



Workforce Report

icims® Insights

JUNE 2025
Spotlight on Entry-Level Hiring

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Big picture:

June Workforce Report

- Job seekers are showing up. Employers aren't. Many organizations remain slowed by economic headwinds, cost pressure and a widening skills gap.
- The Class of 2025 faces a tight market: roles are open, but competition is fierce. New grad unemployment (6.6%) is the highest in a decade, well above the overall rate (4.2%), per Labor Department data
- Recruiters claim to value skills but still favor experience and education. Gen Z sees the gap and is eager to prove themselves.

BY THE NUMBERS:



Candidates are still bullish on finding a job, with applications up 21% from last May, but job openings are flat and hires down 8%.



The pace of entry-level application growth mirrors the overall population, up 22% year over year, but growth in new grad hires surpassed the rest of the labor market.



Entry-level applications for manufacturing jobs are climbing, up 37% year over year, while healthcare only saw 12% growth.

iCIMS Insights June Workforce Report uses data derived from hundreds of millions of applicants and millions of users. To better understand new grads entering the workforce, iCIMS conducted an online survey on May 29, 2025, of 178 Gen Z job seekers born between 1997 and 2012.



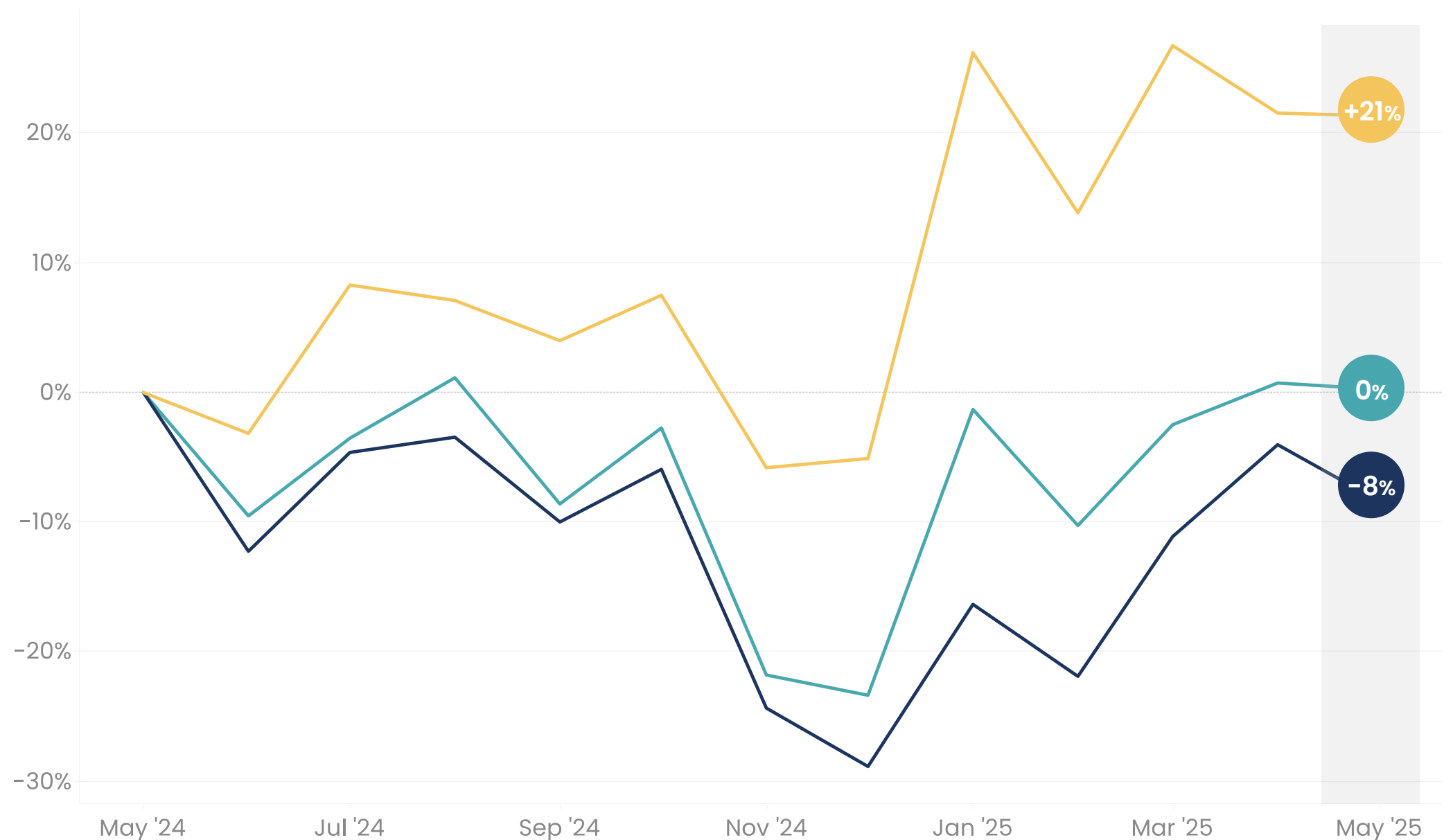
Job seekers continue to lean in, but employers are pulling back

icims Insights quick take:

The gap between candidate interest and employer action is widening, signaling a market that's out of sync.

- **What's happening:** Employers are likely holding back due to broader concerns — from inflation and interest rates to rising operational costs and new tariff pressures.
- **Candidate activity is up:** Job applications have climbed 21% year over year, influenced by economic uncertainty, growing layoff fears and a wave of new grads entering the market.
- **Let AI do the heavy lifting:** As applications remain elevated, use automation to surface top talent faster, cut manual tasks and keep candidates engaged.

Since May 2024



Platform indicators

Job openings, applications and hires
May 2024–May 2025



For the Class of '25, landing that first job just got harder

icims Insights quick take:

New grads are entering a high-pressure labor market where opportunity exists but so does intense competition to land a job.

- **New grad strain:** Recent grads faced a 6.6% unemployment rate over the past 12 months — the highest in a decade and well above the overall national average of 4%, per Labor Department data.
- **On the hunt:** Entry-level applications rose 22% from May 2024 to May 2025 as urgency grew among new grads to secure roles.
- **Biggest concerns?** When asked about their top concerns for the job market, new grads said lacking the right experience or skills (21%), economic uncertainty (19%) and heightened competition for jobs (19%).



Trent Cotton,
Head of Talent Acquisition
Insights & Analyst
Relations, iCIMS

With application volume surging, recruiters may default to shortcuts and miss out on candidates with sharper AI instincts than many tenured hires. Forward-thinking companies will tap into the AI Native Class of 2025 to boost productivity and modernize workforce skills.

Entry-level applications
January 2023–May 2025



Today's entry-level hiring favors precision, not speed

iCIMS Insights quick take:

Entry-level hiring is on the rise in 2025. The growth in new grad hires outpaces the overall market.

- **What's happening:** Entry-level hires ticked up 6% year over year, but the pace still lags well behind candidate supply.
- **The “why”:** Recruiters are evolving into strategic talent advisors, looking to make smarter hiring decisions — not rushed ones.
- **Diverse priorities, varied hiring:** When iCIMS asked recruiters about their entry-level hiring plans, 33% said they plan to pause or slow hiring, while an equal share plan to open new roles (33%) or prioritize internal hires over bringing in fresh talent (33%).



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“There’s no single narrative for entry-level hiring in 2025. Some companies are pausing, some are building and some are investing in internal talent. This signals a shift from blanket hiring to business-aligned talent strategies.”

Entry-level hires
January 2023–May 2025



Increased competition brings higher expectations for new grads

icims Insights quick take:

Greater competition for jobs and more strategic hiring are raising the bar for new grads to get noticed.

- **Pressure builds:** Competition for entry-level roles is slightly higher than the overall job market, which is also facing the squeeze.
- **What the numbers say:** In May, entry-level job openings received an average of 36 applicants per opening (APO), a 22% uptick from the previous year. The overall job market saw a similar jump, with an 18% increase in APO year over year.
- **The takeaway:** Competition is heating up across the labor market. New grads will face tougher hurdles getting noticed — but they aren't fighting the job battle alone.

Entry-level applicants per opening

May 2024

May 2025

29 → 36

APO

APO

YoY Change
May → May

+22%

Overall applicants per opening

May 2024

May 2025

28 → 34

APO

APO

YoY Change
May → May

+18%

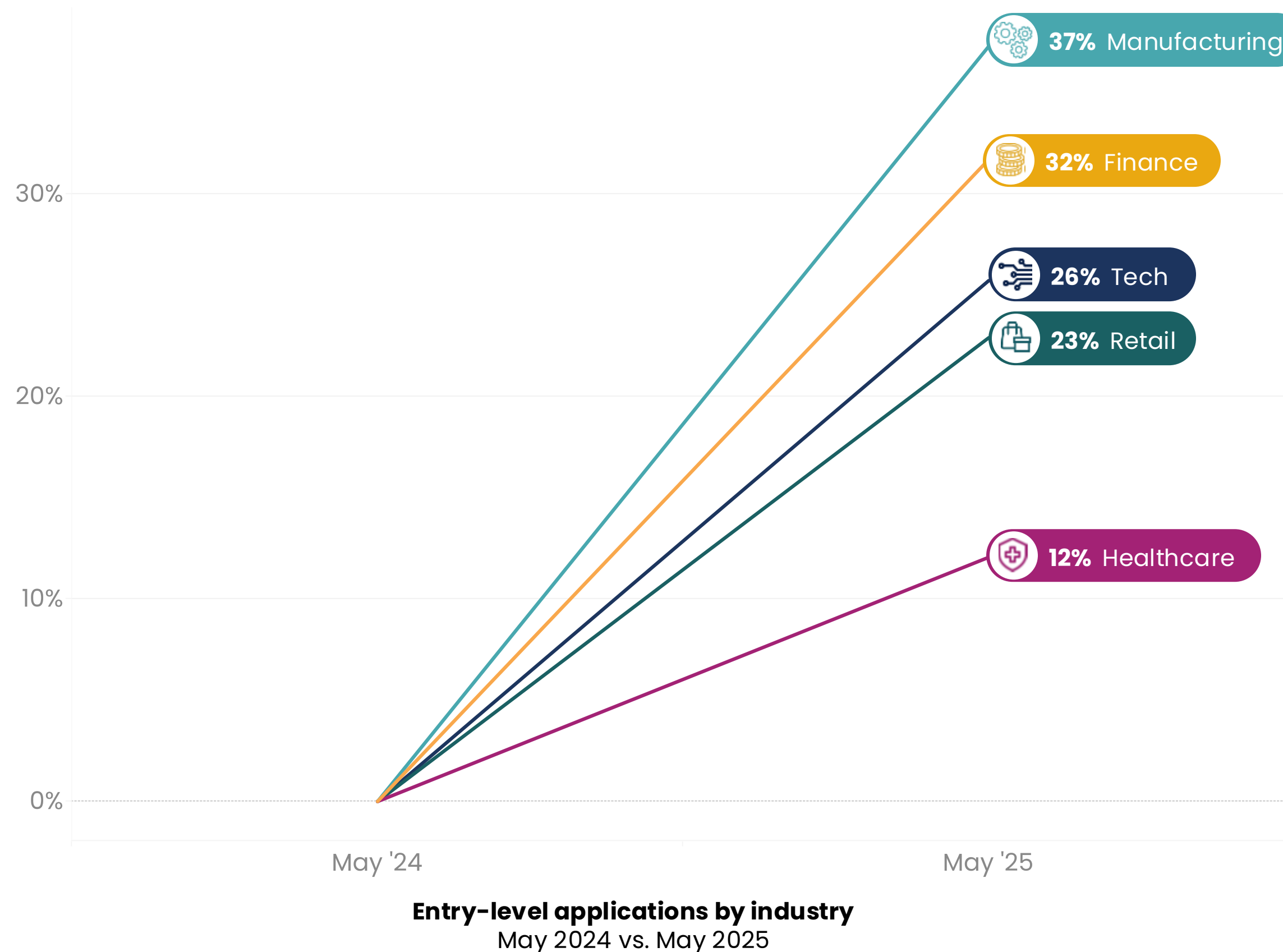


Manufacturing heats up, but healthcare could be the quiet advantage

iCIMS Insights quick take:

As the Class of 2025 enters the workforce, not all sectors are created equal — at least when it comes to competition for jobs.

- **Toolbelt jobs are in.** Entry-level applications for manufacturing jobs are climbing, up 37% year over year.
- **Salary. Stability. Skills.** With volatility dominating the labor market, stability and a focus on skills could be drawing new grads to toolbelt jobs with high earning potential — like electricians.
- **Healthcare is wide open.** Healthcare isn't seeing the same rush of entry-level interest, with activity up 12% year over year. This high need, low competition sector could spell opportunity for 2025 grads.





Is skills-based hiring more talk than action? Gen Z thinks so.

icims Insights quick take:

Gen Z is eager to prove their skills, but many feel overlooked — highlighting the gap between hiring intentions and reality.

- **The disconnect is real:** Most recruiters (95%) say they use skills-based practices, but rank experience (37%) and education (34%) above skills (28%) as the most important factors for assessing entry-level candidates.
- **Gen Z is ready:** Over four out of 10 say they'd welcome job simulations to show potential employers what they can do.
- **Lack of clarity = lost talent:** Without consistent tools and markers, skills-based hiring risks becoming little more than a buzzword.



THE SKILLS DISCONNECT



Recruiters say

95%

use skills-based practices

28%

rank skills as the most important factor for assessing entry-level candidates

behind experience (37%) and education (34%)

46%

use scorecards or rubrics to assess entry-level candidate skills



Gen Z says

30%

think employers truly value their skills

44%

would feel great about skills tests or simulations to showcase what they can do

vs

6%

think that a skills test or simulation would be frustrating and would rather rely on their resumes



Gen Z will be managing AI long before they manage people

icims Insights quick take:

As agentic adoption accelerates, employers are all-in on AI while Gen Z — although open to it — is still playing catch-up.

- **Recruiters are all-in on AI.** As [agentic AI](#) adoption accelerates, a whopping 96% of recruiters say it's likely entry-level workers will manage AI agents in the next two years.
- **Playing catch-up.** While over half (56%) of Gen Z expect AI to play a role in future jobs, a fair number (44%) either aren't sure or don't expect to use AI tools.
- **AI is happening, fast.** According to [icims research](#), 72% of CIOs plan to implement agentic AI in the next 1–3 years. Thirteen percent are targeting the next 12 months.



THE AI DISCONNECT



Recruiters say

96%

say it's **likely** entry-level hires will manage AI agents as part of their job duties in the next 1–2 years

4%

say it's either **unlikely** or they're still evaluating the role AI agents will play in their organization



Gen Z says

56%

Expect AI to play a role in future jobs and are either already working with it or preparing to

44%

are either unsure or don't think AI tools will apply to future roles

Enterprise Mobility: Developing talent from day one

With more than 90K global employees, Enterprise Mobility expects to hire 23K external employees this year — many in frontline and seasonal roles. A standout driver of their success? A robust management training program that fuels internal growth and cross-functional mobility.



“Last year alone, we made nearly 23,000 external hires. With iCIMS, we’re supporting our significant internal mobility efforts and creating pathways for employees to build long-term careers with us.”

Marie Artim
Global VP of Talent Acquisition
Enterprise Mobility

The challenges

- Hiring tens of thousands annually while maintaining quality, consistency and leadership development.
- Ensuring career growth and mobility across key functions, including Management, HR, Sales and Risk.

The approach

- An acclaimed management training program that develops leadership skills from day one — it’s where their CEO and many company leaders got their start.

The results

- **6K+ hires** in the program annually, with many advancing into core business functions.
- **22K internal moves** expected this year, supported by iCIMS’ internal career site.
- **99% of the TA team** came from within — most were former branch managers.



Want more great insights?

iCIMS 2025 State of the CHRO Report

The role of HR has never been more strategic. Learn how 1,000 CHROs and chief people officers are navigating the shift and how 500 CIOs see HR navigating TA tech in [iCIMS 2025 State of the CHRO Report](#).

iCIMS Talent Experience Report

Explore what candidates want right now and how talent acquisition pros are delivering those experiences in our second annual [Talent Experience Report](#).

Prompt AI like a pro

GenAI chatbots are a great tool to speed up day-to-day recruiting tasks. But to get the most out of AI, you need to learn the art of prompting. [Learn five tips](#) to prompt AI in a way that elicits helpful and useful responses in this tip sheet.



About iCIMS

iCIMS is a leading provider of talent acquisition technology that enables organizations everywhere to build winning workforces.

Visit www.icims.com to learn more.



Data Breakthrough Awards:
2025 Business Intelligence
Solution Provider of the Year

Workforce data is vital to driving business forward.

iCIMS Insights provides data that is:

- Current
- Cross-industry
- Dual-focused on employer and job seeker intentions and activity

Data derived from:



3.3M+ global
platform users



223M+ applications
in 2024



630M+ candidate
profiles



5.4M+ hires in
2024