Oleeo

universum

THE MUST-KNOW

Student Recruitment Trends in the UK for 2019

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CHAPTER 1
Introduction

The pressure to secure top student talent into an organisation has always been a pressing business challenge but headlines around the emergence of Generation Z suggests this is only set to deepen.

Talent acquisition technology leader **Oleeo** and employer branding thought leader **Universum** have analysed datasets from the 2018 graduate recruiting season to determine how things have changed over the last year and what trends can be gleaned from this.

In compiling this analysis, Oleeo has reviewed anonymous application data from

3.8 million candidates

applying to graduate programmes in businesses across finance, government, professional services, advertising, engineering and retail.

We have considered the following:

- Numbers of applications versus numbers hired and numbers screened out

- Levels of candidates self-withdrawing from application processes

- Gender and ethnicity balances among those who are hired

- Overseas interest in graduate roles in the UK and levels of success

- What candidates declare as their source for choosing to apply

- If Russell Group universities have prominence among candidates hired by employers

Universum has provided Oleeo with access to extracts from its 2018 Talent Insight reports series. For the purposes of this report, we have concentrated on responses from 6,692 business students and 5,841 engineering/IT students from across the UK.

We have considered the following:

- Student aspirations for what they want to do next after graduation & career goals

- Characteristics that define the attractiveness of an employer among students

- Favoured communication channels for employer messaging

- Prominence of social media for employer messaging

This study is designed to stimulate thinking about how to be more adaptable and react to the trends identified within it. Chapter 2 will identify the UK trends in full detail and Chapter 3 will consider how to address the challenges using innovative techniques, including a case study of successful efforts to mitigate against changing business pressures.

CHAPTER 2
Data Findings

Oleeo has reviewed anonymous application data from 3.8 million candidates applying to graduate programs in businesses across finance, government, professional services, advertising, engineering and retail.

A summary of the key findings we found are:

- The average number of applications for graduate programmes in the UK is on the rise. Financial and professional services firms can expect an average of 250,000 while the other sectors had averages of 50,000. This is being driven by UK students now considering an average of 29 employers to work for when applying to graduate schemes according to Universum data.

- Around 30% of all applications reviewed were incomplete – growing numbers of candidates are starting to apply, but do not complete their application.

- Another 50% of all applications are screened out before any further assessments or interviews – employers are setting tougher pre-screening criteria to make selection more agile.

- Competition to be hired is stiffer in 2018 than it was in 2017. In our last report, 2% of applicants went on to accept offers whereas in 2018 this has slightly fallen. Finance, advertising and professional services average at just 1% success (hired) rates with public sector and engineering only slightly higher than this (2.5%) and retail showing the largest success rates (7%).

- There's still a gap in gender hiring between male and females. However compared to last year, the gap is smaller. In 2017, the split was 69% versus 31% while in 2018, it had moved to 58% versus 42%. Of the sectors reviewed, the public sector was the only one to have hit gender equality of 50/50 in hires. Engineering, retail and advertising were struggling the most averaging at 70% male hires showing more needs to be done to encourage diversity in the STEM and creative industries.

- Race equality appears to be making some improvements in terms of the year-on-year number of hires from candidates who are from an ethnic origin other than white. Across all hires analysed by Oleeo, numbers for Asians were up from 13% to 16% and Black students increased from just 3% to 6%. It is worth noting that the numbers choosing not to disclose ethnic origin or selecting 'Other' has doubled from 10% to 20% in the last year.

- University mix has stayed at similar levels to 2017 with Russell Group universities continuing to dominate success on graduate programmes. Students from one of the 24 institutions made up 70% of all those who are hired in the UK overall – though this is 5% less than last year.

- Overseas hiring also remained broadly similar to 2017. USA, France, Spain, Germany and Italy consistently appear in top countries where applicants want a first job in the UK (**see heat map on the next page**) – the same top five as in 2017. Despite Brexit uncertainty, around 15% of total hires came from the EU and another 5% from outside the 27-nation group. Total overseas hires was 3% lower than 2017 signalling a slight loss of interest in starting a career in the UK. This could be driven by the political and economic turbulence as a result of ongoing Brexit negotiations which dominated UK headlines in 2018.

REPRESENTATIVE HEAT MAP
SHOWING GLOBAL SPREAD OF OVERSEAS HIRING

Legend:
- Most Hiring
- Hiring
- Some Hiring
- Little Hiring
- Zero Hiring
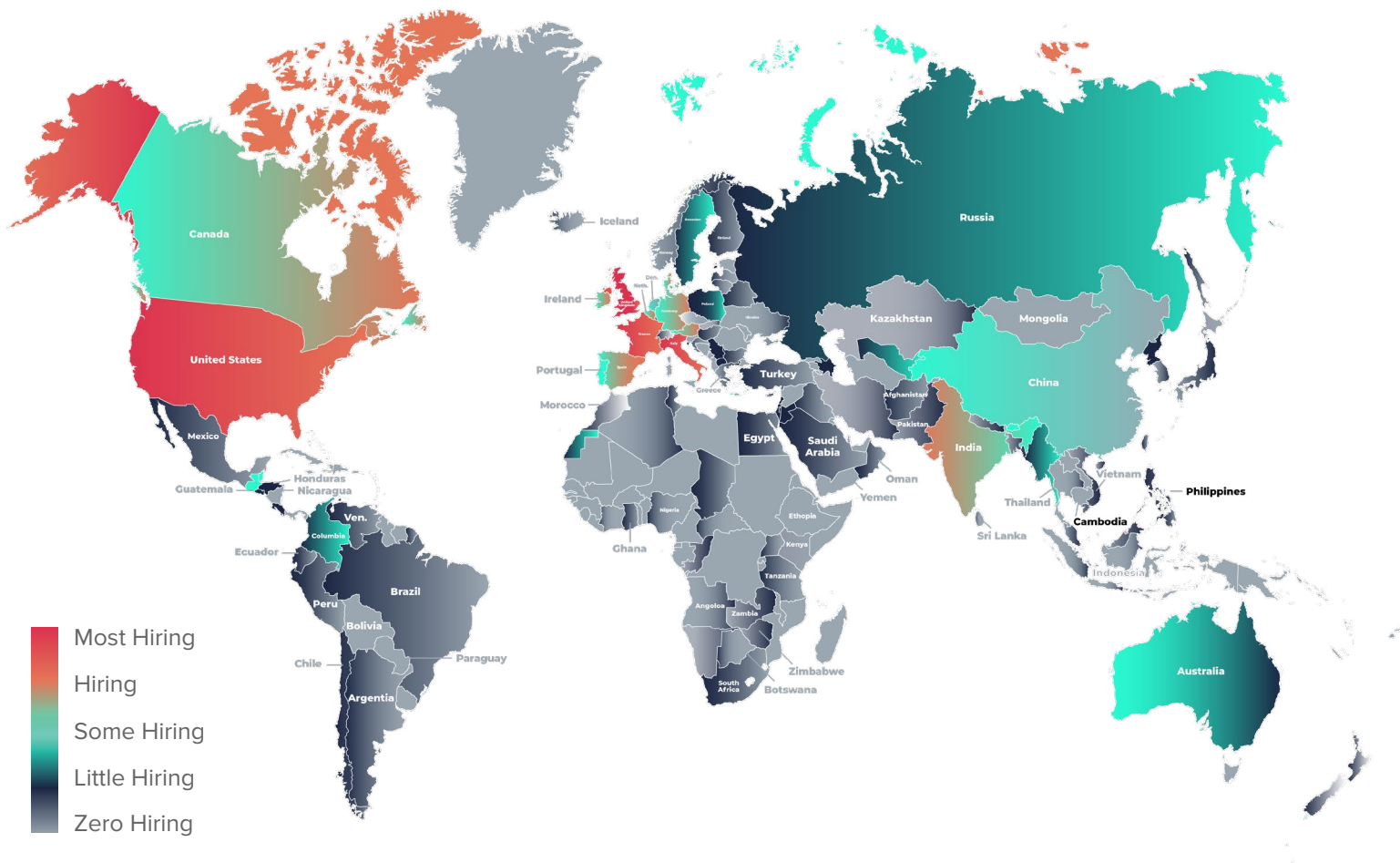
Oleeo also sought to understand what sources were attracting candidates to apply to an organisation.

For the UK, our analysis shows the top 5 sources for hearing about student vacancies were:

1. Online media sources/careers websites

2. Campus presence/career fairs

3. Referrals

4. Niche/Specialist media and forums

5. Advertising and flyers/general marketing

OLEEO INSIGHTS

The findings of this report show just how tough competition is to hire the best talent in graduate recruitment. Candidates are more empowered than ever before and employers have to work extra hard to secure the candidates that will prosper in their organisation and help deliver business growth.

Getting a hire wrong isn't only costly, poor hiring can lead to lower productivity, reduced levels of employee morale and engagement and ultimately more attrition. It is a vicious circle.

Knowing what worked well in the past can help to fine-tune the types of candidates that carry high favour within a firm. The benefits to recruitment include:

- Saving recruiters time

- Getting to the top candidates first

- Finding a needle in a hay stack – candidates from sources outside of your norm

- Reducing bias and increasing diversity – clever algorithms even strip out gender stereotypical words so applications are judged on merit and not prejudiced by stereotypes.

It's now the norm that top recruiters are receiving thousands of applications a year and rising from a mixture of core and non-core schools and do not have time to sift fairly. Predictive algorithms can ease this pressure helping to instantly and automatically review all applications globally, flagging up to 33% of all candidates they will end up extending an offer to. In so doing technology is effectively freeing up months of recruiter resource each year.

In the recruitment game, closing down top talent ahead of competition is a big challenge and this technology is helping to offer a solution to this and reduce decline rates to suit corporate objectives.

Oleeo Recruiting Enablement for Campus & Early Careers can ease the pressures identified in these trends. What will you get in return? Endless hiring benefits including, but not restricted to:

- Identifying & quantifying any historic bias reducing bias in future decision making

- Focusing on what attributes make a great hire and mitigate the influence of disparate impact

- Providing stronger evidence and recordkeeping to support hiring decisions

- Identifying & hiring great candidates outside of your traditional sources

- Accepting more applications with lower resource implications
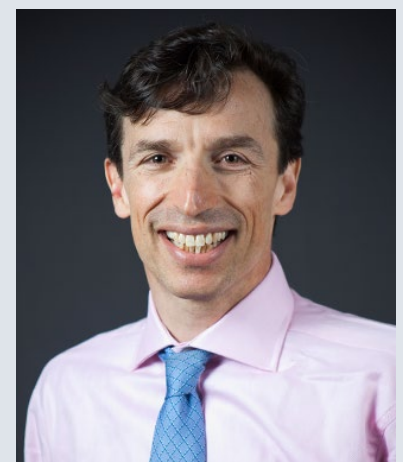
Charles Hipps
CEO, Oleeo

Evidently competition to secure top talent was tougher in 2018 than previous years. This was driven by student fears of fewer places overall the previous year - Highfliers Research reported that the number of graduates hired by organisations featured in The Times Top 100 Graduate Employers fell by 4.9% in 2017, the first drop in graduate recruitment for five years and the biggest annual fall recorded since 2009.

So, how can employers better capture the attention of student communities and entice them to join their business? Universum's research offers some insights which are explored here.

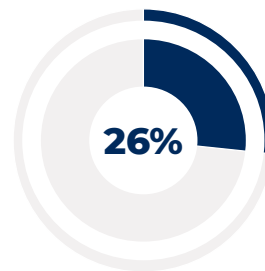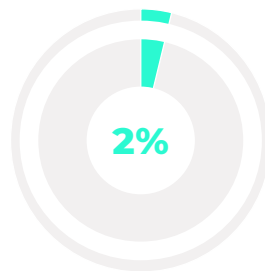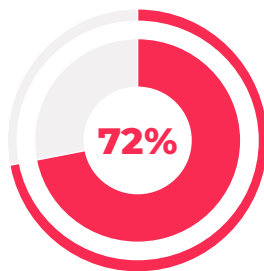Three quarters of students are interested in graduate programmes which is why Oleeo's data shows competition is so stiff.

INTEREST GRADUATE/ROTATIONAL PROGRAM

Business/Economics

78% 2% 20%

Engineering/IT

72% 2% 26%
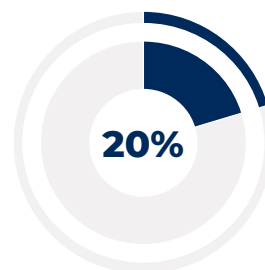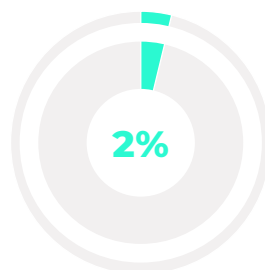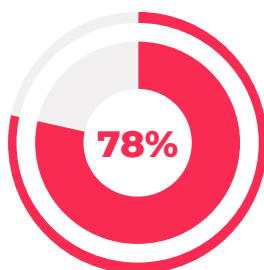
■ **Yes I am interested**
Source: Universum Global

■ **Yes I have already done a graduate/rotational program**
Source: Universum Global

■ **No I am not interested**
Source: Universum Global

But students want to know a graduate programme is going to offer them growth – development, mentorship, leadership & variety were common desires amongst all surveyed by Universum.

IMPORTANT FACTORS GRADUATE/ROTATIONAL PROGRAM

Development: get exposure to high level positions and leverage my skills
- 61%
- 62%

Mentorship: support, follow-up and feedback from a mentor
- 43%
- 49%

Business integration: focus on developing you into a part of the business
- 39%
- 20%

Variety of rotations: program covering a broad variety of assignments in different functions and areas of the company
- 36%
- 40%

Leadership program: focus on developing your leadership skills
- 33%
- 36%

International rotations: program completed in at least 2 different countries
- 23%
- 19%

Customisation: possibility of defining the assignments and rotations according to your profile and interests
- 20%
- 21%

Length of commitment: valuable experience lasting at least 1,5 years
- 17%
- 19%

Business/Economics
Source: Universum Global

Engineering/IT
Source: Universum Global

Research Findings

Two thirds of students said that after graduating they wanted to work for an international or privately owned national business.

WHAT STUDENTS WANT TO DO MOST AFTER GRADUATION
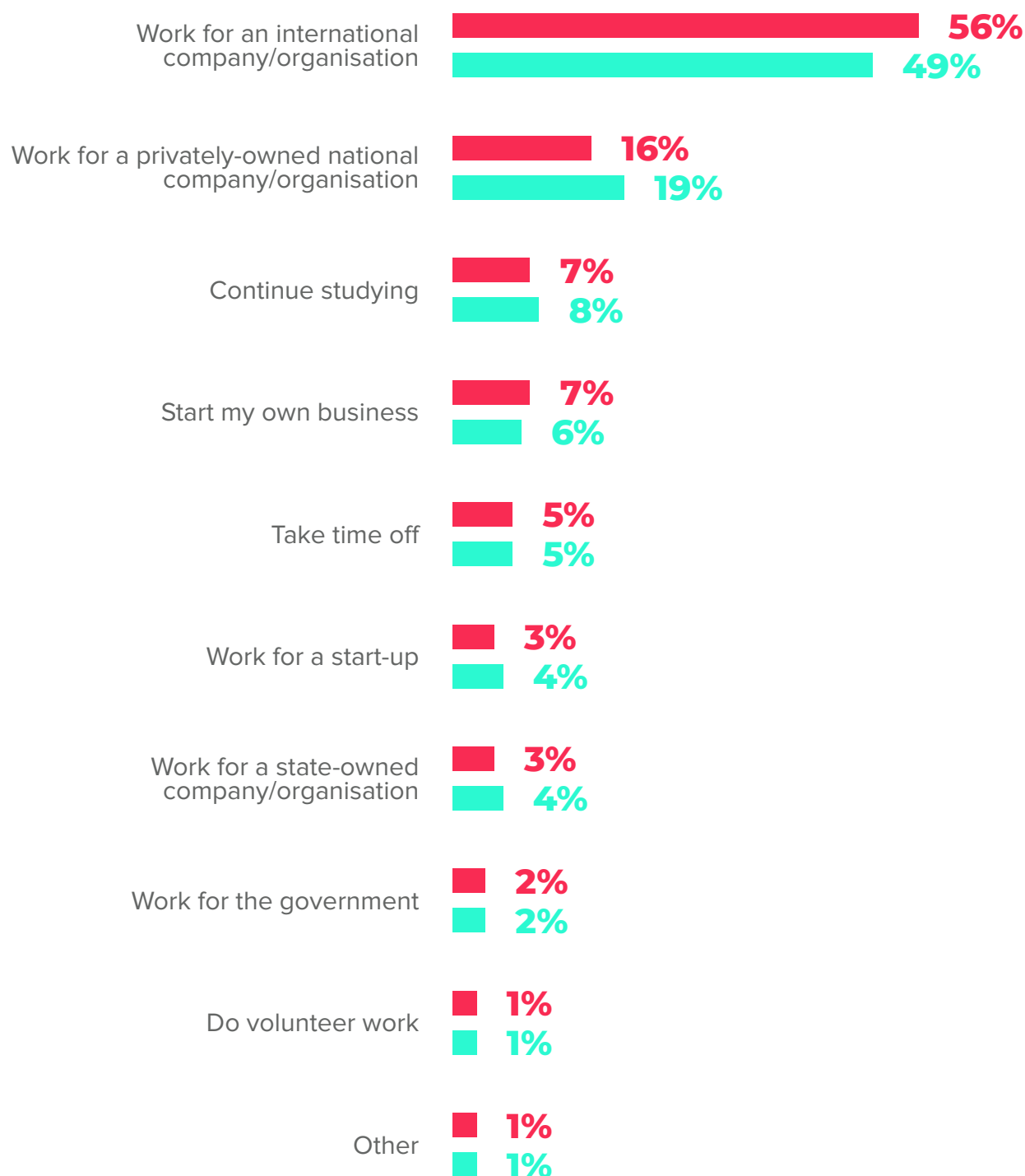
Work for an international company/organisation
56%
49%

Work for a privately-owned national company/organisation
16%
19%

Continue studying
7%
8%

Start my own business
7%
6%

Take time off
5%
5%

Work for a start-up
3%
4%

Work for a state-owned company/organisation
3%
4%

Work for the government
2%
2%

Do volunteer work
1%
1%

Other
1%
1%

Business/Economics
Source: Universum Global

Engineering/IT
Source: Universum Global

Research Findings

Size of business also matters with very few expressing an interest in a small start-up operation to start a career.

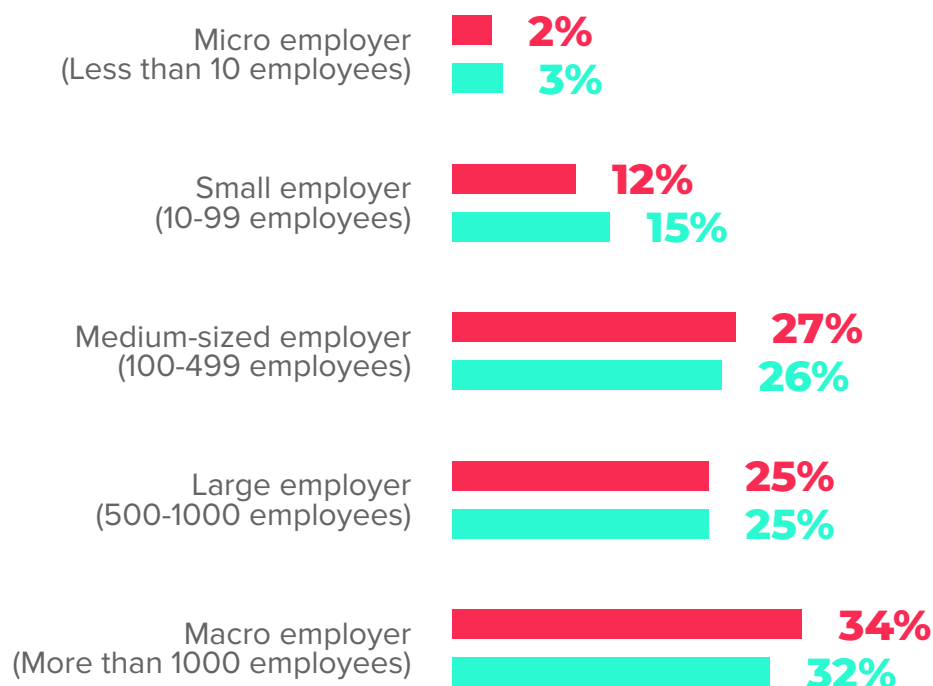## FOR WHAT SIZE OF EMPLOYER WOULD YOU PREFER TO WORK WHEN CHOOSING YOUR FIRST EMPLOYMENT?

Micro employer
(Less than 10 employees)
2%
3%

Small employer
(10-99 employees)
12%
15%

Medium-sized employer
(100-499 employees)
27%
26%

Large employer
(500-1000 employees)
25%
25%

Macro employer
(More than 1000 employees)
34%
32%

Business/Economics
Source: Universum Global

Engineering/IT
Source: Universum Global

Research Findings

Asked what the top preferences in an attractive employer were, these were the top 10 attributes based on types of student:

Business/Economics

1. High future earnings
2. Professional training and development
3. Leaders who will support my development
4. Clear path for advancement
5. Market success
6. A creative and dynamic work environment
7. Opportunities for international travel/relocation
8. Leadership opportunities
9. A friendly work environment
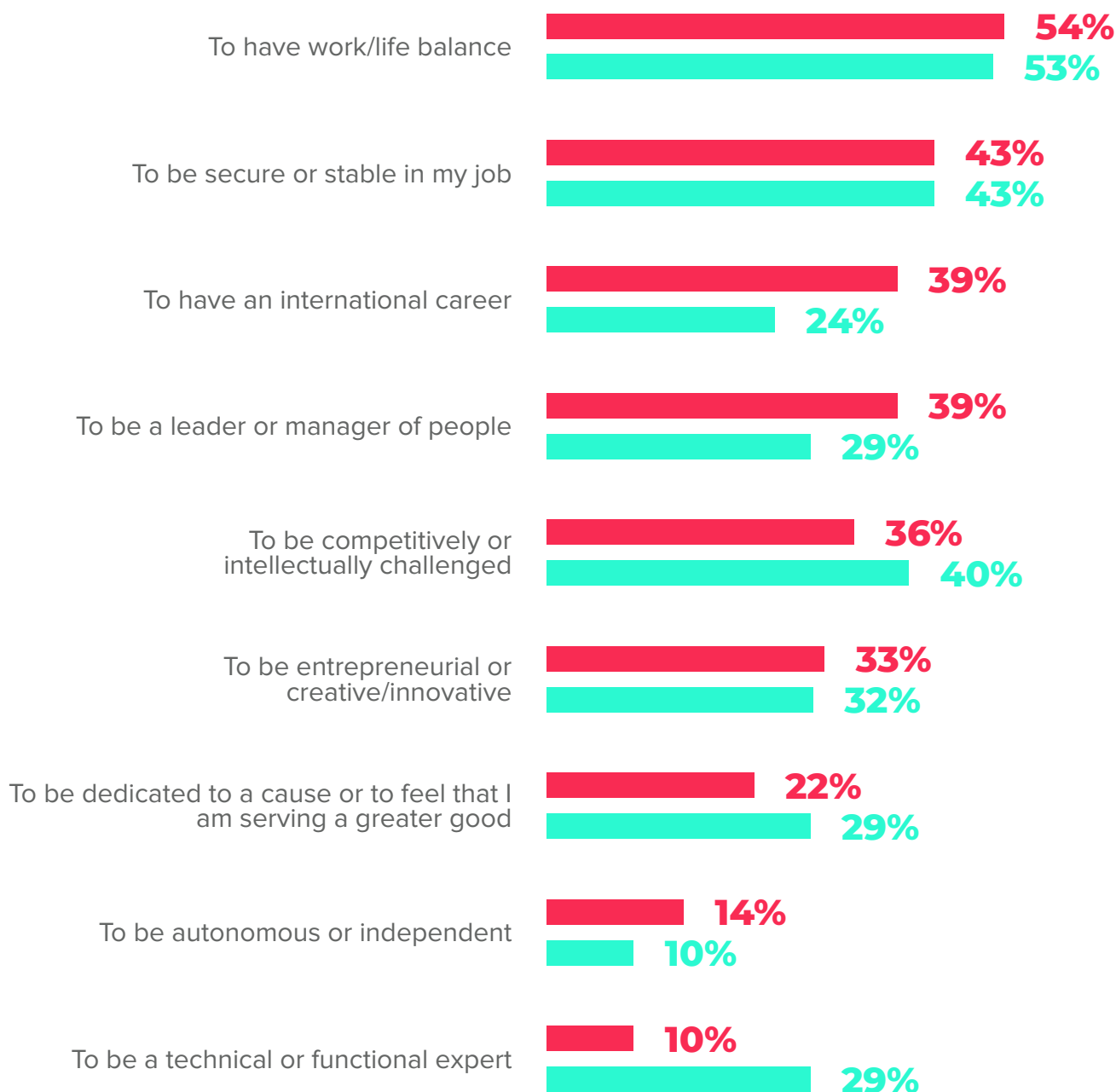10. Secure employment

Engineering/IT

1. High future earnings
2. Innovation
3. Professional training and development
4. A creative and dynamic work environment
5. Leaders who will support my development
6. Clear path for advancement
7. Attractive/exciting products and services
8. A friendly work environment
9. Secure employment
10. Competitive base pay

Once a student is attracted to an employer, it is important for employers to tailor their messaging to the students that are attracted to them or that they wish to attract. To have work/life balance is the number one student aspiration when thinking about a career, followed by job stability and security and ensuring that work remains challenging (creatively, competitively and intellectually). Opportunities to be involved in charitable initiatives and to attain manager status were also deemed important with business students also keen to work overseas as illustrated here.

CAREER GOALS

Career Goal	Business/Economics	Engineering/IT
To have work/life balance	54%	53%
To be secure or stable in my job	43%	43%
To have an international career	39%	24%
To be a leader or manager of people	39%	29%
To be competitively or intellectually challenged	36%	40%
To be entrepreneurial or creative/innovative	33%	32%
To be dedicated to a cause or to feel that I am serving a greater good	22%	29%
To be autonomous or independent	14%	10%
To be a technical or functional expert	10%	29%

Business/Economics
Source: Universum Global

Engineering/IT
Source: Universum Global

Research Findings

It is also important that employers adopt a multi-tiered approach to communication covering as many bases as possible. Students told Universum they want the following efforts in outreach in order to actively consider applying to an organisation:

Business/Economics

1. Social media
2. Employer websites
3. Career fairs
4. Online job boards
5. Career guidance websites
6. Career and job related apps
7. University press & student organisation publications
8. Lectures/case studies as part of curriculum
9. Employer presentations on campus
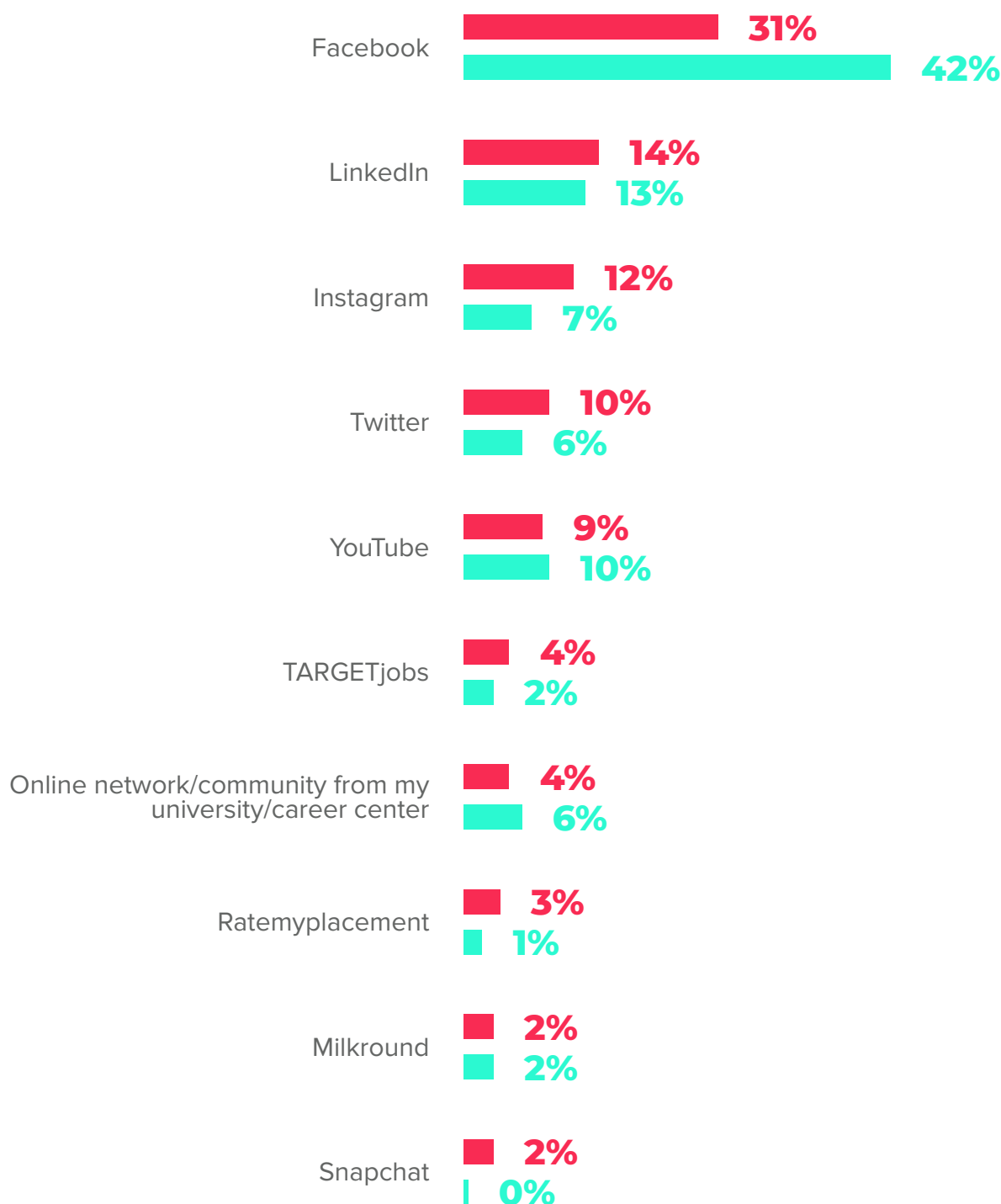10. Targeted emails

Engineering/IT

1. Employer websites
2. Social media
3. Career fairs
4. Online job boards
5. Career guidance websites
6. Career and job related apps
7. University press & student organisation publications
8. Employer presentations on campus
9. Lectures/case studies as part of curriculum
10. Targeted emails

The internet is now a regular part of a student's everyday routine and many have grown up in a world where social media has always been part of their lives too. They expect it to be part of their recruitment experience. Universum data shows employers are embracing Facebook in particular but in lower numbers than other communications channels.

ONLINE PLATFORMS WHERE EMPLOYER'S SOCIAL MEDIA ACTIVITIES WERE SEEN

Facebook
31%
42%

LinkedIn
14%
13%

Instagram
12%
7%

Twitter
10%
6%

YouTube
9%
10%

TARGETjobs
4%
2%

Online network/community from my university/career center
4%
6%

Ratemyplacement
3%
1%

Milkround
2%
2%

Snapchat
2%
0%

Business/Economics

Research Findings

Engineering/IT

UNIVERSUM INSIGHTS

The trends identified in this report show just how competitive graduate recruitment has become in the United Kingdom. Over the last ten years, the average number of considered employers for students have more than doubled from 13 to 29. This makes an employer value proposition (EVP) more important than ever before.

Our research shows that the more focused employers are in their communication, the more they engage their target group. So, which values should you be focusing on? This depends on who you are targeting. Diversity & Inclusion continue to be important to all candidates and we see that women are actively seeking an employer that can demonstrate ethical standards and support for gender equality. International students will be keen to understand how much free movement they can get in a post Brexit Britain as having an international career that is competitive and challenging is important to them.

It is vital that employers really seek to create an insights-driven employer value proposition that is credible, attractive and true. The more tailored their approach to attracting and engaging talent the more likely a candidate will want to be a part of your business.

When the percentages being hired are so small, candidates will naturally lean towards the first offer they receive. To avoid a candidate withdrawing once they have an offer, it is vital that you appeal to them as a business that can accomplish their goals and put them on a pathway to achieve their aspirations. With such stiff competition, you really can't afford not to be engaging in this crowded marketspace!

Federica Leotta
Employer Branding
Advisor at Universum

CHAPTER 3
How to Alleviate the Pain Points & Concluding Thoughts

Attracting and recruiting the right people is a challenging task. It is important to save time and money, and avoid the risk of communicating things that do not resonate with your target groups. Our research proves that the more focused employers are in their communication, the more they engage their target group. So, with these trends in mind, how can you harness them to think about your next campus season?

At Oleeo, we are helping organisations to be more agile and get in front of competitors using artificial intelligence to attract, engage and hire diverse talent at scale.

- Intelligent attraction through optimised recruitment advertising and programmatic retargeting. Understand how your target talent are using different communication channels to help inform how you spend your communication budget.

- Intelligent engagement through prioritised nurturing and more relevant content during every interaction be it sourcing at events, engaging with candidates, interview management or mobility within the organisation.

- Intelligent selection based on predictive scoring and prescriptive recommendations that measure skills, cultural fit, offer acceptance probability and probable retention.

Algorithms can now be trained to make decision using the evidence of abilities, competencies, skills & experience found in test scores, CVs, and application form answers without bias. Intelligent Selection enhances conversions and preserves an ideal representation of hires versus applicants.

Built on thousands of data points derived from candidates' CVs and application answers to foster diversity and accelerate candidate selection, the intelligent algorithm is optimised to ensure no adverse selection and regulatory compliance. The customised algorithms elegantly handle high-volume automation and deliver at-a-glance qualified, quality candidate recommendations critical to recruiting success in large-scale hiring events.

These will help companies shift from being reactive to proactive in balancing the need to accurately and quickly identify high-quality candidates while simultaneously ensuring compliance.

Oleeo customers leveraging the new prescriptive recommendation engine are currently experiencing:

Speed

40% time savings when selecting candidates for interviews. Oleeo's algorithms reduce the average time it takes to review a CV from two minutes to just seconds.

Diversity

11% increase fostered by the prescriptive recommendation. Companies can provide an equal opportunity to the entire candidate pool by ensuring no disparate impact and stay in compliance with regulation. The algorithms are optimised for high performance matching. In addition, recruiters can monitor anonymised data insights on gaps in diversity pools and focus attraction efforts on obtaining better representation without sacrificing quality.

Source

10% increase uncovering strong candidates from new sources, who are typically overlooked by the manual process, with the algorithms looking at all candidates regardless of source.

Of course technology alone will not ease these pains. It is important to compare your current Employer Brand and Employer Value Proposition with the survey results and identify aspects on which to focus more or less in your communications.

Questions that are good to ask include:

- What is true internally?

- What is attractive to your target group?

- What is credible among the talent you want to attract?

- What are distinct aspects that differentiate you from your competitors?

- What is sustainable?

This has to include social media, which is changing at a rapidly accelerating pace. One of the most important aspects of this has been how the platforms have adapted to the huge growth in content sharing that has occurred. Initially, all content would show up in users' newsfeeds and would be time stamped. Channels are now becoming more and more sophisticated about how they curate content and decide who sees what.

The relevance of the content is hugely important, as this drives engagement, however, perhaps even more important is spending advertising pounds to target specific talent and ensure the visibility of your content.

TRANSFORMING CAMPUS RECRUITING TO BE FIT FOR THE 21ST CENTURY

Challenge Objectives

Oleeo needed to help BOA achieve digital transformation in four key areas:

1. To deliver an enhanced candidate experience across all touchpoints

2. To grow in its ability to meet the best and most diverse candidates, wherever they are

3. To operate more efficiently and improve its "time to offer"

4. To improve the assessment of candidates by reducing unconscious bias and being more consistent

Reasons for Transformation

- Help the bank to attract more students digitally by meeting them where they are, while also preserving its personal, high-touch approach.

- Recognition that campus recruitment is constantly changing, particularly as communication, meeting space and social media platforms change. While recruitment seasons are never the same, some common traits have emerged in the last three to four terms.

- Be reactive to the fact that the recruiting process is more competitive and faster than ever, which means there is a greater need to meet candidates virtually, not only through our "people on the ground" at the colleges and universities.

- This change has been made even more important because today the bank competes for talent with new employers, including technology firms and start-ups, as well as traditional peers and traditional financial services and asset management firms, like hedge funds and banks.

Changes Made

- Working with Bank of America, we created a multi-faceted approach to recruiting, combining its physical presence with a robust virtual presence. This allows the bank to better showcase the full suite of services Bank of America offers its customers and clients, not just the retail banking business that often is the first introduction to the company.

- To assist in this education, we created a library of content to help candidates understand the bank's set of offerings for individuals, businesses and institutions.

- A new virtual presentation approach added an extra opportunity for the bank to be where its target audience is.

- Historically, there was a different ATS in each country, so a candidate wouldn't have the same experience if they applied for more than one position at different times and in different regions around the globe. This resulted in a varied candidate experience and is one important reason why it streamlined this process into a single global approach.

- The bank also piloted first-round video interviews via mobile devices which has been incredibly successful for candidates and has improved their experience, all the while allowing it to showcase its recruiting innovation. Final-round interviews continue to be in-person, as this part of the recruitment process is critical for both the candidate and for the bank.

Results

Bank of America's achievements are significant. Today the company spends less time coordinating in-person logistics (including travel) and spends more time doing what the organisation is supposed to be doing: attracting, identifying, assessing and selecting top talent.

- With Oleeo Recruiting Enablement for Campus & Early Careers, Bank of America's campus job application tracking system centralises all applications, which helps to expedite "time to hire" from several months to four or five weeks.

- Last year, Bank of America held 30 webcasts for more than 5,000 students across the United States —reaching more candidates than ever before. These events provided education to students on the professional opportunities, as well as information about the organisation's recruitment approach and process.

- Last August, Bank of America piloted first-round video interviews via mobile devices. This has been incredibly successful for candidates and has improved their experience with Bank of America, all the while allowing the organisation to showcase their recruiting innovation.

- The successful pilot of first-round video interviews for Global Banking and Markets roles resulted in the company saving significant time and screening more candidates, with a 22% increase overall. Specifically, Bank of America experienced a 28% increase in the number of female candidates, a 32% increase in the number of Black/African American candidates and an incredible 57% increase in the number of Hispanic candidates "touched."

- Bank of America also has greater consistency in its process to help evaluate talent and validate their experience. Its virtual presence is now considered as valuable as its physical presence, and people from all levels want to be involved.

- Oleeo & Bank of America jointly won a Brandon Hall Excellence Award for Best Advance in Emerging Talent Acquisition Technology for this work.

ABOUT

Oleeo

Oleeo, formerly WCN, is an award-winning provider of innovative talent acquisition technology known as Recruiting Enablement. Built using intelligent automation and machine learning, Oleeo's platform helps companies discover unlimited sourcing potential to attract, engage and hire amazing, diverse teams that change the world for the better. Our mission is to help recruiters do that faster and more efficiently than ever before - **www.oleeo.com**.

ABOUT

universum

Universum is the global leader in employer branding, during our 30 years, we have established ourselves in 60 markets globally, and our diverse workforce is physically present in 20 countries. Our services include actionable research, strategic advisory, data-driven communication and social media solutions for talent branding, sourcing, and analytics. A trusted partner to over 1,700 clients, including many Fortune 500 companies, as well as global media partners that publish our annual rankings and trend reports. We work with over 2,000 universities, alumni groups, and professional organizations to gather insights from students and professionals in order to advise employers on how to attract and retain talent that fits their culture and purpose. On an annual basis, Universum surveys over 1,000,000 students and professionals worldwide. Find out more at **www.universumglobal.com**.

5-7 Bridgeworks, The Crescent

London, SW19 8DR

hello.uk@oleeo.com

+44 (0) 20 8946 9876

7 Popham Road, 3rd Floor

Scarsdale, NY 10583

hello.us@oleeo.com

+1 (212) 686 7733

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UK HEADQUARTERS

5-7 Bridgeworks, The Crescent
London, SW19 8DR
hello.uk@oleeo.com
+44 (0) 20 8946 9876

US HEADQUARTERS

7 Popham Road, 3rd Floor
Scarsdale, NY 10583
hello.us@oleeo.com
+1 (212) 686 7733

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