The Association of Graduate Recruiters (AGR), established in 1968, consists of organisations which recruit and employ graduates or which offer services in connection with graduate recruitment. We represent those providing a high proportion of graduate vacancies in the UK and we are increasingly involved with research in and around recruitment needs of employers.

**Mission Statement**

‘To support employers in all aspects of the recruitment of graduates to meet their current and future business needs.’

**Objectives**

AGR will achieve its mission by:

- providing expertise, information and advice to enhance employers’ effectiveness in recruiting graduates
- providing a forum for discussion by employers, of issues relevant to graduate recruitment
- promoting and disseminating best practice in all aspects of graduate recruitment and the transition from education to employment
- encouraging, supporting and initiating research into education, career choice and employment
- representing the views of employers to policy makers, careers services and other practitioners, the media and the general public
- providing informed choice and guidance about graduate recruitment to all concerned
- working with education generally and higher education in particular on relevant matters.

The Institute for Employment Studies (IES), is an independent, apolitical, international centre of research and consultancy in human resource issues. It works closely with employers in the manufacturing, service and public sectors, government departments, agencies, professional and employee bodies, and foundations. For over 30 years the Institute has been a focus of knowledge and practical experience in employment and training policy, the operation of labour markets and human resource planning and development. IES is a not-for-profit organisation which has a multidisciplinary staff of over 50. IES expertise is available to all organisations through research, consultancy, publications and the Internet.

IES aims to help bring about sustainable improvements in employment policy and human resource management. IES achieves this by increasing the understanding and improving the practice of key decision makers in policy bodies and employing organisations.
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Executive Summary

This Graduate Salaries and Vacancies Annual Survey 2000/2001, has been produced by the Institute for Employment Studies (IES) and has been subject to the same review and revision process as the 2000 Half Yearly Review published earlier this year, in July 2000. The report presents key information regarding this current recruitment year (1999/2000) and offers members predictions for the forthcoming year (2000/2001). In order to enable the reader to continue to make meaningful benchmarks, the majority of the statistics throughout this report are presented according to the same subgroups introduced in the earlier 2000 Half Yearly Review:

- Industry – main business activity
- Sector – industry cluster

Half of AGR members targeted during August returned their questionnaires, and their 196 responses have been included in the analysis.

Starting salaries

- In the recruitment year 1999/2000, a typical starting salary for a newly qualified first degree graduate ranged from £12,000 to £32,000, with a median salary of £18,000. Next year (2000/2001), salaries are predicted to range from £13,500 to £35,000, with a median salary of £18,600.
- During this recruitment year 1999/2000, just over half of employers started their graduate intake on £18,000 or less.
- Just five per cent of employers paid starting salaries of more than £24,825 – and these high salaries are enjoyed by a relatively small number of graduates.
- Salaries are anticipated to rise during the coming year (2000/2001) by 3.3 per cent – in line with inflation – but one in ten plan to increase salaries by at least ten per cent. Legal firms plan to increase their salaries the most.

Salaries by career area

- Graduates starting legal work are typically predicted to start on 6.6 per cent more this coming year (2000/2001) than those recruited in 1999/2000.
- Graduates entering into the HR profession in 2000/2001 can anticipate the smallest increases – typically 2.8 per cent more than in 1999/2000.

Salary progression

Graduates recruited five years ago (1994/1995) typically earn £10,000 more than their counterparts recruited one year ago (1998/1999). This is 60 per cent higher than those recruited this year (1999/2000).
Incentives

- Company pension schemes are the most common financial incentive currently offered by employers.
- On-going professional development and mentoring were the most common non-financial incentives currently on offer by members.

Recruitment

- Just five organisations were responsible for almost one-third of all vacancies on offer by members in 1999/2000 – a total of 4,531 vacancies. Three accountancy firms offered a total of 2,650 vacancies between them – 19 per cent of all vacancies on offer.
- The majority of employers – 90 per cent – offered less than 200 vacancies each in 1999/2000.
- The impact of ‘e commerce’ may be reflected in vacancy trends in certain industries.

Shortfalls

- Whilst Chemical and Allied, Mineral and Ore industries, Banking, Finance and Insurance, Accountancy and Legal services had no shortfalls, Food, Drink and Tobacco and Electrical & Electronic Engineering firms experienced the greatest shortfalls.
- Looking ahead, 53 per cent of members are not expecting any shortfall during the coming year (2000/2001).

Volume of applications

- Electronic & Electrical Engineering companies attracted the highest number of applicants per vacancy in 1999/2000.
- In 1999/2000, Public Service employers attracted the least number of applicants per vacancy.
- Some interesting patterns were found according to industry which could reflect the variation in recruitment models.

Retention trends

- Just over half of members thought their retention rates of new graduates to have been stable in recent years.
- Employers from the Services sector appeared to have made most gains.

Sponsorship

- Just over one-third of members currently offer sponsorship to students, and typically paid them £78 per week.
During next year (2000/2001), the Financial and Legal sector anticipates a slowing down of places, the Services sector expects a decline, and the Manufacturing, Production and Industrial sector expects to increase sponsorships.

**Work experience**

- Two-thirds of respondents offered paid work experience to students, and typically paid them £230 per week.
- During the next year (2000/2001), the Financial sector is not planning to increase the number of places, and the Services sector expects to substantially increase the number of places they offer.
- Just 37 members offered unpaid work experience to undergraduates, and 24 of these offered students some form of travelling allowance.

**Recruitment difficulties**

- Engineering, IT, computer analysis and programming were areas still proving difficult for employers to recruit into during 1999/2000.
- Employers found least difficulty in recruiting graduates to HR/Personnel, Legal work, Administration and General Management trainee schemes during 1999/2000.
1 Introduction

Since 1985 the Institute for Employment Studies (IES) has conducted the biannual graduate Salaries and Vacancies surveys for the Association of Graduate Recruiters (AGR). The questionnaire and structure of the 2000 AGR Half Yearly Review, published in July 2000, reflected a number of changes to meet the needs of the AGR membership. This current Salaries and Vacancies survey has also been subject to review and revision. This report presents key information regarding this current recruitment year (1999/2000) and offers members predictions for the forthcoming year (2000/2001). To enable consistent and meaningful benchmarks to be made, where possible, the statistics in this report continue to present data according to the same subgroups as those introduced in the 2000 Half Yearly Review.

As in the earlier 2000 Half Yearly Review, some responding organisations (those who are few in number) have been combined with others, to form a larger group in order to maintain confidentiality. Unlike the earlier 2000 Half Yearly Review, it has not been possible to present data for the Insurance industry as a single category as, on this occasion, just five organisations responded to the survey. Their responses have therefore been included with those from Banking and Finance. The majority of the statistics throughout this report are presented according to the same subgroups introduced in the earlier 2000 Half Yearly Review – the organisation’s main business activity (industry) or, where appropriate, sector. However, caution should be taken when interpreting statistics cited throughout this report at a sub-group level, due to some of the very small numbers representing some industries.

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<th>Sector 2 – Services (excluding financial and legal)</th>
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<tr>
<td>Other Business Services – inc. Software/IT, Consultancy and Publication Services¹</td>
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<td>Public Services</td>
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<tr>
<th>Sector 3 – Manufacturing, Production and Industrial</th>
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<td>Chemical and Allied, Mineral and Ore industries</td>
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<tr>
<td>Engineering Construction</td>
</tr>
<tr>
<td>Electronic and Electrical Engineering – including IT and Telecoms²</td>
</tr>
<tr>
<td>Food, Drink and Tobacco</td>
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<tr>
<td>Other Manufacturing</td>
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</tbody>
</table>

¹ Henceforth known as Other Business Services
² Henceforth this industry will be referred to as Electronic and Electrical Engineering
1.1 Sample

IES mailed 398 questionnaires to AGR members during August 2000 and a copy of the questionnaire can be found in Appendix B. Two reminders were sent to members who had not returned their questionnaires, the first in late September and the second in mid-October. The AGR also telephoned a number of those who had still not responded during late October to encourage them to return their questionnaires. The survey closed on 2 November 2000 and the 196 usable questionnaires received have been included in the analysis. At 50 per cent, this represents a somewhat lower than usual response rate from members. This is thought to be due largely to the unusually high number of graduate recruiters changing roles within their organisations at the time of the survey.

Appendix A shows the identity of those members who responded to the survey and agreed to be named.

The remaining chapters of the report are as follows:

- Chapter 2 – Starting salaries – presents key benchmark data regarding the salaries paid during 1999/2000 and on offer for 2000/2001, together with salary details according to the career areas graduates enter.
- Chapter 3 – Salary progression – reports information regarding salaries currently paid to graduates who joined their organisations one, three and five years ago.
- Chapter 4 – Incentives – offers insight into incentives organisations currently use to attract graduates.
- Chapter 5 – Recruitment and Retention – presents data related to the volume of applications handled throughout the recruitment process, together with information regarding shortfalls and retention statistics.
- Chapter 8 – Unpaid Work Experience – offers information about unpaid work experience provided during 1998/1999 and 1999/2000, together with projections for 2000/2001. Information regarding the nature of any allowances or expenses paid is also presented.
- Chapter 9 – Recruitment difficulties – identifies those career areas that employers find are more difficult than others to recruit into.
2 Starting Salaries

Benchmarking starting salaries for newly qualified graduates remains a high priority for employers and is a key feature of the AGR surveys. Newly qualified graduates are attracted to organisations for a variety of reasons and not just the basic salary on offer. They are influenced by a variety of factors, such as the employer’s reputation or brand, personal and career development opportunities, future earnings potential and the benefits package on offer. This chapter provides information about salaries and London Weighting Allowances, and Chapter 4 offers further insight into incentives organisations currently use to attract newly qualified graduates.

2.1 London Weighting Allowance

A quarter of organisations in this current survey offered a London Weighting allowance. Public Service employers, Energy and Water industries, and Accountancy firms were most likely to offer allowances to newly qualified graduates. Employers do not expect allowances at the lower end of the range to change during the forthcoming year but allowances at the top end of the range are anticipated to rise:

- In the recruitment year 1999/2000, allowances ranged from £500 to £5,500 – with almost half offering under £1,800 or less.
- Next year (2000/2001) allowances are anticipated to range from £500 to £7,000 – although almost half plan to offer £1,900 or less.
- One in four members offering an allowance paid at least £3,000 in 1999/2000, and the same number plan to do so in 2000/2001.

As in previous AGR reports, the London Weighting Allowance has been excluded from all subsequent analysis and reporting of salaries as it is not directly relevant to the majority of responding employers.

2.2 Salaries

The median salary will be used to describe salary statistics throughout this report, because exceptionally high and low salaries can be misleading, therefore distorting the average salaries paid by employers.

- During the recruitment year 1999/2000, a typical starting salary for a newly qualified first degree graduate ranged from £12,000 to £32,000, with a median salary of £18,000. Members responding to the 2000 Half Yearly Review six months ago had reported a median salary of £18,330.
- At this time last year, members reported paying their graduate intake a median salary of £17,500 in 1998/1999.
- Next year (2000/2001), a typical starting salary for a newly qualified first degree graduate is predicted to range from £13,500 to £35,000, with a median salary of £18,600.
In the recruitment year 1999/2000, just over half of employers started their graduate intake on £18,000 or less, and just over half plan to start their 2000/2001 intake on £18,600 or less.

Only five per cent of employers started their graduate intake on more than £24,825 in the recruitment year 1999/2000; next year (2000/2001), five per cent are planning to pay £25,000 or more.

Figures 1 and 2 shows the range of salaries respondents paid their intake during 1999/2000 and what they expect to pay their graduate intake during the next year (2000/2001). Salary data is also presented in Figures 3 and 4. This offers an alternative view of the same information and shows the actual numbers of graduates employed in 1999/2000 and anticipated in 2000/2001 at the salaries on offer. The figures clearly show that the very high salaries offered in 1999/2000 to newly qualified graduates are enjoyed by a relatively small number.

Figure 1    Starting salaries offered by employers, £ (1999/2000)

Figure 2    Anticipated starting salaries, £ (2000/2001)
Starting salaries varied according to industry; Figure 5 presents the median salaries paid to graduates in 1999/2000 and the salaries employers plan to pay during 2000/2001 (see Appendix A for further details).

- Salaries are typically expected to rise in 2000/2001 by 3.3 per cent – in line with the current rate of inflation.

- This year (1999/2000), salaries rose by 2.8 per cent, compared with salaries reported by members at this time last year. However, the two groups of respondents may not contain the same organisations or share the same ‘industrial’ profile, which could well account for the variation in salaries reported.
Almost one in ten employers in this current survey do not anticipate increasing their starting salaries in 2000/2001, and just eleven members plan to increase starting salaries by £3,000 or more – of which seven were Legal firms and already paying well above median salaries.

Almost a quarter of organisations predict that salary increases in 2000/2001 will be below the current rate of inflation (3.3 per cent).

Thirty-six employers (18 per cent) anticipate increasing starting salaries by at least twice the current rate of inflation (6.6 per cent).

Further analysis of the responses to the survey showed one in ten employers expect to increase starting salaries by ten per cent or more in 2000/2001; the majority of these were from Legal or Other Business Services. Of those expecting to increase starting salaries by ten per cent or more next year, there may of course be an element of ‘catch-up’ for some, but interestingly the majority of these employers were already paying above the median salaries, suggesting the ‘war for talent’ is anticipated to continue. Figure 6 shows that during 2000/2001 Legal firms are planning to increase salaries the most:

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*Figure 5  Median starting salaries 1999/2000 and 2000/2001, by industry*

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<td>Electronic &amp; Electrical Engineering</td>
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<td>Food, Drink &amp; Tobacco</td>
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<td>Other Manufacturing</td>
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<td>Retail, Hotels &amp; Catering, Travel &amp; Tourism</td>
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<td>Banking &amp; Finance, Insurance</td>
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<td>Public Services</td>
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2.3 Salaries by career areas

This survey sought to determine the salaries typically paid to the 1999/2000 new graduate intake and the salaries employers anticipate paying in 2000/2001, according to the career area that graduates enter. Figure 7 shows this information and reflects the large increase in salaries that Legal firms are expecting to pay to their new graduates (typically 6.6 per cent), whereas employers recruiting graduates into the HR profession can be seen to anticipate the smallest increase – typically 2.8 per cent.

NB: Salaries exclude London Weighting Allowance  
Figure 7  Graduate starting (median) salaries, by career area

- IT & Computing
- Science, R&D
- Engineering
- Environmental, Construction, Architecture
- Finance, Accounts, Insurance
- Sales, Marketing, Purchasing
- Administration, General Management
- Legal
- Human Resources, Personnel
- Business Consultancy

£0 £5,000 £10,000 £15,000 £20,000 £25,000


NB: Salaries exclude London Weighting Allowance

3 Salary Progression

Overall, salary progression appears ‘healthy’ across the three sectors and demonstrates further the demand for ‘talent’ within organisations. Information regarding the typical salaries that graduates currently receive, according to their length of service, is shown in Figure 8. Figure 9 shows the proportional growth of their salaries after one, three and five year intervals. Graduates recruited five years ago (1994/1995) typically earn £10,000 more than their counterparts recruited one year ago (1998/1999).

Figure 8  Typical graduate current salaries, by length of service

![Figure 8](image)


NB: Salaries exclude London Weighting Allowance

Figure 9  Percentage growth in graduate salaries

![Figure 9](image)


NB: Salaries exclude London Weighting Allowance
ago (1998/99). This is 60 per cent higher than those recruited this year (1999/2000). It is also interesting to learn that the earnings of non-manual staff did not rise at the same rate as graduates over the five year period. Their earnings rose on average, by 30 per cent during April 1995 to April 2000.

For interest, typical salary growth is also presented in Figure 10 according to the three main sectors. The influence of the escalating salaries paid by the Legal firms over the five year period are once again apparent. The variation between the sectors demonstrates the degree of competition that Financial and Legal firms face.

Figure 10  Percentage growth in graduate salaries, by sector

NB: Salaries exclude London Weighting Allowance  
4 Incentives

Salaries form only part of what might attract newly qualified graduates to an employer. The 2000 Half Yearly Review featured information regarding the recruitment techniques members use, together with their views regarding their usefulness, including signing-on fees, such as ‘Hellos/Handcuffs’, and the role of ‘online’ recruitment. This current survey sought information about the kinds of incentives (financial and non-financial) that employers currently offer to graduates, in addition to the salaries on offer, with a view to attracting ‘the best’ to their organisations. Table 1 shows the nature of the financial incentives on offer according to the three main sectors.

- Company pension schemes are the most common incentive.
- Employers in the Manufacturing, Production and Industrial sector are least likely to offer interest-free loans.

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<table>
<thead>
<tr>
<th>Table 1 Other financial incentives offered, by sector</th>
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<td>Interest reduced loans</td>
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<td>Other financial incentive</td>
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</table>

The nature of **non-financial incentives** currently offered to students can be seen in Table 2, according to the three main sectors. As the table shows:

- On-going professional development and mentoring were the most common non-financial benefits.
- The most common other non-financial benefit was international experience and overseas work and travel.
- International travel *etc.* opportunities were most often provided by Manufacturing, Production and Industrial companies.

| Table 2  Other non-financial incentives offered, by sector |
|---------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                 | Financial & Legal | Services (excluding Financial & Legal) | Manufacturing, Production & Industrial | Total |
| On-going professional development | 49 94 | 59 89 | 74 95 | 182 93 |
| Mentoring                        | 39 75 | 47 71 | 60 77 | 146 74 |
| Flexible working opportunities    | 20 38 | 25 38 | 27 35 | 72 37 |
| Lateral job moves                | 22 42 | 46 70 | 50 64 | 118 60 |
| Study leave                      | 36 69 | 30 45 | 50 64 | 116 59 |
| Other non-financial incentive    | 4  8  | 5  8  | 12 15 | 21 11 |

*Source: IES/AGR Annual Survey, 2000/2001*
5 Recruitment and Retention

The recruitment cycle for some employers has become continuous or demand driven, whereas others continue to recruit annually, linking their cycle with the end of each academic year, their financial year, or part of the business planning process etc. Regardless of the nature of the recruitment cycle, organisations’ resourcing and business skills needs have become more diverse and varied. The AGR membership are typical of employers who strive to maintain the effectiveness of their selection and recruitment processes. These employer, like others, are operating in an environment where the number of students graduating has increased alongside burgeoning degree courses.

5.1 Recruitment by organisations

Members responding to successive AGR surveys may differ. Bearing this in mind, employers in this survey predict a more modest increase in their graduate vacancies during the forthcoming year (2000/2001) than those in the AGR Half Yearly review published in July 2000.

- Just five organisations were responsible for almost one-third of all vacancies on offer by AGR employers in 1999/2000 – a total of 4,531 vacancies.
- Just three accountancy firms in 1999/2000 offered a total of 2,650 vacancies between them – 19 per cent of all vacancies on offer.
- The majority of employers (90 per cent) offered less than 200 vacancies each in 1999/2000.

Figure 11 shows how the pattern of vacancies varies according to industry, with some employers expecting not to increase the number of vacancies during the coming year 2000/2001. Taken as a whole, accountancy firms plan to increase the average size of their intakes by over three-fold in 2000/2001. However, this calculation is distorted by two organisations which are doubling or tripling their intakes, albeit from a low base of under forty recruits. Five of the ten accountancy firms are not increasing recruitment at all. Interestingly, although Legal firms have repeatedly been shown to be pushing their salaries ahead of others, they do not anticipate increasing their number of vacancies substantially.
### Figure 11  Median number of vacancies per organisation 1999/2000 and 2000/2001, by industry

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**NB:** Salaries exclude London Weighting Allowance  
**Source:** IES/AGR Annual Survey, 2000/2001

### 5.2 Recruitment by industry

One hundred and fifty-six members in this current survey supplied data regarding the number of vacancies for both this (1999/2000) and next year (2000/2001). They anticipate the number of vacancies will rise from 12,273 to 12,723 – a predicted increase of just 3.7 per cent. It is interesting to note that six months ago, members responding to the 2000 Half Yearly Review predicted a larger increase of 15 per cent. Although of course this difference might be a function of different organisations responding to the two surveys, it might also be that employers become more accurate in their assessment as the recruitment year progresses.
Table 3  Year on year change in vacancies, by industry

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy &amp; Water</td>
<td>305</td>
<td>299</td>
<td>-2.0</td>
<td>9</td>
</tr>
<tr>
<td>Chemical &amp; Allied, Mineral &amp; Ore</td>
<td>111</td>
<td>106</td>
<td>-4.5</td>
<td>7</td>
</tr>
<tr>
<td>Engineering &amp; Construction</td>
<td>1,453</td>
<td>1,695</td>
<td>16.7</td>
<td>23</td>
</tr>
<tr>
<td>Electronic &amp; Electrical Engineering</td>
<td>284</td>
<td>350</td>
<td>23.2</td>
<td>6</td>
</tr>
<tr>
<td>Food, Drink &amp; Tobacco</td>
<td>116</td>
<td>129</td>
<td>11.2</td>
<td>7</td>
</tr>
<tr>
<td>Other Manufacturing</td>
<td>265</td>
<td>267</td>
<td>0.8</td>
<td>8</td>
</tr>
<tr>
<td>Retail, Hotels &amp; Catering, Travel &amp; Tourism</td>
<td>1,244</td>
<td>800</td>
<td>-35.7</td>
<td>14</td>
</tr>
<tr>
<td>Banking &amp; Finance, Insurance</td>
<td>1,051</td>
<td>1,411</td>
<td>34.3</td>
<td>19</td>
</tr>
<tr>
<td>Legal Services</td>
<td>925</td>
<td>991</td>
<td>7.1</td>
<td>16</td>
</tr>
<tr>
<td>Accountancy</td>
<td>1,773</td>
<td>1,870</td>
<td>5.5</td>
<td>9</td>
</tr>
<tr>
<td>Other Business Services</td>
<td>2,212</td>
<td>3,116</td>
<td>40.9</td>
<td>25</td>
</tr>
<tr>
<td>Public Services</td>
<td>2,534</td>
<td>1,689</td>
<td>-33.3</td>
<td>13</td>
</tr>
</tbody>
</table>


Table 3 also shows the fastest growth in vacancies as predicted by Banking, Finance & Insurance and Other Business Services. This may be a development of the much talked of ‘e-commerce’, ie the paradigm shift in the way these businesses organise, operate and expand their operations.

Electronic & Electrical Engineering are also hoping to expand recruitment by 23 per cent. There may be some element of catch-up, as these companies are particularly prone to shortfall. However, the opportunities offered by the new economy means filling vacancies could be more acute.

The ‘brakes appear to be on’ in Public Services. Five of the 13 employers in this sector are holding current levels of recruitment still. Three major employers are cutting back dramatically and only two plan modest increases.

5.3 Shortfall – experienced

Half of members in this current survey experienced a shortfall in 1999/2000, in line with the prediction of those responding to the 2000 Half Yearly review in July 2000. Interestingly, only 34 per cent of those representing the Financial and Legal sector experienced a shortfall in 1999/2000, compared with 56 per cent of organisations in the Service sector and 54 per cent of firms in the Manufacturing Production and Industrial sector.

Further analysis of these data (see Figure 12) revealed which industries experienced the greatest shortfalls last year 1999/2000 relative to the number of vacancies on offer. The figure shows that:

- Chemical and Allied industries and Mineral and Ore industries
- Banking, Finance and Insurance
- Legal Services, and
5.4 Shortfall – anticipated

Looking ahead, 53 per cent of members are not expecting any shortfall during the coming year (2000/2001), with a further 29 per cent remaining uncertain. Of the 33 respondents anticipating a shortfall during 2000/2001:

- Accountancy experienced none; and:
- Food, Drink and Tobacco
- Electrical, Electronic Engineering

experienced the greatest – even though these two industries attracted the greatest number of applications.
- eight were from Financial and Legal firms
- ten were employers in the Services sector
- fifteen were Manufacturing, Production and Industrial firms.

5.5 Volume of applications

The volume of applications employers typically handled for each vacancy filled during 1999/2000 is summarised in Table 4, according to each of the various stages of the recruitment cycle. It would be interesting to track changes over time to determine whether graduates’ behaviour changes as a result of being influenced by ‘employer’ branding initiatives or the facility to submit on-line applications. Both may enable the job seeker greater freedom to ‘self select’ or ‘opt out’ at an early stage in the process, therefore enabling recruiters to move towards a ‘low volume high success’ recruitment model. As the table clearly shows, there is again considerable variation according to the different industries. Accepting that members in this survey might differ to those in the earlier Half Yearly Review, and that there are still real shortages in the graduate supply to some industries, it is interesting to note:

- Public Service employers attracted the least number of applicants per vacancy – although the number of applications appears to have doubled during the past twelve months.
- Employers from the Electronic & Electrical Engineering and Food, Drink & Tobacco companies attracted the highest number of applicants.

<table>
<thead>
<tr>
<th>Industry</th>
<th>Received per vacancy</th>
<th>Shortlisted per vacancy</th>
<th>Interviewed per vacancy</th>
<th>Offers per vacancy</th>
<th>Recruited per vacancy</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy &amp; Water</td>
<td>50.0</td>
<td>11.1</td>
<td>8.9</td>
<td>1.0</td>
<td>0.9</td>
<td>12</td>
</tr>
<tr>
<td>Chemical &amp; Allied, Mineral &amp; Ore</td>
<td>36.0</td>
<td>12.5</td>
<td>5.0</td>
<td>1.2</td>
<td>1.0</td>
<td>7</td>
</tr>
<tr>
<td>Engineering &amp; Construction</td>
<td>28.2</td>
<td>5.6</td>
<td>4.0</td>
<td>1.1</td>
<td>1.0</td>
<td>30</td>
</tr>
<tr>
<td>Electronic &amp; Electrical Engineering</td>
<td>66.2</td>
<td>7.8</td>
<td>6.4</td>
<td>0.9</td>
<td>0.8</td>
<td>8</td>
</tr>
<tr>
<td>Food, Drink &amp; Tobacco</td>
<td>62.6</td>
<td>16.8</td>
<td>14.5</td>
<td>0.9</td>
<td>0.8</td>
<td>10</td>
</tr>
<tr>
<td>Other Manufacturing</td>
<td>44.2</td>
<td>18.0</td>
<td>4.5</td>
<td>1.0</td>
<td>0.9</td>
<td>11</td>
</tr>
<tr>
<td>Retail, Hotels &amp; Catering, Travel &amp; Tourism</td>
<td>27.4</td>
<td>9.3</td>
<td>6.0</td>
<td>1.0</td>
<td>1.0</td>
<td>16</td>
</tr>
<tr>
<td>Banking &amp; Finance, Insurance</td>
<td>28.1</td>
<td>7.7</td>
<td>4.4</td>
<td>1.0</td>
<td>1.0</td>
<td>25</td>
</tr>
<tr>
<td>Legal Services</td>
<td>42.2</td>
<td>5.5</td>
<td>4.2</td>
<td>1.4</td>
<td>1.0</td>
<td>17</td>
</tr>
<tr>
<td>Accountancy</td>
<td>35.0</td>
<td>7.1</td>
<td>4.3</td>
<td>1.3</td>
<td>1.0</td>
<td>10</td>
</tr>
<tr>
<td>Other Business Services</td>
<td>30.0</td>
<td>8.0</td>
<td>4.3</td>
<td>1.0</td>
<td>0.9</td>
<td>33</td>
</tr>
<tr>
<td>Public Services</td>
<td>22.5</td>
<td>6.6</td>
<td>4.4</td>
<td>1.0</td>
<td>1.0</td>
<td>17</td>
</tr>
<tr>
<td>All organisations</td>
<td>35.0</td>
<td>7.7</td>
<td>4.5</td>
<td>1.0</td>
<td>1.0</td>
<td>196</td>
</tr>
</tbody>
</table>

*Source: IES/AGR Annual Survey, 2000/2001*
The diversity of graduate skills profiles may be reflected in the ratios between applications submitted and candidates shortlisted. In Electronic & Electrical Engineering the technical requirements may be easier to determine on paper, though the softer skills required by other organisations may not be apparent until interview stage.

It is interesting to note that Chemical & Allied, Mineral & Ore companies, along with Legal and Accountancy firms, make more offers than they have vacancies. It has been suggested that this reflects a sophisticated understanding of the graduate labour market – after all, these organisations experience little shortfall.

However, such variations could be a result of a variety of factors that influence a graduate’s choice of employer, including other incentives on offer or the company’s reputation as an employer – namely the ‘employer brand’.

### 5.6 Retention trends

Intrinsically linked to companies being able to attract ‘the best’ is being able to successfully manage to retain such talent once recruited. It is vital that companies have effective HR strategies in place in order to secure the commitment of those recruited and to meet business goals. Employers are therefore keen to maximise the returns on their investing in graduate schemes.

Members responding to earlier surveys believed they were managing to retain their graduate intake and Table 5 shows the proportion of graduates still employed with the same employer over the six year period. As in the earlier AGR Half Yearly Review, it has not been possible to present data at an industry level due to the very small numbers of respondents in some categories. Table 5 therefore presents information grouped by the three main sectors:

<table>
<thead>
<tr>
<th></th>
<th>99/00</th>
<th>98/99</th>
<th>97/98</th>
<th>96/97</th>
<th>95/96</th>
<th>94/95</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial &amp; Legal</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Median</td>
<td>100.00</td>
<td>90.00</td>
<td>85.00</td>
<td>66.50</td>
<td>40.00</td>
<td>48.50</td>
</tr>
<tr>
<td>N</td>
<td>35</td>
<td>35</td>
<td>25</td>
<td>20</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td><strong>Services (excl. Financial &amp; Legal)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Median</td>
<td>95.00</td>
<td>90.00</td>
<td>80.00</td>
<td>70.00</td>
<td>50.00</td>
<td>47.00</td>
</tr>
<tr>
<td>N</td>
<td>47</td>
<td>47</td>
<td>44</td>
<td>37</td>
<td>33</td>
<td>31</td>
</tr>
<tr>
<td><strong>Manufacturing, Production &amp; Industrial</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Median</td>
<td>99.00</td>
<td>93.50</td>
<td>80.00</td>
<td>70.00</td>
<td>58.00</td>
<td>50.00</td>
</tr>
<tr>
<td>N</td>
<td>58</td>
<td>58</td>
<td>48</td>
<td>42</td>
<td>39</td>
<td>32</td>
</tr>
</tbody>
</table>

*Source: IES/AGR Annual Survey, 2000/2001*

Just over half of respondents considered their retention rates of new graduates to have been stable over recent years and further analysis of their responses is presented in Figure 13 according to the three main sectors:

- Employers from the Services sector appear to have made most gains.
- Manufacturing, Production & Industrial organisations are slightly less successful.
Figure 13  Retention rates – trends

Financial and Legal Services (excluding Financial and Legal) Manufacturing, Production and Industrial

NB: Salaries exclude London Weighting Allowance  
6 Sponsorship

Graduate shortages in some areas continue to pose real problems for some employers, and sponsorship opportunities are but one of the ways in which employers might secure the supply of graduates they need in the future.

6.1 Places on offer

Just over one-third of members in this survey currently offer some form of student sponsorship and Table 6 shows the number of places on offer according to each of the three sectors. Further analysis of these data show how the sponsorship trends vary considerably according to the three main sectors. It is interesting to note (see Table 7) that, although the total number of sponsorship places is growing, the Financial and Legal sector anticipate a slowing down of places, whereas the Service sector expects a decline and the Manufacturing, Production and Industrial sector anticipate an increase in the sponsorships offered to students.

<table>
<thead>
<tr>
<th>Table 6  Number of sponsorship places on offer, by sector</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Financial &amp; Legal</td>
</tr>
<tr>
<td>Services (excl. Financial &amp; Legal)</td>
</tr>
<tr>
<td>Manufacturing, Production &amp; Industrial</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>N</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Table 7  Sponsorship trends (no of places offered), by sector</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Financial &amp; Legal</td>
</tr>
<tr>
<td>Services (excl. Financial &amp; Legal)</td>
</tr>
<tr>
<td>Manufacturing, Production &amp; Industrial</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

6.2 Payment

Overall, students sponsored during 1999/2000 were typically paid £78 each week and Table 8 shows how these payment varied according to sector.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Median £</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial &amp; Legal</td>
<td>100</td>
<td>13</td>
</tr>
<tr>
<td>Services (excl. Financial &amp; Legal)</td>
<td>175</td>
<td>12</td>
</tr>
<tr>
<td>Manufacturing, Production &amp; Industrial</td>
<td>50</td>
<td>29</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>78</strong></td>
<td><strong>54</strong></td>
</tr>
</tbody>
</table>

*Source: IES/AGR Annual Survey, 2000/2001*
Another mechanism that can be mutually beneficial to both graduates and employers is the opportunity for paid work experience. There may be tangible business benefits to employers both in meeting their resourcing needs and also by gaining insight into the capability and potential of a particular student. Undergraduates receiving paid work experience also benefit from such ‘work trials’, since these experiences can add value and enhance their CV or portfolio.

7.1 Places on offer

Some 130 members in this current survey (over two-thirds) offered paid work experience to students and Table 9 shows the number of places according to sector. The trends for paid work experience places varied according to sector (see Table 10). Although the Financial sector offered the greatest number during this year (1999/2000) this sector does not plan to offer any places in the near future. Interestingly, the Service sector is planning to increase the number of places considerably, whereas this same sector is planning to cut back the number of sponsorship places even further in the forthcoming year, as Chapter 6 showed. It would be interesting to learn

| Table 9  Total number of paid work experience places on offer, by sector |
|-----------------|-----------------|-----------------|
| Financial & Legal | 1,734 | 2,090 | 2,165 |
| Services (excl. Financial & Legal) | 990 | 1,011 | 1,346 |
| Manufacturing, Production & Industrial | 1,308 | 1,472 | 1,445 |
| Total | 4,032 | 4,573 | 4,956 |
| N | 102 | 114 | 100 |


| Table 10  Paid work experience trends (no of places offered), by sector |
|-----------------|-----------------|-----------------|
|                 | Last year/ this year % | This year/ next year % | N |
| Financial & Legal | 25.0 | 0 | 30 |
| Services (excl. Financial & Legal) | 5.7 | 28.1 | 20 |
| Manufacturing, Production & Industrial | 8.9 | 6.9 | 36 |
| Total | 9.1 | 11.4 | 86 |

whether these patterns might be a result of employers’ commitment to short-term plans, rather than longer-term strategies.

### 7.2 Payment

Undergraduates on paid work experience were typically paid £230 each week during 1999/2000 and Table 11 shows how this payment varied according to sector. It is also interesting to compare the different weekly offerings with those paid to sponsored students. This could possibly reflect current market rates for ‘a job’ or work placements lasting for a considerable time, as opposed to work gained during the vacations via sponsoring employers (see Chapter 6).

<table>
<thead>
<tr>
<th></th>
<th>Median £</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial &amp; Legal</td>
<td>211</td>
<td>39</td>
</tr>
<tr>
<td>Services (excl. Financial &amp; Legal)</td>
<td>250</td>
<td>24</td>
</tr>
<tr>
<td>Manufacturing, Production &amp; Industrial</td>
<td>230</td>
<td>51</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>230</td>
<td>114</td>
</tr>
</tbody>
</table>

*Source: IES/AGR Annual Survey, 2000/2001*
8 Unpaid Work Experience

Just 37 members in this survey offered some form of unpaid work experience to students:

- Eighteen were from the Manufacturing, Production and Industrial sector.
- Six were from the Financial and Legal sector.
- Thirteen were from the Services sector.

8.1 Places on offer

The number of places on offer varied from year to year and according to sector as Table 12 shows, with the Service Sector having offered most places in the recruitment year 1999/2000.

Due to the small number of responses to some questions it has not been possible to conduct analysis to determine the trends for unpaid work experience.

8.2 Allowances/expenses

Twenty four of the 37 employers offering unpaid work experience to students made provision for some form of allowance:

- Five were from Financial and Legal sector.
- Ten were from the Services sector.
- Nine were from the Manufacturing, Production and Industrial sector.
- Twenty-two offered some form of reimbursement for travelling expenses.
- Seven offered a subsistence allowance, eg free food/lunch allowance/meal vouchers.

<table>
<thead>
<tr>
<th>Table 12 Total number of unpaid work experience places on offer, by sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>---------------------</td>
</tr>
<tr>
<td>Financial &amp; Legal</td>
</tr>
<tr>
<td>Services (excl. Financial &amp; Legal)</td>
</tr>
<tr>
<td>Manufacturing, Production &amp; Industrial</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

N 18 27 20

* One organisation accounted for 345 places

9 Recruitment Difficulties

Despite the numbers of students graduating each year, many employers continue to struggle to secure the quality or quantity of graduates their companies need to meet their business objectives. Figure 14 shows the areas that employers experienced most difficulty in recruiting graduates into during 1999/2000. The figure shows:

- Engineering, IT, Computer Analysis, Programming etc. were areas still proving difficult for employers.
- HR/Personnel, Legal work, Administration and general management trainees were the least difficult areas for employers.

Six months ago, members responding to the 2000 Half Yearly Review reported similar patterns of recruitment difficulties to those in this current survey. Accepting that the two samples may differ, it is never the less interesting to note that graduates from:

Figure 14 Recruitment difficulties 1999/2000, by function

NB: Salaries exclude London Weighting Allowance

Science, Research and Development

Environmental Planning, Construction, Architecture etc.

could be showing some early signs of becoming more difficult specialisms from which to recruit.
Appendix A

Survey respondents

ENERGY & WATER INDUSTRIES
(Median starting salary = £18,000)
British Energy
Centrica
Kvaerner E & C
Powergen UK plc
Thames Water plc
BNFL
Esso & Exxon Mobil Group
Exxon Mobil
Scottish Power
United Distillers
(Plus 2 other organisations who did not wish to be named)

CHEMICAL & ALLIED INDUSTRIES AND MINERAL & ORE INDUSTRIES
(Median starting salary = £18,825)
Air Products plc
ICI
The BOC Group
CRCDA International
Kodak Ltd
(Plus 2 other organisations who did not wish to be named)

ENGINEERING & CONSTRUCTION
(Median starting salary = £17,500)
3 Com Europe Ltd
Alstom Power
BAe Systems
Carillion Building
Devonport Management Ltd
Halcrow Group Ltd
IMI plc
National Grid Co. plc
Ove Arup Partnership
Perkins Engines Co. Ltd
Sir Robert McAlpine
AWE plc
Bechtel Ltd
Corus Group
EC Hams
Mymatic Engineering Co. Ltd
MW Kellogg Ltd
Mott Macdonald Ltd
Peugeot Motor Company Ltd
Rolls-Royce plc
TRW ASG
(Plus 9 other organisations who did not wish to be named)
ELECTRONIC & ELECTRICAL ENGINEERING
(Median starting salary = £19,250)
Agilent Technologies
Caradon plc
Thomson-CSF Racal
(Spint plc
Orange
Vodafone
(Plus 2 other organisations who did not wish to be named)

FOOD, DRINK & TOBACCO
(Median starting salary = £18,250)
British Sugar
Kerry Group plc
Seagram
(Granada Road Services
Mars
Samworth Brothers
(Plus 4 other organisations who did not wish to be named)

OTHER MANUFACTURING
(Median starting salary = £18,000)
3M UK plc
Kimberly Clark Ltd
Procter & Gamble UK
Unilever
Wagon plc
(Cussons International
Pilkington plc
SCA Packaging Ltd
Vauxhall Motors Ltd
(Plus 2 other organisations who did not wish to be named)

RETAIL INDUSTRY, HOTELS & CATERING, TRAVEL & TOURISM
(Median starting salary = £17,000)
B&Q plc
Debenhams plc
Greggs plc
John Lewis Partnership
McDonalds Restaurants Ltd
Safeway
Waitrose Ltd
(The Boots Company plc
Enterprise Rent-a-Car
Harrods Ltd
Kingfisher plc
Next Retail Ltd
Tesco Stores Ltd
WH Smith
(Plus 2 other organisations who did not wish to be named)
BANKING & FINANCE AND INSURANCE
(Median starting salary = £20,000)

AMD 
Barclays plc 
Capital One 
Coutts & Co. 
Fidelity Investments 
HSBC Bank plc 
Marsh Recruitment & Development (UK) Ltd 
Royal Bank of Scotland Group 
Scottish Amicable 
Towers Perrin 
William M Mercer Ltd
Bank of Scotland 
Barclaycard 
Credit Suisse First Boston 
Euler Trade Indemnity 
Halifax plc 
Lloyds TSB 
National Australia Group Europe 
Provident Insurance 
Standard Life 
Watson Wyatt partners
(Plus 4 other organisations who did not wish to be named)

LEGAL SERVICES
(Median starting salary = £21,250)

Clyde & Co. 
Clifford Chance 
Hammond Suddards Edge 
Nabarro Nathanson 
Simmons & Simmons 
Stephenson Harnwood 
Taylor Joynson Garrett
CMS Cameron McKenna 
DLA 
Lovells 
Norton Richards Butlers 
Slaughter and May 
Stamp Jackson & Procter
(Plus 3 other organisations who did not wish to be named)

ACCOUNTANCY
(Median starting salary = £17,500)

HAT Group of Accountants 
KPMG 
Pannell Kerr, Forster
Kingston Smith 
Moone Stephens 
Price Waterhouse Coopers
(Plus 4 other organisations who did not wish to be named)
## OTHER BUSINESS SERVICES
(Median starting salary = £19,250)

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIT Group plc</td>
<td>Andersen Consulting</td>
</tr>
<tr>
<td>BSS Group plc</td>
<td>Cable &amp; Wireless</td>
</tr>
<tr>
<td>Cap Gemini</td>
<td>Computacenter</td>
</tr>
<tr>
<td>CMG (UK) Ltd</td>
<td>Compaq Computer Ltd</td>
</tr>
<tr>
<td>Computer Sciences Corporation</td>
<td>Haymarket Business Publications Ltd</td>
</tr>
<tr>
<td>IPC Media</td>
<td>Geac Software Solutions</td>
</tr>
<tr>
<td>Logica</td>
<td>Lucent Technologies Software Products Group</td>
</tr>
<tr>
<td>Midas-Kapiti International</td>
<td>McKinsey &amp; Company</td>
</tr>
<tr>
<td>Quidnunc</td>
<td>RM</td>
</tr>
<tr>
<td>Reuters Ltd</td>
<td>Syntegra</td>
</tr>
<tr>
<td>Sun Microsystems</td>
<td>The Stevens Company</td>
</tr>
<tr>
<td>Unisys</td>
<td>Walker Financial Solutions Ltd</td>
</tr>
</tbody>
</table>

(Plus 8 other organisations who did not wish to be named)

## PUBLIC SERVICES
(Median starting salary = £17,000)

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>HQ Recruiting Group, Army</td>
<td>Civil Service Faststream</td>
</tr>
<tr>
<td>National Air Traffic Services Ltd</td>
<td>GCHQ</td>
</tr>
<tr>
<td>HM Prison Service</td>
<td>Inland Revenue</td>
</tr>
<tr>
<td>NHS Management Training Scheme</td>
<td>London Underground</td>
</tr>
<tr>
<td>Directorate of Naval Recruiting</td>
<td>Defence Engineering &amp; Science Group – MOD</td>
</tr>
<tr>
<td>Police Accelerated Promotion Scheme for Graduates</td>
<td>Railtrack</td>
</tr>
<tr>
<td>Royal Air Force</td>
<td>The Patent Office</td>
</tr>
</tbody>
</table>

(Plus 2 other organisations who did not wish to be named)

We would like to extend our thanks to all those organisations who participated in the survey.
Starting Salaries

1. Do you offer a London Weighting Allowance to any of your typical new first degree graduates?
   - Yes [ ]
   - No [ ]

2. If yes, please state the average London Weighting Allowance for each of the periods below:
   - Recruitment year (Oct 1999-2000) £ [ ] pa
   - Next recruitment year (Oct 2000-2001) £ [ ] pa

3. Excluding London Weighting, please state the average graduate starting salary for typical new first degree graduates for each of the periods below:
   - Recruitment year (Oct 1999-2000) £ [ ] pa
   - Next recruitment year (Oct 2000-2001) £ [ ] pa

4. We are also interested in collecting salary information according to the career area that graduates enter. Please state the average starting salary for each of the following career areas:

   - IT, computer analysis, programming etc. ........................................ £ [ ] pa
   - Science, research & development ........................................................ £ [ ] pa
   - Engineering ................................................................................ £ [ ] pa
   - Environmental planning, construction, architecture etc. ...................... £ [ ] pa
   - Finance, accountancy, insurance and related areas ........................ £ [ ] pa
   - Sales, marketing, purchasing and related careers ............................. £ [ ] pa
   - Administration and general management trainees .......................... £ [ ] pa
   - Legal work..................................................................................... £ [ ] pa
   - HR (includes personnel) .................................................................. £ [ ] pa
   - Business consultancy ........................................................................ £ [ ] pa
   - Other career area (please specify) ................................................ £ [ ] pa
   - Other career area (please specify) ................................................ £ [ ] pa

Throughout this questionnaire a ‘typical’ graduate is 21 years old with a second class honours degree.
Salary Progression

5. Approximately what is the average salary currently being paid to a typical first degree graduate recruited:

   One year ago (Oct 1998-1999) £
   Three years ago (Oct 1996-1997) £
   Five years ago (Oct 1994-1995) £

Other Incentives

6. Do you offer any of the following incentives to attract graduates to your organisation? (Please tick the appropriate boxes and specify any other incentives you offer).

<table>
<thead>
<tr>
<th>Financial</th>
<th>Non-financial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private healthcare</td>
<td>On-going professional development</td>
</tr>
<tr>
<td>Share options/schemes</td>
<td>Mentoring</td>
</tr>
<tr>
<td>Pensions</td>
<td>Flexible working opportunities</td>
</tr>
<tr>
<td>Performance related bonuses</td>
<td>Lateral job moves (between functions)</td>
</tr>
<tr>
<td>Special interest-reduced loans</td>
<td>Study leave</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>Other (please specify)</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>Other (please specify)</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>Other (please specify)</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>Other (please specify)</td>
</tr>
</tbody>
</table>

Recruitment and Retention

7. We are interested in the overall volume of applications handled at each stage of the recruitment process for the recruitment year October 1999-2000. Please state the total volume for each of the following five stages. (Please note that the numbers at each stage should be less than the previous stage)

   How many applications did you receive, in total? overall
   How many applicants did you shortlist, in total? overall
   How many applicants did you interview, in total? overall
   How many job offers did you make, in total? overall
   How many vacancies did you have, in total? overall

8. During the recruitment year October 1999-2000:
   How many unfilled vacancies did you have, in total? overall
   (If none, please indicate by writing zero in the box)

9. How many vacancies for new first degree graduates do you anticipate in the next recruitment year October 2000-2001?

10. Do you anticipate any shortfall in the next recruitment year October 2000-2001? yes ☐ no ☐ don’t know ☐

11. If yes, how many unfilled vacancies do you anticipate?

12. Approximately what proportion of the new first degree graduates recruited in each of the following years are still working for your organisation?

|-------------------|-----------|-----------|-----------|-----------|-----------|-----------|
13. How does your current retention rate of new graduates compare with recent years? Overall is it now: (Please indicate by circling one number)

<table>
<thead>
<tr>
<th>Much better</th>
<th>About the same</th>
<th>Much worse</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>

**Sponsorship**

14. Do you currently offer any sponsorship to students?  
Yes ☐  No ☐  *If no go to Q 18*

15. How many sponsorship places did you offer for each of the following periods:
   - Past 12 months (Oct 1999-2000) .........................................
   - Recruitment year Oct 1998-1999 .................................

16. In the past 12 months (Oct 1999-2000), what was the average **weekly** amount paid to sponsored students?  
£..............................per wk

17. How many sponsorship places do you anticipate offering in the next recruitment year (Oct 2000-2001)?  
.........................................................................................

**Work Experience (paid only)**

18. Do you currently offer any **paid** work experience?  
Yes ☐  No ☐  *If no go to Q 22*

19. How many **paid** work experience places did you offer for each of the following periods:
   - Past 12 months (Oct 1999-2000) .........................................
   - Recruitment year Oct 1998-1999 .................................

20. In the past 12 months (Oct 1999-2000), what was the average **weekly** amount paid to work experience students?  
£..............................per wk

21. How many **paid** work experience places do you anticipate offering in the next recruitment year (Oct 2000-2001)?  
.........................................................................................

**Unpaid Work Experience**

22. Do you currently offer any **unpaid** work experience?  
Yes ☐  No ☐  *If no go to Q 27*

23. How many **unpaid** work experience places did you offer for each of the following periods:
   - Past 12 months (Oct 1999-2000) .........................................
   - Recruitment year Oct 1998-1999 .................................

24. Although these students are not paid for their work experience, do you offer them any allowances or expenses?  
Yes ☐  No ☐

25. If yes, please state what the allowances/expenses cover (ie subsistence, travelling costs etc.)?  
.........................................................................................

26. How many **unpaid** work experience places do you anticipate offering in the next recruitment year (Oct 2000-2001)?  
.........................................................................................
Recruitment Difficulties

27. For each of the career areas below, did you experience any difficulties in recruiting sufficient graduates during the recruitment year October 1999-2000: (Please tick one box per row)

<table>
<thead>
<tr>
<th>Major difficulties</th>
<th>Some difficulties</th>
<th>No difficulties</th>
<th>Not applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT, computer analysis, programming etc.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Science, research &amp; development</td>
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<td></td>
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<tr>
<td>Engineering</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Environmental planning, construction, architecture etc.</td>
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<td></td>
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<tr>
<td>Finance, accountancy, insurance and related areas</td>
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<tr>
<td>Other career area (please specify)</td>
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<td></td>
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</tr>
<tr>
<td>Other career area (please specify)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Additional Information

28. What is your organisation’s main business activity: (Please tick one box)

- Energy & water industries
- Mineral & ore industries
- Chemical & allied industries
- Engineering
- Electrical/tronic engineering
- Food, drink & tobacco
- Other manufacturing
- Construction
- Hotels & catering etc.
- Retail industry
- Transport & communication
- Banking & finance
- Insurance
- Legal services
- Accountancy
- Other business services
- Public services
- Other (please specify)
- Inc. software/IT

In order to broaden the commentary in the report, a few respondents will be asked to participate in a short telephone interview. If you would not be willing to participate please put a cross in the box.

If your organisation does not wish to be named as a survey respondent please put a cross in the box. (All information supplied will remain strictly confidential. Data on individual organisations will not be published).

Your name and job title: .................................................................................................................................

Your organisation: ..................................................................................................................................

Your telephone number: ..........................................................................................................................

Your email address: ..............................................................................................................................

Thank you for completing this questionnaire

Please return the questionnaire in the reply paid envelope direct to:
The Institute for Employment Studies, Mantell Building, University of Sussex, Falmer, Brighton, BN1 9RF