

# Media Release: Graduate Recruitment

Graduate Careers Australia

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## Graduate employers focus on communication and interpersonal skills as segments of the graduate market become more competitive.

### Snapshot

Interpersonal and communication skills, critical reasoning and analytical skills and passion/industry knowledge are key selection criteria used by employers when recruiting new graduates, according to Graduate Careers Australia's 2007 Graduate Outlook Survey of graduate recruiters. This annual survey also found that graduate recruitment numbers in the participating organisations increased in 2007 relative to 2006, and are anticipated to increase again in 2008.

The Graduate Outlook 2007 reports, now available from Graduate Careers Australia (GCA), are based on a survey of the opinions of 271 graduate employers from various industries across Australia and New Zealand. Summary results of the survey are included in *Graduate Outlook 2007: a snapshot*, which is available free of charge on the GCA website ([www.graduatemcareers.com.au](http://www.graduatemcareers.com.au)), and the full report, *Graduate Outlook 2007*, is available for purchase from GCA's online shop at the same web address.

### Graduate Characteristics

The top 3 key selection criteria used for recruiting graduates were a graduate's interpersonal and communication skills (54.2 per cent respondents), critical reasoning and analytical skills/problem solving/lateral thinking/technical skills (40.6 per cent), and passion/knowledge of industry/drive/commitment/attitude (39.9 per cent) (see Table 1).

When asked about the characteristics that were **least desirable** in their applicant pool, 47.2 per cent of graduate employers listed a poor attitude/lack of work ethic/approach to work, followed by a lack of communication and interpersonal skills (43.9 per cent) and a lack of drive, motivation, enthusiasm and initiative (41.7 per cent) (see Table 2).

When graduate recruiters were asked to rate their 2007 applicants on a variety of characteristics, academic results rated highest again in 2007 (with 82.9 per cent of respondents ranking this characteristic as good or excellent), followed by communication skills (76.3 per cent) and the level of extra-curricular activities (73.0 per cent as good or excellent). However, when considering these figures, it should

be noted that some graduate recruiters may have based their comments only on the candidates reaching the final stages of selection, and these candidates may have already been 'positively selected' for these characteristics at an earlier stage of the selection process.

Graduates were again rated lowest in 2007 on their knowledge of the recruiter's organisation, with over 45.4 per cent rating this characteristic as fair or poor.

### **Graduate Shortages**

Graduate employers indicated in the survey that they have recruited a higher number of graduates in 2007 than in 2006, and expect these numbers to increase again in 2008. The proportion of employers recruiting more than 20 graduates increased from 34.2 per cent in 2006 to 37.1 per cent in 2007, and is expected to be 42.5 per cent in 2008. There is also an increase in the number of employers recruiting more than 50 graduates of 7.2 percentage points (18.0 per cent in 2006 to 25.2 per cent in 2008).

Further, over 70 per cent of employers from construction/mining/engineering and manufacturing industries felt they would have employed more graduates had a higher number of appropriate candidates been available, a statement echoed by over 50 per cent of recruiters from the communication/technology, government and defence and accounting/finance sectors.

Over 60 per cent of graduate employers said they had had trouble recruiting graduates from particular disciplines in 2007 – this is up from 56.5 per cent in 2006. In particular, employers had trouble sourcing engineering graduates (45.8 per cent overall, and 81.6 per cent of those in the construction/mining/engineering industry). Of those employers who had trouble sourcing graduates from other disciplines, 23.5 per cent had trouble sourcing accounting/economics graduates (including 63.2 per cent of employers from the accounting/finance industry and 41.9 per cent of employers from the government and defence industry) – Table 3.

Despite these results, graduate recruiters indicate a slightly more positive outlook for recruitment targets in 2008, with a decrease of 11.0 percentage points between 2006 and 2007 in those employers who feel that it will be more difficult to meet recruitment targets next year than this year (from 40.9 per cent in 2006 to 29.9 per cent in 2007).

### **Issues for Graduate Recruiters**

In today's climate, the most crucial issues currently faced in graduate recruitment were identified as the recruitment of the 'right' graduates in a competitive market (79.3 per cent), the retention of the 'right' graduates in a competitive market (70.7 per cent) and branding an organisation to campuses, including student organisations, administrators and faculty (61.7 per cent) – see Table 4. The retention of the 'right' graduates in a competitive market was seen as becoming the most

important issue in the future (79.7 per cent), followed by the recruitment of the 'right' graduates in a competitive market (75.3 per cent) and identifying talent early through 'pipeline' programs such as internships and co-ops (61.5 per cent).

In examining the **retention of graduates**, "a graduate's "relationship with their direct manager/supervisor" and their "desire for a greater professional development" were deemed by employers to be the most important factors impacting on a graduate's decision to change employers (95.3 per cent and 87.9 per cent respectively). "Lack of loyalty and commitment", and "seeking experience in a different sector" were deemed to be the least important, with 63.6 per cent and 54.5 per cent respectively of recruiters ranking these issues "Not important".

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**TABLE 1: Most important selection criteria for recruiting graduates, 2007**

Key Selection Criteria	%
Interpersonal & Communication Skills (written and oral)	54.2%
Critical Reasoning & Analytical Skills/Problem Solving/Lateral Thinking/Technical Skills	40.6%
Passion/Knowledge of Industry/Drive/Commitment/Attitude	39.9%
Cultural Alignment/Values Fit	30.3%
Academic Qualifications	28.2%
Teamwork Skills	23.6%
Emotional Intelligence (including self-awareness, strength of character, confidence, motivation)	18.1%
Work Experience	11.8%
Activities - includes both intra and extra curricular	9.2%
Leadership Skills	8.9%

**TABLE 2: Least desirable characteristics when recruiting graduates**

Least Desirable Characteristics	%
Poor Attitude/Lack of Work Ethic/Approach to Work	47.2%
Lack of Interpersonal & Communication Skills (written, oral, listening), Lack of Leadership Skills	43.9%
Lack of Drive, Motivation, Enthusiasm and Initiative	41.7%
Arrogance/Selfishness/Aggression/Dominating	33.6%
Lack of Commitment/High Absenteeism/Lack of Loyalty	24.0%
Inflexibility/Inability to Accept Direction, Challenges or Change	23.2%
Poor or Inappropriate Academic Qualifications or Results	21.8%
Poor Teamwork Skills	16.6%
Lack of Emotional Intelligence, Self-awareness or Self-confidence	10.0%
Other	0.0%

**Table 3: Proportion of Employers who had trouble sourcing graduates, by discipline of graduates and organisation industry, 2007**

Graduate Shortage Disciplines	Industry of Organisation							All industries
	Government and Defence	Construction / Mining / Engineering	Accounting / Finance	Communication / Technology	Legal and Professional services	Manufacturing		
Information Technology	20.9%	2.0%	15.8%	35.7%	29.4%	20.0%	<b>18.1%</b>	
Accounting/Finance	41.9%	2.0%	63.2%	0.0%	41.2%	10.0%	<b>23.5%</b>	
Engineering	25.6%	81.6%	5.3%	42.9%	29.4%	70.0%	<b>45.8%</b>	
Mathematics/Statistics/Sciences	16.3%	14.3%	0.0%	7.1%	17.6%	10.0%	<b>12.0%</b>	
Other	23.3%	14.3%	21.1%	17.9%	35.3%	30.0%	<b>21.1%</b>	

Note that Column percentages will not add to 100% as employers were able to give multiple disciplines

**TABLE 4: Issues important to graduate recruitment both currently and in the future, 2007**

	Currently	In the future
Recruitment of the 'right' graduates in a competitive market.	79.3%	75.3%
Retention of the 'right' graduates in a competitive market.	70.7%	79.7%
Branding your organisation to campuses, including student organisations, administrators and faculty.	61.7%	49.5%
Identifying talent early through 'pipeline' programs such as internships and co-ops.	52.1%	61.5%
Integrating graduate recruitment and retention into overall work force planning.	51.1%	45.1%
Demonstrating and validating the value of the graduate recruitment function to your organisation.	35.1%	31.3%
Measuring the results of your graduate recruitment program.	34.0%	28.0%
Balancing high-tech and high-touch methods in recruiting and hiring graduates.	28.2%	31.9%
Other	4.3%	4.4%