

Press release: Embargo: Thursday 21 September 2017, 00:01

Apprenticeship growth outstrips graduate jobs, reports the Institute of Student Employers

- **19% increase in apprenticeships, 1% rise in graduate jobs**
- **6% rise in student hires overall**
- **Diversity replaces Brexit as top challenge for employers**

Companies are hiring more students overall this year with apprenticeship growth outpacing that of graduate jobs.

The Institute of Student Employers (ISE), formerly the Association of Graduate Recruiters (AGR), Annual Survey reports that employers increased graduate hiring by 1% to 20,614 graduates this year while the number of apprentices grew by 19% to 11,016.

The number of apprenticeships has grown to 54% of the volume of graduate jobs, compared with 44% last year.

Degree-level apprenticeships grew at the fastest rate (50%). However, the qualification is in its infancy and many courses are yet to receive government approval, so growth was from a relatively low base. Of the 11,016 apprentices, just 823 were degree level this year.

Growth is likely to slow down next year. Employers already hiring degree apprentices expect to increase their vacancies by 15% overall in 2018. An additional 18% of employers expect to start offering these opportunities next year.

The volume of interns recruited also increased, rising 3% to 6,833. Overall student hires rose by 6% in 2017 and median salaries for graduates increased 2% to £28,000. The median salary for degree apprentices was £17,802.

This year student employers see domestic challenges as bigger issues than leaving the EU. Improving diversity was cited as the biggest challenge for 2017, displacing Brexit from the top spot to eighth place.

An average of 43% of graduate hires, 44% of interns and 34% of apprentices are women, compared to the 54% of female university students. However, the diversity of student hires is improving. Employers with year-on-year data improved their average gender diversity by 5% and ethnic diversity by 2% in the space of three years.

Securing candidates also remains a challenge for businesses and competition is strong. Employers invest around £3,500 per hire to recruit graduates yet, on average, 10% of job offers are declined and 5% of offers are reneged.

Stephen Isherwood, Chief Executive of the ISE said: "Employers are offering more opportunities for students and a wider variety too, but competition is strong. A significant proportion of offers are turned down despite major efforts to find talent such as hiring

former interns and increasing salaries. Employers are also getting smarter about where they get their candidates from by making attraction and selection approaches much more inclusive.”

Ends

Media enquiries

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Notes to editors

ISE Annual Survey 2017

The ISE Annual Survey provides the most comprehensive picture of how employers recruit early talent and the state of the graduate and school leaver jobs market in the UK. The 2017 survey is based on the responses of 200 ISE members in the UK, representing a 65% response rate. These employers operate in more than 15 sectors and have more than 2.8 million staff. Survey information was collected via an online survey in July and August 2017.

About the Institute of Student Employers (ISE)

The Association of Graduate Recruiters (AGR) changed its name to the Institute of Student Employers (ISE) on 20 September 2017, reflecting a change in market and member needs since the organisation was established in 1968.

The evolution of the early talent recruitment market means that the ISE now represents employers of school leavers, interns, placement students and apprentices alongside graduates. As such, it is the recognised national voice for all UK employers involved in student recruitment. The ISE has more than 750 members from both the public and private sectors.

The ISE is an independent, not-for-profit organisation dedicated to supporting employers in all aspects of student recruitment and development.

For further information:

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