



COVID-19 and Social Mobility Impact Brief #5: Graduate Recruitment and Access to the Workplace



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KEY FINDINGS

- Opportunities for young people to get experience of the workplace have been impacted considerably by the COVID-19 crisis. Many firms who previously offered internships or work experience placements have cancelled them, with just over three fifths (61%) of employers surveyed cancelling some or all of their placements. Only about a third of firms continued all their usual placements either in person or online.
- The impact on internships and other placements is set to last beyond the immediate crisis. Almost half (48%) of organisations surveyed think there will be fewer of these opportunities in their businesses over the next year.
- Small and medium sized enterprises (SMEs) were the most likely to have cancelled internships and work experience placements, with 49% doing so, compared to just 29% of larger employers.
- Research from previous economic downturns suggests the current economic crisis is likely to have a considerable impact on young people entering the job market this year. However, so far, the pandemic appears to have had a mixed impact on employers' plans for graduate employment going forward. While a sizable proportion of the graduate employers surveyed said they are expecting to hire fewer (33%) or no (6%) graduates over the next year, 27% anticipated hiring more.
- Current undergraduate students are however already feeling the impact of the crisis. 46% said the pandemic has had a negative impact on their ability to gain graduate employment; including 18% having had work experience placements cancelled or postponed, 15% citing reduced access to their university careers service, 11% having interviews cancelled, and 4% having a job offer withdrawn.
- With far fewer opportunities likely to be available in the workplace in the aftermath of the pandemic,

promoting social mobility and fair access to those that remain will be more important than ever. Encouragingly, just under a third (29%) of the employers surveyed said social mobility and socio-economic diversity would be more of a priority in the next two years in the aftermath of the pandemic, although a small proportion (11%) said it would be less of a priority for them due to the crisis.

- Employers outside of London were considerably less likely to say that social mobility would be more of a priority for their sector going forward (22% compared to 48% of London-based employers). However, this may in part be explained by an over-representation of larger employers in London, with 43% of larger employers overall saying so compared to just 24% of employers surveyed from SMEs.
- Employers surveyed were mixed on whether the pandemic will make it easier or harder for their sector to take action on social mobility. Almost a quarter (23%) said it would make taking action on social mobility in the workplace more difficult, with just under half (49%) saying it would have no impact.
- Due to the pandemic, the majority of students have had a prolonged period of time outside of education this year, with the largest impacts felt by those from the poorest backgrounds. Employers surveyed were divided on whether firms would take time missed from education into account in any future hiring decisions. A sizeable proportion of employers (44%) said employers in their sector were likely to do so, however a similar proportion (42%) said they were unlikely to.
- Over half (54%) of larger employers said others in their sector were likely to take time missed from education into account, compared to just 41% of employers in SMEs. Employers inside of London were more likely to think others in their sector would take this into account.

INTRODUCTION

The COVID-19 pandemic has already had a considerable impact on Britain's job market. Job vacancies have reduced by 65% compared to the same period last year,¹ with thousands of jobs already lost,² and just under a third of businesses planning to cut the size of their workforce in the next three

months.³ The Office for Budget responsibility has predicted that overall unemployment (which stood at 3.9% between March and May this year) could rise to as high as 13% in the wake of the crisis;⁴ considerably higher than following the 2008 recession, when it reached a high of 8%.⁵

Young people entering the job market this year are likely to be particularly badly hit,⁶ with youth unemployment following the 2008 recession twice that of the overall unemployment rate.⁷ The Resolution Foundation estimate an additional 640,000 18 to 24 year olds could find themselves unemployed this year,⁸ with young people claiming out of work benefits