From AI Anxiety to Confidence: Helping Students Navigate a Shifting Job Market

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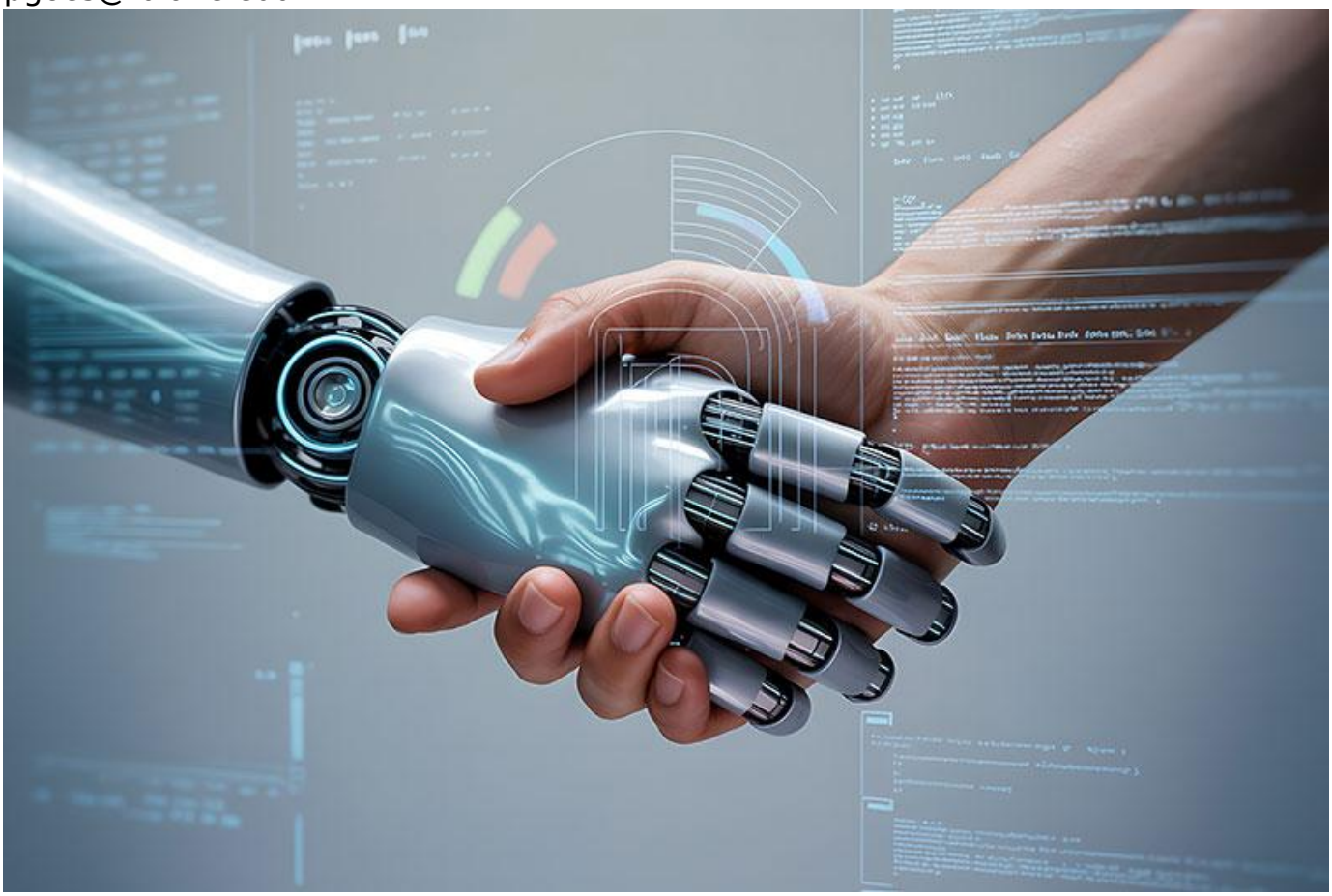

Ever since ChatGPT was released to the public in late 2022, the media has been full of sweeping pronouncements, both dire and optimistic, about the effects that LLMs would have on jobs within a few short years. Gloom-and-doom headlines such as “AI Is Coming For Your Jobs” or “AI Will Create a Job Apocalypse” were par for the course, as were the ones that conversely predicted a post-work nirvana. Three years later, the reality is neither dystopian nor utopian but more nuanced and, at the same time, indicative of further shifts to come. This makes it vital for higher education institutions, and business schools in particular, to make the necessary adjustments to prepare their students for present and future job markets.

The Forces Behind Today’s Hiring Slowdown

Let’s start by acknowledging the current reality. The job market *is*, in fact, experiencing a slowdown and recent college graduates are being disproportionately affected. The July 2025 jobs report shows job growth has slowed to just 35,000 new jobs per month on average — a marked decline from previous years. For young college graduates, the unemployment rate spiked to 4.59 percent in 2025 from 3.25 percent in 2019. That’s a 1.34 percentage point increase, roughly three times larger than for older college graduates and non-college-educated workers in the same age group.

In an essay examining AI's impact on the job market, Freeman School Dean Paulo Goes argues that business schools can help students navigate the approaching disruption by cultivating AI skills, prioritizing experiential learning and emphasizing soft skills.

Why is the job market unforgiving to recent graduates right now? The answer is quite simple, and we can generally attribute it to two main factors. The first are the recent ripples in the economic landscape: tariffs, trade policies, and federal budget cuts, all of which add precariousness to supply chains, companies’ revenues and expenditures, and consumer sentiment. During such periods of uncertainty, companies tend to cut down on recruiting as a way of managing risk.

The other factor, of course, is the growing impact of AI which further adds to the aforementioned uncertainty. And when it comes to helping students navigate the job

market, *this* is the more productive factor to address. As business school educators, our influence on macroeconomic forces is more indirect and long-term, but our impact on how students approach job market challenges can be direct and immediate. For this reason, it is precisely these job market challenges that we are focusing on at Tulane University's Freeman School of Business.

Companies Are Still Playing Catch-up on AI

Make no mistake: AI is absolutely one of the most transformative technologies we have witnessed in our lifetimes, and it is being developed very fast. But, as of yet, the speed and scale of its adoption in the workplace has not been evenly distributed. There is a significant lag between AI's *potential* effect on jobs and how various industries are actually reacting. It's important to remember that not every company is a Google or Amazon in terms of size, data infrastructure, and the technical expertise or readiness to implement AI systems at scale. In reality, most companies are still trying to *understand* and sort through the many developments—and the new ones that keep appearing continuously—let alone *implement* them.

In practical terms, this means that currently there is still a relatively small portion of entry-level jobs that are "AI exposed." These generally center around jobs that involve routine or repetitive tasks, data collection and summarization, customer/tech support, and software development.

Of the thousands of entry-level jobs listed in an internal Tulane University resource managed in partnership with Handshake, less than 10 percent even mention AI skills as part of the requirements. And according to a 2024 Lightcast report, even in the fields of IT and computer science only 13 percent of all jobs, not just entry-level ones, explicitly mention AI skills. On a related note, in our experience at Tulane, entry-level job placement numbers for our students this year are lower but not significantly so. About three months after graduation, 67 percent of our students who were looking for jobs now have jobs compared to last year in the same time period, when it was 69 percent.

Having said this, what we are seeing is a *temporary* lag. Despite the still relatively low percent of entry-level jobs explicitly requiring AI skills, this is changing and will continue to increase as more and more companies eventually figure out how to integrate AI. This, combined with the objective decrease in job growth due to macroeconomic factors, means that students will have to work harder to secure

entry-level jobs. This sounds daunting, but at Tulane we are committed to ensuring that they will not walk this path alone.

How Business Schools Can Prepare Students

There is much that business schools can do to help students and recent graduates traverse this shifting landscape but, at the moment, many are falling short. In a 2024 survey by Cengage Group, 55 percent of recent college graduates stated that they were unprepared for the workforce and that their respective colleges and universities did not sufficiently prepare them for the use of AI tools. And in a more recent 2025 survey by Coursera, an overwhelming 93 percent of students believe that generative AI training should be a part of degree programs. Economist Tyler Cowen recently echoed this sentiment, stating that universities are "producing a generation of students who will go out on the labor market and be quite unprepared for what they're expected to do."

Many institutions have of course been experimenting with AI implementation in various ways but it isn't enough. Business schools must make AI fluency a key component of their programs' learning goals and outcomes and then take concrete steps to integrate AI skills into their curricula. While this is not an exhaustive list, the following are some ways to begin doing so.

- **Prioritize experiential learning.** Have students translate theory into practice by engaging with real-world scenarios involving the challenges and opportunities of AI in business settings. Promote internships which not only allow students to practice their skills in real companies but often open the doors to full-time employment.

- **Cultivate AI fluency through hands-on practice.** The Freeman School of Business partnered with an AI company to implement a secure AI platform and integrated it into several of our business courses. This allows students to use different LLMs, develop prompting skills, build their own bots, and emulate business processes and workflows.

- **Emphasize the soft skills.** While AI skills will become increasingly necessary, soft skills such as teamwork, critical thinking, and interpersonal communication, far from becoming obsolete, are more important than ever. Strong soft skills combined with AI fluency will give students the edge in a competitive job

market.

- **Encourage strategic job searching and career planning.** At Freeman's Career Management Center, we are encouraging students to shift how they approach career planning and post-graduation job searching. For instance, while there are fewer entry-level jobs in AI-exposed categories, the good news is that there are plenty of other kinds of entry-level jobs that are not affected to the same degree. Other strategies include leveraging alumni connections and being more willing to take on short-term roles which can often lead to long-term roles. Getting that foot in the door is the critical first step since despite the decrease in AI-exposed jobs at the entry level, there is actually a 6-9 percent *increase* in such jobs for older or more experienced workers.

In an effort to meet growing student demand, many institutions are now racing to create AI courses and programs. But it is important to remember that technically oriented roles such as AI engineering make up a relatively small portion of the jobs and careers that will progressively demand AI skills. Offering standalone AI courses or programs will not be enough to help our students thrive in the rapidly evolving job market. Our philosophy at Tulane and Freeman is that we must incorporate holistic, curricula-wide approaches that not only weave AI skills into the full range of business careers but also teach adaptive approaches to career planning and job searching as a whole. Doing so will equip students with the practical ability to flourish in a transforming job market along with the equally important confidence that comes with it.