

AGR: MAKING A REAL DIFFERENCE TO THE GRADUATE LABOUR MARKET

STEPHEN ISHERWOOD



Aphrodite Papadatou discusses all things graduate recruitment with Association of Graduate Recruiters CEO Stephen Isherwood. Stephen also sits on a number of steering groups related to HE and employment including the HEAR Advisory Committee.

Why did you decide to work in the graduate recruitment industry?

Once I left university I began working at Coopers and Lybrand (who in 1998 became part of PwC). My first job was recruiting management consultants. This gave me the opportunity to work in a graduate recruitment team, which I did originally on secondment but I stayed on as I enjoyed it so much. I have been in the graduate recruitment or development world ever since.

I didn't go to university until I was 25. Whilst sitting my A-levels I was offered a place on B&Q's management programme – it was the boom years for the DIY industry and I was able to work up into a more senior role pretty quickly. But I felt I'd missed out by not going to university and I didn't want to stay in retail. From a personal point of view I understand the power of education for its own sake. Studying helped me think differently and gave me a new outlook on life as well as changing my career opportunities.

And now you are at the AGR. How would you describe the AGR's role?

I think the AGR is in a fantastic position to make a real difference to the graduate

labour market. If we can match supply and demand then students coming out of education will go into the right channels to achieve their ambitions and employers will get the right talent to help their organisations succeed. The AGR sits in the middle of this process.

The AGR can help address the dysfunction in the graduate labour market. When some employers have unfilled vacancies in the middle of a recession, something is not working. Either graduates are not understanding opportunities or developing themselves in the right way, or there is more that employers can do. Again, the AGR is in the middle. We can't solve everything but we can help all our stakeholders understand the student market better, we can help build networks to bring together employers, graduates and higher education practitioners in a more effective way. This is why the AGR is investing heavily in analysis, learning and development, and member services.

What are the hot topics for AGR right now?

It's a cliché, but the 'War for Talent' is with us again. Now we are out of recession many of the graduate market metrics are back at 2006 level. We are seeing strong growth in vacancies and almost half of AGR members don't fill all their vacancies, particularly in STEM roles.

Social mobility issues are often in the headlines and many employers and suppliers are looking at innovative solutions to tackle the problem. Big employers are changing their selection criteria. Contextual data, a tool pioneered by university widening participation teams, are being used by some employers.

One of the hottest topics at the moment is the allocation of work visas for international students. Employers are dealing with a tougher regime and I don't think the situation helps universities either. The UK has to be seen as an attractive place for international talent to study and work.

The UK graduate market is unique as so many employers don't mind what a student studies. A student of History, for example, can become an accountant, lawyer or doctor. This is not the case in most other countries. This is one reason I think need some focus on employability in our schools and universities.

Employability! One of our favourite words.

As we know, good employability skills are a combination of transferable skills, knowledge and attitude. Many AGR employers are looking closely at how they nurture and assess these attributes. The rise of strengths-based assessment, the use of situational judgment tests and the search for attributes such as resilience show how recruitment practices are evolving.

Work experience is another issue I want to do a lot more work on in AGR, because everyone knows that people with work experience – whether it is a placement, gap year or summer internship – are more likely to get better jobs. We need to find a way for employers to create more opportunities but we also need make more students aware of the importance of work experience.

In our manifesto we made it clear that we oppose unpaid internships. A typical AGR member will pay its interns because each wants the best students and they know they must invest in them.

How can universities and colleges help AGR deliver its mission?

Collaboration: finding ways to work together. The employability debate has the tendency to get wrapped up in jargon. Take for example the use of the word 'enterprise', which comes up quite a lot. I think both employers and universities can find it hard to articulate to students why such concepts are important. What it means is the knowledge, skills and attributes that will equip students for the world of work. It's not just the private

sector that expects their new graduates to demonstrate commercial awareness.

But let's not forget the full student experience. The employers I work with want students to have a full university life but we need to feed the world of employment into it. This is why work experience is so important.

You mention contextual data. What are your thoughts on its use in graduate recruitment and in HE?

The use of contextual data is very interesting. I think the use of it combined with differential offers is something we need to understand a lot more. Most employers are not aware of how some universities are using information on students' background to make differential offers. One of the biggest problems employers face when factoring in the social background of a candidate is how you fairly compare a large number of candidates from different walks of life. Employers can and want to learn a lot about this from universities. If you compare university admissions and employer selection processes, the two are actually very similar: how to select the right talent from a large pool of applicants.

The algorithms some universities are using when recruiting students is a science that employers are keen to learn from. The more analysis and data AGR gets from universities, the more we will be able to feed it into the world of graduate recruitment. We need to be fair but we also need practical solutions that employers can implement.

How are changes in the AGR survey going and what can the sector do to help?

We are investing in the AGR's research base. We have not yet radically changed our surveys but we have refined what we are asking so we can get better data for particular sectors. From an employer perspective, we will be looking at cost models to help employers invest

effectively in graduate recruitment. I also want AGR to do a lot more work on defining graduate attributes. We want to communicate better to students in more detail what employers are looking for. The graduate labour market is actually a series of individual labour markets that all function differently. The AGR is in a great position to facilitate better understanding of the different sectors of employment.

Have skills issues and retention become more important?

Yes, and I think retention is going to be an even bigger issue. An ageing population, the growth in demand at the higher skilled end of market and greater competition are all creating the skills shortage. Employers I talk to could genuinely grow faster if they could recruit more effectively. This also makes retention an issue. Recruiting talent is only productive if you retain your talent.

The skills gap can also be tackled by keeping people for longer in an organisation, even retraining them if necessary. So work experience, retention and closing the skills gap are all closely bonded. Interestingly, retention is also a big issue for universities so there is plenty of work to be done between the two of our sectors to understand the problem and tackle it.

What skills are employers particularly looking for at the moment?

I think there is evidence in the post-recession era that employers are looking closely at attributes like resilience and an ability to deal with a very changing environment. I've mentioned the shift from employers using competency-based recruitment to strength-based recruitment. Employers are looking more closely at what people love to do rather than what they can do. There is quite a lot of thought and debate happening in this area at the moment and AGR has to help facilitate this conversation.

The 2011 Winter AGR survey showed that AGR members expected salary expectations to increase as a consequence of fees. Is this still the feeling?

There is little evidence yet that graduate salaries are increasing significantly. There was a small growth last year but you would expect that coming out of a recession. This mirrors what happens in the broader labour market, where salaries have been very flat and are now just about starting to increase. We don't know about the impact of fees yet, although we do know that it hasn't affected the number of people going to university, which means that it hasn't yet affected salary demands. We have likewise seen no change in the packages employers are offering to attract students. This is something to watch as demand for graduates increases. My personal view is that graduates have a much more ambivalent attitude to this debt than we or their parents think they have.

What excites you about the AGR, your role in it and the work you are doing?

What really excites me about my work at the moment is how we are building both the analysis and learning that we can input into the industry – whether this is through training courses, sharing knowledge with our networks, putting research and data out there, it's about making this graduate market work better. That is our job. Learning and development and research are the great services we can offer our members and the sector as a whole. We are developing into a content-rich organisation with a depth of expertise. We need to keep building our knowledge and expertise and use this for the benefit for all our stakeholders. This excites me!

Us too! Thank you – and we will look forward to collaborating with a content-rich AGR!