



**Press Release** *Strictly embargoed until 00.01hrs Monday 18th January 2016*

# New research shows Britain's top employers are set to recruit a record number of graduates in 2016

A major new report on the graduate job market, published today (Monday 18th January 2016), shows that Britain's top employers are preparing to recruit their biggest-ever intake of university graduates in 2016.

But the research also highlights that over 1,000 graduate positions were left unfilled by employers in 2015 when unprecedented numbers of final year university students from the 'Class of 2015' turned down employers' graduate job offers or changed their minds about offers that they had accepted before graduation.

**The Graduate Market in 2016** is a study of graduate vacancies, starting salaries and undergraduate work experience programmes at the country's one hundred leading employers, conducted by **High Fliers Research** in December 2015.

The report reveals that employers increased their graduate recruitment by a smaller-than-expected 3.3% in 2015, despite having more entry-level vacancies available, but are planning to step-up their graduate hires by a further 7.5% in 2016, the fourth consecutive year that vacancies for university-leavers have risen since 2012.

The median graduate starting salary at the country's leading employers in 2016 is expected to be £30,000 for the second year running, but graduate pay at the top law firms, investment banks and accounting & professional services firms has increased this year.

The research also shows that graduate employers are continuing to expand their paid work experience programmes for university undergraduates and are offering a record number of paid internships, vacation work experience and course placements in 2016.

Key findings from **The Graduate Market in 2016** report include:

- The number of graduates hired by the UK's leading employers **rose by 3.3%** in 2015, a much smaller annual increase than had been expected.
- A sharp rise in the number of graduates turning down job offers or renegeing on offers that they had previously accepted meant that over **1,000 graduate positions were left unfilled** last year, reducing the graduate intake at almost a third of the UK's leading employers.
- Employers plan to **expand their graduate recruitment** by a further **7.5%** in 2016, the fourth consecutive year that vacancies have increased, taking the number of graduate jobs available to its **highest-ever level**.

- Employers in nine out of thirteen key industries and employment areas are expecting to take on **more new graduates** than in 2015.
- The biggest growth in vacancies is expected at **public sector organisations, banking & finance employers, engineering & industrial companies** and the **Armed Forces**.
- The largest individual recruiters of new graduates in 2016 are **Teach First** (1,870 vacancies), **PwC** (1,540 vacancies) and **Deloitte** (1,100 vacancies).
- The median **graduate starting salary** on offer from the UK's leading graduate employers is expected to **remain unchanged at £30,000** in 2016.
- Within different industries and business sectors, the most generous salaries in 2016 are those on offer from the **investment banks** (median of £47,000), **law firms** (median of £41,000), **banking & finance companies** (median of £36,000) and **oil & energy companies** (median of £32,500).
- The highest published graduate starting salaries for 2016 include **Aldi** (£42,000), law firms **Allen & Overy, Baker & McKenzie, Herbert Smith Freehills** and **Linklaters** (all £42,000) and the **European Commission** (£41,500).
- There is very little evidence that graduate starting salaries are rising in reaction to the introduction of **higher university tuition fees** – most employers that have opted to increase their graduate pay in either 2015 or 2016 appear to have done so in order to compete effectively with other employers recruiting graduates.
- More than **90%** of the UK's leading graduate employers are offering **paid** work experience programmes for students and recent graduates during the 2015-2016 academic year – an unprecedented **14,049 paid work placements** are available.
- Three-quarters of employers are providing **paid vacation internships** for **penultimate year students**, at least half offer **industrial placements** for undergraduates (typically lasting 6-12 months as part of a university degree course) and increasing numbers of employers now also have work experience schemes for **first year undergraduates**, either through paid internships, introductory courses, open days and other taster experiences.
- Recruiters have confirmed that they expect a **third** of this year's full-time graduate positions to be filled by graduates who have **already worked for their organisations**, either through paid internships, industrial placements or vacation work.
- More than **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.

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

“For students leaving university this summer, it's very welcome news that Britain's top employers are recruiting their biggest-ever intake of new graduates in 2016 and will be investing a record amount in their training, development and starting salaries.

But as the job market goes from strength to strength, it's clear that our brightest graduates are becoming increasingly choosy about the employers they join and last year record numbers turned down employers' job offers or changed their mind about an offer they had accepted during their final months at university. As a result, more than 1,000 graduate positions at some of the country's most popular and sought-after employers were left unfilled.”

**Notes to Editors:**

1. *The Graduate Market in 2016* 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 2016* research are the one hundred organisations that final year university students from the UK's leading universities believe offer the best opportunities for new graduates:

<i>Accenture</i>	<i>British Airways</i>	<i>Grant Thornton</i>	<i>Network Rail</i>
<i>AECOM</i>	<i>BT</i>	<i>Herbert Smith Freehills</i>	<i>Newton Europe</i>
<i>Airbus</i>	<i>Cancer Research UK</i>	<i>Hogan Lovells</i>	<i>NGDP for Local Government</i>
<i>Aldi</i>	<i>Centrica</i>	<i>HSBC</i>	<i>NHS</i>
<i>Allen &amp; Overy</i>	<i>Citi</i>	<i>IBM</i>	<i>Norton Rose Fulbright</i>
<i>Amazon</i>	<i>Civil Service</i>	<i>Jaguar Land Rover</i>	<i>Oxfam</i>
<i>Apple</i>	<i>Clifford Chance</i>	<i>John Lewis Partnership</i>	<i>Penguin Random House</i>
<i>Army</i>	<i>Credit Suisse</i>	<i>JP Morgan</i>	<i>Police</i>
<i>Arup</i>	<i>Danone</i>	<i>KPMG</i>	<i>Procter &amp; Gamble</i>
<i>Asda</i>	<i>Deloitte</i>	<i>L'Oreal</i>	<i>PwC</i>
<i>AstraZeneca</i>	<i>Deutsche Bank</i>	<i>Lidl</i>	<i>RBS Group</i>
<i>Atkins</i>	<i>Diageo</i>	<i>Linklaters</i>	<i>Rolls-Royce</i>
<i>BAE Systems</i>	<i>DLA Piper</i>	<i>Lloyd's</i>	<i>Royal Navy</i>
<i>Bain &amp; Company</i>	<i>Dyson</i>	<i>Lloyds Banking Group</i>	<i>Sainsbury's</i>
<i>Baker &amp; McKenzie</i>	<i>European Commission</i>	<i>Marks &amp; Spencer</i>	<i>Shell</i>
<i>Bank of America</i>	<i>ExxonMobil</i>	<i>Mars</i>	<i>Siemens</i>
<i>Merrill Lynch</i>	<i>EY</i>	<i>McDonald's</i>	<i>Sky</i>
<i>Bank of England</i>	<i>Facebook</i>	<i>McKinsey &amp; Company</i>	<i>Slaughter and May</i>
<i>Barclays</i>	<i>First Derivatives</i>	<i>MI5 - The Security Service</i>	<i>Teach First</i>
<i>BBC</i>	<i>Freshfields Bruckhaus</i>	<i>Microsoft</i>	<i>Tesco</i>
<i>BDO</i>	<i>Deringer</i>	<i>Mondelez International</i>	<i>Transport for London</i>
<i>BlackRock</i>	<i>Frontline</i>	<i>Morgan Stanley</i>	<i>UBS</i>
<i>Bloomberg</i>	<i>GE</i>	<i>Mott Macdonald</i>	<i>Unilever</i>
<i>Boots</i>	<i>GlaxoSmithKline</i>	<i>National Grid</i>	<i>Wellcome Trust</i>
<i>Boston Consulting Group</i>	<i>Goldman Sachs</i>	<i>Nestle</i>	<i>WPP</i>
<i>BP</i>	<i>Google</i>		

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