Press Release  Strictly embargoed until 00.01hrs Monday 12th January 2015.

New research shows a big increase in graduate jobs and better starting salaries at Britain’s top employers in 2015

A major new report on the graduate job market, published today (Monday 12th January 2015), reveals that graduate recruitment at Britain’s top employers is set to reach its highest level for more than a decade this year and that university students graduating in the summer of 2015 – including the first undergraduates to have paid tuition fees of up to £9,000-a-year for their degrees – will be paid higher graduate salaries when they start work.

The Graduate Market in 2015 – a study of graduate vacancies and starting salaries at the country’s one hundred leading employers, conducted by High Fliers Research in December 2014 – confirms that employers increased their graduate recruitment by 7.9% in 2014 and are set to expand their vacancies for university-leavers by a further 8.1% in 2015. More than a quarter of graduate vacancies were cut in 2008 and 2009 at the beginning of the recession and recruitment dipped again in 2012, before returning to growth in 2013.

Employers in nine out of thirteen major employment areas are preparing to take on more new graduates in 2015, with the biggest increases in recruitment at public sector employers, accounting & professional services firms, banking & finance firms, retailers and the Armed Forces, which together expect to recruit more than 1,200 extra graduates.

The median starting salary at the country’s leading employers will increase to £30,000 for this year’s new graduates. Graduate pay rose for the first time in five years in 2014 – the median starting salary had previously remained unchanged at £29,000 for four years running.

The research also highlights that graduate employers are providing an unprecedented number of paid work experience places in 2015 for university students and recent graduates, through an extensive programme of paid internships, vacation work experience and industrial placements.

Highlights from The Graduate Market in 2015 report include:

• The number of graduates hired by the UK’s leading employers rose by 7.9% in 2014, the largest annual rise in graduate recruitment for four years.

• Recruitment would have been even higher in 2014 but last-minute increases in employers’ vacancy targets and a rise in graduates turning down or reneging on job offers meant that more than 700 graduate positions were left unfilled last year.

• Employers plan to expand their graduate recruitment even further in 2015, with 8.1% more entry-level vacancies than in 2014, the third consecutive year that graduate vacancies have increased.

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• Graduate employers in nine out of thirteen key industries and business sectors are expecting to take on more new graduates this year than in 2014.

• The largest growth in graduate vacancies is at public sector employers, accounting & professional services firms, banking & finance firms, retailers and the Armed Forces.

• The largest individual recruiters of graduates in 2015 will be Teach First (2,060 vacancies), PwC (1,570 vacancies) and Deloitte (1,100 vacancies).

• Graduate starting salaries at the UK’s leading graduate employers are expected to increase for the second year running in 2015, reaching a median of £30,000 for the first time.

• Over a quarter of top graduate programmes will pay new recruits more than £35,000 when they start work and four organisations are offering salaries in excess of £45,000 to this year’s graduates.

• The most generous salaries in 2014 are those on offer from investment banks (median of £45,000), law firms (median of £40,000), banking & finance firms (median of £36,500) and oil & energy companies (median of £32,500).

• The highest published graduate starting salaries for 2014 are at the retailer Aldi (£42,000) and the European Commission (£41,500).

• There is little evidence that graduate starting salaries are rising in reaction to the introduction of higher university tuition fees – most organisations who have increased their graduate pay in 2014 or 2015 have done so in order to compete effectively with other graduate employers.

• Over four-fifths of the UK’s leading graduate employers are offering paid work experience for students and graduates this year – an unprecedented 13,049 paid placements are available.

• Two thirds of employers are providing paid vacation internships for penultimate year students and three-fifths offer industrial placements for undergraduates (typically lasting 6-12 months as part of a university degree course).

• Recruiters have confirmed that a third of this year’s entry-level positions will be filled by graduates who have already worked for their organisations, either through paid internships, industrial placements or vacation work.

• Three-quarters of the graduate vacancies advertised this year by City investment banks and half the training contracts offered by the leading law firms are likely to be filled by graduates who have already completed work experience with the employer.

• Nearly half the recruiters who took part in the research repeated their warnings from previous years – that graduates who have had no previous work experience at all are unlikely to be successful during the selection process for graduate programmes.

Managing director of High Fliers Research, Martin Birchall commented:

“It’s great news that students leaving university this summer who’ve paid higher tuition fees for their degrees will be emerging into the most buoyant graduate job market for over a decade, with a wider choice of graduate vacancies at the country’s most sought-after employers and better starting salaries.

And there are a record number of opportunities too for first and second year students to get paid work experience this year – Britain’s top employers will be providing more than 13,000 paid internships, vacation work or course-based placements in 2015.”

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Notes to Editors:

1. The Graduate Market in 2015 is produced by High Fliers Research, the independent market research company which has specialised in researching graduate recruitment at UK universities since 1994.

2. The employers included in The Graduate Market in 2015 research are the one hundred organisations which final year university students from the UK’s leading universities believe offer the best opportunities for graduates:

Accenture
Airbus
Aldi
Allen & Overy
Apple
Arcadia Group
Army
Arup
Asda
Atkins
BAE Systems
Bain
Baker & McKenzie
Bank of America Merrill Lynch
Barclays
BBC
BlackRock
Bloomberg
Boots
Boston Consulting Group
BP
British Airways
British Sugar
BT
Cancer Research UK
Centrica
Channel Four
Citi
Civil Service
Clifford Chance
Credit Suisse
Deloitte
Deutsche Bank
Department for International Development
Diageo
DLA Piper
Dyson
E.ON
EDF Energy
European Commission
ExxonMobil
EY
Foreign & Commonwealth Office
Freshfields Bruckhaus Deringer
Frontline
GE
GlaxoSmithKline
Goldman Sachs
Google
Grant Thornton
Herbert Smith Freehills
Hogan Lovells
HSBC
IBM
J.P. Morgan
Jaguar Land Rover
John Lewis Partnership
KPMG
L’Oréal
Lidl
Linklaters
Lloyds Banking Group
Lloyds’
M&S
Mars
McDonald’s
McKinsey & Company
MI5 - The Security Service
Microsoft
Mondelēz International
Morgan Stanley
Morrison
Nestle
Newton Europe
NGDP for Local Government
NHS
Norton Rose Fulbright
Oxfam
Penguin
Police
Procter & Gamble
PwC
RAF
Red Bull
Rolls-Royce
Royal Bank of Scotland Group
Royal Navy
Sainsbury’s
Santander
Savills
Shell
Siemens
Sky
Slaughter and May
Teach First
Tesco
Transport for London
UBS
Unilever
WPP

3. Martin Birchall, Managing Director of High Fliers Research is available for interview.

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