

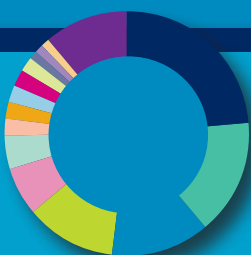
2015
9th edition

The official survey of graduate starting
salaries and recruitment trends

→
gradireland

GRADUATE SALARY & GRADUATE RECRUITMENT TRENDS SURVEY 2015

COMPARATIVE
ANNUAL DATA
ACROSS
SECTORS



% TRENDS IN
GRADUATE
ASSESSMENT



GRADUATE STARTING
SALARIES BY REGION
AND SECTOR

ANNUAL
VACANCIES BY
REGION AND
SECTOR



Research partner


trendence
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The gradireland Graduate Salary & Graduate Recruitment Trends Survey is brought to you by gradireland, a partnership between the Association of Higher Education Careers Services in Ireland and GTI Ireland

The Association of Higher Education Careers Services in Ireland is the professional association for careers services in higher education in Ireland, north and south. It fosters co-operation among the individual careers services, producing a range of careers publications for students and graduates.



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Students' preferred employers, sectors and career motivations, plus exclusive results specific to your organisation.



Data for the 2016 survey will be collected from January 2016. Please contact gradireland for further information.

Welcome

The gradireland *Graduate Salary & Graduate Recruitment Trends Survey* is an annual snapshot of graduate recruitment across Ireland. It is key to our central role of providing expert knowledge to graduate employers, careers services, students and graduates.

The main cohort of participants in this survey are employers with defined graduate programmes. This annual survey encompasses graduate employers of all sizes, across all major sectors of work and across all regions. It is essential reading for anyone employing or advising graduates.

Each year our sister company, trendence, also produces the trendence Ireland Graduate Barometer and the ranking of Ireland's 100 leading graduate employers. The support we receive from trendence ensures that gradireland products benefit from the most up-to-date and thorough research available on the market.

We would like to thank everyone who took part in the gradireland *Graduate Salary & Graduate Recruitment Trends Survey 2015* and wish you well for the year ahead.

Ruairi Kavanagh, Editor, gradireland

Foreword

From Brendan Baker, Chair, the Association of Higher Education Careers Services (AHECS)

The graduates of 2014/15 are entering a labour market which, while recovering, is still very challenging. Employers are demanding more from graduates so they can be as effective as possible, as quickly as possible, after joining an organisation. The gradireland *Graduate Salary & Graduate Recruitment Trends Survey* fills an important information gap for these graduates. It helps them to develop an understanding of their career prospects and of recruitment trends and potential earnings – all fundamental elements when making informed career choices.

Today's graduates are competing not just with each other, but also with graduates from other countries. We need to continue to keep informing students of the real employability demands of industry today. For employers, the information in this survey will be a key influencer in their graduate recruitment policy decisions and it has become an established and valued component of the graduate recruitment process.

AHECS is delighted to once again be involved in the survey through our gradireland partnership with GTI Ireland.

(See inside back page for further information about the Association.)

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Introduction

Welcome to the gradireland **Graduate Salary & Graduate Recruitment Trends Survey 2015**, the official survey of graduate starting salaries in the Republic of Ireland and Northern Ireland. This research is based on a study of over 100 leading graduate employers that was carried out by gradireland between December 2014 and March 2015. The research questionnaire and results were produced by our research partners trendence.

Now in its ninth year, the gradireland *Graduate Salary & Graduate Recruitment Trends Survey* is designed to provide employers and careers advisers with an up-to-the-minute picture of the graduate labour market in Ireland, including:

- starting salaries by region and sector for 2014/15
- changes in graduate intake between 2014 and 2015
- challenges in graduate recruitment
- attitudes and policies around work experience, internships and postgraduate qualifications
- criteria and standards for graduate recruitment
- overview of graduate induction, training and development best practices
- assessment of graduate skills for work.

This information is key to Irish companies when considering HR strategy, payroll, budgeting and benchmarking their position in the market.

The gradireland *Graduate Salary & Graduate Recruitment Trends Survey* will continue to play a pivotal role in helping to inform the graduate labour market. This is essential information for students and careers advisers and will help to support employers' recruitment activities and ensure that their graduate offering is competitive, while working within tight budgets.

Methodology

Development of the first gradireland **Graduate Salary & Graduate Recruitment Trends Survey** began in June 2006, following requests from employers for further information about graduate starting salaries and market trends.

This year's online survey was programmed in November 2014. The questionnaire itself is almost identical to that of the previous year to allow comparison in the two reports. It explores graduate development, candidate selection criteria and internships, in addition to the vacancy and salary questions included in the past. Before actually going through the online questionnaire, participants were provided with a paper copy to help them in the process of gathering the relevant information. The field phase lasted from 16 December 2014 to 12 March 2015. The survey was anonymous and while many respondents were willing to give their company details, some refrained from doing so.



The survey is designed to provide an up-to-the-minute picture of the graduate labour market in Ireland.

Following the field phase the data was cleaned and analysed to show results for the total sample, and vacancy and salary figures were investigated by region and job area.

The survey contained 40 key questions relating to graduate starting salaries, graduate intake, work experience and internship programmes, graduates' readiness for work, and recruitment selection criteria. The questionnaire was structured to allow the data to be filtered by both sector and region and allowed companies who recruit graduates into different sectors within their business or to different locations to include details specific to those sectors or regions.

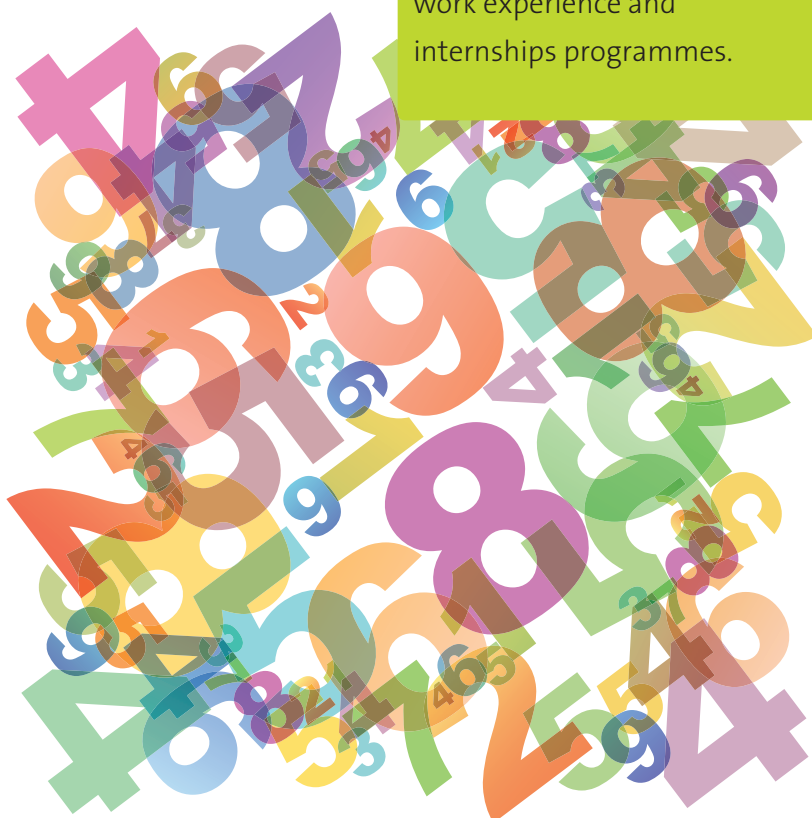
The median values for salary are calculated by using a weighted median. Rather than simply taking into account each employer's starting salary by region or job area, we consider salary in conjunction with the number of positions each employer has to offer. This way large organisations or organisations that employ hundreds of recruits are given a heavier weighting than a small enterprise that hires only a handful of new graduates each year.

The survey was hosted on the official graduate careers website gradireland.com and powered by our research partners trendence.

Graduate recruiters registered on gradireland.com were all contacted. To ensure an even spread of information on all sectors and regions, additional companies were contacted directly

by GTI Ireland staff. The survey was completely confidential, allowing companies to answer the questions openly, thus increasing the accuracy of the survey. The majority of respondents were employers who recruit graduates regularly, though not necessarily exclusively, in the Republic of Ireland and/or Northern Ireland.

Questions relate to graduate starting salaries, graduate intake, work experience and internships programmes.



Key findings

Continued strong growth in number of graduates being hired

Companies report increases in graduate intake in 2014, up 18% on 2013 figures.

Graduate salaries on the rise

Median graduate starting salaries up slightly on average, now €27,953.

Graduate recruiters very optimistic about future

Only 4.3% of those surveyed predict zero graduate hires in 2015.

Finance & IT are where most jobs are

Most of the available jobs were in Banking, insurance and financial services (32.3%), Accountancy and financial management (18.5%).

Internships continue to gain in popularity and value

85.7% of employers now offer internship programmes and 93.5% of these programmes are paid – with pay averaging €12,000.

Real growth in business behind majority of graduate recruitment

44% of businesses surveyed are reporting an actual growth in business as the reason for increasing graduate hires.

Video interviews now used by over a quarter of companies

At 25%, video interviews continue to grow in popularity. Online tests and psychometrics also increasingly used in the recruitment process.

Languages the main concern for graduate recruiters

In addition to seeking traditional soft-skills such as communication, the number one hard skill which recruiters feel graduates need is languages.

ired

management (15.7%) and IT and telecoms (14.2%).

ing between €1,400 and €1,599 per month.

itment

5
the recruitment process.

l is lacking in graduates is fluency in a foreign language.

Companies surveyed

Figure 2
Organisation's main business function

IT and/or telecoms	19.8%	(20.2%)
Engineering and/or manufacturing	14.9%	(14.1%)
Accountancy and financial management	9.9%	(15.2%)
Banking, insurance and financial services	9.9%	(17.2%)
Retail and sales	5.9%	(6.1%)
HR, recruitment and training	4.0%	(2.0%)
Science, medical, research and development	4.0%	(2.0%)
Investment banking and fund management	3.0%	(0.0%)
Law, legal services and patents	3.0%	(3.0%)
Logistics and transport	3.0%	(2.0%)
Hospitality, leisure, food, tourism	2.0%	(1.0%)
Public sector or voluntary sector	2.0%	(1.0%)
Construction, built environment and property	1.0%	(2.0%)
Management consulting	1.0%	(1.0%)
Marketing, communications, advertising and media	1.0%	(2.0%)
Other	15.8%	(11.1%)

2014 figures in brackets

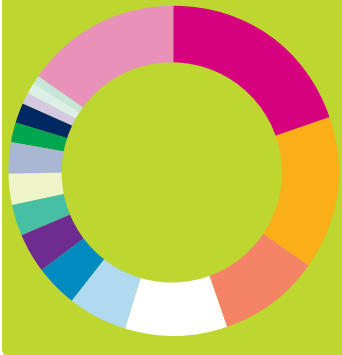


Figure 3
Company size

0–49	13.3%	(9.1%)
50–249	21.4%	(27.3%)
250–999	34.7%	(27.3%)
1,000–2,499	18.4%	(21.2%)
2,500–4,999	8.2%	(10.1%)
5,000–19,999	3.1%	(4.0%)
20,000+	1.0%	(1.0%)

2014 figures in brackets

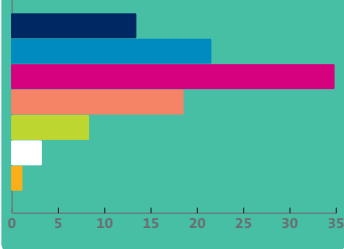


Figure 4
Company location

In the Republic of Ireland	70.4%	(75.8%)
Throughout Ireland	28.6%	(22.2%)
In Northern Ireland	1.0%	(2.0%)

2014 figures in brackets



Employers were asked:

- In total, how many people are employed by your organisation in Ireland, north and south?
- Where is your company located?
- What is your organisation's main business function?

Graduate recruitment in 2014/15

Let's take a look at what our survey revealed about the average annual graduate intake in 2014/15 and compare it to last year's feedback from employers so we can gain an insight into the development of the graduate employment landscape over the last year.

Building on the figures from last year, this year's survey shows continued strong growth in graduate intake and increasingly strong forecast for further growth in graduate employment. In last year's survey, the average number of graduates taken on by companies rose dramatically from the forecast the previous year of 12, to an actual average of 33. Those surveyed also predicted that this figure would hold for the 2014/15 survey. In fact it has risen again, to 39. (See Figure 6).

- Median number of vacancies predicted for 2014/15 (in 2013): 33
- Actual median number of graduates hired in 2014/15: 39

This figure is bolstered by an increase in the number of larger graduate intakes of over 40. This figure has risen from 19.6% last year to 23.9% this year. Between 3 and 20 remains the most popular intake, with 23.9% (26.8% in 2013/14) saying they would take on between 3 and 9 graduates, while 20.7% (20.6% in 2013/14) said they would take on between 10–19. Figure 6 also shows that the number of firms who predict recruiting zero graduates continues to remain very low, at just 4.3%, down from 5.2% in last year's survey.

Growth in graduate recruitment

Figure 6a overleaf shows the breakdown in vacancies across some major sectors, with strong growth in retail and sales, IT/telecoms, accountancy/financial management and banking in particular.

There is increasing business confidence and this is reflected in the reasons why companies are recruiting more graduates in 2014/15 than they were in 2013/14 (see Figure 10). In last year's survey, 37% said they had an actual increase in business, this year it is up to 44%. This operations-focused growth has come at the expense of a strategic focus on graduate recruitment, which is down from 39% to 30% while the amount of companies anticipating growth in business remains similar to last year at 14%. For those recruiting fewer graduates (see Figure 9), continuing improvement in retention rates is reflected in 52.6% citing this as a reason for needing to recruit fewer graduates, up sizeably from 29.6% last year. The continuing gradual improvement in the economic climate is evidenced in the fact that none of those surveyed said that their decision to recruit fewer graduates was as a direct result of the economic climate, down from 7.4% last year. There is still caution though, with 10.5% limiting graduate recruitment as an indirect result of the current economic situation.

Employers were asked:

- What was the total number of new graduates that your organisation recruited during 2013/14 recruitment campaign?
- What is the total number of new graduates that your organisation is expecting to recruit during the 2014/15 recruitment campaign?
- If 2014/15 vacancies figure is less than 2013/14: Why do you expect to recruit fewer graduates during 2015 than in 2014?
- If 2014 vacancies are higher than 2013: Why do you expect to recruit more graduates during 2015 than in 2014?
- Do you anticipate challenges in filling these vacancies?
- What challenges do you anticipate in filling these vacancies?

Challenges

There was a sizeable leap in the amount of companies predicting challenges in filling their graduate recruitment positions. In 2013/14 it stood at 33.7%, but this year it is almost half, with 49.5% saying they anticipate challenges filling their vacancies (see Figure 7). There are challenges in finding the right skillsets and matches, as evidenced in Figure 8, which illustrates which challenges recruiters anticipate while filling their vacancies.

Finding the right skillset remains challenging at 52.3% but this is down sizeably on last year's figure of 74%. Likewise, the amount of companies struggling to find candidates with the right qualifications is also down, from 51.6% to 45.5%. Challenges in specific geographical regions are up though, to 34.1% from 22.6% last year. In related data, a graduate's overall perception of a career in Ireland is viewed as a challenge by 11.4% of those surveyed, while an identical figure view graduate salaries not being competitive enough as a factor, this is down from 16% in last year's survey.

Figure 6
Vacancies 2013–2014

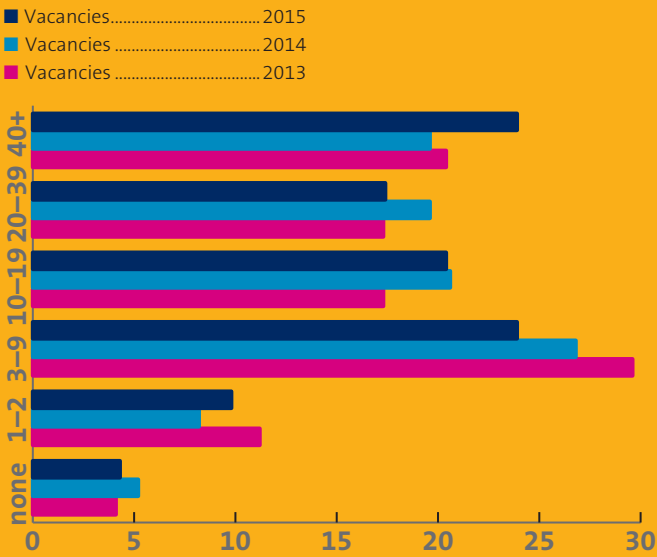


Figure 6a
Change in vacancies 2014 to 2015

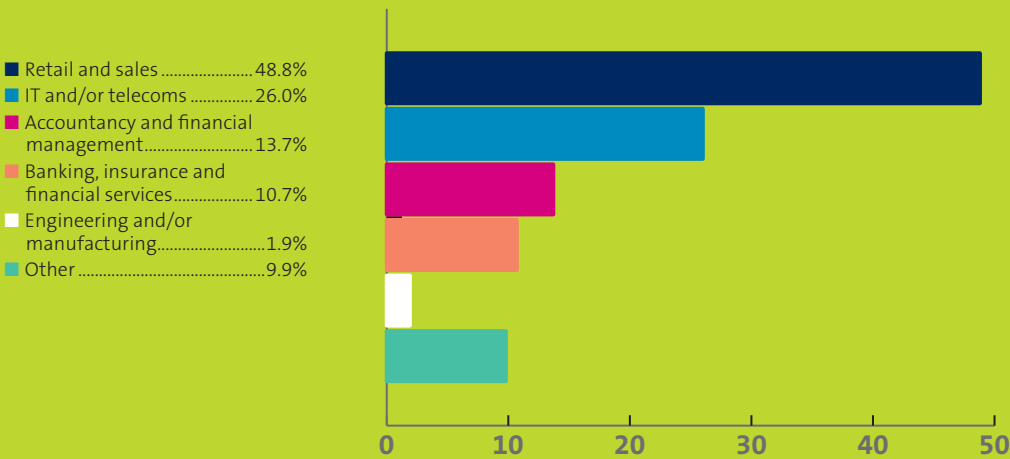


Figure 7

Challenge filling vacancies

- Yes49.5%
- No50.5%



Figure 8

Which challenges

- Not enough applicants with the right skills52.3%
- Not enough applicants with the right qualifications45.5%
- Challenges in specific geographical regions34.1%
- Graduates' perceptions of the industry sector29.5%
- Graduates' perceptions of careers in Ireland11.4%
- Graduate starting salaries not competitive enough11.4%
- Other20.5%

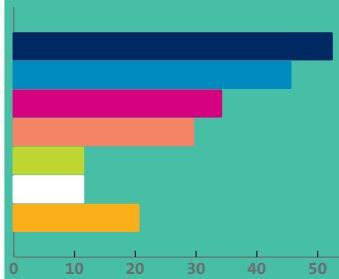


Figure 10

Why more recruits

- Actual growth in business44.0%
- Increased strategic focus on graduate recruitment30.0%
- Anticipated growth in business14.0%
- Higher recent turnover of staff2.0%
- Other10.0%

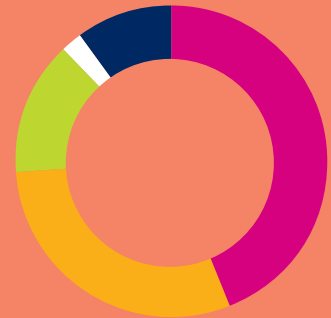


Figure 9

Why fewer recruits

- Improved retention rates52.6%
- As an indirect result of the current economic climate (cautionary measure)10.5%
- Lower strategic focus on graduate recruitment10.5%
- Other26.3%



Graduate recruitment in 2014/15

We looked at what employers across all sectors offer to graduate recruits. Companies may offer graduate opportunities in several different sectors, and organisations based across several regions may offer different salaries depending on location. In order to gain an accurate picture of what companies offer across region and sector, the gradireland Graduate Salary & Graduate Recruitment Trends Survey asked employers multiple questions.

For each vacancy type that a company recruits into, they were asked the average salary for that type of job, the number of vacancies they filled in 2014, and the number of vacancies they expected to have available in 2015. By combining this information we were able to analyse both the average graduate salary and the fluctuation in the demand for graduates. See pages 12–15 for variations within each region and sector.

Average starting salaries

There is a variance in terms of salary across various sectors and regions. 22.8% of graduates will earn less than €24,000 in their first year, with 14.8% earning less than €22,000, down from 12% in last year's survey. 20.5% can make more than €32,000, up from 19.6% last year.

In order to compare and contrast the 2014/15 results against other years, salaries were categorised into salary bands, with percentages calculated for each band, see Figure 11. By combining the salaries for all job types and regions, we identified the median starting salary. Building on the story of a consistent increase in graduate employment and

increased competition for the best talent amongst employers, the median predicted salary for the 2015/16 graduate intake is predicted to rise again, up to €28,332.

Median graduate salary bracket predicted for 2014/15=€24,000-€25,999

Actual median starting salary paid to graduates hired in 2014/15=€27,953

Predicted median starting salary for graduate hires in 2015/16: €28,332

Graduate expectations

Interestingly there has been a significant increase in the number of employers who believe that graduates have unrealistic expectations in terms of pay and conditions. Last year, only 16.3% held this view, but this year that figure has risen to 35.2% with 64.8% saying that they thought graduates were realistic with their expectations. This indicates that levels on expectation and anticipation are likely to be rising amongst the graduate population as the economic recovery continues to gather pace.

Employers were asked:

- What was the actual starting salary (excluding any weightings, allowances or bonuses) that was paid by your organisation to new graduates recruited during the 2014 campaign.
- What is the likely starting salary (excluding any weightings, allowances or bonuses) that your organisation will pay new graduates recruited during the 2014 recruitment campaign? (Salaries were given in either euro or sterling, whichever was most appropriate).
- Do you think that Irish graduates have realistic expectations in terms of pay and conditions?

Figure 11
Salaries 2012–2015



Sector and regional variations

This section looks at:

- the locations and career sectors with the most graduate jobs
- the locations and career sectors where graduates can expect the highest starting salaries.

Methodology

It is important to note that graduate opportunities are not necessarily related to a company's main business function. Whatever their main business activity, many employers, especially large companies, regularly recruit from across a number of different sectors. Modern retailers and investment banks take on as many IT graduates each year as they do graduates with business and finance qualifications, whereas many of the larger IT companies require engineers, marketers, sales people and accountants as well as IT developers.

Another point to remember is that graduates joining different functions

within the same organisation may start on different salaries. Therefore it was important for the gradireland Graduate Salary & Graduate Recruitment Trends Survey to assess graduate salaries not by degree but by business function. The survey was developed so that the results for average graduate salary and intake can be broken down by sector. Many companies now offer opportunities across Ireland at different locations, so the survey also investigated regional variations for the same job sectors. Employers were asked for separate responses for each location and business function.

The breakdown of the sectors was taken from the official categorisation used by the Association of Higher Education Careers Services in Ireland on the gradireland.com website.

Employers were asked:

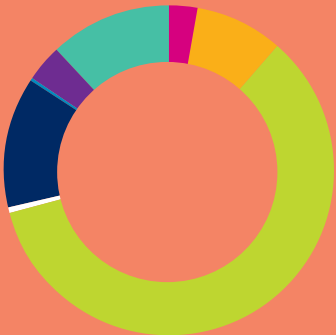
- What was the actual starting salary paid to graduates recruited during the 2012 recruitment campaign, broken down by geographical region (including any local weightings)?
- Please list the number of graduates recruited during the 2014/15 campaign to work in each of these geographical locations.
- Please list the number of graduates recruited during the 2014/15 campaign to work in each of these career areas.
- What was the actual starting salary paid to graduates recruited during the 2014 recruitment campaign, broken down by career area (including any local weightings)?

Figure 40a
Salaries in 2014 (by salary)

■ Connaught: €30,300	2.9%
■ Rest of the world (recruited from Irish offices): €28,000	8.5%
■ Dublin: €25,000	59.5%
■ Rest of Ulster: €25,000	0.4%
■ Munster €25,000	12.7%
■ Rest of Northern Ireland: €22,610	0.3%
■ Belfast: €21,500	3.8%
■ Rest of Leinster: €21,000 ...	11.7%

Figure 40b
Salaries in 2014 (by proportion)

■ Dublin: €25,000	59.5%
■ Munster €25,000	12.7%
■ Rest of Leinster: €21,000 ...	11.7%
■ Rest of the world (recruited from Irish offices): €28,000	8.5%
■ Belfast: €21,500	3.8%
■ Connaught: €30,300	2.9%
■ Rest of Ulster: €25,000	0.4%
■ Rest of Northern Ireland: €22,610	0.3%



Regional variations

The vast majority of graduate jobs continue to be located in Dublin in the 2014/15 survey, virtually the same as last year at 59.5% (60% in 2013/14). Second is Munster with 12.7% of available roles, up from 11.1% last year and third is Rest of Leinster at 11.7%. See Figure 40a. Figure 40b shows the starting salaries by location, with Connaught leading the way, as opposed to Dublin last year, with a median graduate salary of €30,300, up significantly from last year's €22,500 although the survey only showed it to have 2.9% of the jobs. Rest of World locations (recruited from Irish offices) had the

next highest median salary at €28,000 while Dublin came in third at €25,000, the same figure as last year, along with Munster.

Sectoral variations

The best paid jobs in the 2014/15 survey are in Investment, banking and fund management, at a very lucrative €53,550, although there are relatively few jobs proportionately at just 4.7%. Law, legal services and patents is the second highest at €37,000 (same as last year). See figures 39a and 39b. Banking, Insurance and financial services has the highest proportion of available graduate jobs in this year's survey, at 32.3%, up from 25.4% last year and

taking over from Accountancy and financial management. IT has 14.2% of available jobs, down from 17.3% last year but with salary increase up from €28,000 to €30,000. Retail and sales has continued its recovery from the economic crisis, with 7.5% of available graduate positions, up from 3.5% last year, and with a starting salary of €25,000. Construction recorded a slight increase in salary, up to €22,000 from €20,000 last year but remains stagnant in terms of proportion of graduate jobs at a very small 0.6%. Areas like Public Sector, marketing, advertising and media and HR Recruitment & Training retained growth and salary levels very similar to last year's results.

Figure 39a

Starting salaries and percentage of jobs sorted by career area

	Median Salary 2014	Percentage of jobs 2014
Accountancy and financial management	€22,500	15.7%
Banking, insurance and financial services	€24,000	32.3%
Construction, built environment and property	€22,000	0.6%
Engineering and/or manufacturing	€32,000	7.4%
Hospitality, Leisure, Food, Tourism	€24,000	0.4%
HR, recruitment and training	€23,000	1.1%
Investment banking and fund management	€53,550	4.7%
IT and/or telecoms	€30,000	14.2%
Law, legal services and patents	€37,000	2.7%
Logistics and transport	€25,000	0.5%
Management consulting	€31,000	5.5%
Marketing, advertising and media	€28,000	2.3%
Public sector and voluntary sector	€25,000	0.5%
Retail and sales	€25,000	7.0%
Science, medical, research and development	€31,500	1.2%
Other	€31,200	4.0%

Figure 39b

Starting salaries and percentage of jobs sorted by pay

	Median Salary 2014	Percentage of jobs 2014
Investment banking and fund management	€53,550	4.7%
Law, legal services and patents	€37,000	2.7%
Engineering and/or manufacturing	€32,000	7.4%
Science, medical, research and development	€31,500	1.2%
Other	€31,200	4.0%
Management consulting	€31,000	5.5%
IT and/or telecoms	€30,000	14.2%
Marketing, advertising and media	€28,000	2.3%
Logistics and transport	€25,000	0.5%
Public sector and voluntary sector	€25,000	0.5%
Retail and sales	€25,000	7.0%
Banking, insurance and financial services	€24,000	32.3%
Hospitality, Leisure, Food, Tourism	€24,000	0.4%
HR, recruitment and training	€23,000	1.1%
Accountancy and financial management	€22,500	15.7%
Construction, built environment and property	€22,000	0.6%

Figure 39c

Starting salaries and percentage of jobs sorted by proportion of jobs

	Median Salary 2014	Percentage of jobs 2014
Banking, insurance and financial services	€24,000	32.3%
Accountancy and financial management	€22,500	15.7%
IT and/or telecoms	€30,000	14.2%
Engineering and/or manufacturing	€32,000	7.4%
Retail and sales	€25,000	7.0%
Management consulting	€31,000	5.5%
Investment banking and fund management	€53,550	4.7%
Other	€31,200	4.0%
Law, legal services and patents	€37,000	2.7%
Marketing, advertising and media	€28,000	2.3%
Science, medical, research and development	€31,500	1.2%
HR, recruitment and training	€23,000	1.1%
Construction, built environment and property	€22,000	0.6%
Logistics and transport	€25,000	0.5%
Public sector and voluntary sector	€25,000	0.5%
Hospitality, Leisure, Food, Tourism	€24,000	0.4%

Internships, work experience and postgraduate qualifications

This section of the salary survey reports on how employers rate work experience and internships in terms of the programmes they offer and what they pay those undertaking such programmes. We also report on the level of importance which employers place on postgraduate qualifications and how this compares with the importance accorded to experience in the workplace.

Work experience and internships – continuing increase in popularity

Internships and work experience has now become accepted as an indelible part of the graduate work landscape and this has been reflected in the research both this year and in years past. Companies use these programmes as one of their key strategic channels to source and nurture talent at an early age, particularly during the economic hardships of recent years, when work experience and internship schemes continued to allow employers to interface with graduate talent at a time when recruitment for permanent positions was often at a very low level, or frozen entirely.

This year's results shows that the number of employers offering work experience/internships is up (figure 14) from 81.1% to 85.7%, continuing the trend of companies realising the strategic necessity of these programmes and the importance which students and graduates place on getting the right experience. 42.3%

of employers said that they planned to increase the number of work placement opportunities in 2015, up from 35.5% last year, with only 2.6% saying they had any plans to reduce the number of placements on offer (figure 16).

It is also interesting to evaluate the range of applicants which these programmes cater for. In new research this year, we can reveal that the majority of companies run their programmes for students still in university. 47% said their programmes were for undergraduates still studying, while just 9 % said they were only targeting graduate job-seekers. 44% said they were targeting both with their work experience/internship offerings, which shows the advantage that pre-graduation working experience can have for students over waiting until after they graduate before seeking experience (figure 14a).

Last year, gradireland reported that 89.6% of employers paid for work experience, this year this has risen to 93.5% 89 (figure 15a).

In further good news for those seeking experience, the average level of pay for student internships continues to rise, in line with recent years. In both the 2013 and 2014 research, the median reimbursement was between €1,400–1,599 per month. This year, that has risen to between €1,600–1,799, with 37.3% of employers offering pay within this range. Interestingly, and further good news for those seeking experience, the amount of low-pay

Employers were asked:

- Do you offer work experience/internships? (Figure 14)
- Do you expect to increase the number of work placement opportunities offered in 2015? (Figure 16)
- Do you run internship programmes or work experience placements for undergraduates still studying/graduate job seekers/both? (Figure 14a)
- Do you pay students on work experience/internships? (Figure 15a)
- How much do you pay students on work experience/internships? (Figure 15b)
- Have you participated in, or do you intend to participate in, the government's JobBridge internship initiative to fill work placement vacancies? (Figure 17)
- When considering applications from graduate candidates, to what do you apportion more value: Relevant work experience/postgraduate qualifications/both equal/neither? (Figure 18)

internships remains at very low levels. Two years ago, 24.5% of companies reported paying less than €1,000 for their internship programmes, last year that fell to 4.7% and this year remains at the very similar level of 5.1%. In figures similar to last year, 8.5% of employers are paying over €2,000 per month. (Figure 15b).

JobBridge – the National Internship Scheme

As the economic recovery throughout Ireland continues to gather pace, the number of graduate employers availing of the National Internship Scheme continues to decrease. In 2013, 52.1% of employers surveyed planned to utilise the scheme. This was down to 46.1% in 2014 and this year, it fell further to 36.4% (Figure 17).

The value of postgraduate qualifications

The true value which a postgrad qualification brings to a job-seeker and an employer is often judged through

the prism of how it adds to his/her levels of employability. In best case scenario it is neither a postgraduate qualification nor work experience that makes the candidate more attractive, but a mixture of both. Exactly mirroring last year's figure of 53.3%, employers view both as equal when considering applications. However, last year 22.8% of those surveyed said they would accord more value to work experience, this year that has risen to 28.9%. Also, in 2014, 17.4% said they would value postgraduate qualifications more, but that fell this year to 10% (Figure 18).

The value of postgraduate qualifications can also be very sector specific. For certain technical and scientific areas, they are a necessity, often up to and including PhD level. A successful further study programme will include elevated learning, but will also include a student learning work-related, transferable skills such as communication, motivation, time management and research and presentation skills.

Figure 14a
For whom are programmes?

- Undergraduates still studying47%
- Graduate job seekers 9%
- Both44%



Figure 18
Considering applications

- Relevant work experience. 28.9%
- Postgraduate qualifications 10.0%
- Both equal 53.3%
- Neither 7.8%



Figure 14

Work experience

■ Yes 85.7%
■ No 14.3%



Figure 15a

Paid work experience

■ Yes 93.5%
■ No 6.5%

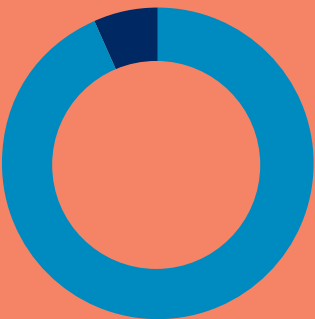


Figure 17

Participate in JobBridge

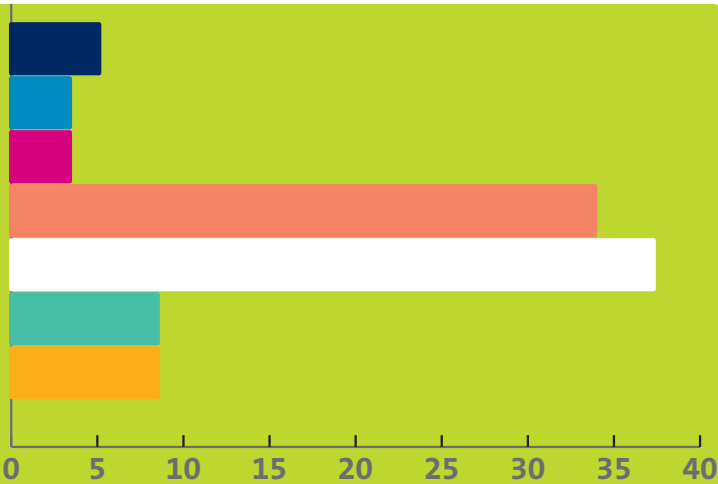
■ Yes 36.4%
■ No 63.6%



Figure 15b

Paid per month

■ €1,000–€1,199 3.4%
■ €1,200–€1,399 3.4%
■ €1,400–€1,599 33.9%
■ €1,600–€1,799 37.3%
■ €1,800–€1,999 8.5%
■ More than €2,000 8.5%



Application, selection and assessment

How companies are selecting candidates

What employers are looking for in applications, and how they operate their selection processes, reflects the market in which they are operating, and the levels of competition they are experiencing for key positions. The demand for minimum entry criteria when recruiting for graduate positions continues to be highly valued by the majority of recruiters surveyed, (see figure 20.) The demand for core competencies continues to rise with 66.3% (65.2%) according to them most value, building on the trends of recent years as employers seek base employability skills upon which to build employees who can deliver rapidly on entry to the company.

Dovetailing with the core competencies is the employers' desire for a strong level of academic achievement, with over half of employers, 52.8%, seeking candidates with a 2.1 degree or above. Companies are also predominantly seeking those who have studied specific degree courses, though this is down from 64.4% in last year's survey to 52.8% in this year's results. This shows the 'package' that employers are looking for, core skills backed up by appropriate qualifications. However, experience of the working world is also increasingly in demand, in line with the trends reflected in our results on work experience and internships, with 27% of those surveyed saying that

applicants must have had relevant work experience, up from 21.1% last year.

The quality of applications received by employers seems to be on a broadly similar level than last year (see figure 21a) but in a positive trend, only 2.4% felt that applications were of a lower standard than those last year, when the same figure stood at 9.9%. 74% felt that the quality was the same as those received last year, up from 67%, while 23% felt they were of a higher standard, the same as last year.

Pre-screening processes and applications

Employers increasingly see online application forms as the preferential method of accepting applications, with 54.5% opting for this process, in line with last year's 57.1%. The remainder (45.5%) still use the more traditional CV and covering letter method. (See figure 21c)

While the trends in terms of application methods remain broadly similar, the methods which employers use to screen applicants continue to evolve more fluidly (figure 21e), particularly in terms of video interviews which allow recruiters to maximise efficiencies and also to judge a candidate's effectiveness in a virtual environment. Over a quarter of companies surveyed now use this method, which has increased in popularity from 16% last year and just 6% the year before.

Employers were asked:

- Does your organisation use any of the following as minimum entry standards or criteria for your graduate applications? (Figure 20)
- How do you think the quality of applications that you have received in 2014 compares with those received in 2013? (Figure 21a)
- Which application methods has your organisation used during 2014? (Figure 21c)
- Which of the following pre-screening processes did your organisation use in 2014, in addition to application form or CV? (Figure 21e)

Over a quarter of companies surveyed now use video interviews, which has increased in popularity from 16% last year and just 6% the year before.

Figure 21a

Application quality

- Applications were generally of a higher standard than last year 23.5%
- Applications were of a similar standard to last year..... 74.1%
- Applications were generally of a lower standard than last year 2.4%

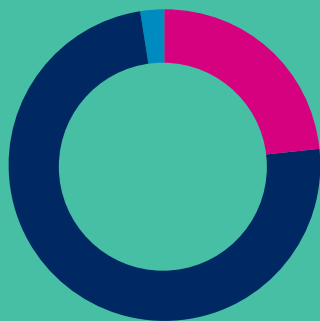


Figure 21c

Application methods

- Online application form..... 54.5%
- CV and covering letter 45.5%



Figure 21e

Pre-screening process

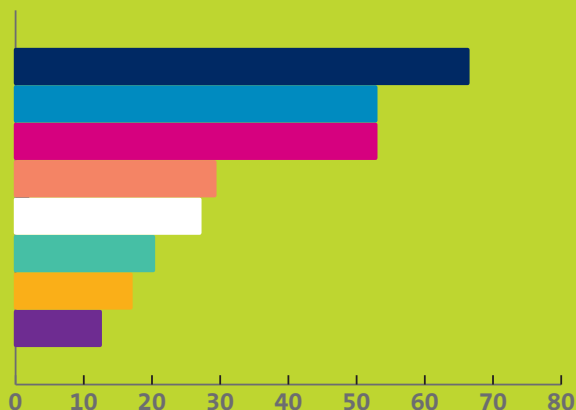
- Telephone interview 68.0%
- Online psychometric tests 29.3%
- Video interview..... 25.3%
- Online ability/technical tests 22.7%
- Other 16.0%



Figure 20

Selection criteria

- Applicants must demonstrate certain core competencies 66.3%
- Applicants must have or expect a 2.1 or above 52.8%
- Applicants must have studied specific degree courses 52.8%
- Applicants must pass psychometric or other in-house testing 29.2%
- Applicants must have had relevant work experience 27.0%
- Applicants must have or expect a 2.2 or above 20.2%
- Applicants must have a certain level of CAO/ UCAS points/ tariff 16.9%
- Applicants must have studied at particular universities/ colleges 12.4%



Graduate development

There is considerable pressure on recruiters to ensure that new entrants to their organisation make an impact as soon as possible and start delivering results. As a result companies continually evaluate and assess how they deliver their graduate recruitment programmes and how they can be modified and enhanced to produce a strong return on investment.

Results driven performance analysis is vital, which is reflected in the growing value which employers place on work experience. This section looks at how organisations measure the success of their graduate recruitment programmes and who measures and evaluates that success, as well as the support structures most commonly implemented.

Measuring success

60% of those surveyed formally assess their graduate recruitment programmes, the same as last year. The amount who do not assess them has dropped to 16.9% from last year's 20.4% while an increasing amount (23.6%) do not operate formal programmes.

Formal feedback is still the most popular method of measuring the success of graduate recruitment and development programmes (Figure 23). Two years ago, formal feedback was favoured by 92% of companies, last year that figure stood at 86.3%; this year it is virtually the same at 86.8%. Performance measurement or appraisals was increasingly popular in

2014/15, up to 81.1% from 78.4% while retention rates were third most popular at 69.8%. Formal feedback from graduates themselves was less popular amongst this year's respondents, down from 80.4% to 67.9%. Some of this could be attributed to the growing importance of tracking a graduate's progress during the early years of their career as a measurement of success, the popularity of which is up from 45.1% to 50.9%.

Interestingly, Graduate Programme Managers (54.7%) have emerged as the most popular reviewers of the success of the programme, in previous years our research found it was the Line Manager (also at 54.7%) or HR Manager (down from 61.5% to 52.8%) who was responsible for this (see Figure 24). This indicates a much greater focus on maximising the value of graduate programmes through a management resource solely dedicated to this function.

Graduate support

Induction programmes play an important role in on-boarding new graduate recruits. These last an average length of nine days, up from seven in last year's research. In terms of the methods of supporting graduates in the company (Figure 25), most organisations continue to favour a blended approach of mentoring and coaching, with an increasing amount implementing a 'buddy' system to help graduates.

Employers were asked:

- If you formally measure the success of your graduate recruitment programmes, which of the following measurement methods do you use?
- Who in your organisation reviews the measures of success?
- Which of the following are used to support your graduate trainees while on the programme and how would you rate their effectiveness?

The popularity of induction programmes continue to grow, with 94.4% offering these programmes, an increase on last year's 91.2%, with an average length of nine days, up from seven in last year's research.

Figure 23

Method of measurement

- Formal feedback from managers 86.8%
- Performance measurement/appraisal 81.1%
- Retention rates 69.8%
- Formal feedback from the graduates 67.9%
- Tracking of graduates' progress through the early years of their career 50.9%
- Achievement of professional qualifications 43.4%

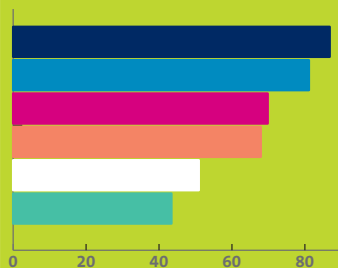


Figure 24

Who is responsible for review of success?

- HR Director 35.8%
- HR Manager 52.8%
- Chief Executive 9.4%
- Board of Directors 11.3%
- Line Manager 54.7%
- Graduate Programme Manager 54.7%
- Other 9.4%

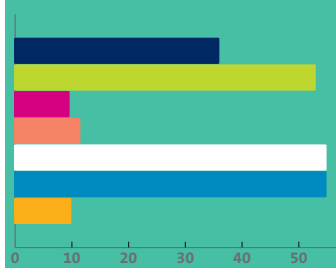


Figure 25

Method for supporting graduate trainees

	not effective -2	-1	indifferent 0	1	very effective 2
Mentors	2.1%	2.1%	8.3%	33.3%	54.2%
Buddies	2.2%	6.7%	20.0%	35.6%	35.6%
Coaches	2.4%	0.0%	26.8%	36.6%	34.1%
Line managers	0.0%	2.0%	8.2%	32.7%	57.1%
Graduates' own support network	2.1%	4.2%	14.6%	35.4%	43.8%

Respondents were asked to rate effectiveness on a 5 point scale from not effective (-2) to very effective (+2).

Graduate skills for work

Identifying the gaps

Much has been written about the skills 'gap' between those skills obtained by graduates and those needed by industry. The first step to addressing this shortfall is acknowledging it exists and driving the 'employability' agenda forward. If students are aware of the perceived gaps in their skills, then those that seek to remedy these gaps will make themselves highly employable. This section will examine:

- The areas where organisations feel there is a shortfall in the Irish graduate skills set in hard, soft and knowledge based skills
- Future skills needs and sectors for graduate job growth

Soft skills, the everyday people skills that make people deliver, are often the areas where employers feel that graduates are lacking. Looking at Figure 34, we can see that communication remains the fundamental soft skill that over half of employers surveyed feel is lacking. At 52.3% it is up from last year's 43.2%. Lack of confidence is also an issue, up from 24.7% to 33.7% and a lack of analytical skills is also up, from 17.3% to 27.9%. Other major areas identified include learning management (27.9%), motivation (26.7%) and the ability to work independently (24.4%).

As a method of addressing these areas (Figure 37), 73.9% of employers identified obtaining an internship or industrial placement as being a very effective way of doing so. The most effective measure by far, like last year's

survey. Other very effective methods included gaining international experience (42.7%) and taking part in student competitions (32.2%), such as the gradireland National Student Challenge. This last factor points to the increasing importance of 'early engagement' with students in their college studies, to promote employability skills at a far earlier stage and as a result work towards bridging any future skills gaps.

In terms of hard skills (Figure 35), lack of fluency in a foreign language is now recognised by 43% of employers surveyed as the number one hard skill shortfall; this is up markedly from 26% last year. The lack of language skills, and the demands of Ireland's globalised economy for same has been the driving force of the gradireland Languages agenda, supported by AHECS and the Higher Education Authority (HEA). To date this agenda has seen two language fairs take place, a careers with languages sector guide published and video content created to raise awareness of fluency in a foreign language as a key employability trait. Lack of leadership was cited by 32.9% of employers and writing skills by 20.4% as lacking in their graduate recruits.

When it comes to specific knowledge deficits (Figure 36), IT skills continues to lead the way like last year, with 48.3% identifying technical computing skills as a problem amongst graduate hires. Mathematics at 26% was the next most prevalent, while 20.7% felt that the calibre of knowledge

Employers were asked:

- Where do you see the greatest shortfalls among new recruits in terms of:
 - Shortfall in soft skills
 - Shortfall in hard skills
 - Shortfall in knowledge areas
- How do you rate the following methods by which graduates can improve their soft skills?

in the engineering sphere was not what was required. Considering the drive toward a 'smart economy', as identified by Government, and the major roles which IT, numeracy and engineering play within the global economy, it is clear that there is plenty of work to be done in order to address the real skills needs of industry.



The lack of fluency in a foreign language is now recognised by 43% of employers surveyed as the number one hard skill shortfall.

Figure 35

Shortfall in hard skills

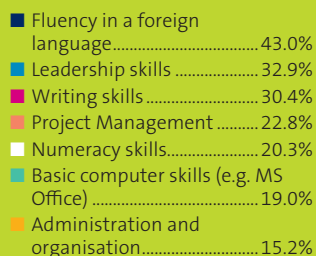


Figure 36

Shortfall in knowledge areas

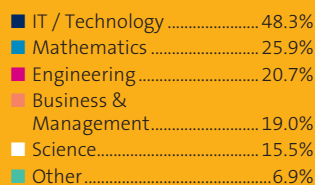


Figure 37

Methods by which graduates can improve their soft skills

	not effective -2	-1	indifferent 0	1	very effective 2
Completing an internship or industrial placement	0.0%	2.2%	3.3%	18.9%	75.6%
Gaining international experience (study or working abroad)	0.0%	2.2%	15.7%	39.3%	42.7%
Taking on a leadership position in a student society	0.0%	2.2%	18.9%	46.7%	32.2%
Competing in student competitions eg National Student Challenge, Leaders of tomorrow etc	3.4%	5.7%	21.8%	43.7%	25.3%
Carrying out team-based exercises at university	0.0%	1.1%	16.7%	60.0%	22.2%
Undertaking skills workshops run by the careers service	2.3%	10.2%	21.6%	48.9%	17.0%
Taking part in team-based sports at university	0.0%	3.4%	19.1%	60.7%	16.9%

Respondents were asked to rate effectiveness on a 5 point scale from not effective (-2) to very effective (+2).

Future skills needs

For the 2015 **gradireland Graduate salary & Graduate Recruitment Trends Survey**, we also asked Ireland's graduate employers what they thought would be the trends during the next five years, in terms of jobs growth and the core skills base which they would be looking for in successful graduates.

Sectors for graduate job growth

The growth of long established areas and the emergence of new areas of opportunity make for an increasingly diverse range of employment opportunities for graduates. Biotechnology, cloud computing, data analytics and EMEA language skills make the list, as do more traditional sectors; accountancy, audit, consulting, corporate finance and engineering. Teaching and education is also predicted to continue resurgence.

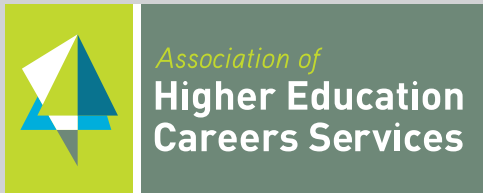
Key skills for these jobs

As our 'gap analysis' on the previous pages of the skills that graduates are lacking shows, IT is something which any graduate will always need, whatever the discipline. Virtually all businesses now have tech-focused systems, requiring the core skills, but also the flexibility and agility to adapt to today's more dynamic business environment.

Experience, leadership, communication, project management and flexibility all are prominent on this year's list, added to hard skills like languages and technical specialities such as Java script, robotics and a STEM related degree. Employers are looking for independent thinkers, who have skills combinations. For those in the sales and business sector, a second language is becoming more and more of an essential. The ability to communicate, whether it be personal communication, or an ability to connect fluidly online with colleagues, clients and customers are also valued traits, allying soft and technical skills which are very much in demand by employers.



Experience, leadership, communication, project management and flexibility all are prominent on this year's list.



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The gradireland Graduate Salary & Graduate Recruitment Trends Survey provides a snapshot of the current graduate recruitment market and salaries, along with year-on-year comparisons by sector and region as well as a guide to future trends.

Information about starting salaries, graduate intake, selection criteria and the application and screening process is key to Irish companies when considering HR strategy, payroll structure and budgets.

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