



New Hire Readiness Report 2025

Insights from Hiring Managers on Entry-Level Workforce Preparedness

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Executive Summary

The right talent is hard to find.

Few hiring managers say high school graduates are ready for the workforce.

America's future workforce is facing an urgent readiness test. The nature of work is evolving rapidly in response to AI, shifting economic demands, and newly emerging industries. Employers today—as this new survey shows—are looking for more than foundational academic credentials in candidates. They're eager to find talent who can think critically, solve problems, communicate effectively, and adapt quickly.

To better understand this shift, College Board and the U.S. Chamber of Commerce surveyed 500 hiring managers across a range of small, mid-sized, and large companies on perceptions of preparedness of entry-level employees. The findings shed a light on opportunities to better prepare entry-level employees for the work of tomorrow.

Overall, these hiring managers say that few high school graduates are ready for the workforce straight out of school. Instead, they view trade school or four-year college graduates as much more prepared to enter the workforce. Yet, today the majority of high school students are not going directly to college after graduation.

Many also believe that career-focused high school courses and early work experiences, like internships, are an underused way to prepare young people for the demands of the modern workplace.





Key Findings

Four in five (84%) surveyed hiring managers agree that most high school students are not prepared to enter the workforce.

A strong majority (80%) agree that current high school graduates are less prepared to enter the workforce compared to previous generations.

These hiring managers cite **trade schools (40%)** and **4-year colleges (37%)** as ways to acquire early-career skills.

These hiring managers highly value industryrecognized credentials and hard-to-quantify "soft skills" such as **critical thinking and communication** in entry-level workers.

They put a high premium on real-world experience (whether gained through internships, career and technical education, or on-the-job experience). In fact, most (89%) believe experience is more valuable than formal education.

The vast majority (92%) said there should be more business courses in high school.

Talent Booster: Industry-Recognized Credentials

These hiring managers view all graduates with an industry-recognized credential as more prepared than those without one, but when it comes to high school graduates, those with industry-recognized credentials are seen as much more prepared to enter workforce than those without (71% vs. 40%).

Personal Finance Is a Vital Skill for New Workers

Nearly all of these hiring managers believe that financial literacy skills are valuable for employees who are just starting their career (96%). Among those that find financial literacy skills valuable: Taxes, net income, and budgeting (42%); saving and investing (41%); and borrowing, credit, and debt (39%); are seen as the most valuable knowledge for entry-level employees to have.

A Promising Solution

Educators and employers share a common goal: preparing students not just to graduate, but to thrive. The survey asked hiring managers about one emerging option to achieve that goal: the upcoming AP Business with Personal Finance course¹ schools will start offering in the 2026-2027 school year. Nearly all respondents (90%) said that the course will have a positive impact on preparing high schoolers to enter the workforce.

This course's official name is "AP Business with Personal Finance".
However, the language used in the survey was "AP Business
Principles/Personal Finance" or "AP Business Principles"
to refer to the course. In this report, we will refer to
the course using the official title.

Survey Highlights



New grads from technical and 4-year colleges are viewed as prepared. Nearly all of these hiring managers view trade school/technical college graduates (90%) and 4-year college graduates (89%) with industry-recognized credentials as prepared to enter the workforce.

High school grads viewed as less ready for work. Four in five (84%) surveyed hiring managers agree that most high school students are not prepared to enter the workforce. They also say that current high school grads are less prepared compared to previous generations (80%).

Internships, trade schools key to developing skills. These hiring managers say that internships (46%) are the leading way for students to gain early-career skills. They also cite trade schools (40%) and 4-year colleges (37%) as leading ways to acquire these skills.

Solid soft skills prompt hiring.

Among the surveyed hiring managers, at least nine in ten say that they are more likely to hire an entry-level employee that demonstrates critical thinking/problem solving (94%) or effective communication skills (90%).

Few say it's easy to find the right, experienced candidates. Only two in five surveyed hiring managers say it's easy to find candidates with the skills (38%) or experience (37%) they need.

Financial literacy is a sought-after skill.

Nearly all (96%) of these hiring managers say that financial literacy skills are valuable for employees who are just starting their career, including 61% who find them very valuable.

Almost all say a high school-level AP course on business could be beneficial. Nine in ten (90%) believe that an AP course on business would have a positive impact on preparing high schoolers to enter the workforce and 44% say it will have a significant positive impact.

Candidate Quality and Preparedness

Few hiring managers say high school graduates are ready for the workforce

Half Believe Their Company Spends Too Much Time Training Workers

Four in five hiring managers agree that most students are not prepared to enter the workforce out of high school (84%), and that current high school graduates are less prepared to enter the workforce when compared to previous generations (80%). A majority across all demographics shares these sentiments.

In addition, around half (52%) agree that they don't consider employees for open positions that don't have all of the skills they are looking for and that their company spends too much time on training and upskilling new employees (47%).

However, during in-depth interviews, hiring managers we spoke with acknowledge that their companies have an important role to play in skill building, especially when it comes to tailoring the skills of their workers to the particular needs of the company.





I think a lot of companies have a role in really building and shaping future leaders. That means making sure if they're willing to take on entry-level talent, that they're spending the time and need to nurture them."

Chief Human Resources Officer in an in-depth interview

Most of These Hiring Managers Report Difficulty Finding the Right Candidates

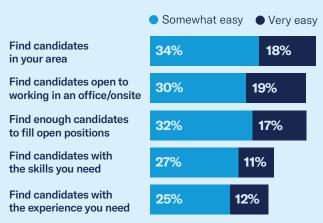
Although half of these hiring managers say it's easy to find candidates to fill open positions, few say it's easy to find the right candidates with the combination of skills and experience they're looking for.



Around half of the surveyed hiring managers report that it is easy to find candidates in their area (51%), those open to working in an office/onsite (50%), and can find enough to fill open positions (49%).

However, just two in five say it's easy to find candidates with the skills (38%) or experience they need (37%). Similarly to attitudes on perceived preparedness of employees entering the workforce, less than 20% say it is very easy to find candidates with these criteria.

Survey question: How easy or hard is it to the do the following?



By generation, Gen Zers/Millennial managers are significantly more likely than their counterparts to say that finding candidates is easy.

By sector, services struggle the most in finding candidate open to working onsite. Hiring managers in services (37%) are significantly less likely than those in retail (57%), manufacturing (56%), and professional services (49%) to say that it is easy to find candidates open to working in an office or onsite.

Credentials, Skills and Experiences

Industry credentials are a talent booster for high school, trade school and college graduates

Talent Booster: Industry-Wide Credentials

When asked how prepared graduates are to enter the workforce, those with an industry-recognized credential are seen as more prepared than those without one. However, that difference is much more pronounced among high school graduates than 4-year college and trade school/technical college graduates.

Nearly all of these hiring managers view trade school/technical college graduates (90%) and 4-year college graduates (89%) with industry-recognized credentials as prepared to enter the workforce. Fewer (but still a strong majority), say the same of graduates of these institutions that do not have credentials (76% and 74%, respectively).

However, when it comes to high school graduates, those with industry-recognized credentials are seen as much more prepared to enter workforce than those without (71% vs. 40%).

Survey question: In general, how prepared, if at all, do you feel each of the following are to enter the workforce? (% prepared)

Trade School Grad	
with industry- recognized credentials	90%
without industry- recognized credentials	76%
4-Year College Grad	
with industry- recognized credentials	89%
without industry- recognized credentials	74%
High School Grad	
riigii oolloor araa	
with industry- recognized credentials	71%
without industry- recognized credentials	40%

We asked hiring managers which factors would increase the hireability of entry-level candidates. Eighty-nine percent of surveyed hiring managers say they would be more likely to hire an entry-level employee if they have credentials in a relevant field, including 46% who say they would be much more likely. Credentials in a relevant field are nearly as highly valued by hiring managers as critical thinking/problem-solving (94%) and communication skills (90%)—and ranked as more valuable than having a Bachelor's degree (68%), internship experience (83%) or leadership experience (83%) in entry-level employees.

Key finding: Hiring managers are more likely to hire entry-level employee if...



Competitive Edge: Real-World Experience

Three in four (78%) respondents say that young adults with internship experience are prepared to enter the workforce. While a majority of these hiring managers view those with internship experience as prepared, companies with at least 500 employees (86%) are more likely to hold this sentiment than those with less than 20 employees (73%) and 20-499 employees (74%).

These hiring managers said that internships are the leading way students gain early-career skills, but that other experience can also help them acquire these skills. The most cited places they believe students gain the skills needed to be successful early in their careers are:

- Internships (46%)
- Trade schools/technical colleges (40%)
- 4-year colleges (37%)
- Career and technical education courses (31%).

Notably, those in manufacturing (37%) and retail (38%) are more likely than those in professional services (22%) to believe skills are primarily learned in career and technical education high school courses. In contrast, those in professional services are more likely to say skills are learned in 4-year colleges (48%).

Hot Topic: Soft Skills

Almost all respondents believe it's vital that entry-level employees have a baseline grasp of critically important "soft skills" before they enter the workforce.

Nearly all of these hiring managers believe it is important that their employees learn communication (98%), decision making (97%) and collaboration (94%) before entering the workforce, including a majority across each that say it is very important.

What's more, these hiring managers view "soft skills" as important, regardless of the sector their company is in and are more likely to hire someone if they have them. At least nine in ten of the hiring managers surveyed (across sectors and ages) say that they are more likely to hire an entry-level employee that demonstrates critical thinking/problem solving or effective communication skills. During in-depth interviews, hiring managers we spoke with also emphasized the importance of these "soft skills".





Interpersonal skills are huge. Communication when it comes to talking and writing, but I think also, somebody who knows how to properly shake hands, look somebody in the eye, answer questions clearly and concisely. I think these might sound like softer skills. I think how you do your job is just as important as what you do."

Chief Human Resources Officer in an in-depth interview

Business and Financial Literacy

These hiring managers prioritize financial literacy skills in new hires

Budgeting Is Most Critical Entry-Level Personal Finance Skill

Nearly all hiring managers in the survey (96%) say that financial literacy skills are valuable for employees who are just starting their career, including 61% who find them very valuable.

These hiring managers think that budgeting and understanding of borrowing, credit, and debt are the most valuable skills for entry-level workers to have. Among those that find financial literacy skills valuable, taxes, net income, and budgeting (42%); saving and investing (41%); and borrowing, credit, and debt (39%); are seen as the most valuable knowledge for entry-level employees to have. Second-tier skills are personal saving (28%) and managing personal risk (26%). During in-depth interviews, hiring managers spoke about the importance of these skills.

Key finding: Financial literacy skills most valuable for entry-level employees

Taxes, net income, and budgeting

Saving and investing for education, housing, and retirement goals

Borrowing, credit, and debt

Personal saving

28%

Managing personal risk

26%





The earlier they learn to save and be responsible for the money they make, the more ready and stress-free they are to stay motivated at work."

HR Manager in an in-depth interview

Nearly All Want More Soft Skills and Business Courses In High School

When asked about what should be taught in high schools, nearly all agree that there should be more courses teaching soft skills such as communication, collaboration, and critical thinking (97%) and that there should be more business courses (92%).

Survey question: To what extent do you agree or disagree with the following sentiments?

We should teach more courses in high school that teach professional career skills such as communication, collaboration, and critical thinking

97%

We should teach more business courses in high school

92%

Work experience is more valuable than formal education

89%



There's always a business aspect to any field and I think personal finance would be fantastic because just think once again: How to balance a checkbook, car loans, making payments on credit cards... all those things, I think it would be extremely beneficial and practical."

Chief Human Resources Officer

in an in-depth interview

Nearly All Believe the New Coursework on Business Will Have a Positive Impact

A majority of these hiring managers think that entrylevel workers should acquire a wide range of business skills before entering the work force. Most say it is important that their employees learn the following topics² prior to entering the workforce:

- Business basics, competition, and new ideas (91%)
- Management and strategy (89%)
- Personal goals, budgeting, and investing (89%)
- Personal saving and borrowing (85%)
- Business finance and accounting (81%)
- Marketing (73%)

About half (49%) report seeing, hearing, or reading anything about the AP Business with Personal Finance course that will be taught in high schools starting in 2026. Nine in ten (90%) believe that the course will have a positive impact on preparing high schoolers to enter the workforce, including 44% who say it will have a significantly positive impact.

During the in-depth interviews, respondents indicated that they believe the course would be beneficial due to its practicality and real-world application. They stated the importance specifically of business skills and how important it would be for an entry-level employee to understand how a business works prior to entering the workforce.

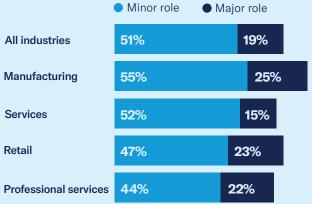
Among these hiring managers, at least nine in ten agree that they are encouraged business courses are in development for high schoolers (94%), that the business course being developed will make a difference in future hiring (91%), and that an AP-level high school business curriculum would be helpful in hiring and assessing candidates (89%).

When asked how much of a role high school courses play in their company's hiring process, seven in ten say that they play at least some role. However, these hiring managers are much more likely to say that these courses play a minor role (51%) than a major role (19%).



By sector, those in manufacturing (80%) are more likely than those in services (68%) and professional services (67%) to say that high school courses play a role in the hiring process.

Survey question: How much of a role, if any, do high school courses play in your company's hiring process?



While most of these hiring managers say that high school courses don't play a major role in hiring, two in three (67%) say they find high school AP courses and exams valuable in their hiring decisions. Lastly, 77% also say that they would find AP courses more valuable if students who passed AP exams earned credentials demonstrating mastery of skills relevant to their hiring needs.



The magic bullet is when you pair advanced placement courses with experiential learning, whether it's an internship or some job shadowing opportunity. You get the best of both worlds."

R&D and Talent Acquisition Leader in an in-depth interview

Conclusion

In summary, this survey finds that these hiring managers believe that few high school graduates are prepared to enter the workforce straight from school.

This matters because high school students are such a large percentage of entry-level employees entering the workforce. As a result, early talent preparation falls on employers to address, resulting in increased cost and time, or is not prioritized, negatively impacting workers' livelihoods. An unprepared workforce can cause ripple effects throughout the economy and society.

These hiring managers feel trade school or college graduation and real-world experience (through internships or other means) make better prepared entry-level employees. They also view candidates, regardless of postsecondary pathway, with industry-recognized credentials as more prepared than those without them.

However, surveyed hiring managers also indicate that they highly value "soft skills" like critical thinking, problem solving, and communication—sometimes more than credentials or classroom learning alone. As one interview respondent put it, "I actually hate the term soft skills. I feel like they're critical skills". 3

These insights offer young adults looking to enter the workforce a number of things they can do to help standout to employers. Young people should consider pathways that are highly valued by employers and consider talent boosters like industry recognized credentials, experiences, and financial literacy that top the charts for employers. They should also consider ways to develop and demonstrate key skills such as critical thinking, problem solving, and effective communication skills.

So, it pays to have a balance of education credentials, real-world experience, and soft skills to become an attractive entry-level candidate.

Looking Ahead

To meet the needs of employers and young people, the College Board and the U.S. Chamber of Commerce are launching AP Business with Personal Finance. The course will sharpen skills that are a priority for entry level employees (such as financial literacy, communication, and problem solving) and most of these hiring managers indicate that the course would have a positive impact on preparing high schoolers for the workforce.

Methodology

These are the findings of an Ipsos poll conducted between May 20 and June 9, 2025. For this survey, a sample of 500 hiring managers from small, mid-sized, and large companies, age 18+ from the continental U.S. Alaska and Hawaii was interviewed online in English.

To qualify for the survey, respondents had to be employed full-time and have input on the hiring process for entry-level employees. No post-hoc weights were applied to the data and the findings reflect the opinion of these respondents.

After the survey was completed, Ipsos also conducted 11, 30-minute in-depth interviews among CHROs, Chief People Officers, and other executive-level HR professionals, between June 16 and August 5, 2025. All individuals were recruited by the U.S. Chamber of Commerce.





