



# The Graduate Employment Gap

Why AI-Powered Career Coaching Is the Missing Link  
in University Career Services

- A White Paper by CareerNetwrk.com  
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## EXECUTIVE SUMMARY

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Canadian universities are producing highly educated graduates into one of the most challenging entry-level job markets in a generation. Despite record investment in campus career services, graduate employment outcomes continue to decline — not because career centres lack dedication, but because the structural realities of modern hiring have fundamentally changed how jobs are found and filled.

**Up to 80% of all positions are filled through networks, referrals, and direct relationships — before a single job board listing ever appears.**

Forbes, 2017; CBC Cost of Living, 2025; Statistics Canada JWVS Data

Yet most graduates — and most career services programs — continue to invest the majority of their time and resources in exactly those job boards. The success rate for online job applications sits at approximately 0.2% for inbound applicants at many employers, while referral candidates are up to seven times more likely to receive a job offer than those who apply through job boards.

CareerNetwrk.com is a learning-first, AI-powered career coaching and networking platform purpose-built to close this gap. Built on a simple but powerful insight — that most people don't need more job listings, they need a better way to have conversations — the platform equips students and recent graduates with the skills, tools, and simulated practice environments to navigate the hidden job market with confidence. The result: universities can dramatically scale the depth and reach of career support without proportionally scaling headcount or budget.

This white paper presents the evidence behind the graduate employment crisis, explains why the hidden job market is the defining challenge facing career services today, and outlines how a 90-day university pilot partnership with CareerNetwrk.com can measurably improve graduate outcomes.

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## SECTION 1

# The State of Graduate Employment in Canada

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The data on Canadian graduate employment is alarming — and worsening. A convergence of structural shifts, post-pandemic hiring recalibrations, and rising competition for entry-level roles has created an environment in which a bachelor's degree alone no longer guarantees favourable labour market outcomes.

## Declining Entry-Level Vacancies

According to the Labour Market Information Council (LMIC), entry-level job vacancies requiring a bachelor's degree fell by more than 50% between early 2024 and early 2025. From a peak of more than 70,000 vacancies nationally, the number dropped to fewer than 30,000 by the first quarter of 2025. Early-career postings in business, marketing, and human resources fell by nearly 40%, while policy, research, and legal roles declined by approximately one-third in the same period.

## The Degree Premium Reversal

For the first time in decades, bachelor's degree holders aged 15–24 now face a higher unemployment rate than those who hold college diplomas or post-secondary certificates — a reversal that would have been unthinkable a decade ago. Statistics Canada data confirm that since 2023, this pattern has flipped: the credential long associated with better labour market outcomes is now associated with greater risk at the start of a career.

**41.2% of Canadian bachelor's graduates are working in roles that do not require their degree. Among international graduates, the rate rises to 63.4%.**

Statistics Canada, National Graduates Survey, 2025

## Pervasive Underemployment

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Underemployment compounds the problem significantly. Statistics Canada’s 2025 National Graduates Survey reported that 41.2% of bachelor’s degree holders were underemployed — meaning they were employed in roles that typically do not require that level of education. The rate for international graduates was even higher, reaching 63.4%. This finding is consistent with U.S. data from the Burning Glass Institute (now Lightcast) and Strada Education Foundation, which found that 52% of recent American graduates were underemployed one year after graduation.

## Youth Unemployment

Young workers are disproportionately bearing the burden of labour market softening. In the United States, the Bureau of Labor Statistics reported a youth unemployment rate (ages 16–24) of 10.8% in July 2025, up from 9.8% one year earlier. In Canada, the youth unemployment rate climbed to 14.7% in September 2025 — the highest since September 2010 outside of pandemic years — driven in part by a difficult summer jobs market where returning students faced an average unemployment rate of 17.9%.

RBC Economics research confirms that students and new graduates are bearing the brunt of the labour market downturn, with roughly half of the increase in Canada’s unemployment rate since mid-2024 attributable to longer job searches for students and new graduates who were previously not in the labour force.

## Institutional Implications

For universities, the downstream effects are significant. Alumni giving, institutional reputation, and enrolment all correlate with graduate employment outcomes. The question career services leaders must ask is no longer “Are we doing enough?” but “Are we addressing the right problem?”

### SECTION 2

# The Hidden Job Market — The Real Hiring Ecosystem

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The most important fact in modern career development is one that most graduates never learn: the majority of jobs are never publicly posted.

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## The Scale of the Hidden Market

Estimates consistently indicate that a significant majority of positions are filled before they ever appear on a job board. Forbes has reported that approximately 80% of jobs are not posted online. While the precise figure varies by industry and geography, CBC's Cost of Living investigation found that Statistics Canada's Job Vacancy and Wage Survey data corroborate the significance of informal channels: in the third quarter of 2024, personal contacts, referrals, and informal networks were used in 72.5% of all hiring efforts — nearly as frequently as online job boards at 79.8%.

## The Referral Advantage

The data on employee referrals is striking. According to Pinpoint's analysis of 4.5 million applications, referred candidates are seven times more likely to be hired than job board applicants. Ashby's Talent Trends Report confirms that while referrals account for only approximately 1% of total applications, 40% of referred candidates proceed to interview — compared with significantly lower rates for inbound applicants, whose offer rates have declined approximately 70% in recent years. Best-in-class employee referral programs attribute 30–35% of all external hires to referrals. Referral hires are also 40% more likely to be retained after one year and move through the hiring process 11% faster.

**Referred candidates are 7x more likely to be hired than job board applicants, yet referrals account for only ~1% of total applications.**

Pinpoint HQ, 2023; Ashby Talent Trends Report, 2025

## The Ghost Job Problem

The situation is further complicated by the rise of “ghost jobs” — postings that companies maintain not to fill immediately, but to build talent pipelines, benchmark salaries, or satisfy internal compliance processes. An analysis by MyPerfectResume using Bureau of Labor Statistics JOLTS data found that nearly one in three U.S. job postings (approximately 28–32%) do not result in a hire. In June 2025 alone, employers reported 7.4 million openings but made only 5.2 million hires, leaving more than 2.2 million roles unfilled.

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Sector-specific analysis reveals even more pronounced disparities. The ghost job rate reaches approximately 48% in the information sector and 44% in financial activities, while education and health services see rates as high as 50%. A ResumeBuilder survey found that nearly 40% of hiring managers acknowledged posting a fake job listing in 2024. ResumeUp.AI's analysis identified 27.4% of U.S. LinkedIn postings as likely ghost jobs, with Canada at 24.9%.

This means graduates are investing enormous time and emotional energy applying to roles that were never genuinely open to external candidates.

## What Actually Works

Relationships. Networking. Strategic outreach. Informational interviews. Being known by the right people before a role opens. As CBC's recruitment experts found, "old-school networking still remains key to landing a job" — even in a digital-first world. The hidden job market is not a niche strategy for savvy insiders. It is simply how hiring works. And the graduates who understand this — and who have practised and internalized the skills to navigate it — have a decisive competitive advantage.

### SECTION 3

## Why Career Services Alone Cannot Solve This

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University career services teams are staffed by skilled, committed professionals. The challenge they face is not one of competence — it is one of scale and structure.

### The Staffing Ratio Problem

Most university career centres operate with advisor-to-student ratios that make meaningful, individualized coaching impossible at scale. According to the National Association of Colleges and Employers (NACE), the average ratio of students to career services professionals in the United States is approximately 1,889 to one. Education advisory firm EAB recommends a maximum ratio of 300 students per advisor to ensure adequate support, yet most institutions operate well above this threshold. A career advisor managing 500 or more students cannot realistically provide the depth of networking coaching, mock interview practice, and ongoing accountability that hidden job market navigation requires.

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## The Timing Problem

Career services are typically reactive. Students engage primarily in their graduating semester — the worst possible time to begin building professional networks. Effective hidden job market navigation requires relationship-building that begins years before graduation, not weeks.

## The Repetition Problem

Learning to network confidently, conduct effective informational interviews, and navigate professional relationship dynamics is a skill that requires repeated practice. A 45-minute appointment once per semester cannot build that muscle. Students need safe, low-stakes environments to practise, fail, and improve — repeatedly and on their own schedule.

## The Bandwidth Problem

Career advisors spend significant time on administrative tasks — scheduling, resume reviews, job board navigation — that, while valuable, consume capacity that could otherwise go toward deeper career coaching. Without scalable tools to handle high-volume, lower-complexity tasks, advisors cannot redirect their expertise where it matters most.

None of this is a criticism of career services teams. It is a structural reality that the current model — however well-resourced — was not designed to address the hidden job market at scale.

### SECTION 4

## AI-Powered Coaching — The Scalability Breakthrough

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The emergence of AI-powered coaching represents a genuine inflection point for career services delivery.

### Research Evidence

New research from The Conference Board (October 2025) found that AI can provide up to 90% of day-to-day coaching functions. In user evaluation studies: 96% of users reported that AI responses felt customized to their goals and context; 90% of users found AI coaching easy and comfortable to use; 89% reported specific and useful next steps from each session; and 91%

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said they would use the AI coaching platform again.

Critically, AI was found to be particularly effective at structured goal orientation, open-ended questioning, realistic role-play simulations, and actionable feedback — exactly the capabilities needed for hidden job market coaching.

A peer-reviewed longitudinal randomized controlled trial published in PLoS ONE compared AI coaching with human coaching over a 10-month period. The researchers found that both human coaches and the AI coach were significantly more effective than control groups in helping clients reach their goals — and that the AI coach was as effective as human coaches at the conclusion of the trial. The study also found that more frequent use of the AI coach led to higher goal attainment, underscoring the scalability advantage of AI-delivered coaching.

**AI can provide up to 90% of day-to-day coaching functions, with 96% of users reporting personalized, goal-aligned responses.**

The Conference Board, October 2025

## The Amplification Model

This does not replace the human career advisor. It amplifies them. As Dr. Amit Mohindra of The Conference Board stated: “AI isn’t replacing human coaches — it’s amplifying them. By automating routine follow-ups and analysis, AI frees human coaches to focus on empathy, intuition, and strategic reflection.” The result is a tiered model where every student has access to personalized, on-demand coaching, while advisors are preserved for high-value, high-impact interactions.

## The Democratization Effect

The equity implications are significant. Private career coaching typically costs \$75–\$200 per hour, with specialized coaching reaching \$150–\$300 per session. AI-powered platforms make equivalent coaching capabilities accessible to every student regardless of socioeconomic background, creating an equity outcome that aligns directly with university values and mandates. Wharton Magazine has noted that AI career coaching demonstrates the potential to unlock career transitions and potential at scale — helping surface non-obvious career possibilities that human counsellors alone might miss.

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## SECTION 5

# The CareerNetwrk.com Platform

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CareerNetwrk.com was founded on a single insight drawn from 20+ years of career coaching practice: the graduates who thrive are not necessarily the most qualified — they are the ones who know how to be found.

The platform is built around one simple idea: most people don't need more job listings — they need a better way to have conversations. Everything on CareerNetwrk.com is designed to make those conversations happen — with confidence, preparation, and purpose.

## Methodology: Learn → Practice → Connect

### Learn

Everything starts with micro video lessons — short, focused, and immediately actionable. Each lesson teaches one skill: how to approach a professional, what to say in an informational interview, how to follow up, how to build relationships that open doors. The structured curriculum guides students progressively through ten core modules:

- **Module 0 — Introduction:** Platform orientation and setting the foundation for career transition success.
- **Module 1 — Networking Fundamentals:** Understanding the hidden job market ecosystem and why relationship-building drives hiring outcomes.
- **Module 2 — Define Your Target Companies:** Strategic identification of organizations where a student's skills, values, and career goals align.
- **Module 3 — Crafting the Elevator Pitch:** Building a concise, compelling professional introduction tailored to career goals.
- **Module 4 — Adapting Pitch by Audience:** Learning to flex messaging for peers, mid-level professionals, and senior hiring managers.
- **Module 5 — Practising and Integrating Pitch:** Embedding the elevator pitch naturally into networking conversations through repetition and feedback.
- **Module 6 — Mapping Your Network:** Identifying existing connections, second-degree contacts, and strategic relationship-building opportunities.
- **Modules 7 & 8 — Structuring Networking Conversations:** Developing conversation frameworks that differ based on audience — with emphasis on asking the right questions and positioning value.

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- **Module 9 — Follow-Up, Tracking, and Online Presence:** Building systems to maintain relationships, track outreach, and strengthen digital visibility.

## Practice

Learning without practice doesn't build confidence. That's where the Confidence Coach — CareerNetwrk.com's AI-powered practice environment — comes in. Before a student's first session, four short profile interviews help the platform understand their career goal, values, strengths, and existing network. This personalizes everything that follows.

### Elevator Pitch Builder

Students craft and refine their professional pitch for their specific audience. The Confidence Coach listens, scores delivery, and provides real-time feedback on clarity, tone, and structure — so every version is sharper than the last.

### Informational Interview Coach

Students choose the level of professional they want to practise connecting with — a peer, a colleague, or a senior hiring manager. The AI simulates a realistic conversation and delivers structured feedback afterward.

## Connect

Practice prepares students. The Circle is where they put it to work. CareerNetwrk.com's peer networking community connects students with other professionals building relationships and accessing the hidden job market together. Alongside The Circle, Live Q&A sessions give students direct access to experienced facilitators.

By the time a student has moved through the full Learn → Practice → Connect path, the goal is clear: they feel more confident, more focused, and more connected — with a networking system they will continue using long after the program ends.

The platform is hosted on enterprise-grade, PIPEDA-compliant infrastructure. Student data is never sold or shared with third parties. University branding and co-branding options are available.

## SECTION 6

# The University Partnership Model

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CareerNetwrk.com is designed to integrate with — not replace — existing university career services operations. The partnership model is structured to minimize friction, reduce institutional risk, and deliver measurable outcomes.

## Integration Approach

- White-label or co-branded portal available for university career services pages
- Single sign-on (SSO) integration with university student portals (in development)
- Career advisors receive an institutional dashboard to monitor student engagement and progress
- Platform content can be aligned to existing career programming calendars

## Outcome Metrics Tracked

- Student platform engagement (sessions, modules completed, practice conversations)
- Self-reported confidence scores (pre/post)
- Interview acquisition rates (student-reported)
- Employment offers received within 90 days of graduation
- Time-to-first-professional-role

## Governance and Compliance

- Full PIPEDA compliance for all Canadian student data
- No student data shared with employers or third parties without explicit consent
- Institutional data governance agreements available upon request
- Annual platform security review documentation provided

### SECTION 7

## Projected Outcomes

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While CareerNetwrk.com is in its inaugural launch phase and longitudinal outcome data is being collected through the current cohort, the evidence base supporting AI career coaching outcomes is robust.

Platforms deploying AI career coaching across college and workforce development contexts report increased learner confidence, stronger career readiness skills, and greater clarity about

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career paths following engagement. The Conference Board’s 2025 research confirms that AI coaching drives specific, actionable next steps in 89% of sessions — a measurably superior activation rate compared to periodic in-person appointments alone.

Based on these benchmarks and the design of CareerNetwrk.com’s Learn → Practice → Connect methodology, university partners can reasonably project the following outcomes:

- **Greater career clarity and role targeting.** Students who clarify their career priorities are better positioned to pursue roles where their skills are fully utilized — reducing the underemployment that affects 41.2% of Canadian graduates.
- **Measurable confidence gains.** Repeated AI-coached practice builds the conversational confidence that one-off career appointments cannot. The Conference Board found 96% of users reported personalized, goal-aligned feedback.
- **Increased informational interview activity.** Students move from passive job board searching to proactive, relationship-driven outreach — the behaviour change that most directly predicts employment outcomes.
- **Improved interview conversion rates.** Structured AI practice translates directly to stronger performance in real interviews, consistent with peer-reviewed findings on AI coaching effectiveness.
- **Sustainable career management skills.** The networking strategies students develop are not single-use tools. They are habits and systems that serve graduates throughout their entire professional lives.
- **Greater career advisor capacity.** With AI handling high-volume practice and skills coaching, career advisors are freed to focus on complex, high-stakes conversations where their expertise creates the most value.
- **Values-compatible career placement.** By integrating personal and professional values assessment into the curriculum, CareerNetwrk.com helps students evaluate not just job offers, but organizational fit.

CareerNetwrk.com commits to providing all pilot partner universities with a full outcome report at the conclusion of the 90-day pilot period, including platform engagement data and student feedback.

## SECTION 8

# The 90-Day Pilot Program

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CareerNetwrk.com is inviting a select cohort of five Canadian and five American university career services departments to participate in a 90-day pilot program beginning in Spring 2026.

## What's Included

- Full platform access for up to 50 students per institution
- Institutional career advisor dashboard and progress reporting
- Onboarding and orientation session for career services staff
- Dedicated partnership support contact throughout the pilot
- Full outcome report delivered at pilot conclusion

## What We Ask in Return

- A designated career services liaison to coordinate student enrolment
- Completion of a brief mid-point and end-point survey by participating students
- A willingness to share anonymized outcome data for platform improvement

The five pilot spots are offered on a first-come, first-served basis to institutions committed to launching within the Spring 2026 semester.

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## Get Started

Book a complimentary 30-minute demonstration at [www.careernetwrk.com/universities](http://www.careernetwrk.com/universities)

Email: [info@careernetwrk.com](mailto:info@careernetwrk.com)

### **Harro Lauprecht**

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**CareerNetwrk.com — Network smarter. Get hired faster.**

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