

The Value of Work Experience in Early Career Selection Decisions: A Comparison of Nonprofit and Private Sector Manager Perceptions

Evan A. Leach, Jack Gault, and Marc Duey

West Chester University of Pennsylvania

A considerable amount of evidence supports the benefits of obtaining professional experience prior to entering the workforce as a graduating senior. The value of this experience is particularly salient when the competition for jobs is high in competitive economic environments. Employers typically place great value on prior professional experience when making hiring decisions. However, relatively few studies have examined how the perceived value of professional experience varies among employers in different sectors and industries (Gault, Leach and Duey, 2010). At present, little is known about how the perceived value of professional experience in hiring decisions can vary between employers in the private and nonprofit sectors (Gault, Leach and Duey, 2010). Nonprofit organizations, while frequent employers of entry level college graduates, have been all but ignored in this research. This study addresses this gap by providing an empirical examination of managers' valuation of the two most common forms of professional experience: for-credit internships and co-ops vs. other non-credit work experience. Surveys were completed by 107 managers employed in private healthcare companies, and 59 managers employed in not for profit agencies. Each manager was asked to place a valuation on the professional experience of early career employees both in terms of influence on hiring decisions and the value of experience in terms of compensation for new hires. An analysis of this data indicated that managers in private and nonprofit sectors did not differ significantly in the perceived value of both internships and other non-credit work experience when the position was directly relevant to the hiring position. However, managers of nonprofits valued internships and professional experience higher than private sector managers, when the experience was not directly related to the hiring position. This study sheds light on how managers in the private sector differ from nonprofit managers in their assessment of professional experience in hiring and compensation decisions. In addition, this study provides empirical data of how nonprofit managers value professional experience in hiring and compensation decisions.

Gault, J., Leach, E. & Dewey, M. (2010). Effects of Business Internships on Job Marketability: an employer's perspective. *Education + Training*, Vol. 52 (1), pp.76 - 88