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Major new student survey shows only a third of this year's finalists expect to find a graduate job after university

Results of one of the largest independent surveys of final year university students ever conducted in the UK – to be published on **Wednesday 29th April** – shows that just 36% of those finishing undergraduate degrees this summer expect to find a graduate job after university and that confidence in the graduate employment market has slumped to a fifteen-year low.

The UK Graduate Careers Survey 2009, conducted by the student & graduate market research company, **High Fliers Research Ltd**, is based on face-to-face interviews with **16,357 final year students** completed last month. This sample equates to a **fifth** of the finalists due to graduate this year from the thirty universities included in the 2009 survey.

The research reveals that the number of finalists from the 'Class of 2009' who have secured a definite job offer during the annual 'milkround' recruitment process has dropped by a third this year, compared with 2008. Half of student job hunters fear that even if they do find a graduate position, their job offer may be withdrawn before they begin work or that they will be made redundant during their first year in employment.

The survey also shows a dramatic fall in applications for graduate jobs in banking, finance and property this year. Instead, more university-leavers have applied to work in the public sector, teaching, engineering, the charity or voluntary sector and the Armed Forces. One in six job hunters confirmed that they had deliberately targeted employers that appeared to offer the best job security, rather than generous graduate salaries or high quality training and development.

The key findings from **The UK Graduate Careers Survey 2009** about the 'Class of 2009' are:

- Just **36%** of current final year students believe they will either start a graduate job or be looking for a graduate job after leaving university this summer, **26%** plan to remain at university to study for a postgraduate course, **8%** expect to take temporary or voluntary work, **17%** are preparing to take time off or go travelling, but **12%** of finalists have yet to decide what to do next.
- Students' **confidence in the graduate job market is at an all-time low** since the survey was launched in 1995, with a record **52%** of university-leavers describing prospects for new graduates as very limited.
- The volume of **job applications** made by final year students has **increased noticeably this year**, particularly in the early months of the recruitment season. But despite this, the number of finalists who have received a graduate job offer has fallen by a third, compared with 2008.

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- A third of finalists looking for work said that, in the current economic climate, they would **have to accept any job they were offered**. A sixth admitted that the scarcity of graduate jobs has meant they've had to apply to employers that they **weren't really interested in**.
- 42% of student job hunters fear that even if they do manage to land a graduate job, the offer may be **cancelled** by employers before they start work. 48% are concerned they may be **made redundant within their first 12 months**.
- More finalists made applications for **accountancy** positions in the early months of the graduate recruitment season than any other career area, but overall the most popular destinations for the 'Class of 2009' are careers in **teaching, media** and **marketing**. This is the first time that teaching has been the top destination for university-leavers.
- The number of students applying to **investment banks** – the second most-popular destination for new graduates in 2008 – has **dropped by a third** this year and there has been less interest in other parts of the financial sector. Applications for jobs in **property** have also fallen sharply.
- Applications to **engineering** employers and **public sector** organisations increased by a sixth and for the first time in nine years, more finalists have applied for IT positions.
- Expected **starting salaries have dipped** a little this year to an average of £22,300, making this the only year that expectations have not increased since the survey was first conducted in 1995. More than a third of finalists believe that employers will **cut** their starting salaries this year.
- Graduates from the 'Class of 2009' expect to owe an average of **£15,700**, up more than a third from the average debt of **£11,600** in 2008, largely because of the introduction of higher tuition fees for undergraduates at English universities in 2006.
- Local **university careers services** continue to be an important focal point for job hunting and careers activities on campus, and their facilities were used by **84%** of final year students in 2008-2009 – either in person, online or via a careers module within their degree course.
- Despite their concern about the worsening employment prospects, more than 90% of final year students said they had **enjoyed being at university** and would **recommend it to others**. Fewer than one in seven said they would **not** have come to university if they'd known how tough the graduate job market was going to be.

Managing director of High Fliers Research, **Martin Birchall** commented:

“Our latest survey shows that final year students due to leave UK universities this summer are gloomy and frustrated about their employment prospects. Students are all too aware that a significant number of employers have cut their graduate recruitment programmes this year or are delaying taking on new trainees until the economic situation improves. Although many students began their job search earlier than usual and made an increased number of applications to employers, noticeably fewer have been successful in securing a graduate position than last year.

Having invested an average of £15,000 on their degrees, tens of thousands of finalists are now set to leave university without a job offer and feel they have little prospect of finding work in the immediate future. There is widespread concern too that employers may withdraw previously-made job offers or make new graduates redundant during their first year in work.”

Notes to Editors:

1. **The UK Graduate Careers Survey** has been produced annually since 1995 by **High Fliers Research**, an independent market research company, on behalf of many of the UK's best-known graduate recruiters. The company also conducts regular surveys of graduate employers, recording the latest starting salaries, graduate vacancy levels and recruitment practices.
2. The **thirty universities** included in the survey in 2009 were: Aston, Bath, Belfast The Queen's University, Birmingham, Bristol, Cambridge, Cardiff, Durham, Edinburgh, Exeter, Glasgow, Lancaster, Leeds, Liverpool, London Imperial College, London King's College, London School of Economics, London University College, Loughborough, Manchester, Newcastle, Nottingham, Oxford, Reading, Sheffield. Southampton, St Andrews, Strathclyde, Warwick, York.
3. The **graduate employers** who funded the research programme in 2008-2009 are Accenture, Aldi, Arcadia Group, Arup, AstraZeneca, BAE Systems, Baker Tilly, Barclays Capital, BDO Stoy Hayward, Bloomberg, BNP Paribas, British Airways, BP, BSkyB, BT, Cadbury, Cancer Research UK, Capital One, Centrica, CIMA, Citi, Civil Service Fast Stream, Corus Group, CSC, Deloitte, Deutsche Bank, Dstl, Dunhumby, E.ON UK, Ernst & Young, ExxonMobil, Fidelity International, Financial Services Authority, Fujitsu, GCHQ, GlaxoSmithKline, Grant Thornton, HBOS, HSBC, IBM, J.P. Morgan, KPMG, Lloyds of London, Lloyds TSB, L'Oréal, Marks & Spencer, Mars, Mercer, Merrill Lynch, Microsoft, NHS, npower, Nuclear Graduates, Parsons Brinckerhoff, Police, PricewaterhouseCoopers, Procter & Gamble, Rolls-Royce, Royal Bank of Scotland Group, Royal Navy, Sainsbury's, Shell, Teach First, Transport for London, Unilever, UBS plus the ACCA and the Institute of Chartered Accountants in England & Wales.
4. **Martin Birchall**, Managing Director of High Fliers Research is available for interview.
Telephone: 020 7428 9000 Mobile: 07774 471628 Email: martin.birchall@highfliers.co.uk