

## The Graduate Market in 2010 - Summary

The Graduate Market in 2010 is a study of vacancies and graduate recruitment at the UK's top 100 graduate employers (as identified in *The Times Top 100 Graduate Employers 2009*). The study was conducted by High Fliers Research, an independent market research company, specialising in student and graduate research.

### The Situation in 2009

- The 2009 study found that **the recession significantly affected graduate recruitment**. 17.8% less graduates were hired in 2009 than in 2008, a 23.3% drop on the numbers recruited in 2007.
- **13,651 graduates started jobs** with the top 100 companies in 2009.
- The largest **decreases** in graduate vacancies between 2007 and 2009 took place in investment banks; IT and telecoms companies; chemical & pharmaceutical companies; and in the media.
- The public sector was the only area to **increase** graduate recruitment during this period.

### Expected Graduate Vacancies in 2010

- The employers questioned expect to hire **11.8% more graduates** collectively than in 2009.
- **48% of the employers expect to recruit more graduates** in 2010 than they did in 2009 (14% expect to recruit 50 or more graduates).
- 26% expect to recruit **the same number** as last year.
- 26% expect to recruit **fewer** graduates than last year.
- Investment banks are planning **the largest increase**, and expect to recruit one third more graduates than last year, with over 550 more roles available for new graduates.
- Other sectors which expect to see **significantly higher recruitment levels** are: accounting & professional services firms; high street banks; retailing; and the Armed Forces.
- Employment areas which expect to recruit **fewer graduates** this year are: the public sector; engineering & industrial; and consumer goods manufacturers.
- 26% of the vacancies being promoted for 2010 have **already been filled** by graduates from 2009 who received deferred job offers.
- An **additional 60,000 graduates** will leave university in 2010.

### Location of Graduate Vacancies

- 90% of the companies questioned are offering at least some vacancies in **London**.
- **The North West** has the second highest number of employers recruiting graduates into the region (jointly with the South West) at 60%.

## Type of Graduate Vacancies

- The largest number of graduates will be recruited to fulfil **IT and Finance** roles (even in companies where this is not their main purpose).
- 48% of companies will have **general management** roles available.
- The areas of work for which there will be the **fewest** roles are media and law.

## Salaries

- The **average starting salary** for a graduate commencing work in 2010 remains the same as last year at £27,000.
- 14% of employers will pay **in excess of £35,000**.
- The majority (78%) will pay between **£20,001 and £30,000**.
- Only two of the employers offer a starting salary **below £20,000**.
- The **highest average salaries** are offered in the investment banking and law sectors.
- The **lowest average salaries** are offered by engineering & industrial, media and retail employers.
- 20% of the employers plan to **increase** salaries on 2009 levels.
- The **most generous increases** are expected in the IT & telecoms, banking, finance and public sectors.
- Two employers have **reduced** starting salaries for 2010.

## Recruitment

- 45% of employers say their **recruitment budget has decreased** since last year.
- Many employers have **reduced the amount spent on marketing** materials, for example, re-using recruitment brochures rather than commissioning new editions, and not giving away free gifts at recruitment fairs.
- Thirteen of the one hundred employers report that they have **increased their recruitment budgets**.
- The **top five universities** targeted by the leading employers are **Manchester**, London (including Imperial College, LSE and University of London), Warwick, Cambridge and Oxford.
- **Liverpool and Lancaster** also feature in the top 20 most targeted universities at 19<sup>th</sup> and 20<sup>th</sup> respectively.
- Most employers agree that they have maintained **on-campus recruitment**, such as attending university careers events.
- The study finds that there has been a move away from traditional corporate presentations towards more **interactive training sessions**, business games or networking events.

- **'Skills training events'** – helping students improve their performance during the recruitment process – have been successful for a number of recruiters this year.

### Applications Received in 2009-10

- The majority of employers (72%) have seen a **substantial increase in the number of applications** received in the early part of the 2009-10 recruitment round.
- 41% of the applications made between September and December were from graduates who **graduated in 2009 or earlier** and had yet to find a position.

### Students & Graduates' views

- High Fliers surveyed 1,001 final year students to ascertain their **views on the current job market**. 35% believe there will be even fewer jobs than last year.
- A further 35% believe the level of vacancies **will not rise** on last year's level.
- The Office of National Statistics suggests that more than **100,000 graduates** under the age of 25 were out of work in November 2009.
- 57% of the students were **not confident** about finding a suitable position before leaving university.
- One third of finalists hope to do a **postgraduate course** as opposed to competing in this year's job market.
- Over one third of finalists agreed that working in the **public sector** now seems more attractive.
- Careers in **consulting, engineering and the Armed Forces** now appear to be more popular choices among graduates.

### Outlook for 2011

- 85% of the employers expect to **maintain or expand** their graduate recruitment next year.
- 43% expect to offer **more vacancies in 2011**, with a further 42% expecting to offer the same number as in 2010.
- Only 8% expect to have fewer vacancies available.
- There does not seem to be a pattern as to which employers plan to expand recruitment, but it appears to include several **City banks, IT & telecoms companies, and some engineering & industrial firms**.
- Many employers appear to be planning to increase **recruitment of entry-level positions** to ensure the future supply of management talent.