

Graduate Recruitment Spending: 2018

Graduate Recruitment Market

- The number of graduates hired by Times Top 100 companies fell by 4.9% in 2017, with the biggest decline in graduate recruitment occurring across the professional services, banking and financial sectors.
- Across the private sector, graduate recruitment fell by an average of 10.3% in 2017 compared to 2016.
- The graduate recruitment market is forecast to grow by 3.6% in 2018 with the biggest growth expected across public sector organisations, accounting and finance, professional services and engineering firms; collectively these sectors intend to recruit over 750 additional graduates in this year.¹

Starting Salaries

- The estimated median starting salary for the UK's largest graduate employers will be £30,000 in 2018, remaining unchanged from 2017.
- Around a sixth of all top graduate programmes provide starting salaries of over £40,000. The sectors with the highest average graduate starting salaries in 2018 include investment banking (£47,000), law (£44,000), oil and energy companies, and retailers (£35,000).
- The highest advertised graduate starting salaries in 2018 include law firms White & Case, with a starting salary of £46,000, Baker & McKenzie (£45,000) and the food retailer Aldi (£44,000).²

Graduate Recruitment Spending

- The Association of Graduate Recruiters (AGR) estimate that the average graduate hire costs in the region of £3,383, of which an average £1,722 is spent graduate talent attraction activities, whilst an average of £1,661 is spent on assessment and selection processes.
- Total graduate recruitment market spending is estimated to cost firms in the region of £82 million each year (2016).
- Law firms have the highest average graduate recruitment spending at around £6,707 per graduate hire, followed by fast-moving consumer goods (FMCG) sector with an average spend of £5,229 per hire. Construction firms have the lowest average spend of £1,296 per graduate hire (Figure 1).³

In 2013, Civil Service Departments were charged £4,750 per Fast Stream graduate recruited, reducing to £4,400 in 2014. By comparison, KPMG estimate the cost of their recruitment to be around £4,400 per graduate.¹

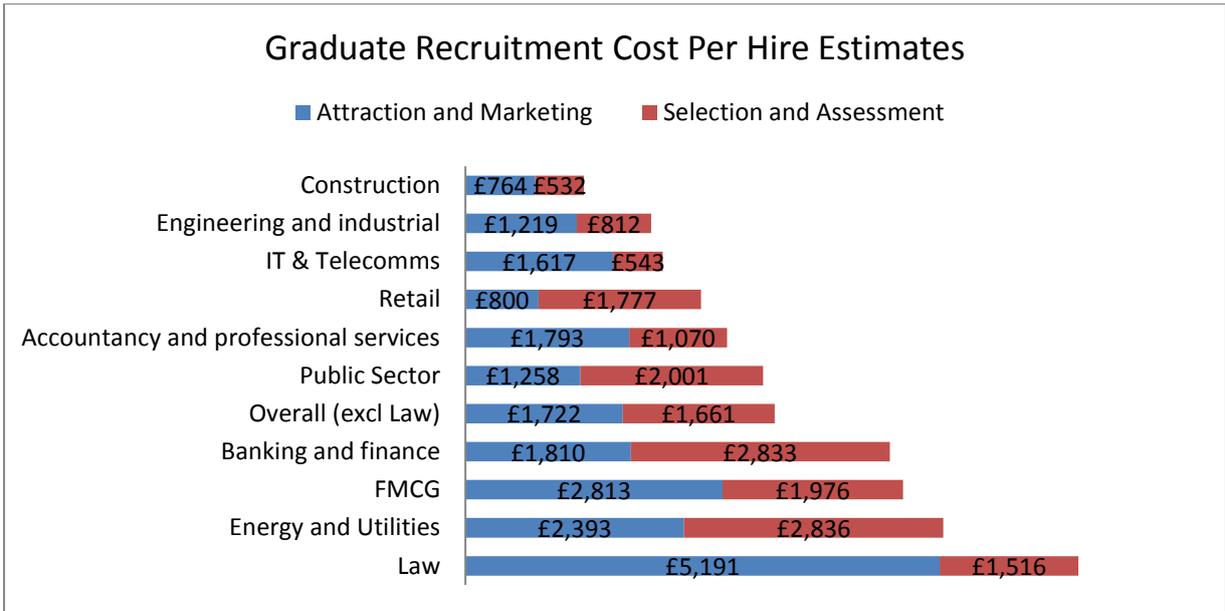


Figure 1 Estimates Average Graduate Recruitment Spend for AGR Employers 2016

¹ High Fliers (2018) *The Graduate Market in 2018*, London, High Fliers Research Limited, Available from: http://www.highfliers.co.uk/download/2018/graduate_market/GMReport18.pdf

² High Fliers (2018) *The Graduate Market in 2018*, London, High Fliers Research Limited, Available from: http://www.highfliers.co.uk/download/2018/graduate_market/GMReport18.pdf

³ AGR (2016) *AGR Annual Survey 2016*, London, Association of Graduate Recruiters, Available from: <http://www.justoncampus.co.uk/wp-content/uploads/2016-AGR-Annual-Survey-2.pdf>