

Future workforce on hold? 57% of employers state they are reducing graduate hires this year

2 years ago



57% of UK employers have stated that they are now hiring fewer graduates than last year.

This comes as recent figures from Adzuna show that graduate positions have dropped nearly a third across the UK (twice the amount of all job vacancies) – adding further to reports last year of graduate jobs contracting alongside low entry-level pay.

A recent poll by specialist recruitment firm [Robert Walters](#) reveals that as a result, over three-fifths of recent grads state that they are now struggling to find relevant professional positions.

Habiba Khatoon, Director of Robert Walters UK comments: “Graduates across the UK are experiencing considerable roadblocks when looking for jobs right now – when economic conditions get tighter, company’s graduate intakes will inevitably reduce or in some cases be put on-hold altogether.

“However – employers overlooking these professionals may be saving on headcount costs now but they will run the risk of talent bottlenecks 3-5 years on, leading to considerable premiums and competition placed on particular roles – something which we saw dominate the period of hiring directly following Covid within accountancy and legal services.”

Hiring priorities

By next year, Gen-Z will account for over a quarter (27%) of the global workforce. ([source](#))

Despite this – over half (57%) of UK employers have stated that they are hiring fewer graduates this year – with 26% stating a ‘little less’ and almost a third (31%) stating ‘a lot less’.

When asked why, almost two-fifths (39%) cited limited hiring budgets; a quarter, having less capacity to train or upskill and 22% shifting hiring focus towards more senior talent.

Habiba comments: “Whilst graduates coming into companies on entry-level positions need more initial training – they possess a range of sought-after skills, such as innovative thinking, adaptability and digital capabilities.

“Failing to establish a robust graduate hiring and retention strategy now can result in significant skills-gaps as well as present further challenges when senior talent opt for an early retirement and there is no one next in line to take their place.”

Job hunt struggles

On the flip side – recent graduates are equally feeling the pinch, when it comes to their job search success – over half (58%) state their job hunt has been extremely difficult – it seems only a minority (10%) are finding it somewhat easy.

When asked how long it took them to find a position, related to their field of study – 18% stated 6+ months whilst two-fifths (44%) reported that they still hadn’t found a position at all.

Habiba comments: “With the economy still sluggish, many employers are holding onto their existing workforce – but students are continuing to graduate at the same pace – leading to a consistent funnel of graduates vying over a drought of positions.

“Not only that, but when graduates do secure a position – they will most likely encounter even difficulties trying to live on their earnings – with starting salaries experiencing the lowest rates of growth in three years.”

What are employers looking for in recent graduates?

With the constant stream of grads coming out of university and into the jobs market, employers are ramping up requirements for roles – only recently, [StandOutCV](#) found that over half of entry-level roles require prior experience of an average of 2.7 years.

The Robert Walters poll also asked employers what the top quality they look for in a recent graduate. Resoundingly, a willingness to learn (72%) came out on top- prioritised over being a team player (14%), prior work experience (10%) and academic experience (3%).

Habiba comments: “With tighter hiring currently prevalent across the board, employers are confident in asking for more from those they do choose to onboard – but they cannot lose sight of the fact that graduates are the future of our workforce and with each year, they will represent more of the labour market.”

Habiba concludes: “It goes without saying, the tougher market has resulted in a lower volume of graduate positions – but we expect the scales to balance on this, over the following months.

“Whilst there isn’t one silver bullet ingredient graduates can add to their applications to get hired on the

spot – there are strategies they can employ to improve their chances of securing their first professional position.”

Habiba shares her three top tips on how recent graduates can optimise their job search:

- Leverage social media and your network – from call-outs on X (formerly Twitter), to job openings on Instagram and even reaching out to your extended personal and professional networks – there are different avenues you can extend your job search onto, to pick up opportunities you wouldn't find through more traditional channels.
- Add value to your CV – it may seem counterintuitive since you've just come out of full-time education however, there are certain recession-proof skills that can 'beef' up your CV – for example, building up your repertoire of soft skills by committing to some hours of voluntary work or getting to grips with applications or technologies that are frequently used in the roles you're applying for, such as Microsoft, Tableau etc.
- Do your research, know your market – keeping abreast of market trends, in-demand skills and key employers in your industry – essentially keeping a finger on the pulse of your chosen industry can help you to capitalise on any opportunities as soon as they come up.
- Prepare for all interviews – when you get an interview offer, ensure you prepare thoroughly – research the company, their core values and culture, get comfortable with the role you are going for and all of the expected skills/responsibilities.