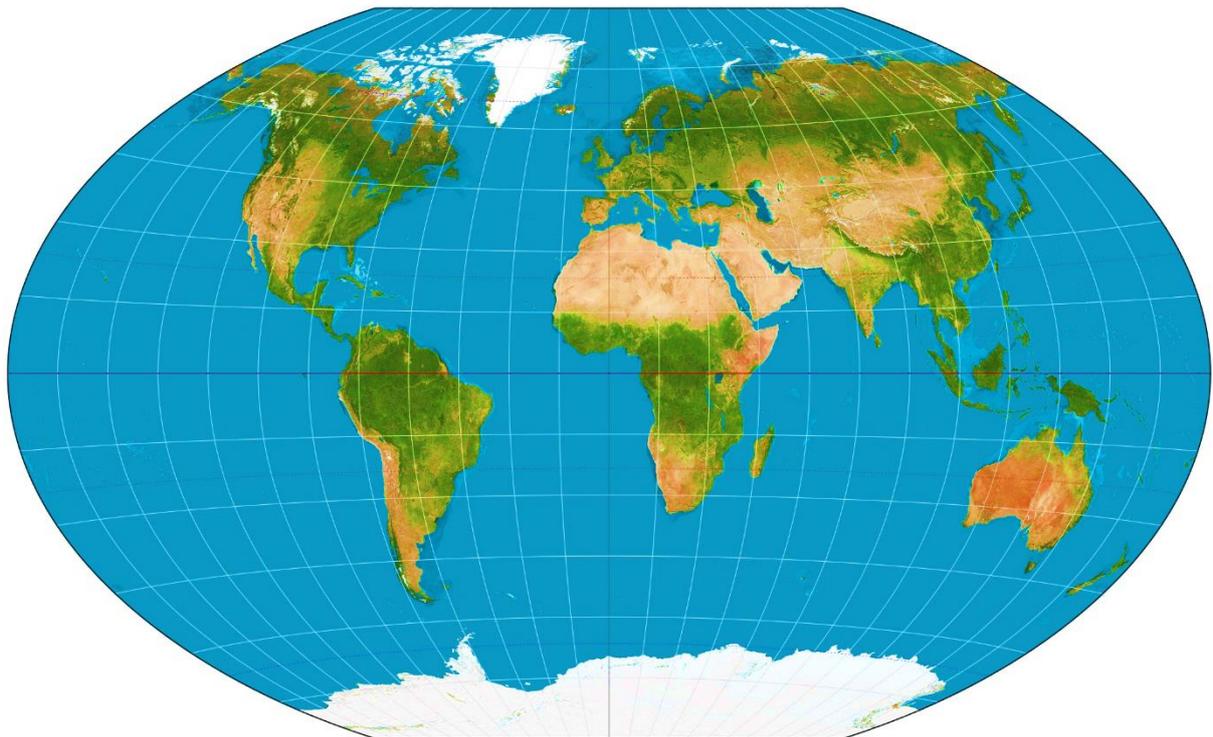


Institute of
Student
Employers

ise.

INTERNATIONAL NETWORK
OF EMPLOYERS AND
UNIVERSITY CAREER SERVICES
INEUCS

RESEARCH AND INSIGHTS



Covid-19: Global impacts on
graduate recruitment

July 2020

About this report

This report was created through a partnership between the Institute of Student Employers (ISE) and the International Network of Employers and University Careers Services (INEUCS).

The analysis and writing of this report were undertaken by Tristram Hooley.

Helpful feedback on earlier drafts of this report was provided by Bob Athwal, Charlie Ball, Paul Grattrick, Bruce Guthrie, Stephen Isherwood, Blessie Mathew, Shailian Patel, Kelly Pfeffer, Holly Savage and Clare Tregaskis.

Publication information

Please use the following format to cite this survey

Institute of Student Employers. (2020). *Covid-19: Global impacts on graduate recruitment*. London: Institute of Student Employers.



Executive summary

Covid-19 is having a profound and damaging impact on the global economy. Many countries are reporting dramatic rises in levels of unemployment. There is concern that these changes are having a disproportionate impact on young people. This report explores how these economic changes are impacting on graduate recruitment in 21 countries.

Findings are based on responses to an international call for evidence about the graduate labour market under Covid-19. Respondents to the call were typically CEOs or heads of research from employer associations, senior higher education careers professionals or employers. All are offering a subjective, but informed, opinion on the situation. The key trends that emerged are as follows:

- **Covid-19 matters everywhere and it matters to everyone.** Even in countries like Australia and New Zealand which have, so far, successfully managed the outbreak and in other countries where there have been relatively few cases of Covid-19, employers have had to lockdown some of their activities in the short term and have concerns about the longer term impacts.
- **The graduate market mirrors problems in the wider economy.** While graduates often escape the worst impacts of recessions, the size and health of the graduate labour market is tied up with the wider economy. The magnitude of the current crisis means that it is impacting on workers of all skill levels and is likely to be particularly difficult for those entering the labour market for the first time and those working in the sectors which are feeling the worst effects.
- **Graduate recruitment volumes are down everywhere.** During 2020 many employers have taken the decision to delay or reduce the number of graduates that they are recruiting. This has led to overall numbers of jobs in the formal graduate labour market going into decline in all 21 countries that participated in this research.
- **The graduate market will not recover straight away.** Looking forward to next year 15 countries expect the volume of graduates recruited to continue to decline. Only 3 countries expect that the market will stabilise (Canada, South Africa and New Zealand) and only three more anticipate growth (Belgium, Poland and the UAE).
- **Uncertainty is the only thing that people are certain of.** Respondents report a loss of certainty in normal narrative about how graduate transitions work. This uncertainty is making planning difficult.
- **Working practices and business processes are changing and moving online.** Within the graduate recruitment field this means that both attraction (on campus activities) and selection (interviews and assessment centres) are either moving wholly online or into a blended format combining online and face-to-face approaches.
- **Young people may prolong their time in education.** Because of problems in the labour market many students may prolong their time in education through postgraduate study.

Table of contents

About this report.....	ii
Publication information.....	ii
Executive summary.....	iii
Table of contents	iv
1. Introduction.....	1
Thinking global	1
About the project	2
2. Country perspectives	2
Australia	5
Belgium	5
Canada.....	6
Denmark.....	6
England.....	7
Finland	7
Hong Kong	7
Ireland	8
Italy	8
Malaysia	8
Netherlands.....	9
New Zealand	9
Northern Ireland	10
Poland.....	10
Saudi Arabia.....	10
Singapore.....	11
Slovakia.....	11
South Africa.....	11
United Arab Emirates	12
United States.....	12
Vietnam.....	12
3. Key trends.....	13
Covid-19 matters everywhere and it matters to everyone	13
The graduate market mirrors problems in the wider economy	13

Graduate recruitment volumes are down and will not recover straight away	13
Uncertainty is the only thing that people are certain of.....	14
Working practices and business processes are changing and moving online	15
Young people may prolong their time in education	15
4. Final thoughts	16

1. Introduction

Over the last few months the Institute of Student Employers (ISE) has followed the unfolding of the Covid-19 crisis in the UK closely. We have produced a series of studies looking at the impact of the crisis on student recruitment from the perspectives of employers¹ and suppliers². We have also been gathering wider intelligence on the crisis from research, the media and through informal conversations with our employer members.³

Taken together this research has allowed ISE to help its members manage the crisis. Covid-19 is having profound effects on employers' ability to attract, select and induct new student talent. However, the early talent sector is adapting and reworking its processes for the 'new normal' that has been forced upon us. Recruitment numbers are down, but most ISE members are continuing to bring on at least some new talent and plan for next year. Overall, we have been impressed and inspired by the actions of employers and their ability to keep the show on the road, even when things are difficult. But there are still reasons to be concerned about the future.

Thinking global

Our thinking about the next steps for the graduate labour market have been informed by engagement with the International Network of Employers and University Careers Services (INEUCS).⁴ This group brings together a range of expert groups focused on either employers or university careers services across the world. Through discussions we determined that there would be value in more global data gathering and knowledge exchange.

Covid-19 has been a global phenomenon. Although it has manifested differently in different countries, it has had a profound impact across the globe. At the time of writing there have been over ten million cases of Covid-19 confirmed worldwide and the number of deaths is now more than half a million.⁵

While much of the focus has inevitably been on the health implications of the pandemic, attention is increasingly growing on its economic and labour market implications. Kristalina Georgieva, the Managing Director of the International Monetary Fund, sums up the magnitude of the economic crisis that is emerging from the Covid-19 crisis.

The outlook is dire. We expect global economic activity to decline on a scale we have not seen since the Great Depression. This year 170

¹ Institute of Student Employers. (2020). *Covid-19: Challenges for student recruitment and development*. London: Institute of Student Employers; Institute of Student Employers & AGCAS. (2020). *Covid-19: The impact of the crisis on student recruitment and development*. London: Institute of Student Employers.

² Institute of Student Employers. (2020). *Responding to Covid-19: The experience of suppliers*. London: Institute of Student Employers.

³ See the ISE's Covid-19 updates at <https://ise.org.uk/news/?id=15425>.

⁴ See <https://ineucs.org/>.

⁵ See the World Health Organisation (Covid-19) Dashboard at <https://covid19.who.int/>.

countries will see income per capita go down—only months ago we were projecting 160 economies to register positive per capita income growth.⁶

Inevitably this scale of economic crisis is going to impact on the labour market. If countries everywhere are reporting shrinking economies, there are likely to be fewer jobs and, in particular, fewer jobs for young people and other labour market entrants.

The International Labour Organisation (ILO) provides us with some reliable commentary on these labour market effects. The organisation paints a picture of a disrupted labour market in which the normal amount of work is unable to take place.⁷ At the moment, in many countries, interventions by government are preventing the slowdown of work from transforming into catastrophic job losses, but unemployment is still rising. More positively the ILO also notes that the global economy is starting to open following the relaxation of lockdowns. As we entered June, people in many countries were starting to go back to work.

Despite the overall improvement in the employment situation, the picture remains dire in comparison to pre-Covid norms. Perhaps most worrying for those engaged in recruiting entry level talent the ILO flags a host of concerns about the issues that young workers face. Young people have a weaker position in the labour market, are grouped in the sectors that are most impacted by Covid-19 and have fewer resources to manage periods of unemployment. Correspondingly, the ILO report that youth unemployment is growing and argue that there is a need for a sustained policy response to this situation.

In our discussions with INEUCS a range of participants from different countries raised similar concerns. Covid-19 was having an impact on graduate recruitment and things were becoming more difficult for graduates and employers alike. But what exactly was this impact, how were employers and higher education providers responding and what could be learnt from pooling our knowledge across national boundaries?

To answer some of these questions it was decided to develop a research project to aid in the sharing of experience and practice across the different countries.

About the project

The project took the form of an international call for evidence about the graduate labour market under Covid-19. This was distributed through the networks of INEUCS and the ISE and also distributed more widely on social media. The aim was to recruit an individual or small group of experts from a range of different countries to provide qualitative insights about the graduate labour market in their country.

Respondents were provided with a structured questionnaire to shape their input, but were also asked to provide data, publications and other reflections to help the project to gain insights into the situation in their countries. Respondents were typically CEOs or heads of

⁶ Georgieva, K. (2020). A global crisis like no other needs a global response like no other. Retrieved from <https://blogs.imf.org/2020/04/20/a-global-crisis-like-no-other-needs-a-global-response-like-no-other/>.

⁷ International Labour Organisation. (2020). ILO monitor. Covid-19 and the world of work. Fourth edition. Retrieved from https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms_745963.pdf.

research from employer associations, senior higher education careers professionals or employers. All are offering a subjective, but informed, opinion on the situation.

Responses were received from the following countries:

- Australia
- Belgium
- Canada
- Denmark
- England
- Finland
- Hong Kong
- Ireland
- Italy
- Malaysia
- Netherlands
- New Zealand
- Northern Ireland
- Poland
- Saudi Arabia
- Singapore
- Slovakia
- South Africa
- United Arab Emirates
- United States
- Vietnam

Responses were analysed alongside relevant data, documents and publications to form a picture of the current state of the market. Where there was disagreement between respondents (for example about how big the fall in graduate employment had been a median position was taken).

2. Country perspectives

This chapter sets out the key findings of the study by country. Figure 2.1 provides a summary of the situation across all participating countries. The figure is organised in order of the severity of the Covid outbreak as indicated by deaths per million inhabitants.⁸ This is then followed by some more detailed commentary of each of the participating countries.

The pattern of university provision across all of the countries was remarkably similar with most universities and careers services currently being delivered online and institutions exploring a gradual move back to a blended provision for next year. There was also a lot of similarity in the tentative way that most employers were handling the induction of new staff with many delaying inductions or planning to deliver online.

Figure 2.1 summarises the current picture with respect to recruitment practice. But, it is important to caveat it as a qualitative snapshot of the current situation. There were different levels of response from different countries which provide varying depths of insight. Furthermore, many respondents reported considerably uncertainty about the future and expected that the situation would continue to evolve as the health, economic and employment situation developed.

Figure 2.1. Summary of the graduate recruitment situation by country

Key					
					
<i>Recruitment levels down. The more arrows the greater the decline (1-14, 15-29, 30+)</i>	<i>Recruitment levels about the same</i>	<i>Recruitment levels up. The more arrows the greater the rise (1-14, 15-29, 30+)</i>	<i>Mainly face-to-face provision</i>	<i>Mainly blended provision combining face-to-face with online</i>	<i>Mainly online provision</i>

⁸ Our world in data. (2020). Total confirmed COVID-19 deaths per million people, Jun 11 2020. Retrieved from <https://ourworldindata.org/grapher/total-covid-deaths-per-million>.

Country	Covid deaths per million	Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
Belgium	831	↓ ↓ ↓	↓ ↓ ↓	↑	↑					
England (UK)	606	↓	↓ ↓ ↓	↓	↓					
Northern Ireland (UK)	606	↓ ↓ ↓	↓ ↓ ↓	↓	↑ ↑					
Italy	564	↓ ↓ ↓	↓ ↓ ↓	↓ ↓	↓ ↓					
Netherlands	353	↓ ↓ ↓	↓ ↓	↓ ↓	↓					
Ireland	343	↓ ↓	↓ ↓	↓	↓					
Canada	211	↓ ↓ ↓	↓ ↓ ↓							
Denmark	102	↓ ↓ ↓	↓ ↓	↓	↓					
Finland	58	↓	↓ ↓	↓ ↓	↓ ↓					
United States	57	↓	↓ ↓	↓	↑					
Poland	32	↓ ↓ ↓	↓ ↓	↑	↑					
United Arab Emirates	29	↓ ↓ ↓	↓ ↓ ↓	↑	↑					
Saudi Arabia	24	↓ ↓	↓ ↓	↓ ↓	↓ ↓					
South Africa	20	↓ ↓	↓ ↓							
New Zealand	5	↓	↓		↓					
Slovakia	5	↓ ↓	↓ ↓	↓	↑					

Country	Covid deaths per million	Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
Australia	4	↓	↓	↓	↓					
Malaysia	4	↓ ↓	↓ ↓	↓ ↓ ↓	↓ ↓					
Singapore	4	↓ ↓	↓ ↓	↓						
Hong Kong (China)	3	↓ ↓	↓ ↓	↓ ↓	↓ ↓					
Vietnam	0	↓ ↓	↓ ↓	↓	↓					

Australia

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓	↓	↓	↓					

On average respondents from Australia are reporting a slight decrease (1-14%) in both graduate jobs and internships and placement students this year. More detailed analysis by the Australian Association of Graduate Employers suggests that while there have been decreases in graduate numbers these have not been evenly spread across the economy, with some firms reporting much bigger issues than others.⁹ They anticipate that this decrease will continue in both areas next year with a further slight decrease. Some respondents suggested that the drop in graduate numbers would be likely to lead many students to stay on in education and pursue postgraduate study.

While respondents felt that the level of Covid-19 in the country had not been that great, they anticipated that a wider global recession would be likely to exert a negative impact on numbers, although there was a lot that was still unknown. Estimates of the impact of Covid-19 on the Australian economy vary, but most estimate some overall contraction.¹⁰ There was disagreement about how quickly the Australian economy would bounce back from the Covid-crisis and a recognition that there were also some wider economic issues including political disagreements with China which are having a negative economic impact.¹¹

In general respondents expected that recruitment and attraction activities including careers fairs would be delivered in the future through a mix of face-to-face and online activities. They also expected that this would be the case for work-experience and selection processes like interviews and assessment centres. University careers services are also moving many of their services online.

Belgium

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓ ↓	↓ ↓ ↓	↑	↑					

In Belgium respondents suggested that the current year had seen a substantial decrease (more than 30%) in the recruitment of graduates and internships and placement students.

⁹ Australian Association of Graduate Employers. (2020). *The 2020 AAGE coronavirus poll*. Camberwell: AAGE.

¹⁰ PWC. (2020). *The possible economic consequences of a novel coronavirus (COVID-19) pandemic*. Australia: PWC.

¹¹ Henderson, R. (2020). Rising tension with China rings corporate Australia's alarm bells. *Financial Times*. Retrieved from <https://www.ft.com/content/5ec61eac-9eaf-44cd-9804-f82d0b1502ed>.

However, they anticipated that numbers would rally and see a slight increase next year. They also reported that most recruitment and selection activities are being moved online.

Canada

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓ ↓	↓ ↓ ↓	⚖️	⚖️	📺	📺	📺	💻	💻

In Canada respondents report a big drop (more than 30%) in recruiting this year for both graduates and interns, but in general they expect this to level out next year.¹² Many students report that there has been substantial disruption of their academic studies as well as expressing concerns about their career prospects and financial situation.¹³ Some respondents were pessimistic about the future of the Canadian labour market with recovery expected to be slow.

Participants expect most graduate attraction activities to be delivered through a mix of face-to-face and online provision, but selection activities like interviews and assessment centres are expected to move online. University careers services are also moving many of their services online although over the long term they expect services to be delivered through a blended model.

Denmark

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓ ↓	↓ ↓ ↓	↓	↓	📺	📺	💬	📺	💬

Respondents report a big decline in the graduate market in Denmark this year. The decline is expected to continue, albeit at a slower rate next year. Respondents expressed concern that youth unemployment would grow as a result of the crisis.

While most campus recruitment activities are expected to be delivered in a blended way, respondents report that work experience and interviews are likely to return to face-to-face delivery.

¹² Statistics Canada. (2020). Work-integrated learning in the context of the COVID-19 pandemic. Retrieved from <https://www150.statcan.gc.ca/n1/en/daily-quotidien/200525/dq200525a-eng.pdf?st=lrjZeuTi>.

¹³ Statistics Canada. (2020). ImpactsoftheCOVID-19 pandemic on postsecondary students. Retrieved from <https://www150.statcan.gc.ca/n1/en/daily-quotidien/200512/dq200512a-eng.pdf?st=MyuzEKCL>.

England

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓ ↓	↓	↓	↓					

Respondents from England report a substantial decrease in intern and placement numbers and a smaller drop in graduate numbers this year. Next year it is anticipated that this decrease will continue at a slower rate. More detailed research provides deeper insights on graduate recruitment, but broadly supports these insights.¹⁴

Most campus attraction activities will either be delivered online or through a blended approach. Selection activities are likely to move online.

Finland

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓	↓ ↓	↓ ↓	↓ ↓					

Respondents from Finland report a decline in recruitment this year, with further decline expected for next year. Students are unlikely to be able to find work across the summer and many may choose to stay in education to delay their entry into the labour market.

Careers fairs and work experience are expected to be delivered face-to-face, but most other activities will be delivered through a blended approach.

Hong Kong

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓	↓ ↓	↓ ↓	↓ ↓					

In addition to the Covid-19 situation, Hong Kong has also seen a growth in civil unrest and political instability which has caused further problems in the market.

Respondents report a substantial decline in graduate recruitment in Hong Kong this year and expect this decline to be sustained next year.

¹⁴ Institute of Student Employers & AGCAS. (2020). *Covid-19: The impact of the crisis on student recruitment and development*. London: Institute of Student Employers.

Ireland

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓	↓ ↓	↓	↓					

Respondents from Ireland report a decline in recruitment this year, with further decline anticipated for next year. There is a lot of uncertainty about how serious and long term the impacts will be. If there is a recession and the virus persists there may be a need for serious structural reforms.

Careers fairs and work experience are expected to be delivered through a blended approach, but most other activities will be delivered online.

Italy

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓ ↓ ↓	↓ ↓ ↓ ↓	↓ ↓	↓ ↓					

Italy has been very badly hit by Covid-19 and unemployment in general has soared. Graduate and intern recruitment is down substantially this year and expected to fall further next year. Strong social distancing rules are requiring radical rethinking from businesses about how to operate. Many businesses are finding it difficult to respond quickly enough to the require changes.

The social distancing rules are still very strict meaning that most recruitment and careers activity will need to be delivered online next year. Universities are struggling to move all careers support online in time for the new academic year.

Malaysia

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓	↓ ↓	↓ ↓ ↓	↓ ↓					

Although the direct impact of Covid-19 has been limited in Malaysia, the economic impact has been marked with substantial job losses predicted.¹⁵ Recruitment has fallen this year and is expected to continue to fall next year. Some respondents anticipate that this will have

¹⁵ Bin Ammeran, M.Y. (2020). How Malaysia can thrive in the post-Covid-19 economy. Retrieved from <https://www.theedgemarkets.com/content/advertise/how-malaysia-can-thrive-in-the-post-covid-19-economy>.

a permanent impact on the graduate labour market in Malaysia and may shift the nature of the skills that employers are looking for.

Most recruitment activities are expected to be delivered through a mix of online and face-to-face approaches.

Netherlands

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓ ↓	↓ ↓	↓ ↓	↓					

In the Netherlands there have been substantial falls in recruitment with numbers expected to continue to fall next year. Respondents are concerned about a growth in unemployment and expect that it will be particularly difficult for some sectors such as tourism and hospitality.

Most recruitment activities are expected to be delivered through a mix of online and face-to-face approaches.

New Zealand

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓	↓		↓					

New Zealand has been much celebrated as one of the countries that have managed Covid-19 most successfully.¹⁶ Nonetheless, respondents report that there has still been an impact on the graduate labour market. Numbers have fallen this year with some sectors reporting worse falls than others.¹⁷ However, graduate hires are expected to level out again next year. Although some respondents anticipated that employers would be cautious going forwards and that it might take a while before the market began to grow again.

Most recruitment activities are expected to be delivered next year through a mix of online and face-to-face approaches.

¹⁶ Graham-McLay, C. (2020). New Zealand drops Covid-19 restrictions after nation declared 'virus-free'. *The Guardian*. Retrieved from <https://www.theguardian.com/world/2020/jun/08/new-zealand-abandons-covid-19-restrictions-after-nation-declared-no-cases>.

¹⁷ LawFuel. (2020). NZ law firms cut graduate programmes and law jobs amid pandemic panic. Retrieved from <https://www.lawfuel.com/blog/nz-law-firms-cut-graduate-programmes-and-law-jobs-amid-pandemic-panic/>.

Northern Ireland

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓ ↓ ↓	↓ ↓ ↓ ↓	↓	↑ ↑					

Respondents report a substantial decrease in graduate roles and internships this year. While the number of graduate roles are expected to continue to decline next year, there is hope that the number of internships will rally.

Most recruitment activities are expected to be delivered online.

Poland

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓ ↓ ↓	↓ ↓ ↓ ↓	↑	↑					

In Poland participants report a substantial fall in recruitment this year, but expect some growth next year. Respondents were optimistic that they would see a 'V-shaped' recession with a quick recovery. However, they also anticipate that homeworking is likely to become more common because of the crisis.

Most recruitment activities are being delivered through a mix of online and face-to-face activities. Employers are moving activities online, but most would prefer to deliver a blend of online and face-to-face as soon as this is possible.

Saudi Arabia

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓	↓ ↓	↓ ↓	↓ ↓					

Respondents report that graduate recruitment has fallen this year and is expected to continue to fall next year. However, in the medium- to long-term respondents anticipate that Saudi's oil wealth, with the aid of the government will drive a recovery.

Recruitment activities are expected to be delivered face-to-face or through a mixture of online and face-to-face delivery.

Singapore

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓	↓ ↓	↓	⚖️	💻	💻	🏠	🏠	💻

Respondents report that Singapore has had a moderate decrease in graduate recruitment. Some recovery is expected next year, but overall graduate numbers are expected to shrink again. The government has developed a support package to reskill and support unemployed workers.¹⁸

Many recruitment activities have moved online with others being delivered through a mix of online and face-to-face activities. Employers have been investing in reworking their recruitment processes in the light of Covid-19.¹⁹ Respondents expect that this trend of online hiring will continue into the future.

Slovakia

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓	↓ ↓	↓	↑	🏠	🏠	🏠	🏠	🏠

Respondents report that Slovakia has seen a moderate drop in recruitment numbers this year. Looking forward to the future they are hopeful that there will be some rallying next year, but overall graduate numbers are still expected to fall.

Recruitment processes are expected to be delivered through a mix of online and face-to-face processes.

South Africa

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓	↓ ↓	⚖️	⚖️	🏠	🏠	🏠	🏠	💻

Respondents anticipate a moderate drop in graduate and intern numbers this year, with numbers beginning to climb after that.

Most recruitment activities are expected to be delivered through a blend of online and face-to-face provision.

¹⁸ Skills Future SG. (2020). SGUnited jobs and skills package. Retrieved from <https://www.ssg-wsg.gov.sg/SGUnited.html>.

¹⁹ South East Asian Association of Graduate Employers. (2020). Covid-19's impact on graduate recruiting. Retrieved from <https://www.youtube.com/watch?v=l61oiUg6DI0&feature=youtu.be>.

United Arab Emirates

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓ ↓ ↓	↓ ↓ ↓ ↓	↑	↑					

Respondents report a substantial fall in recruitment this year following on from a recession that begun before the pandemic. However, they anticipate that the market will rally next year.

Most recruitment activities are moving online.

United States

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓	↓ ↓	↓	↑					

Employers have shifted their business practices to take account of Covid-19.²⁰ Respondents report that the US has seen a slight downturn in recruitment this year. Graduate numbers are expected to continue to fall next year, although there is hope that internships and placement numbers may rally.

Many employers are still figuring out a post-Covid approach to recruitment including imposing travel bans and switching to home working.²¹ Recruitment activity is expected to be delivered through a mix of online and face-to-face activities.²² A substantial minority of employers report that there has been a decrease in their recruitment budget.

Vietnam

Graduates 2020	Interns / placements 2020	Graduates 2021	Interns / placements 2021	Careers fairs	Other campus activities	Work experience	Assessment centres	Interviews
↓ ↓	↓ ↓	↓	↓					

Respondents report a decline in the volume of graduate recruitment in Vietnam. Numbers are expected to continue to fall at a slower rate next year.

²⁰ NACE. (2020). March Coronavirus quick polls. Final results summary. Unpublished.

²¹ NACE. (2020). Employer recruiting operations. NACE Covid-19 May quick poll. Unpublished.

²² NACE. (2020). Employer survey. April poll results. Unpublished.

3. Key trends

In this chapter we reflect on the findings from the countries to identify some global trends that are defining the relationship between Covid-19 and graduate recruitment.

Covid-19 matters everywhere and it matters to everyone

Covid-19 has made a global impact on the graduate labour market. All of the respondents to this survey described a negative change in the graduate labour market which they attributed to Covid-19. Even in countries where Covid-19 cases and deaths have been low the pandemic is making a difference to the economy and graduate recruitment. In countries like Australia, New Zealand which have managed the crisis well and have experienced few deaths there is still concern about longer term economic impacts. While some of the Asian countries have seen relatively few cases so far, but again are reporting that employers have concerns about the wider global impacts.

Covid-19 is impacting on everyone's lives across all the countries that participated in this research. As a result, it has become a big political issue with governments across the world intervening to address health concerns and support employment and the economy.

The graduate market mirrors problems in the wider economy

It may be obvious, but it is worth noting that graduate labour markets are part of the national labour markets within which they are situated. While graduates often escape the worst impacts of recessions, the size and health of the graduate labour market is tied up with the wider economy. The magnitude of the current crisis means that it is impacting on workers of all skill levels and is likely to be particularly difficult for those entering the labour market for the first time.

The linkages between the graduate labour market and the wider market are particularly illustrated by the way in which the experience of graduates is shaped by the sector in which they wish to work. Where more detailed data is available, as in the UK and Australia, the sectoral nature of impact of Covid-19 is particularly clear. Sectoral issues were also highlighted in the Netherlands. For example, the pandemic has been damaging for service industries like hospitality and tourism, while other sectors such as the health sector have grown. Trends in graduate recruitment have followed these wider trends.

In general the crisis has been bad for the whole economy. But, in every situation there are opportunities as well as problems and the balance of positive and negative is strongly structured by sectoral factors.

Graduate recruitment volumes are down and will not recover straight away

During 2020 many employers have taken the decision to delay or reduce the number of graduates that they are recruiting. This has led to overall numbers of jobs in the formal graduate labour market going into decline in all 21 countries that responded to this survey.

Looking forward to next year most respondents anticipate that the situation will continue to get worse. The majority of countries (15) report that the graduate labour market will continue to shrink next year. Most anticipate that the contraction of the graduate market will slow down (e.g. in the UK, Ireland, Denmark and the USA). However, only three countries

(Canada, South Africa and New Zealand) are anticipating that the market will stabilise and only three more are anticipating growth (Belgium, Poland and the UAE). Figure 3.1 provides a summary of these changes in the graduate labour market.

Figure 3.1. Summary of anticipated growth or shrinkage of the graduate labour market 2020-2021.

Change	So far in 2020	Expected in 2021
+ 30%<		
+ 15-29%		
+ 1-14%		Belgium, Poland, UAE
About the same		Canada, New Zealand, South Africa,
- 1-14%	Australia, England, Finland, New Zealand, United States,	Australia, Denmark, England, Ireland, Northern Ireland, Singapore, Slovakia, United States, Vietnam
- 15-29%	Hong Kong, Ireland, Malaysia, Saudi Arabia, Slovakia, Singapore, South Africa, Vietnam	Finland, Hong Kong, Italy, Netherlands, Saudi Arabia,
- 30%<	Belgium, Canada, Denmark, Italy, Netherlands, Northern Ireland, Poland, UAE	Malaysia

Uncertainty is the only thing that people are certain of

One of the biggest impacts reported by employers, universities and students is the loss of certainty and the normal narrative of how graduate transitions work. While employers and universities are dealing with the practical implications of the pandemic by putting social distancing measures in place and moving business and educational processes online, it is more difficult to deal with the uncertainty of the pandemic.

Uncertainty about the future was particularly highlighted by respondents from Ireland, but was a feature of many responses. In particular where there were multiple responses from a single country it was often clear that the experts did not agree. While for the purposes of this report we have averaged the responses, the diversity of views highlights the difficulty that some are having in anticipating what the future of graduate recruitment in their country might look like.

Working practices and business processes are changing and moving online

Covid-19 is impacting on work and the labour market in different ways in different countries, but there are some clear patterns in the ways that work is changing. Many firms are shifting business processes online, often at considerable cost. Social distancing has also increased the possibilities for homeworking and required big changes to working environments in those countries where people have gone back to work.

Within the graduate recruitment field this means that both attraction (on campus activities) and selection (interviews and assessment centres) are either moving wholly online or into a blended format combining online and face-to-face approaches. This shift was evident to some extent in all countries but was particularly clear in Belgium, Italy and the UAE.

It is not clear whether these changes are temporary or permanent. However, given the investment that employers have been making in new online processes it seems likely that at least some of these changes will endure beyond the current crisis.

Young people may prolong their time in education

Some countries (notably Australia and Finland) reported that because of problems in the labour market many students may prolong their time in education through postgraduate study. This decision is probably a wise one in the short term as it will allow students to avoid entering a very disrupted labour market. Graduating into a recession has a long-term impact on graduates earning potential which ensures beyond the immediate context of the recession.²³ However, whether the qualifications that they pursue will ultimately pay back the time and money that they have invested remains to be seen. For employers, this trend may mean that there is a glut in postgraduate qualified candidates emerging from universities over the next few years.

²³ Johnson, P. (2020). A bad time to graduate. Retrieved from <https://www.ifs.org.uk/publications/14816>.

4. Final thoughts

This survey provides us insights into the situation in graduate labour markets across the world. For UK readers it may provide some (cold) comfort. Yes, the situation in the UK is bad, but we are not alone. Most other countries around the world are experiencing some similar trends.

However, just because we are all in the same boat does not mean that it will not sink! The data supports the idea, advanced by international agencies like the IMF and the ILO that we are entering a serious global recession. There is probably nowhere to run for either firms or graduates where they can escape this recession. Furthermore the restrictions on mobility to control the pandemic, as well as a wider questioning of the wisdom of extended global supply and trade lines, further dampens down ideas that somewhere beyond the Covid-zone there is a land of milk and honey.²⁴ Graduates are likely to find that the opportunities to work overseas will reduce, at least in the short-term, and that they will have to find their way in contracting graduate labour market.

This means that the scope for individuals to manage their way out of the crisis will be limited. The next few years will see societal level changes in many countries. Unemployment is expected to rise, but government is also likely to become more interventionist, offering wage subsidies, employment scheme and other forms of support. Employers, careers professionals and students should anticipate that these kinds of changes may shift the way in which the graduate labour market operates.

Throughout all of this firms will continue to employ graduates and make use of their skills to drive their businesses forwards. Despite some worrying stories from all respondents, no one is saying that graduate recruitment will cease altogether in their country. The process by which graduate recruitment is conducted is likely to shift online, but the desire for firms to recruit graduates is unlikely to disappear. Indeed, it is possible to argue that in a period of challenge and change, when many old assumptions are being questioned, graduates will be needed more than ever.

²⁴ Du, J., Delis, A., & Douch, M. (2020). Coronavirus won't kill globalisation – but a shakeup is inevitable. Retrieved from <https://theconversation.com/coronavirus-wont-kill-globalisation-but-a-shakeup-is-inevitable-137847>.