

# Graduate recruitment 2011

## Carl Gilleard: The revolutionary road

**In the wake of the Association of Graduate Recruiters' Winter 2011 Graduate Recruitment Survey, AGR CEO Carl Gilleard talks exclusively to Aphrodite Papadatou about his forecasts for 2011. The message is clear: graduate employers are preparing themselves to ride the revolution, wherever this may take them.**

**AP:** What are the key messages that we should draw from the latest AGR Graduate Recruitment Survey?

**CG:** There are two key messages.

Firstly, in 2010 we turned a corner. The Association of Graduate Recruiters' Summer 2010 Graduate Recruitment Survey predicted that the market would contract. Yet our data now shows that in the last quarter of 2009/10 the market picked up; in fact, far from contracting the market accelerated and grew. This is welcome news. Our evidence also shows the market to be a volatile and dynamic domain. Last year businesses upped their numbers and this trend is predicted to continue in 2011, although graduate salary levels are not set to change. On the flip side these are only predictions; a small economic crisis can change trends quickly and to great affect.

Secondly, our latest survey shows that whilst the vacancies have increased the same cannot be said for graduate salaries. This is the third consecutive year that starting salaries have remained static. This trend is a new phenomenon; I certainly have not come across it in my time in graduate recruitment research. For example, even during the early 1990s recession when we witnessed huge cut backs in the number of jobs, starting graduate salaries continued to modestly grow. This observation is an important dimension of the survey, especially when seen in the light of recent discussions about the future of student investment in Higher Education; no doubt school leavers will soon start taking this into account. Saying this however,

£25,000 is a good graduate starting salary so it should not put people off from applying! Competition for graduate level vacancies will be fierce despite the negative salary trends.

**AP:** Are there any signs, in the post-recession period that graduate recruitment is going to permanently alter?

**CG:** This is a very 'big' and interesting theme which demands discussion. For our purposes here, I can only say that the graduate market is forever changing and therefore recruitment practices and the conditions we are working in are also changing. Whether this change will be evolutionary or revolutionary in nature, we are yet to find out. Businesses will no doubt start looking for new ways of recruiting talent, for example through school leaver programmes and other vocational schemes. This will complement rather than replace the existing model of graduate recruitment. The new trend is now visible: some large multinational employers are already offering school leaver programmes alongside their traditional graduate recruitment schemes.

In short, we will see an increase in companies recruiting young people at 18 (and even younger) but this will run in parallel to graduate recruitment. My opinion is that, for many reasons, this is a welcome change. For example it could address social mobility issues. Indeed I believe – and in this I am by far not alone – that there shouldn't just be one model of recruiting young bright talent to top graduate level jobs.

**AP:** What do you think is the future of the social media in graduate recruitment?

**CG:** It is here, and it is here to stay; but like other recruitment practices it is not a panacea. Tucked into the latest AGR report is the following observation:

The majority of graduate employers realise the need to retain the practice of face-to-face interaction with students. Indeed, we witness the relative increase of companies' recruitment investment in ensuring a robust graduate fair presence, *vis a vis* other practices. However, it is also evident that employers need to constantly monitor the networking and information sharing tools potential candidates use in their daily lives. As such, the use of social media in graduate recruitment is welcome.

All employers and careers advisers know that using facebook and twitter for recruitment purposes is no adequate replacement for traditional, more resource intensive, practices. Saying this, a lot of businesses have had their recruitment resources slashed alongside their budget, and therefore for these it is a case of doing more with less – and being smarter with it. In short, the use of the social media fits only in parallel with more traditional recruitment practices.

**AP: Do you envisage that relationships between employers and Higher Education Institutions (HEIs) will change? If so, in what ways?**

**CG:** Again, this is a huge topic of debate – the question posed is not an easy one to answer in brief (so I do hope I get a First after this!). Presently we are watching nothing short of a revolution taking place in UK Higher Education. As with all revolutions, the resulting outcomes are not clear straight away – there are many competing forces that shape trajectories in the revolutionary aftermath, and usually a less contested model takes years to shape up. In this revolution too, many issues are yet to be resolved; however only a fool would imagine that UK Higher Education would not look to other sources of funding in the future. At the very top of universities there is an increasing realisation that what their graduates go on to do will impact significantly their own institutional reputation. Thus, for their own good, institutions will actively seek to forge links with employers so that they can provide their students with the best outcomes.

Our latest report shows clearly that, so far, graduate employers are not responding in relation to the growing student debts. Time will tell whether these employers will start investing in funding strategic courses. Personally, I cannot see any other alternative in the future than a great increase in smart (and creative) cooperation between UK HEIs and business. Employer engagement is the name of the game!

**AP:** A recent Demos think tank report, 'The Class of 2010'<sup>1</sup>, recommended that HE careers advisory services should take on the role of graduate recruitment agencies, in a bid to counterbalance the financial effects of the funding cuts. What do you believe employers expect of HE career advisory services?

**CG:** I did see this report and immediately I thought, 'another of Carl's good ideas being nicked'! On a more serious note, I always wondered why our HEIs never went for this model. Although some institutions have set up Jobshops etc, the practice is far from universal.

One concern is that it takes expertise and 'know-how' to set up a recruitment service and this is business knowledge that careers advisers don't necessarily have. However if HE career advisory services remove their 'blinkers', so to speak, and realise that they can provide effective employment placement services and recruitment management without tarnishing guidance, then effective resource-based cooperation can begin between these and graduate recruiters. All that is needed is imaginative thinking; good luck indeed to all those who decide to go down that route.

From our point of view, what employers want is for careers advisory services to have the adequate institutional status that will enable them to positively affect the application process and guide students in producing quality applications. In terms of the employability agenda, graduate employers want careers advisory services to be at the top of their game, put theory in practice, and guide students through the maze. I don't think that employers will have given any thought on the theory behind what is good and what is bad for careers advisory services to do. This is not their remit, nor are they interested in it. What they want is effective, informed, and efficient recruitment. Careers advisers must listen to these needs.

**AP:** What is your view on school leaver entry programmes? Why might these be attractive to some employers?

**CG:** What employers find attractive is the targeting of young talented people at an early stage, so that they can easily mould them into what they want them to be. There is also the financial aspect of it since employers understand the importance of the student

<sup>1</sup> The report is available on line at: <http://www.endsleigh.co.uk>

premium. This is especially significant in the case of future cohorts of heavily indebted graduates.

Here I would like to highlight the following point: the importance of schools investing in quality careers advisory services. Guidance in this context needs to be effective at an early stage, since a pupil will need to have concrete knowledge on different education and employment routes and outcomes – ‘Shall I go onto HE, or follow a more vocational path?’. These questions need to be informed, expertly and impartially. Presently I don’t have huge trust on school career advisory practices: in some schools it is excellent, but in others it is poor. A lot needs to be done. Equally, the current situation in UK Higher Education must surely be a wake-up call. It is compounded by the recent ‘hot topic’ of pupil A-level choices, posing the question: ‘Which A-level choices are the best?’<sup>2</sup>

All this needs to be addressed as soon as possible. We need to increase the status of career advisory services in schools. These services will need to effectively explain different Further/ Higher Education options, including providing expert guidance on school leaver programmes.

**AP:** *Is Higher Education in the UK doing enough to prepare graduates for ‘global careers’?*

**CG:** This is another very good question. AGR is in fact about to start a research project into the ‘global

graduate’. The concept is becoming very important now. I don’t think as a nation we are doing enough to develop our graduates for the global economy. The reasons are partly historic – we simply never ‘needed’ to; however things are now very different. Some universities have already woken up to that, for example I have just visited the University of Nottingham’s Ningbo campus in China and seen at first hand the exciting pioneering work being undertaken there to the benefit of students, employers, UK/Chinese relations and the university itself. One must also not forget the Erasmus programme, which offers EU students university and work placements within the European Union.

Interestingly research shows that there is an increase in the number of school leavers going abroad for first degree study – more often than not targeting North American institutions. The ‘global graduate’ however is something to be taken seriously, and not just to be seen as a ‘trendy’ venture. The global economy is a reality, and a lot of thought and strategic planning has to go into facilitating the creation of universal structures that will nurture truly ‘global graduates’. This is the issue that our current research project at AGR will be addressing, in much detail. The research is a three-way partnership between ourselves, the Centre for Industry & Higher Education and CFE, our research partner. The ground work is already underway and we hope to launch the findings of Phase 1 this summer.

<sup>2</sup> On 4th February 2011 The Russell Group of 20 leading UK universities published its first ever guide to post-16 subject choices. *Informed Choices* was produced in collaboration with the Institute of Career Guidance. At the point of the present interview, the report was a ‘hot’ news item. *Informed Choices* co-author, Andy Gardner, explains the intentions and theory behind the guide on p7.