusion of the findings as presented in this study.

CHAPTER II

INDUSTRIAL AND ECONOMIC ENVIRONMENT OF NORTH DAKOTA AND CHARACTERISTICS OF COMPANIES SAMPLED

The industrial and economic environment of North Dakota is described in this chapter. In addition, demographic characteristics of firms sampled for this study are discussed. The information is presented to acquaint the reader with the structure of the business environment in North Dakota and to familiarize him with basic characteristics of the companies surveyed. These factors affect to some degree the type of recruiting program used by firms within the state.

Most of the firms in the study limited themselves to hiring personnel who were recommended or who applied to placement agencies. Because of North Dakota's limited industrial development, the need for a formalized program of recruitment had not been realized at the time of this study. Many companies were using graduates of short term business schools to fill positions that they actually felt should be filled by a college graduate.

The preponderance of job opportunities in North Dakota for college graduates with either a general business or a marketing degree was in manufacturing, wholesaling,

retailing, finance and insurance.

Geographic Characteristics of North Dakota

The resources for industrial expansion, available in North Dakota, have increased employment opportunities for individuals with college degrees.

Resources.--North Dakota's natural fuel resources offer an abundance of raw material and are a source of power critical to industrial expansion. The state has the largest deposit of coal in America.¹ Lignite deposits extend over 28,000 square miles in western North Dakota.² Primary lignite usage to date has been for thermo-electricity, heating and barbecue briquettes.³

Transportation.--Necessary for industrial expansion in any state is an adequate transportation network. North Dakota is serviced by 3 major air lines. Its major railroad is the Burlington Northern. The main lines of the Burlington Northern cross the state from Fargo, on the east, to Beach, on the west, serving Valley City, Jamestown, Bismarck, Mandan and Dickinson.⁴ Its northern route runs from

¹Industrial Location Facts, North Dakota Economic Development Commission, September, 1967, p. 1.

²Ibid., p. 2.

³Ibid., p. 2.

⁴Ibid., p. 35.

Fargo through Williston, serving Grand Forks, Minot and New Rockford.

Industrial Characteristics

North Dakota is an agriculturally-oriented state. It also depends to a lesser degree upon mining, manufacturing, tourism and government transfers.⁵ Figure I, on page 9, shows a comparison of 4 major sectors of North Dakota's economy with similar sectors of the United States. As Figure I indicates, agriculture represents the most important economic sector of North Dakota in terms of personal income generated. The amount of income generated from agriculture in the state indicates that the industrial sector is largely dominated by farming.

Manufacturers of agriculturally related items particularly in the area of food products have done relatively little hiring of college graduates as revealed by this study. Agriculturally related products manufactured by these firms varied from food items for general consumption to equipment for the producing and processing of these products. Among the food items produced in North Dakota in 1970 are salt, sugar, butter, soft drinks, potato flakes, flavoring extracts, mild honey, ice cream, meats, poultry products, eggs, sunflower seeds and cheese.⁶

⁵Ibid., p. 21

⁶Ibid., p. 35

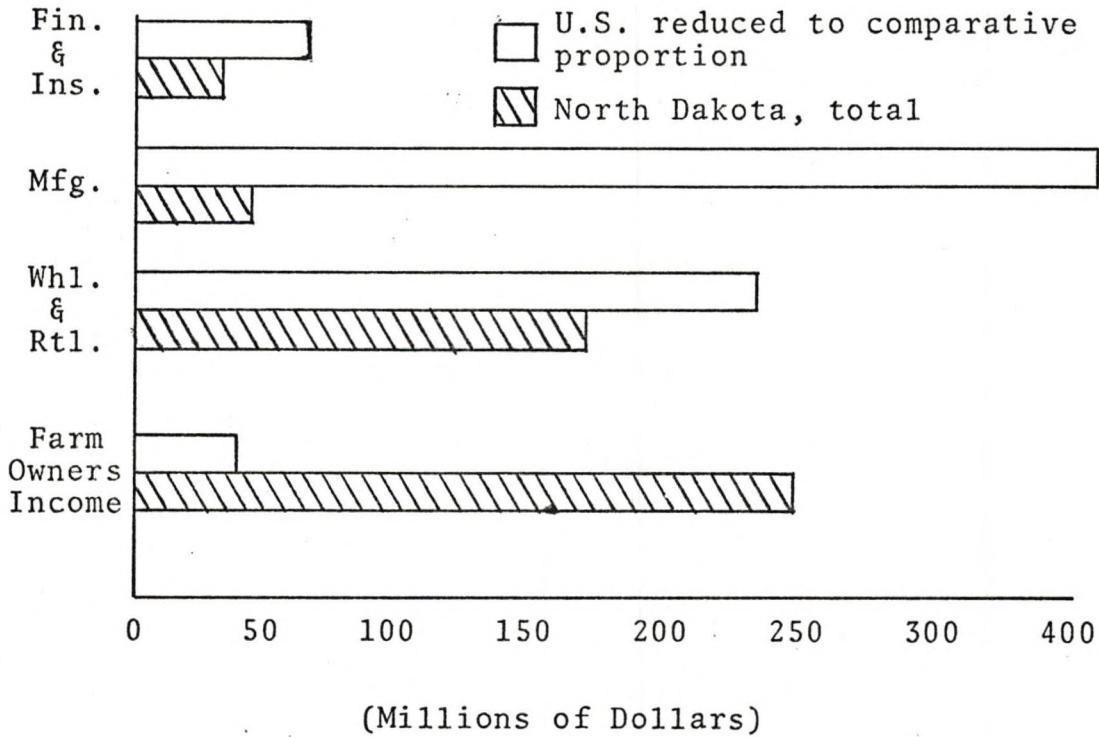


Fig. 1.--Personal income by major sources--North Dakota--United States reduced in scale to North Dakota's proportion on population basis.

Source: "Survey of Current Business," Office of Business Economics, U.S. Dept. of Commerce, Vol. 48 No. 8, August, 1968.

Compared with the United States as a whole, manufacturing is still in an early stage of development in North Dakota. As a consequence, North Dakota is principally an exporter of raw materials and an importer of finished goods.⁷ This has been a factor in the limited employment opportunities available for college graduates in the state.

Of the 4 industrial sectors surveyed for this study, wholesaling and retailing combined ranks second to agriculture in economic importance based upon personal income generated. Income derived from wholesaling and retailing is almost comparable to the national average. North Dakota's wholesaling and retailing environment is small compared to the United States average, but does offer college graduates opportunities in sales and management.

Total Sales

The amount of gross sales is a crude determinant of the number of employees and therefore the number of college graduates a company will hire. Larger gross sales could possibly have some effect upon the likelihood that college graduates would be considered for employment. The 1970 gross sales for companies whose responses were included in the writer's survey ranged from \$650,000 to \$48,000,00.⁸ Corporations of the manufacturing, wholesaling, and

⁷Ibid., p. 21.

⁸Source: Survey of North Dakota Based Firms by Blair P. Mowery, 1971.

T A B L E 1
GROSS SALES OF RESPONDENT FIRMS^(a)

Manufacturing Firms		Wholesale Firms		Retail Firms		Financial Firms	
1969	1970	1969	1970	1969	1970	1969	1970
(000)	(000)	(000)	(000)	(000)	(000)	(000)	(000)
\$43,000	\$52,000	\$7,000	\$7,000	\$10,600	\$12,100	\$45,000	\$48,000
26,000	25,000	6,500	8,000	8,600	12,000	15,200	19,770
24,000	21,000	4,800	4,700	7,200	7,500	4,000	5,000
14,500	24,500	4,000	4,100	6,100	6,400	2,500	2,700
11,000	11,500	3,100	3,200	4,000	3,000	2,000	1,750
10,000	10,000	1,500	1,600	3,500	3,300	1,500	1,500
2,500	2,162			3,400	3,800	1,000	1,200
2,500	2,500			3,000	2,000		
1,623	1,521			2,750	2,750		
1,100	1,100			2,000	2,000		
900	1,000			1,000	1,000		
800	1,400			600	650		
800	800						

11

(a) The dollar amounts in each column of the preceding table represents the individual sales totals for each of the surveyed respondent firms for the year 1969 or 1970 as designated by the respective column.

Source: Survey of North Dakota Based Firms by Blair P. Mowery, 1971.

retailing type tended to reveal their sales figures. Financial institutions, proprietorships and partnerships were more reluctant. A list of these respondents and their gross sales for 1969 and 1970 is shown on Table 1, page 11.

Characteristics of Firms Surveyed

Eighteen manufacturing firms and 34 non-manufacturing firms consisting of wholesalers, retailers, and financial institutions were surveyed for this study. Products produced or offered for sale varied from agriculturally-oriented products used solely in the agricultural environment to products offered for sale to the ultimate consumer for immediate consumption and satisfaction. Several characteristics of these firms affected employment to some degree and more specifically the employment of college graduates.

Location.--Location plays a role relative to industrial development. Retail stores usually locate near or within their market area because accessibility by consumers is the most important locational determinant.

In contrast, manufacturers must locate after giving consideration to markets, raw materials and other resources. A manufacturer's decision involves determination of the spatial locations necessary for providing customer

access to the product, plus the logistics of supply to those locations.⁹

Eighty-three per cent of the companies who responded to the questionnaire were geographically located in the 4 major population centers of the state: Fargo, Grand Forks, Bismarck, and Minot. In Table 2 is the geographic distribution of the firms that replied to the survey.

Most of North Dakota's industrial development has taken place in the eastern one-third of the state. This concentration of industry would seem to indicate that graduates seeking employment in North Dakota would find most job opportunities located in the 4 major population centers of the state.

T A B L E 2

GEOGRAPHIC DISTRIBUTION OF FIRMS SURVEYED

City	Manufacturers	Wholesalers	Retail	Financial & Insurance
Bismarck	4	3		1
Devils Lake			1	
Fargo	7	5	4	8
Grand Forks	2	1	2	2
Gwinner	1			
Jamestown			1	
Mandan	1			
Minot			3	2
Pembina	1			
Rolla	1			
Wahpeton	1			

Source: Survey of North Dakota Based Firms by Blair P. Mowery, 1971.

⁹Frederick D. Sturdivant, *Managerial Analysis in Marketing*, (Glenview, Illinois: Scott, Foresman, 1970) p. 643.

Geographic Scope of Market.--Of the 52 firms surveyed, 17 companies secured the preponderance of their business from within the state of North Dakota. The next largest number of firms, 14, secured part of their business from North Dakota and a significant portion from states bordering North Dakota.

Sixteen non-manufacturing firms obtained virtually all of their business from customers who resided in the town in which they were located. A review of the geographical distribution of the retailers surveyed indicated that the ones in the smaller towns were more inclined to depend upon local city trade than retailers in larger communities. The stores in larger communities, because of the broad assortment of shopping facilities in the community and product selection could expect trade from a larger geographic area. Eleven non-manufacturing firms reported that their business came from North Dakota and from states bordering North Dakota. The remaining 4 firms secured their business on virtually a nation-wide basis.

In contrast to non-manufacturing firms, 8 of the 18 manufacturing firms replied that they supplied a national market. Much of what is manufactured or partially processed in the state is exported for sale for further processing. Many manufacturing firms were agriculturally-oriented and produced more products than could be consumed locally. Consequently some firms had expanded to bordering states for additional marketing and some were supplying national markets.

Eight manufacturing firms reported that they primarily sold to North Dakota customers. Two manufacturers had a market that was restricted to North Dakota. They produced farm machinery and generated their business from the needs of local farm and construction customers.

As a firm's market area increases, a greater need may develop for more efficient management and a better educated sales force. Increased competition from distant competitors can dictate the eventual recruitment of college graduates. Firms that have expanded to markets outside the state apparently have begun to recognize a need for better qualified personnel. The study indicated that manufacturers with national markets were more inclined to hire college graduates than those who had restricted themselves to a market consisting primarily of North Dakota.

Number of Employees.--The number of personnel employed by a company was a criterion used in this particular study to determine if a firm was capable of hiring college graduates. The minimum number was set at 50. After the questionnaires were returned 7 firms were below the minimum number. This discrepancy was due, in part, to seasonal employment.

Seven manufacturers indicated that their employment was subject to seasonal fluctuation. This was partly due to the seasonal manpower requirements in agriculturally related industries such as farm equipment and potato processing.

In contrast, 2 non-manufacturing firms indicated that their employment was seasonal. This seasonal fluctuation in personnel was attributed to part-time summer employment.

The range of individuals employed in firms surveyed was 15 to 500. The median was 112 employees.

The range of employees for non-manufacturing firms was 30 to 300 full-time employees. The median was 95 employees.

In contrast, the range for the manufacturing firms was 15 to 500. Fifteen employees represented slack seasonal employment of a firm that manufactured concrete products and operated in conjunction with the seasonal needs of the construction industry.

Employee Turnover.--In Table 3 is presented the percentage of employee turnover for firms surveyed for this study. Almost one-quarter of both manufacturing and non-manufacturing firms had a workforce turnover rate that exceeded 14 per cent.

In contrast, the average employee turnover in the manufacturing segment of the United States economy was approximately 4 per cent in 1970.¹⁰ Employee turnover for firms included in the study was considerably higher than the national average. An in-depth study might reveal limited personnel management procedures practiced by these firms.

¹⁰Source: U. S. Department of Labor, Bureau of Labor Statistics, Monthly Labor Review (Washington, D. C.: April, 1971), p. 98.

T A B L E 3
EMPLOYEE TURNOVER

Annual Amount of Turnover in Percentage	<u>Manufacturing</u> Percentage of total firms surveyed	<u>Non-Manufacturing</u> Percentage of total firms surveyed
4 and below	28	18
5 to 7 of total work force	28	23
8 to 10 of total work force	17	20
11 to 13 of total work force	5	9
14 and above	22	23

Source: Survey of North Dakota Based Firms by Blair P. Mowery, 1971.

Summary

North Dakota is an agriculturally-oriented state. Compared with the United States as a whole, manufacturing in North Dakota is still in an early stage of development. For this reason many firms may not have realized the need for college educated people including those with degrees in business administration and marketing to fill position vacancies.

Eighteen manufacturing firms were surveyed for this study. Nine produced agriculturally related goods such

as butter or frozen potatoes. The remaining 9 companies manufactured non-agricultural products.

Some manufacturers included in the survey produced products that were used by ultimate consumers in their present form. Others manufactured products that were sold to other producers who used them in further production.

Eighty per cent of the firms surveyed were located in the 4 major population centers of the state. The majority of these firms were located in the eastern one-third of the state.

Non-manufacturers generated most of their business from within the state. Half of the manufacturers had developed a national market. The remainder principally sold to customers in North Dakota and, to a lesser degree, to customers in other states.

Firms included in the survey varied in size from 15 to 500 employees. This range, between 15 and 500 employees, can be partially attributed to seasonal manpower requirements in agriculturally related industries.

The characteristics of firms mentioned in this chapter indicates that these firms were limited in their manpower requirements. Most firms had possibly not realized a need for college graduates because of their small size and limited markets.

CHAPTER III

RECRUITMENT POLICIES AND COMPANY REQUIREMENTS FOR COLLEGE GRADUATES IN NORTH DAKOTA

The opportunities for college graduates in respondent firms located in North Dakota are evaluated in this chapter. The types of firms that do the most hiring of college graduates and the areas for which college people are hired are described.

Opportunities for College Graduates in Firms Surveyed

Firms selected for this study were surveyed to determine whether they recruited and hired college graduates.

Seventy-five percent of these firms indicated that they hired college graduates. Fifteen manufacturing firms responded that they recruited college personnel and 3 firms did not. Twenty-four non-manufacturing firms indicated that they hired college graduates as opposed to 8 companies that did not. Two of the non-manufacturing firms did not reply.

Fifty-four college graduates were hired in the 2 years subsequent to the study (1969-1970) by manufacturing firms surveyed. In comparison 34 non-manufacturing firms

hired 82 college graduates in the same period. Table 4 is a summarization of the number of graduates hired by each segment of the business community surveyed.

T A B L E 4

NUMBER OF COLLEGE GRADUATES HIRED
BY FIRMS SURVEYED

Area Surveyed	Number of Graduates Hired
Manufacturing firms	54
Retail firms	6
Financial firms	63
Wholesale firms	13

Source: Survey of North Dakota Based Firms by Blair P. Mowery, 1971

Table 5, on page 21, represents a description of the number of college graduates hired by companies in 1969 and 1970. The number of college graduates with a 4 year degree hired by each manufacturing firm in the 2 years subsequent to the study, 1969-1970, ranged from 1 to 12. The median number of college graduates hired was 3. Fourteen manufacturers indicated that they had hired graduates of North Dakota colleges during 1969 and 1970. These firms represented 78 percent of the manufacturers surveyed. Nine manufacturers reported that more than one-half of those college graduates hired by them between 1966 and 1970 had come from North Dakota colleges. Six firms indicated that

of those college graduates hired by them during the same period more than one-half had graduated from out-of-state colleges.

T A B L E 5
NUMBER OF COLLEGE GRADUATES HIRED FROM
1969 -- 1970 IN FIRMS SURVEYED

Number of College Graduates Hired in the Last Two Years	Manufacturing Number of Firms	Non-Manufacturing Number of Firms
0	6	13
1-2	4	13
3-4	3	3
5-6	3	1
7-8	1	0
9-10	0	0
11-12	1	4

Source: Survey of North Dakota Based Firms by Blair P. Mowery, 1971.

The number of college graduates hired by each non-manufacturing firm also ranged from 1 to 12 graduates in the 2 year period from 1969 to 1970. The median number of college graduates hired was two.

Seventeen of the 34 non-manufacturing firms surveyed reported that more than one-half of these graduates hired by them in the period from 1966 to 1970 came from North Dakota colleges. Five firms indicated that more than one-half

of the graduates hired by them were from colleges in other states.

In summary, the majority of manufacturing and non-manufacturing firms who had hired college graduates obtained most of those graduates from colleges located in North Dakota. This appears to possibly be the result of the proximity and availability of North Dakota college graduates.

Employment Trends in North Dakota Placement Centers.--Graduating seniors from the University of North Dakota and North Dakota State University have been finding greater opportunities each year for employment in North Dakota. The tendency for young people to leave the state has been declining in recent years, as indicated by surveys conducted by the placement centers at the University of North Dakota and North Dakota State University.¹¹

A survey of students completing academic degree requirements at North Dakota State University during the 1967-1968 academic year indicated that of 658 respondents, 26 per cent remained in North Dakota for employment purposes, 14 per cent planned to further their education and 16 per cent planned to enter military service. The remainder left North Dakota.¹²

¹¹"Summary of Placement 1968-1969," prepared by the University of North Dakota Placement Center, Grand Forks, North Dakota, 1969.

¹¹Letter from Gale E. Smith, Placement Director, North Dakota State University, Fargo, North Dakota, January 29, 1971.

¹²Ibid..

If only resident graduates who accepted employment in 1968 are considered, 50 per cent of these individuals accepted employment in North Dakota. Periodic sample surveys taken at North Dakota State University during the past 2 years indicated that these proportions have varied little, except for fluctuation in the percentage of students planning to further their education or enter the military service.¹³

Table 6 shows the geographic area of employment of 372 graduates of the academic year 1968-1969 from the University of North Dakota.

In addition there were 702 seniors that provided the placement office at the University of North Dakota with after-graduation information during 1969 and 1970.

T A B L E 6

GEOGRAPHIC LOCATION OF EMPLOYMENT OF GRADUATING
SENIORS AT THE UNIVERSITY OF NORTH DAKOTA
FOR THE ACADEMIC YEAR OF 1968 -- 1969

Area	Number of Graduating Seniors
North Dakota	110
Minnesota	108
All other states	154

Source: "Summary of Placement 1968-1969," prepared by the University of North Dakota Placement Center, Grand Forks, North Dakota, 1969.

Although there is no area breakdown of where

¹³Ibid.

these seniors accepted employment, North Dakota had a retention ratio of 41 percent based upon all graduating seniors who accepted employment.¹⁴ The 2 reasons cited most for remaining in North Dakota were the lack of available jobs in other markets and the lack of appeal of big cities because of pollution, racial, and other social problems.¹⁵

Areas of Employment for College
Graduates in Firms Surveyed

College graduates were hired for a variety of positions in firms surveyed for this study. Table 7 is a summarization of job areas for which college graduates were hired.

T A B L E 7

POSITIONS OF EMPLOYMENT FOR COLLEGE GRADUATES
IN NORTH DAKOTA COMPANIES SURVEYED IN 1971

Positions for which Hired	Number of Manufacturers Who Hired	Number of Non-Manufacturers Who Hired
Sales	6	12
Production	4	0
Accounting	5	6
Training for Managerial Supervisor Positions	4	16

Source: Survey of North Dakota Based Firms by Blair P. Mowery, 1971.

¹⁴Ronald L. Betts, private interview held at University of North Dakota Placement Center, Grand Forks, North Dakota, May, 1971.

¹⁵Ibid.

Some companies hired college graduates for several of the positions listed in Table 7; whereas, other firms confined themselves to recruiting graduates primarily for specific types of positions.

No particular position received collegiate hiring emphasis by manufacturing firms as revealed by Table 7. On the other hand the non-manufacturing establishments placed most of their emphasis on hiring graduates for positions in sales or for training for supervisory positions. There was a general tendency for firms included in the survey to use sales positions as the initial step in an executive development program for college graduates. College graduates employed in sales were moved into positions of management when they qualified for such positions.

Business Degree Requirements for Graduates
in Firms Surveyed

The firms surveyed in North Dakota were business organizations. Based upon the nature of the operations of these firms, they would be logical places of employment for college graduates with business related degrees. In fact, 7 of the manufacturers surveyed by the writer reported that they had hired or would hire graduates with either a general business degree or a degree in marketing. Four firms said they didn't recruit these types of graduates and 7 firms did not respond. General business and marketing graduates were hired for sales or trained for managerial supervisory positions.

As noted previously, 24 non-manufacturing firms recruited graduates of 4 year colleges. Twenty-one of these firms indicated that they had positions for which they recruited graduates with either a general business degree or a degree in marketing. Because this category contained retailers and wholesalers, the proportion of graduates going into sales was high. Some firms indicated that they hired only those people with a general business degree. These general business people were hired for managerial supervisory positions.

Employment Opportunities for Graduates in Firms
Which Have Not Previously
Hired* Graduates

As previously indicated, of the 52 respondents, 11 did not attempt to hire college graduates. Ten of the 11 firms which had not previously hired college graduates were considering the possibility of recruiting and hiring college graduates. Graduates had not been recruited or hired by these companies for a variety of reasons. These reasons are shown in Table 8. The reason given most often for not hiring college people was that salaries expected by graduates were too high.

Alternatives To The Employment of
College Graduates

Thirty-four of the 52 respondent firms reported that they employed persons who had not graduated from college

T A B L E 8
REASONS FOR NOT HIRING
COLLEGE GRADUATES

Reason	Number of Firms Stating Reason ^a
Salaries too high	6
Haven't found a qualified individual	4
Don't think they are necessary	2

^aSome firms stated more than one reason.

Source: Survey of North Dakota Based Firms by Blair P. Mowery, 1971.

for positions which they considered primarily for college graduates. The reason given most was salary expectations were higher than what the firm wanted to pay. Twenty-four of these firms were middlemen and service establishments and 10 were manufacturers. Only 3 of the 11 firms which did not recruit college graduates employed people in positions that they defined as being most suitable for college graduates. Table 9 reveals the education and experience alternatives used by firms to fill vacancies for which individuals with college degrees were regarded as necessary.

Many companies resorted to several of these alternatives. Almost all firms who hired college graduates also hired people who were in one or several of these categories to fill positions for which college graduates were regarded as more suitable. Of the 11 firms who had not hired college graduates at the time of the survey, only 3 employed persons

with these alternative qualifications to fill available positions. The other 8 firms felt they did not have positions warranting the employment of college graduates.

T A B L E 9
EDUCATIONAL AND EXPERIENCE ALTERNATIVES
USED AS SUBSTITUTES FOR COLLEGE DEGREE

Alternative to College Degrees	Number of Firms Hiring With these Qualifications ^a
Graduates of post-secondary business colleges.	15
Persons who have completed some college.	25
Persons with previous job experience.	31

^aSome firms stated more than one response.

Source: Survey of North Dakota Based Firms by Blair P. Mowery, 1971.

Possible Future Employment Opportunities in
North Dakota For Graduates of a
Four Year College

In Table 10 is listed the number of graduates manufacturing and non-manufacturing firms in North Dakota anticipated hiring in the period 1971-1973.

Almost 60 per cent of the firms included in the survey anticipated recruiting and hiring some college graduates. As previously indicated, 10 of the 11 firms not previously hiring college graduates were considering the

possibility of recruiting college graduates for positions in their companies. Only 1 of these 10 firms specified a definite number of graduates that it would attempt to hire. This one firm anticipated hiring approximately 2 college graduates.

T A B L E 110
ESTIMATED DEMAND FOR COLLEGE GRADUATES FROM
1971 TO 1973 BY EACH FIRM SURVEYED
IN NORTH DAKOTA IN 1971

Approximate Number of Graduates to be Re- cruited in the period 1971-1973	Number of Manufacturers	Number of Non-Manufacturers
None	0	1
1-3	4	16
4-6	2	4
7-9	1	1
10 and above	2	0

Source: Survey of North Dakota Based Firms by Blair P. Mowery, 1971.

Nine manufacturing firms indicated that over 50 per cent of the job positions for which they would recruit college graduates would involve in-state employment. Two manufacturers indicated that their recruitment would be for employment in out of state jobs.

Twenty-two non-manufacturing firms reported that more than half of their available positions would be within the state. Two firms indicated most of their positions would require the graduate to leave the state.

Summary

Chapter III has been concerned with present and future opportunities in North Dakota for college graduates and the types of job positions for which people are recruited.

Fifteen manufacturing firms and 24 non-manufacturing firms indicated that they recruited and hired graduates of a 4 year degree college. Most graduates hired by these types of firms in North Dakota were graduates of North Dakota colleges.

College graduates were hired for a variety of positions in the firms surveyed. Manufacturing firms did not place their recruiting and hiring emphasis on any particular area. They recruited graduates for sales, production, accounting and for training programs for managerial supervisory positions. In contrast, non-manufacturing establishments placed most of their emphasis on recruiting graduates for positions in sales or for training for supervisory positions.

Firms included in the survey recruited graduates with a variety of degrees. Seven of the manufacturers reported that they have recruited or would hire graduates with either a general business degree or a degree in marketing.

Twenty-one of the non-manufacturing firms indicated that they had positions for which they recruited graduates with either a general business degree or a degree in marketing.

Not all firms surveyed indicated that they recruited graduates of four year colleges. Eleven firms did not attempt to hire college graduates. Graduates have not been hired in these companies for a variety of reasons. The reason given most often for not previously hiring college people is that they could not afford to pay the salaries expected by graduates.

Thirty-four of the 52 respondents reported that they employed persons who had not graduated from college for positions which they considered primarily for college graduates. The majority of these firms are using either people with previous experience or those with some college-level education to fill these positions.

Almost 60 per cent of the firms surveyed anticipated recruiting and hiring some college graduates within the period 1971-1973.

CHAPTER IV

TECHNIQUES OF RECRUITING AS EMPLOYED IN NORTH DAKOTA

The principal methods of college recruitment in North Dakota are examined in this chapter. The types of techniques which are used to recruit and fill positions suitable for college graduates are described. The methods and the media used to publicize job openings in companies are also presented. In addition, starting salaries in North Dakota are compared with those in the rest of the United States.

Responsibility for Recruitment in North Dakota Firms

Sources of employees are often divided into 2 types, internal (within the company), and external (outside the company). Inevitably, a firm must recruit from external sources for low-entry jobs, for expansion, and for positions whose specifications cannot be met by present personnel.¹¹ As defined in this study, recruitment is the process of finding and selecting qualified individuals and

¹¹Edwin B. Flipppo, Principles of Personnel Management (New York, N. Y.: McGraw Hill, 1966), p. 133.

stimulating them to apply for positions in the organization. Typically, recruitment for college graduates is heaviest during the late fall, the winter, and the early spring. These periods are the prime times to select seniors who graduate in the spring. In contrast, recruitment of college graduates by firms surveyed in North Dakota was not done at any particular time of the year. North Dakota firms reported that recruitment was done only when the need arose.

The responsibility for recruitment in larger companies usually rests solely with the personnel department.¹² The personnel functions are either performed in conjunction with the responsibilities of an operating line department or by an actual personnel department.¹³

Fifty per cent of the manufacturing firms surveyed in North Dakota assigned personnel recruitment as a responsibility of a line department. Nine of the 18 manufacturing firms indicated that their recruiting was done by a line department rather than a personnel department. Only 3 manufacturing firms delegated the responsibility of recruitment to a personnel department. In many firms the recruiting function was assigned to a line department because a formally structured personnel department did not exist.

Four firms selected an individual to whom recruiting had not been specifically assigned as a responsi-

¹²Robert D. Hay, Principles of Business (New York, N. Y.: Holt Rinehart and Winston, Inc., 1968), p. 327.

¹³Ibid., p. 328.

bility to recruit college graduates when and if the need arose.

In contrast with manufacturers, 13 of the non-manufacturing firms delegated the responsibility of college recruiting to the personnel department. Twelve of the 34 non-manufacturing firms assigned the recruitment responsibility to a department other than a personnel department. One non-manufacturing firm reported that an individual was appointed as a full time recruiter to specifically handle only recruiting and had no other job responsibilities.

Selection Procedure of College Graduates
Used by North Dakota Firms

Job analysis is the process of studying and collecting information relating to the operations and responsibilities of a specific job in order to fill that job with a qualified individual. The immediate products of this analysis are job descriptions and job specifications.¹⁴

A job description spells out the job objectives, the functions to be performed, the relationship of the job to other jobs and the working conditions of the job.¹⁵ A job specification is a statement of the minimum acceptable human qualities necessary to perform a job properly.¹⁶ A

¹⁴Edwin B. Flippo, Principles of Personnel Management (New York, N. Y.: McGraw Hill, 1966), p. 115.

¹⁵Ibid., p. 119.

¹⁶Ibid., p. 123.

job description is desirable in appraising the suitability of a prospective employee as outlined by the job specification. Less than 50 per cent of the firms surveyed in North Dakota prepared job descriptions.

A variety of methods were used by firms surveyed in North Dakota to determine suitability of an applicant for a job position. Eight of 18 respondent manufacturing firms depended upon the personal judgment of those heads of departments in which a vacancy existed to appraise qualifications of job applicants. Six firms had a company policy which required limited job description, with the final decision to hire an applicant left to the head of a department where a vacancy had occurred. Two firms drafted complete job descriptions.

Similarly, 15 of the 34 non-manufacturing firms left it up to each individual department head to determine if an individual was suitable for employment. Thirteen non-manufacturing firms had a company policy which required limited job descriptions with the final decision to hire an applicant left to the head of a department where a vacancy had occurred. Seven firms drafted complete job descriptions which were utilized in hiring qualified applicants.

Although no complete job specifications were used in appraising the suitability of an applicant, job specifications were not necessarily ignored by companies in North Dakota. Limited job specifications, although not

specifically stated, played a minor role in the recruitment of employees by North Dakota firms.

Methods of Locating College Graduates
for Potential Employment

After a company determines its personnel needs, the next step in the hiring of college graduates is the location of a suitable supply of prospects for the jobs. The type of graduate hired by respondent firms varied from persons with no actual job experience to those with extensive experience on previous jobs. Manufacturing firms were more inclined to hire experienced college graduates according to the results of the survey.

To locate college graduates qualified for employment, respondent firms utilized a variety of methods. Table 11 is a summarization of these different methods.

Both manufacturing and non-manufacturing firms primarily depended upon leads from acquaintances and employees to secure possible job candidates. The other method commonly relied upon was the placement of advertisements in some medium such as the newspaper.

Less than 10 per cent of the 52 firms surveyed used an employee as a recruiter to persuade college students to apply for employment consideration. Of the manufacturing firms, 4 indicated that over 75 per cent of the college graduates employed by them within the last 2 years were hired on a walk-in basis.

T A B L E 1 1
METHODS OF LOCATING CANDIDATES

Methods ^a	Manufacturing firms	Non-Manufacturing firms
Recommendations from acquaintances and employees	9	16
Mass media advertising	6	9
Recommendation from other companies	3	4
Recruiter who visits college campuses	2	3
Recruitment by mail and telephone	3	2
Referrals from college alumni associations	0	1

^aSome firms indicated more than one method.

Source: Survey of North Dakota Based Firms by Blair P. Mowery, 1971.

Similarly, some non-manufacturing firms depended upon unsolicited walk-in applicants. Six of the 34 non-manufacturing firms indicated that over 75 per cent of those college graduates who had been recently hired (last 12 months) were obtained without any direct solicitation. However, 16 of the non-manufacturing firms indicated that less than 25 per cent of their newly employed college graduates were hired on a walk-in basis. The remaining non-manufacturing firms indicated they had not hired any unsolicited applicants.

If a firm must go to external sources to fill vacancies, advertising and other non-personal communication methods may be used to communicate job vacancies. As previously mentioned, advertising was an important technique used by respondent firms. In Table 12 is reflected the communication methods used by the firms surveyed for this study.

T A B L E 1 2
NON-PERSONAL COMMUNICATION METHODS USED
TO COMMUNICATE JOB INFORMATION
TO COLLEGE GRADUATES

Medium	Manufacturing Firms (No. of Responses)	Non-Manufacturing Firms (No. of Responses)
Newspapers	9	12
Letters to employees, agencies, friends	3	10
Trade Journals	1	3
Business displays	0	1
None of the afore- mentioned media used	3	10

Source: Survey of North Dakota Based Firms by Blair P. Mowery, 1971.

External Sources That Have Provided College
Graduates For Employment

Although manufacturing and non-manufacturing firms relied most upon friends and employees to provide information on prospective employees with a college degree, public employment centers and college placement centers have most often furnished these employees. In Table 13 is a summarization of sources that have provided college graduates for respondent firms.

T A B L E 1 3
SOURCES FROM WHICH COLLEGE GRADUATES
HAVE BEEN HIRED

Sources	Manufacturing No. of Firms	Non-Manufacturing No. of Firms
College Placement Centers	7	11
Employee Recommendations	5	9
Public Employment Agencies	1	12
Private Employment Agencies	3	8
Other Companies	1	4

Source: Survey of North Dakota Based Firms by Blair P. Mowery, 1971.

Of the sources which supplied college graduates for manufacturing firms, the one that most often supplied

graduates was college placement centers. Seven of the manufacturing firms included in the survey reported that they had used the placement centers at the University of North Dakota and North Dakota State University to obtain college graduates.

Non-manufacturing firms included in the survey most often obtained college graduates from public employment agencies and the placement centers at the University of North Dakota and North Dakota State University.

Starting Salaries Paid Newly Hired
College Graduates

Salaries paid newly hired college graduates in North Dakota were lower than mean salaries paid graduates on a national level in 1971. All national figures were based on the 1971 Endicott "Survey of College Graduate Hiring".¹⁷

In Table 14 the monthly starting salaries for firms surveyed in North Dakota are contrasted with the 1971 national mean. The figures in Table 14 are based on the average for salaries in business administration, accounting and marketing as indicated by firms surveyed in North Dakota.

¹⁷Endicott, "Survey of College Graduate Hiring," Generation, (February, 1971), p. 42.

T A B L E 1 4
 MONTHLY STARTING SALARIES PAID BY
 FIRMS IN NORTH DAKOTA FOR 1971

	National Mean 1971 ^a	North Dakota 1971 ^b	
		Manuf. Firms	Non-Manuf. Firms
Accounting	\$845	\$567	\$606
Bus. Admin.	\$695	\$609	\$617
Marketing	\$742	\$600	\$569

^aEndicott, "Survey of College Graduate Hiring,"
Generation, (February, 1971), p. 42.

^bSurvey of North Dakota Based Firms by Blair P.
 Mowery, 1971.

As indicated in Table 14, North Dakota firms in 1971 paid starting salaries to college graduates which were lower than the national mean. Accounting salaries were substantially lower than the national average. For accountants hired by non-manufacturing firms the high salary paid was \$750 per month. The low was \$451 per month. Graduates with business administration degrees hired by non-manufacturing firms started as low as \$451 per month and as high as \$850 per month. For graduates in marketing the high salary paid by non-manufacturing firms was \$650 per month and the low was \$451 per month.

The same basic ranges in salaries were also evident among manufacturing firms. The high salary paid

accountants by manufacturing firms surveyed in North Dakota was \$750 per month and the low was \$451 per month. Salaries paid business administration graduates ranged from a high of \$850 per month to a low of \$451 per month. Marketing graduates hired by manufacturing firms surveyed in North Dakota had opportunities for better starting salaries than marketing graduates hired by non-manufacturing firms surveyed in North Dakota. The high salary paid marketing graduates by manufacturing firms surveyed in North Dakota was \$750 per month. The low salary paid by manufacturers for marketing graduates was \$551 per month.

Summary

Chapter IV deals with the structure of college recruiting in North Dakota. The delegation of authority for college recruiting, methods used to locate graduates for employment, media utilized to advertise position vacancies, sources of previously hired college graduates and starting salary ranges are examined in this chapter.

Recruiting in North Dakota was not done during any particular time of the year. Firms recruited when the need arose to find a college graduate to fill a position vacancy.

The responsibility for recruiting in manufacturing firms was primarily integrated into an operating line department rather than delegated to a personnel department.

Thirteen of the non-manufacturing firms delegated the responsibility of college recruiting to the individual in charge of personnel. Twelve non-manufacturing firms integrated the responsibility into a department other than personnel.

Job descriptions were not extensively used by firms surveyed in North Dakota. Only 2 of the manufacturing firms and 7 of the non-manufacturing firms used complete job descriptions to assist in determining the type of individual who should be hired for a position.

To locate sources of supply of college graduates outside the company, respondent firms utilized a variety of methods. Both manufacturing and non-manufacturing firms depended primarily upon recommendations from acquaintances and employees to locate possible job candidates.

Non-personal means of communication were employed by respondent firms to persuade individuals to apply for possible employment. The medium most commonly used was newspapers. Letters of persuasion received the next greatest emphasis. Three manufacturing and 10 non-manufacturing firms did not use any of the media described in Table 12 to communicate job openings.

Employees were obtained from a number of different sources. Firms obtained most of their employees with college degrees from public employment agencies and college placement centers.

Starting salaries paid newly hired college graduates in North Dakota were lower than salaries paid graduates on a national level in 1971.

CHAPTER V

SUMMARY AND CONCLUSIONS

This thesis represents an attempt to describe and analyze the recruiting practices of selected North Dakota based firms. The term, North Dakota based firms, was defined as those firms organized, incorporated or originating in North Dakota. A mail questionnaire was used to gather the desired information. Accompanying each questionnaire was an introductory letter which explained the purpose of the study and requested the respondents cooperation. Eighty-six questionnaires were mailed. Fifty-two were completed and returned, which was a 60 per cent response.

Geographic Characteristics of North Dakota

North Dakota possesses natural resources which are desirable for industrial expansion. One of its most abundant resources is coal. The state has the largest deposit of coal in America. Industrial expansion will likely provide for increased employment for individuals with college degrees.

Along with containing certain resources for industrial growth, North Dakota has a transportation network which

can provide distribution of products. Among the components of this transportation network are three major air lines and the Burlington Northern Railroad.

Industrial Characteristics

North Dakota is an agriculturally-oriented state. Compared with the United States as a whole, manufacturing in North Dakota is still in an early stage of development. Possibly for this reason a large proportion of firms have not realized the need for college educated people with degrees in business administration and marketing to fill position vacancies.

Characteristics of Firms Surveyed

Eighteen manufacturing firms and 34 non-manufacturing consisting of wholesalers, retailers and financial institutions provided information on their operations. Products produced or offered for sale by the manufacturing firms varied from products meant for sale to agricultural users to products offered for sale to the ultimate consumer.

Eighty per cent of the firms surveyed were located in the 4 major population centers of the state. The majority of these firms were located in the Eastern third of the state.

Non-manufacturers generated most of their business from within the state. Half of the manufacturers had developed what they considered to be a national market. The

remainder principally sold to customers in North Dakota and to a lesser degree, to customers in other states.

Respondent firms were limited in their manpower requirements. Probably because of their limited requirements, the need for a formal recruiting program of recruitment had not been realized by respondents at the time of this study. Many companies were using graduates of short term business schools or those with limited college education to fill positions that they actually felt should be filled by a college graduate with a 4 year degree.

Opportunities for College Graduates
in Firms Surveyed

Fifteen manufacturing firms and 24 non-manufacturing firms, representing 75 per cent of the firms surveyed, indicated they recruited and attempted to employ graduates of 4 year degree colleges. Not all positions suitable for college graduates were filled by graduates of a 4 year degree college as indicated previously. A total of 136 college graduates were hired by manufacturing and non-manufacturing firms in the 2 years subsequent to the survey (1969-1970). The majority of manufacturing and non-manufacturing firms who had hired college graduates obtained most of those graduates from colleges located in North Dakota. The prevalence of North Dakota graduates as employees is probably due to their proximity and availability and to the limited degree of formal and extensive college recruiting programs by the firms surveyed.

Areas of Employment For College
Graduates in Firms Surveyed

College graduates were hired for a variety of positions in respondent firms. Non-manufacturing establishments placed most of their emphasis on hiring graduates for positions in sales and for training for supervisory positions. No one position appeared to receive hiring emphasis by manufacturing firms.

Business Degree Requirements For
Graduates in Firms Surveyed

Firms included in the survey recruited graduates with a variety of degrees. Seven manufacturing firms reported that they had hired or would hire graduates with either a general business degree or a degree in marketing. Twenty-one non-manufacturing firms indicated that they had positions for which they recruited graduates with either a general business degree or a degree in marketing. Because this category contained retailers and wholesalers, the proportion of graduates going into sales was high.

Employment Opportunities For Graduates in Firms
Which Have Not Previously Hired Graduates

Not all firms surveyed indicated that they recruited graduates of 4 year colleges. Eleven firms did not attempt to hire college graduates. Graduates have not been

hired in these companies for a variety of reasons. The 2 reasons most frequently given were the inability to find a qualified individual and a feeling that the companies could not afford to pay the salaries expected by graduates.

Alternatives to the Employment of
College Graduates

Thirty-four of the 52 respondents reported that they employed persons who had not graduated from college for positions which they considered primarily for college graduates. The majority of these firms used either people with previous job experience or with some college level education to fill these positions.

Responsibility for Recruitment
in North Dakota Firms

Recruiting in North Dakota was not done during any particular time of the year. Firms surveyed for this study recruited when the need arose to find a college graduate to fill a position vacancy. This infrequent type of recruitment could possibly be attributed to a lack of long range personnel planning. Because of the size and market coverage of most firms surveyed for this study the need for frequent college recruiting has possibly not been realized.

The responsibility for recruiting in manufacturing firms was primarily assigned to an operating line department rather than delegated to a personnel department.

Thirteen non-manufacturing firms delegated the responsibility of college recruiting to the personnel department. Twelve non-manufacturing firms assigned this responsibility to a department other than a personnel department.

Selection Procedure of College Graduates
Used by North Dakota Firms

Job descriptions were not extensively used by firms surveyed in North Dakota. Only 2 of the manufacturing firms and 7 of the non-manufacturing firms used complete job descriptions to assist in a determination of the type of individual who should be hired for a position. Although incomplete job specifications were used in appraising the suitability of an applicant, job specifications were not ignored by companies in North Dakota. These specifications played a minor role in the recruitment of employees by North Dakota firms.

Methods of Locating College Graduates
for Potential Employment

To locate sources of supply of college graduates outside the company, respondent firms utilized a variety of methods. Both manufacturing and non-manufacturing firms depended primarily upon recommendations from acquaintances and employees to locate potential applicants. The other method commonly relied upon was the placement of advertise-

ments in some medium such as the newspaper. Few firms depended upon unsolicited walk-in applicants who applied directly to the company.

Non-personal means of communication were employed by respondent firms to persuade individuals to apply for possible employment. The medium most commonly used was newspapers.

External Sources That Have Provided College
Graduates for Employment

Although respondent firms relied most upon either friends and employees to provide information on prospective employees with a college degree or placing advertising in newspapers, college placement centers most often furnished employees having 4 year degrees.

Starting Salaries Paid Newly Hired
College Graduates

Starting salaries paid newly hired college graduates in North Dakota were lower than salaries paid graduates on a national level in 1971. Accounting and marketing graduates were paid substantially less by North Dakota firms than what graduates were paid by employers in other states.

Conclusions

This thesis was essentially an attempt to describe the many and varied elements of recruiting in North Dakota.

North Dakota is faced with the problem of how to retain its college educated young people. In order to accomplish this, adequate job opportunities must be provided and communicated to interested persons.

Firms included in this survey have primarily limited their market to North Dakota and the surrounding area. Perhaps competitive pressures are as great as in more populated areas of the United States, consequently the planned and continual need for college trained personnel may not be as necessary as in larger and more critically located areas.

None of the firms surveyed indicated that college recruiting was the result of extensive personnel planning. Personnel were recruited on an infrequent basis rather than as a result of projected growth. Therefore, recruiting tended to be an unsystematic and limited activity for most of these firms.

As recruiting in most firms surveyed seemed to be limited to contact with a college placement center or the job applicant making the acquaintance of people familiar with a company where a job opening may occur, it appears that college graduates seeking employment in North Dakota should seek assistance of the college placement centers or

make inquiries of individuals working for a particular company in which they are interested.

Although the cost of living may be equal to if not higher than in many other states, college graduates hired in North Dakota can expect to start at least \$100 lower than a graduate hired by an employer in another state.

Firms in North Dakota do not seem to place great emphasis on recruiting college graduates at salaries competitive to out-of-state firms. They are probably able to fill their limited needs as they presently do. However, if and when companies in North Dakota expand in size, increased emphasis will have to be placed upon more effective and competitive recruiting of college educated personnel.

APPENDIX

6 March 1971

Dear _____:

Enclosed you will find a questionnaire whose purpose is to gather data on employee recruiting practice of some of our largest North Dakota industries. The information derived will be used in a thesis as part of the requirements for a master of science degree.

The study was initiated because of difficulties some North Dakota employers are experiencing in finding qualified college graduates to fill job openings. Perhaps you as one of North Dakota's largest companies can appreciate the personnel problem that exists for a state of this size and locality. Hopefully the information provided by firms such as yours will result in providing a greater number of qualified people to your firm as well as other North Dakota companies. The information provided by your firm will be treated as confidential. It is recommended that you do not include the name of your company on the return questionnaire in order to provide total anonymity. The results of the study will be made available to interested persons upon its completion.

I realize that this request is to some extent, time consuming. However a short or multiple choice answer is possible for most questions. To facilitate return I have also included a stamped self-addressed envelope. Your cooperation is appreciated. Thank you.

Sincerely yours,

Blair P. Mowery

Recruiting Practices of North Dakota Based Firms

Please check or circle the appropriate spaces as they apply to your business.

1. Which of the following is most descriptive of the area covered by your company?
 - Most of our business is within the town in which we are located.
 - Our business is generated locally and also from other areas of North Dakota.
 - Our business comes from North Dakota and from states bordering North Dakota.
 - Our company obtains business nationally.
 - Other, explain. _____

2. Which of the following describes the manner in which your product or service is to be used?
 - Our product or service is to be used by the general public.
 - Our product or service is sold to another company or person who used it in making other products or performing a service.
 - Both of the above.
 - Other (explain) _____

3. How many years has your company been in existence? _____

4. How many full time people are employed by your company?
 - A. Is your employment seasonal? Yes No

5. In addition to your main office, how many branches does your company maintain?
 - A. How many of these are outside North Dakota? _____

6. Which of the following best describes the ownership characteristic of your firm? (Please circle.)
 - 1. Sole proprietorship. 2. Partnership.
 - 3. Corporation. 4. Close Corporation.
 - 5. Other (explain) _____

7. What were your gross sales for 1969? Please round to the nearest hundred thousands. _____

8. What were your gross sales for 1970? Please round to the nearest hundred thousands. _____

9. Which set of figures is representative of your annual employee turnover rate?
- 4% and below
 5% to 7% of your total work force
 8% to 10% of your total work force
 11% to 13% of your total work force
 14% and above
10. Does your firm hire individuals with a four year college degree for positions in your firm? Yes No
 If No, skip to question 13
- A. How many college graduates has your company hired in the last two years? Number: _____
- B. Have any of your college graduates _____ in the last five years come from North Dakota? Yes No
- C. Have most of your college graduates _____ in the last five years come from North Dakota Colleges? Yes No
- D. Have most of these people graduated from college in the last five years? Yes No
- If your company does not hire college graduates and does not anticipate hiring them in the next five years it is not necessary to complete the remaining portions of this form. Thank you for your cooperation.
11. Which of the following describes the area in which most of your college trained people are placed?
- Sales
 Production
 Accounting
 Trained for managerial supervisory positions
 Other (explain) _____
12. Does your firm have positions for people who graduate with either a general business degree or a degree in marketing? Yes No
13. If you are not hiring college trained people, have you been considering them as possible candidates for positions in your firm? Yes No
14. Do you use non-college graduates for positions which are suitable for a college graduate either immediately or within five years after being hired? Yes No
- A. What kind of training have these individuals had?
- Three to six months at a local business college such as Aakers or Inter-State
 Completed some college
 Previous job experience
 Other, specify _____

15. In the next two years how many college trained people do you expect to hire?

- None
 1-3
 4-6
 7-9
 10 and above

A. Will most job positions be in North Dakota?

- Yes No

If you do not hire college trained people, it is not necessary to complete the rest of this form. Thank you for your cooperation.

16. Which of the following statements best describes the methods your firm employes in analyzing jobs to determine the type of individuals who are needed to fill a position vacancy? Check all methods used.

- Department head determines if an individual is suitable.
 Company policy dictates some job description, but limits final decision to a designated individual.
 Job description is used extensively to fill a position.
 Other (explain) _____

17. Which of the following training programs for college graduates can presently be found in your company.

- On-the-job training
 Company conducts formal workshops initially upon hiring.
 Company conducts refresher programs after an individual has worked for a period of time.
 Some training is gotten through correspondence courses.
 A special training program of moving an employee from department to department to give him a broad view of the company is used.
 Other (explain) _____

A. How is your training program organized structurally for newly hired college graduates.

- On a departmental basis
 Training is the same company-wide
 Some departmental training, some training is company wide.
 Other (explain) _____

18. Which statement describes the type or types of college graduate your firm hires? Check more than one if applicable.

Company hires college graduates with no actual job experience with any other firm.
 Company hires college graduates with some job experience.
 Company hires people it has had as part time employees during their collegiate years.

19. Who is responsible for the recruiting activities in your firm?

Specific individual appointed to handle only recruiting
 Head of a department other than personnel who handles the recruiting duty along with his other job responsibilities.
 The individual in charge of personnel.
 Individual is appointed when need arises.
 Other (please describe) _____

20. How much, in your estimate, does recruiting and hiring a college graduate cost your company? \$ _____

21. Which of the following describes the method or methods your firm uses to look for a college graduate? Check more than one if applicable.

Recruiting by mail and telephone
 Traveling recruiter who goes from town to town
 Recruiter who visits college campuses
 Advertising in a public media (Newspaper, TV)
 Alumni associations at a college
 Recommendations from friends and employees
 Industries recommendations
 Other (describe) _____

22. Has your firm ever used the placement office at either UND or NDSU to obtain a college graduate?
 Yes No

23. To what extent are positions for college graduates filled with walk-in applicants or applicants who apply directly to the company?

Over 75% of the time
 Not at all
 Less than 25% of the time
 Other (approximate %) _____

24. Which of the following describes the time of the year your firm looks for college graduates?

No particular time; only when need arises.
 In the fall and in the early spring.
 Company recruits continually through-out the year.
 Other _____

25. Which of the following public media has your company used to advertise for college graduates? Check more than one if applicable.

Newspaper Trade journals Radio
 TV Advertising through business displays
 Personal letters to former employees, employment agencies, and friends
 Firm has not used any of above methods

26. Which of the following sources have provided college graduates for your firm?

Private employment agencies
 Public employment agencies
 College placement centers
 Other companies
 Employee recommendations
 Other, explain _____

27. What is your current starting salary for a newly hired employee with a bachelors degree in business without previous experience? Per month basis.

\$450 or below \$451-\$550 \$551-\$650
 \$651-\$750 \$751-\$850 \$851-\$950
 \$951-\$1050 \$1051 or more

- A. How much does the starting salary increase if the individual has previous business experience. \$ _____

On what basis is this salary computed:

Salary + commission Straight commission
 Straight salary

28. What is your current starting salary for a newly hired employee with a bachelors degree in Accounting without previous experience? Per month basis

\$450 or below \$451-\$550 \$551-\$650
 \$651-\$750 \$751-\$850 \$851-\$950
 \$951-\$1050 \$1051 or more

- A. How much does the above schedule vary if the individual has previous business experience. \$ _____

Is this:

Salary + commission Straight commission
 Straight salary

29. What is your current starting salary for a newly hired employee with a bachelors degree in Marketing without previous experience? Per month basis.

\$450 or below \$451-\$550 \$551-\$650
 \$651-\$750 \$751-\$850 \$851-\$950
 \$951-\$1050 \$1051 or more

A. How much does the above salary vary if the individual has previous business experience. \$ _____
 Is this:

Salary + commission Straight commission
 Straight salary

Thank you for your cooperation.

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